

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

9:00 a.m. Wednesday, June 19, 2013 at our La Mesa Office, 521 St. Valentine St, La Mesa

Agendas are final 36 hours prior to the meeting and may be obtained at any LRGPWWA Office—call 575-233-5742 for information

- I. **Sign in, Roll Call to Establish Quorum, Call to Order** Sign-in sheet and agenda are attached. Directors present were Chairman Robert “Marty” Nieto (District 5), Director Furman Smith (District 7), Director Mike McMullen (District 6), and Director Cali Tellez (District 3). 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. Absent were Vice-Chairman John Holguin (District 4) and Secretary Santos Ruiz (District 2). Also present were Dr. David D. Garcia (Dona Ana Commissioner), Ray and Heather Avelar, Javier Medina, Jose Evaro, Matt Dyer (PSC) Tiffany Goolsby, Sean Hicks, Aaron Garcia, Stephen Leary, Robert Nava, Josh Smith (attorney), Arturo Uribe, Johnny Lechuga, Espy Holguin (HUD) and Manuel Garcia. With a quorum established the meeting was called to order by Mr. Nieto at 9:01 a.m.

- II. **Pledge of Allegiance** {:21}
Ms. Nichols asked that the roll-call be repeated for the recording {:58}

- III. **Approval of Agenda** Mr. Tellez was concerned that the absent directors should be present for the adoption of some of the resolutions. Mr. Nieto said they could take Mr. Martin Lopez’s advice as the agenda progressed. Mr. Smith moved to approve the agenda. Mr. McMullen seconded the motion and it carried 4–0. {2:05}

- IV. **Approval of Minutes of 5/15/2013** Mr. McMullen moved to approve the minutes of 5/15/2013, Mr. Smith seconded the motion and it passed 4–0. {3:51}

- V. **Guest Presentations—Johnny Lechuga and County Commissioner Dr. Garcia** Mr. Johnny Lechuga explained that in their cluster of nine homes, three wells had gone dry. The issue is the agricultural pumping. A recent farm well drilled in the vicinity is 300ft deep with a 12-inch water line. He asked for help from the Board and Authority.
Dr. Garcia recounted an amusing story about working together. He had contacted local legislators and asked the Board’s advice on the cost of running water lines and funding sources. An engineer’s cost estimate and some photos were projected for the Board
Mr. Martin Lopez had a construction assessment (attached) drawn up for running the water lines (projected with photos) and hook-ups for this cluster of homes. The construction alone is estimated to be \$172,119.92. Additional costs would be for design, project administration by an engineer as well as inspection costs. He then went on to explain that most federal funding agencies would require an engineering report (approximately \$50K) before granting any funds. He also cautioned the Board that when the Authority applied for grants and/or loans the granting/loaning agency questions the Authority’s minimum water bill charge.
He explained the following funding sources:
A Community Development Block Grant (CDBG) through HUD would be a 100% grant totaling \$500,000. Those applications that come closest to a \$500K total would have priority which would mean that the Authority would have to put together several smaller projects to approach the \$500K mark. The funds are competitive first at the county and then at the state level and County needs could pre-empt any other applications. Application would depend on Dona Ana County having met threshold by closing out their last CDBG grant. There have been previous conversations with HUD and DFA about the Authority applying for grants independent of the county. Construction would be impossible before next summer (July 2014).

The second alternative would be a legislative appropriation. It would be without a loan component but work could not begin until the new fiscal year (July 2014). There is also the possibility that the governor would veto the appropriation.

The third alternative would be a United States Department of Agriculture-Rural Development (USDA-RD) loan/grant. USDA funding requires both engineering and an environmental report and—which could cost up to an extra \$70K—and a loan component. Again, this process would take at least 12 months and possibly 2-3 years before construction could begin.

The fourth alternative would be Colonias Infrastructure Trust Fund (CITF) funding. This funding would include a 10% loan and a 10% match. Sometimes they are able to combine funds that were not used and apply them to emergency cases but because they sell bonds to fund projects, those funds are only available to those who applied during that funding cycle. Ms. Espy Holguin suggested that emergency funding be brought up at the next CITF meeting because the issue of domestic wells drying up is becoming much more common.

The fifth alternative – and the most costly—would be a 100% loan. The NM Environment Dept's Construction Bureau offers RIP loans. These loans can be applied for and granted in a couple of months and may have come down to 2% from 3%. It would not be contingent on either an engineering or environment report but a technical report that would cost \$10K–15K. There is an outside chance that USDA-RD could be convinced to refinance a RIP loan for 40 years.

A sixth alternative would be to ask Senator Papen to lobby Department of Finance Authority to not “claw back” the overage from the Alto de las Flores Interconnect Project—\$38K—which could be used towards the reports for this extension. Conceivably, this could allow a construction application in October/November. This still puts a possible construction timeline beginning in June 2014.

Emergency funding through the state is no longer available.

Mr. Tellez asked what could be done immediately to help. Mr. Smith had mentioned running a temporary 1-inch line. Mr. Martin Lopez said that the costs would be similar to those of a permanent line because boring would have to be done under highways and ditches regardless. A 1-inch line would also mean that those furthest away from the main would have little or no pressure. Another alternative for these citizens would be to upgrade their own wells and they might find some financial assistance through Rural Housing which is a sister agency of USDA-RD. Unfortunately Rural Housing only helps with hook-ups, not extensions. Additionally there is a low-income requirement to that assistance.

Mr. Smith was concerned with the current situation and asked if the National Guard could help with water tankers which is a possibility.

Ms. Jackson calculated that a \$200K loan amortized over 40 years would cost LRGPWWA customers an addition eight cents (\$.08) on their bills. At \$250K loan amortized over 20 years would cost twenty-one cents (\$.21) per customer, per month.

At the end of this discussion, Mr. Nieto assured Dr. Garcia and the citizens that the Authority would do what was possible and would stay in communications on the issue. {1:04:02}

VI. Public Input—15 minutes total allotted for this item, 3 minute time limit per person Dr. Nava asked why Butterfield Park was part of LRG. Mr. Smith explained that Butterfield Park and Organ had asked to merge with LRG because of the difficulty in finding trained operators and competent staff as well as inability to form a 5-person board. Dr. Nava asked if there weren't plans for Las Cruces to annex that area. Mr. Smith said that it wasn't feasible and that there was adequate water in the area. There are 1,000 users in that area. Dr. Nava inquired about the number of and use of Authority vehicles. Mr. Martin Lopez explained that Authority vehicles are for use of staff only. There are four to five vehicles that need to be disposed of and Dr. Nava asked if he could buy them. Mr. Lopez indicated that he should talk to Ms. Jackson about their purchase. Dr. Nava also inquired about whether renters are voting members. They are not. Voting members are those who property owners and are receiving water service. {1:08:45}

Mr. Arturo Uribe discussed his emergency evacuation plan and asked if members of the Board were interested in participating. Mr. Nieto asked that meetings be scheduled and said that Mr. Holguin (absent) was waiting to participate. Mr. Tellez asked if Mr. Uribe had a presentation and

indicated his willingness to participate in forming a plan. Ms. Holguin had done some research on the issue at the request of her husband, Director Holguin. She discovered that the Federal government mandates that State governments have emergency responses. The state then forms a local team that develops a response plan. The State Emergency Response Commission ([governor.state.nm.us.Emergency_Response_.aspx](http://governor.state.nm.us/Emergency_Response_.aspx)) would be better able to coordinate with the fire departments, schools, the railroad, the utilities, community groups, etc. {1:14:40}

Mr. Manuel Garcia asked to be considered for the vacant District 1 seat and presented his letter of interest. He has served on the Desert Sands Board of Directors, PACE, is the past-President of LULAC Council in Anthony, United Way... Because this is the public input portion of the meeting, no action can be taken. Action can be taken under the unfinished business part of the agenda (VIII.A). {1:17:45}

VII. Managers' Reports

A. Management Report Mr. Martin Lopez submitted a written report and discussed it with the Board.

- RE Berino BLM transfer fee should be about \$600.00.
- Mr. Tellez asked about Alto de Las Flores' budget numbers. They are not yet available but O&M is already a budget item because of the previous contract with the county.
- Brazito has a water tank site that they are no longer using. The warranty deed stipulates that the property revert back to property owners once it is no longer being used by Brazito MDWA, however, there are four federal mortgages on the property and it cannot be reverted until 2045.
- Files on the Wastewater Wetlands have been provided to the law firm requesting them. {1:24:45}

B. Projects Report Ms. Karen Nichols submitted a written report and discussed it with the Board.

- Ms. Nichols had a short presentation (attached) on the Infrastructure Capital Improvement Plan (ICIP).
- La Mesa Water Project is nearly done and will be closed out shortly.
- Mesquite project is at the point where they should be paving shortly.
- Complimented the Operations crew on the Radio Read Meter Project. They have been installing meters at the rate of 48 per day. They finished the La Mesa area in less than twenty-one days. The last billing was done with the new meters and there were no re-reads. Additionally, Angie Meza has been doing a great job managing the spreadsheet keeping track of the project and Mr. Gabe Gutierrez has been doing a great job managing inventory.
- Mr. Smith asked if there would be a final walk-through/inspection on the Organ water project. Ms. Nichols said yes there would be a final walk-through/inspection/training and Mr. Smith would be welcome to participate. Additionally there is a one-year warranty period.
- Mr. Martin Lopez added that a draft letter on Berino had been received authorizing LRG to go to bid on the Berino/Mesquite-Del Cerro Water System Project. {1:35:25}

C. Operations Report Mr. Mike Lopez submitted a written report and discussed it with the Board.

- The LRG lost a co-op employee but Mr. Mike Lopez has found someone that is interested and is getting with Mr. Martin Lopez and Ms. Jackson to possibly hire them.
- The Radio Read Project is going well. Mr. Mike Lopez has only discovered one transposition in serial numbers.
- East Mesa pump control panel went out and has finally been installed with Organ project funds.
- New tank at La Mesa (#12) had a chemical residue. After consultation with MNED, the tank has been drained and is being opened so that the coating can have another couple

of weeks of curing. Ms. Nichols mentioned that the tank in Organ has the same issue. They will also allow the tank in Brazito cure longer.

- New pump for Well #8 will be installed this Friday (June21). The 60 hp pump was not keeping up with demand: 250 gal/minute less than the 75 hp pump which totals 288,000/day. There is about 10-12 ft (normal is 24–25 ft.) of water in the tank currently but that would not be adequate for July/Aug. The current pump has been working 24/7 for the past week.
- Alto de Las Flores has compliance issues that Mr. Mike Lopez wants to rectify, the first one being putting a fence around the well/tank site.
- Mr. Martin Lopez asked if the Consumer Confidence Reports (CCR) had gone out. They need to be posted by July 1. Mr. Mike Lopez said that they would be posted this week. {1:45:33}

D. Finance Report Ms. Kathi Jackson submitted a written report and discussed it with the Board.

- \$150,000 pledge of reserves for water right has been released back into the Reserve Fund
- Post Office lost sections of 141 bills.
- Dismissed an employee at the Butterfield Park office.
- Preparing for the audit.
- Explained how the interest on a loan is accounted for as an expense on the Profit and Loss statement. Principal is accounted for on the balance sheet. {1:59:20}

VIII. Unfinished Business

A. Appointment of Director for District 1 Mr. Nieto asked if the Board was ready to address Mr. Garcia's letter of interest or table it until the next meeting. Mr. Tellez and Mr. McMullen said that they were ready to vote for Mr. Manuel Garcia to fill the vacant District 1 seat. Mr. Smith expressed reservations because he knew nothing about Mr. Garcia. He asked Ms. Nichols about her opinion. She declined comment. Mr. Smith thought they ought to postpone the appointment until the next meeting. There was a short discussion about the time period set down in the Governance Document before someone should be appointed. The 45-day period to appoint a director to a vacant seat had passed in May, a quorum was present and no other letters of interest had been received. Mr. Smith moved that the appointment be tabled. The motion was not seconded and died. Mr. Tellez made a motion to take action. Mr. McMullen seconded it. A point was made that the motion needed to be to affirm or to deny. Mr. Tellez amended his motion to affirm the appointment of Mr. Garcia. Mr. McMullen seconded the amendment.

Ms. Espy Holguin wanted to know Mr. Garcia's experience and wanted to know how the members in District 1 were notified of the vacancy. She also said that she didn't know Mr. Garcia but knew of him and could not recommend him. Mr. Martin Lopez explained that in addition to a website notice mailers were sent to all the customers in District 1. Of the roughly 460 letters that were sent out only 21 were returned as undeliverable. Ms. Holguin was concerned because she had heard accusations and wanted to see that the Board could continue to work together.

Mr. Nieto asked for further discussion and asked Mr. Smith what he thought. Mr. Smith still wanted to know more about Mr. Garcia. Mr. Nieto asked Mr. Garcia to address the Board.

Mr. Garcia explained that he had not received the letter asking for letters of interest. He had contacted the office and discussed the issue with Ms. Jackson who gave him a copy of the letter. He stated that he thought it important that the members of District 1 as well as the community needed to be represented and that the whole Board work together. He stated he had experience working on the Desert Sands MDWA Board of Directors, several different committees and helped organize the community.

Mr. Nieto asked if there was any more discussion and said that in fairness to the Board and the membership he wanted to explain the history with Mr. Garcia. Before LRG had been conceived, working with Mr. Garcia was good. As the work began to merge the original five companies, Mr.

Garcia and four others advocated against it in Santa Fe. “He advocated in any way, shape or form to bring down the Authority.” When Mr. Garcia was with Desert Sands, meetings would last 3–4 hours and he had issues against Karen Nichols. Mr. Nieto said that Mr. Garcia was advocating for what he thought fair and appropriate for the people but Mr. Nieto’s main issue is that the people who worked to form LRG worked hard to do it and Mr. Garcia worked against those efforts. He asked Mr. Garcia if he thought that that was a fair assessment. Mr. Garcia said that he was never against the formation of LRG. He thought it seemed like a good idea but he was against the way that it was managed. He felt that the community was not brought in and if “everyone in the community had voted for it, [he] could be for it.” He said he was advocating for the people and the community and what they wanted.

Arturo Uribe stood up to say that he was for the formation of LRGPWWA and lobbied for it. It was during the first election that he objected to the way it was conducted which he asserted was proven by the low voter turnout. He believes that there should be more community input involved. He believes people like Mr. Garcia should be on the Board.

Mr. Martin Lopez interrupted and pointed out that the MDWAs all acted according to their articles of incorporation and the Authority, according to its governance document. Additionally the Authority was investigated—at Mr. Garcia’s request—by not only the State Police but the Attorney General’s office. The investigations discovered no fraudulent behavior in the merger of the mutual domestics.

Mr. Tellez asked if Mr. Garcia would be willing to let the past go and work with the Board. Mr. Garcia said that he would be willing to try to work with the Board but the one thing that bothered him was that it was asserted that there were only 5 dissenters when there is a petition with over 300 signatures of people who disagreed with the way things were handled. That being said, he said it was “fairly important” to include the community and that if everyone worked together they could get a lot done.

Ms. Holguin is an election official. She rejected the assertion that it was the Authority’s inattention that resulted in a low voter turnout. Low voter turnout is caused by voter apathy. Her proof is that over 400 letters were mailed, soliciting letters of interest for the vacant Board seat and there was only one response. Additionally, the election was conducted by Dona Ana County. Mr. Uribe objected because in the water system renters cannot vote.

Mr. Smith said that he suspected that Mr. Garcia has an axe to grind and does not have the best interest of the Authority and does not want to give his recommendation.

Ms. Nichols spoke up. She said she did not want to revisit the past. The formation of the LRGPWWA was thoroughly investigated by the State Police at the request of Mr. Garcia. His accusations were unfounded. The investigator was invited to a Board meeting where the representative members of the individual MDWAs brought the documents that pertained to their merging into LRG. Mr. Garcia created a great deal of discord with the board and the community with board meetings that would last until 1 a.m., generating a great deal of personal animosity and venom. He had to be cautioned repeatedly about his treatment of staff which was extensive enough to constitute a liability.

Mr. Nieto asked for a vote and took a role call: Mr. Tellez voted aye; Mr. McMullen voted nay; Mr. Smith voted nay and Mr. Nieto voted nay. Mr. Nieto asked that the other directors, Mr. Ruiz and Mr. Holguin, be allowed to vote on the same subject next week as Mr. Holguin had asked that the issue be tabled. Mr. Tellez objected to having to go through the motions again in July. Mr. Tellez made a motion to not revote. It was not seconded. Mr. Garcia—or anyone— will be welcome to submit a letter of interest and be considered for the seat of District 1. {2:31:00}

IX. New Business

A. CDBG Resolutions—for re-adoption

- **Requirements of the Procurement Code and Public Works Contracts, Resolution FY13-15—for adoption**

- **Adopting Community Development Block Grant Program Citizen Participation Plan, Resolution FY13-16—for adoption**
- **Residential Anti-Displacement and Relocation Assistance Plan, Resolution FY13-17—for adoption**
 - a) **Residential Anti-displacement and Relocation Assistance Plan—for approval**
- **Community Development Block Grant Program Section 3 Plan, Resolution FY12-18—for adoption**
- **Section 3 plan—for approval**
- **Fair Housing Proclamation—for approval**
- **Fair Housing Self-Assessment—for approval**

Mr. Martin Lopez asked Tiffany Goolsby from South Central Council of Governments to review the CDBG resolutions and asked the Board to vote for them as a packet. Mr. Tellez asked if it would cost money. Ms. Goolsby said no. A motion was made by Mr. Smith to approve the CDBG Resolutions IX.A.1 through IX.A.7. It was seconded by Mr. McMullen. The vote carried 4–0 with no further discussion. {3:26:28}

- B. Authorizing and Approving submission of a completed Application for Financial Assistance and project approval to the New Mexico Finance Authority, Resolution FY13-19—for adoption** Mr. Smith made a motion to authorize and approve a complete Application for Financial Assistance and project approval to the NMFA, Resolution FY13-19. Mr. McMullen seconded the motion. This resolution allows Projects to apply for a grant to study the feasibility of buying a water system. The system is around 100 homes (hookups) and is approximately 30 years old. There is a potential for another 100–200 homes. It would be another source of revenue but there would be additional costs. There is a 2-inch well. Mr. Tellez was concerned that if the Authority decided to pursue this project the people on Veteran’s Rd would be neglected. Mr. Martin Lopez assured him that they would pursue funding for that project as well. The vote was 3-1 with Mr. Tellez voting against. {2:56:50}
- C. Water right fees for Berino-Del Cerro hook-ups** The Berino-del Cerro project will begin soon. The entire cost of a hook-up is \$2,150.00. The project is paying for the meter, the meter box, etc. which will offset the hook-up fee by \$500.00. The balance is \$1,650 which covers the water right fee. Mr. Martin Lopez asked the Board for clarification about whether or not the customer should be charged or the Authority should pick up the \$1,650 fee. Mr. Joshua Smith, the Authority’s lawyer, said that that Authority is required by its own governance documents to charge customers the full fee, therefore, if the project is covering \$500.00 of the cost to the member would be \$1,650.00. Ms. Holguin asked if that fee could be broken up into smaller payments. Mr. Martin Lopez said yes. {3:01:47}
- D. Connection fees for Mesquite Waste Water Project (county hook-up fees)** The Mesquite Waste Water Project originally accounted for 400 sewer customers with the project covering the \$300.00 impact fee to the county. In the meantime, 15 people have asked to be hooked up but the Authority has been able to provide sewer service only to the property line. Mr. Martin Lopez asked for direction from the Board. Would they want any leftover funds from the grant applied to the county hook-up fees for the additional 15 people on the wait list. Mr. Tellez made a motion to apply remaining project funds to offset the county impact fees for the 15 customers on the wait list. Mr. Smith seconded the motion and it passed 4–0. {3:05:30}
- E. RFP for rate study—for approval** Mr. Smith asked if it was necessary to out-of-house for a rate study. Mr. Martin Lopez explained that if we wanted to apply for funding, the Authority would need a rate study, not by an accountant but an engineer, stamped. Ms. Jackson has estimates from \$8,000-15,000. But an outside company would be able to independently analyze the finances thoroughly enough that we could be confident that we would be charging a fair rate and

covering our costs. Both USDA and NMFA are requesting a rate study. Mr. Tellez asked if the money would come back to the Authority. Ms. Jackson replied that eventually it would. Additionally, the Authority would be in good standing with the state and would avoid mandated rate increases that very possibly could be higher than what a rate study could indicate. Mr. McMullen made a motion issuing an RFP for a rate study. Mr. Tellez seconded it. The vote passed 4–0 with no further discussion. {3:11:20}

- F. Drivers’ safety courses (Director Tellez)** Mr. Tellez followed a LRGPWWA vehicle and discovered the driver going 10 mph over the limit. He said that in the eventuality of an accident, having staff take drivers’ safety courses will work in the Authority’s favor. Additionally, he said the Authority may get a break with their insurance. Mr. Smith concurred. Mr. Tellez made a motion to direct staff to find a drivers’ safety course for all employees. Mr. McMullen seconded the motion and it passed 4–0 with no further discussion. {3:20:67}
- G. Report from Director Tellez about his meet & greet May 22, 2013** The event turned out to be a good meeting—10 people including those from other districts attended. He would like to periodically doing this again, every two months or so. Mr. Tellez hoped that in the future more staff would attend. Mr. Martin Lopez asked that if he wanted staff to attend, he discuss it with him so it can be scheduled. {3:23:45}
- H. Mr. Tellez requests changing file/map room at La Mesa into office space so that he can meet with the public on Tues, Thurs and Sat.** Mr. Tellez would like of have office hours in the case that a member/customer would like to meet behind closed doors to discuss personal issues: billing difficulties, etc. Other directors are welcome to join Mr. Tellez. Mr. Nieto asked that he not micromanage. Mr. Tellez agreed. Mr. Lopez asked that policies be followed and emphasized (twice) that any request to staff be directed through the GM. Mr. Smith suggested that he have the written policies with him. Mr. Josh Smith reminded Mr. Tellez that he cannot deal with “personal” problems outside of the Authority’s written policies. They either need to be taken to the Board or to the GM. Mr. Tellez concurred. Ms. Ferguson noted that the back office was too secluded. Mr. Josh Smith suggested that the conference room was open enough. Additionally there is a camera in the conference room. Mr. Tellez agreed to meet with customers/members in the conference room between 10am and 12pm. Sat is a problem but he said he could use the La Mesa Community Center. Mr. Tellez moved that he use the conference room Tuesdays and Thursdays, 10 a.m. to 12 p.m. Mr. McMullen seconded the motion and it passed 4–0 with no further discussion. {3:34:30}
- I. Proposal from Chaparral Cable Co. to locate equipment on an Authority tank** Mr. Martin Lopez is considering trade of service for space on an Authority tank and he has done research on the different fees that cable companies and cell phone companies charge. Mr. Smith recommended giving Mr. Martin Lopez negotiating power. Mr. McMullen made a motion to authorize Mr. Martin Lopez to negotiate with Chaparral Cable Co. Mr. Tellez seconded the motion and it carried 4–0. {3:31:29}
- X. Other discussion and agenda items for next meeting, 9:30 a.m. 7/17/13 at the La Mesa Office**

 - A.** Resolution regarding change of scope for surface water treatment project
 - B.** Final budget
- XI. Adjourn** Mr. Smith moved to adjourn. Mr. Tellez seconded it and it carried 4-0. The meeting was adjourned at 12:52 p.m.

Date Minutes signed

Roberto Nieto, Chairman (District 5)

John Holguin, Vice-Chairman (District 4)

Santos Ruiz, Secretary (District 2)

Director (District 1)

Carlos Tellez, Director (District 3)

Michael McMullen, Director (District 6)

Furman Smith, Director (District 7)

Lower Rio Grande Public Water Works Authority

Sign in Sheet

P. 1/3

Date: Jun 19, 2012

Time: 9A

Place: La Mesa

Meeting Type: Regular Meeting

Name, Title—print signature	Company or Agency represented	Mailing Address	Telephone	Email
<u>Jan Ferguson</u>	LRAPWMA	41013 April Dr, L ^o NM	405-7972	jan.ferguson@lrgaauthority
<u>John Ferguson</u>	LRAPWMA	41013 April Dr, L ^o NM	405-7972	jan.ferguson@lrgaauthority
<u>MIKE McMillan</u>	NR:2010	201 STONE DR. 325 Holguin rd 11904 nm 88072	970-302-7852	MENKMCMLL@NCE.YOHIO.COM
<u>MARTIN C CORTEZ</u>	CRP-Runa	325 Holguin rd 11904 nm 88072	578-5713628	martinc@crp.com
<u>FRANK WILSON</u>	UPWUWU	325 Holguin rd 11904 nm 88072	578-5713628	martinc@crp.com
<u>FURMAN SMITH</u>	MTN VIEW BFP	PO BOX 172 ORGNL NM	636-3851	
<u>Michael Lopez</u>	LRGFWWA	PO BOX 172 ORGNL NM	382-5982	SMITHF@ZIMNET.COM
<u>Michael Lopez</u>	LRGFWWA	P.O. Box 703 mesilla nm nm	(575) 635-3921	mike_lopez@lrgaauthority.org
<u>Patricia Johnson Finance Manager</u>	LEARNWA	PO Box 2646 Anthony NM 88001	640-4330	
<u>Patricia Johnson</u>	LEARNWA	PO Box 2646 Anthony NM 88001	575	
<u>Ray P. Avella</u>	LRGFWWA	PO Box 164 Chamberino 88001	233-4140	havelange@lrgaauthority.org
<u>Ray P. Avella</u>	LRGFWWA	PO Box 164 Chamberino 88001	233-4831	K12.NM.US@EDU
<u>Ray P. Avella</u>	LRGFWWA	PO Box 164 Chamberino 88001	233-4831	

Lower Rio Grande Public Water Works Authority

Sign in Sheet

P. 2/3

Date: Jan 19, 2013 Time: 9A Place: La Mesa Meeting Type: Regular Meeting

Name, Title—print signature	Company or Agency represented	Mailing Address	Telephone	Email
Javier Medina	Self	Box 45 Chamberino 88027 131 Florida La Mesa, NM	575-233-0440	jmedina17@glad.com
Jose Guino	Self	La Mesa, NM	575 618 0152	jaguino@yahho.com
Math Dyer, Resident R. Math Dyer	PSC / SELF	1810 E. Affton La Mesa, NM 88044	575-644-6854	mdyer@team-psc.com
Tiffany Goodby Tiffany Goodby	SCCOG	P.O. BOX 297 Mesilla, NM 88046	575-740-2926	Tigoob@scog-nm.com
Sean Hicks Stephen Seung A. P. N. Sparks Roberto Nunez	Consumer	WV W. 4100 360 3a. leary@yahoo.com	571-1403	j.smith@msflow.com
Jesh Smith Arlene Smith Katherine Wang D.R. David J. Garcia	Attorney	112 E. LIST, PUB 92 Chesapeake, MD 20851	621-0268	jgarcia@luna-county.org
Thomas Leung Espy Holguin	Self HUD	P.O. Box 67 Chamberino, NM 2510 N. Tolsdon Las Cruces, NM 88011	H 575-233-3095 915 490-1005 575-635-1289	thomas@leung.com Espy@HUD.gov

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

9:00 a.m. Wednesday, June 19, 2013 at our La Mesa Office, 521 St. Valentine St, La Mesa

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- III. Approval of Agenda
- IV. Approval of Minutes of 5/15/2013
- V. Guest Presentations—Johnny Le Chuga and Commissioner, Dr. Garcia.
- VI. Public Input—15 minutes total allotted for this item, 3 minute time limit per person
- VII. Managers' Reports
 - A. Management Report
 - B. Projects Report
 - C. Operations Report
 - D. Finance Report
- VIII. Unfinished Business
 - A. Appointment of Director for District 1
- IX. New Business
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 - G. Report from Director Tellez about his meet & greet May 22, 2013
 - H. Mr. Tellez requests changing file/map room at La Mesa into office space so that he can meet with the public on Tues, Thurs and Sat.
 - I. Proposal from Chaparral Cable Co. to locate equipment on an Authority tank
- X. Other discussion and agenda items for next meeting, 9:30 a.m. 7/17/13 at the La Mesa Office
 - A. Resolution regarding change of scope for surface water treatment project
 - B. Budget Workshop, July 2, 2013 at 10 a.m., La Mesa 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 LRG PWWA office at 575-233-5742, 325 Holguin Rd, Vado NM 88072 at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the LRGPWWA office if a summary or other type of accessible format is needed.

Si es un individuo con una incapacidad esta en necesidad de un lector, amplificador, lenguaje por senas, o cualquier otra forma de asistencia o servicio para atender o participar en las juntas, por favor llame ha la oficina LRG PWWA office at 575-233-5742, 325 Holguin Rd, Vado NM 88072 una semana antes de la junta o en cuanto posible. Documentos públicos, incluyendo la agenda y minutos, están disponibles en varios formatos. Por favor opóngase en contacto con la oficina LRGPWWA si un resumen o otro tipo de forma accesible es necesario.

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

10:00 a.m. Wednesday, May 15, 2013 at our Butterfield Park, NM Office

Minutes are in DRAFT form until approved by the Board

- I. **Sign in, Roll Call to Establish Quorum, Call to Order** Sign-in sheet and agenda are attached. Directors present were Chairman Robert “Marty” Nieto, Vice-Chairman John Holguin, Director Furman Smith, Director Mike McMullen and Director Cali Tellez. Secretary Ruiz Santos was absent. District 1 seat is vacant. Staff members present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Operations Manager Mike Lopez, Projects Manager Karen Nichols, Adm Asst Joan Ferguson and Accounting Specialist Benny Lopez. Also present were Matt Dyer with PSC, Roberto Nava (MCAC) and Arturo Uribe (MCAC). With a quorum established the meeting was called to order by Mr. Nieto at 10:05 {29}

- II. **Pledge of Allegiance** {46}

- III. **Approval of Agenda** Mr. McMullen moved to approve the agenda. Mr. Smith seconded the motion and it carried 5–0. {1:15}

- IV. **Approval of Minutes of 4/17/2013** Mr. Tellez asked for confirmation that the stub-out project had approval in writing. Ms. Nichols said that she would e-mail him a copy. Mr. McMullen moved to approve the minutes of 4/17/2013. Mr. Smith seconded the motion and it passed 5–0. {4:44}

- V. **Guest Presentations**
 - A. **Roberto Nava** Mr. Nava brought up several issues: the past due notices on the bills; the 3pm deadline for past-due bills; and the automated phone system. He asked about the sewer pumps. Mr. Martin Lopez told him that aside from a few exceptions, they would be removed. He also asked about new meters and Mr. Martin Lopez explained where the new meters were being installed. {23:15}

- VI. **Public Input—15 minutes total allotted for this item, 3 minute time limit per person**
 - A. **Calli Tellez** Director Tellez introduced himself and explained that he wanted to work on community outreach **by establishing an office in the La Mesa office and maintaining office hours Thursdays and Saturdays**. Mr. Tellez will host a community meet and greet on May 22, 2013, at 6 p.m. at the La Mesa office. He also mentioned the need for drivers’ safety courses for Operations personnel. {30:40}
 - B. **Arturo Uribe** Asked the Board to consider that reserves be used to help with water shut-offs. Ms. Nichols explained that because the Authority is a governmental entity they are subject to the anti-donation clause in the state constitution. She suggested the best way to handle that issue would be through a community group. Mr. Uribe said that he would prefer things be dealt with on a case-by-case basis whereupon Mr. Martin Lopez pointed out that officials in Sunland Park went to jail for doing just such favors. He reiterated that it would be unfair to use members’ water fees to pay for someone else’s and he would resign should such a policy be implemented. Mr. Uribe also had issues with the phone system and the 3pm shut-off deadline. Extended an invitation to LRGPWVA to help develop an emergency plan for Mesquite in light of the recent fertilizer plant explosion in Texas. {37:43}

- VII. **Managers’ Reports**
 - A. **Management Report** Mr. Martin Lopez submitted a written report (attached) and discussed it with the Board.
 - o Mr. Martin Lopez started by responding to the above complaints. He reiterated that all policies have cost-saving components attached and that the Authority does what it can

to provide savings for customers. For example, a receptionist to answer phones would cost the customers.

- RE conversation with Senator Cervantes about amending Authority's statute to recognize that parts of the Authority are not contiguous.
- RE: Wetlands. A group is suing the dairies over nitrate discharge. The dairies, in turn, are exploring litigation against anyone else with a discharge permit. As part of that suit, the dairies have asked the Authority for records concerning the Wetlands. The Authority may have to increase insurance coverage. Mr. Nieto asked if the Authority would still be liable after the Wetlands facility was shut down. Mr. Martin Lopez explained the time line: LRGPWWA is required to cease discharging into the Wetland by December 2015 but is projecting that they be closed by June 2013. It is required to monitor the ground water for five years after the last discharge or until the nitrate levels are below 1 part per million as required by the State. But because of the current drought, this may be more difficult: current readings are 50mg/liter. Because LRG is down to one well where water can be drawn, it is in talks with the Environmental Department on a solution. Additionally, Ms. Nichols is seeking funding to decommission the Wetlands facility.
- Asked that Ms. Nichols coordinate with staff and Board to insure up-to-date certifications. {49:24}

B. Operations Report Mr. Mike Lopez submitted a written report (attached) and discussed it with the Board. {1:07:39}

- Well 8 pump motor failed Sunday (May 12). Operations spent Sunday and Monday working on it. They ended up pulling out the 75 hp pump and installing a 60 hp pump because that is what was in stock. A 75 hp pump is on order. There were no customer complaints and the well was working by 8:30 p.m. Monday evening.
- RE: Alto de las Flores. Referring to the GM's report, Alto de Las Flores is required by USDA to have a budget before they will approve the Interagency O&M Agreement. Currently Alto to las Flores is working on the budget with Mesilla Valley Accounting. In the meantime, the County has terminated their O&M agreement, effective May 22. Mr. Mike Lopez will be working with Alto in the interim to insure that maintenance is kept up. Mr. Mike Lopez has kept NMED apprised of the situation and Mr. Martin Lopez assured the Board that USDA will retroactively approve the interim maintenance.
- There will be an auction at the fairgrounds in June and discussed the possibility of auctioning equipment and vehicles (that still require insurance) that are no longer in use. Procurement code issues were discussed in this context.
- Mr. Smith asked about the Organ Chevrolet. It was backed into and needs an alignment. The Operator responsible has been written-up and notified that the next reckless driving infraction will be cause for termination. The incident was the impetus to implement a daily vehicle inventory. Finance is also considering GPS tracking.
- A production loss report should be available next month.

C. Projects Report Ms. Karen Nichols submitted a written report (attached) and discussed it with the Board.

- RE: La Mesa Water System Improvements. It appears that there are only two more pay applications until the project is finished.
- RE: Mesquite Waste Water Project. Funding from USDA and CITF for this project is not adequate to decommission the Wetlands Facility so the Authority has submitted a Project Interest Form and supplemental documents to NMED for CWSRLF funding. Gannett, Fleming, West submitted a worst case scenario (sludge) estimate. The Authority may be able to qualify as a disadvantaged community and receive three-quarters funding through grants.

- RE: Surface Water Treatment Plant. Confirmed that LRG is on the agenda of the May 22 NMFA meeting to discuss the change of scope of this project.
- RE: Authority-Alto de Las Flores Interconnect. When Barbara Romero left DFA, there was no reply to the last pay application and the request to use the remaining funds. After many phone calls, Ms. Nichols contacted Mr. Simon Saiz who discovered that the last pay app had been processed. He is currently researching the request to use the remaining funds for the stub-outs in Mesquite. The approval to use those remaining funds is with Ryan Gleason (DFA, Local Government Division) but the situation has become urgent.
- RE: Authority PER. Parametrix proposal to amend the environment documents is up for Board approval later in the agenda.
- RE: Radio Read Meters. Another pallet of meters has been delivered. Steven Deal approved disbursement request in two days and DFA approved it immediately and the money should be available next week.
- Newsletter planned for June
- Met with Johnny Lechuga yesterday south of Veterans Rd. concerning eight homes without water service. Because agricultural pumping in the area, the water table is dropping and their wells are in danger of going dry and they may be without water. They were skipped over during the last La Mesa upgrade possibly because extending service to those homes would have involved crossing the highway as well as a couple of EBID ditches and involve several borings. It may be possible to amend the PER for the water system purchase to include these homes as well as a couple other areas without service. {1:25:24}

D. **Finance Report** Ms. Kathi Jackson presented a power point presentation (attached) and discussed it with the Board. Ms. Jackson's presentation began with charts showing the debt service of the original five Mutual Domestics, how RCAC recommended they be serviced, current debt service of the original five mutual domestics; and current debt service of the original five assumed by LRGPWVA as well as the debts of Organ, Butterfield Park and Brazito. The current total debt service is \$176,336 per year. (Note that the figures for the Radio Read project were not accurate: the loan component was much lower.) Another chart totals new projects at \$34.9 million, \$26.1 million of which was paid through grants leaving \$2.2 million in loans. LRG has been using projections calculated by RCAC in 2010 before Brazito, Butterfield Park and Organ were merged (original debt plus nine new projects). Additionally, the Mesquite Wetlands need to be decommissioned, there are households that are going to need service, the revenue from three dairies has been lost and the area is in the midst of a severe drought as well as economic stress. On the revenue side, LRG is still using the rates figured by RCAC in 2009-10 (or previous) which does not take into account all the above history. While their rate study may have been flawed, there was very little history to work from and very little between the original five domestic water companies was comparable. Mr. Holguin and Mr. Tellez were firmly against any rate change. Ms. Jackson proceeded to proposed budget cuts to cover the \$646,336 shortage. The cuts would be severe. Considerations mentioned by the General Manager were that reserves weren't included in the presentation, some of the loans could be refinanced (although the savings would be minor) , pay off some loans... Questions of growth, service and debt need to be addressed. It has been estimated that the average bill of \$37 needs to increase by \$2.76 in order to make the transfer and assumption feasible. Discussion with the Board concerned the procedure for a rate change, the benefits of an internal rate study and whether to have a budget work session. {2:17:32}

VIII. Unfinished Business

A. **Appointment of Director for District 1.** This Director's position will be kept open until it is filled. {2:19:33}

IX. New Business

- A. **Open Meetings Act Resolution No. 2013-12 FY 2014—for adoption** Mr. Tellez asked if there was anything new in the document. Ms. Nichols explained that the notification periods had changed. Mr. Martin said the only item that the Board could change would be the meeting schedule on the last page. Mr. Holguin made a motion to adopt the Open Meetings Act Resolution No. 2013-12 FY 2014. Mr. Tellez seconded the motion and it passed 5–0. Mr. Martin Lopez asked if Secretary Ruiz needed to attest to the signatures. Ms. Nichols said they had a quorum and was sufficient. {2:23:13}
- B. **SCCOG Membership Resolution No. 2013-13 FY 2014—for adoption** Mr. McMullen moved to adopt the SCCOG Membership Resolution No. 2013-13 FY 2014. Mr. Holguin seconded the motion and it passed 5–0, keeping Kathi Jackson (Finance Mgr) appointee and John Holguin (Vice Chair) as alternate. {2:25:46}
- C. **Parametrix proposal for environmental documents—for approval** This is a supplemental document to the Del Cerro project. The initial EID missed three roads which this proposal addresses. It will cost \$8,724.03 and is a reimbursable expense. Mr. Martin Lopez proposes to pay for this study up front from the proceeds of the south tower rental (by the truck stop). Mr. McMullen moved to approve the Parametrix proposal for environmental documents. Mr. Smith seconded the motion and it passed 5–0 with no further discussion. {2:28:37}
- D. **Amendment to schedule of rates and fees—for approval** There is a statute that requires that governmental entities not pass on the cost of credit card charges so LRG is charging a flat fee of \$3 per charge for any amount under \$100.00. Any charge over \$100.00 will be assessed a fee of 3%. Mr. Tellez confirmed that the above charges to the customer are no more than what is being charged the Authority. Mr. McMullen moved to approve the amendment to the schedule of rates and fees. Mr. Tellez seconded the motion. The vote passed 5–0 with no further discussion. {2:30:57}
- E. **Proposed policy change for past due payments—for approval** This policy is to clarify the 3 p.m. deadline for past due bills. Dropping a past due bill into a drop box on shut-off day—instead of paying at the office—does not ensure that the account will not be turned off. Mr. Holguin objected to changing a policy because of one customer. Mr. McMullen made a motion to approve the proposed policy change for past due payments. Mr. Smith seconded the motion. The motion was approved by a vote of 3–1. Mr. Holguin voted against and Mr. Tellez abstained. There was a short discussion about whether the chair can/should abstain from a vote. The chair now represents a district and should probably vote. {2:37:55}
- F. **Negotiate with Internet Companies for Use of LRGPWWA facilities—for approval** Mr. Martin Lopez reminded the Board that a cell phone company is renting space on the Vado tank and Southwestern Wireless is providing free internet to the Authority in exchange for space on the Del Cerro tank. Two other companies have approached the Authority to use the tanks. Because companies typically would prefer to exchange services it might be a way to bounce a signal to the BP office and make billing a little easier for Finance. Mr. Tellez made a motion to approve of negotiations with internet companies for the use of LRGPWWA facilities. Mr. Holguin seconded the motion and it passed 5–0 with no discussion. {2:39:50}
- G. **Resolution No. FY2013-14 Interim Budget—for adoption** Preliminary budget to be submitted to the State to comply with the Budget Act. Mr. Holguin asked if the budget could be adjusted if this Resolution was adopted. Mr. Martin Lopez said yes. Mr. Tellez asked if this was a permanent budget. Mr. Martin Lopez said no. Mr. Holguin moved to adopt the Resolution No FY2013-14

Interim Budget. Mr. McMullen seconded the motion. The motion carried 5–0 with no further discussion. {2:42:02}

- H. **FY2013 Budget 3rd Quarter Report—for approval** Mr. Martin Lopez explained that if we don't make up the shortfall of \$1 million the Authority will have to amend column #3 (Actual Budget) and that would be the final budget for FY2013 which will impact the Interim Budget FY2014 that was just approved. Mr. McMullen made a motion to approve the FY2013 Budget 3rd Quarter Report. Mr. Holguin seconded the motion. The motion carried with a vote of 5–0 with no further discussion. {2:48:08}

X. **Other discussion and agenda items for next meeting, 9 a.m. 6/19/13 at the La Mesa Office**

- A. CDBG Resolutions—for re-adoption
- B. Drivers' safety courses
- C. Mr. Tellez request for an office at the La Mesa office.
- D. RFP for rate study
- E. Report from Director Tellez on his meeting

- XI. **Adjourn** Mr. Smith made a motion that the meeting be adjourned, Mr. Tellez seconded the motion; the vote passed 5–0 with no discussion. The meeting adjourned at 1:03 p.m. {2:59:07}

Date Minutes Approved: June 19, 2012

Directors Present:

Roberto Nieto, Chairman (District 5)

John Holguin, Vice-Chairman (District 4)

Santos Ruiz, Secretary (District 2)

VACANT
Director (District 1)

Carlos Tellez, Director (District 3)

Michael McMullen, Director (District 6)

Furman Smith, Director (District 7)

**Highway 28 - Veteran's Road Water Line Extension
Probable Construction Cost Estimate**

Assume: No Asphalt Cuts

Date of Probable Cost Estimate: 6/04/13

6"PVC C900 Water Line & Related Components					
Item No.	Description (CIP=Complete in Place)	Unit	Qty	ENGINEER'S ESTIMATE	
				Unit Price	Extension
1	Mobilization/Demobilization	LS	1	\$ 5,000.00	\$ 5,000.00
2	Connection installation of New 6" PVC C900 Waterline to existing 6" Waterline on Highway 28 per Connection Details. CIP includes demolition, component(s) removal, fittings, connections, bends, trenching, excavation, dewatering, bedding material, backfilling, compaction, tracer wire, marker tape, testing and disinfection per NMED standards.	LS	1	\$ 1,200.00	\$ 1,200.00
3	6 inch PVC C900 Class 150 Pipe (DR18) CIP including all fittings, connections, bends, trenching, dewatering, hand digging, pipe bedding material, backfilling, compaction, tracer wire, marker tape, testing and complete disinfection per NMED standards.	LF	2,120	\$ 14.00	\$ 29,680.00
4	6 inch Resilient Wedge (RW) Gate Valve (in line) CIP including valve box, excavation, dewatering, hand digging, backfilling, testing, disinfection and round 24" concrete collar.	EA	6	\$ 2,000.00	\$ 12,000.00
5	6 inch Ductile Iron Pipe CIP including all fittings, connections, bends, trenching, dewatering, hand digging, pipe bedding material, 2-Sack Slurry application, backfilling, compaction, marker tape, testing and complete disinfection per NMED standards.	LF	280	\$ 45.00	\$ 12,600.00
6	1" Single Body Combination Air Vacuum Valve in 24" diameter Galvanized Can with HS20 Traffic Rated C.I. lid CIP and as detailed on Plan Sheets.	EA	2	\$ 3,000.00	\$ 6,000.00
7	Standard Fire Hydrant Assembly complete in place including all fittings, connections, excavation, dewatering, hand digging, thrust blocks, backfilling, compaction, tracer wire, marker tape, testing, disinfection and 3000 psi con pad with pipe bollards.	EA	2	\$ 2,800.00	\$ 5,600.00
8	3/4 inch x 5/8 inch RADIO READ water meter register. Contractor to supply complete new water meter register assemblies to water office and Owner to Install.	EA	9	\$ 300.00	\$ 2,700.00
9	3/4 inch x 5/8 inch water meter assembly including meter box, yoke, saddle, corporation stop and all related fittings /connections.	EA	9	\$ 300.00	\$ 2,700.00
10	Service Line bores, CIP, including small bore/receiving pits, spacers and end seals.	LF	150	\$ 12.00	\$ 1,800.00
11	3/4 inch PE service line CIP including excavation, dewatering, backfilling and disinfection.	LF	450	\$ 8.00	\$ 3,600.00
12	Install Single Body Combination Air Vacuum Valve in 24" CMP can vault with locking C.I. lid, traffic rated (HS-20) as shown on plans.	LS	1	\$ 3,000.00	\$ 3,000.00
13	In-Situ Soil Processing or Soil Importation.	LS	1	\$ 10,000.00	\$ 10,000.00
14	Project Utility Identification & Relocations.	LS	1	\$ 10,000.00	\$ 10,000.00
15	Temporary Erosion & Sediment Control Plan (TESCP) Report & Installation	LS	1	\$ 5,000.00	\$ 5,000.00
16	Traffic Control Plan & Implementation	LS	1	\$ 2,500.00	\$ 2,500.00
17	Construction Material Testing	LS	1	\$ 2,000.00	\$ 2,000.00
18	As-Builts	LS	1	\$ 2,000.00	\$ 2,000.00

**Highway 28 - Veteran's Road Water Line Extension
Probable Construction Cost Estimate**

Assume: No Asphalt Cuts

Date of Probable Cost Estimate: 6/04/13

19	Sub-Total of Construction Costs (SubTCC)				\$	117,380.00
20	NM Gross Receipt Tax (NMGRT @ 6.375%)	LS	1		\$	7,482.98
21	Total Construction Cost (TCC):				\$	124,862.98

Related Costs

Engineering Design Services & Specifications	\$	12,486.30
Project Soils Report	\$	4,200.00
Legal Services	\$	1,500.00
Reimbursables	\$	1,500.00
Construction Observation Services	\$	7,991.23
Professional Services NMGRT @ 7.5625%	\$	2,093.11
Contingencies @ 10% of TCC	\$	12,486.30
EBID Permit Fee	\$	5,000.00
Total Related Costs	\$	47,256.94

TOTAL PROJECT PROBABLE COST ESTIMATE:

\$ 172,119.92

Veterans Road Waterline Extension Project Quantities

(Brief Explanation)

West Side NM 28

1. Total Linear Footage = +/- 2400 LF

+/- 2120 LF PVC C900 PIPE

+/- 280 LF DUCTILE IRON PIPE (2 LOCATIONS)

MARQUEZ LATERAL (EBID) = 60' ROW

UPPER CHAMBERINO LATERAL (EBID) 60' ROW (ANGLED) THEREFORE 220 LF D.I.

2. Called out for proposed 6" x 6" x 6" tee with 2 new 6" valves for isolation. Plus 4 isolation valves there after every 500 LF.

3. 2 - Proposed Fire Hydrants

1 Beginning and 1 End. 2 FH total

4. 3 Service line bores (NMDOT ROW 60')

1 - 3/4" bore (50 LF) - 1 service line (60 LF ea.)

1 - 2" bore (50 LF) - 2 service lines (60 LF ea.)

1 - 3" bore (50 LF) - 3 service lines (60 LF ea.)

3 service lines west side NMDOT (30 LF ea) (No Bores Required)

Total = 450 LF Service line.

(Note: Meters will be set in NMDOT ROW Customer will connect at own cost.)

5. NMDOT = Milepost 12 (NM 28) +/- 540 ft South of intersection of NM 28 and Veterans Rd.

6. High pressure gas lines possible (field verification) (Kinder Morgan or EPNG.)

7. Item of concern - 820 FT of line possible conflict with community ditch (field verification)

8. Possible crossing community ditch therefore 2 AV's listed. (verify if EBID or Community ditch)

9. Permits Applicable to West side NMDOT:

~~NMDOT~~

EBID

10. All quantities suggested above are a part of Google Earth and any existing information provided by the LRGPWVA.

LRGPWWA ~ VETERANS ROAD WATERLINE EXTENSION PROJECT
PROJECT MATERIAL QUANTITIES (WEST SIDE)
DATE: JUNE 03, 2013

MATERIAL		PVC C900 (LF)	DUCTILE IRON	RW GATE VALVE (EA)	FIRE HYDRANT	CROSS TEE (EA)	SINGLE BODY COMBINATION (AV's)	PROPOSED METERS	HORIZONTAL BORE (LF)			SERVICE LINE (LF)
Size	Location	6"	6"	6"	6"	6"x6"x6"	1"	3/4"	3"	2"	3/4"	
6"	LA MESA (SOUTH PORTION) NM 28 (WEST SIDE)	2,120	280	6	2	1	2	9	50	50	50	450
Totals:		2,120		6	2	1	2	9	50		50	450















VETERANS RD



LRGPWWA
Manager's Report
June 19, 2013

- Transfer of Assets from Associations
 - Berino: BLM permit application to transfer has been submitted
 - Berino: Arsenic ACO extension request to NMED DWB (2 years) No word
 - Brazito items pending
 - Construction account closing pending approval of O&M Manual by USDA RD
- Alto de Las Flores MDWCA approved O&M Interagency agreement, pending USDA RD approval (require Alto's provide a budget)
- Desert Academy fire flows, fees, and pressure
- EBID Surface Plant-Request for extension from WTB
- Snow Road Estates (Brazito) tank and fire protection work has begun
- Customer Account-Brazito Customer

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
PROJECTS REPORT – 6/19/13 BOARD OF DIRECTORS MEETING**

Authority Construction Projects:

LRG-11-01 -La Mesa Water System Improvements – Molzen Corbin – Construction Stage – Burn Construction -RD -\$2,040,346: Well Start-up is complete, waiting on final exterior lights to be delivered for installation and Final Electrical Inspection. Final Building inspection will be done once electrical inspection is complete.

LRG: 11-02.1 -Mesquite Wastewater Project – Gannett Fleming– CONSTRUCTION Stage – Layne Southwest - RD \$7,262,081, CITF \$1,670,257: The contractor has finished work on the sewer mains and is in the process of completing the performance tests (TV inspections). Once the inspections are completed to LRG's satisfaction and once the Lift Stations are accepted by LRG, the contractor will begin connecting homes to the new system. The contractor has requested another 90 days to complete construction, but we have asked for a completions schedule to evaluate this request. The contractor is in the process of preparing a proposal to install guardrail and fencing around the lift stations. The contractor has also submitted a claim for additional costs for \$11,782.08 for utility conflicts along NM 228. Engineer is evaluating, but this is significantly less than the \$225k originally proposed.

LRG-11-02.2 - Authority/Brazito Sewer Project – Vencor – Pre-Design Stage/Funding Application Stage – NMFA/SAP/RD Application: 5/31/13 Provided Ms. Alarcon/USDA Final Brazito Sewer Cultural Resources Survey Report for her records. Also, Zia Environmental sent same report to corresponding agencies (via FedEx) for their records. Zia Environmental finishing up Final EID by addressing all NMED comments and will submit to NMED on 6/25/13.

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

LRG-11-04 – Berino/ Mesquite-Del Cerro Water System Project WTB #223 – Vencor - Letter of Conditions/final design & review of plans & specs – RD - \$5,420,147/WTB - \$4,371,630: LRGPWWA received preliminary authorization to bid from USDA on 6/13/13. Engineer's deadline to finish and plot final Combined Plan Set, Bid Lot quantities, Contract Documents and Specifications is 6/28/13.

LRG-11-05 – Surface Water Treatment Plant WTB #252– Bohannon Huston - Design phase - \$750,000 WTB – Water Trust Board approved the change of scope to include brackish groundwater treatment. There will be a resolution on the July agenda and new closing date of 8/20/13 for this change. Engineering Services Agreement amendment is prepared to submit to NMED for approval after the scope change.

LRG-12-03 – Authority-Alto de Las Flores Interconnect– Vencor – Design - \$86,400 Old Colonias Initiative/DFA + GF & Alto contributions – Project is complete, final payment has been made to contractor. We still have some engineering invoices to submit for reimbursement since Mr. Gleason did not allow us to use remaining funds for the water pipeline stub-outs in Mesquite

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

LRG-12-01 – Authority PER – Vencor - prelim. planning - CDBG Planning Grant \$50,000, NMFA Planning Grant \$37,500 & \$12,500 Local Match: 92% complete. Deadline to receive comments from NMED on final draft of Comp PER, Water Model & Environmental document was 6/17/13, no comments were received.

Forty-Year Water Plan – CE&M – complete: pending NM-OSE comments/approval.

Return Flow Credit Plan – CE&M – GF – Pending Review: Drafted and submitted to Ms. Thacker at local NM-OSE 12/21/11.

LRG-12-02 - Radio Read Meters – in-house/Rio Grande Pump & Supply – 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. Three pallets of meters have been received, three funds requisitions have been approved and two paid so far. Operators installed all of Route 7 meters prior to the last reading date, and there were NO re-reads for that route with the radio-read system now in use. Over 600 meters have been installed to date.

LRG-13-02 – System-wide Information Technology Standardization - \$175,000 NM STB: Funds will be available sometime after 7/1/13.

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: Installation of new 8" transmission line on El Centro East continues. Majority of distribution lines in Mountain View South are complete. After the initial sand blasting of the 65K tank it was noted that there were several holes in the tank floor and several areas that were corroded to a significant depth and the floor needed replaced. A change order for floor replacement by D & R tank was generated and the work commenced. The existing tank floor has been removed and the new tank floor has been welded in place. Blasting and recoating of the tank continues. It was discussed that perhaps it may be best to wait until the fall, and water demand has decreased, before we take the larger tank out of service for the new pipe penetration required. It was also noted that the bore crossing Brahman Rd. on Luna Vista will require open cut and approval from Dona Ana County Engineering Department. The new booster building at the Organ tank site is complete including the new booster pump skid. Final electrical connections and the new 3 phase electric service drop are in process. All yard piping at the booster pump site is also complete. The majority of all meters in the Organ area are complete. The change over to the new system is also complete with the exception of final disconnection and confirmation of a couple of existing galvanized lines to be abandoned. Work at the wastewater treatment facility is near complete and start-up of the new dosing station was conducted. It was noted that an additional brace for the outlet pipes are required due to the increased length required for access. The contractor is currently working on that. Initial pipe fill of the new pipeline in the Tierra Alta area has begun with disinfection and flushing of the system to follow.

LRG-13-01 – Brazito Water System Improvements – Engineers Inc. – Design Phase - \$523,354 NM CITF Grant, \$58,150 Loan, \$58,150 Match Requirement: Discussed the need to amend the scope with Rick Martinez again on 6/13/13. Funding was awarded for construction only, but there is no design yet for this project. Funding application prepared by Engineers Inc. does not mention design in the Project Purpose & Description, just in the Readiness to Proceed section. Closing was finalized, and we have transcript by email, no hard-copy yet.

Other projects:

Water Trust Board Policy Committee – Staying in touch w/Ramon Lucero of El Valle Alliance regarding this issue, nothing new to report

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

Documents Retention & Destruction – Electronic documents schedule is pending completion & approval. Sorting of old association documents for storage or destruction is ongoing, and staff is implementing approved retention/destruction schedules for LRGPWVA documents. More documents were brought over from La Mesa to be sorted.

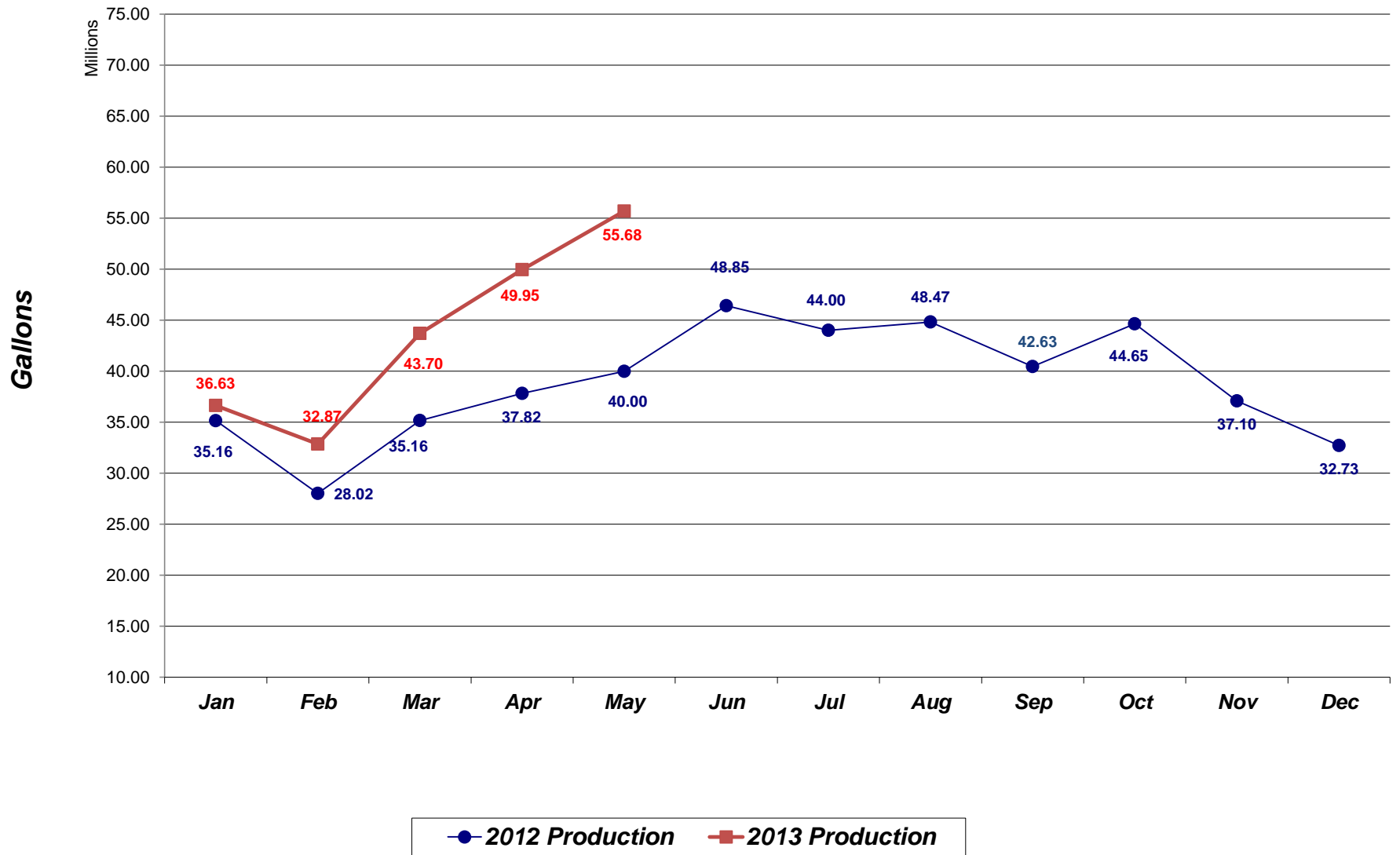
Website – We have been updating and reorganizing the entire site, and that work is ongoing.

Funding Applications – Sent a proposed scope of work for a PER in to Adam Johnson at NMFA and he advised it will qualify for a planning grant to determine the feasibility of this purchase. Resolution to apply is on today's agenda.

A Project Interest Form and supplemental documents were submitted to NMED for CWSRLF funding to decommission the wetlands in Mesquite on 5/7/13. CITF did not fund the Mesquite/Brazito Sewer Design Project because we had not expended funds on the Mesquite Wastewater Project from the previous year due to the fact that NMFA's legal consultant did not get the closing accomplished and transcript distributed in time for us do so.

USDA-RD agreed to fund the Water Rights Purchase Project application that was submitted to CITF, and a new funding application to RD will be submitted by 6/28/13.

Lower Rio Grande PWWA Water Production Report



Lower Rio Grande PWWA

Operators Report

June 19, 2013

System Problems and Repairs.

- Backflow inspections are current.(Mesquite District)
- Sewer tank inspections are current.(Mesquite District)
- La Mesa Radio read meters are complete.
- Well #12 has a funny smell and taste in the water.
- East Aesa arroyo well pump control panel in installed.
- Water tank at Mountain View is re-coated.
- We have a new booster station at Onnies Acers in Brazito.
- Ultra Sonic tank level at Brazito booster station.
- Well # 8 is not keeping up with demand in Del Cerro and Vado.
- JJ and I went to Ruidoso to put on a short school for the New Mexico Water and Wastewater.
- We have started operations in Alto De Las Flores, our first board meeting is on Thursday the 20th of June.

NMED: Monthly Bac-T-Samples have been taken for the Lower Rio Grande PWWA.

Mesquite district Wetlands: wetlands have been working fine.

Mesquite Sewer Report. Has been sent.

Chlorine: No problems.

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

Lower Rio Grande PWWA

Operators Report

June 19, 2013

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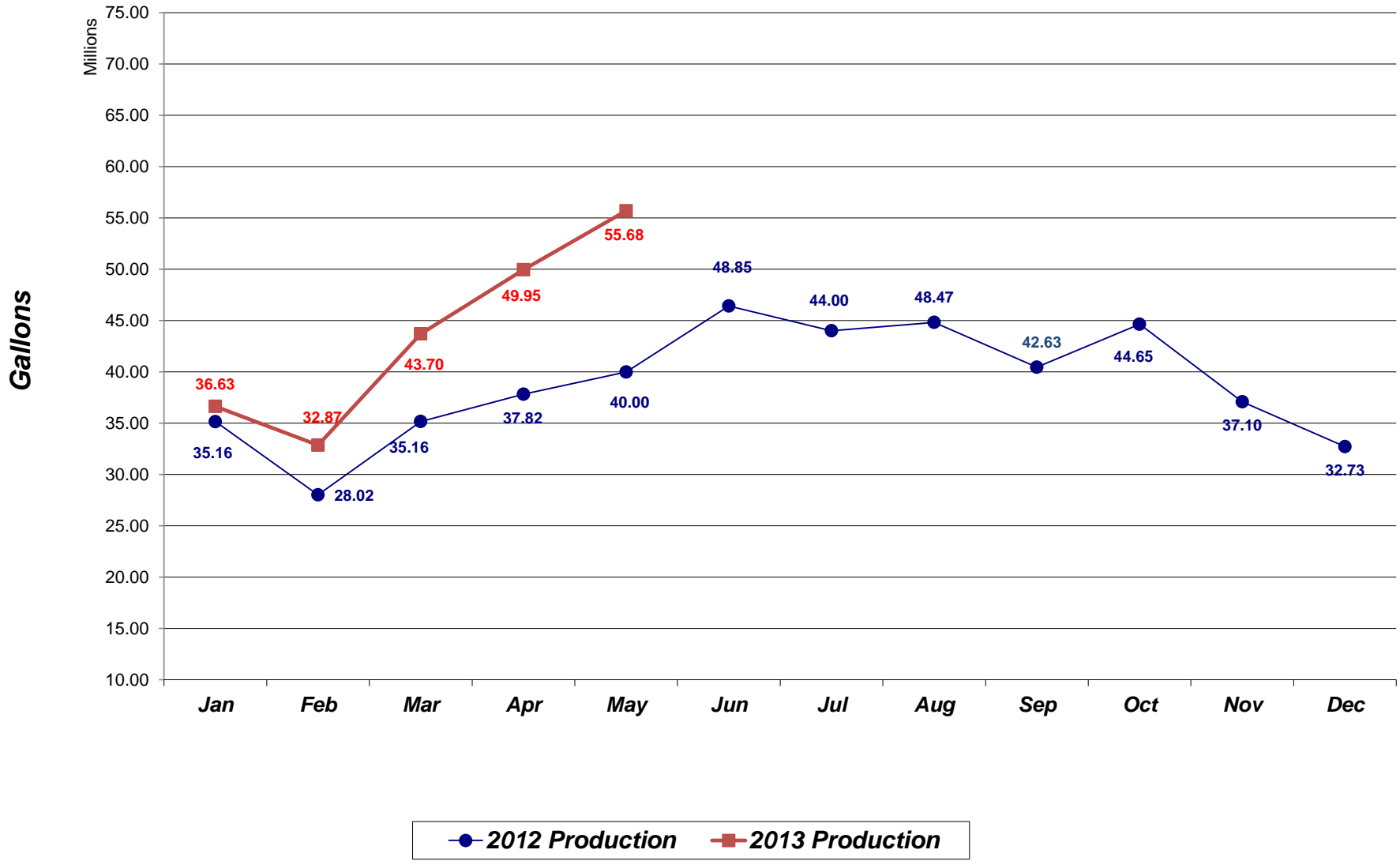
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Mesquite Sewer Report. Has been sent.

Chlorine: No problems.

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

Lower Rio Grande PWWA Water Production Report



LRGPWWA
Profit & Loss
 May 2013

	May 13	Jul '12 - May 13
Ordinary Income/Expense		
Income		
Credit Card Fees	355.55	1,778.45
Interest	9.58	329.34
Meter Relocation	0.00	781.88
Non-Operating Revenue		
Copy/Fax	109.65	839.85
Other Income	868.44	18,363.87
Total Non-Operating Revenue	978.09	19,203.72
Operating Revenue		
Activation & Connection Fees	40.00	21,645.00
Contract Services	0.00	16,819.74
Impact Fees	2,880.00	32,405.43
Installation Fees	137.60	19,101.09
Membership Fees	795.00	4,795.00
Monthly Services	190,828.27	1,504,470.67
Monthly Services-Sewer	10,100.63	85,892.34
Other Income	100.00	5,034.57
Penalties-Sewer	91.14	4,325.80
Penalties-Water	8,712.30	46,256.47
Returned Check Fees	95.00	1,580.00
Operating Revenue - Other	0.00	100.00
Total Operating Revenue	213,779.94	1,742,426.11
Other Types of Income		
Miscellaneous Revenue	2,908.25	33,957.47
Total Other Types of Income	2,908.25	33,957.47
Total Income	218,031.41	1,798,476.97
Cost of Goods Sold		
Cost of Goods Sold	0.00	1,601.35
Total COGS	0.00	1,601.35
Gross Profit	218,031.41	1,796,875.62
Expense		
Accounting, Auditing, Legal		
Accounting Fees	0.00	464.90
Audit	302.71	30,642.73
Bank Service Charges	313.73	3,065.17
Cash Short/Over	0.00	222.93
Dues and Subscriptions	500.00	3,772.00
Engineering Fees	0.00	8,363.58
Government Penalties & Interest	438.48	16,094.10
Interest Expense	0.00	55,788.69
Legal Fees	112.94	6,176.61
Legal Notices	0.00	1,155.42
Licenses & Fees	0.00	1,787.00
Meals	0.00	635.10
Permit Fees	0.00	5,372.97
Postage	1,001.07	7,163.08
Professional Fees-Other	1,000.00	1,064.00
Proff Fees-Interpreter	0.00	1,046.68
Project Development	0.00	3,539.00
Retirement Account Fees	0.00	562.50
Tank Site Lease	0.00	403.44
Training	0.00	2,550.00
Travel		
Lodging Per Diem	0.00	4,288.39
Meals Per Diem	0.00	1,829.92
Total Travel	0.00	6,118.31
Total Accounting, Auditing, Legal	3,668.93	155,988.21

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 06/14/13
 Accrual Basis

LRGPWWA
Profit & Loss
 May 2013

	May 13	Jul '12 - May 13
Lab, Chemicals		
Chemicals	1,649.65	18,214.47
Laboratory Fees	242.01	8,712.69
Total Lab, Chemicals	1,891.66	26,927.16
Salaries		
401K 10% Company Contribution	7,727.30	57,768.90
Accrued Leave	1,491.81	18,369.35
Administrative Labor	29,393.46	237,806.15
Clerical Labor	23,308.66	147,426.02
Employee Benefits-401K Contrib	2,830.17	21,920.31
Federal Income Tax Withholding	0.00	8,483.56
HISC-Blue Medicare Rx.	82.20	788.80
Insurance-Dental	749.16	5,596.82
Insurance-Health	8,356.19	86,488.91
Insurance-Life,Disability	0.00	95.40
Merit	0.00	7,700.49
Operations Labor	43,440.56	336,706.42
Payroll Taxes-Federal Unemploy	0.00	26.69
Payroll Taxes-Medicare	1,406.69	10,995.73
Payroll Taxes-Social Security	6,014.77	46,757.85
Payroll Taxes-State Unemploy	0.00	9.34
Payroll Taxes-Worker's Comp Fee	0.00	13,694.00
Salaries - Other	-0.03	1,219.24
Total Salaries	124,800.94	1,001,853.98
Supplies		
Computer Maintenance	4,850.61	68,665.65
Equipment Rental	127.65	360.85
Fuel	6,508.49	71,361.85
Internet Service - Butterfield	132.76	1,107.44
Maint. & Repairs-Infrastructure	3,865.58	8,262.72
Maint. & Repairs-Office	0.00	4,448.00
Maintenance & Repairs-Other	0.00	2,117.26
Materials & Supplies	6,691.56	116,498.01
Office Supplies	1,738.22	15,581.84
Printing and Copying	141.00	4,153.05
Tool, Furniture	0.00	145.47
Uniforms-Board Members	111.65	240.73
Uniforms-Employee	400.59	5,420.11
Total Supplies	24,568.11	298,362.98
Taxes, Liability, Insurance		
Cobra Fee	15.30	122.40
GRT	20,064.52	19,979.62
Insurance-General Liability	6,235.00	79,019.15
Insurance-Vision	0.00	0.00
Property Taxes	0.00	2,959.59
State Taxes	0.00	0.00
Water Conservation Fee	1,498.61	14,006.53
Total Taxes, Liability, Insurance	27,813.43	116,087.29
Utilities		
Automobile Repairs & Maint.	645.80	18,586.81
Cell Phone	1,480.81	16,089.06
Electricity-Office	17,789.19	175,019.96
Electricity-Operations	0.00	13,445.60
Garbage Service	114.00	1,506.60
Locates	0.00	2,145.77
Natural Gas	154.76	1,908.14
Security/Alarm	0.00	4,412.04
Telephone	1,172.67	13,132.96
Telephone- Butterfield Park	0.00	232.99
Wastewater	0.00	225.50
Total Utilities	21,357.23	246,705.43

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06/14/13
Accrual Basis

LRGPWWA
Profit & Loss
May 2013

	<u>May 13</u>	<u>Jul '12 - May 13</u>
Total Expense	204,100.30	1,845,925.05
Net Ordinary Income	13,931.11	-49,049.43
Other Income/Expense		
Other Expense		
Ask My Accountant	0.00	0.00
Total Other Expense	0.00	0.00
Net Other Income	0.00	0.00
Net Income	<u><u>13,931.11</u></u>	<u><u>-49,049.43</u></u>

LRGPWWA
Balance Sheet
As of June 14, 2013

	Jun 14, 13
ASSETS	
Current Assets	
Checking/Savings	
Berino/Mesquite Water Project	172.14
Citizens Bank CD	11,344.48
Citizens Bank LRGPWWA	9,483.99
LowerRio2-Loan Reserve Acct	44,303.40
LRGPWWA DEBT SERVICE PAYOFF	75,252.08
LRGPWWA La Mesa Water Project	398.67
LRGPWWA Mesquite Sewer Project	237.92
LRGPWWA Reserve Account	
Water Rights Purchase Reserve	150,000.00
LRGPWWA Reserve Account - Other	13,072.34
Total LRGPWWA Reserve Account	163,072.34
Organ Water and Sewer Project	103.01
Total Checking/Savings	304,368.03
Accounts Receivable	
A/R-Contract Services	13,820.27
Total Accounts Receivable	13,820.27
Other Current Assets	
A/R	
A/R-Water & Sewer Cycle 1	120,262.66
A/R Butterfield/Organ	40,505.39
A/R - Other	-730.16
Total A/R	160,037.89
Construction In Progress	
Brazito Sewer Extension	102,878.15
Brazito/Mesquite Interconnect	452,734.31
Del Cerro/Mesquite Phase IV	1,615,703.03
La Mesa Well Project	2,016,635.63
LRGPWWA PER	105,233.98
Mesquite Sewer Project	5,562,181.34
Organ Water & Sewer Improvement	2,047,268.42
Radio Read Meter Project	158,439.62
Total Construction In Progress	12,061,074.48
Inventory Asset	441.57
Petty Cash	1,222.15
Prepaid Rent-Tank Site Lease	7,261.83
Reimbursable Expenses Paid	241,699.24
Returned Checks	822.66
Undeposited Funds	200.00
Total Other Current Assets	12,472,759.82
Total Current Assets	12,790,948.12
Fixed Assets	
Accumulated Depreciation	-9,587,212.67
Building	
La Mesa Office Building	544,269.51
Building - Other	1,179,071.85
Total Building	1,723,341.36
Furniture and Equipment	
Interconnects	
Alto de Las Flores Interconnect	64,991.02
Total Interconnects	64,991.02
Land	354,685.49
Land Improvements	33,632.63
Machinery and Equipment	590,779.72
Vehicles	388,121.65

LRGPWWA
Balance Sheet
 As of June 14, 2013

	Jun 14, 13
Water & Sewer System	22,768,155.80
Total Fixed Assets	16,738,354.34
Other Assets	
Water Rights	10,927,171.20
Total Other Assets	10,927,171.20
TOTAL ASSETS	40,456,473.66
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
A/P- Water/Sewer Phase I & II	103,394.61
A/P Operating	30,079.51
Total Accounts Payable	133,474.12
Credit Cards	
Capital One	-191.17
Capital One-La Mesa	-2,500.25
Chevron/Texaco	41.00
Total Credit Cards	-2,650.42
Other Current Liabilities	
*Direct Deposit Liabilities	-3,673.40
Customer Deposits	
Hydrant Meter Deposits	22,079.76
Renter Deposits	32,116.38
Customer Deposits - Other	-75.75
Total Customer Deposits	54,120.39
DAC Trash Coupons	-262.60
Gross Receipts Tax	30,085.95
Payroll Liabilities	
Blue Cross Dental	-435.00
Disability Insurance (AFLAC)	-47.70
Garnishments	
Lost Item Deduction	82.98
Total Garnishments	82.98
Lovelace Health Payable	-4,717.75
Plan F BCBS NM	184.84
Retirement	
401K 10% Annual Contribution	91,900.39
Retirement - Other	-187.50
Total Retirement	91,712.89
State	
Income Tax Withholding	4,087.45
Total State	4,087.45
Payroll Liabilities - Other	6,197.15
Total Payroll Liabilities	97,064.86
Total Other Current Liabilities	177,335.20
Total Current Liabilities	308,158.90
Long Term Liabilities	
Brazito Loans	
USDA 91-07	72,404.99
USDA 91-09	36,522.29
USDA 91-12	4,626.82
USDA 91-14	210,137.62
USDA 91-15	169,335.86
WSC 85-03 R	28,896.39

LRGPWWA
Balance Sheet
 As of June 14, 2013

	Jun 14, 13
Total Brazito Loans	521,923.97
NMFA- DesertSands5	13,130.23
NMFA- LowerRio2 (Refinance)	749,374.71
NMFA- LowerRio3 (BerinoDelCerro)	408,828.35
NMFA-LowerRio4	-1.40
NMFA-LowerRio5 (Surface Water)	-1,798.33
USDA 91-02 (Butterfield Park)	211,475.75
USDA 91-04 (LaMesa Water Proj)	461,626.70
USDA 92-13 (Mesquite Sewer)	98,369.82
USDA 92-19 (Mesquite Sewer)	593,134.18
USDA 93-09 (Organ Water)	99,831.61
Total Long Term Liabilities	3,155,895.59
Total Liabilities	3,464,054.49
Equity	
Contributed Equity	
Berino	5,297,573.57
Brazito Water	3,729,677.02
Butterfield Park	373,138.38
Desert Sands	3,771,443.30
La Mesa	2,305,222.27
LRG Mutual	2,955,146.36
Mesquite	6,862,507.23
Organ Water	2,522,527.73
Vado	617,278.68
Contributed Equity - Other	-2,560.85
Total Contributed Equity	28,431,953.69
Opening Balance Equity	500.00
Unrestricted Net Assets	169,830.77
Net Income	8,390,134.71
Total Equity	36,992,419.17
TOTAL LIABILITIES & EQUITY	40,456,473.66

**Lower Rio Grande Public Water Works Authority
Resolution Number FY13-15**

A RESOLUTION ADOPTING REGULATIONS REGARDING THE PROCUREMENT PROCESS OF THE AUTHORITY PURSUANT TO THE REQUIREMENTS OF THE PROCUREMENT CODE (BEING SECTIONS 13-1-28 TO 13-1-199 NMSA 1978 AS AMENDED) AND PUBLIC WORKS CONTRACTS (BEING SECTIONS 13-4-1 TO 13-4-43 NMSA 1978 AS AMENDED)

WHEREAS, the purpose of this Resolution is to adopt regulations to translate or define the general and specific requirements of the Procurement Code; and

WHEREAS, the purposes of the Procurement Code are to provide for the fair and equitable treatment of all persons involved in public procurement to maximize the purchasing value of public funds and to provide safeguards for maintaining a procurement system of quality and integrity; and

WHEREAS, the Board of Directors may adopt regulations through resolution to effect the powers and duties granted by NMSA 1978 73-26-1.

NOW, THEREFORE, BE IT RESOLVED by the Lower Rio Grande Public Water Works Authority that aforementioned regulations have been and are the purchasing processes to be utilized by all officers and employees of the Lower Rio Grande Public Water Works Authority in the procurement of tangible personal property, services, and construction.

Passed by the Lower Rio Grande Public Water Works Authority Board of Directors this 19th day of June, 2013.

Roberto Nieto, Chairman (District 5)

John Holguin, Vice-Chairman (District 4)

Santos Ruiz, Secretary (District 2)

Director (District 1)

Carlos Tellez, Director (District 3)

Michael McMullen, Director (District 6)

Furman Smith, Director (District 7)

**Lower Rio Grande Public Water Works Authority
Resolution Number FY13-16**

**A RESOLUTION ADOPTING COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
CITIZEN PARTICIPATION PLAN**

WHEREAS, the purpose of this Resolution is to adopt a Community Development Block Grant Program Citizen Participation Plan; and

WHEREAS, the purposes of the Citizen Participation Plan are provide for and encourage citizen participation within its area of jurisdiction, with particular emphasis on participation by persons of low and moderate income; and

WHEREAS, the Board of Directors may adopt regulations through resolution to effect the powers and duties granted by the NMSA 1978 73-26-1;

NOW, THEREFORE, BE IT RESOLVED by the Lower Rio Grande Public Water Works Authority that the aforementioned Citizen Participation Plan has been and is the process to be utilized by all officers and employees of the Lower Rio Grande Public Water Works Authority in providing citizens with reasonable and timely access to local meetings, information and records relating to the proposed and actual use of CDBG funds.

Passed by the Lower Rio Grande Public Water Works Authority Board of Directors this 19th day of June, 2013.

Roberto Nieto, Chairman (District 5)

John Holguin, Vice-Chairman (District 4)

Santos Ruiz, Secretary (District 2)

Director (District 1)

Carlos Tellez, Director (District 3)

Michael McMullen, Director (District 6)

Furman Smith, Director (District 7)

**Lower Rio Grande Public Water Works Authority
Resolution Number FY13-17**

**A RESOLUTION ADOPTING A RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION
ASSISTANCE PLAN**

WHEREAS, the purpose of this Resolution is to adopt a Residential Anti-displacement and Relocation Assistance Plan; and

WHEREAS, Section 104(d) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5304(d)(4)), Section 105(b)(16) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)(16)), and implementing regulations at 24 CFR Part 42, specify that a grantee under the Community Development Block Grant must certify that it has in effect and is following a “residential Anti-displacement and relocation assistance plan”; and

WHEREAS, the Board of Directors may adopt regulations through resolution to effect the powers and duties granted by the NMSA 1978 73-26-1;

NOW, THEREFORE, BE IT RESOLVED by the Lower Rio Grande Public Water Works Authority that the aforementioned a Residential Anti-displacement and Relocation Assistance Plan has been and is the process to be utilized by all officers and employees of the Lower Rio Grande Public Water Works Authority in a activities involving the use of CDBG funds that cause displacement as a direct result of demolition or conversion of a lower-income dwelling are subject to the requirements specified in the Plan..

Passed by the Lower Rio Grande Public Water Works Authority Board of Directors this 19th day of June, 2013.

Roberto Nieto, Chairman (District 5)

John Holguin, Vice-Chairman (District 4)

Santos Ruiz, Secretary (District 2)

Director (District 1)

Carlos Tellez, Director (District 3)

Michael McMullen, Director (District 6)

Furman Smith, Director (District 7)

Exhibit 1-R

Lower Rio Grande Public Water Works Authority **Residential Anti-displacement and Relocation Assistance Plan**

I. Background/Introduction

Section 104(d) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5304(d)(4)), Section 105(b)(16) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)(16)), and implementing regulations at 24 CFR Part 42, specify that a grantee under the Community Development Block Grant (CDBG) must certify that it has in effect and is following a “residential Anti-displacement and relocation assistance plan” (Plan). As a CDBG grantee, **the Lower Rio Grande Public Water Works Authority** must certify to State of New Mexico Department of Finance and Administration Local Government Division that it has and is following such a Plan.

The Plan must include three components: 1) one-for-one replacement requirements for lower-income housing units, 2) relocation assistance, and 3) a description of the steps **the Lower Rio Grande Public Water Works Authority** will take to minimize displacement.

II. Activities Covered by the Plan

All activities involving the use of CDBG funds that cause displacement as a direct result of demolition or conversion of a lower-income dwelling are subject to the requirements specified in the Plan. Activities for which funds are first obligated on or after September 30, 1988 are subject to the requirements specified in the Plan, without regard to the source year of the funds.

III. Uniform Relocation Act

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) governs displacement that directly results from acquisition, rehabilitation, or demolition of real property when federal funds are used. **The Lower Rio Grande Public Water Works Authority** Residential Anti-displacement and Relocation Assistance Plan is in no way intended to supercede the URA. CDBG assisted activities may still be subject to the requirements of the URA.

IV. One-for-One Replacement Units

All occupied and vacant occupiable lower-income dwelling units that are demolished or converted to a use other than as lower-income dwelling units in connection with an assisted activity must be replaced with comparable lower-income units. Replacement lower-income dwelling units may be provided by any governmental agency or

private developer and must meet the following requirements:

- A. The units must be located within **service area of the Lower Rio Grande Public Water Works Authority** to the extent feasible, the units shall be located within the same neighborhood as the units replaced
- B. The units must be sufficient in number and size to house no fewer than the number of occupants who could have been housed in the units that are demolished or converted. The number of occupants who could have been housed in the units shall be in accordance with applicable local housing occupancy codes. The units may not be replaced with smaller units (e.g., a 2-bedroom unit with two 1-bedroom units), unless the **Lower Rio Grande Public Water Works Authority** has provided information demonstrating that such a proposed replacement is consistent with the needs assessment contained State of New Mexico Department of Finance and Administration Local Government Division HUD-approved Consolidated Plan.
- C. The units must be in standard condition and must at a minimum meet Section 8 Program Housing Quality Standards. Replacement lower-income units may include units brought from a substandard condition to standard condition if: 1) no person was displaced from the unit; and 2) the unit was vacant for at least 3 months before execution of the agreement between the **Lower Rio Grande Public Water Works Authority** and the property owner.
- D. The units must initially be made available for occupancy at any time during the period beginning 1 year before the recipient makes public the information required under Section F below and ending 3 years after the commencement of the demolition or rehabilitation related to the conversion.
- E. The units must be designed to remain lower-income dwelling units for at least 10 years from the date of initial occupancy. Replacement lower-income dwelling units may include, but are not limited to, public housing or existing housing receiving Section 8 project-based assistance
- F. Before the **Lower Rio Grande Public Water Works Authority** enters into a contract committing it to provide CDBG funds for any activity that will directly result in the demolition of lower-income dwelling units or the conversion of lower-income dwelling units to another use, the **Lower Rio Grande Public Water Works Authority** must make public and submit in writing to State of New Mexico Department of Finance and Administration Local Government Division the following information:
 - 1 A description of the proposed assisted activity;
 - 2 The location on a map and number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than for lower-income dwelling units as a direct result of the assisted activity;
 - 3 A time schedule for the commencement and completion of the demolition or conversion;

- 4 The location on a map and the number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units. If such data is not available at the time of the submission to State of New Mexico Department of Finance and Administration Local Government Division, the submission shall identify the general location on an area map and the approximate number of dwelling units by size, and information identifying the specific location and number of dwellings units by size shall be submitted and disclosed to the public as soon as it is available;
- 5 The source of funding and time schedule for the provision of replacement dwelling units;
- 6 The basis for concluding that each replacement unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and
- 7 Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units is consistent with the needs assessment contained in the State of New Mexico Department of Finance and Administration Local Government Division Consolidated Plan.

G. The one-for-one replacement requirements may not apply if HUD determines, based on objective data, that there is an adequate supply of vacant lower-income dwelling units in standard condition available on a non-discriminatory basis within **the service area of the Lower Rio Grande Public Water Works Authority**. In making such a determination, State of New Mexico Department of Finance and Administration Local Government Division will consider such factors as vacancy rates, numbers of lower-income units in the **service area of the Lower Rio Grande Public Water Works Authority** and the number of eligible families on the Section 8 waiting list

V. Relocation Assistance

Each lower-income person who is displaced as a direct result of CDBG assisted demolition or conversion of a lower-income dwelling shall be provided with relocation assistance.

Relocation assistance includes advisory services and reimbursement for moving expenses, security deposits, credit checks, other moving expenses, including certain interim living costs, and certain replacement housing assistance.

Displaced persons have the right to elect, as an alternative to the benefits described in this Plan, to receive benefits under the URA, if they determine that it is in their best interest to do so. The following relocation assistance shall be available to lower-income displacement persons:

- A. Displaced lower-income persons will receive the relocation assistance required under 49 CFR 24, Subpart C (General Relocation Requirements) and Subpart D (Payment for Moving and Related Expenses) whether the person elects to receive assistance under the URA or the assistance required by CDBG

- regulations. Relocation notices must be distributed to the affected persons in accordance with 49 CFR 24.203 of the URA;
- B. The reasonable and necessary cost of any security deposit required to rent the replacement dwelling unit and for credit checks required to rent or purchase the replacement dwelling unit;
 - C. Actual reasonable out-of-pocket costs incurred in connection with temporary relocation, including moving expenses and increased housing costs, if:
 1. The person must relocate temporarily because continued occupancy of the dwelling unit constitutes a substantial danger to the health or safety of the person or the public; or
 2. The person is displaced from a lower-income dwelling unit, none of the comparable replacement units to which the person has been referred qualifies as a lower-income dwelling unit, and a suitable lower-income dwelling unit is scheduled to become available through one-for-one replacement requirements
 - D. Replacement Housing Assistance. Displaced persons are eligible to receive one of the following two forms of replacement housing assistance:
 1. Each person shall be offered rental assistance equal to 60 times the amount necessary to reduce the monthly rent and estimated average monthly cost of utilities for a replacement dwelling to the “Total Tenant Payment”, as determined under 24 CFR 813.107. All or a portion of this assistance may be offered through a certificate or housing voucher for rental assistance under the Section 8 program. Where Section 8 assistance is provided to the displaced person, the **Lower Rio Grande Public Water Works Authority** must provide the person with referrals to comparable units whose owners are willing to participate in Section 8 program to the extent that cash assistance is provided, it will be provided in installments.
 2. In lieu of the housing voucher, certificate or cash assistance described above, the person may elect to receive a lump sum payment allowing them to secure participation in a housing cooperative or mutual housing association. This lump sum payment shall be equal to the capitalized value of 60 monthly installments of the amount that is obtained by subtracting the “Total Tenant Payment”, as determined under 24 CFR 813.107, from the monthly cost of rent and average monthly cost of utilities at a comparable replacement dwelling unit. To compute the capitalized value, the installments shall be discounted at the rate of interest paid on passbook savings in a federally insured financial institution conducting business within **the service area of the Lower Rio Grande Public Water Works Authority.**

Displaced lower-income tenants shall be advised of their right to elect relocation assistance pursuant to the URA and the regulations at 49 CFR 24 as an alternative to the

relocation assistance available under CDBG regulations.

VI. Eligibility for Relocation Assistance

A lower-income person is eligible for relocation assistance if they are considered to be a “displaced person” as defined in 24 CFR 42.305. A displaced person means a lower-income person who, in connection with an activity assisted under the CDBG program, permanently moves from real property or permanently moves personal property from real property as a direct result of demolition or conversion of a lower-income dwelling. For purposes of this definition, a permanent move includes a move made permanently and:

- A. After notice by the owner to move from the property, if the move occurs on or after the date of the submission of a request to the **Lower Rio Grande Public Water Works Authority** for CDBG assistance that is later approved for the requested activity; or
- B. After notice by the owner to move from the property, if the move occurs on or after the date of the initial official submission to HUD of the consolidated plan under 24 CFR Part 91 describing the assisted activity; or
- C. Before the dates described in A & B above, if the **Lower Rio Grande Public Water Works Authority** or State of New Mexico Department of Finance and Administration Local Government Division determines that the displacement was a direct result of conversion or demolition in connection with a CDBG assisted activity; or
- D. By a tenant-occupant of a dwelling unit, if any one of the following three situations occurs:
 1. The tenant moves after execution of the CDBG agreement covering the acquisition, rehabilitation or demolition and the move occurs before the tenant is provided written notice offering the tenant the opportunity to lease and occupy a suitable, decent, safe and sanitary dwelling in the same building/complex upon completion of the project under reasonable terms and conditions, including a monthly rent and estimated average monthly utility costs that do not exceed the greater of the tenant’s monthly rent before such agreement, or the total tenant payment as determined under 24 CFR 813.107 if the tenant is lower-income, or 30 percent of gross household income if the tenant is not lower-income.
 2. The tenant is required to relocate temporarily, does not return to the building/complex, and either is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, or other conditions of the temporary relocation are not reasonable.
 3. The tenant is required to move to another dwelling unit in the same building/complex but is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move, or other conditions of the move are not reasonable.

If the displacement occurs on or after the appropriate date described in A & B above, the lower-income person is not eligible for relocation assistance if:

- A. The person is evicted for cause based upon a serious or repeated violation of the terms and conditions of the lease or occupancy agreement, violation of applicable federal, State or local law, or other good cause, and the **Lower Rio Grande Public Water Works Authority** determines that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance;
- B. The person moved into the property on or after the date described in A & B above after receiving written notice of the expected displacement; or
- C. The **Lower Rio Grande Public Water Works Authority** determines that the displacement was not a direct result of the CDBG assisted activity and the State of New Mexico Department of Finance and Administration Local Government Division concurs with this determination.

VII. Minimizing Displacement

The CDBG regulations regarding the demolition or conversion of lower-income dwelling units are designed to ensure that lower-income persons are provided with adequate, affordable replacement housing. Naturally, involuntary displacement should be discouraged whenever a reasonable alternative exists. Involuntary displacement is extremely disruptive and disturbing, especially to lower-income persons who do not have the means to locate alternative housing.

There are various ways that displacement can be minimized. The following are steps that will be taken to minimize the involuntary displacement of lower-income persons when CDBG funds are involved:

- A. **Screening of Applications** All CDBG applications will be reviewed to determine whether involuntary displacement is likely to occur. Those applications involving displacement will receive a lower priority recommendation for funding unless it can be shown that alternatives are not available.
- B. **Acquisition of Property** Applicants who apply for CDBG funds to acquire property for the development of lower-income housing will be encouraged to purchase vacant land. In the case of in-fill and other projects where this is not feasible and the project involves potential displacement, the applicant shall agree to allow the displaced lower-income person(s) to occupy the new housing at an affordable rent.

Applicants who utilize CDBG funds to rehabilitate or convert a lower-income unit to a non-residential use will be required to supply replacement housing consistent with paragraph IV, as well as relocation assistance.

- C. Cost of Relocation Assistance The cost of any required relocation assistance and the provision of replacement housing will be borne by the applicant and may be paid for out of CDBG funds awarded to the project.

VIII. Definitions

- A. “Comparable replacement dwelling unit” means a dwelling unit that:
- 1 Meets the criteria of 49 CFR 24.2(d)(1) through (6); and
 - 2 Is available at a monthly cost for rent plus estimated average monthly utility costs that does not exceed the “Total Tenant Payment” determined under 24 CFR 813.107 after taking into account any rental assistance the household would receive.
- B. “Lower-income dwelling unit” means a dwelling unit with a market rental (including utility costs) that does not exceed the applicable Fair Market Rent (FMR) for existing housing and moderate rehabilitation established under 24 CFR Part 888.
- C. “Standard condition” means units that at a minimum meet the Existing Housing Quality Standards of the Section 8 rental subsidy program.
- D. “Substandard condition suitable for rehabilitation” means units with code violations that can be brought to Section 8 Housing Quality Standards within reasonable monetary amounts.
- E. “Vacant occupiable dwelling unit” means a dwelling unit that is in a standard condition; a vacant dwelling unit that is in substandard condition, but is suitable for rehabilitation; or a dwelling unit in any condition that has been occupied (except by a squatter) at any time within the period beginning 3 months before the date of execution of the agreement by the **Lower Rio Grande Public Water Works Authority** covering the rehabilitation or demolition.

IX. Grievances

The **Lower Rio Grande Public Water Works Authority** will provide timely written answers to written complaints and grievances within 15 working days where practical. Action items:

- A. Adopt complaint handling procedures or policies to insure that complaints or grievances are responded to within 15 days, if possible.
- B. Allow for appeal of a decision to a neutral authority.
- C. File a detailed record of all complaints or grievances and responses in one central location with easy public access.

IX. Certification

The **Lower Rio Grande Public Water Works Authority** herewith certifies to follow the Anti-displacement relocation plan described above and adopt the plan by resolution annually.

Plan Adoption Date: Adopted June 19, 2013, Re-adopted June 18, 2014

Adoption Instrument: Resolution 12-15 and Resolution _____

Certified By: _____ June 19, 2013
Roberto Nieto, Board Chairman Date

Copy to Local Government Division with attachments

**Lower Rio Grande Public Water Works Authority
Resolution Number FY13-18**

**A RESOLUTION ADOPTING COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
SECTION 3 PLAN**

WHEREAS, the purpose of this Resolution is to adopt a Community Development Block Grant Program Section 3 Plan; and

WHEREAS, The Lower Rio Grande Public Water Works Authority is committed to complying with Section 3 of the Housing and Urban Development Act of 1968 which encourages the use of small local businesses and the hiring of low income residents of the community; and

WHEREAS, the Board of Directors may adopt regulations through resolution to effect the powers and duties granted by the NMSA 1978 73-26-1;

NOW, THEREFORE, BE IT RESOLVED by the Lower Rio Grande Public Water Works Authority that the aforementioned Community Development Block Grant Program Section 3 Plan has been and is the process to be utilized by all officers and employees of the Lower Rio Grande Public Water Works Authority in hiring, contracting and training.

Passed by the Lower Rio Grande Public Water Works Authority Board of Directors this 19th day of June, 2013.

Roberto Nieto, Chairman (District 5)

John Holguin, Vice-Chairman (District 4)

Santos Ruiz, Secretary (District 2)

Director (District 1)

Carlos Tellez, Director (District 3)

Michael McMullen, Director (District 6)

Furman Smith, Director (District 7)

EXHIBIT 1-T SECTION 3 PLAN

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY SECTION 3 PLAN

The Lower Rio Grande Public Water Works Authority is committed to comply with Section 3 of the Housing and Urban Development Act of 1968. This Act encourages the use of small local businesses and the hiring of low income residents of the community.

The Lower Rio Grande Public Water Works Authority has appointed Martin Lopez as the Section 3 Coordinator, to advise and assist key personnel and staff on Section 3, to officially serve as focal point for Section 3 complaints, and as the on-site monitor of prime contractors and sub-contractors to insure the implementation and enforcement of their Section 3 plans. The approval or disapproval of the Section 3 plan is the ultimate responsibility of the . Documentation of efforts will be retained on file for monitoring by the state.

Therefore, the Lower Rio Grande Public Water Works Authority shall:

1. Hiring
 - a. Advertise for all Lower Rio Grande Public Water Works Authority positions in local newspapers
 - b. List all Lower Rio Grande Public Water Works Authority job opportunities with the State Employment Service
 - c. Give preference in hiring to lower income persons residing in the service area of the Lower Rio Grande Public Water Works Authority. This means that if two equally qualified persons apply and one is a resident of the service area of the Lower Rio Grande Public Water Works Authority and one is not, the resident will be hired
 - d. Maintain records of Lower Rio Grande Public Water Works Authority hiring as specified on this form

ANTICIPATED <u>Lower Rio Grande Public Water Works Authority</u> HIRING 2012				
PLANNED			ACTUAL	
Job Classification	# of Positions to be Filled	# of Positions to be Filled by Lower Income Residents of the LRGPWVA Service Area	# of Positions Filled	Positions Filled by Lower Income Residents of the LRGPWVA Service Area

- Chart for Section 3 Plan **MUST** be filled out in its entirety.

2. Contracting

- a. The Lower Rio Grande Public Water Works Authority will compile a list of businesses, suppliers and contractors located in the service area of the Lower Rio Grande Public Water Works Authority.
- b. These vendors will be contacted for bid or quotes whenever the Lower Rio Grande Public Water Works Authority requires supplies, services or construction.
- c. Preference will be given to small local businesses. This means if identical bids/quotes are received from a small business located within the service area of the Lower Rio Grande Public Water Works Authority and one from outside the service area of the Lower Rio Grande Public Water Works Authority, the contract will be awarded to the business located within the community.

3. Training

The Lower Rio Grande Public Water Works Authority shall maintain a list of all training programs operated by the Lower Rio Grande Public Water Works Authority and its agencies and will direct them to give preference to Lower Rio Grande Public Water Works Authority residents. The Lower Rio Grande Public Water Works Authority will also direct all CDBG sponsored training to provide preference to residents of service area of the Lower Rio Grande Public Water Works Authority.

4. CDBG Contracts

All CDBG bid proposals and contracts shall include the following Section 3 language.

- a. The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that the greatest extent feasible, opportunities for training and employment be given lower income residents of the project areas, and contracts for work in connection with the project be awarded to business concerns residing in the project area.
- b. The parties to this contract will comply with the provision of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR and all applicable rules and orders of the Department issued thereunder prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- c. The contractor will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under the Section 3 clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- d. The contractor will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for, or recipient of federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR 135. The contractor will not subcontract with

any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135, and will not let any subcontract unless the subcontractor has first provided it with the requirements of these regulations.

- e. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR 135, and all applicable rules and orders of the Department, issued thereunder prior to the execution of the contract, shall be a condition of the federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors and assigns to those sanctions specified by the grant or loan agreement or contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR 135.

The Lower Rio Grande Public Water Works Authority shall require each contractor to prepare a written Section 3 plan as a part of their bids on all jobs exceeding \$100,000. All Section 3 plans shall be reviewed and approved by the Lower Rio Grande Public Water Works Authority's Equal Opportunity Section 3 Compliance Officer and retained for monitoring by the state.

The Lower Rio Grande Public Water Works Authority will maintain all necessary reports and will insure that all contractors and subcontractors submit required reports.

LOWER INCOME CLARIFICATION

A family who resides in service area of the Lower Rio Grande Public Water Works Authority and whose income does not exceed the income limit for the size of family as per the attached Section 8 Income Limit for Doña Ana County. Information contained in our Section 3 Plan reflects the status of the Lower Rio Grande Public Water Works Authority's employees regarding lower income considerations based on their salary paid by the Lower Rio Grande Public Water Works Authority.

Chief Executive Officer

Date

EXHIBIT 1-O-1
Fair Housing Proclamation

Proclamation

WHEREAS, *fair and equal housing is a right guaranteed to all Americans; and*

WHEREAS, *the principle of fair and equal housing is a fundamental human entitlement; and*

WHEREAS, *all citizens have the right to live where they choose within their financial means; and*

WHEREAS, *people must not be denied housing because of race, color, religion, sex, national origin, handicap or familial status; and*

WHEREAS, *we must, as individuals, assure equal access to housing for all in our communities; and*

WHEREAS, *the Lower Rio Grande Public Water Works Authority acknowledges the importance of assuring fair and equal treatment to all citizens;*

NOW, THEREFORE I, Roberto M. Nieto, Board President, do hereby proclaim July 24, 2012 as:

“Fair Housing Day”

Dated this 19th day of June, 2013

Roberto M. Nieto, Board President

**EXHIBIT 1-O-2
Fair Housing Assessment**

**FAIR HOUSING SELF ASSESSMENT
STATE OF NEW MEXICO COMMUNITY DEVELOPMENT BLOCK GRANT
PROGRAM**

**COMMUNITY OF: Lower Rio Grande Public Water Works Authority
encompassing Mesquite, La Mesa, Vado, Del Cerro, Berino, Las Palmeras,
Montana Vista & Joy Drive Subdivision communities**

1. To the best of your knowledge has your community been involved in any complaints regarding discrimination the sale or rental of housing on the basis of race, color, religion, sex, national origin, familial status or handicap?

Yes No

2. If yes, give a brief description of the nature of any complaints and resolutions.

Yes No N/A

3. Has your community adopted a Fair Housing Program to help local citizens be aware of their rights regarding fair housing under federal and state law, and in filing a complaint if discrimination is suspected?

Yes No

4. What do you perceive as the most potentially serious problem areas regarding discrimination in fair housing in your community?

Problem Area	Very Serious	Serious	Moderate	Not a Problem
Color			x	
Familial Status			x	
Handicap			x	
National Origin			x	
Race			x	
Religion			x	
Sex			x	

5. Does your community contain any subsidized housing units?

Yes

No

6. As best as can be determined, do relevant public policies/practices regarding zoning and building codes have an adverse impact on the achievement of fair housing choice?

Yes

No

7. Are you aware of any practices in the local real estate community as it relates to buying, selling and house rentals that may adversely affect the achievement of fair housing choice in your community?

Yes

No

8. Do your community records contain data on the actual number and percentage of persons residing in the community by race, color, religion, sex, national origin, age, handicap and familial status, as well as income characteristics by group?

Yes

No

9. Is information available to you that lists major local employers by type and the number of people employed within your community by salary and racial group?

Yes

No

10. Is there public transportation available in your community?

Yes

No

11. Do your community records contain data on the total number of housing units in the community by type, and the number of vacant units?

Yes

No

12. Does your community contain any housing for the handicapped such as group homes, independent living complexes, etc.?

Yes

No

13. Has your community participated in the CDBG program prior to 1993?

Yes

No

14. Has your community been involved with any other state or federal programs that required the reporting of specific fair housing information?

Yes

No

Signature of Authorized LRGPWWA Official

Date

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
RESOLUTION NO. 2013-19**

AUTHORIZING AND APPROVING SUBMISSION OF A COMPLETED APPLICATION
FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE
NEW MEXICO FINANCE AUTHORITY.

WHEREAS, the Lower Rio Grande Public Water Works Authority is a qualified entity under the New Mexico Finance Authority Act, Sections 6-21-1 through 6-21-31, NMSA 1978 ("Act"), and the Lower Rio Grande Public Water Works Authority Board of Directors is authorized to borrow funds and/or issue bonds for financing of public projects for benefit of the Governmental Unit; and

WHEREAS, the New Mexico Finance Authority ("Authority") has instituted a program for financing of projects from the public project revolving fund created under the Act and has developed an application procedure whereby the Governing Body may submit an application ("Application") for financial assistance from the Authority for public projects; and

WHEREAS, the Governing Body intends to undertake acquisition, construction and improvement of Private Water System Purchase ("Project") for the benefit of the Governmental unit and its citizens; and

WHEREAS, the application prescribed by the Authority has been completed and submitted to the Governing Body and this resolution approving submission of the completed Application to the Authority for its consideration and review is required as part of the Application.

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

Section 1. That all action (not consistent with the provision hereof) heretofore taken by the Governing body and the officers and employees thereof directed toward the Application and the Project, be and the same is hereby ratified, approved and confirmed.

Section 2. That the completed Application submitted to the Governing Body, be and the same is hereby approved and confirmed.

Section 3. That the officers and employees of the Governing Body are hereby directed and requested to submit the completed Application to the Authority for its review, and are further authorized to take such other action as may be requested by the Authority in its consideration and review of the Application and to further proceed with arrangements for financing the Project.

Section 4. All acts and resolutions in conflict with this resolution are hereby rescinded, annulled and repealed.

Section 5. This resolution shall take effect immediately upon its adoption.

PASSES APPROVED AND ADOPTED this 19TH day of JUNE, 2013.

GOVERNING BODY

By _____
Roberto Nieto, Board Chairman

(Seal)

ATTEST:

Santos Ruiz, Secretary

**Lower Rio Grande Public Water Works Authority
Resolution Number FY13-18**

**A RESOLUTION ADOPTING COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
SECTION 3 PLAN**

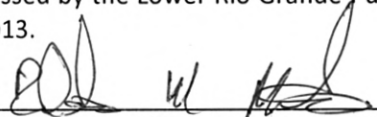
WHEREAS, the purpose of this Resolution is to adopt a Community Development Block Grant Program Section 3 Plan; and

WHEREAS, The Lower Rio Grande Public Water Works Authority is committed to complying with Section 3 of the Housing and Urban Development Act of 1968 which encourages the use of small local businesses and the hiring of low income residents of the community; and

WHEREAS, the Board of Directors may adopt regulations through resolution to effect the powers and duties granted by the NMSA 1978 73-26-1;

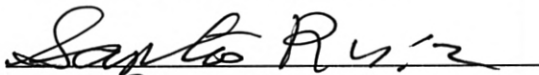
NOW, THEREFORE, BE IT RESOLVED by the Lower Rio Grande Public Water Works Authority that the aforementioned Community Development Block Grant Program Section 3 Plan has been and is the process to be utilized by all officers and employees of the Lower Rio Grande Public Water Works Authority in hiring, contracting and training.

Passed by the Lower Rio Grande Public Water Works Authority Board of Directors this 19th day of June, 2013.



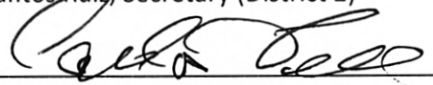
Roberto Nieto, Chairman (District 5)

John Holguin, Vice-Chairman (District 4)



Santos Ruiz, Secretary (District 2)

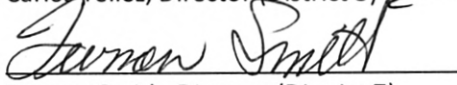
Director (District 1)



Carlos Tellez, Director (District 3)



Michael McMullen, Director (District 6)



Furman Smith, Director (District 7)



Chaparral Cable Co.

Work Assumptions for Installation of tower:

- Site Preparation and Proposal for authorization of Deployment on existing lollipop tower:
 - Installation of point to point dishes and PTMP. If advisable we would have the power company set our own meter if need be. Unless you have power available for us.
 - Installation of camera's power supply in equipment room/ and or mounted in an environmental secure box with a 110 volt power plug. Power for the wireless gateways and camera system are 12 volt and should only use about 3 dollars a month of power if even that much.
 - Installation of one of our IP PTZ, vandal proof camera for viewing of water towers, gate, inside and/or outside pump room.
 - Camera's are property of Chaparral Cable Company we will issue username and password for a secure log in via over our network. This will be issued to whom you would like to have the secure log in info. This could be worked out if leasing of site was decreased for cost of service.
 - The frequency Chaparral Wireless uses are FCC Licensed Frequencies, and will not interfere with SCADA products and or other wireless equipment providers existing on tower.
- Site Documentation: Chaparral Cable would be interested in a 5 year lease with offering above offerings to LRGA. With a 5 year renewal going forward with this agreement between Chaparral Cable Co. DBA Chaparral Wireless and LRGA.
- Our general estimated cost for a monthly lease we would be comfortable paying is \$325.00 per month. Price is negotiable.
- Any additional equipment and/or programming requested by the customer that is not included on this proposal must be paid 100% prior to commencement.

Other Proposal Notes:

- Any modifications requested by customer (hardware) to this proposal to be notified as soon as possible in order to make the necessary arrangements.
- Upon approval, project can commence as soon as we receive the authorization and commencement of the project.

Approval Signature's for commencement of proposal

Date

Signature of Chaparral Cable Co.
DBA: Chaparral Wireless

Date