

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Minutes—REGULAR BOARD OF DIRECTORS MEETING

9:30 a.m. Wednesday, August 21, 2013 at our La Mesa Office, 521 St. Valentine St, La Mesa

Note: 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 (District 5), Vice-Chairman John Holguin (District 4), Secretary Santos Ruiz (District 2), Director Arturo Terrazas (District 1), Director Cali Tellez (District 3), Director Mike McMullen (District 6) and Director Furman Smith (District 7). Staff members present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Operations Manager, Mike Lopez, Projects Manager Karen Nichols, Adm Asst. Joan Ferguson and Christi Sanders, Customer Service Manager. Also present were Margie Bryant, Yessenia Carrillo, Stephen Leary, Tiffany Goolsby (SCCOG), Wyatt Kartchner (Molzen Corbin), and Olga Morales (RCAC). With a quorum established the meeting was called to order by Mr. Nieto at 9:38 am.

- II. **Pledge of Allegiance** {0:48}

Mr. Terrazas was sworn in as Director for District 1 and discussed his background in the water utility field and with the County. {4:15}

- III. **Approval of Agenda** Mr. McMullen moved to approve the agenda, Mr. Smith seconded the motion and it carried 7–0. {3:22}

- IV. **Approval of Minutes**
 - A. 7/17/2013 Regular Meeting
 - B. 7/24/2013 Special MeetingMr. McMullen moved to approve the minutes of the 7/17/13 regular meeting and the minutes of the 7/24/13 special meeting. Mr. Holguin seconded the motion. The motion carried 7–0. {6:21}

- V. **Guest Presentation: Olga Morales, Rural Communities Assistance Corporation** Ms. Morales gave a talk on the importance conservation and of planning for the ongoing drought. Additionally, she discussed the upcoming rate study and the importance of maintaining sustainable rates. {33:45}

- VI. **Public Input—15 minutes total allotted for this item, 3 minutes time limit per person**
 - A. Mrs. Margie Bryant had questions about credit card charges and the upcoming office hours changes. Ms. Jackson explained that the hour changes were because of budget constraints and had Ms. Sanders give a more detailed explanation. Passing along credit card charges to individual customers are mandated by State statute.
 - B. Ms. Yessenia Carrillo explained to the Board that her hours had been reduced and asked if the budget constraints were so extreme why two extra employees were hired. Because Ms. Carrillo’s questions concerned personnel issues, the General Manager will discuss the issue with the Board in a closed session next month. {47:34}

- VII. **Managers’ Reports**
 - A. **General Manager** Mr. Martin Lopez submitted a written report to the Board and answered questions. Mr. Smith asked about the Gamwell contract. Gamwell is a company that LRG contracted with for IT services. Mr. Nieto asked whether the fences being built on the utility easements at Tierra del Sol are rock. Mr. Lopez (GM) said they were of various materials. Mr. Smith asked about the variance in Butterfield. That issue goes before the ETZ Aug 21. Half the structure being contested has already been built. Mr. Smith said there was an additional problem on the corner of Jackrabbit and El Centro where a homeowner is blocking the road and the contract cannot get through. Mr. Lopez (GM) said the County does not enforce easements. {51:20}

- B. **Operations** Mr. Mike Lopez submitted a written report to the Board and answered questions. There were questions about whether the lightening damage at Well #8 (Butterfield Park) would be covered by insurance. Mr. Lopez (OM) explained that it was insured, he was getting a written opinion from the well driller on the damage to submit with the claim. It is possible that the cost of the replacement pump will cover the deductible. There was a question about the over time because of the flooding during recent rains. Mr. Lopez (GM) explained that the flooding on Calle al Rumbo was due to a dam break. The county had constructed the dam a few years ago. The flooding on Lechuga Rd was due to recent highway construction that plugged up culverts causing the run off to flood Lechuga. Other utilities were also affected. {57:17}
- C. **Finance** Ms. Kathi Jackson submitted a written report to the Board and answered questions. Mr. Tellez asked if there was anything that the Board needed to know. Ms. Jackson said that they had made approximately \$10,000 in truck repairs including six new sets of tires. There is an agreement with Discount Tire. Mr. Tellez asked about the reserve account. Mr. Lopez (GM) and Ms. Nichols figured that there would be approximately \$184,00 in reimbursables returned to LRG in the next six weeks. Mr. Nieto had made some additional thought about rate increases as a consideration for the rate study workshop. Ms. Morales reiterated that there needs to be documented justification for any rate increase not just for the members but for the State as well as USDA. She also acknowledged that there was no one-size-fits-all rate. {1:12:12}
- D. **Projects** Ms. Karen Nichols submitted a written report to the Board and answered questions. Mr. Smith was concerned that the inspector for the Mountain View project was not keeping track of work being done and that the “as-built” drawings would be inadequate. Mr. Lopez (GM) asked that Ms. Nichols follow-up on Mr. Smith’s concerns. She concurred. Mr. Smith also asked whether Timberline was online to work on the SCADA. {1:19:10} Mr. Tellez said that the people from Veteran’s Rd. had been asking him if there had been any progress on their request. Mr. Lopez (GM) and Ms. Nichols explained that they had been exploring the issue but they could not take any action until the Board approved the ICIP next month. {1:19:30}

VIII. Unfinished Business

- A. **ICIP – Draft for review** A summary of the ICIP was presented to the Board by Mr. Lopez (GM). Ms. Goolsby also passed out an example of one full project (both are attached). Mr. Lopez explained that the Veteran’s Rd and other smaller projects would fall under the Rehabilitations and Improvements Project which is the priority project. There were questions about the water treatment plant. It was reiterated that the project is still in the planning phase and would be for brackish (deep) water as there is practically no surface water. Mr. Tellez and Mr. Holguin expressed doubts about getting funding beyond the planning stage. Mr. Smith was concerned about the cost of pumping water from a deep well. Mr. Tellez was concerned about the expertise needed to operate the treatment facility. About the cost, Mr. Lopez (GM) pointed out the possibility of the State Engineer issuing a priority call and shutting down shallow wells. About the expertise, Mr. Lopez (GM) said that LRG has four Level IV operators—including himself—who would be qualified to run a treatment facility. Mr. Terrazas pointed out in the last Texas/New Mexico lawsuit, it was mandated that NM pursue alternative water sources, one of them being brackish. On the same note, Mr. Lopez (GM) pointed out that no one in the area has a plan for using brackish water, once again putting LRG on the cutting edge and thus making it a more attractive to funding agencies. Mr. Tellez complimented Mr. Lopez (GM) and Ms. Nichols on her presentation at the ICIP public meetings. {1:37:17}
- B. **RFP Selection Committee recommendation for Surface/Brackish Water Treatment Facility Project – for approval** The Board had previously selected an engineering company for the Surface/Ground Water Treatment Facility Project. Adding “brackish” to the title triggered a demand from the State Engineer for a new RFP. The request was posted and there was one proposal submitted from Bohannon/Huston. The committee selected them. Mr. Holguin moved to approve the RFP Selection Committee recommendation of Bohannon/Huston for Surface/Brackish Water Treatment Facility Project. Mr. McMullen seconded the motion. The motion passed 6–1 with Mr. Tellez opposing. {1:39:40}

Mr. Lopez (GM) passed out Board information packets to the Board. {1:41:44}

IX. New Business

- A. **Proposed backflow fees** Mr. Mike Lopez has addition research to do so the proposed backflow fees will be postponed until September meeting. {1:41:44}
- B. **Hiring Freeze – direct GM to implement** Mr. Lopez (GM) told the Board that he had implemented a hiring freeze six weeks ago. He did an analysis (attached) of staffing of the previous mutual domestics and of LRGPWWA and reviewed it with the Board. Mr. Lopez (GM) wanted clarification on whether the hiring freeze would just include new hires or replacement hires as well. Mr. Holguin made a motion to implement a total hiring freeze—both new and replacement hires—until after the rate study after which the subject can be revisited. Mr. Smith seconded the motion and it carried 7–0.{1:50:20}
- C. **Hiring Policy – direct GM to develop** Mr. Martin Lopez reiterated that the Governance Document stipulates that the only employee of the Board is the General Manager and as such the GM has the authority to hire who he/she sees fit. That being said, there could be a more formal hiring process should the Board want it. There was a short discussion on the situation with Ms. Carrillo’s presentation and Mr. Holguin said that he wanted positions to be advertised. Mr. McMullen asked that the policy include a hiring review by the Board. Mr. Terrazas pointed out that boards such as LRGPWWA do not generally become involved in personnel issues unless there is the potential of a lawsuit. Mr. Holguin moved to direct the General Manager to develop a hiring policy. Mr. Smith seconded the motion and it carried 7–0. Mr. Martin Lopez said that he could have a rough draft for the Board’s review by next month’s regular meeting. {1:54:58}
- D. **NMIFC participation & attendance—for approval** The New Mexico Infrastructure Finance Conference will be held in Isleta, Oct 23–24. Mr. Martin has been asked to make a presentation on regionalization. He has a scheduling conflict and requested the Board send Ms. Karen Nichols in his place. Additionally, the Conference is offering scholarships this year for the cost of attending the conference. He wants to task Ms. Jackson to apply for the scholarships. Mr. Nieto would like for another Board member to attend the presentation. Mr. Tellez moved to approve attendance at the NMIFC. Mr. Holguin seconded the motion and it carried 7–0. {1:59:30}
- E. **Correction to FY-2014 Meeting Schedule—address of La Mesa Office** The address of the La Mesa office was incorrect. Mr. Tellez moved to approve the correction, it was seconded by Mr. Holguin and carried 7–0. {2:00:14}
- F. **Resolution No. FY2014-04—NMFA Planning Grant No. PG2362** This was a planning grant awarded to Mesquite MDWA in 2005/6 to extend sewer into Brazito. LRG has an engineering report that has been approved by the Environment Department and the adoption of this resolution will reimburse LRG \$37,500. Mr. Holguin moved to adopt Resolution No. FY2014-04—NMFA Planning Grant No. PG2362. Mr. McMullen seconded the motion and it carried 7–0 with no further discussion. {2:01:37}
- G. **NMDOT Agreement re: Vado Interchange** Five years ago, Mesquite negotiated with NMDOT the placement of a water line from Snow Rd to the Vado intersection along the frontage road. In the interim, NMDOT has bought additional land for improvements to the Vado exit and the previously negotiated LRGPWWA water line (520’) is now in the right of way and needs to be relocated. NMDOT initially proposed their construction contractor encase the current line in steel and relocate it. Mr. Lopez (GM) negotiated that language out of the contract and is requesting the authority to negotiate the insertion of language for LRG to have the option to engage its own contractor to do the relocation. Attached is probable construction cost estimates from Vencor Engineering. The most feasible plan appears to be abandoning the current line and laying a new one. NMDOT will not cover any of the cost of the relocation. Options would be to use the left over Colonias monies should they be made available or try to incorporate the relocation into the Berino Mesquite/De Cerro project. Mr. Smith moved to approve it and Mr.

McMullen seconded the motion. Ms. Nichols pointed out that that the language of the motion needed to include authority to negotiate. Mr. Smith so moved and Mr. McMullen seconded it. The motion passed 7–0. {2:14:10}

X. Other discussion and agenda items for next meeting, 9:30 a.m. 9/18/2013 at the Berino Office

- A. Closed session concerning personnel issues.
- B. Mr. Tellez would like to present a safety program that he would like the Board to consider
- C. New policies from the Finance Department. {2:23:33}

XI. Adjourn Mr. McMullen moved to adjourn the meeting. Mr. Holguin seconded the motion. The motion carried 7–0. The meeting was adjourned at 12:07 pm.

Minutes approved September 18, 2013

Roberto Nieto, Chairman (District 5)

Carlos Tellez, Director (District 3)

John Holguin, Vice-Chairman (District 4)

Michael McMullen, Director (District 6)

Santos Ruiz, Secretary (District 2)

Furman Smith, Director (District 7)

Arturo Terrazas, Director (District 1)

Lower Rio Grande Public Water Works Authority

Sign in Sheet

Date: Aug 21, 2013 Time: 9:30 Am Place: LA Mesa Meeting Type: Regular Meeting

Name, Title—print signature	Company or Agency represented	Mailing Address	Telephone	Email
MIKE MEMULLAN mike memullan	LRPWCA	201 STONE DR. MESILLA PARK, NM	970-302-7852	MEMMEMULLAN@Yahoo.COM
Margie Bryant		920 McAnally Ave Bellevue NM 88024	915 637-2971	margiebryant34@yahoo.com
Christi Sanders	LRG	PO Box 2646 Anthony, NM 88021	575-644-6798	Christi.Sanders@LRGauthority.org
Kathi Jackson Finance Manager	LRGPWWA	PO Box 2646 Anthony NM 88021	640-4330	
Jessica Carrillo	LRGPWWA	P.O. BOX 2341 Anthony NM 88021	649-0080	Jessica.Carrillo@LRGauthority.org
Stephen Leary		PO Box 64 La Mesa, NM	233-4440	Sleary@yahoo.com
John Holguin	LRG	615 Holguin Rd Vado, P.M.	605.9007	Jholguin@gmail.com
Art Terrazas		325 W. Joy Anthony NM	575/882-4575	Art C Terrazas@gmail.com
Mike Lopez	LRGPWWA	P.O. Box 2646 Anthony NM 88021	(575) 635 3921	
Tiffany Goolsby	SCLOG	PO BOX 297 Mesilla, NM 88046	575-740-2926	Tigoolsby@SCLog-nm.com

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Meeting Notice & Agenda—REGULAR BOARD OF DIRECTORS MEETING

9:30 a.m. Wednesday, August 21, 2013 at our La Mesa Office, 521 St. Valentine St, La Mesa

Agendas are final 72 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
- II. Pledge of Allegiance
- III. Approval of Agenda
- IV. Approval of Minutes
 - A. 7/17/2013 Regular Meeting
 - B. 7/24/2013 Special Meeting
- V. Guest Presentation: Olga Morales, Rural Communities Assistance Corporation
- VI. Public Input—15 minutes total allotted for this item, 3 minutes time limit per person
- VII. Managers' Reports
 - A. General Manager
 - B. Operations
 - C. Finance
 - D. Projects
- VIII. Unfinished Business
 - A. ICIP – Draft for review
 - B. RFP Selection Committee recommendation for Surface/Brackish Water Treatment Facility Project – for approval
- IX. New Business
 - A. Proposed backflow fees
 - B. Hiring Freeze – direct GM to implement
 - C. Hiring Policy – direct GM to develop
 - D. NMIFC participation & attendance —for approval
 - E. Correction to FY-2014 Meeting Schedule—address of La Mesa Office
 - F. Resolution No. FY2014-04—NMFA Planning Grant No. PG2362
 - G. NMDOT Agreement re: Vado Interchange
- X. Other discussion and agenda items for next meeting, 9:30 a.m. 9/18/2013 at the Berino 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 LRGPWWA office at 575-233-5742, PO Box 2646, Anthony NM 88021 OR 215 Bryant St., Mesquite NM at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the 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 LRGPWWA, 575-233-5742, PO Box 2646, Anthony NM 88021 O 215 Bryant St., Mesquite NM una semana antes de la junta o en cuanto posible. Documentos públicos, incluyendo la agenda y minutos, están disponibles en varios formatos. Por favor opóngase en contacto con la oficina LRGPWWA si un resumen o otro tipo de forma accesible es necesario.



LOWER RIO GRANDE
Public Water Works Authority

Oath of Office

I, Arturo C. Terrazas, do solemnly swear that I will support the Constitution of the United States and the Constitution and the laws of the State of New Mexico and that I will faithfully and impartially discharge the duties of the office of Director of the Lower Rio Grande Public Water Works Authority on which I am about to enter, to the best of my ability, so help me God.

Appointee's Signature

Subscribed and sworn to be this 21st day of August, 2013

Signature

Title

My commission/term expires

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

9:30 a.m. Wednesday, July 17, 2013 at our La Mesa Office, 521 St. Valentine St, La Mesa

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

- I. **Sign-in sheet and agenda are attached** Directors present were Chairman Robert “Marty” Nieto (District 5), Vice-Chairman John Holguin (District 4), Director Cali Tellez (District 3), Director Mike McMullen (District 6) and Director Furman Smith (District 7). Staff members present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Operations Manager Mike Lopez, Projects Manager Karen Nichols and Adm. Asst. Joan Ferguson. Secretary Santos Ruiz (District 2) was absent and District 1 seat was vacant. Also present were Tiffany Goolsby (SCCOG), Espy Holguin (HUD) and Josh Smith (counsel). With a quorum established the meeting was called to order by Mr. Nieto at 9:33 a.m.
- II. **Pledge of Allegiance** {0:55}
- III. **Approval of Agenda** Mr. McMullen moved to approve the agenda, Mr. Smith seconded it and the motion passed 5–0. {1:31}
- IV. **Approval of Minutes of 6/19/2013** Mr. Lopez (GM) notified the Board that Mr. Arturo Uribe had requested a copy of the recording of the Regular Board Meeting of 6/9/13. Mr. Smith asked the reason for the request. Mr. Lopez (GM) explained that under the Public Inspection of Records he had the right to ask for it without explanation and LRG had no right to inquire. Mr. McMullen moved to approve the minutes of 6/19/2013, Mr. Tellez seconded the motion and it passed 5–0. {3:16}
- V. **Guest Presentations—Tiffany Goolsby, SCCOG—ICIP Presentation** Ms. Tiffany Goolsby from the South Central Council of Governments gave a power point presentation (attached) about the Infrastructure Capital Investment Plan (ICIP) and answered questions about the process. She responded to questions explaining that this planning document was not required by Department of Finance and Administration but very strongly recommended (annually) for any state funding. Mr. Smith asked how the citizens of Veterans Road would be addressed. Mr. Lopez (GM) explained that it would be included in one of the top five ICIP projects. Ms. Nichols has public meetings arranged to present the ICIP: the East Mesa Office on Aug 6; the Brazito Office on Aug 7; the Berino Office on Aug 8; and at Mr. Tellez’s request either the La Mesa Community Center or the church on Aug 13. All public meetings will be at 6:30 p.m. The results from the public meetings will be incorporated into a rough draft which will be presented to the Board at the August meeting. A final draft will be presented to the Board at the September meeting and will be mailed to Santa Fe the day after the September meeting. {26:08}
- VI. **Public Input—15 minutes total allotted for this item, 3 minute time limit per person** Ms. Espy Holguin discussed meetings that she has had concerning the Veterans Road citizens’ dry wells. {36:10}
- VII. **Managers’ Reports**
 - A. **Management Report** Mr. Martin Lopez submitted a written report (attached) and discussed it with the Board.
 1. RE: Desert Pride Academy. The school district discovered that the contractor at the old Berino Elementary had neglected to install a valve on one of the hydrant but that has been repaired.
 2. RE: EBID Surface Plant. Mr. Tellez asked for more information. Keeping in mind that EBID is asking for and may or may not receive an extension from the Water Trust Board, EBID has purchased a small surface water treatment plant but has not installed it. The plan evolved to treat canal water and supply it to Brazito. As per the LRG letter of support, it would be a useful tool in the Authority’s pilot studies for its own proposed surface water treatment plans.{50:19}
 - B. **Finance Report** Ms. Kathi Jackson submitted a written report (attached) and discussed it with the Board.

1. Two contracts will be brought to the Board, one for computer services the other for tire purchases for Operations trucks.
 2. Not able to yet to fund the ten percent contribution to the retirement fund.
 3. Organ has a credit card still open that needs to be canceled.
 4. CUSI is working out glitches on the online credit card payments.
 5. Mr. Smith asked why the Organ PO Box is still being maintained instead of mailing payments to Butterfield Park. Ms. Jackson explained that the Authority still has to maintain the mailing permit but once the computer system is fully integrated all payments will go to one post office box.
 6. Mr. Nieto asked about the county trash coupons. Ms. Jackson explained that LRG has been buying them in bulk. Mr. Lopez (OM) said that the county is planning on accepting credit cards at the dump which will probably make the coupons less attractive. {1:04:49}
- C. **Operations Report** Mr. Mike Lopez submitted a written report (attached) and discussed it with the Board.
1. Mr. Lopez (OM) reported that next month they would be bringing a policy change to the Board to assess a nominal fee to commercial users for backflow inspections to offset training and other expenses.
 2. Radio Read installations have slowed down because of summer breaks. La Mesa is finished. Desert Sands has ten more streets left.
 3. The pump control valve is Well #2 in Butterfield Park has failed and it was losing 30 gal/min. Either it is a leak in the column pipe or a seal failure. Next week they would be running a camera down the shaft to confirm what needed to be repaired. Mr. Smith offered that the column pipe was very old.
 4. Mr. Smith asked about water loss. The average water loss for the south valley for 2013 is around 23%. They're still working on compiling non-billed water. {1:34:33}
- D. **Projects Report** Ms. Karen Nichols submitted a written report (attached) and discussed it with the Board. {1:40:30}

VIII. Unfinished Business

- A. **Appointment of Director for District 1** A letter of interest for the District 1 seat was submitted by Mr. Arturo C. Terrazas. Mr. Holguin had spoken with him and thought he would be an asset to the Authority and recommended his appointment. Mr. Holguin moved to appoint Mr. Terrazas to District 1. Mr. Tellez seconded the motion. The motion carried 5–0. {1:42:48}

IX. New Business

- A. **Adjust Regular Meeting Presentations** Mr. Holguin asked that this item be added to the agenda because he thought the meetings were running too long. He stated that the Authority was the best thing to have happened to the lower valley and commended Mr. Lopez (GM) and Ms. Nichols efforts and knowledge. On the other hand, he thought that Organ and Butterfield Park probably were not properly evaluated in light of finance and maintenance. In the spirit of making regular meetings more efficient he suggested that after management reports were given that management would be able to return to work if they had no more business with the Board. Mr. Tellez agreed with Mr. Holguin. Mr Lopez (GM) suggested that management submit written reports but not read them but would be present for questions. There was agreement to try Mr. Lopez's (GM) suggestion. {1:48:38}
- B. **Resolution No. FY2014-01 to amend the scope for the surface water treatment plant—for adoption** Ms. Nichols explained that the original PER for this project included both surface and ground water. Because there was no water in the river this year, the engineer on the project suggested they consider brackish water. NMFA and NMED liked the idea but they needed a scope change. This resolution would add the word "brackish" to the project. The goal of the project is to diversify water sources. Mr. Tellez asked Ms. Jackson about the financing. Mr. Lopez (GM) explained that the funds had already been accounted for because the project had been approved three years prior. Mr. Holguin moved to amend the scope for the surface water treatment plant. Mr. Smith seconded the motion. The vote was 4–1 with Mr. Tellez voting against.

- C. **Final Budget Resolution FY2014-02—for adoption** Mr. Lopez (GM) explained that the figures in this resolution were based on FY2013's year-end figures. Mr. Tellez asked Ms. Jackson if there had been any further cuts. She explained that she had already cut \$600,000.00. Mr. Lopez (GM) pointed out that one-time expenses that had already been discussed would affect the budget. Mr. Holguin said that rate changes would affect the budget and that it can be adjusted as situations demanded. Ms. Jackson explained the audit issues that affect budgeting. On the same subject, Mr. Holguin asked whether the current State issues with audit findings were affecting the Authority. Mr. Lopez (GM) explained that Ms. Nichols had already contact Sen. Papen to see if LRG was on the list and it is not. He also noted that Ms. Jackson had been proactive in dealing with audit findings. Mr. Holguin moved to adopt the Final Budget Resolution FY2014-02. Mr. Tellez seconded it and it passed 5–0 with no further discussion. {1:52:35}
 - D. **Motion to convene in closed session pursuant to NMSA 1978 10-15-1 H. (2) Limited Personnel Matters—Roll Call Vote** Mr. Holguin moved to convene in closed session to discuss limited personnel matters pursuant to NMSA 1978 10-15-1 H. Mr. Tellez seconded the motion. The roll call vote was 5–0: Mr. Nieto, yea; Mr. Holguin, yea; Mr. Tellez, yea; Mr. McMullen, yea; Mr. Smith, yea. The session was closed at 11:36. {2:02:54}
 - E. **Motion to reconvene in open session, statement by the chair that no action was taken in closed session and the only item discussed was the one described in the motion** Mr. Holguin moved to reconvene in open session, Mr. Tellez seconded the motion. The motion carried 5–0. The session reconvened in open session at 12:30 p.m. Mr. Nieto stated that no action was taken in the closed session and that only limited personnel matters were discussed. {2:03:31}
 - F. **Action (if any) related to the matters discussed in closed session.** There was no action taken in regards to the matters discussed in the closed session. {2:07:40}
- X. **Other discussion and agenda items for next meeting, 9:30 a.m. 8/21/13 at the La Mesa Office**
 - A. Draft ICIP
 - B. Fees for backflows
- XI. **Adjourn** Mr. Holguin moved to adjourn, Mr. Tellez seconded the motion and the vote was unanimous, 5–0. The meeting was adjourned at 12:34 p.m.

Minutes approved August 21, 2013

Roberto Nieto, Chairman (District 5)

Carlos Tellez, Director (District 3)

John Holguin, Vice-Chairman (District 4)

Michael McMullen, Director (District 6)

Absent

Santos Ruiz, Secretary (District 2)

Furman Smith, Director (District 7)

Vacant

Director (District 1)

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Minutes—SPECIAL BOARD OF DIRECTORS MEETING

9:30 a.m. Wednesday, July 24, 2013 at our La Mesa Office, 521 St. Valentine St, La Mesa

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

- 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), Vice-Chairman John Holguin (District 4), Secretary Santos Ruiz (District 2), Director Cali Tellez (District 3), Director Mike McMullen (District 6) and Director Furman Smith (District 7, by telephone). Absent, was Director Arturo Terrazas (District 1). Staff members present were General Manager Martin Lopez and Projects Manager Karen Nichols. With a quorum established the meeting was called to order by Mr. Nieto at 9:37 a.m.
- II. **Pledge of Allegiance** {0:33}
- III. **Approval of Agenda** A motion was made by Mr. McMullen to approve the agenda. Mr. Holguin seconded the motion and it carried 6–0. {0:54}
- IV. **Resolution FY2014-03 Year-End Budget FY 2013—for Adoption** Mr. McMullen made a motion to adopt Resolution FY2014-03 Year-End Budget FY2013. Mr. Smith seconded the motion. Mr. Tellez asked if this budget could be changed. Mr. Lopez (GM) said that this was not the current budget but the previous year’s. Mr. Holguin asked about the \$600,000.00 cuts. Mr. Lopez (GM) explained that they weren’t so much cuts as line item adjustments and they had occurred earlier in the year. The motion passed 6–0. {6:51}
- V. **Adjourn** Mr. Smith made a motion to adjourn, Mr. Tellez seconded the motion and it passed 6–0. The meeting adjourned at 9:44 a.m.

Date Minutes approved: August 21, 2013

Roberto Nieto, Chairman (District 5)

John Holguin, Vice-Chairman (District 4)

Santos Ruiz, Secretary (District 2)

Absent

Arturo Terrazas, Director (District 1)

Carlos Tellez, Director (District 3)

Michael McMullen, Director (District 6)

Furman Smith, Director (District 7)

LRGPWWA
Manager's Report
July 17, 2013

- Transfer of Assets from Associations
 - Berino: BLM permit application fees have been submitted
 - Brazito items pending
 - Construction account closing pending final RD Estimate of Funds submittal
- Desert Academy water use concurrence pending
- EBID Surface Pant-extension approved by WTB
- RCAC will begin Rate Study in September, documentation has been provided to Olga at RCAC
- Chaparral Cable Company has not set their equipment “rent” is pending along with final executed agreement
- Tierra De Sol: Parque Subdivision some fences encroaching on utility easements, TDS is working with residents to relocate fences or provide a legal document outlining “in the event of a need for LRGPWWA to repair or access the water lines the resident’s fence will be removed at their expense”
- Snow Road Estate
 - booster station coordinating with El Paso Electric to install meter
 - Model Home has requested water service availability
- Protested a Variance Request Case #V13-008/Millian at 9741 Butterfield Blvd because the carport will be built on a utility easement in alley where our water main is located
- Entered in IT agreement with Gamwell as a cost saving measure
- Leavitt Insurance shopping for a different Underwriter as a cost saving measure
- Reducing office hours at East Mesa and Berino as a cost saving measure beginning September 1st.

1:50 PM

08/16/13

Accrual Basis

LRGPWWA
Balance Sheet
As of July 31, 2013

	<u>Jul 31, 13</u>
ASSETS	
Current Assets	
Checking/Savings	
Berino/Mesquite Water Project	172.14
Citizens Bank CD	11,344.48
Citizens Bank LRGPWWA	189,958.65
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	-4,260.88
LRGPWWA Reserve Account	94,007.53
Organ Water and Sewer Project	103.01
Total Checking/Savings	<u>411,279.08</u>
Accounts Receivable	
A/R-Contract Services	20,360.61
Total Accounts Receivable	<u>20,360.61</u>
Other Current Assets	
A/R	
A/R-Water & Sewer Cycle 1	192,966.75
A/R Butterfield/Organ	12,253.24
A/R - Other	-730.16
Total A/R	<u>204,489.83</u>
Construction In Progress	
Alto de Las Flores Interconnect	1,290.75
Berino/Mesquite/DelCerro Water	1,642,615.52
Brazito Sewer Extension	102,878.15
Brazito Water Project	58,150.00
Brazito/Mesquite Interconnect	452,734.31
La Mesa Well Project	2,017,508.28
LRGPWWA PER	108,812.50
Mesquite Sewer Project	6,468,033.71
Organ Water & Sewer Improvement	2,065,460.16
Radio Read Meter Project	513,753.17
RCAC/Water Project	57,284.00
Surface Water Treatment Project	75,000.00
Total Construction In Progress	<u>13,563,520.55</u>

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08/16/13

Accrual Basis

LRGPWWA
Balance Sheet
As of July 31, 2013

	<u>Jul 31, 13</u>
Inventory Asset	441.57
Petty Cash	1,250.99
Prepaid Rent-Tank Site Lease	7,261.83
Reimbursable Expenses Paid	241,326.59
Returned Checks	551.29
Undeposited Funds	200.00
Total Other Current Assets	<u>14,019,042.65</u>
Total Current Assets	14,450,682.34
Fixed Assets	
Accumulated Depreciation	-9,587,212.67
Building	
La Mesa Office Building	544,269.51
Building - Other	1,179,071.85
Total Building	<u>1,723,341.36</u>
Furniture and Equipment	401,859.34
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
Water & Sewer System	22,767,155.80
Total Fixed Assets	<u>16,737,354.34</u>
Other Assets	
Water Rights	10,927,171.20
Total Other Assets	<u>10,927,171.20</u>
TOTAL ASSETS	<u><u>42,115,207.88</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
A/P- Water/Sewer Phase I & II	103,394.61
A/P Operating	155,652.63
Total Accounts Payable	<u>259,047.24</u>

1:50 PM

08/16/13

Accrual Basis

LRGPWWA
Balance Sheet
As of July 31, 2013

	<u>Jul 31, 13</u>
Credit Cards	
Capital One	-191.17
Capital One-La Mesa	-2,500.25
Chevron/Texaco	41.00
Total Credit Cards	<u>-2,650.42</u>
Other Current Liabilities	
*Direct Deposit Liabilities	-3,673.40
Customer Deposits	
Hydrant Meter Deposits	22,058.57
Renter Deposits	28,418.34
Customer Deposits - Other	-75.75
Total Customer Deposits	<u>50,401.16</u>
DAC Trash Coupons	-5,422.80
Direct Deposit Liabilities	22,981.16
Gross Receipts Tax	17,656.45
Payroll Liabilities	
Blue Cross Dental	-1,204.80
Disability Insurance (AFLAC)	-95.40
Federal	
Income Tax Withholding	-134.00
Medicare	-34.55
Social Security	-123.34
Unemployment	0.19
Total Federal	<u>-291.70</u>
Lovelace Health Payable	-8,516.98
Plan F BCBS NM	369.68
Retirement	
401K 10% Annual Contribution	38,272.64
Retirement - Other	-187.50
Total Retirement	<u>38,085.14</u>
State	
Income Tax Withholding	2,117.64
Total State	<u>2,117.64</u>
Workers' Comp Fee Employee	6.60
Payroll Liabilities - Other	6,197.15
Total Payroll Liabilities	<u>36,667.33</u>
Unclaimed Funds	152.20
Total Other Current Liabilities	<u>118,762.10</u>
Total Current Liabilities	<u>375,158.92</u>

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08/16/13

Accrual Basis

LRGPWWA
Balance Sheet
As of July 31, 2013

	<u>Jul 31, 13</u>
Long Term Liabilities	
N/P RCAC	57,284.00
NMFA Loans	
NMFA- DesertSands5	10,751.57
NMFA- LowerRio2 (Refinance)	746,149.50
NMFA- LowerRio3 (BerinoDelCerro)	415,819.00
NMFA-LowerRio4-Radio Read Meter	150,223.73
NMFA-LowerRio5 (Surface Water)	73,285.00
NMFA-LowerRio6 (Gravity Collect)	167,025.00
NMFA CIF	58,150.00
Total NMFA Loans	<u>1,621,403.80</u>
USDA Loans	
USDA 91-07	72,559.26
USDA 91-09	36,430.51
USDA 91-12	4,615.20
USDA 91-14	209,616.41
USDA 91-15	168,919.55
USDA 91-02 (Butterfield Park)	210,806.46
USDA 91-04 (LaMesa Water Proj)	462,105.87
USDA 92-13 (Mesquite Sewer)	98,157.39
USDA 92-19 (Mesquite Sewer)	591,414.83
USDA 93-09 (Organ Water)	100,020.46
Total USDA Loans	<u>1,954,645.94</u>
WSC 85-03 R	28,282.04
Total Long Term Liabilities	<u>3,661,615.78</u>
Total Liabilities	4,036,774.70
Equity	
Contributed Equity	
Berino	5,297,573.57
Brazito Water	3,727,560.36
Butterfield Park	373,138.38
Desert Sands	3,771,443.30
La Mesa	2,305,222.27
LRG Mutual	2,955,146.36
Mesquite	6,859,946.38
Organ Water	2,522,527.73
Vado	617,278.68
Total Contributed Equity	<u>28,429,837.03</u>

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08/16/13

Accrual Basis

LRGPWWA
Balance Sheet
As of July 31, 2013

	<u>Jul 31, 13</u>
Opening Balance Equity	500.00
Unrestricted Net Assets	9,512,472.87
Net Income	135,623.28
Total Equity	<u>38,078,433.18</u>
TOTAL LIABILITIES & EQUITY	<u><u>42,115,207.88</u></u>

LRGPWWA
Profit & Loss
 July 2013

	Jul 13	Jul 13
Ordinary Income/Expense		
Income		
Credit Card Fees	290.54	290.54
Non-Operating Revenue		
Copy/Fax	71.50	71.50
Total Non-Operating Revenue	71.50	71.50
Operating Revenue		
Activation & Connection Fees	3,470.00	3,470.00
Contract Services	400.00	400.00
Impact Fees	1,296.88	1,296.88
Installation Fees	50.00	50.00
Membership Fees	350.00	350.00
Monthly Services	198,376.52	198,376.52
Monthly Services-Sewer	9,641.54	9,641.54
Other Income	72.00	72.00
Penalties-Sewer	305.78	305.78
Penalties-Water	5,263.92	5,263.92
Returned Check Fees	70.00	70.00
Total Operating Revenue	219,296.64	219,296.64
Other Types of Income		
Miscellaneous Revenue	4,709.33	4,709.33
Total Other Types of Income	4,709.33	4,709.33
Total Income	224,368.01	224,368.01
Gross Profit	224,368.01	224,368.01
Expense		
Accounting, Auditing, Legal		
Engineering Fees	1,073.47	1,073.47
Legal Fees	1,064.87	1,064.87
Legal Notices	603.87	603.87
Licenses & Fees	187.50	187.50
Postage	15.85	15.85
Total Accounting, Auditing, Legal	2,945.56	2,945.56
Debit Service		
Interest paid to NMED	73.50	73.50
Interest paid to NMFA	3,841.76	3,841.76
Interest paid to USDA	4,795.22	4,795.22
Total Debit Service	8,710.48	8,710.48
Lab, Chemicals		
Chemicals	2,286.37	2,286.37
Total Lab, Chemicals	2,286.37	2,286.37
Salaries		
401K 10% Company Contribution	2,388.40	2,388.40
Accrued Leave	652.96	652.96
Administrative Labor	19,126.27	19,126.27
Clerical Labor	17,798.00	17,798.00
Employee Benefits-401K Contrib	1,816.78	1,816.78
HISC-Blue Medicare Rx.	87.80	87.80
Insurance-Dental	794.08	794.08
Insurance-Health	9,882.64	9,882.64
Mileage	0.00	0.00
Operations Labor	29,646.81	29,646.81
Payroll Taxes-Medicare	961.86	961.86
Payroll Taxes-Social Security	4,112.90	4,112.90
Payroll Taxes-State Unemployment	0.00	0.00
Payroll Taxes-Worker's Comp Fee	1,295.30	1,295.30
Total Salaries	88,563.80	88,563.80

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08/16/13

Accrual Basis

LRGPWWA
Profit & Loss
July 2013

	<u>Jul 13</u>	<u>Jul 13</u>
Supplies		
Computer Maintenance	4,085.69	4,085.69
Fuel	7,992.51	7,992.51
Maint. & Repairs-Infrastructure	328.07	328.07
Maint. & Repairs-Office	275.36	275.36
Materials & Supplies	8,615.94	8,615.94
Office Supplies	815.94	815.94
Printing and Copying	127.65	127.65
Uniforms-Employee	485.80	485.80
Total Supplies	<u>22,726.96</u>	<u>22,726.96</u>
Taxes, Liability, Insurance		
Cobra Fee	15.30	15.30
GRT	9,327.71	9,327.71
Water Conservation Fee	2,084.20	2,084.20
Taxes, Liability, Insurance - Other	6,252.81	6,252.81
Total Taxes, Liability, Insurance	<u>17,680.02</u>	<u>17,680.02</u>
Utilities		
Automobile Repairs & Maint.	9,268.71	9,268.71
Cell Phone	1,371.58	1,371.58
Electricity	29,112.45	29,112.45
Garbage Service	114.00	114.00
Natural Gas	111.10	111.10
Telephone	1,114.27	1,114.27
Total Utilities	<u>41,092.11</u>	<u>41,092.11</u>
Total Expense	<u>184,005.30</u>	<u>184,005.30</u>
Net Ordinary Income	<u>40,362.71</u>	<u>40,362.71</u>
Net Income	<u><u>40,362.71</u></u>	<u><u>40,362.71</u></u>

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
PROJECTS REPORT – 8/21/13 BOARD OF DIRECTORS MEETING**

Authority Construction Projects:

LRG-11-01 -La Mesa Water System Improvements – Molzen Corbin – Close-Out Stage – Burn

Construction -RD -~~\$2,040,346~~: Final walk-thru on 8/14/13. Well and tank are online. Final requisitions have been sent to USDA-RD and NMFA. O&Ms and closing documents have been submitted to us.

LRG: 11-02.1 -Mesquite Wastewater Project – Gannett Fleming– CONSTRUCTION Stage – Layne

Southwest - RD \$7,262,081, CITF \$1,670,257: Contractor finished work on the sewer mains and is in the process of completing the performance tests (TV inspections). Engineer completed the review of the inspections that have been performed and has identified some deficiencies. We are working with the contractor to resolve these deficiencies. Contractor has new Project Manager in place and is still in the process of preparing a proposal to install guardrail & fencing around the lift stations. Engineer prepared a change order for the utility conflicts and to adjust the quantities for the service line and dewatering, which will extend the length of the contract, and that is pending Contractor review.

LRG-11-02.2 - Authority/Brazito Sewer Project – Vencor – Pre-Design/Funding Application Stage –

NMFA/SAP funded Planning, CITF/RD Applications pending: Zia Environmental completed EID and submitted to NMED on 7/1/13 and it is pending review by Mr. Deal. Zia submitted cover letter and comments form to Mr. Deal on 7/25/13. NMFA is processing the \$37,500 Planning Grant for payment to us, Resolution is on today's agenda.

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

LRG-11-04 – Berino/ Mesquite-Del Cerro Water System Project WTB #223 – Vencor – Bid Stage – RD -

\$5,420,147/WTB - \$4,371,630: Advertisement for Bid dates: July 28, July 31 and August 4, 2013 - Pre-Bid Conference held 8/9/13 at Del Cerro Community Center was well attended. Bid Opening will be at 2 PM on 8/23/13, La Mesa Office. Closing will be scheduled when bids are tallied. There were 32 firms on the plan-holders list as of 8/15/13. Will need to have a Special Board Meeting following the Bid Opening to make a tentative award of the contract contingent upon USDA-RD approval.

LRG-11-05 – Surface Water Treatment Plant WTB #252– Bohannon Huston - Design stage - \$750,000

WTB –Second closing date was 8/20/13. Two requisitions have been paid. Re-issued RFP, and Selection Committee recommendation is on today's agenda. Engineering Contract Scope has already been modified to include surface water and brackish water dual purpose plant evaluation. NMED concurrence on the contract amendment changes is currently being pursued and awaiting approval as well. Work was placed on hold until second RFP process completed. Modifications to the PER scope primarily included a desktop analysis of potential brackish groundwater use from the deeper Mesilla Valley aquifer in the Vado area. Once the PER recommendations are complete, pilot testing for brackish water, including the need for a test well, will need to be coordinated. Surface water pilot testing will be delayed until water is continuously available for 90 days from the canal system.

LRG-12-03 – Authority-Alto de Las Flores Interconnect– Vencor – Complete - \$86,400 Old Colonias

Initiative/DFA + GF & Alto contributions –Senator Papen will seek reauthorization of the funds for the Veteran's Road area in the next session. Time extension will also be needed.

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

LRG-12-01 – Authority PER – Vencor – Planning Stage - CDBG Planning Grant \$50,000, NMFA Planning Grant \$37,500 & \$12,500 Local Match: 92% complete. Submitted an extension request to NM-DFA on 7/1/13. Received comments from Mr. Deal dated 7/17/13. Met with Vencor to review their response to his comments on 8/8/13. Target date for resubmission is 9/20/13

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

Return Flow Credit Plan – CE&M – complete – needs update for new mergers – 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 – Installation Ongoing - 600,950 DWSRLF: : \$595,000 was approved at 50% subsidized + 25% grant = 75% grant, 25% loan at 0% plus fees approved by NMFA Board 4/27/12. 5½ pallets of meters have been received, 5 funds requisitions submitted.

LRG-13-02 – System-wide Information Technology Standardization - \$175,000 NM STB: Funds will be available sometime after 7/15/13. Have not yet received grant agreement.

LRG-13-03 – Water System Purchase Project – for RFP – Planning Stage - \$37,500 NMFA Planning Grant – on DWSRLF Priority List: NMFA Board approved Planning Grant on 7/26/13. Will RFP for engineering services when we receive funds back from NMFA Planning Grant or USDA-RD from other projects.

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: New distribution & transmission line installations complete on Hondo Rd. from Moongate to Brahman Rd. Awaiting DAC approval for saw cuts on MacArthur to complete tie-ins. Tres Yuccas from Moongate to beyond MacArthur is complete. Fox Rd. to Dragonfly is complete. The small loop on Fox Rd. around on Indian Head is complete as well as the small run on Gopher Rd. Arrowhead Rd. from Coyote Rd. to Moongate is complete and all bores are also installed. Bore crossing US 70 is complete with casing only, pipe to be installed later next week. Crews continue working on installing or moving (the one that was installed on a transmission line) fire hydrants and pressure testing and Bac-T testing of new lines. Installation of new services continues as new lines are approved to come on line.

LRG-13-01 – Brazito Water System Improvements – Engineers Inc. – Design Phase - \$523,354 NM CITF Grant, \$58,150 Loan, \$58,150 Match Requirement: Still attempting to get an answer from NMFA regarding the necessity of a scope change. Funding was awarded for construction only, but there is no design yet for this project. Funding application 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. Met with CITF board member Orlando Jimenez to request that he place the scope change on their next agenda.

Other projects:

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

Infrastructure Capital Improvements Plan 2015-2019: I did a brief introduction of the ICIP process at the June meeting, Tiffany Bloom is doing a presentation at the July meeting. Met with management staff regarding projects list on 6/28/13 and with Ms. Bloom and GM on 7/12/13 regarding project budgets, timelines and public input. Attended ICIP training by NM-DFA staff on 7/11/12. Public Input meetings were held on August 6, 7, 8 & 13 at our East Mesa, Brazito, Berino and La Mesa offices respectively. Met with Ms. Bloom on 8/16/13 to work on the Draft ICIP being presented today. Final Plan must be adopted by Resolution at September board meeting for submission by 9/30/13 to DFA.

Documents Retention & Destruction – Electronic documents schedule is pending completion & approval. Joan is doing some research. Sorting of old association documents for storage or destruction is ongoing, and staff is implementing approved retention/destruction schedules for LRGPWVA documents. El Paso Shred will process the first batch of documents scheduled for destruction on 8/20/13.

Website – Notices and Board Minutes pages are current. Updates to the site are ongoing.

Funding Applications:

- A **Project Interest Form** and supplemental documents were submitted to NMED for CWSRLF funding to decommission the wetlands in Mesquite on 5/7/13. This is a regulatory requirement/condition of the permit and must be done.
- **USDA-RD Water Rights Purchase Project:** \$1.5 million Application and PER were submitted to USDA-RD on 6/26/13, local office completed their review, state office reviewed and sent to DC. RD Engineer advised me last week that most of the funding applications from New Mexico are being kicked back from DC for additional information. He said ours has not we should be prepared to show how this project ties to other RD projects in our service area, and that should be fairly easy to accomplish.

Infrastructure Capital Improvement Plan FY 2015-2019

Lower Rio Grande Public Water Works Authority Project Summary

ID	Year	Rank	Project Title	Category	Funded to date						Total	Amount	Phases
						2015	2016	2017	2018	2019	Project Cost	Not Yet Funded	
22905	2015	001	Distribution System Rehabilitation & Improvements	Water Supply	112,563	383,000	2,485,000	0	0	0	2,980,563	2,868,000	Yes
24026	2015	002	System-Wide Information Technology Standardization	Water Supply	770,000	810,000	150,000	100,000	250,000	0	2,080,000	1,310,000	Yes
19248	2015	003	Authority Interconnect Looping Project	Water Supply	112,563	2,040,000	1,000,000	1,000,000	1,000,000	0	5,152,563	5,040,000	Yes
21301	2015	004	Authority Brazito Sewer Project Phases I and II	Wastewater	177,958	449,655	3,500,000	0	3,500,000	0	7,627,613	7,449,655	Yes
21300	2015	005	Water Treatment Plant	Water Supply	974,684	5,000,000	0	0	0	0	5,974,684	5,000,000	No
22906	2015	006	Light Equipment Purchase	Water Supply	0	140,000	105,000	105,000	0	0	350,000	350,000	Yes
25096	2015	007	Heavy Equipment Purchase	Water Supply	0	171,000	171,000	171,000	171,000	171,000	855,000	855,000	Yes
25937	2015	008	40 Year Water Plan Update	Water Rights	0	25,000	0	0	0	0	25,000	25,000	No
25919	2015	009	Purchase and Upgrade Private Water Systems	Water Supply	0	1,500,000	0	0	0	0	1,500,000	1,500,000	No
25921	2016	001	Energy Audit	Other	0	0	50,000	0	0	0	50,000	50,000	No
25097	2017	001	Sewer Service Extension to Unserved Areas	Wastewater	0	0	0	200,000	200,000	200,000	600,000	600,000	Yes
21302	2017	002	Sewer Line for Dairies	Wastewater	0	0	0	3,200,000	0	0	3,200,000	3,200,000	Yes
22911	2018	001	Vado Area Water System Improvements	Water Supply	0	0	0	0	13,230,000	0	13,230,000	13,230,000	Yes
27612	2019	001	Green Projects	Water Supply	0	0	0	0	0	100,000	100,000	100,000	No

Infrastructure Capital Improvement Plan FY 2015-2019

25920	2019	002	Water Rights Purchase	Water Rights	0	0	0	0	0	1,200,000	1,200,000	1,200,000	Yes
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Number of projects:	15											
	Funded to date:	Year 1:	Year 2:	Year 3:	Year 4:	Year 5:	Total Project Cost:	Total Not Yet Funded:				
Grand Totals	2,147,768	10,518,655	7,461,000	4,776,000	18,351,000	1,671,000	44,925,424	42,777,656				

Infrastructure Capital Improvement Plan FY 2015-2019

ICIP Capital Project Description

Year/Rank 2015 001

ID:22905

Project Title: Distribution System Rehabilitation & Improvements **Project Type:** New **Category:** Water Supply **Colonias?** Yes

Legislative Language: To plan, design, construct, purchase and equip water system improvements.

Description: This project will plan, design, and construct water distribution system rehabilitation and system-wide improvements. It will include pipeline connections, looping, line extensions, and improvements at the neighborhood level. It will include upgrades to small diameter lines to enable proper flow through the system, provide for future growth, and meet the requirements for fire protection. It will include extending service to unserved areas. It will include purchasing and installing valves, hydrants, and equipment and appurtenances as designed and required by regulatory agencies. The PER and Environmental Documents for this project will be overarching and include piping interconnections including emergency interconnections, tanks, wells, booster stations, and related improvements. A PER and Environmental Documents for rehabilitation of existing system components is under review by NMED. This PER will cover the rehabilitation elements and will be amended for additional elements.

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

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

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

System-wide.

Location: 325 Holguin Road Vado NM 88072

Latitude: 320705.25N

Longitude: 1063946.02W

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

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

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

Funding source:

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

0
0
0
0

Funded to Date:	Sources	Amount	Secured Funds?
	CDBG	50,000	Yes
	NMFA	37,500	Yes
	LFUNDS	25,063	Yes
		0	No
		0	No
	Other	0	No
Total Funded To Date		112,563	

Infrastructure Capital Improvement Plan FY 2015-2019

Capital Outlay Project Information

Project Budget		Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
				2015	2016	2017	2018	2019	
Water Rights	N/A	0	0	0	0	0	0	0	0
Easements and Rights of Way	N/A	0	0	0	0	0	0	0	0
Acquisition	N/A	0	0	0	0	0	0	0	0
Archaeological Studies	Yes	10,000	0	0	0	0	0	0	10,000
Environmental Studies	Yes	10,000	0	0	0	0	0	0	10,000
Planning	No	92,563	25,000	0	0	0	0	0	117,563
Design (Engr./Arch.)	No	0	358,000	0	0	0	0	0	358,000
Construction	No	0	0	2,485,000	0	0	0	0	2,485,000
Furnishing/Equipment	N/A	0	0	0	0	0	0	0	0
TOTALS		112,563	383,000	2,485,000	0	0	0	0	2,980,563
Amount Not Yet Funded		2,868,000							

Can this project be phased? Yes

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

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

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	47,000	Yes	Yes	No	No	No	6
2	125,000	No	No	Yes	No	No	2
3	336,000	No	Yes	No	No	No	12
4	2,360,000	No	No	Yes	No	No	18
5	0	No	No	No	No	No	0
TOTAL	0						

Infrastructure Capital Improvement Plan FY 2015-2019

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

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

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

No	Create Jobs
No	Retain Jobs
No	Attract New Business

List the number of direct project beneficiaries: 13,588

Is this a Regional or Statewide project? Regional **If Regional, areas affected or that will benefit:** South Valley and East Mesa Colonias

The local government that will own and administer this project: LRGPWWA

Has your local government/agency agreed to administer, maintain and operate this capital project? Yes

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

If not, reason why not:

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

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

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

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

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

Lower Rio Grande PWWA

Operators Report

July 17, 2013

System Problems and Repairs.

- Backflow inspections are current.(Mesquite District)
- Sewer tank inspections are current.(Mesquite District)
- The operators are almost finished installing radio read meters in Desert Sands.
- The Butterfield Park Well #2 was hit by lightning costing us 24,000.00 dollars to repair, we took a special Bac-T sample as soon as the results come back we will put it back into service.
- JJ and I are also close to being done with the Gas Chlorine at Well #8.
- We also lost a phase of power at the Mountain View boosters El Paso Electric restored it, but it also burned out a fuse.
- We had a final walk through at Well #12 and we have generated a punch list.
- The sewer contractor started up lift station #1 and #2, we performed a 48 hour test which went well.
- Arroyo Well #4 is still having problems with the SCADA system.

- I'm reviewing the O&M manuals for the La Mesa Well #12.
- We had a lot of over-time this month due to the heavy rains.
- We lost around 150' of 4" main line on Lechuga Rd and around 100' of 2" main line on Calle De Rumbo.

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

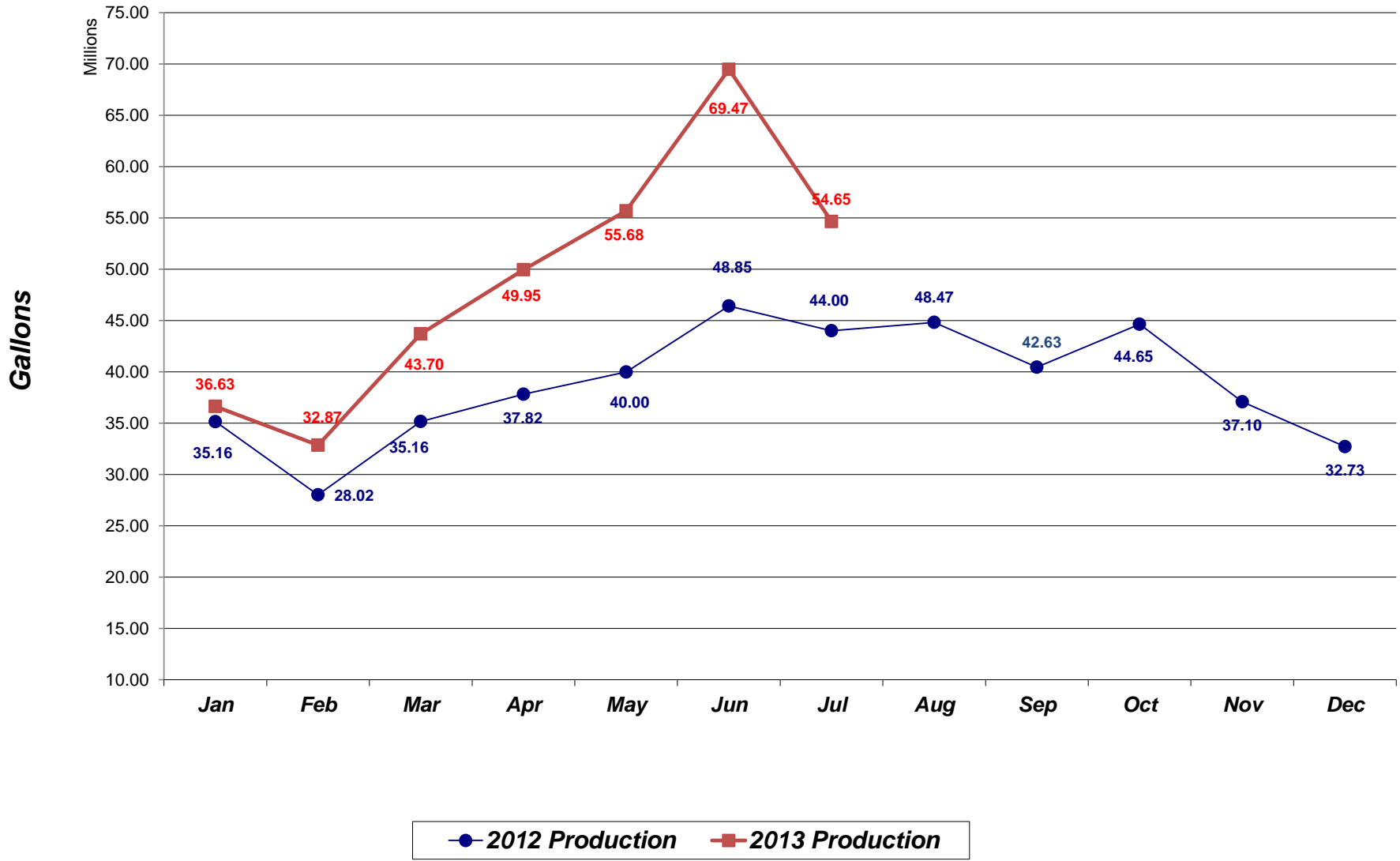
Mesquite district Wetlands: wetlands have been working fine.

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 Water Production Report



General Information-Mutual Domestic

Personnel

Berino

Operations: 3 Full-Time Operators, Board sometimes participated in daily operations

Financial: Full-Time Billing Clerk and Full-Time Office Manager for Customer Billing and Accounting additional contract with Bookkeeper

Projects: Office Manager, Project Management contracted to Engineering Firm

Brazito

Operations: Part-Time Operator, Part-Time Manager, Board sometimes participated in daily operations

Financial: Contracted to Accounting Firm for Customer Billing and Accounting

Projects: Project Management contracted to Engineering Firm

Staff: 1 FTE

Butterfield Park

Operations: Full-Time Operator, Part-Time Operator (Board Member), and Full-Time Labor. Board sometimes participated in daily operations and management

Financial: ¾ Time Billing Clerk and Board Member (Part-Time) handled Accounting and Customer Billing additional contract with Accounting Firm

Projects: No Projects

Staff: 3.75 FTE

Desert Sands

Operations: Full-Time Operator, ¾-Time Operator

Financial: ¾-Time Billing Clerk and Full-Time Business Manager additional contract with Accounting Firm

Projects: Business Manager, Limited Project Management contracted to Engineering Firm

Staff: 3.5 FTE

La Mesa

Operations: 2 Full-Time Operators, Part-Time Manager (Board Member), Board sometimes participated in daily operations

Financial: Full-Time and ¾-Time Billing Clerks, additional contract with Bookkeeper (Board Member)

Projects: Project Management contracted to Engineering Firm

Staff: 3.25 FTE

Mesquite

Operations: 6 Full-Time Operators, Full-Time Manager

Financial: 2 Full-Time Billing Clerks, additional contract with Accounting Firm

Projects: General Manager, Limited Project Management contracted to Engineering Firm

Staff: 9 FTE

Organ

Operations: 2 Full-Time Operators, Board sometimes participated in daily operations

Financial: Contracted to Accounting Firm for Customer Billing and Accounting

Projects: Project Management contracted to Engineering Firm

Staff: 2 FTE

Vado

Operations: Contracted to Mesquite, Board sometimes participated in daily operations

Financial: Part-Time Billing Clerk (Board Member), no additional Accounting

Projects: None

Staff: .5 FTE

Total FTE 28 Does not including Contracted Services and Board members assistance

General Information-LRGPWWA

Personnel

Management

Full-Time General Manager, Board does not participation in Finance, Operations, or Project Management

FTE: 1

Finance

Full-Time Finance Manager, Full-Time Customer Service Manager, Full-Time Accounts Payable, Full-Time Payroll/Billing Clerk, Full-Time Dispatcher/Billing Clerk, Full-Time Parts/Supplies Clerk, Full-Time Meter Reader, 2 Full-Time Billing Clerks, ¾-Time Billing Clerk, ½-Time Billing Clerk

FTE: 10.25

Department services the following 22 loans, along with Customer Service to 5,000 Accounts; Human Resources; Procurement-Purchasing; Agency Report; Payroll and Payroll Taxes; Budget; Audit; [financial statements](#) etc. No additional External Accounting.

N/P RCAC

NMFA- DesertSands5

NMFA- LowerRio3 (Berino-Del Cerro-Mesquite)

NMFA-LowerRio5 (Surface/Brackish Water)

NMFA Lower Rio 6(Mesquite Sewer)

USDA 91-07 (Brazito Water)

USDA 91-12 (Brazito Water)

USDA 91-14 (Brazito Water)

USDA 91-02 (Butterfield Park)

USDA 93-09 (Organ Water)

USDA 92-19 (Mesquite Sewer)

WSC 85-03 R (Brazito)

NMFA- LowerRio2 (Refinance)

NMFA-LowerRio4 (Radio Read Meters)

NMFA Lower Rio 6(Mesquite Sewer)

USDA Berino\Del Cerro (Pending)

USDA 91-09 (Brazito Water)

USDA 91-12 (Brazito Water)

USDA 91-15 (Brazito Water)

USDA 91-04 (La Mesa Well)

USDA 92-13 (Mesquite Sewer)

USDA 93-09 (Organ Sewer)

Operations

Full-Time Operations Manager, Full-Time Assistant Operations Manager, 2 Full-Time Crew Leaders 2 Full-Time Well/Treatment Technicians, 5 Full-Time Operators, 1 Full-Time Operator Trainee, ¼-Time Operator

FTE: 12.25

Department services following the facilities (26 tanks, 13 booster stations, and 18 wells) along with 5,000 water connections on a 100 miles of water line and nearly 500 sewer connections on 10 miles of sewer line spread over 100 square miles. Includes all aspects of regulatory compliance and an Operations and Maintenance contract with Alto De Las Flores MDWCA.

Water

Berino

1158 Berino Road (2 wells)
Las Alturas Drive (tank) BLM site

Butterfield Park

9818 Butterfield Blvd (well, 2 tanks and booster station)
9521 Easy Lane (well)

Brazito

885 Three Hawks Road (well, 2 tanks and booster station)
1081 Yucca Road (well)
Snow Road Estates (tank and booster station)

Desert Sands

115 Shrode Road (well/arsenic treatment)
1034 W. O'Hara Road (well/arsenic treatment)
1750 Venadito Trail (well/arsenic treatment)
59 Links (booster station)
53 Red Rock Court (2 tanks)
O'Hara Road (tank) BLM site

Sewer

Mesquite

Wetlands Facility
360 Individual pumps

Organ

Lagoon Facility

La Mesa

210 Chimuri Street (booster station and tank)

845 N. San Pedro Street (well)

1805 County Road B10 (well and tank)

2417 County Road B10 (well and tank)

Mesquite

12201 La Alturas Drive (tank)

190 La Fe (2 tanks and booster station)

10130 Lily Way (well)

235 Mesquite Drive (well and tank)

301 Mesquite Drive (well)

1720 Vado Drive (tank and booster station)

306 Hawthorne (well)

Organ

10256 Spur Lane (2 tanks and booster station)

16249 SlySong Road (3 tanks and booster station)

Tierra Alta (tank)

5680 5th Street (tank, booster station)

16228 East Hwy 70 (booster station)

10256 Spur Lane (booster station)

9225 El Centro Blvd (well)

Arroyo Road (well)

Vado

325 Holguin (2 tanks and booster station)

Alto De Las Flores

Hwy 28 (2 tanks and 2 well)

300 connections

Projects

Full-Time Projects Manager, ½-Time Administrative Assistance, Full-Time Project Specialist (also provides assistance to General Manager, Finance Manager as Billing Clerk, and Operations Manager

FTE: 2.5

Department services the 16 following active projects along with proposed and pending projects; compliance with funding and regulatory agency requirements, reporting; public meetings; community outreach; ICIP planning; board meeting coordination; implement the records retention & destruction policy; report on legislative activities etc.

La Mesa Well #3 Project - LRG #12

Mesquite Wastewater Project LRGPWWA Mesquite

Brazito Sewer Project

LRGPWWA PER-includes Interconnect & Looping,

System Rehab Berino/Mesquite-Del Cerro Water System Improvements

Surface/Brackish Water Treatment Facility Project

Alto de Las Flores Interconnect

Radio-Read Meter Project

System-wide Information Technology Standardization

Water System Purchase Project - Planning Grant

Organ Water & Wastewater System Improvements Project

Brazito Water System Improvements Project

USDA-RD Transfer & Assumption Applications - Butterfield Park, Organ & Brazito

Water Rights Purchase Project

Mesquite Wetlands De-commission

Total FTE 26.5 Only IT Services are contracted and no Board Member work related involvement

**Lower Rio Grande Public Water works Authority
Resolution Number 2013-12
Open Meetings Act Resolution for FY2013-2014**

WHEREAS, the Lower Rio Grande Public Water Works Authority Board of Directors met in regular session at its Butterfield Park Office, 9774 Butterfield Blvd., Butterfield Park, New Mexico on Wednesday, May 15, 2010 at 10:00 a.m. as required by law; and

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

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

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

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

1. All meetings shall be held at the offices of the Lower Rio Grande Public Water Works Authority at the locations indicated in the attached schedule of meetings notice.
2. Unless otherwise specified or adjusted to accommodate holidays, regular meetings shall be held each month on the third Wednesday of the month at 9:30 a.m. The draft agenda will be available at least seventy-two hours and a final agenda will be available at least thirty-six hours prior to the meeting from the office of each Lower Rio Grande Public Water Works Authority Office that is open to the public. Notice of any other regular meetings will be given ten (10) days in advance of the meeting date. The notice shall indicate how a copy of the agenda may be obtained.
3. Special meetings may be called by the Chairperson or a majority of the Directors upon three-day notice. The notice shall include an agenda for the meeting or information on how members of the public may obtain a copy of the agenda. The agenda shall be available to the public at least twenty-four hours before any special meeting.

4. Emergency meetings will be called only under unforeseen circumstances which demand immediate action to protect the health, safety and property of citizens or to protect the public body from substantial financial loss. The Lower Rio Grande Public Water Works Authority Board of Directors will avoid emergency meetings whenever possible. Emergency meetings may be called by the Chairperson or a majority of the Directors upon twenty-four (24) hours' notice, unless threat of personal injury or property damage requires less notice. The notice for all emergency meetings shall include an agenda for the meeting or information on how the public may obtain a copy of the agenda. Within ten (10) days of taking action on an emergency matter, the Lower Rio Grande Public Water Works Authority Board of Directors shall report to the New Mexico Attorney General's Office the action that was taken and the circumstances creating the emergency.

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

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

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

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aide or service to attend or participate in the hearing or meeting, please contact the Mesquite office of the Lower Rio Grande Public Water Works Authority at 575-233-5742, by mail at 325 Holquin Road, Vado NM 88072, or in person at 215 Bryant, Mesquite, NM at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Mesquite office if a summary or other type of accessible format is needed.

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

(a) If any meeting is closed during an open meeting, such closure shall be approved by a majority vote of a quorum of the Lower Rio Grande Public Water Works Authority Board of Directors taken during the open meeting. The authority for the closed meeting and the subjects to be discussed shall be stated with reasonable specificity in the motion to close and the vote of each individual Director on the motion to close shall be recorded in the minutes. Only those subjects specified in the motion may be discussed in the closed meeting.

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

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

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

Passed and adopted by the Lower Rio Grande Public Water Works Authority Board of Directors this 15th day of May, 2013.

Seal:

Robert Nieto, Chairman (District 5)

John Holguin, Vice-Chairman (District 4)

Santos Ruiz, Secretary (District 2)

VACANT
Director (District 1)

Carlos Telles, Director (District 3)

Michael McMullen, Director (District 6)

Furman Smith, Director (District 7)

**Lower Rio Grande Public Water Works Authority
Board of Directors Schedule of Meetings 2013-2014
Junta de la Mesa Directiva 2013-2014**

The Lower Rio Grande PWWA Board will meet the **third Wednesday of the month at 9:30 a.m. at the Lower Rio Grande PWWA Offices designated in this schedule.** Agendas will be available at the office seventy-two hours prior to the meeting at each Lower Rio Grande PWWA office that is open to the public.

La Mesa Directiva de Lower Rio Grande PWWA tiene sus juntas el tercer miércoles de cada mes a las 9:30 a.m. en las oficinas de Lower Rio Grande designadas en este calendario. Las agendas estarán disponibles setenta y dos horas antes de las junta, en las oficinas de Lower Rio Grande que estén abiertas al público,

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

9:30 a.m. July 17, 2013	La Mesa	9:30 a.m. 17 de Julio 2013
	521 St. Valentine	
9:30 a.m. August 21, 2013	La Mesa	9:30 a.m. 21 de Agosto 2013
	521 St. Valentine	
9:30 a.m. September 18, 2013	Berino	9:30 a.m. 18 de Septiembre 2013
	1150 Berino Rd	
9:30 a.m. October 16, 2013	Vado	9:30 a.m. 16 de Octubre 2013
	325 Holguin	
9:30 a.m. November 20, 2013	Vado	9:30 a.m. 20 de Noviembre 2013
	325 Holguin	
9:30 a.m. December 18, 2013	Butterfield Park	9:30 a.m. 18 de Diciembre 2013
	9774 Butterfield Park Blvd	
9:30 a.m. January 15, 2014	Berino	9:30 a.m. 15 de Enero 2014
	1150 Berino Rd	
9:30 a.m. February 19 2014	Berino	9:30 a.m. 19 de Febrero 2014
	1150 Berino Rd	
9:30 a.m. March 19, 2014	Butterfield Park	9:30 a.m. 19 de Marzo 2014
	9774 Butterfield Park Blvd	
9:30 a.m. April 16, 2014	Butterfield Park	9:30 a.m. 16 de Abril 2014
	9774 Butterfield Park Blvd	
9:30 a.m. May 21, 2014	Vado	9:30 a.m. 21 de Mayo 2014
	325 Holguin	
9:30 a.m. June 18, 2014	La Mesa	9:30 a.m. 18 de Junio 2014
	521 St. Valentine	

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aide or service to attend or participate in the hearing or meeting, please contact the office of the LRGPWWA **at 575-233-5742, by mail at 325 Holguin Road, Vado NM 88072, or in person at 215 Bryant, Mesquite, NM** at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Mesquite office if a summary or other type of accessible format is needed.

Si usted es un individuo con una incapacidad esta en necesidad de un lector, amplificador, lenguaje por senas, o cualquier otra forma de asistencia o servicio para atender o participar en las juntas, por favor lame a la oficinas de LRGPWWA at 575-233-5742, por correo al 325 Holguin Road, Vado NM 88072, o en persona en el 215 Bryant, Mesquite, NM una semana antes de la junta o en cuanto le sea posible. Documentos públicos, incluyendo la agenda y minutos, están disponibles en varios formatos. Por favor póngase en contacto con la oficina LRGPWWA si necesita un resumen u otro tipo de forma accesible.

**RECORD OF PROCEEDINGS RELATING TO THE ADOPTION OF
RESOLUTION NO. 2014-04 OF THE LOWER RIO GRANDE PUBLIC WATER
WORKS AUTHORITY BOARD OF DIRECTORS
AUGUST 21, 2013**

STATE OF NEW MEXICO)
) ss.
COUNTY OF DONA ANA)

The Board of Directors (the "Governing Body") of the Lower Rio Grande Public Water Works Association (the "Grantee") met in a regular session in full conformity with the law and the rules and regulations of the Governing Body at 521 St. Valentine, La Mesa, New Mexico 88044, being the meeting place of the Governing Body for the meeting held on the 21st day of August 2013 at the hour of 9:30 a.m. Upon roll call, the following members and officers were found to be present:

Present: _____

Absent: _____

Also Present: _____

Thereupon, there was officially filed with the General Manager a copy of a proposed Resolution in final form, as follows:

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
RESOLUTION NO. FY2014-04**

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOCAL GOVERNMENT PLANNING GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), AND THE LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY (THE "GRANTEE"), IN THE AMOUNT OF THIRTY SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$37,500) EVIDENCING AN OBLIGATION OF THE GRANTEE TO UTILIZE THE GRANT AMOUNT AND THE LOCAL MATCH AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF A PRELIMINARY ENGINEERING REPORT AND SOLELY IN THE MANNER DESCRIBED IN THE GRANT AGREEMENT; CERTIFYING THAT THE GRANT AMOUNT, TOGETHER WITH THE LOCAL MATCH AMOUNT AND OTHER FUNDS AVAILABLE TO THE GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE GRANT AGREEMENT.

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

WHEREAS, Grantee is a legally and regularly created, established, organized and existing special water district created pursuant to law, more specifically Section 73-26-1, NMSA 1978, as amended and supplemented; and

WHEREAS, the Grantee is qualified to receive the Planning Grant pursuant to the Finance Authority's Rules Governing the Local Government Planning Fund and Section 6-21-6.4, NMSA 1978, as amended and supplemented; and

WHEREAS, the Governing Body hereby determines that the Project may be financed with amounts granted pursuant to the Grant Agreement, that the Grant Amount, together with the Local Match and other moneys available to the Grantee, is sufficient to complete the Project, and that it is in the best interest of the Grantee and its residents that the Grant Agreement be executed and delivered and that the funding of the Project take place by executing and delivering the Grant Agreement; and

WHEREAS, the Governing Body has determined that it may lawfully enter into the Grant Agreement, accept the Grant Amount and be bound to the obligations and by the restrictions thereunder; and

WHEREAS, the Grantee acknowledges and understands that the Planning Grant must be expended and a Planning Document must be completed within one (1) year from the Closing Date, or the Grantee will forfeit the ability to draw Grant funds from the Local Government Planning Fund; and

WHEREAS, the Grant Agreement shall not constitute a general obligation of the Grantee or a debt or pledge of the faith and credit of the Grantee, the Finance Authority or the State; and

WHEREAS, there have been presented to the Governing Body and there presently are on file with the General Manager this Resolution and the form of the Grant Agreement which is incorporated by reference and made a part hereof; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use of the Grant Amount for the purposes described and according to the restrictions set forth in the Grant Agreement; and (ii) the authorization, execution and delivery of the Grant Agreement which are required to have been obtained by the date of this Resolution, have been obtained or are reasonably expected to be obtained.

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

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

“Act” means the general laws of the State, the New Mexico Finance Authority Act, Section 6-21-1 et seq., and specifically Section 6-21-6.4, NMSA 1978, and enactments of the Governing Body relating to the Grant Agreement, including this Resolution, all as amended and supplemented.

“Authorized Officers” means in the case of the Grantee the Chair, Vice Chair, and Secretary of the Governing Body, and in the case of the Finance Authority the Chairperson, Vice-Chairperson and Secretary of the Board of Directors and the Chief Executive Officer, or any other officer or employee of the Finance Authority designated in writing by an Authorized Officer.

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

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

“Finance Authority” means the New Mexico Finance Authority.

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

“Grant Account” means the account in the name of the Grantee established pursuant to this Resolution and held by the Finance Authority for deposit of the Grant Amount for disbursement to the Grantee for payment of the costs of the Project.

“Grant Agreement” means the grant agreement dated September 6, 2013, entered into by and between the Grantee and the Finance Authority, as authorized by this Resolution.

“Grant Amount” means the sum of Thirty Seven Thousand Five Hundred Dollars (\$37,500).

“Grantee” means Lower Rio Grande Public Water Works Authority located in Dona Ana County, New Mexico.

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

“Local Match” means the local match component equal to Twelve Thousand Five Hundred Dollars (\$12,500). The local match component can be provided as a hard match consisting of actual dollars expended on the Project other than funds from the Local Government Planning Fund for the specified scope of work. The hard match may be provided in the form of loans, local cash contributions, private donations or federal funds. The local match component can also be provided as a Soft Match.

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

“Planning Document” means a written document in the form of a preliminary engineering report, created for the purpose of evaluating and estimating alternatives to meet the Grantee’s public project needs, namely waste water project planning needs in conjunction with Dona Ana County.

“Planning Grant” or “Grant” means the amount provided to the Grantee pursuant to the Grant Agreement for the purpose of funding the Project, and is equal to the Grant Amount.

“Project” means the preparation of the Planning Document, as more particularly described in Exhibit “A” attached to the Grant Agreement.

“Resolution” means this Resolution dated the 21st day of August 2013, as supplemented from time to time.

“State” means the State of New Mexico.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Grantee and officers of the Grantee, directed toward the Project and the execution and delivery of the Grant Agreement, shall be and the same hereby is ratified, approved and confirmed.

Section 3. Authorization of the Project and the Grant Agreement. The Project and the method of funding the Project through execution and delivery of the Grant Agreement are hereby authorized and ordered. The Project is for the benefit and use of the Grantee and the public whom it serves.

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

A. The Project is needed for the purpose of evaluating and estimating alternatives to meet the Grantee's public project needs, namely waste water project planning needs in conjunction with Dona Ana County.

B. The costs of the Project are beyond the local control and resources of the Grantee.

C. The Project and the execution and delivery of the Grant Agreement pursuant to the Act to provide funds for the financing of the Project are in the interest of the public health, safety and welfare of the public served by the Grantee.

D. The Grantee will perform (or cause to be performed) the Project with the proceeds of the Planning Grant, and will utilize the Project for the purposes set forth in the Grant Agreement.

E. The Grantee will forfeit the Planning Grant if the Grantee fails to utilize the Grant Amount within one (1) year of the Closing Date.

F. The Local Match is legally available to be applied to the Project.]

Section 5. Grant Agreement—Authorization and Detail.

A. Authorization. This Resolution has been adopted by the affirmative vote of a quorum of the Governing Body. For the purpose of protecting the public health, conserving the property, and protecting the general welfare and prosperity of the public served by the Grantee and performing the Project, it is hereby declared necessary that the Grantee execute and deliver the Grant Agreement evidencing the Grantee's acceptance of the Grant Amount of \$37,500 and a Local Match in the amount of \$12,500 to be utilized solely for the Project and solely in the manner and according to the restrictions set forth in the Grant Agreement, the execution and delivery of which are hereby authorized. The Grantee shall use the proceeds of the Grant and the Local Match, to finance the performance of the Project. The Project will be owned by the Grantee and will be utilized by the Grantee as set forth in the Grant Agreement.

B. Detail. The Grant Agreement shall be in substantially the form of the Grant Agreement presented at the meeting of the Governing Body at which this Resolution was adopted. The Grant shall be in the amount of Thirty Seven Thousand Five Hundred Dollars (\$37,500).

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

Section 7. Disposition of Proceeds; Completion of Acquisition of the Project.

A. Grant Account. The Grantee hereby consents to creation of the Grant Account by the Finance Authority and approves of the deposit of the Grant Amount into the Grant Account. Until the Completion Date, the money in the Grant Account shall be used and paid out solely for the purpose of the Project in compliance with applicable law and the provisions of the Grant Agreement. The Grantee shall proceed to acquire and complete the Project with all due diligence.

B. Completion of Acquisition of the Project. The Grantee shall proceed to complete the Project with all due diligence. Upon the Completion Date, the Grantee shall execute a certificate substantially in the form attached as Exhibit "C" to the Grant Agreement stating that acquisition of and payment for the Project have been completed. As soon as practicable and, in any event, not more than sixty (60) days after the Completion Date, any balance remaining in the Grant Account shall be transferred and returned to the Finance Authority.

C. Finance Authority Not Responsible. The Finance Authority shall in no manner be responsible for the application or disposal by the Grantee or by the officers of the Grantee of the funds derived from the Grant Agreement or of any other funds held by or made available to the Grantee's in connection with use of the Project.

Section 8. Authorized Officers. Authorized Officers are hereby individually authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Grant Agreement, and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Resolution and the Grant Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Resolution and the Grant Agreement, including, but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the Grant Agreement.

Section 9. Amendment of Resolution. This Resolution after its adoption may be amended without receipt by the Grantee of any additional consideration, but only with the prior written consent of the Finance Authority.

Section 10. Resolution Irrepealable. After the Grant Agreement has been executed and delivered, this Resolution shall be and remain irrepealable until all obligations of the Grantee under the Grant Agreement shall be fully discharged, as herein provided.

Section 11. Severability Clause. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 12. Repealer Clause. All bylaws, orders, resolutions, ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 13. Effective Date. Upon due adoption of this Resolution, it shall be recorded in the book of the Grantee kept for that purpose, authenticated by the signatures of the Grantee's Chair and **Secretary** of the Grantee, and this Resolution shall be in full force and effect thereafter, in accordance with law; provided, however, that if recording is not required for the effectiveness of this Resolution, this Resolution shall be effective upon adoption of this Resolution by the Governing Body.

Section 14. Execution of Agreements. The Lower Rio Grande Public Water Works Authority through its Governing Body agrees to authorize and execute all such agreements with the Finance Authority as are necessary to consummate the Grant contemplated herein and consistent with the terms and conditions attached hereto.

PASSED, APPROVED AND ADOPTED THIS 21st DAY OF AUGUST 2013.

LOWER RIO GRANDE PUBLIC WATER
WORKS AUTHORITY

By _____
Roberto Nieto

ATTEST:

Santos Ruiz
Secretary

Governing Body Member _____ then moved adoption of the foregoing Resolution, duly seconded by Governing Body Member _____.

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

Those Voting Aye: _____

Those Voting Nay: _____

Those Absent: _____

_____ (___) members of the Governing Body having voted in favor of said motion, the Grantee's Chair declared said motion carried and said Resolution adopted, whereupon the Grantee's Chair and the Secretary signed the Resolution upon the records of the minutes of the Governing Body.

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

[Signature page follows.]

LOWER RIO GRANDE PUBLIC WATER WORKS
AUTHORITY

(SEAL)

By _____
Roberto Nieto
Chair

By _____
Santos Ruiz
Secretary

[Remainder of page intentionally left blank.]

STATE OF NEW MEXICO)
) ss.
COUNTY OF DONA ANA)

I, Santos Ruiz, the duly qualified and acting Secretary of the Lower Rio Grande Public Water Works Authority (the "Borrower/Grantee"), do hereby certify:

1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the Board of Directors of the Grantee constituting the Governing Body of the Grantee, had and taken at a duly called regular meeting held at the 325 Holguin Rd, La Mesa, New Mexico 88044, on the 21st of August, 2013, at the hour of 9:30 a.m., insofar as the same relate to the adoption of Resolution No. FY2014-04 and the execution and delivery of the proposed Grant Agreement, a copy of which is set forth in the official records of the proceedings of the Governing Body kept in the offices of the Grantee. None of the action taken in the said proceedings has been rescinded, repealed or modified.

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

3. Notice of said meeting was given in compliance with the permitted methods of giving notice of regular meetings of the Governing Body as required by the State Open Meetings Act, Section 10-15-1, et seq., NMSA 1978, as amended and supplemented, including, Grantee’s open meetings standards presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 6th day of September 2013.

LOWER RIO GRANDE PUBLIC WATER WORKS
AUTHORITY

By _____
Santos Ruiz
Secretary

[SEAL]

EXHIBIT “A”

Notice of Meeting

\$37,500
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
Planning Grant Agreement
Finance Authority No. 2362-PG

STATE OF NEW MEXICO)
) ss.
COUNTY OF DONA ANA)

CERTIFICATE OF GRANTEE

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen, qualified and acting Chair and Secretary of the Lower Rio Grande Public Water Works Authority (the “Grantee”), Sandoval County, State of New Mexico, that:

Capitalized terms used in this Certificate have the same meanings as defined in Resolution No. FY2014-04 adopted by the Governing Body of the Grantee on August 21, 2013, (the “Resolution”) in connection with this Planning Grant, unless otherwise defined in this Certificate or the context requires otherwise.

1. The Grantee is a legally and regularly created, established, organized and existing special water district created pursuant to law, more specifically Section 73-26-1, NMSA 1978, as amended and supplemented;

2. The resolutions, rules and regulations governing the Project and customer service by the Grantee have been duly adopted and are now in full force and effect;

3. The Authorized Officers and Governing Body of the Grantee were duly and validly elected or appointed and are empowered to act for the Grantee; and

4. The Grantee has all requisite corporate power:

- (a) To perform or cause performance of the Project funded by the Planning Grant and the Local Match;
- (b) To execute and deliver Grant documents, including but not limited to those identified above; and
- (c) To perform all acts required by such Grant documents to be done by the Grantee.

5. All proceedings of the Grantee, its elected and appointed officers, and employees, required or necessary to be taken in connection with the authorization of the actions specified above have been duly taken and all such authorizations are presently in full force and effect.

6. The Resolution and the Grant Agreement have been duly signed and adopted in accordance with all applicable laws and neither has been repealed, rescinded, revoked, modified, amended or supplemented in any manner except as set forth in the Resolution. The Resolution

constitutes valid and sufficient legal authority for the Grantee to carry out and enforce the provisions of the Grant Agreement.

7. No event will result from the execution and delivery of the Grant Agreement that constitutes a default or an Event of Default under either the Grant Agreement or the Resolution, and no Event of Default and no default under the Grant Agreement or the Resolution has occurred and is continuing on the date of this Certificate.

8. The Grantee has duly authorized and approved the consummation by it of all transactions, and has complied with all requirements and satisfied all conditions, which are required by the Grant Agreement to have been authorized, approved, performed or consummated by the Grantee at or prior to the date of this Certificate. The Grantee has full legal right, power and authority to carry out and consummate the transactions contemplated by the Resolution and the Grant Agreement.

9. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the enforceability of the Grant Agreement or any of the actions required to be taken by the Resolution or the Grant Agreement to the date of this Certificate have been obtained and are in full force and effect.

10. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the completion of the Project have been obtained and are in full force and effect.

11. Neither the Grantee's adoption of the Resolution nor any action contemplated by or pursuant to the Resolution or the Grant Agreement conflicts or will conflict with, or constitute a breach by the Grantee of, or default by the Grantee under any law, court decree or order, governmental regulation, rule or order, resolution, agreement, indenture, mortgage or other instrument to which the Grantee is subject or by which it is bound.

12. There is no actual or threatened action, suit, proceeding, inquiry or investigation against the Grantee, at law or in equity, by or before any court, public board or body, nor to the Grantee's knowledge is there any basis therefore, affecting the existence of the Grantee or the titles of its officials to their respective offices, or in any way materially adversely affecting or questioning (a) the territorial jurisdiction of the Grantee, (b) the use of the proceeds of the Grant Agreement for the Project, (c) the validity or enforceability of the Grant Agreement or any proceedings of the Grantee with respect to the Grant Agreement or the Resolution, (d) the execution and delivery of the Grant Agreement or (e) the power of the Grantee to carry out the transactions contemplated by the Grant Agreement or the Resolution.

13. From at least January 1, 2013, to and including the date of this Certificate, the following were and now are the duly chosen, qualified and acting officers and members of the Governing Body of the Grantee:

Roberto Nieto, Chairman _____

John Holguin, Vice-chair _____

Santos Ruiz, Secretary _____

Carlos Tellez, Director _____

Mike McMullen, Director _____

Furman Smith, Director _____

Appointed by the Board of Directors on 7/17/13:

Arturo Terrazas, Director _____

14. Based on data collected during the 2010 Census, the population of the service area of the Lower Rio Grande Public Water Works Authority is at least 75% English speaking.

15. The Las Cruces Sun News a newspaper of general circulation in the Dona Ana County is published in English.

16. To the best of our knowledge and belief after due investigation, none of the Events of Default referred to in Article IX of the Grant Agreement has occurred.

17. The Grantee has complied with all the covenants and satisfied all the conditions on its part to be performed or satisfied at or prior to the date hereof, and the representations and warranties of the Grantee contained in the Grant Agreement and in the Resolution are true and correct as of the date of this Certificate.

18. To the best of our knowledge and belief after due investigation, neither the Grantee's Chair, the Secretary, any member of the Governing Body of the Grantee, nor any other officer, employee or other agent of the Grantee is interested (except in the performance of his or her official rights, privileges, powers and duties), directly or indirectly, in the profits of any contract, or job for work, or services to be performed and appertaining to the Project.

19. Regular meetings of the Grantee's Governing Body have been held at the offices of the Lower Rio Grande Public Water Works Authority in La Mesa at 521 St. Valentine, in Vado at 325 Holguin Road, in Berino at 1150 Berino Road, and in Butterfield Park at 9774 Butterfield Park Boulevard, the principal meeting places of the Grantee. The meeting at which the Resolution was adopted was held at 325 Holguin Rd, La Mesa, New Mexico 88044, on the 21st of August, 2013, at the hour of 9:30 a.m.

20. The Grantee's Governing Body has no rules of procedure which would invalidate or make ineffective the Resolution or other action taken by the Grantee's Governing Body in connection with the Grant Agreement. The Open Meetings Act Resolution No. 2013-12 (the

“Open Meetings Act Resolution”) adopted and approved by the Governing Body on May 15, 2013, establishes notice standards as required by Section 10-5-1, NMSA 1978, as amended and supplemented. The Open Meetings Act Resolution has not been amended or repealed. All action of the Governing Body with respect to the Grant Agreement and Resolution was taken at meetings held in compliance with the Open Meetings Act Resolution then in effect.

21. The Grantee’s Chair and the Secretary, on the date of the signing of the Grant Agreement and on the date of this Certificate, are the duly chosen, qualified and acting officers of the Grantee authorized to execute the Grant Agreement.

22. This Certificate is for the benefit of the Finance Authority.

23. This Certificate may be executed in counterparts.

WITNESS our signatures and the seal of the Grantee this 6th day of September 2013.

LOWER RIO GRANDE PUBLIC WATER WORKS
AUTHORITY

(SEAL)

By _____
Roberto Nieto
Board Chairman

By _____
Santos Ruiz
Board Secretary

\$37,500

PLANNING GRANT AGREEMENT

dated

September 6, 2013

by and between

NEW MEXICO FINANCE AUTHORITY

and

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

PLANNING GRANT AGREEMENT

THIS PLANNING GRANT AGREEMENT (the “Grant agreement”), dated September 6, 2013, is entered into by and between the NEW MEXICO FINANCE AUTHORITY (the “Finance Authority”) and the LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY (the “Grantee”).

WITNESSETH:

WHEREAS, the Finance Authority is a public body politic and corporate, separate and apart from the State of New Mexico (the “State”), constituting a governmental instrumentality, duly organized and created under and pursuant to the laws of the State, particularly Section 6-21-1, et seq., NMSA 1978, as amended and supplemented (the “New Mexico Finance Authority Act”); and

WHEREAS, Section 6-21-6.4, NMSA 1978, creates the Local Government Planning Fund to be administered by the Finance Authority to make Grants to qualified entities to develop long term master plans; and

WHEREAS, Grantee is a legally and regularly created, established, organized and existing special water district created pursuant to law, more specifically Section 73-26-1, NMSA 1978, as amended and supplemented; and

WHEREAS, the Grantee is qualified to receive the Planning Grant pursuant to the Finance Authority’s Rules and Section 6-21-6.4, NMSA 1978, as amended and supplemented; and

WHEREAS, Mesquite Mutual Domestic Water Consumers Association originally applied to the Finance Authority for a Planning Grant (as defined below); and

WHEREAS, Mesquite Mutual Domestic Water Consumers Association merged into the Grantee upon a vote of the a majority of a quorum of the membership of Mesquite Mutual Domestic Water Consumer Association via Joint Resolution 2009-06 on September 30, 2008; and

WHEREAS, the Grantee upon a vote of its Governing Body voted via Joint Resolution 2-11-01 to assume the project applied for by the Mesquite Mutual Domestic Water Consumers Association; and

WHEREAS, the Grantee has determined that it is in the best interest of the Grantee and its residents that the Grantee enter into this Grant Agreement with the Finance Authority and accept a grant in the amount of Thirty Seven Thousand Five Hundred Dollars (\$37,500) from the Finance Authority to carry out the Project, as more fully described in Exhibit “A” attached hereto; and

WHEREAS, the Grantee acknowledges and understands that the Planning Grant must be expended and the Planning Documents must be completed within one (1) year from the Closing

Date, or the Grantee will forfeit the ability to draw Grant funds from the Local Government Planning Fund; and

WHEREAS, the Grantee shall report at least semi-annually to the Finance Authority on the status of the Planning Document consisting of a preliminary engineering report, created for the purpose of evaluating and estimating alternatives to meet the Grantee's public project needs, namely waste water planning for a project in conjunction with Dona Ana County; and

WHEREAS, the Grantee is prepared to perform all its obligations and to observe and obey all restrictions on the use of the Grant set forth in this Grant Agreement.

NOW, THEREFORE, for and in consideration of the foregoing premises and the mutual promises and covenants contained herein, the parties hereto agree:

ARTICLE I: DEFINITIONS

As used in this Agreement, including the foregoing recitals, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

“Agreement Term” means the term of this Grant Agreement as provided under Article III of this Grant Agreement.

“Authorized Officers” means in the case of the Grantee the Chair, Vice Chair, and Secretary of the Governing Body, and in the case of the Finance Authority the Chairperson, Vice-Chairperson and Secretary of the Board of Directors and the Chief Executive Officer, or any other officer or employee of the Finance Authority designated in writing by an Authorized Officer.

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

“Event of Default” means one or more events of default as defined in Article IX of this Grant Agreement.

“Finance Authority” means the New Mexico Finance Authority.

“Force Majeure” means any act of God, fire, floods, storms, explosions, accidents, epidemics, war, civil disorder, strikes, lockouts or other labor difficulties, or any law, rule, regulation, order or other action adopted or taken by any federal, state or local government authority, or any other cause not reasonably within such party's control.

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

“Grant Account” means the account in the name of the Grantee established pursuant to this Grant Agreement and held by the Finance Authority for deposit of the Grant Amount for disbursement to the Grantee for payment of the costs of the Project.

“Grant Agreement” means this grant agreement and any amendments or supplements hereto, including the Exhibits attached hereto.

“Grantee” means Lower Rio Grande Public Water Works Authority located in Don Ana County, New Mexico.

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

“Local Match” means the local match component equal to Twelve Thousand Five Hundred Dollars (\$12,500). The local match component can be provided as a hard match consisting of actual dollars expended on the Project other than funds from the Local Government Planning Fund for the specified scope of work. The hard match may be provided in the form of loans, local cash contributions, private donations or federal funds. The local match component can also be provided as a Soft Match.

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

“Planning Document” means a written document in the form of a preliminary engineering report, created for the purpose of evaluating and estimating alternatives to meet the Grantee’s public project needs, namely waste water project planning needs in conjunction with Dona Ana County.

“Planning Grant,” “Grant Amount” or “Grant” means the amount provided to the Grantee pursuant to the Grant Agreement for the purpose of funding the Project, and is the sum of Thirty Seven Thousand Five Hundred Dollars (\$37,500).

“Policy” or “Policies” means the New Mexico Finance Authority Local Government Planning Fund Project Management Policies.

“Project” means the preparation of the Planning Document as more particularly described in Exhibit “A” hereto.

“Resolution” means the Grantee’s Resolution No. FY2014-04 adopted on August 21, 2013, authorizing the Grantee’s acceptance of the terms and conditions of this Grant Agreement.

“Rules” mean the Rules governing the Local Government Planning Fund as adopted by the Board of Directors of the New Mexico Finance Authority, as amended and supplemented from time to time.

“Soft Match” means labor and/or equipment donated for the scope of work on the proposed project at fair market rates as determined locally within the state.

ARTICLE II: REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 2.1. Representations, Warranties and Covenants of the Grantee. The Grantee represents, warrants and covenants as follows:

(a) Binding Nature of Covenants. All covenants, stipulations, obligations and agreements of the Grantee contained in this Grant Agreement and the Resolution shall be deemed to be the covenants, stipulations, obligations and agreements of the Grantee to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Grantee and its successors and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreement shall be transferred by or in accordance with law. Except as otherwise provided in this Grant Agreement, all rights, powers and privileges conferred and duties and liabilities imposed upon the Grantee by the provisions of this Grant Agreement and the Resolution shall be exercised or performed by the Grantee or by such residents, officers, or officials of the Grantee as may be required by law to exercise such powers and to perform such duties.

(b) Personal Liability. No covenant, stipulation, obligation or agreement contained in this Grant Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, agent or employee of the Grantee or member of the Governing Body in his or her individual capacity, and neither the members of the Governing Body nor any officer executing this Grant Agreement shall be liable personally on this Grant Agreement or be subject to any personal liability or accountability by reason of the execution and delivery thereof.

(c) Authorization of Grant Agreement. The Grantee is a special water district created pursuant to law, duly organized and existing under the statutes and laws of the State, specifically Section 73-26-1, NMSA 1978, as amended and supplemented. Pursuant to the laws of the State, as amended and supplemented from time to time, the Grantee is authorized to enter into the transactions contemplated by this Grant Agreement and to carry out its obligations hereunder. The Grantee has duly authorized and approved the execution and delivery of this Grant Agreement and the other documents related to the transaction.

(d) Use of Grant Agreement Proceeds. The Grantee shall apply the proceeds of the Grant solely to the acquisition and completion of the Project, shall not use the Grant proceeds for any other purpose, and shall comply with all applicable ordinances and regulations, if any, and any and all applicable laws relating to the Project. The Grantee shall immediately apply all Grant proceeds disbursed to it toward the Project. The Grantee shall use the Grant proceeds and complete the Planning Document within one (1) year of the Closing Date or shall forfeit the full amount of the Grant.

(e) Completion of Project. The Project will consist of the preparation of the Planning Document to address waste water project planning needs in conjunction with Dona Ana County, and will be completed so as to comply with all applicable ordinances and regulations, if any, and any and all applicable laws, rules, and regulations of the State relating to the acquisition and completion of the Project and to the use of the Grant proceeds. If requested by the Finance Authority, the Grantee will allow the Office of the State Engineer, the New Mexico Environment Department or other appropriate agency of the State, or the Finance Authority to assist with completion of the Project and to review the Project as completed to assure compliance with applicable laws, rules and regulations of the State. The completed Planning Document must be in a form acceptable to and approved by the Finance Authority, in its sole discretion.

(f) Necessity of Project. The completion of the Project under the terms and conditions provided in this Grant Agreement is necessary, convenient and in furtherance of the governmental purposes of the Grantee and is in the best interest of the Grantee and its residents.

(g) Legal, Valid and Binding Obligation. The Grantee has taken all required action necessary to authorize the execution and delivery of this Grant Agreement and this Grant Agreement constitutes a legal agreement of the Grantee enforceable in accordance with its terms.

(h) Benefit to Grantee. The Project will at all times be used for the purpose of benefiting the Grantee and its members as a whole.

(i) Grant Amount Does Not Exceed Project Cost. The Grant Amount as provided herein does not exceed the cost of the Project.

(j) No Breach or Default Caused by Grant Agreement. Neither the execution and delivery of this Grant Agreement, nor the fulfillment of or compliance with the terms and conditions in this Grant Agreement, nor the consummation of the transactions contemplated herein conflicts with or results in a breach of any terms, conditions or provisions of, or any restrictions contained in, any agreement or instrument to which the Grantee is a party or by which the Grantee is bound or any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Grantee or its properties are subject, or constitutes a default under any of the foregoing.

(k) Irrevocability of Grant Agreement. The terms of this Grant Agreement shall be irrevocable until the Project has been fully acquired and completed, and shall not be subject to amendment or modification in any manner which would result in any use of the proceeds of this Grant Agreement in a manner not permitted or contemplated by the terms hereof.

(l) No Litigation. To the best knowledge of the Grantee, no litigation or proceeding is pending or threatened against the Grantee or any other person affecting the right of the Grantee to execute this Grant Agreement or to comply with its obligations under this Grant Agreement. Neither the execution of this Grant Agreement by the Grantee nor compliance by the Grantee with the obligations hereunder requires the approval of any regulatory body, or any

other entity, which approval has not been obtained or which is not reasonably expected to be obtained.

(m) Occurrence of Event of Default. No event has occurred and no condition exists which, upon the execution and delivery of this Grant Agreement, would constitute an Event of Default on the part of the Grantee hereunder.

(n) Grantee's Existence. The Grantee will maintain its legal identity and existence for the Agreement Term, unless another political subdivision by operation of law succeeds to the liabilities, rights, and duties of the Grantee without adversely affecting to any substantial degree the privileges and rights of the Finance Authority.

(o) Reports to Finance Authority. The Grantee shall report at least semi-annually to the Finance Authority on the status of the Planning Document.

(p) Records. The Grantee shall properly maintain separate project accounts in accordance with generally accepted accounting principles and conduct an annual audit or review of the Grantee's financial records related to the Project.

(q) Local Match. The Local Match is legally available for the Project ~~and, will~~ has been applied by the Grantee solely for the purposes of the Project, and sufficient evidence of the Local Match has been provided to the Finance Authority.

Section 2.2. Representations, Warranties and Covenants of the Finance Authority. The Finance Authority represents, warrants and covenants as follows:

(a) The Finance Authority is a public body politic and corporate, separate and apart from the State, constituting a governmental instrumentality duly organized, existing and in good standing under the laws of the State, has all necessary power and authority to enter into and perform and observe the covenants and agreements on its part contained in this Grant Agreement and, by proper action, has duly authorized the execution and delivery of this Grant Agreement.

(b) This Agreement constitutes a legal, valid and binding obligation of the Finance Authority enforceable in accordance with its terms.

ARTICLE III: AGREEMENT TERM

The Agreement Term shall commence on the Closing Date and shall terminate upon the earliest of the following events: A determination by the Finance Authority that (a) the Grantee is unable to proceed with the Project for the foreseeable future or has failed to commence the Project in a reasonably timely manner, (b) the Grant or any portion thereof is not necessary for the Project (in which case the Grant Amount may be modified by the Finance Authority) or (c) the Grantee has failed to utilize the Planning Grant to complete the Planning Document within one year of the Closing Date.

ARTICLE IV: GRANT; APPLICATION OF MONEYS

On the Closing Date, the Finance Authority shall transfer the amount shown on Exhibit “A” into the Grant Account to be disbursed by the Finance Authority pursuant to Section 6.2 of this Grant Agreement at the direction of the Grantee, as needed by the Grantee to acquire and complete the Project.

ARTICLE V: GRANT TO THE GRANTEE

Section 5.1. Grant to the Grantee. The Finance Authority hereby grants and the Grantee hereby accepts an amount equal to the Grant Amount. The Finance Authority shall establish and maintain, on behalf of the Grantee, a Grant Account, which Grant Account shall be kept separate and apart from all other accounts of the Finance Authority. The Grantee hereby pledges to the Finance Authority all its rights, title and interest in the funds held in the Grant Account for the purpose of securing the Grantee’s obligations under this Grant Agreement. Funds in the Grant Account shall be disbursed as provided in Sections 6.2 and 6.3 hereof.

Section 5.2. No General Obligation. No provision of this Grant Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Grantee within the meaning of any constitutional or statutory debt limitation.

Section 5.3. Investment of Moneys in Grant Account. Money on deposit in the Grant Account may be invested by the Finance Authority for the credit of the Local Government Planning Fund.

ARTICLE VI: THE PROJECT

Section 6.1. Agreement to Acquire and Complete the Project. The Grantee hereby agrees that in order to effectuate the purposes of this Grant Agreement and to acquire and complete the Project it shall take such steps as are necessary and appropriate to acquire and complete the Project lawfully, efficiently and within one (1) year of the Closing Date.

Section 6.2. Disbursements from the Grant Account. So long as no Event of Default shall occur, the Finance Authority shall disburse moneys from the Grant Account, either to the Grantee or to vendors and contractors, as determined by the Finance Authority in its sole discretion, upon receipt by the Finance Authority of a requisition substantially in the form of Exhibit “B” attached hereto signed by an Authorized Officer of the Grantee, supported by certification by the Grantee’s project architect, engineer, or other such authorized representative of the Grantee acceptable to the Finance Authority that the amount of the disbursement request represents the progress of completion, acquisition or other Project related activities accomplished as of the date of the disbursement request. The Grantee shall provide such records or access to the Project as the Finance Authority, in its sole discretion, may request in connection with the approval of the Grantee’s disbursement requests made hereunder. No disbursement from the Grant Account may be made without receipt of evidence of application of the Local Match.

Section 6.3. Determination of Eligibility as condition Precedent to Disbursement. Prior to the disbursement of the Grant Amount or any portion thereof, the Finance Authority shall have determined that the Grantee has met the readiness to proceed requirements established for the Grant by the Finance Authority and no Event of Default shall have occurred. No disbursement

shall be made from the Grant Account except upon a determination by the Finance Authority that such disbursement is for payment of Project expenses, and that the disbursement does not exceed any limitation upon the amount payable.

Section 6.4. Reimbursement for Prior Expenditures. The Finance Authority, so long as no Event of Default shall occur and upon presentation of the Grantee's disbursement request with such certification and records as are required in accordance with Section 6.2 hereof, may disburse moneys from the Grant Account for reimbursement of Project expenses incurred within one-hundred fifty (150) days prior to the Closing Date.

Section 6.5. Completion of Disbursement of Grant Funds. Upon completion of disbursement of the Grant Amount, an Authorized Officer of the Grantee shall deliver a certificate of completion, substantially in the form attached to this Grant Agreement as Exhibit "C", to the Finance Authority stating that, to the best of the Authorized Officer's knowledge the Project has been completed and the entire Grant Amount has been disbursed in accordance with the terms of this Grant Agreement. If any portion of the Grant Amount remains upon the delivery of the certificate of completion, the Finance Authority may, in its sole discretion, modify this Grant Agreement and reduce the amount of the Grant.

ARTICLE VII: COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 7.1. Further Assurances and Corrective Instruments. The Finance Authority and the Grantee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the terms and intention hereof.

Section 7.2. Finance Authority and Grantee Representatives. Whenever under the provisions of this Grant Agreement the approval of the Finance Authority or the Grantee is required, or the Grantee or the Finance Authority is required to take some action at the request of the other, such approval or such request shall be given for the Finance Authority or for the Grantee by an Authorized Officer of the Finance Authority or the Grantee, as the case may be, and any party hereto shall be authorized to act or rely on any such approval or request.

Section 7.3. Requirements of Law. During the Agreement Term, the Grantee shall observe and comply promptly with all applicable federal, State and local laws and regulations affecting the Project, and all current and future orders of all courts and agencies of the State having jurisdiction over the Project and matters related to the Project.

ARTICLE VIII: NON-LIABILITY OF FINANCE AUTHORITY FOR ACTS OR OMISSIONS OF THE GRANTEE; INDEMNIFICATION

Section 8.1. Non-Liability of Finance Authority. The Finance Authority shall not be liable in any manner for the Project, Grantee's use of the Grant, the ownership, operation or maintenance of the Project, or any failure to act properly by the owner or operator of the Project.

Section 8.2. Indemnification of Finance Authority. The Finance Authority shall not be responsible for any act or omission of the Grantee upon which any claim, by or on behalf of any person, firm, corporation or other legal entity may be made, whether arising from the establishment or modification of the Project or otherwise. To the extent permitted by law, the Grantee shall and hereby agrees to indemnify and save harmless the Finance Authority and its designee, if any, from all claims by or on behalf of any person, firm, corporation or other legal entity arising from the acquisition and completion of the Project. In the event of any action or proceeding brought on any such claim, upon notice from the Finance Authority or its designee, Grantee shall defend the Finance Authority and its designee, if any, in any such action or proceeding.

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ARTICLE IX: EVENTS OF DEFAULT AND REMEDIES

Section 9.1. Events of Default Defined. Any one of the following shall be an Event of Default under this Agreement:

(a) Use of the Grant Amount, or any portion thereof, by the Grantee for purposes other than the Project;

(b) Failure by the Grantee to utilize the Grant proceeds to complete the Project within one (1) year of the Closing Date;

(c) Failure by the Grantee to observe and perform any other covenant, condition or agreement on its part to be observed or performed under this Grant Agreement for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Grantee by the Finance Authority, unless the Finance Authority shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Finance Authority, but cannot be cured within the applicable thirty (30) day period, the Finance Authority will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Grantee within the applicable period and diligently pursued until the failure is corrected; and provided, further, that if by reason of Force Majeure the Grantee is unable to carry out the agreements on its part herein contained, the Grantee shall not be deemed in default under this paragraph during the continuance of such inability (but Force Majeure shall not excuse any other Event of Default); or

(d) Any warranty, representation or other statement by or on behalf of the Grantee contained in this Grant Agreement or in any instrument furnished in compliance with or in reference to this Grant Agreement is false or misleading in any material respect.

Section 9.2. Remedies on Default. Whenever any Event of Default has occurred and is continuing, and subject to Section 9.3 hereof, the Finance Authority may take whatever of the following actions may appear necessary or desirable to enforce performance of any agreement of the Grantee in this Grant Agreement:

(a) By mandamus or other action or proceeding or suit at law or in equity to compel the Grantee to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein;

(b) Terminate this Grant Agreement;

(c) Be relieved from disbursing any further amounts from the Grant Account;

(d) Demand that the Grantee immediately repay the Grant Amount or any portion thereof if such funds were not utilized in accordance with this Grant Agreement;

(e) By suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Finance Authority; or

(f) To take whatever other action at law or in equity may appear necessary or desirable to enforce any other of its rights hereunder.

The Grantee shall be responsible for reimbursing the Finance Authority for any and all fees and costs incurred in enforcing the terms of this Grant Agreement.

Section 9.3 Limitations on Remedies. A judgment requiring repayment of money entered against the Grantee may reach any available funds of the Grantee to the extent permitted by law.

Section 9.4. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Finance Authority is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Finance Authority to exercise any remedy reserved in this Article IX, it shall not be necessary to give any notice, other than such notice as may be required in this Article IX.

Section 9.5. Waivers of Events of Default. The Finance Authority may in its sole discretion waive any Event of Default hereunder and the consequences of such an Event of Default; provided, however, all expenses of the Finance Authority in connection with such Event of Default shall have been paid or provided for. Such waiver shall be effective only if made by written statement of waiver issued by the Finance Authority. In case of any such waiver or rescission, or in case any proceeding taken by the Finance Authority on account of any Event of Default shall have been discontinued or abandoned or determined adversely, then the Finance Authority and the Grantee shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 9.6. No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the

other party, such waiver shall be in writing and limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE X: MISCELLANEOUS

Section 10.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered as follows: if to the Grantee, then to:

Lower Rio Grande Public Water Works Authority
Attn.: Martin G. Lopez, General Manager
325 Holguin Road Box C
Vado, NM 88072

And if to the Finance Authority, then to:

New Mexico Finance Authority
Attn.: Chief Executive Officer
207 Shelby Street
Santa Fe, New Mexico 87501

The Grantee and the Finance Authority may, by written notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 10.2. Binding Effect. This Grant Agreement shall inure to the benefit of and shall be binding upon the Finance Authority, the Grantee and their respective successors and assigns, if any.

Section 10.3. Amendments. This Grant Agreement may be amended only with the written consent of the Finance Authority and the Grantee.

Section 10.4. No Liability of Individual Officers, Directors or Trustees. No recourse under or upon any obligation, covenant or agreement contained in this Grant Agreement shall be had against any member, employee, director or officer, as such, past, present or future, of the Finance Authority, or against any officer, employee, director or member of the Grantee, past, present or future, as an individual so long as such individual was acting in good faith and within the scope of his or her duties. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, employee, director or member of the Grantee or of the Finance Authority is hereby expressly waived and released by the Grantee and by the Finance Authority as a condition of and in consideration for the execution of this Agreement.

Section 10.5. Grantee Compliance. The Finance Authority shall not be responsible for assuring the Grantee's use of the Grant Amount or the Project for its intended purpose and shall have no obligation to monitor compliance by the Grantee with the provisions of this Grant Agreement.

Section 10.6. Severability. In the event that any provision of this Grant Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.7. Execution in Counterparts. This Grant Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.8. Applicable Law. This Grant Agreement shall be governed by and construed in accordance with the laws of the State.

Section 10.9. Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Grant Agreement.

[Remainder of page intentionally left blank.]

[Signature pages follow.]

IN WITNESS WHEREOF, the Finance Authority, on behalf of itself, and as authorized by the Finance Authority Board of Directors on **October 22, 2009**, has executed this Grant Agreement in its corporate name with its corporate seal hereunto affixed and attested by its duly Authorized Officers; and the Grantee has caused this Grant Agreement to be executed in its corporate name and the seal of the Grantee affixed and attested by its duly Authorized Officers. All of the above are effective as of the date first above written.

NEW MEXICO FINANCE AUTHORITY

By _____
Chief Executive Officer or Designee

[SEAL]

ATTEST:

By _____

Approved for Execution by Officers of the
New Mexico Finance Authority:

By _____
Daniel C. Opperman, General Counsel

LOWER RIO GRANDE PUBLIC WATER
WORKS AUTHORITY

By _____
Roberto Nieto
Chair

[SEAL]

ATTEST:

By _____
Santos Ruiz,
Secretary

EXHIBIT “A”

TERM SHEET

Grantee: Lower Rio Grande Public Water Works Authority

Project Description: Preparation of a Planning Document consisting of a preliminary engineering report addressing a waste water project in conjunction with Dona Ana County.

Total Grant Amount: \$37,500

Local Match: \$12,500

Closing Date: September 6, 2013

EXHIBIT "B"
FORM OF REQUISITION

RE: \$37,500 Planning Grant Agreement (the "Grant Agreement") by and between the New Mexico Finance Authority ("Finance Authority") and the Lower Rio Grande Public Water Works Authority. ("Grantee"), Finance Authority Grant Number 2362-PG

Closing Date: September 6, 2013

TO: NEW MEXICO FINANCE AUTHORITY

You are hereby authorized to disburse funds from the Grant Account, with regard to the above-referenced Grant Agreement, the following:

REQUISITION NUMBER: _____

NAME AND ADDRESS OF PAYEE: _____

AMOUNT OF PAYMENT: \$ _____

PURPOSE OF PAYMENT: _____

WIRING INFORMATION

BANK NAME:	_____
ACCOUNT NUMBER:	_____
ROUTING NUMBER:	_____

Each obligation, item of cost or expense mentioned herein is for the Grant made by the New Mexico Finance Authority pursuant to the Grant Agreement to the Lower Rio Grande Public Water Works Authority, within the State of New Mexico, is due and payable, has not been the subject of any previous requisition and is a proper charge against the Grant Account held on behalf of the Lower Rio Grande Public Water Works Authority. All representations contained in the Grant Agreement and the related closing documents remain true and correct and the Lower Rio Grande Public Water Works Authority is not in breach of any of the covenants contained therein.

Capitalized terms used herein are used as defined or as used in the Grant Agreement.

DATED: _____ By: _____
Authorized Officer of the Grantee

Title: _____

EXHIBIT "C"

FORM OF CERTIFICATE OF COMPLETION

RE: \$37,500 Planning Grant Agreement (the "Grant Agreement") by and between the New Mexico Finance Authority ("Finance Authority") and the Lower Rio Grande Public Water Works Authority. ("Grantee"), Finance Authority Grant Number 2362-PG

Closing Date: September 6, 2013

TO: NEW MEXICO FINANCE AUTHORITY

I, _____, the _____ of
[Name] [Title or position]

the Grantee, hereby certify as follows:

1. The project described in the Grant Agreement (the "Project") was completed and placed in service by the Grantee on _____, 20__.
2. The total cost of the Project was \$ _____.
3. The Project was completed and is and shall be used consistent with and subject to the covenants set forth in the Grant Agreement.

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

By: _____

Its: _____

VENCOR Engineering, LLC

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

August 12, 2013

Mr. Martin Lopez
General Manager
Lower Rio Grande Public Water Works Authority (LRGPWWA)
325 Holguin Road
Vado, New Mexico 88072

Re: NMDOT Proposed Traffic Circle Construction at FR 1035 and NM 227 / Vado Drive

Subj: Probable Construction Cost Estimates

Dear Mr. Lopez:

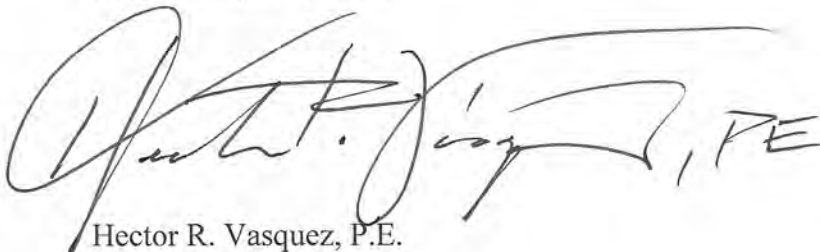
Per your request, attached are probable construction cost estimates for the following anticipated scenarios that could occur for the proposed NMDOT Traffic Circle construction at FR 1035 and NM 227 / Vado Drive.

1. Steel Encasement & Re-Use of Existing 12" PVC C900 Waterline.
2. Re-route with New 12" PVC C900 Waterline.
3. Re-route and re-use of Existing 12" PVC C900 Waterline.

The unit prices used to develop the probable construction cost estimates for the above referenced project are those used on similar waterline installation projects. That said, please be advised unit prices do tend to vary depending on the size of the project, availability of materials and current market fluctuations that can have a negative (or positive) impacts on unit prices. Nevertheless, the attachments can possibly serve you as a guide in identifying an alternate that can better serve the purposes of the LRGPWWA.

Please feel free to call me direct at 575/652-3531 or via e-mail at vencorllc@gmail.com with questions/comments you may have regarding the above.

Respectfully submitted,



Hector R. Vasquez, P.E.
CEO/President

Attachments

NMDOT Proposed Traffic Circle Construction: FR 1035 and NM 227 / Vado Drive
Probable Construction Cost Estimate
Steel Encasement & Use of Existing Line Option
Date of Probable Cost Estimate: 8/11/13

Item No.	Description (CIP=Complete in Place)	Unit	Qty	ENGINEER'S ESTIMATE	
				Unit Price	Extension
1	Mobilization/Demobilization	LS	1	\$ 10,000.00	\$ 10,000.00
2	Disconnect and re-connect of existing 12" Waterline. CIP includes disconnect and re-connect of existing component(s), fittings, connections, bends, trenching, excavation, dewatering, bedding material, backfilling, compaction, marker tape, testing and disinfection per NMED standards.	LS	1	\$ 1,200.00	\$ 1,200.00
3	24" Diameter Steel Casing (0.375" Min Wall Thickness) CIP includes delivery to site, storage, all fittings, connections, bends, testing and complete installation per manufacturer recommendations.	LF	520	\$ 150.00	\$ 78,000.00
4	Installation of steel casing 24" by .375 inch steel casing with re-use of existing 12" PVC C900 waterline, CIP, including spacers, end seals, trenching, trench box and/or shoring protection per OSHA standards, dewatering, hauling off all debris, saturated soils and/or excess water from site, hand digging, backfilling and restoration of site to original conditions.	LF	520	\$ 200.00	\$ 104,000.00
5	12 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	1	\$ 1,800.00	\$ 1,800.00
6	Project Utility Identification & Relocations.	LS	1	\$ 5,000.00	\$ 5,000.00
7	Construction Material Testing	LS	1	\$ 2,000.00	\$ 2,000.00
8	As-Builts	LS	1	\$ 500.00	\$ 500.00
9	Sub-Total of Construction Costs (SubTCC)				\$ 202,500.00
10	NM Gross Receipt Tax (NMGRT @ 6.375%)				\$ 12,909.38
11	Total Construction Cost (TCC):				\$ 215,409.38

Related Costs		\$	12,924.56
Engineering Design Services & Specifications		\$	500.00
Project Reimbursables		\$	6,462.28
Construction Observation Services		\$	1,503.94
Professional Services NMGRT @ 7.5625%		\$	21,540.94
Contingencies @ 10% of SubTCC		\$	1,500.00
NMDOT Permits		\$	44,431.72
Total Related Costs		\$	259,841.10
TOTAL PROJECT PROBABLE COST ESTIMATE:		\$	259,841.10

NMDOT Proposed Traffic Circle Construction: FR 1035 and NM 227 / Vado Drive
Probable Construction Cost Estimate
Re-Route with New PVC C900 Water Line Option
Date of Probable Cost Estimate: 8/11/13

Item No.	Description	Unit	Qty	ENGINEER'S ESTIMATE	
				Unit Price	Extension
1	Mobilization/Demobilization (CIP=Complete in Place)	LS	1	\$ 10,000.00	\$ 10,000.00
2	Disconnect and re-connect of existing 12" Waterline. CIP includes disconnect and re-connect of existing component(s), fittings, connections, bends, trenching, excavation, dewatering, bedding material, backfilling, compaction, marker tape, testing and disinfection per NMED standards.	LS	1	\$ 1,200.00	\$ 1,200.00
3	Re-route and install New 12" Diameter PVC C900 Water Line CIP includes all fittings, connections, bends, trenching, trench box and/or shoring per OSHA requirements, dewatering, hand digging, pipe bedding, backfilling, compaction, tracer wire, warning tape, testing and disinfection per NMED standards.	LF	520	\$ 28.00	\$ 14,560.00
4	12 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	1	\$ 1,800.00	\$ 1,800.00
5	Project Utility Identification & Relocations.	LS	1	\$ 5,000.00	\$ 5,000.00
6	Construction Material Testing	LS	1	\$ 2,000.00	\$ 2,000.00
7	As-Builts	LS	1	\$ 500.00	\$ 500.00
8	Sub-Total of Construction Costs (SubTCC)				\$ 35,060.00
9	NM Gross Receipt Tax (NMGRT @ 6.375%)				\$ 2,235.08
10	Total Construction Cost (TCC):				\$ 37,295.08

Related Costs	\$	5,594.26
Engineering Design Services & Specifications	\$	500.00
Project Reimbursables	\$	1,864.75
Construction Observation Services	\$	601.90
Professional Services NMGRT @ 7.5625%	\$	3,729.51
Contingencies @ 10% of SubTCC	\$	1,500.00
NMDOT Permits	\$	13,790.42
Total Related Costs	\$	51,085.50

TOTAL PROJECT PROBABLE COST ESTIMATE:

NMDOT Proposed Traffic Circle Construction: FR 1035 and NM 227 / Vado Drive
Probable Construction Cost Estimate
Re-Route and Use of Existing Water Line Option
Date of Probable Cost Estimate: 8/11/13

Item No.	Description	Unit	Qty	ENGINEER'S ESTIMATE	
				Unit Price	Extension
1	Mobilization/Demobilization (CIP=Complete in Place)	LS	1	\$ 10,000.00	\$ 10,000.00
2	Disconnect and re-connect of existing 12" Waterline. CIP includes disconnect and re-connect of existing component(s), fittings, connections, bends, trenching, excavation, dewatering, bedding material, backfilling, compaction, marker tape, testing and disinfection per NIMED standards.	LS	1	\$ 1,200.00	\$ 1,200.00
3	Re-route and re-use of existing 12" Diameter PVC C900 Water Line CIP includes all fittings, connections, bends, trenching, trench box and/or shoring per OSHA requirements, dewatering, hand digging, pipe bedding, backfilling, compaction, tracer wire, warning tape, testing and disinfection per NIMED standards.	LF	520	\$ 18.00	\$ 9,360.00
4	12 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	1	\$ 1,800.00	\$ 1,800.00
5	Project Utility Identification & Relocations.	LS	1	\$ 5,000.00	\$ 5,000.00
6	Construction Material Testing	LS	1	\$ 2,000.00	\$ 2,000.00
7	As-Builts	LS	1	\$ 500.00	\$ 500.00
8	Sub-Total of Construction Costs (SubTCC)				\$ 29,860.00
9	NM Gross Receipt Tax (NMGRT @ 6.375%)	LS	1		\$ 1,903.58
10	Total Construction Cost (TCC):				\$ 31,763.58

Related Costs

Engineering Design Services & Specifications	\$ 4,764.54
Project Reimbursables	\$ 500.00
Construction Observation Services	\$ 1,588.18
Professional Services NMGRT @ 7.5625%	\$ 518.24
Contingencies @ 10% of SubTCC	\$ 3,176.36
NMDOT Permits	\$ 1,500.00
Total Related Costs	\$ 12,047.31

TOTAL PROJECT PROBABLE COST ESTIMATE:

\$ 43,810.89

Contract No. _____
Vendor No. _____
Project No. G18A4
Control No. G18A4

DRAFT COPY
UTILITY COOPERATIVE AGREEMENT
NEW MEXICO DEPARTMENT OF TRANSPORTATION
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

THIS AGREEMENT, is made and entered into this ____ day of _____, 2013 by and between the **NEW MEXICO DEPARTMENT OF TRANSPORTATION**, hereinafter referred to as the "STATE", and the **LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY**, hereinafter referred to as the "LRGPWWA".

RECITALS

WHEREAS, the **STATE** plans to reconstruct I-10 interchanges from MP 150.70 to MP 151.80 and MP 154.30 to MP 155.80, further identified as **Project Number G18A4, Control Number G18A4** herein referred to as the "**PROJECT**", located within the limits of Dona Ana County, New Mexico; and

WHEREAS, the **LRGPWWA** has an existing Water Line in conflict with the proposed roadway work,

WHEREAS, the **LRGPWWA** desires that the **STATE** relocate their Water Line in conflict with the proposed roadway work as part of the **STATE'S** construction contract.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

SECTION ONE - PURPOSE:

The purpose of this **AGREEMENT** is to specify and delineate the rights and duties of the parties hereto pertaining to the relocation of the **LRGPWWA** existing Water Line as part of the **STATE'S PROJECTS**.

SECTION TWO - THE STATE:

1. In it's **PROJECT** plans and contract for construction or the **PROJECT**, the **STATE** shall include provisions for the **STATE'S** contractor to relocate the **LRGPWWA** Water Line. The **STATE'S PROJECT** construction plans shall include a General Note directing the awarded Contractor to relocate the portion of **LRGWA'S** Water Line as part of the **STATE'S PROJECT**. The **STATE** does not and shall not warrant or guarantee the quality of work performed by the **STATE'S** contractor, nor shall the **STATE** be responsible for any damage or injury caused to **LRGPWWA** or it's property by the **STATE'S** contractor.
2. During construction, the **STATE** shall not exclude **LRGPWWA** designated representative from the site so long as such person strictly abides by all the rules and regulations promulgated by the **STATE**. The **STATE** shall include provisions in it's contracts with it's contractors to extend the hold harmless provisions of Section 107.29 of the **STATE'S** Standard Specifications for Highway and Bridge Construction 2007 Edition, to **LRGPWWA** so that **LRGPWWA** is included as an additional insured by the **STATE'S** contractors.
3. Upon completion of **LRGPWWA'S** Water Line relocation the **STATE** shall prepare a detailed invoice for the actual costs of relocating **LRGPWWA'S** water line, as provided herein, and shall submit the invoice to **LRGPWWA** for all costs incurred in the encasement of **LRGPWWA'S** Permanent Water Line.

SECTION THREE - LAWA:

1. The **LRGPWWA** shall reimburse the **STATE** for all relocation costs of **LRGPWWA'S** Water Line, specified in the Estimate provided by the **STATE'S** awarded contractors at the unit bid price by the contractor awarded the **STATE'S** contract. The reimbursement shall be calculated on the final quantity measured in place and built to the specifications outlined in the Design and Estimate provided by the **STATE'S** contractor. The **LRGPWWA** shall also reimburse the **STATE** for any additional expenses incurred by the **STATE** for any contractor delay claim made due to delays caused by the project change orders made at the request of **LRGPWWA** regarding the Water Line. All such change orders must be requested in writing by **LRGPWWA** and have written **STATE** approval. **LRGPWWA** shall reimburse the **STATE** for all relocation costs in the amount of the invoice within 180 days of final acceptance of the final highway construction project covered by this agreement.
2. The **LRGPWWA** shall reimburse, as provided herein, the **STATE** the cost of the work pursuant to the terms of the **AGREEMENT**, so long as the relocation of the Water Line is done in good and workmanlike manner by the **STATE'S** contractor and in substantial compliance with the specifications referred to in the Design and Estimate.

3. Provide all necessary coordination and compliance with any advisory, regulations, ordinances, codes or other requirements involving any public officials and functionaries, regarding the shutdown of utilities, or temporary outages and notifications. The **LRGPWWA** shall also provide twenty-four (24) hour advance notice to all its customers prior to shutdown or temporary outages of utilities.

4. The **LRGPWWA** shall be responsible for any damage claims arising out of **LRGPWWA**'s activities involved in the installation, relocation, operation and maintenance of such systems to the extent provided by the New Mexico Tort Claims Act, NMSA 1978, Section 41-4-1, et seq.

5. The **LRGPWWA** shall execute the **STATE'S** standard form utility permit pursuant to the **STATE'S** utility regulations upon completion of the relocation of the Water Line.

6. In the event **LRGPWWA** does not reimburse the **STATE** as required by this **AGREEMENT**, **LRGPWWA** agrees to remove its Water Line from the state highway right of way within one year of written notification by the **STATE**.

SECTION FOUR OWNERSHIP:

By mere reason of the **STATE'S** participation in the relocation of the Water Line, the **STATE** is not incorporating the Water Line into the State Highway System nor is the **STATE** assuming ownership, maintenance, responsibility or liability for the Water Line because of it's participation in the **PROJECT**. The **LRGPWWA** shall be the sole owner of the Water Line and be solely liable for it's operation and maintenance, including all costs associated therewith.

SECTION FIVE STATES AUTHORIZATION OF EXPENDATURES:

This **AGREEMENT** is contingent upon sufficient appropriation made by the Legislature of New Mexico for the performance of this **AGREEMENT**. If sufficient appropriations are not made by the Legislature, this **AGREEMENT** shall terminate upon written notice given by the **STATE**. The **STATE'S** decision as to whether sufficient appropriations are available shall be accepted by the parties hereto and shall be final.

SECTION SIX - INTENT OF THIS AGREEMENT:

It is specifically agreed between the parties executing this **AGREEMENT** that it is not intended by any of the provisions of any part of the **AGREEMENT** to create in the public or any member thereof, a third-party beneficiary or to authorize anyone not a party to the **AGREEMENT** to maintain a suit(s) for wrongful death(s), bodily and/or personal injury(ies) to person(s), damage(s) to property(ies), and/or any other claims whatsoever pursuant to the provisions of this **AGREEMENT**.

SECTION SEVEN - NEW MEXICO TORT CLAIMS ACT:

By entering into this **AGREEMENT**, neither party shall be responsible for liability incurred as a result of the other parties acts or omissions in connection with this **AGREEMENT**. Any liability incurred in connection with this **AGREEMENT** is subject to the immunities and limitations of the New Mexico Tort Claims Act, Sections 41-4-1, et seq., NMSA 1978, as amended. This paragraph is intended only to define the liabilities between the parties hereto and it is not intended to modify, in any way, the parties liabilities as governed by common law and the New Mexico Tort Claims Act. The **LRGPWWA**, and their "public employees" and the **STATE**, and their "public employees" as defined in the New Mexico Tort Claims Act, do not waive any defense and/or do not waive any limitation of liability pursuant to law. No provision in this **AGREEMENT** modifies and/or waives any provision of the New Mexico Tort Claims Act.

SECTION EIGHT - TERMS OF THIS AGREEMENT:

The performance of all duties and obligations herein will conform with and not contravene any applicable Federal, State, and Local laws.

SECTION NINE - UNEXPENDED AND UNEMCUMBERED PROPERTIES:

If upon termination of this **AGREEMENT**, there remains any property, materials or equipment belonging to the **STATE**, the **STATE** shall account for and dispose of same in its discretion.

SECTION TEN - ACCOUNTING OF RECIEPTS AND DISBURSEMENTS:

There shall be strict accountability for all reciepts ans disbursements relating hereto.

SECTION ELEVEN - EQUAL OPPORTUNITY COMPLIANCE:

The parties agree to abide by all Federal and State Laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment oportunity. In accordance with all such laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, the Parties agree to assure that no person in the United States shall, on the grounds of race, color, religion, national origin, sex, sexual preference, age or handicap, be excluded from employment with or paticipation in, be denied the benefits of, or be otherwise subjected to

discrimination under, any program or activity performed under this **AGREEMENT**. If the parties are found to not be in compliance with these requirements during the life of this **AGREEMENT**, the Parties agree to take appropriate steps to correct these deficiencies.

SECTION TWELVE - CIVIL RIGHTS LAWS AND REGULATIONS COMPLIANCE:

There **STATE** and **LRGPWWA** shall comply with all federal, state, and local laws and ordinances applicable to the work called for herein. The **STATE** and **LRGPWWA** further agree to operate under and be controlled by Title VI and TITLE VII of the Civil Rights Act of 1964, the Age Discrimination Employment Act, the Americans with Disabilities Act of 1990, the Environmental Justice Act of 1994, the Civil Rights Restoration Act of 1987, the New Mexico Human Rights Act, and Executive Order No. 11246 entitled "Equal Employment Opportunity," as amended by Executive order 11375 and as supplemented by the Department of Labor Regulations (41 CFR 60). Accordingly, 49 CFR 21 is applicable to this **AGREEMENT** and incorporated herein by reference.

SECTION THIRTEEN - SEVERABILITY:

In the event that any portion of this **AGREEMENT** is determined to be void, unconstitutional or otherwise unenforceable, the remainder of this **AGREEMENT** shall remain in full force and effect.

SECTION FOURTEEN - MERGER:

This **AGREEMENT** incorporates all the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, agreements and understandings have been merged into this written **AGREEMENT**. No prior agreement or understandings, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this **AGREEMENT**. The terms of this **AGREEMENT** are lawful. The performance of all duties and obligations herein shall conform with and do not contravene any applicable state, local, or federal statutes, regulations, rules, or ordinances.

SECTION FIFTEEN - AMENDMENT:

This **AGREEMENT** shall not be altered, modified or amended except by an instrument in writing and executed by the parties hereto.

SECTION SIXTEEN - EXPIRATION:

This **AGREEMENT** shall expire 90 days after final acceptance of the highway construction project listed above, unless terminated earlier by mutual consent of the parties.

IN WITNESS WHEREOF, the parties have set their hands and seals this day and year set forth below.

NEW MEXICO DEPARTMENT OF TRANSPORTATION

BY: _____
SECRETARY (or Designee)

DATE: _____

APPROVED AS TO FORM AND LEGAL SUFFICIENCY BY THE NEW MEXICO DEPARTMENT OF TRANSPORTATION OFFICE OF GENERAL COUNSEL.

BY: _____
ASSISTANT GENERAL COUNSEL

DATE: _____

LOWER RIO GRANDE WATER AUTHORITY

BY: _____
PRESEDENT (or Designee)

DATE: _____

Lower Rio Grande PWWA

RFP #2014-01

Surface/Brackish Ground Water
Treatment Facility Re-RFP

Firm: Bohannon Huston, Inc.	Evaluator	Criteria 1	Criteria 2	Criteria 3	Criteria 4	Criteria 5	Criteria 6	Sub-Total	Res. Pref.	TOTAL
	#1	20	20	20	8	5	1	74	3.7	77.7
	#2	30	25	25	10	0	4	94	4.7	98.7
	#3	30	25	25	9	5	4	98	4.9	102.9
	#4	30	25	25	10	5	4	99	4.95	103.95
	#5	30	25	25	10	5	4	99	4.95	103.95
	Total	140	120	260	47	20	67	654	32.7	686.7