

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
LOWER RIO GRANDE MUTUAL DOMESTIC WATER ASSOCIATION
MINUTES OF REGULAR BOARD OF DIRECTORS MEETING**

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

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

- I. **Sign in, establish quorum, call to order:** Sign-in sheet and Agenda are attached. Board members present were Chairman Roberto “Marty” Nieto, Vice-chairman John Holguin, Secretary Santos Ruiz, and Director Rosaura Pargas. Staff present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Operations Manager Mike Lopez, Projects Manager Karen Nichols and Payroll/HR Specialist Connie Garcilazo. Also present were Ms. Espie Holguin, Mr. Matt Dyer, Mr. Mark Sanchez, Mr. Keith Rutherford, and Mr. Gilbert Andujo of Parkhill, Smith & Cooper. Mr. Nieto called the meeting to order at 4:05 p.m.

- II. **Approval of agenda:** Mr. Nieto noted that item VII was going to be moved after Item IV., and Ms. Pargas made a motion to approve the Agenda with that change, Mr. Holguin seconded motion and it carried on a vote of 4-0. {:47}

- III. **Approval of Minutes of 4/6/11:** Mr. Holguin made a motion to approve the Minutes with the following corrections item VIII C. change from “are boundaries” to “as boundaries”, and Item VII. A1. Add an “s” to “Ms. Parga”, Mr. Ruiz seconded motion and it carried on a vote of 4-0. {1:30}

- IV. **Guest Presentations – Matt Dyer, Parkhill, Smith & Cooper:** Mr. Dyer, Mr. Sanchez, Mr. Rutherford and Mr. Andujo made a presentation of their experience in groundwater development, water and wastewater funding, and water treatment plants. {5:42} [item VII taken next]

- V. **Public Input – 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action:** NONE

- VI. **General Manager’s Report**
 - A. **Management Report:** The General Manager's written report was in the board packet (attached), and Martin Lopez reviewed it with the board. Mr. Lopez informed the Board of a customer requesting a 24 hour notice for delinquent accounts. There was a brief discussion and no action was taken. {51:45}

 - B. **Projects Report:** Ms. Karen Nichols reviewed her written report (attached) with the Board of Directors. {1:04:29}

 - C. **Operations Report:** Mr. Mike Lopez reviewed his written report (attached) with the Board of Directors stating that no major problems with the Lower Rio Grande PWWA system, and reporting that a part of the chain link from the Desert Sands tank site was stolen. {1:15:06}

 - D. **Finance Report:** Ms. Jackson reviewed her written report (attached) with the board.

- i. **3rd Quarter Budget Report – for signature:** The report (attached) was included in the Board Packet and the Chairman and Secretary signed it. {1:22:43}

VII. **Unfinished Business:**

A. **Closed Session:**

1. Mr. Holguin made a motion at 4:52 p.m. to convene in closed session pursuant to NMSA 1978 10-15-1 (H)(7) regarding threatened or pending litigation and 10-15-1 (H)(8) Discussion of purchase, acquisition or disposal of water rights, Mr. Ruiz seconded motion. Mr. Nieto took a roll call, Mr. Holguin voted yes, Mr. Nieto voted yes, Mr. Ruiz voted yes and Ms. Pargas voted yes. On a vote of 4-0, motion carried. The Authority's attorney and managers attended the closed session. {45:27}
 2. Mr. Holguin made a motion and Mr. Ruiz seconded to resume the open meeting at 5:22 p.m. Mr. Nieto stated that the matters discussed in the closed meeting were limited to those stated in the motion to close.
- B. A motion was made by Mr. Holguin and seconded by Mr. Ruiz to instruct Mr. Martin Lopez to take action as advised by the attorney pertaining to the discussion in the closed session. Motion carried on a vote of 4-0. {47:35}
- C. **Audit RFP** –Ms. Jackson updated the Board regarding the audit and a committee meeting was scheduled for Wednesday at 10:30 a.m. to open, review and rank the proposals. {48:36} [resume the Agenda in order with item V]

VIII. **New Business:**

- A. **Resignation of Director Jim Pugh:** Mr. Nieto reported that Mr. Pugh sent him an email resigning from the board and stated that under the Governance Document, the Board has 45 days to appoint replacement. Mr. Holguin made a motion to accept the resignation of Director Jim Pugh, Mr. Ruiz seconded and it carried on a vote of 4-0. {1:33:31}
- B. **Resolution 2011-12 SCCOG Membership:** Ms. Pargas made a motion and Mr. Ruiz seconded to adopt Resolution 2011-12. After some discussion, a motion was made by Mr. Holguin and seconded by Mr. Ruiz to appoint Ms. Jackson as delegate and Mr. Nieto as Alternate. Motion carried on a vote of 4-0. {1:36:15}
- IX. **Other discussion and agenda items for next meeting:** The next meeting will be 5/18/11 at 10:00 a.m. at the Vado Office. Mr. Lopez noted that the Audit RFP Committee recommendation and NMFA refinance of USDA Loans will be on the agenda. {1:41:26}
- X. **Adjourn:** Motion made by Ms. Pargas to adjourn the meeting, Mr. Holguin seconded, and it carried with a vote of 4-0. Mr. Nieto declared the meeting adjourned at 6:20p.m. {1:44:04}

Date Minutes Approved: _____

Directors Present:

Chairman Roberto M. Nieto

Vice- Chairman John Holguin

Secretary Santos Ruiz

Director Rosaura Pargas

RESIGNED

Director Jim Pugh

Lower Rio Grande Public Waterworks Authority Sign In Sheet

Date: 5/4/11 Time: 4pm Place: Wade Office Meeting Type: Regular

Name, Title - Print	Company or Agency Represented	Mailing Address	Telephone	Email
<u>WALTER Lopez</u>	<u>LRG Pump Staff</u>	<u>PO Box 2646 Anthony, NM 88001</u>	<u>575 571-3628</u>	<u>walter.lopez@lrpauthority.org</u>
<u>Robert Ortiz</u>	<u>LRG Pump Staff</u>	<u>P. Box 106 Bernal, NM 88001</u>	<u>508 259 39 915</u>	
<u>Kathi Jackson Finance Manager</u>	<u>LRG PWWA</u>	<u>PO Box 2440 Anthony, NM</u>	<u>233-3947</u>	
<u>HELMER</u>	<u>LRG PWWA</u>	<u>"</u>	<u>882-51072</u>	
<u>Michael Lopez</u>	<u>LRG PWWA</u>	<u>"</u>	<u>(575) 635-3921</u>	<u>mlm@lrpauthority.org</u>
<u>Karen Nickels</u>	<u>LRG PWWA</u>	<u>"</u>	<u>915 203 2059</u>	<u>Karen.Nickels@lrpauthority.org</u>
<u>Matt Dyer - Guest</u>	<u>PSC</u>	<u>115 N. Giggis Las Cruces, NM 88001</u>	<u>575-523-0915</u>	<u>mjd@team-psc.com</u>
<u>GILBERT ANDERSON - GUEST</u>	<u>"</u>	<u>811 E XANDER EPTX 79902</u>	<u>915-533-6811</u>	<u>gandusia@team-psc.com</u>
<u>Johu Holguin</u>	<u>LRG PWWA</u>	<u>325 Holguin R1 Wade, NM</u>	<u>575-625-9007</u>	<u>Johu@wade.org</u>
<u>Espy Holguin</u>	<u>LRG PWWA</u>	<u>615 Holguin Rd</u>	<u>575-635-1289</u>	<u>Espinoza@lrpauthority.org</u>
<u>Robert Niels</u>	<u>LRG PWWA</u>	<u>Wade NM</u>	<u>575-619832</u>	

Lower Rio Grande Public Waterworks Authority

Sign In Sheet

Date: 9/11/11 Time: 4:42 Place: Water Office Meeting Type: Regular

Name, Title – Print Sign	Company or Agency Represented	Mailing Address	Telephone	Email
<u>Bruce S. Ingram</u> <u>Principal</u>	<u>Atkins,</u>	<u>P.O. Box 472</u> <u>Beaumont, TX 77705</u>	<u>409/856 1154</u>	<u>bruce.ingram@atkins.com</u>
<u>Rosaura Vargas</u> <u>Cosmo Vargas</u>	<u>Desert Sands</u>	<u>P.O. Box 3342</u> <u>Anthony, NM 86821</u>	<u>(505) 850 3126</u>	<u>Rosaura.Vargas@ncl.com</u>

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
LOWER RIO GRANDE MUTUAL DOMESTIC WATER ASSOCIATION
MEETING NOTICE & AGENDA
REGULAR BOARD OF DIRECTORS MEETING
4:00 p.m. Wednesday, May 4, 2011 at the Vado Office, 325 Holguin Road**

- I. Sign in, establish quorum, call to order
- II. Approval of agenda
- III. Approval of Minutes of 4/6/11
- IV. Guest Presentations – Matt Dyer, Parkhill, Smith & Cooper
- V. Public Input – 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action:
- VI. General Manager's Report (Finance Report on 3rd Wed. Agenda)
 - A. Management Report
 - B. Projects Report
 - C. Operations Report
 - D. Finance Report
 - i. 3rd Quarter Budget Report – for approval
- VII. Unfinished Business:
 - A. Closed Session (might not be needed)
 1. Motion to convene in closed session pursuant to NMSA 1978 10-15-1 (H)(7) regarding threatened or pending litigation and 10-15-1 (H)(8) Discussion of purchase, acquisition or disposal of water rights – Roll Call Vote
 2. Motion to resume the open meeting and statement by the Chair that affirming that the matters discussed in the closed meeting were limited to those stated in the motion to close.
 - B. Motion to instruct the Authority's attorney to take action as discussed in the closed session
 - C. Audit RFP – update if any, selection on next agenda
- VIII. New Business:
 - A. Resignation of Director Jim Pugh – for acceptance, 45 days to appoint replacement
 - B. Resolution 2011-12 SCCOG Membership, Dues & Delegate/Alternate
- IX. Other discussion and agenda items for next meeting – Next meeting 5/18/11 at 10:00 a.m.
- X. Adjourn

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

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

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
LOWER RIO GRANDE MUTUAL DOMESTIC WATER ASSOCIATION
MINUTES: CONCURRENT MEETING {NOTE: Minutes are a DRAFT until approved & signed by the Boards}
LRGPWWA REGULAR BOARD OF DIRECTORS MEETING
LRGMDWA RESCHEDULED (from 4/1/11) REGULAR MEETING (action items underlined)
4:00 p.m. Wednesday, April 6, 2011 at the Vado Office, 325 Holguin Road

- I. **Sign in, establish quorum, call to order:** Sign-in sheet and Agenda are attached. Lower Rio Grande Public Water Works Authority Board members present were Chairman Roberto "Marty" Nieto, Vice-chairman John Holguin, Secretary Santos Ruiz, and Director Jim Pugh. Director Rosaura Pargas came in at 4:30pm

Lower Rio Grande Mutual Domestic Water Association Board Members present were Chairman Roberto "Marty" Nieto (Mesquite), Vice-chairman Gabriel Gutierrez (Berino), Director Santos Ruiz (At Large), Director John Holguin (Vado), and Secretary-Treasurer Mike Guillen (Desert Sands). Director Ismael Borunda (La Mesa) was absent.

Staff Present were General Manager Martin Lopez, Projects Manager Karen Nichols, Customer Service Specialist Angie Meza, Finance Manager Kathi Jackson, Human Resources/Payroll Specialist Connie Garcilazo. Also present were Olga M. Sanchez from RCAC, attorney Beverly Singleman, Espie Holguin from HUD, Karen Perez of CE&M; Hector Vasquez, Erick Chavez, Guillermo Orquiz, Johnny Garcia of Vencor; and Ermida Rodriguez. With quorum establish, Mr. Nieto call the meeting to order at 4:11 p.m.

- II. **Approval of agenda:** Mr. Holguin made a motion to approve the agenda with item VIII moved up after item III. Mr. Ruiz seconded, and it carried on a vote of 7-0. {Note: item V was also taken out of order after VIII) **1:11**

III. **Approval of Minutes:**

- A. **LRGPWWA Minutes of 3/16/11:** Mr. Pugh made a motion to approve the minutes dated 03/16/11 (attached), Mr. Holguin seconded and it carried on a vote of 3-0. **3:09**
- B. **LRGMDWA minutes 1/7/11 (2/4/, 3/4/, 3/15/11) meetings canceled for lack of quorum:** Ms. Nichols noted that she made a correction to the minutes after the copies were made for the board packet to change the meeting location from Berino MDWC & MSWA to the Berino Office of the LRGPWWA. Mr. Guillen made a motion to approved minutes of 1/7/11 (attached) as corrected, Mr. Ruiz seconded, and it carried on a vote of 5-0. **3:34**

VIII. **New Business:**

- A. **LRGPWWA Resolution re: NMFA PPRLF consolidation loan application (attached):**

Mr. Pugh made a motion to adopt Resolution 2011-10 to refinance four outstanding USDA loans with the New Mexico Finance Authority, Mr. Ruiz seconded, and it carried on a vote of 4-0. **4:40**

- B. **Resolution NMFA Project No. 2361-PG-Planning Grant for Berino/Del Cerro Water project (attached):** Mr. Lopez informed the Board that Berino Water paid \$49,920.83 to consultant Vencor Engineering, and there will be a reimbursement to the Authority with this grant. Mr. Ruiz made a motion to approve the resolution, Mr. Holguin seconded, and it carried on a vote of 4-0. **8:40**
- C. **Voting District Proposal (attached):** Mr. Vasquez made a presentation regarding the work Vencor Engineering has done to develop voting districts using streets or other easily recognizable geographic features as boundaries. He reviewed the base map (projected on a screen) with the Board, and diagrams of the proposed districts, one showing the boundary street names, the other showing number of eligible voters in each district. Mr. Pugh made a motion to adopt the voting district proposal, Mr. Ruiz seconded, and it carried on a vote of 4-0. **10:48**
- D. **Auditor RFP & Selection – authorize staff to proceed & make recommendation to the Board:** Mr. Lopez informed the Board that he and Ms. Jackson and Ms. Meza had attended an audit training at Ruidoso. He said that Ms. Jackson has developed a Request For Proposals seeking an auditor. Mr. Holguin made a motion to authorize staff to proceed with the RFP and bring rankings and recommendation back to the board. Mr. Ruiz seconded and it carried on a vote of 4-0. **46:44**

V. **Guest Presentations:**

A customer from the La Mesa area attended for information purposes only. **49:16**

IV. **General Manager’s action items & reports (Finance Report on 3rd Wed. Agenda)**

A. **Management Report:**

- i. **Written Report:** The report was provided in the Board packet (attached) and was not reviewed at the meeting due to the lengthy agenda.
- ii. **LRGMDWA 12/31/10 Financial Statement & Quarterly RD Report for approval (attached):** Mr. Lopez noted that because of several meeting cancellations, he got approval from Mr. Guillen and Mr. Nieto and their signatures on the budget report in order to submit it to the NM-DFA on time. Mr. Holguin made a motion for retroactive approval of report, Mr. Gutierrez seconded, and it carried on a vote of 5-0. **50:48**

B. **Projects Report**

- i. **Written Report:** The report was provided in the Board packet (attached) and was not reviewed at the meeting due to the lengthy agenda.
- ii. **LRG PER – Final Document for acceptance by LRGMDWA:** Mr. Gutierrez made a motion to accept document as deliverable to the LRGMDWA

Board and designate Mr. Nieto to sign for it. The motion was seconded by Mr. Guillen and carried on a vote of 5-0. **55:59**

C. Operations Report-None

VII. Unfinished Business:

A. Joint Closed Session 01:09:33

1. Mr. Holguin made a **motion to convene in closed session pursuant to NMSA 1978 10-15-1 (H)(7) regarding threatened or pending litigation**, Mr. Pugh seconded. **Mr. Nieto took a roll call for vote of the Mutual Board:** Mr. Gutierrez voted yes, Mr. Ruiz voted yes, Mr. Holguin voted yes, Mr. Guillen voted yes and Mr. Nieto voted yes. On a vote of 5-0, motion carried. **Mr. Nieto took a roll call for vote of the Authority Board:** Ms. Parga voted yes, Mr. Nieto voted yes, Mr. Ruiz voted yes, Mr. Holguin voted yes, and Mr. Pugh voted yes. On a vote of 5-0, motion carried. Mr. Nieto convened the closed session at 5:18 p.m. **1:11:38**

2. Authority Board: Mr. Holguin made a motion and Mr. Pugh seconded to resume the open meeting. On a vote of 5-0, motion carried.

Mutual Board: Mr. Guillen made a motion and Mr. Holguin seconded to resume the open meeting. The motion carried on a vote of 5-0. Mr. Nieto reconvened the open meeting at 6:47 p.m. and stated that the matters discussed in the closed meeting were limited to those stated in the motion to close. **1:10**

B. Motion(s) to instruct the Authority's/LRGMDWA's attorney to take action as discussed in the closed session: Mr. Holguin made a motion to appoint Mr. Lopez to look for an independent engineer on bridge issue and Mr. Ruiz seconded. There was some further discussion, Mr. Pugh continued with the discussion about other options and was advised against continuing the discussion outside of the closed session by the attorney. Mr. Holguin made a motion to end discussion and vote. Mr. Ruiz seconded, and the motion carried one a vote of 6-1 with Mr. Pugh opposed. Mr. Holguin amended his original motion, and moved to follow the Authority's attorney's recommendation to appoint Mr. Lopez to look for an independent engineer on bridge issue, Mr. Ruiz affirmed the second, and it carried on a vote of 7-0. **1:10**

VI. Public Input – 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action: NONE 49:16

- IX. Other discussion and agenda items for next meeting – Next meeting 4/20/11 at 10:00 a.m. is canceled due to 5/6/11 WTB presentation:** Mr. Lopez will have something for the next meeting regarding the process of assuming the BLM permits.

Mr. Lopez informed that Orlando Jimenez is trying to set a legislative recap April 12, 2011 at 6:00 p.m. at the Community Center in La Mesa and asked for a representative of the Authority, if possible Mr. Pugh. Mr. Lopez asked the directors to keep in touch with Ms. Jackson about attending this for a potential quorum notice to be posted if necessary.

Mr. Lopez informed the Mutual Board that last year's Audit Report was fine. The next Mutual Board meeting scheduled for May 6th will be canceled unless there are action items for the agenda.

Ms. Nichols noted that there will be a guest presentation at the next Authority Board meeting by Matt Dyer of Parkhill, Smith & Cooper.

- X. Adjourn:** Mr. Holguin made a motion to adjourn the meeting at 7:03pm Mr. Guillen seconded, and it carried on a vote of 7-0. 8:00

Date Minutes Approved: _____

LRGPWWA Directors Present:

Chairman, Roberto M. Nieto

Vice- Chairman, John Holguin

Secretary, Santos Ruiz

Director, Rosaura Pargas

Director, Jim Pugh

LRGMDWA Directors Present:

Chairman, Roberto M. Nieto

Vice- Chairman, Gabriel Gutierrez


Secretary-Treasurer, Mike Guillen

Director, Santos Ruiz

Director, John Holguin

PARKHILL &
PSC

Design Services



PSC


Established in El Paso 1958, Las Cruces 2010

265 Employees


Multidisciplinary

- Environmental Sector
- Infrastructure Sector


ENR Top 200




The PSC Team




Mark Sanchez, PE
Principal-in-Charge, Environmental



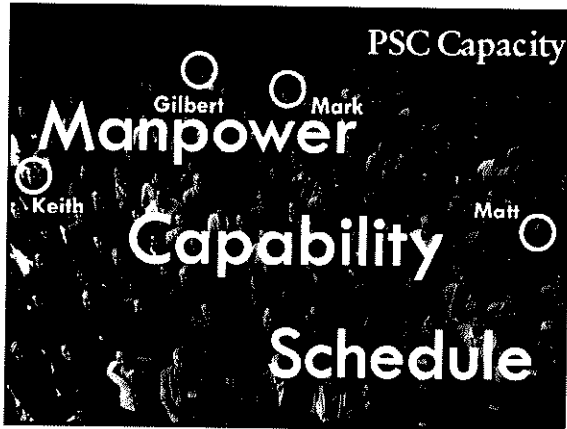
Matt Dyer, PE
Las Cruces OM, Groundwater

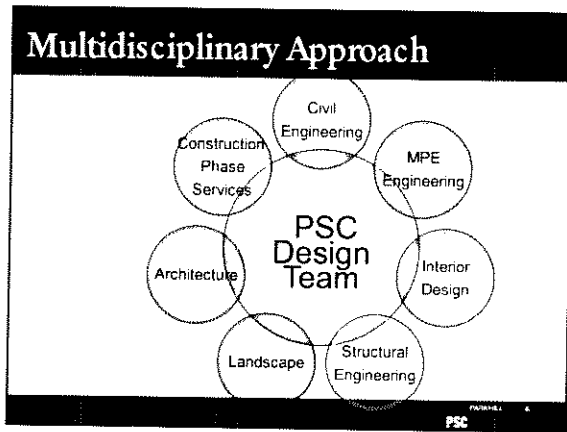


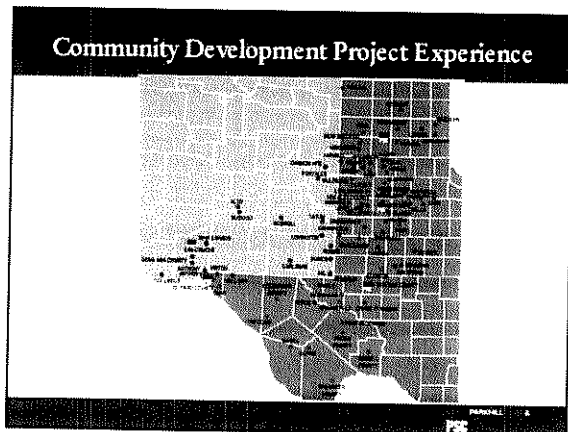
Keith Rutherford, PE
Water Quality, Environmental



Gilbert Andujo, PE, CFM
Project Funding, Client Liaison







Potential Water and Wastewater Funding

- NMFA – PPRF, Planning Fund, DWRLF, WTB, Colonias
- NMED – CWSRF, RIP
- USDA RD – Loans and Grant
- DFA – CDBG
- IAD – TIF
- BECC and NADB – Grant and Loan
- USCOE – Grant and Loan

PSC

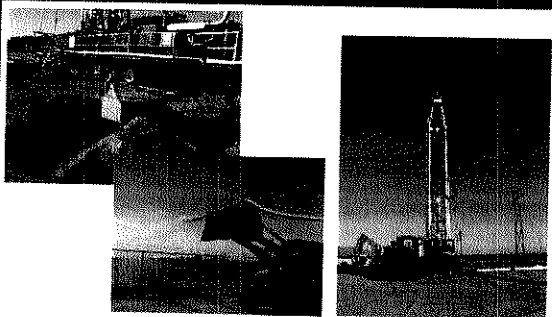
Groundwater Development

- Construction of large wells
- Well Head Improvements
- Pumping Units
- Transmission Piping
- Storage and Pumping Facilities

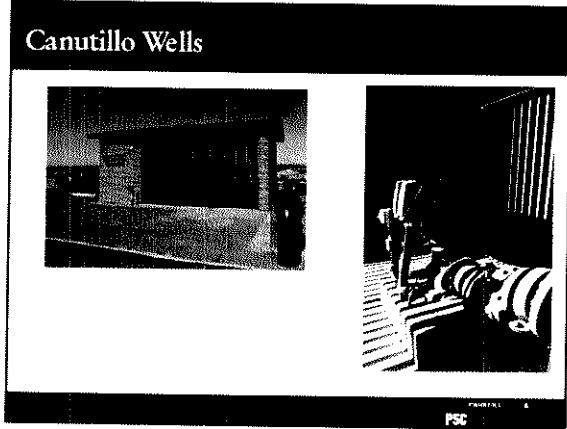


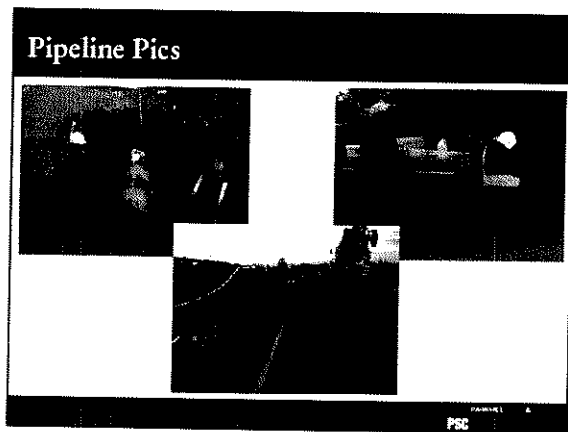
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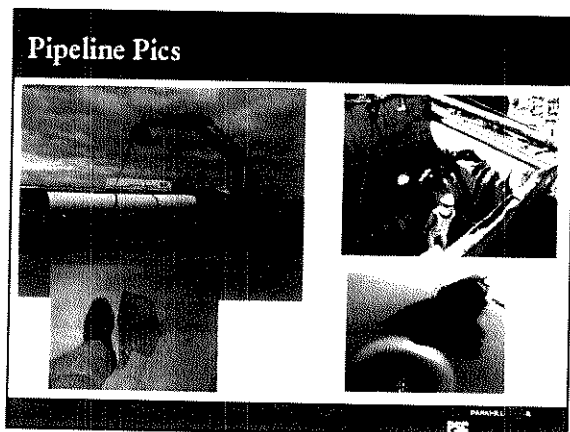
Canutillo Wells



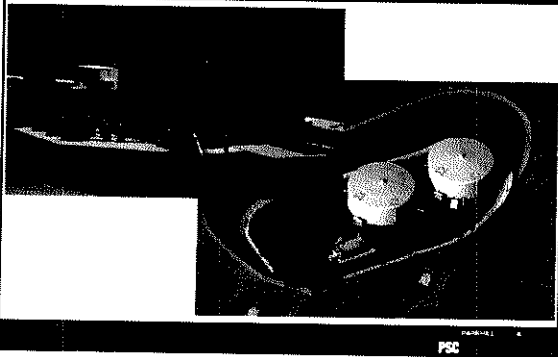
PSC







Booster Stations and Reservoirs

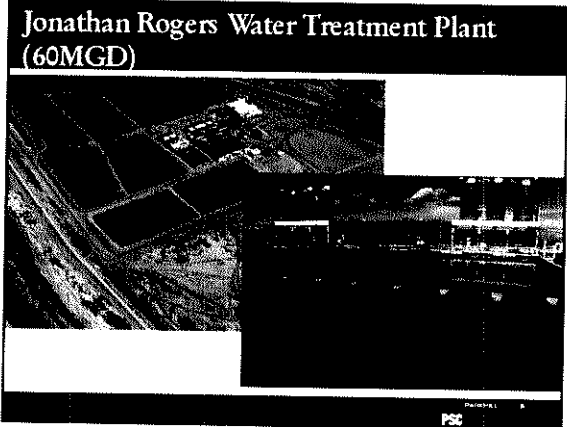


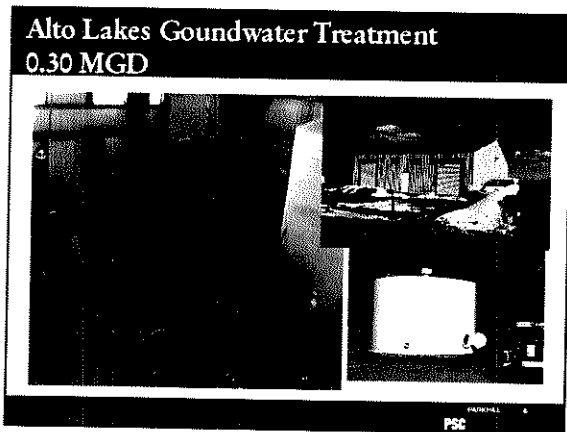
Environmental

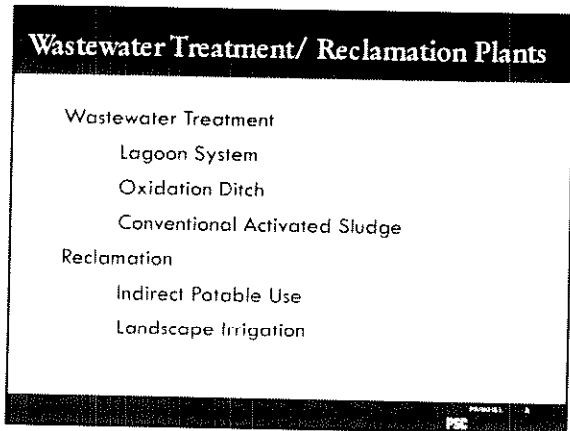
- Water Treatment Plants
- Wastewater Treatment Plant
- Water Reclamation Facilities
- SCADA
- Generators

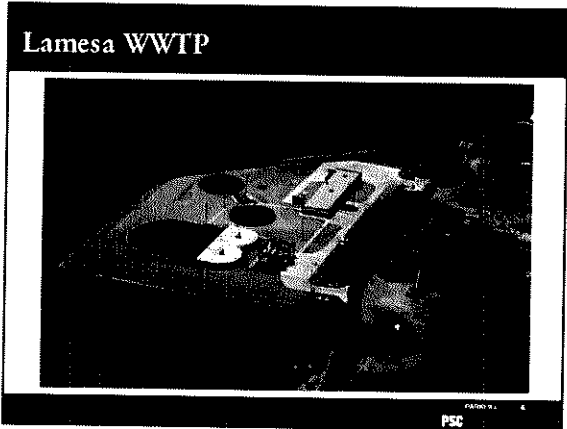
Water Treatment Plants

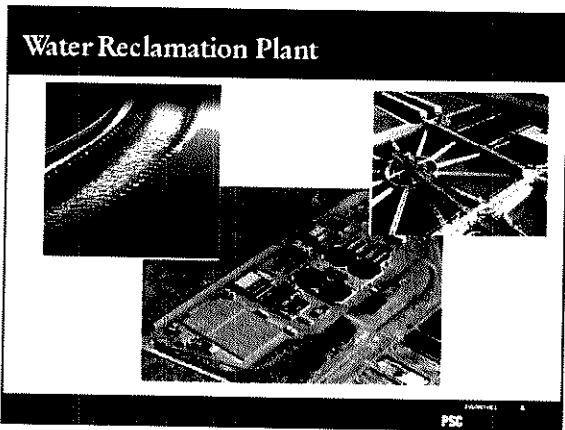
- Surface Water Treatment
 - Removal of Organic Contaminants
 - Taste and Odor Removal
- Groundwater Treatment
 - Removal of TDS
 - Mineral Removal
 - Arsenic, Iron, Manganese









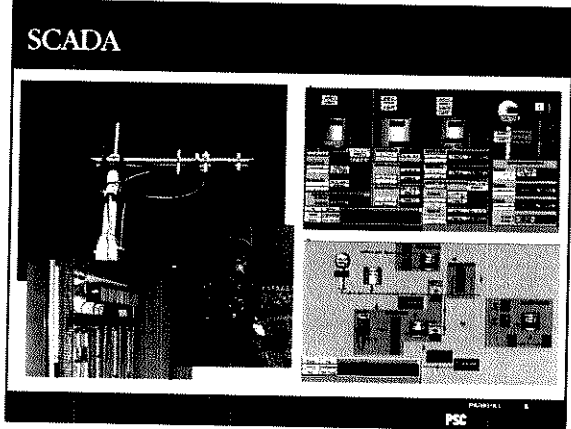


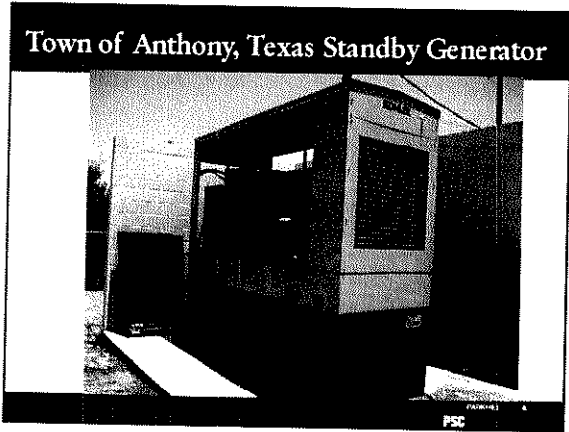
SCADA

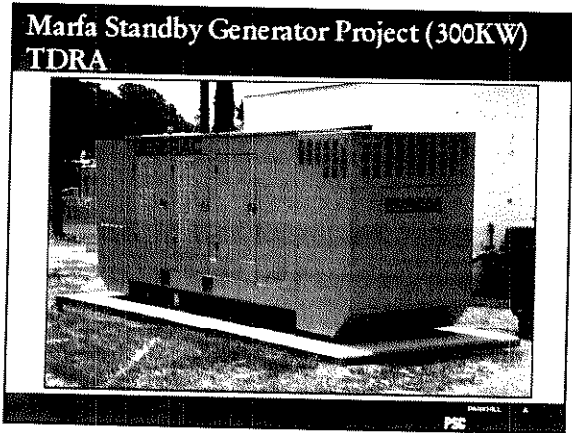
- Start and Stop
- Run Status
- Flows
- Levels
- Pressures
- Alarming
- Trending

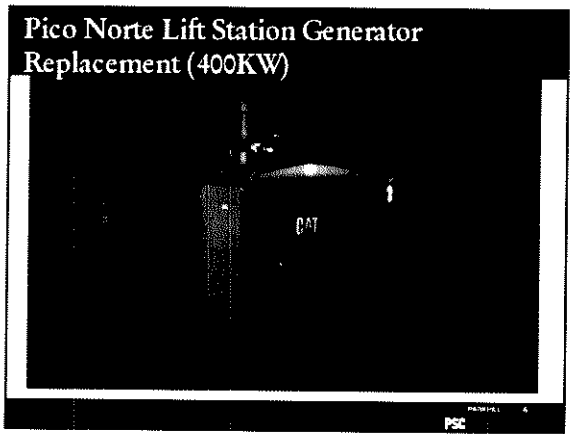
HMI, PLC, & Communication Network Development
Centralized Control of Remote Stations

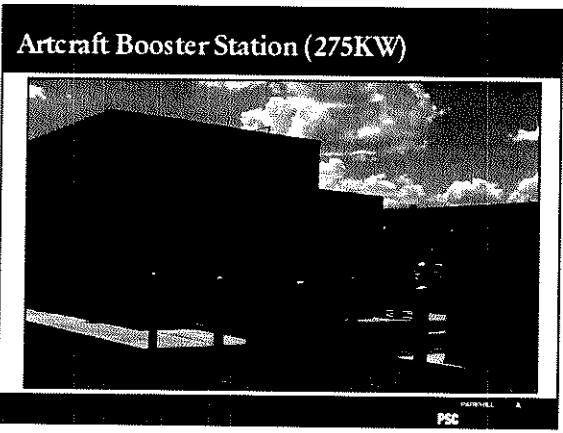
PSC

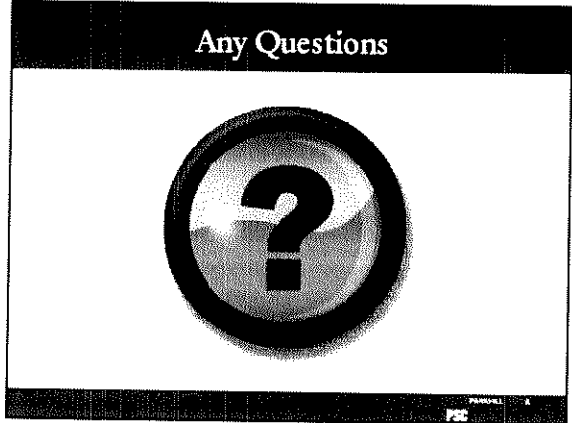












LRG PWWA
Manager's Report
May 4, 2011

Tasks

- Desert Sands-New tank site had 160 feet of 6 foot chain link fence stolen
- Employee Policies-Continue to work on policies
- Configure Intranet network-will have to purchase a new server to be able to network and operating CUSI billing program
- Office phone network-to be included in the La Mesa Office Building Project
- Cell phone plan-Everyone on Verizon, except a couple of well sites
- Establish election (district) boundaries-will be cleaning-up owner files to match Vencor (DAC) information with the offices' customers files
- Standardize Billing Program-CUSI will be uploaded to new server; data entry continues with an anticipated date of completion for the end of May
- Transfer of Assets (bank funds) from Associations
 - Mesquite Operating account with over \$8,000 pending transfer; waiting and 401K rollovers
 - Vencor Engineering and Zia Engineering are coordinating with BLM to assign permits
- Transfer long and short term debt
 - USDA RD-Berino 91-02 Loan scheduled to be paid in June; other 4 loans (Desert Sands 91-07; La Mesa 01-01; Mesquite 91-06 and 91-

16) to be refinance with NMFA. \$738,000 with the first \$200,000 at 0% interest rate and no taxes on whole amount (Approved April 28 closing July 15)

- NMFA-Desert Sands vehicle loan will be assumed by the Authority (Approved April 28)
- NMED-Desert Sands RIP Loan 2003-08 is scheduled to be paid this month; La Mesa RIP 88-12 will be refinance into La Mesa well project
- Project Funding Applications
 - No word from USDA on the Berino-Del Cerro Water Project
 - Berino-Del Cerro Water Project also presented to the Water Trust Board April 20
 - USDA has issued a “Notice of Unfavorable Action” pertaining to the Mesquite sewer project which means they could revert the funds-LOC binder should have been delivered by Gannett Fleming today
- Review and edit Vulnerability Assessment
- Review and edit Emergency Response Plan
- Water Rights
 - Return flow credits
 - Combine/commingle
- Budget Reports and Audits
 - Authority-3rd quarter pending; FY12 Budget to be developed in May for June Board approval

- LRGMDWA-3rd quarter pending; Clifford, Ross, Raudenbush & Copper have agreed to perform “Agreed Upon Procedure for FY11
- Update ICIP
 - Project Scopes (current and proposed)-training in Truth or Consequences to be attended by staff
- Customer Request-provide a 24 or 48 hour phone notification prior to disconnection of delinquent customers



United States Department of Agriculture
Rural Development
State of New Mexico

April 22, 2011

Mr. Roberto Nieto, Chairman
Mesquite MDWCA
c/o Lower Rio Grande PWWA
325 Holguin Road
Vado, NM 88072-7220

Re: Notice of Unfavorable Action - Mesquite MDWC & MSWA
USDA, RUS – Wastewater System Improvements

Dear Mr. Nieto:

As required by Departmental Regulation Number 2230-001, dated April 21, 2009, review of Agency loan and grant funds not expended within five years of obligation requires review for validity. Reviews of unliquidated obligations are necessary to properly report obligation balances, certify the validity of obligated balances, make funds available that otherwise would not be used, reduce the risk of misuse and theft of funds, and improve the Treasury Department's ability to forecast outlay and borrowing needs. Therefore, after careful consideration, USDA, Rural Development is unable to take favorable action and intends to cancel all funds not disbursed for the subject project, and we suggest that you find alternative financing for this project, if necessary.

As you are aware, the Letter of Conditions issued to Mesquite MDWC&MSA by this Agency on July 2, 2003 expired on September 29, 2003. On July 2, 2003, the applicant signed the Letter of Intent to Meet Conditions which advised them of their deadline to meet the conditions was September 29, 2003. However, our office has granted numerous extensions to meet the conditions. The Letter of Conditions included the criteria and conditions under which the funding was to be disbursed. As of this date, the Association has not met conditions and consequently USDA has been unable to release the funds to construct the water system, which is the purpose of the funding.

You agreed by accepting the conditions, within the Letter of Conditions, that if they were not satisfied by September 29, 2003, Rural Development reserved the right to discontinue the processing of the application.

6200 Jefferson NE • Suite 255 • Albuquerque, NM 87109
505-761-4950 • Fax - 505-761-4976 • TDD - 505-761-4938

Committed to the future of rural communities

"USDA is an equal opportunity provider, employer and lender."
To file a complaint of discrimination write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W.,
Washington, DC 20250-9410 or call 800-795-3272 (voice) or 202-720-6382 (TDD)

If you have any questions concerning the decision or the facts used in making our decision or desire further explanation, you may call or write our Las Cruces Area Office to request a meeting within 15 calendar days of the date of this letter.

The Las Cruces Area Office address and telephone number is:

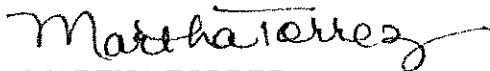
Clyde Hudson, Area Director
2510 Telshor
Las Cruces, New Mexico 88011

(575) 522-8775 extension 123

If you choose to have your case reconsidered, you should present any new information or evidence along with possible alternative for our consideration. You may also bring a representative or legal counsel with you. You also have the right to appeal this decision to a hearing officer in lieu of, or in addition to, a meeting with this office. See enclosure for your appeal rights.

If you have any questions, please contact Area Director Clyde Hudson at (575) 522-8775, ext. 123.

Sincerely,



MARTHA TORREZ
Director, Community Programs

Enclosures

cc: Clyde Hudson, Area Director, Las Cruces, NM
Terry Brunner, State Director
File

ATTACHMENT TO LETTER NOTIFYING CUSTOMERS OF AN ADVERSE DECISION THAT IS APPEALABLE

The decision described in the attached letter did not grant you the assistance you requested or will terminate or reduce the assistance you are currently receiving. If you believe this decision or the facts used in this case are in error, you may pursue any or all of the following three options.

Option 1 - Reconsideration

If you have questions concerning this decision or the facts used making it and desire further explanation, you may write this office to request reconsideration. **There is no cost for reconsideration.** This written request must be received no later than 15 calendar days from the date of the attached letter. You must present any new information, evidence and/or possible alternatives along with your request. You may also bring a representative or legal counsel with you to any meetings that may result from your request for reconsideration. You may skip this step in the informal process and select one of the following two options. If you do, you will automatically waive your right to reconsideration.

Option 2 - Mediation/Alternative Dispute Resolution

You have the right to request mediation or other form of alternative dispute resolution (ADR) to resolve the adverse decision. The request to use mediation or other form of ADR may be made at any time prior to a formal appeal hearing. A request to exercise this option to settle the dispute on the denial will stop the running of the 30-day period you have to request an appeal. If you request an appeal, and, prior to the appeal hearing, decide to request this option, you have waived your right to an appeal hearing until after conclusion of mediation or other ADR; however, you have the right to an appeal hearing within 45 days of the conclusion of mediation or ADR. **You may have to pay for the cost of mediation or ADR. Rural Development will participate in this mediation.** If you want to request mediation or need information to assist you in deciding whether to mediate our decision, you should contact the Rural Development State Director indicated below. You must request mediation in writing within 30 calendar days of the date of the attached letter. Once you request mediation, it stops the running of the 30-day period in which you may request an appeal (described in Option 3). If mediation does not result in resolution of these issues, you have the right to continue with a request for an appeal hearing as set forth in Option 3.

When mediation is concluded, you will be notified of the result and the number of days remaining to request an appeal, if applicable. If you request mediation prior to filing for an appeal, the number of days you will have to request an appeal will be 30 days from the adverse decision minus the number of days you took to request mediation. Mediation does not take the place of, or limit your rights to, an appeal to the National Appeals Division (NAD); however, a NAD appeal hearing would take place after mediation. You

may skip mediation and request an appeal hearing. However, in doing so, you will automatically waive your rights to mediation.

Your request for mediation must be sent to:

Rural Development State Director Address:

G. Mike McDow
USDA, Rural Development
Attn.: Rural Business-Cooperative Service
6200 Jefferson St. NE, Room 255
Albuquerque, NM 87109
(505) 761-4953

Option 3 - Request an Appeal

You may request an appeal hearing by the National Appeals Division (NAD) rather than reconsideration or mediation. **There is no cost for an appeal.** Your request for an appeal must be made no later than 30 days from the date you receive the attached letter. You must write the Assistant Director, NAD, for your region at the following address:

National Appeals Staff, Area Supervisor
755 Parfet St., Suite 494
Lakewood, CO 80215-5506

The request for NAD hearing must state the reasons why you believe the decision is wrong, be personally signed by you and the borrower, and must include a copy of the attached letter. A copy of your request must also be sent to the Rural Development State Director at:

G. Mike McDow
USDA, Rural Development
Attn.: Rural Business-Cooperative Service
6200 Jefferson St. NE
Albuquerque, NM 87109
(505) 761-4953

You have the right to an appeal hearing within 45 days of the receipt of your request.

You or your representative or counsel may contact this office anytime during regular office hours in the 10 days following the receipt of your request for a hearing to examine or copy relevant non-confidential material in your file. Photostat copies will be provided in accordance with the Freedom of Information Act. Your representative or counsel should have your written authorization to represent you and review your file.

The NAD Hearing Officer will contact you regarding a time and place for the hearing. You may also request a teleconference hearing in lieu of the face-to-face hearing. At any

time before the scheduled hearing you may also request that the Hearing Officer make a decision without a hearing. If you do, the Hearing Officer's decision will be based on the Rural Development file, any written statements or evidence you may provide and any additional information the Hearing Officer thinks necessary.

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (providing that the applicant has the capacity to enter into a binding contract), or because all or part of the applicants income derives from any public assistance program. U. S. Department of Agriculture regulations provide that no agency, officer, or employee of the United States Department of Agriculture shall exclude from participation in, deny the benefits of, or subject to discrimination any person based on race, color, religion, sex, age, handicap, or national origin under any program or activity administered by such agency, officer, or employee. The Fair Housing Act prohibits discrimination in real estate-related transactions, or in the terms and conditions of such a transaction, because of race, color, religion, sex, handicap, familial status, or national origin. If an applicant or borrower believes he or she has been discriminated against for any other reasons, that person can write the Secretary of Agriculture, Washington, D.C. 20250. Applicants also cannot be denied a loan because the applicant has in good faith exercised his or her right under the Consumer Credit Protection Act. If an applicant believes he or she was denied a loan for this reason, the applicant should contact the Federal Trade Commission, Washington, D.C. 20580.

LOWER RIO GRANDE Public Water Works Authority

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

April 25, 2011

Clyde Hudson, Area Director
2510 Techo,
Las Cruces, NM 88011

RE: Notice of Unfavorable Action-Mesquite MDWC&MSWA Wastewater Improvements Project

Dear Mr. Hudson:

I would like to request a meeting at your convenience to discuss "Reconsideration" of the Unfavorable Action. The LOC is scheduled to be completed and submitted to the USDA RD Albuquerque Office this week. Many of the delays over the past years have been for reasons we had no control over. This includes the rejection of the project recommended alternative and sequence studies and requirements of external agencies and organizations. This coupled with the circumstances surrounding the transfer of our project files from the USDA RD Las Cruces Office to the Albuquerque Office have impacted our ability to meet the schedule.

Please contact Martin López, our General Manager to schedule at (575) 571-3628 or email him at martin.lopez@lrpauthority.org

Thank you in advance for your consideration!



Roberto M. Nieto, Chairman
Lower Rio Grande PWWA

cc: Martha Torrez, Director Community Services
Terry Brunner, State Director

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

Authority Construction Projects:

Mesquite Wastewater Project – Gannet Fleming– final design/closing - RD: Engineer had been reporting that the Opinion of Counsel RE: ROW was the only document necessary to complete the LOC notebook, but advised Martin on April 4th of several other items that were lacking including a title policy. On 4/25/11, we received a “Notice of Unfavorable Action on RUS Funding” informing us that they intend to stop processing our application because the LOC has not been met and advising us how to appeal that decision. At this point, all of the documents to complete the LOC have been sent to the engineer, and we have requested that USDA-RD reconsider. \$1.1 million funding shortfall has not yet been addressed.

La Mesa Water System Improvements – Molzen Corbin – final design/closing - RD: Plans & Specs are at 75% completion, ROW & easements are at 100%. NMED-DWB approved constructions documents on 4/2/11. Received letter from George Scott (RD) requiring some changes to the specifications, engineer will complete and submit asap, local RD office will forward LOC notebook to regional office, then ETA is four months. Engineer reviewed gas chlorination codes with staff, OM met w/County Fire Marshal and got waivers for some of them, staff met w/engineer again on 4/21/11 and design is being finalized based on that meeting, GM is sending letter to Molzen regarding the codes waived.

Mesquite/Brazito Sewer Project – Vencor – planning – CDBG/SAP: USDA-RD engineering services agreement in place, state contract submitted to NMED-CPB approved 4/4/11. Funding application is pending. Remaining SAP funds are being used for preliminary engineering. PER, Sewer Model & EID are in development.

Mesquite/Brazito Water Emergency Water Interconnect & Supplemental Wells – prelim. Planning: Vencor has a preliminary map, GM may have an update

Authority PERs/EAs/40 Yr. Water Plan:

Authority Interconnect & Looping Ph. I PER – prelim. planning: CDBG Planning Grant Application submitted thru SCCOG 3/16/11, entering into Engineering Services Agreement pending authorization from DFA.

Berino & Mesquite/Del Cerro combined Project – funding app./design – RD/WTB: PER/EA – RD approval obtained, & NMED approval received. USDA-RD WEP Application documents for project funding application submitted 2/18/11 for \$5,434,952 (\$6,003,979 total project cost), response from Ms. Alarcon @ RD on 3/22/11 indicated the need for average monthly user cost of \$46.50 and proposal to fund the project with \$2,105,000 loan (3.375%/40yr. - \$7,999/mo.) +

\$3,329,952 Colonias Grant. USDA-RD is processing our application, and we also presented this project to the NM Water Trust Board on 4/20/11, should know something by end of month.

Design for Del Cerro is 90% completion of plans & specs, Design for Berino is at 80%, est. completion for 4/30/11. Submittals to NMED, DAC, EBID & NMDOT anticipated by 4/30/11. 98% completion of pipeline easements, remainder under negation w/property owners.

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

Return Flow Credit Plan – CE&M – GF work in progress: Strap-on meter was finally delivered, OM is coordinating installation w/county staff. Ms. Perez no longer works for CE&M, we are terminating Engineering Services Agreement Amendment #3 with CE&M and doing a sole-source award to her company to get this task completed out of the General Fund instead of SAP funds.

Individual MDWCA Projects under construction:

Desert Sands Phase II-III Water System Improvements – Construction in progress: Project is complete, except for DS Well #3 Arsenic Plant conversion. AdEdge submittal for the retrofit has been received and reviewed, contractor has been instructed to proceed. 11 month inspection for the main project is set for 5/3/11 and Operations staff is detailing items to be addressed.

Mesquite Water Project – Gannett Fleming – Construction complete, pending close-out: Final disbursement request & invoices have been submitted to NMFA.

LRG MDWA Projects:

Castillo Rd - La Mesa/Mesquite Interconnect – CE&M – construction incomplete: All lines are complete and pressure-tested. All services are installed that could be included in the original budget. The bridge segment did not pass pressure test and will require repair/replacement. This issue is under negotiation with the contractor. Bridge section was not complete before water was released in the river.

CE&M PER – draft complete, pending revisions: PER was submitted to NMED-CPB for review on 1/21/11, 2/28/11 review letter from NMED – NOT approved, met with Mr. Deal on 3/31/11 to clarify his expectations, revisions have been submitted.

La Mesa Building (jointly funded by La Mesa & LGRMDWA) – Molzin Corbin – under construction - NMED - SAP08-3099, Colonias 09-3118: Old building has been demolished and new foundation completed. Project meeting was delayed to 5/2/11 due to scheduling issues.

PROJECT BUDGET								
Funding Sources	\$ Funds	Notes:						Date
NMED - SAP08-3099	212,850.00							
Colonias 09-3118	400,000.00							
Total Project funds	612,850.00							
Project Expenses	Budget \$	Expended (NMED)	Expended (Colonias)	% Compl	Remaining	Date		
Construction	\$443,570.00	\$43,680.00		0%	\$399,890.00			
Construction NMGR (DA)	\$28,277.59	\$2,784.60		0%	\$25,492.99			
Engineering Fees (Design)	\$38,172.21	\$38,172.21		100%	\$0.00			
Topographic Survey/Easements	\$825.00	\$825.00		100%	\$0.00			
Additional Engineering Services	\$7,500.00	\$4,590.00		0%	\$2,910.00			
Legal Services	\$0.00			0%	\$0.00			
Reimbursable	\$3,000.00	\$5,876.34		0%	-\$2,876.34			
	\$0.00			0%	\$0.00			
Construction Observation	\$27,549.67	\$4,051.66		15%	\$23,498.01			
Construction Management	\$23,662.00			0%	\$23,662.00			
DAC Permit	\$350.00	\$500.00		143%	-\$150.00	10/31/2010		
	\$0.00			0%	\$0.00			
	\$0.00			0%	\$0.00			
Professional Service NMGR (LC)	\$7,642.52	\$3,666.87		48%	\$3,975.65			
Contingencies	\$32,301.01			0%	\$32,301.01			
Totals	\$612,850.00	\$104,146.68		17%	\$508,703.32	12/31/2010		

Not Reimbursed

ENGINEERING SERVICES	Date	Design	Add. Serv	Reimb	Milage/Post	Tax	Total	Note
MCA - Invoice 7437	10/21/09	\$15,086.11	\$4,590.00	\$429.37	\$0.00	\$1,382.25	\$21,487.73	50% Design
MCA - Invoice 8548	12/15/10	\$13,543.05	\$0.00	\$3,555.98	\$870.19	\$1,196.94	\$19,166.16	75% Design
MCA - Invoice 8802	03/14/11	\$9,543.05	\$0.00	\$945.95	\$74.85	\$734.23	\$11,298.08	100% Design
MCA - Invoice 8850	03/23/11	\$825.00	\$0.00	\$0.00	\$0.00	\$57.75	\$882.75	100% Design + Mo. Surveying

Invoice Number (Check or Wage #)	Design	Add. Serv	Reimb	Milage/Post	Tax	Total	Note
DAC Permit (La Mesa MDWCA)	10/31/10	\$150.00				\$350.00	Check No. 5020
DAC Variance Request (LRGPWWA)	02/16/11	\$150.00				\$150.00	Check No. 1516

Construction Payment Application	Amount	Tax	Total	
Partial Pay Estimate 1	04/27/11	\$13,680.00	\$2,784.60	\$16,464.60

OBSERVATION	Date	Observation	Add. Serv	Reimb	Milage/Post	Tax	Total	Note
MCA - Invoice 8697	03/14/11	\$3,910.00	\$0.00		\$141.66	\$295.70	\$4,347.36	

Total Expense \$57,682.08

Other projects:

Legislative Report for 2011 is final, submitted to GM w/bills signed by governor.

Website has been updated with a Customer Service page and an RFP/Purchasing Information page. Voting District map has been added to the Board page.

EBID Surface Water Treatment Plant – no update

Lower Rio Grande PWWA

Operators Report

May 4, 2011

System Problems and Repairs.

- (Berino Road project) Burns Construction is about complete. The subdivision is about Complete.
- Backflow inspections are current.(Mesquite District)
- Sewer tank inspections are current.(Mesquite District) well
- We are waiting on parts for the Seamen's SCADA.
- No Major problems with the Lower Rio Grande system.
- The La Mesa district had a total of 51 work orders.
- We are working on the continental system I will report the total amount of work orders completed next board meeting.
- We completed a valve vault on vado drive.

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

Mesquite district Wetlands: Monitoring well samples have been taken in April.

Chlorine: No problems with Chlorine this month.

Reports: Monthly well reports have been submitted to the State Engineers office.

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

Finance Report

5/4/2011

Financial Statement Overview

Profit & Loss for March-we ended the month with a profit of \$3,244 but if you look at the numbers for the quarter or year to date we are still at a loss.

Contract Services- we are still due \$ from La Union we met with them 5/4/11 and asked that they pay at least the minimum operations and maintenance fees for Jan-March (\$2,505) by Friday. They have held up payment because they wanted more information on their billing. I hope to have the information they want in a few days and hopefully we can get paid in full before the end of May.

Expenses- We have spent beyond what was originally budgeted for computers and software. These expenditures were crucial for moving forward with the merger. The new server has been ordered and we hope to have all offices linked and on the same billing system by the end of June.

Balance Sheet-No significant changes in the balance sheet, we will be paying off 2 more loans and NMFA has approved the refinancing of the others.

Misc. Finance Info

The Berino office has been selling DAC Trash Coupons like hot cakes.

Benita has settled into the Mesquite office with us and we have constant customer traffic from Vado, LaMesa, & Mesquite. It has been very busy and a little cramped in the Mesquite office but we have 3 of the 5 billing systems merged on to Continental Billing. Desert Sands customer data has been entered but we are waiting for the server upgrade before we switch them over. Berino's conversion should be the easiest since they are already on Continental.

We have received several responses from the RFP for Audit Services we need to submit our selection for IPA by May 15, 2011.

We are still working on various items related to the merger plan.

LRGPWWA Profit & Loss

	Jan - Mar 11	Jul '10 - Mar 11
Ordinary Income/Expense		
Income		
Interest	203.47	295.63
Non-Operating Revenue		
Copy/Fax	419.30	635.30
Other Income	0.00	989.88
Total Non-Operating Revenue	419.30	1,625.18
Operating Revenue		
Activation & Connection Fees	2,620.00	5,008.23
Contract Services	7,887.35	24,634.87
Installation Fees	2,794.58	8,014.27
Membership Fees	150.00	650.00
Monthly Services	310,753.77	676,484.71
Monthly Services-Sewer	18,019.81	36,751.64
Other Income	2,665.03	2,947.30
Penalties-Sewer	751.43	1,472.94
Penalties-Water	16,854.07	31,804.56
Returned Check Fees	0.00	170.00
Total Operating Revenue	362,496.04	787,938.52
Total Income	363,118.81	789,859.33
Cost of Goods Sold		
Cost of Goods Sold	385.00	12,914.77
Total COGS	385.00	12,914.77
Gross Profit	362,733.81	776,944.56
Expense		
Accounting, Auditing, Legal		
Accounting Fees	3,347.43	16,691.19
Bad Debts	17,730.58	18,244.14
Bank Service Charges	1,052.27	1,633.98
Cash Short/Over	-12.45	-19.06
Dues and Subscriptions	0.00	822.65
Engineering Fees	56,974.72	59,986.48
Government Penalties & Interest	184.93	256.22
Interest Expense	2.85	2.85
Interest paid to NMED	0.00	1,516.55
Late Fees	177.29	216.29
Legal Fees	4,231.08	11,427.02
Legal Notices	1,934.02	2,408.65
Licenses & Fees	0.00	275.92
Loan Interest	7,543.31	12,718.51
Meals	-721.54	554.71
Permit Fees	1,367.80	2,029.24
Postage-Billing	2,594.60	3,788.20
Postage-Other	1,943.01	4,224.51
Proff Fees-Interpreter	2,214.07	2,309.70
Reconciliation Discrepancies	0.00	-12.22
Training	780.00	2,531.31
Travel		
Lodging Per Diem	350.55	3,188.29
Meals Per Diem	235.40	708.00
Travel - Other	56.53	1,715.86
Total Travel	642.48	5,612.15
Total Accounting, Auditing, Legal	101,986.45	147,218.99
Lab, Chemicals		
Chemicals	3,678.67	8,897.39
Laboratory Fees	485.96	1,008.44
Lab, Chemicals - Other	0.00	7.45
Total Lab, Chemicals	4,164.63	9,913.28
Salaries		
Accrued Leave	5,396.51	11,945.38

LRGPWWA Profit & Loss

	Jan - Mar 11	Jul '10 - Mar 11
Administrative Labor	47,947.20	81,749.03
Clerical Labor	40,981.25	69,476.16
Merit	0.00	4,783.44
Mileage	61.60	61.60
Operations Labor	64,434.04	106,501.16
Salaries - Other	146.25	146.25
Total Salaries	158,966.85	274,663.02
Supplies		
Cell Phone	6,459.22	11,281.52
Computer Maintenance	14,682.07	20,556.35
Internet	0.00	451.15
Kitchen & Cleaning Supplies	147.32	804.24
Materials & Supplies	60,267.10	97,557.54
Office Supplies	4,258.91	7,453.81
Printing and Copying	3,081.00	4,237.77
Telephone	2,687.36	5,415.21
Tool, Furniture	797.10	1,573.57
Uniforms-Employee	2,750.45	2,750.45
Supplies - Other	652.33	2,248.60
Total Supplies	95,782.86	154,330.21
Taxes, Liability, Insurance		
Employee Benefits-401K Contrib	687.50	687.50
Insurance-Dental	563.74	563.74
Insurance-General Liability	-6,027.95	-8,405.95
Insurance-Health	37,166.34	59,305.19
Insurance-Life,Disability	-70.19	3,060.97
Insurance-Vehicles	-109.90	145.10
Insurance-Vision	0.00	0.00
Insurance - Liability, D and O	13,594.00	36,780.82
Payroll Taxes-Federal Unemploym	7,943.28	8,842.91
Payroll Taxes-Medicare	2,246.55	3,741.65
Payroll Taxes-Social Security	9,605.94	16,065.42
Payroll Taxes-State Unemploymen	5,144.00	6,176.80
Payroll Taxes-Worker's Comp Fee	3,306.70	6,696.90
State Taxes	2.00	2.00
Water Conservation Fee	3,752.14	6,011.22
Total Taxes, Liability, Insurance	77,804.15	139,674.27
Utilities		
Automobile Repairs & Maint.	7,168.48	19,500.24
Electricity-Office	818.35	3,965.91
Electricity-Operations	34,810.25	81,075.08
Equipment Rental	0.00	151.88
Fuel	16,596.54	29,005.64
Garbage Service	477.90	811.50
Locates	662.38	1,109.84
Maint. & Repairs-Infrastructure	10,052.37	10,052.37
Maint. & Repairs-Office	0.00	1,720.40
Maintenance & Repairs-Other	233.85	1,565.11
Natural Gas	1,122.74	1,347.60
Security/Alarm	3,959.22	4,623.92
Wastewater	198.45	406.90
Total Utilities	76,100.53	155,336.39
Total Expense	514,805.47	881,136.16
Net Ordinary Income	-152,071.66	-104,191.60
Other Income/Expense		
Other Expense		
Ask My Accountant	0.00	54.72
Total Other Expense	0.00	54.72
Net Other Income	0.00	-54.72

**LRGPWWA
Profit & Loss**

	<u>Jan - Mar 11</u>	<u>Jul '10 - Mar 11</u>
Net Income	<u>-152,071.66</u>	<u>-104,246.32</u>

1:21 PM
 05/04/11
 Accrual Basis

LRGPWWA
Profit & Loss
 March 2011

	Mar 11
Ordinary Income/Expense	
Income	
Interest	96.29
Non-Operating Revenue	
Copy/Fax	419.30
Total Non-Operating Revenue	419.30
Operating Revenue	
Activation & Connection Fees	1,280.00
Contract Services	4,602.00
Installation Fees	494.58
Membership Fees	150.00
Monthly Services	131,168.99
Monthly Services-Sewer	6,125.73
Penalties-Sewer	275.86
Penalties-Water	8,075.34
Total Operating Revenue	152,172.50
Total Income	152,688.09
Cost of Goods Sold	
Cost of Goods Sold	299.95
Total COGS	299.95
Gross Profit	152,388.14
Expense	
Accounting, Auditing, Legal	
Accounting Fees	403.36
Bank Service Charges	48.75
Cash Short/Over	-0.06
Engineering Fees	1,183.19
Legal Fees	1,086.38
Legal Notices	1,934.02
Loan Interest	2,450.15
Permit Fees	1,100.00
Postage-Billing	1,035.28
Postage-Other	224.59
Proff Fees-Interpreter	642.04
Training	630.00
Travel	
Meals Per Diem	76.76
Travel - Other	13.70
Total Travel	90.46
Total Accounting, Auditing, Legal	10,828.16
Lab, Chemicals	
Chemicals	1,527.28
Total Lab, Chemicals	1,527.28
Salaries	
Accrued Leave	970.14
Administrative Labor	15,846.16
Clerical Labor	12,482.39
Operations Labor	20,476.18
Salaries - Other	50.00
Total Salaries	49,824.87
Supplies	
Cell Phone	1,668.22
Computer Maintenance	9,334.02
Materials & Supplies	22,399.93
Office Supplies	1,350.43
Printing and Copying	717.44
Telephone	829.67

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Accrual Basis

LRGPWWA
Profit & Loss
March 2011

	Mar 11
Tool, Furniture	797.10
Uniforms-Employee	659.95
Supplies - Other	523.48
Total Supplies	38,280.24
Taxes, Liability, Insurance	
Insurance-Dental	0.00
Insurance-Health	12,133.12
Insurance-Life,Disability	-70.19
Insurance-Vision	0.00
Insurance - Liability, D and O	5,442.00
Payroll Taxes-Federal Unemploym	244.06
Payroll Taxes-Medicare	721.74
Payroll Taxes-Social Security	3,086.06
Payroll Taxes-State Unemploymen	3,122.55
Payroll Taxes-Worker's Comp Fee	1,070.70
State Taxes	0.00
Water Conservation Fee	1,872.36
Total Taxes, Liability, Insurance	27,622.40
Utilities	
Automobile Repairs & Maint.	2,633.08
Electricity-Office	232.00
Electricity-Operations	9,534.74
Fuel	5,999.76
Garbage Service	159.30
Locates	662.38
Maint. & Repairs-Infrastructure	502.88
Maintenance & Repairs-Other	140.26
Natural Gas	140.98
Security/Alarm	989.32
Wastewater	66.15
Total Utilities	21,060.85
Total Expense	149,143.80
Net Ordinary Income	3,244.34
Net Income	3,244.34

LRGPWWA
Balance Sheet
 As of March 31, 2011

Mar 31, 11

ASSETS	
Current Assets	
Checking/Savings	
Citizens Bank CD	11,200.00
Citizens Bank LRGPWWA	-10,431.28
LRGPWWA DEBT SERVICE PAYOFF	27,526.78
LRGPWWA La Mesa Water Project	428.74
LRGPWWA Mesquite Sewer Project	499.43
LRGPWWA Reserve Account	
Annual Debt Service Reserve	120,000.00
Gas Chlorination Reserve	16,000.00
Meters & Backflow Replacement	15,000.00
Operations & Maintenance Reserv	79,610.57
Project Development Reserve	39,109.81
SCADA Reserve	50,000.00
Storage Tank Rehab Reserve	8,000.00
Vehicle Replacement Reserve	40,000.00
Well Parts Reserve	30,000.00
LRGPWWA Reserve Account - Other	90.42
Total LRGPWWA Reserve Account	397,810.80
Total Checking/Savings	427,034.47
Accounts Receivable	
A/R-Contract Services	4,048.70
Total Accounts Receivable	4,048.70
Other Current Assets	
A/R-Other	-31,545.73
A/R-Water & Sewer	133,451.27
Employee Advances	75.00
Inventory Asset	12,731.62
Petty Cash	682.00
Reimbursable Expenses Paid	152,050.13
Returned Checks	1,744.45
Total Other Current Assets	269,188.74
Total Current Assets	700,271.91
Fixed Assets	
Accumulated Depreciation	-4,442,020.70
Building	655,419.36
Constr in Prog-Water System DS	1,868,697.26
Furniture and Equipment	547,313.10
Land	101,869.38
Land Improvements	13,187.60
Software	19,988.36
Vehicles	152,740.00
Water & Sewer System	11,765,287.89
Total Fixed Assets	10,682,482.25
Other Assets	
Mesquite Sewer Project	16,929.31
Water Rights	9,199,171.20
Total Other Assets	9,216,100.51
TOTAL ASSETS	20,598,854.67
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
A/P- Water/Sewer Phase I & II	103,394.61
A/P Operating	29,743.26
Total Accounts Payable	133,137.87

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 05/04/11
 Accrual Basis

LRGPWWA
Balance Sheet
 As of March 31, 2011

	Mar 31, 11
Credit Cards	
Capital One	-191.17
Capital One-La Mesa	-2,106.23
Chevron/Texaco	41.00
Citizens Bank VISA	
Office Card	1,809.51
Total Citizens Bank VISA	1,809.51
Eagle Grocery & Hardware	891.13
Total Credit Cards	444.24
Other Current Liabilities	
Customer Deposits	
Hydrant Meter Deposits	17,833.01
Renter Deposits	30,501.95
Customer Deposits - Other	-15,284.53
Total Customer Deposits	33,050.43
DAC Trash Coupons	1,452.00
Gross Receipts Tax	-2,050.18
Payroll Liabilities	
Federal	
Income Tax Withholding	13,416.00
Medicare	4,493.10
Social Security	16,113.19
Unemployment	1,052.73
Total Federal	35,075.02
Garnishments	253.84
Retirement	
EE Contributions/ER Matching	2,602.14
Employee Loans	-122.56
Total Retirement	2,479.58
State	
Income Tax Withholding	4,000.49
Unemployment	3,612.65
Workers Compensation Fee	-44.00
Total State	7,569.14
Workers' Comp Fee Employee	100.90
Payroll Liabilities - Other	26,818.53
Total Payroll Liabilities	72,297.01
Plan/Blueprint Deposits	1,800.00
Total Other Current Liabilities	106,549.26
Total Current Liabilities	240,131.37
Long Term Liabilities	
NMED RIP Loan 90-08R Berino	26,531.96
NMFA Trucks Desert Sands	54,715.00
RIP 2003-08 Desert Sands	18,608.10
RIP 88-12R La Mesa	76,502.31
USDA-RD 91-01 (LaMesa)	90,366.63
USDA-RD 91-02 (Berino)	26,001.63
USDA-RD 91-06 (Mesquite)	300,500.88
USDA-RD 91-07 (Desert Sands)	47,238.51
USDA-RD 91-09 (Desert Sands)	-105.54
USDA-RD 91-16 (Mesquite)	297,102.08
Total Long Term Liabilities	937,461.56
Total Liabilities	1,177,592.93
Equity	
Contributed Equity	

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Accrual Basis

LRGPWWA
Balance Sheet
As of March 31, 2011

	Mar 31, 11
Berino	5,330,273.61
Desert Sands	5,664,809.57
La Mesa	1,574,834.29
Mesquite	6,337,244.96
Vado	617,333.40
Total Contributed Equity	19,524,495.83
Opening Balance Equity	500.00
Net Income	-103,734.09
Total Equity	19,421,261.74
TOTAL LIABILITIES & EQUITY	20,598,854.67

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

Schedule 1

Name LowerRioGrandePublicWaterWorksAuthority	Address 325 Holguin Vado, NM 88072
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(I) OPERATING INCOME	PRIOR YEAR Actual (2)	ANNUAL BUDGET		For the 01-01-2011 Months Ended 03-31-2011		
		BEG 07-01-2010	END 06-30-2011	CURRENT YEAR		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
				Actual Data		
				Current Quarter (4)	Year To Date (5)	
1. Water Revenue		1,258,804		310,754	676,485	582,319
2. Sewer Revenue		63,092		18,020	36,752	26,340
3. _____						0
4. _____						0
5. Miscellaneous						0
6. Less: Allowances and Deductions						0
7. Total Operating Income (Add lines 1 through 6)	0	1,321,896		328,774	713,237	608,659
OPERATING EXPENSES						
8. Salaries, Labor		734,920		158,967	274,663	460,257
9. Accounting, Legal		215,875		101,986	147,219	68,656
10. Taxes, Insurance		471,430		77,804	139,674	331,756
11. Utilities		262,161		76,101	155,336	106,825
12. Supplies		165,356		95,783	154,330	11,026
13. Lab, Chemicals		24,952		4,165	9,913	15,039
14. _____						0
15. Interest						0
16. Depreciation		524,653		131,165	262,330	262,323
17. Total Operating Expense (Add Lines 8 through 16)	0	2,399,347		645,971	1,143,465	1,255,882
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	0	-1,077,451		-317,197	-430,228	-647,223
NONOPERATING INCOME						
19. Water		548,063		33,209	62,180	485,883
20. Sewer		4,735		751	1,473	3,262
21. Total Nonoperating Income (Add 19 and 20)	0	552,798		33,960	63,653	489,145
22. NET INCOME (LOSS) (Add lines 18 and 21)	0	-524,653		-283,237	-366,575	-158,078
23. Equity Beginning of Period						0
24. _____						0
25. _____						0
26. Equity End of Period (Add lines 22 through 25)	0	-524,653		-283,237	-366,575	-158,078

Budget and Annual Report Approved by Governing Body	Quarterly Reports Certified Correct
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Secretary	Date	Appropriate Official	Date
According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015. The time required to complete this information collection is estimated to average 2-1 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.			

APPROVING PARTICIPATION IN THE PROGRAM OF THE SOUTH CENTRAL COUNCIL OF GOVERNMENTS, INC. FOR FISCAL YEAR 2011-2012

WHEREAS, the Lower Rio Grande Public Works Authority (herein-after known as the "Member"), desires to be a participating member in the program and policy development for the South Central Council of governments, Inc. (hereinafter known as "SCCOG"); and

WHEREAS, it is necessary and desirable that an agreement setting forth the services to be performed by the SCCOG for the Member be entered into, wherewith the SCCOG is agreeing to furnish the following:

- A. Implement the work program as established by the SCCOG Board of Directors for the 2010-2011 Fiscal Year.
B. Provide the Member, when requested, with technical, grant program planning, economic development, strategic overall planning and management assistance.
C. Address problems, issues and opportunities of a regional nature which go beyond single municipal or county jurisdictional boundaries and serve as a liaison and advocate for local governments within the region at the state and federal levels.
D. Provide information dissemination about statewide regional and community initiatives to foster greater coordination and efficiency of the programs.

WHEREAS, it is necessary to set forth the sum to be paid by the Member to the SCCOG as annual dues, thereby placing the Member with voting powers on the SCCOG Board of Directors, with an agreement to furnish the following:

- A. To participate, through their designated representatives or alternate, in the SCCOG's policy development process by attending meetings, helping formulate the annual work program, reviewing the SCCOG Goals and Objectives, and the District Comprehensive Economic Development Strategy (CEDS).
B. To pay to the SCCOG the sum of \$ 500,000 annual membership dues as payment of the aforementioned services for the period beginning July 1, 2011 and ending June 30, 2012.
C. The Member hereby appoints _____, as their designated representative and _____ as alternate.

NOW THEREFORE, BE IT RESOLVED THAT the Member and the SCCOG hereby mutually agree to the aforementioned provisions of this Resolution and Agreement.

DONE this ____ day of _____, 20__ at _____, New Mexico.

Attestation: Member Government
Clerk, or other Authorized Official Signature of Authorized Official
Attest : South Central Council of Governments, Inc.
Jay Armijo, Executive Director Chairwoman, Nora Barraza