



LOWER RIO GRANDE
Public Water Works Authority

PO Box 2646 Anthony, New Mexico 88021 (575) 233-5742

www.LRGauthority.org

Sign In Sheet

Page 1 of 1

Date: September 20, 2023

Time: 9:30

Places: East Mesa Office

Event: Regular Board Mtg

SIGNATURE	Print Name, Title, Company	Phone Number	Email Address
	Martin Lopez LRG General Manager	575-233-5742 Ext. 1004	martin.lopez@lrgauthority.org
	Karen Nichols LRG Projects Manager	575-233-5742 Ext. 1018	karen.nichols@lrgauthority.org
	Patricia Charles LRG Projects Special.	575-233-5742 Ext. 1021	patty.charles@lrgauthority.org
	Kathi Jackson LRG Finance Manager	575-233-5742 Ext. 1005	kathi.jackson@lrgauthority.org
	John Schroder LRG Accounting Assistant	575-233-5742 Ext. 1006	john.schroder@lrgauthority.org
	Mike Lopez LRG Operations Manager	575-233-5742 Ext. 1011	mike.lopez@lrgauthority.org
	Espy Holguin – District 4 LRG Board Chair	575-644-9543	Espy.holguin@lrgauthority.org
	Glory Juarez – District 6 LRG Board Secretary	575-494-2750	glory.juarez@lrgauthority.org
Present via Zoom	James Cadena – District 3 LRG Board Vice Chair	480-206-5930	James.cadena@lrgauthority.org
absent	Enrique (Rick) Franco – District 2 LRG Board Director	575-649-1610	Enrique.franco@lrgauthority.org
absent	Josh Smith LRG Attorney	575-528-0500	
Present via Zoom	Marty Howell Snyder Miller & Assoc.		
Present via Zoom	Tyler Hopkins Behannon Huston		

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Draft Minutes - Meeting Notice & Agenda—REGULAR BOARD OF DIRECTORS MEETING 9:30 a.m. Wednesday, September 20, 2023 AT THE EAST MESA OFFICE & ONLINE VIA ZOOM

Contact us at 575-233-5742 or board@LRGauthority.org for information, assistance, online meeting link, or to subscribe to email board meeting reminders. Email the board address or dial extension 1021 or 1018 and leave a message if requesting phone or log-in information for online meetings. Agendas are final 72 hours prior to the meeting and may be obtained at any LRGPWWA Office or at www.LRGauthority.org/noticesavisos.html

- I. **Call to Order, Roll Call to Establish Quorum:** Mrs. Holguin called the meeting to order at 9:34 am. District #1 is vacant, **Mr. Franco** representing District #2 was absent, **Mr. Cadena** representing District #3 was present via Zoom, **Mrs. Holguin** representing District #4 was present, District # 5 is vacant, **Mrs. Juarez** representing District #6 was present, District #7 is vacant. Staff present were General Manager Martin Lopez, Projects Manager Karen Nichols, Projects Specialist Patricia Charles, Finance Manager Kathi Jackson, Accounting Assistant John Schoder, Operations Manager Mike Lopez. Guests present were Marty Howell from Souder, Miller & Assoc. and Tyler Hopkins from Bohannon Huston.
- II. **Pledge of Allegiance:** The pledge of allegiance was led by General Manager Martin Lopez.
- III. **Motion to approve Agenda:** Mrs. Juarez made the motion to approve the agenda, Mr. Cadena seconded the motion, the motion passed with all in favor.
- IV. **Approval of Minutes: Motion to approve the minutes for Regular Board Meeting on August 16, 2023 & Special Board Meeting on September 5, 2023:** Mrs. Juarez made the motion to approve the minutes from August 16th board meeting and Special board meeting on September 5, 2023. Mr. Cadena seconded the motion, the motion passed with all in favor.
- V. **Presentations:** none
- VI. **Public Input:** none
- VII. **Managers' Reports**
 - A. **General Manager:** Mr. Lopez provided a written report and stood for questions. He said the new well on the East Mesa did not produce enough water for use. The engineers reached out to State Engineer's office who then referred them to the Bureau of Geology, which will use the well to monitor water levels. On September 12th Rural Community Assistance Partnership visited our system. Mr. Nichols and Mr. Lopez presented them with our achievements and hurdles in creating the Authority. A tour was provided of the original five systems. Mrs. Juarez asked how many people were in the tour, Mr. Lopez said there were 24 people. Mr. Lopez said he met with the developer of the Mountain Valley Subdivision, which will be located in Berino. They have started the earth work for 102 lots. The requested water service and anticipate installing utilities in a couple of months. There are also two other smaller subdivisions are possible in the Brazito service area. He was also contacted by a group planning a Sport Complex to request water/sewer services. They are planning 9 baseball fields, 8 soccer fields.

- B. Operations:** Mr. Lopez provided a written report and stood for questions. He said they were having issues with the force main from Brazito to Mesquite because we don't have a lot of flow through that line the Thioguard was crystalizing in the pipe and hardening. They have been flushing it weekly and lowered the dosage of Thioguard, that seems to be helping with the flow. Easy Lane well seemed to be drawing some air. He thinks the screens might be plugged up, he is going to wait until after summer, when production goes down to pull the well out to see if the screens are plugged. They need to find out why they are pulling air from that well, they typically run about 200 gallons per minute but for now they are pulling 100 gallons per minute. He will know more once they check the screens.
- C. Finance:** Ms. Jackson provided a written report and stood for questions. She said revenues were \$428,416.33 and expenses \$406,923.71. YTD, we have accumulated \$133,070.99 in the first 2 months of this fiscal year. We had 3 of the new trucks break down and needed repairs. Mr. Schoder attended the New Mexico Municipal League Conference in Farmington; he said it was very informative. For The Water Trust Board on Oct 3rd & 4th, but she will be out of the office during that time.
- D. Projects:** Ms. Nichols provided a written report and stood for questions. She had a meeting at the building project site, there was work in progress on the base course, parking lot and wall panels have been installed on the operations building. The meeting was to discuss the request for money, the contractor needs to send \$331,000.00 to the module manufacturer before they can ship the modules. She is concerned that the Contractual substantial completion is at the end of October and we still don't have a module building on site. She received an email about presentations for the Water Trust Board on Oct 3rd & 4th, but she will be out of the office those dates. She spoke to Christin Greigo at Rural Development about a permission letter for additional indebtedness, since she turned in two requests for last years Water Trust Board Funds. She expects to have loan authority by October, but said if she did not have the letter by September 25th, she would go ahead and issue the permission letter.

VIII. Unfinished Business

IX. New Business

- A. Motion to adopt Resolution FY2024-07 Authorizing Officers & Agents for SAP 23-H2405-GF:** Mrs. Juarez made the motion to adopt Resolution FY2024-07 authorizing officers & agents for SAP 23-H2405-GF, Mr. Cadena seconded the motion, the motion passed with all in favor.
- B. Motion to adopt Resolution FY2024-08 Authorizing Officers & Agents for SAP 23-H2406-GF:** Mrs. Juarez made the motion to adopt Resolution FY2024-08 authorizing officers & agents for SAP 23-H2406-GF, Mr. Cadena seconded the motion, the motion passed with all in favor.
- C. Motion to adopt Resolution FY2024-09 Authorizing Officers & Agents for SAP 23-H2407-GF:** Mrs. Juarez made the motion to adopt Resolution FY2024-09 authorizing officers & agents for SAP 23-H2407-GF, Mr. Cadena seconded the motion, the motion passed with all in favor.
- D. Motion to adopt Resolution FY2024-12 Authorizing Application to NMFA – Lead Service Line Project:** Mrs. Juarez made the motion to adopt Resolution FY2024-12 authorizing application to NMFA for lead service line project. Mr. Cadena seconded the motion, the motion passed with all in favor. Mr. Lopez explained that EPA and NMED are requiring an assessment of the state our lead

pipeline. The application is to NMFA for a Lead Service Line Project. We are on the short list at #4 on the priority list. It is substantial grant with a small loan.

- E. Motion to approve On-Call Contract Amendment #4 with Souder, Miller & Associates for Hwy. 189 Line Extension Project:** Mrs. Juarez made the motion to adopt On-Call Contract Amendment #4 with Souder, Miller & Associates for Hwy 189 Line extension project. Mr. Cadena seconded the motion, the motion passed. Mr. Lopez said this item is in conjunction with one of the SAP resolutions that was just approved. Representative Lara asked us for a cost estimate for a water line last year. So, we engaged with Souder, Miller & Associates to get us the estimate needed. We will be moving forward to the design and construction phases.
- F. Motion to approve proposed amendment to Member-Customer Policy:** Mrs. Juarez made the motion to approve proposed amendment to Member-Customer Policy. Mr. Cadena seconded the motion, the motion passed with all in favor. Mr. Lopez one of the properties that we had placed a lien on was sold thru an auction and our lien was not paid before sale. The addition to the policy is to address, how we need to proceed when property is sold.
- G. Motion to approve proposed amendment to Schedule of Rates and Fees:** Mrs. Juarez made the motion to approve proposed amendment to Schedule of Rates and Fees. Mr. Cadena seconded the motion, the motion passed with all in favor. Mr. Lopez said we just needed the approval of the amendment to the Schedule of Rates and Fees. The approval for the rate increase had already been approved.
- X. Other discussion and agenda items for next meeting at 9:00 a.m. Wednesday, October 18, 2023 at our La Mesa Office and via Zoom.**
 - A. Have any Board Members participated in training? If so, please give us a copy of your certificate:**
no one had attended a training.
- XI. Motion to Adjourn:** Mrs. Juarez made the motion to adjourn the board meeting at 10:06 am and Mr. Cadena seconded the motion.

These minutes will be presented to the board for approval on the 18th Day of October , 2023 at a regular meeting of the Board of Directors:

SEAL:

Esperanza Holguin, Board Chair

Attest:

Glory Juarez, Secretary

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Meeting Notice & Agenda—REGULAR BOARD OF DIRECTORS MEETING

9:30 a.m. Wednesday, September 20, 2023 AT THE EAST MESA OFFICE & ONLINE VIA ZOOM

Contact us at 575-233-5742 or board@LRGauthority.org for information, assistance, online meeting link, or to subscribe to email board meeting reminders. Email the board address or dial extension 1021 or 1018 and leave a message if requesting phone or log-in information for online meetings. Agendas are final 72 hours prior to the meeting and may be obtained at any LRGPWWA Office or at www.LRGauthority.org/noticesavisos.html

- I. Call to Order, Roll Call to Establish Quorum: District #1 is vacant, **Mr. Franco** _____ (District #2), **Mr. Cadena** _____ (District #3), **Mrs. Holguin** _____(District #4), District # 5 is vacant, **Mrs. Juarez** _____(District #6), District #7 is vacant.
- II. Pledge of Allegiance
- III. Motion to approve Agenda
- IV. Approval of Minutes: Motion to approve the minutes for Regular Board Meeting on August 16, 2023 & Special Board Meeting on September 5, 2023
- V. Presentations: none
- VI. Public Input: 3 minutes per person
- VII. Managers' Reports
 - A. General Manager
 - B. Operations
 - C. Finance
 - D. Projects
- VIII. Unfinished Business
- IX. New Business
 - A. Motion to adopt Resolution FY2024-07 Authorizing Officers & Agents for SAP 23-H2405-GF
 - B. Motion to adopt Resolution FY2024-08 Authorizing Officers & Agents for SAP 23-H2406-GF
 - C. Motion to adopt Resolution FY2024-09 Authorizing Officers & Agents for SAP 23-H2407-GF
 - D. Motion to adopt Resolution FY2024-12 Authorizing Application to NMFA – Lead Service Line Project
 - E. Motion to approve On-Call Contract Amendment #4 with Souder, Miller & Associates for Hwy. 189 Line Extension Project
 - F. Motion to approve proposed amendment to Member-Customer Policy
 - G. Motion to approve proposed amendment to Schedule of Rates and Fees
- X. Other discussion and agenda items for next meeting at 9:00 a.m. Wednesday, October 18, 2023 at our La Mesa Office and via Zoom.

A. Have any Board Members participated in training? If so, please give us a copy of your certificate

XI. Motion to 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 usted es una persona con una discapacidad que necesita un lector, amplificador, intérprete de lenguaje de signos o cualquier otra forma de ayudante auxiliar o servicio para asistir o participar en la audiencia o reunión, póngase en contacto con la oficina de LRGPWWA, 575-233-5742, PO Box 2646, Anthony, NM 88021 o 215 Bryant St., Mesquite, NM por lo menos una semana antes de la reunión o tan pronto como sea posible. Documentos públicos, incluyendo el orden del día y actas, pueden proporcionarse en diferentes formatos accesibles. Póngase en contacto con la oficina LRGPWWA si es necesario un resumen u otro tipo de formato accesible.

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Minutes — REGULAR BOARD OF DIRECTORS MEETING

9:00 a.m. Wednesday, August 16, 2023 AT THE La MESA OFFICE & ONLINE VIA ZOOM

Contact us at 575-233-5742 or board@LRGauthority.org for information, assistance, online meeting link, or to subscribe to email board meeting reminders. Email the board address or dial extension 1021 or 1018 and leave a message if requesting phone or log-in information for online meetings. Agendas are final 72 hours prior to the meeting and may be obtained at any LRGPWWA Office or at www.LRGauthority.org/noticesavisos.html

- I. **Call to Order, Roll Call to Establish Quorum:** Mrs. Holguin called the meeting to order at 9:04 am District #1 is vacant, **Mr. Franco** representing District #2 was present, **Mr. Cadena** representing District #3 was present, **Mrs. Holguin** representing District #4 was present, District # 5 is vacant, **Mrs. Juarez** representing District #6 was absent, District #7 is vacant. Staff present were General Manager Martin Lopez, Projects Manager Karen Nichols, Projects Specialist Patricia Charles, Operations Manager Mike Lopez, Accounting Assistant John Schroder. Guests present were Tyler Hopkins from Bohannon Huston, Marty Howell from Souder, Miller & Associates and Filiberto Castorena from HDR Engineering.
- II. **Pledge of Allegiance:** The pledge of allegiance was led by General Manager Martin Lopez
- III. **Motion to approve Agenda:** Mr. Cadena made the motion to approve the agenda, Mr. Franco seconded the motion, the motion passed with all in favor.
- IV. **Approval of Minutes: Motion to approve the minutes for Regular Board Meeting on July 19, 2023:** Mr. Cadena made the motion to approve the minutes of July 19, 2023. Mr. Franco seconded the motion, the motion passed with all in favor.
- V. **Presentations:** none
- VI. **Public Input:** none
- VII. **Managers' Reports**
 - A. **General Manager:** Mr. Lopez provided a written report and stood for questions. He said he was contacted by Kinder Morgan's Consultant and said as part of the leak mediation on 3 Saints Road in Berino. They may need to remove our 8-inch water line and replace it at their expense. Two of our Operators passed their levels, one Ryan passed his Wastewater Level II and Gabriel passed his Backflow certification. He said he had filed the updated Service Area map with the County. The 40 Year Water Plan will be updated to include all the newly added systems we have not had an update since 2010. We are going to have the Organ Lagoons and Mesquite Lift Station evaluated by BHI for possible upgrades and deficiencies. The individual who wanted to purchase an old site in Organ asked if the Board would consider a long-term lease. He said he could put it on the agenda for next board meeting. Two staff members will be attending NM Municipal League Conference in Farmington at the end of August. Mr. Lopez will be attending the NMWWA Board Meeting on August 25th in Albuquerque. He said his District Court Jury Duty was dismissed.
 - B. **Finance:** Ms. Jackson provided a written report and stood for questions. She said revenues were \$470,930.34 for July 2023. Expenses were \$568,383.73, but this number includes \$200,000.00 that

has been transferred back to Reserves so expenses were actually \$368,383.73 so we had a surplus balance at the end of July. We had some truck repair expenses in addition to the regular expenses.

- c. **Projects:** Ms. Nichols provided a written report and stood for questions. She said Senator Lujan had included LRGPWWA for some funding for the West Mesa South Valley Project. Originally the funding requested was \$2,000,000.00, but it was reduced to \$325,000.00. The request has made it through the second round.
- d. **Operations:** Mr. Lopez provided a written report and stood for questions. He said we had 6 new water service connections for the month of July. We had a blockage with the force main from Brazito to Mesquite. The problem was resolved in less than a day's time. The pump and motor at Well #2 on Easy Lane went down and has been replaced, however the draw down is very low and the pump is starting to draw air. They are in the process of lowering the GPMs to 200 at least 100 and hopefully we can limp by until we figure something else out. The cost to replace that pump and motor is about \$26,000.00. The well is at 730 feet deep and the pump and motor are at 696 feet. Production for last month was 60.32 million gallons and last year we were at 58.47 million gallons.

VIII. Unfinished Business: none

IX. New Business

- a. **Motion to adopt Resolution# FY2024-04 Authorizing the Assignment of Authorized Officers and Agents:** Mr. Cadena made the motion to adopt resolution# FY2024-04 authorizing the assignment of authorized officers and agents. Mr. Franco seconded the motion, the motion passed with all in favor. Mr. Lopez said that LRGPWWA was offered a better interest rate to refinance the Vado Farm land. The rate now is at 2.75% but was offered a 1% interest rate, which would save approximately \$60,000.00. So, the agreement is being rewritten and need an updated assignment of authorized officers and agent's document.
- b. **Motion to adopt Resolution# FY2024-05 Acknowledgement of the FY2022 Audit:** Mr. Cadena made the motion to adopt resolution #FY2024-05 acknowledgement of the FY2022 Audit. Mr. Franco seconded the motion, the motion passed with all in favor. Mr. Lopez said the Audit had been accepted by the NM Dept. of Finance but needed this board resolution acknowledging the audit findings. One correction is needed on the first paragraph of the resolution, it should read 2022.
- c. **Motion to adopt Resolution# FY2024-06 Approving Participation in SCCG for FY2023-2024:** Mrs. Holguin said this group helps us with some applications like the Colonias application. They provide some representation at the Legislature and keep us a breast of any changes. The CDBG grant is very hard to administer so they help with that as well. Ms. Jackson is the current representative and Mrs. Holguin is the alternate. Mr. Cadena made the motion to adopt resolution #FY2024-06 approving participation in SCCG for FY2023-2024 with the current representatives. Mr. Franco seconded the motion, the motion passed with all in favor.
- d. **RCAC Rate Study Report:**
 - i. **Staff report on Public Input Meetings:** Mr. Lopez said we had three public hearings on August 7 in La Mesa office, on August 8 at Rincon office and on August 9 at the East Mesa office. We had

one participant at the La Mesa office Mrs. Rohana Smith, we had no participation at the Rincon office and had one participant at the East Mesa office, Mr. Jean Wesaw. There were no comments against the proposed rate increases. Ms. Nichols had prepared a newsletter and was sent out to all customers with the billing. Mr. Lopez said we had been working with RCAC on this rate study since 2018, but the work was put on hold a couple of times.

- ii. **Any further public input:** One of our employees, who is also a customer commented that the increase should be applied only to the base of about 15-20 dollars and not a tiered increase.
- iii. **Motion to acknowledge receipt of final Consolidated Rate Study Report from Karl Pennock, Rural Community Assistance Corporation and thanks to Mr. Pennock and RCAC for conducting the study:** Mr. Lopez said this item requires a motion accepting the receipt of the Rate Study Report from Karl Pennock from RCAC. Mr. Cadena made the motion to accept the receipt of the Rate Study Report. Mr. Franco seconded the motion, the motion passed with all in favor.
- iv. **Discussion regarding implementation of the recommendations from the rate study:** Mr. Lopez presented to the board the Options for the water and sewer rate increases. Mr. Lopez and staff recommended option 3 for both the Water and Sewer.
- v. **Motion to implement the following water rate adjustments (define based on discussion):** Mr. Cadena made the motion to implement option 3 water rate adjustment for FY2024 by 10% in 2 increments, 1st increment 5% on September 1, 2023 and the 2nd increment of 5% on March 1, 2024 we will revisit and adjust if needed in April 2024 for 2025 rates. Mr. Franco seconded the motion, the motion passed with all in favor.
- vi. **Motion to implement the following sewer rate adjustments (define based on discussion):** Mr. Franco made the motion to implement option 3 sewer rate adjustment for FY2024 by 40% in 2 increments, 1st increment 20% on September 1, 2023 and the 2nd increment of 20% on March 1, 2024 we will revisit and adjust if needed in April 2024 for 2025 rates. Mr. Cadena seconded the motion, the motion passed with all in favor.

X. Other discussion and agenda items for next meeting at 9:30 a.m. Wednesday, September 20, 2023 at our East Mesa Office and via Zoom.

- A. **Have any Board Members participated in training? If so, please give us a copy of your certificate:** Mr. Cadena attended a training "Safe Drinking Water" provided by RCAC. Mrs. Holguin reminded the board and staff that The Infrastructure Conference is coming up on October 18-20, 2023 at the Las Cruces Convention Center.

XI. Motion to Adjourn: Mr. Cadena made the motion to adjourn the board meeting at 10:12 am and Mr. Franco seconded the motion.

These minutes will be presented to the board for approval on the 20th Day of September, 2023 at a regular meeting of the Board of Directors:

SEAL:

Esperanza Holguin, Board Chair

Attest:

Glory Juarez, Secretary

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Minutes —SPECIAL BOARD OF DIRECTORS MEETING

2:45 p.m., Tuesday September 5, 2023 online - Zoom

Contact us at 575-233-5742 or board@LRGauthority.org for information, assistance, online meeting link, or to subscribe to email board meeting reminders. Email the board address or dial extension 1021 or 1018 and leave a message if requesting phone or log-in information for online meetings. Agendas are final 72 hours prior to the meeting and may be obtained at any LRGPWVA Office or at www.LRGauthority.org/noticesavisos.html

Join Zoom Meeting

<https://us02web.zoom.us/j/87884075190?pwd=Qm42QUpQeDUwSWFnQ3ZmUGh6YjFvdz09>

Meeting ID: 878 8407 5190

Passcode: 106346

Mobile 1-346-248-7799

Meeting ID# 87884075190#

Passcode: *106346#

- I. **Call to Order, Roll Call to Establish Quorum:** Mrs. Holguin called the meeting to order at 2:45 pm. District #1 is vacant, **Mr. Franco** representing District #2 was present via telephone, **Mr. Cadena** representing District #3 was present via Zoom, **Mrs. Holguin** representing District #4 via Zoom, District #5 is vacant, **Mrs. Juarez** representing District #6 was present via telephone, District #7 is vacant. Staff present via Zoom were Projects Manager Karen Nichols, Projects Specialist Patricia Charles, Finance Manager Kathi Jackson. Guest present were Mr. Larri Erstad LRG customer and Filiberto Castorena from HDR Engineering.
- II. **Motion to approve the agenda:** Mr. Franco made the motion to approve the agenda and Mr. Cadena seconded the motion, the motion passed with all in favor.
- III. **New Business:**
 - A. **Motion to adopt Resolution FY2024-10 authorizing application to NM Water Trust Board for South Valley Regional Project:** Mr. Cadena made the motion to adopt Resolution FY2024-10 and Mrs. Juarez seconded the motion, the motion passed with all in favor.
 - B. **Motion to adopt Resolution FY2024-11 authorizing application to NM Water Trust Board for Valle del Rio Water Treatment Project:** Mr. Franco made the motion to adopt Resolution FY2024-11 and Mr. Juarez seconded the motion, the motion passed with all in favor.
- IV. **Motion to Adjourn:** Mr. Cadena made the motion to adjourn the special board meeting at 2:51 p.m. and Mrs. Juarez seconded the motion.

These minutes will be presented to the board for approval on the 20th Day of September, 2023 at a regular meeting of the Board of Directors:

SEAL:

Esperanza Holguin, Board Chair

Attest:

Glory Juarez, Secretary

LRGPWWA
Manager's Report
September 20, 2023

- New well on East Mesa did not produce enough water for use. Engineers reached out to State Engineer, who referred them to the Bureau of Geology, which could use the well for monitoring water levels-approved by Funding Agency
- On the 12th the Board and staff of Rural Community Assistance Partnership Incorporation visited our system. Karen and I presented the achievements and huddles of the LRGPWWA in creating the Authority. A tour of the original five systems followed the presentation
- We met with the developer of the Mountain Valley Subdivision, which will be located in Berino (South of our office and well). They have started the earth work for the 102 lot Subdivision. They requested water service and anticipate installing utilities in a couple of months
- Two other smaller Subdivisions are possible in the Brazito service area
- Sport-Complex would like to build and receive water/sewer service-Brazito (Northeast of East Organ Road and Primos Court and Relic Court intersection)

Lower Rio Grande PWWA

Operators Report

September 20, 2023

Backflow inspections are Current. (Mesquite District)

- For the month of August, we were issued 199 work and service orders.
- For the month of July, we were issued 197 work and service orders.
- For the month of August, we installed 5 new water service connections in the South Valley Area.
- In Rincon we had 1 service line breaks.
- We did not have any new installs for the East Mesa.
- We had one service line break at the East Mesa service area.
- We had 5 Main line water break in the South Valley area.
- The force main from Brazito to Mesquite has been working fine, we have been flushing it weekly and lowered the dosage of Thioguard.
- Update on the Easy lane well, we lowered the GPM from 200 to 100 and that helped with the air problem.

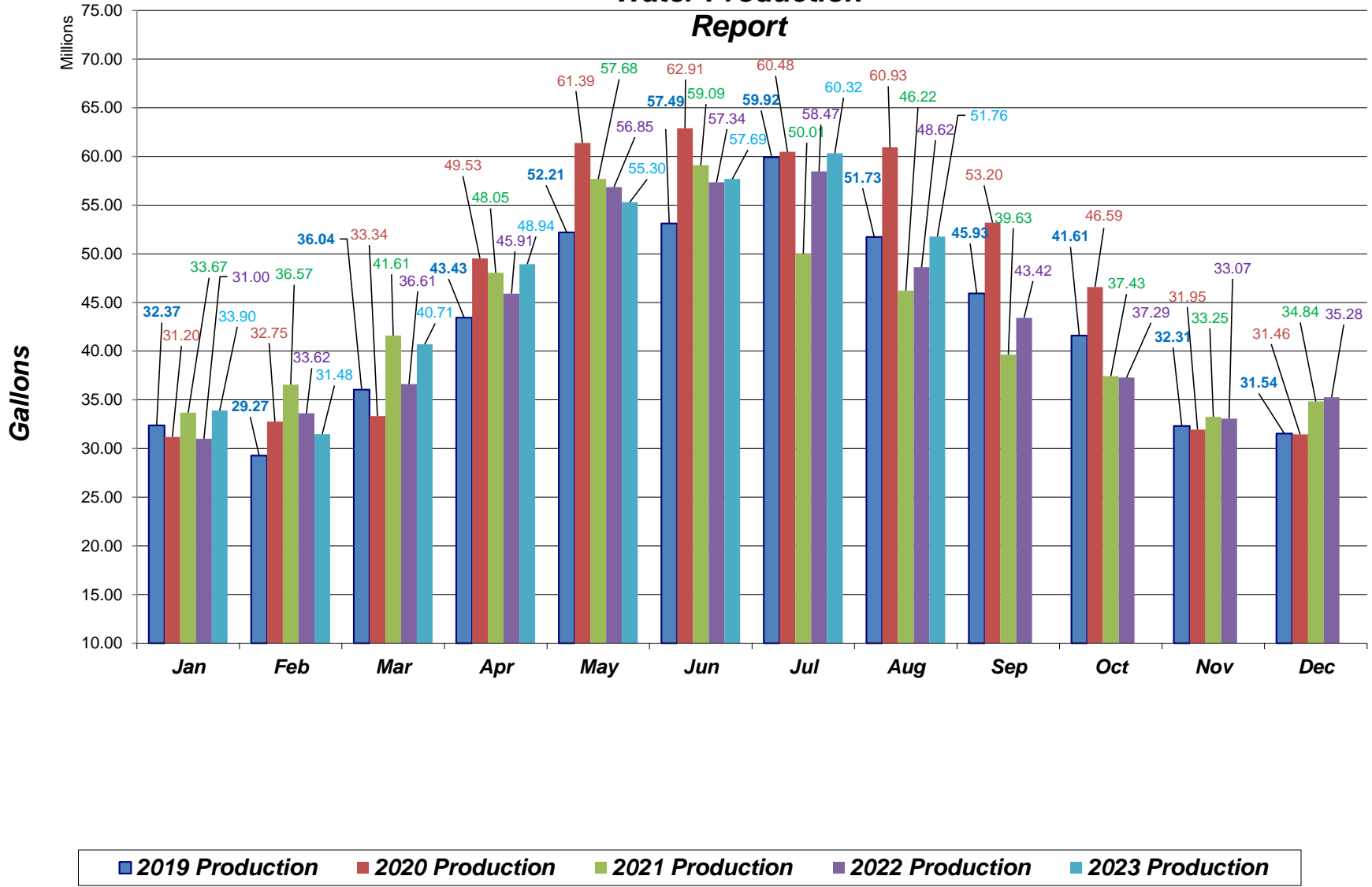
NMED: All of our Monthly Bac-T-Samples were taken for the month of August and all samples were negative.

Mesquite and Organ Sewer Reports. The Organ Pond's and Mesquite Wetland Wastewater reports were sent on February 1st. The Organ facility is due twice a year and the Mesquite Facility is due every Quarter the next one was sent on July 2023.

Chlorine: No problems with the quality of our gas Chlorine or sodium Hypochlorite.

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

Lower Rio Grande PWWA Water Production Report





Income Statement

Lower Rio Grande Public Water Works Authority

Group Summary

For Fiscal: FYE 2024 Period Ending: 08/31/2023

AcctNumber	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Revenue				
40000 - Operating Revenue	3,835,000.00	368,391.31	739,400.87	3,095,599.13
40002 - Installation Fees	80,000.00	9,656.73	17,530.13	62,469.87
40003 - Activation & Connection Fees-Water	20,000.00	1,700.00	3,100.00	16,900.00
40005 - Backflow Testing	7,500.00	575.00	950.00	6,550.00
40006 - Tampering Fee/Line Breaks	4,500.00	566.08	566.08	3,933.92
40007 - Delinquency Fee	70,000.00	7,950.00	14,300.00	55,700.00
40008 - Penalties-Water	80,000.00	9,310.34	19,677.62	60,322.38
40009 - Membership Fees	6,500.00	400.00	950.00	5,550.00
40010 - Impact Fees	50,000.00	8,924.33	67,917.13	-17,917.13
40011 - Returned Check Fees	525.00	35.00	35.00	490.00
40012 - Credit Card Fees	15,000.00	1,546.00	2,976.00	12,024.00
40013 - Miscellaneous Revenue	250.00	10.00	65.00	185.00
40015 - Penalties-Sewer	21,000.00	2,305.79	4,927.37	16,072.63
40017 - Hydrant Meter Rental Fee	3,500.00	500.00	500.00	3,000.00
40018 - Permit Fees	750.00	0.00	0.00	750.00
40019 - DAC Trash Coupons	600.00	46.00	116.00	484.00
40020 - Miscellaneous Revenue-Sewer	750.00	71.28	143.85	606.15
40025 - DAC Sewer Revenue	50,000.00	3,092.24	6,318.42	43,681.58
45000 - Tower Rent	5,250.00	500.00	1,000.00	4,250.00
45001 - Billing Adjustments-Water	0.00	-1,511.30	-4,483.61	4,483.61
45005 - Fiscal Agent Fees	52,500.00	4,916.61	9,663.82	42,836.18
45010 - Interest	500.00	52.01	100.84	399.16
45015 - Copy/Fax	100.00	5.00	16.00	84.00
45020 - Other Income	52,500.00	572.32	595.22	51,904.78
45025 - Contract Services	0.00	8,801.59	12,198.82	-12,198.82
45030 - Transfers In	525,000.00	0.00	0.00	525,000.00
49000 - Recovered Bad Debts	1,500.00	0.00	0.00	1,500.00
Revenue Total:	4,883,225.00	428,416.33	898,564.56	3,984,660.44
Expense				
60001 - Transfers to Reserves	0.00	30,303.09	240,303.09	-240,303.09
60005 - Accounting Fees	500.00	100.00	100.00	400.00
60010 - Audit	14,000.00	0.00	0.00	14,000.00
60020 - Bank Service Charges	35,000.00	3,994.68	7,571.58	27,428.42
60025 - Cash Short/Over	500.00	30.00	69.74	430.26
60026 - Computer Hardware	10,000.00	2,701.26	2,701.26	7,298.74
60030 - Dues and Subscriptions	3,250.00	30,012.53	30,062.53	-26,812.53
60035 - Engineering Fees	60,000.00	11,219.70	11,219.70	48,780.30
60045 - Late Fees	500.00	1.00	82.79	417.21

60050 - Legal Fees	10,000.00	0.00	811.41	9,188.59
60055 - Legal Notices	500.00	0.00	55.70	444.30
60060 - Licenses & Fees	16,000.00	25.00	7,007.17	8,992.83
60065 - Meals	3,000.00	113.19	240.49	2,759.51
60075 - Permit Fees	10,000.00	0.00	0.00	10,000.00
60080 - Postage	3,250.00	144.00	195.38	3,054.62
60090 - Professional Fees-Other	20,000.00	0.00	0.00	20,000.00
60100 - Project Development	0.00	7.54	7.54	-7.54
60120 - Retirement Account Fees	20,000.00	0.00	5,342.85	14,657.15
60125 - Easments & Leases	10,000.00	0.00	0.00	10,000.00
60130 - Training	7,200.00	1,320.47	1,320.47	5,879.53
60140 - Travel:Airfare Per Diem	3,000.00	0.00	0.00	3,000.00
60150 - Travel:Lodging Per Diem	7,000.00	1,000.13	1,324.72	5,675.28
60155 - Travel:Meals Per Diem	2,000.00	0.00	183.10	1,816.90
60160 - Travel:Mileage/Parking Per Diem	500.00	0.00	0.00	500.00
60165 - Travel:Vehicle Rental Per Diem	1,500.00	0.00	0.00	1,500.00
60600 - Debit Service	515,000.00	17,903.90	36,297.96	478,702.04
60625 - Interest paid to NMED	15,000.00	0.00	0.00	15,000.00
60650 - Interest paid to NMFA	0.00	1,890.75	4,458.49	-4,458.49
60675 - Interest paid to USDA	270,000.00	27,379.35	54,268.54	215,731.46
63000 - Regular Pay	1,342,500.00	101,306.98	192,467.30	1,150,032.70
63001 - Overtime	46,225.00	3,831.16	9,645.35	36,579.65
63006 - Holiday Pay	80,000.00	0.00	5,558.08	74,441.92
63007 - Sick Pay	75,000.00	4,743.59	8,946.33	66,053.67
63008 - Annual Leave Pay	125,000.00	5,654.65	15,635.67	109,364.33
63010 - 401K 10% Company Contribution	5,250.00	0.00	0.00	5,250.00
63020 - 401K Employee Contribution	2,100.00	0.00	0.00	2,100.00
63040 - Administrative Labor	5,500.00	0.00	0.00	5,500.00
63070 - Employee Benefits-401K Contrib	190,000.00	3,351.66	6,663.32	183,336.68
63100 - Insurance-Dental	13,000.00	3,150.78	6,444.58	6,555.42
63110 - Insurance-Health	310,000.00	27,773.45	54,764.80	255,235.20
63115 - Salaries: Insurance - Work Comp	15,750.00	1,839.00	3,677.00	12,073.00
63125 - Insurance: Life & Disability	20,000.00	1,999.70	3,755.90	16,244.10
63130 - Mileage	1,500.00	33.41	501.08	998.92
63135 - Drug Testing	1,000.00	90.00	135.00	865.00
63160 - Payroll Taxes-Medicare	25,625.00	1,704.26	3,428.28	22,196.72
63170 - Payroll Taxes-Social Security	95,525.00	7,287.19	14,658.69	80,866.31
63180 - Payroll Taxes-State Unemployem	10,000.00	3,896.33	3,896.33	6,103.67
63195 - Taxes, Liability, Insurance: Cobra Fee	1,000.00	75.00	150.00	850.00
63200 - Vision Insurance	4,500.00	320.66	631.64	3,868.36
64100 - Sewer:DAC Waste Water Flow Charge	52,500.00	5,318.09	10,231.71	42,268.29
64200 - Sewer:Electricity-Sewer	24,450.00	2,107.90	2,735.66	21,714.34
64300 - Sewer:Lab & Chemicals-Sewer	26,375.00	0.00	3,914.39	22,460.61
64500 - Sewer:Supplies & Materials	35,000.00	0.00	0.00	35,000.00
64501 - Pre Paid Tank Site Lease	2,000.00	0.00	0.00	2,000.00
65010 - Automobile Repairs & Maint.	65,000.00	9,177.92	19,361.28	45,638.72
65230 - Computer Maintenance	100,000.00	4,369.82	8,655.79	91,344.21

65240 - Equipment Rental	5,000.00	0.00	0.00	5,000.00
65250 - Fuel	100,000.00	7,993.77	19,112.52	80,887.48
65255 - GPS Insights Charges	7,500.00	630.40	630.40	6,869.60
65260 - Kitchen & Cleaning Supplies	1,000.00	0.00	0.00	1,000.00
65270 - Lab Chemicals-Water	5,500.00	56.49	226.10	5,273.90
65275 - SCADA Maintenance Fee	1,225.00	48.04	96.08	1,128.92
65276 - Test Equipment Calibration	2,500.00	0.00	0.00	2,500.00
65277 - Generator Maintenance Contract	4,500.00	614.51	2,359.73	2,140.27
65278 - Meter Testing/Repair/Replacement	10,000.00	6,192.00	6,192.00	3,808.00
65280 - Lab Chemicals-Water:Chemicals	50,000.00	7,332.42	12,251.47	37,748.53
65300 - Locates	4,000.00	0.00	753.00	3,247.00
65310 - Maint. & Repairs-Infrastructure	77,500.00	32,023.29	32,031.27	45,468.73
65320 - Maint. & Repairs-Office	27,500.00	224.28	1,074.28	26,425.72
65330 - Maintenance & Repairs-Other	195,000.00	1,851.79	5,801.46	189,198.54
65340 - Materials & Supplies	100,000.00	9,634.97	30,209.46	69,790.54
65345 - Non Inventory-Consumables	52,000.00	1,718.56	2,509.66	49,490.34
65350 - Office Supplies	15,000.00	234.67	2,371.80	12,628.20
65360 - Printing and Copying	60,000.00	6,133.96	12,156.06	47,843.94
65370 - Tool Furniture	15,000.00	206.93	1,210.18	13,789.82
65390 - Uniforms-Employee	18,000.00	1,478.14	3,396.77	14,603.23
65490 - Cell Phone	21,000.00	3,660.26	5,417.61	15,582.39
65500 - Electricity-Lighting	6,500.00	1,108.20	1,359.91	5,140.09
65510 - Electricity-Offices	15,000.00	2,151.76	2,989.50	12,010.50
65520 - Electricity-Wells	210,000.00	32,292.20	51,534.59	158,465.41
65530 - Garbage Service	3,500.00	308.47	579.02	2,920.98
65540 - Natural Gas	3,000.00	238.26	401.72	2,598.28
65550 - Security/Alarm	5,000.00	661.34	661.34	4,338.66
65560 - Telephone	25,000.00	1,799.13	3,698.52	21,301.48
65561 - Telstar Maintenance Contract	8,000.00	364.23	364.23	7,635.77
65570 - Wastewater	2,500.00	245.44	490.88	2,009.12
66200 - Insurance-General Liability	100,000.00	0.00	22,380.00	77,620.00
66700 - Water Conservation Fee	20,000.00	1,845.15	4,054.41	15,945.59
Expense Total:	4,883,225.00	406,923.71	765,493.57	4,117,731.43
Total Surplus (Deficit):	0.00	21,492.62	133,070.99	-133,070.99

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
PROJECTS REPORT – 9/20/2023**

LRG-17-01 – Mesquite-Brazito Sewer Project 2 – Bohannon Huston, Inc./Smithco Construction – Construction Stage – USDA-RD LOC \$17,073,000 (\$6,189,000 Loan/\$8,030,000 Grant, \$2,854,000 additional grant) –Work is ongoing in the Mintor area & Hwy 478. Project meeting was held 9/7/23. Estimate of Funds #9 and Requisition #7 are pending approval.

LRG-11-05 – South Valley Water Supply & Treatment Project WTB #252 Planning USDA-RD Construction Funds– Bohannon Huston - Construction stage - \$1,174,00,000 RD Loan and \$4,629,000 Grant RD Funds: 14 draws have been submitted for RD funds. Well pump/motor were returned to the manufacturer for inspection and will be replaced by the contractor.

LRG-17-02 – Central Office Building – Wilson & Co. - DW-4213 \$3,586,286.00 - SAP 21-F2723-STB \$1,200,000: Metal building panels were delayed but have been shipped, construction schedule is updated, and modular building is in fabrication. 26 DW Requisitions have been submitted and 8 SAP Requests for Payment. Next on-site progress meeting is set for 8/28/23.

Forty-Year Water Plan – CE&M – complete – needs update for new mergers after Brazito combine & commingle: Currently only includes the initial five systems. BHI will be submitting a proposed Task Order to

LRG-13-03 – Valle Del Rio Water System Project – Construction Stage & Ph. II Design - \$1,197,708 DWSRLF funding - \$898,281 principal forgiveness – 299,427 loan repayment – Souder, Miller & Associates/Morrow Enterprises, Inc.: Funding deadline was extended to 12/1/23, and we are still working with the engineer and contractor to get an affordable building for the new booster skid.

Water Treatment – Move Deserts Sands Skid to VDR – Design & Construction - \$250,000 SAP 22-G2330-STB – SMA – Engineering Agreement was approved and NOO issued on 2/9/23. DR #2 has been submitted. Design work is underway. Application for additional funding has been submitted to NM WTB.

LRG-17-03 –East Mesa Water System Improvements Project – NMFA 3803-PG & 3804-PG \$93,307, 4915-CIF \$207,608 Loan/\$39544 Grant/\$9,562 Match, 5535-CIF \$67,487 Loan incl. Match/\$269,910 Grant, DW-5631 \$1,338,660 Loan/\$2,788,875 Grant – Ph I Construction, Ph II Design – Well was acidified and there was very little improvement in pumping, so the decision was made to move on with the remainder of the project and not develop the well. The well will be used as a monitoring well for the State of NM Aquifer Mapping Program. 9 Requisitions have been submitted. Phase II easement work is proceeding and 10 Requisitions have been submitted.

LRG-18-01 Ph. II – High Valley Water System Improvements Ph. II & III Project – NMFA 4916-CIF \$630,384 Grant, \$111,244 Loan – Design & Construction – Souder, Miller & Assoc. – Substantial completion walk-thru was held on 4/5/23. Change Order No. 9 additional work on the site work to include a concrete sidewalk around the new building, and excavation and rip rap on the pond, additional SCADA work for the generator/ATS and booster skid is done except for the generator and booster skid. CIF-4916 is fully expended and 9 Requisitions have been submitted for CIF-5536.

LRG-18-02 – Stern Drive Waterline Extension Project – Design/Build – SMA - \$150,000 SAP - \$2,352,800 WTB –WTB award letter has been received. We have submitted documents requesting permission for additional indebtedness from USDA-RD. I was informed on 9/14/23 by Christine Griego

that she should have loan authority by October and plans to issue the letter for additional debt by the 25th so we can meet the WTB Readiness deadline.

LRG-19-09 – S. Valley Service Area Line Extensions - SMA – See the Stern Drive Project for information.

LRG-23-01 – Water Asset Management Plan – BHI - PG-6037 – up to \$50k – Planning Grant was awarded 1/26/23. BHI has set the project up on Tracker and Kathi and I have been uploading document. Kick off meeting was held 2/22/23. Met with AMP software companies on 4/13 & 4/14/23.

LRG-23-02 – Wastewater Asset Management Plan – BHI - PG-6038 – up to \$50k – Planning Grant was awarded 1/26/23. BHI has set the project up on Tracker and Kathi and I have been uploading document. Kick off meeting was held 2/22/23. Met with AMP software companies on 4/13 & 4/14/23.

On-Call Engineering Services – BHI has Task Orders for support for the Regional Project, BLM permit renewals, NM SLO and discharge permit renewals, subdivision reviews, and voting district and service area map updates. SMA has Task Orders for the Stern Drive Project and High Valley Project, and three new NM DOT permits.

Other projects:

NM 2023 Legislature:

Legislative Report is final and available on the Directors Only page.

Infrastructure Capital Improvements Plan 2025-2029: Has been submitted to NM DFA.

Reporting to Funding Agencies: Quarterly CIF Reports were submitted for the 4th Quarter; SAP monthly reporting on Capital Outlay begins this month on the new website, and US Census Construction reporting is up to date.

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

Website and Email – Notices and Minutes pages are up to date.

Training – Patty and I have not attended any training in the past month.

Collection & Lien Procedures - 309 first notifications, 306 certified letters have been sent and 131 liens have been filed to date. 53 liens have been released following payment in full of the account.

Water Audits – Water Audit Committee met for the 2022 audits on 3/28/23.

Rate Study –Public meetings tbd

Cyber Security Assessment – Our insurance company is requiring training for all employees on phishing & malware, Patty has administered the 2021 training for all employees.

NM Board of Licensure for PEs & Surveyors – PEC met 9/15/23 online, next PEC and full board on 11/2-3/23 in Socorro.

**Lower Rio Grande Public Water Works Authority
Resolution Number FY2024-07**

A RESOLUTION AUTHORIZING THE ASSIGNMENT OF AUTHORIZED OFFICER(S) AND AGENT(S)

Whereas, the Lower Rio Grande Public Water Works Authority Board of Directors of Doña Ana County of the State of New Mexico shall enter into a Grant Agreement with the State of New Mexico Environment Department, and

Whereas, the Agreement is identified as Project Number SAP 23-H2405-GF

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

Esperanza Holguin, Chairperson, or successor, is authorized to sign the Grant Agreement for this project, and

Martin Lopez, General Manager, Kathi Jackson, Finance Manager, and Karen Nichols, Projects Manager or successors are the OFFICIAL REPRESENTATIVES who are authorized to sign all other documents necessary to fulfill the Grant Agreement and the requirements (Disbursements and Notice of Obligations (NOO)) and to act as the project contact, and

Karen Nichols, Projects Manager, or successor is the Capital Projects Monitoring System (CPMS) contact who is designated to update the DFA database quarterly per Article VIII. A. of the Intergovernmental Grant Agreement.

PASSED, APPROVED, AND ADOPTED this 20th day of September, 2023

Esperanza Holguin, Chairperson, Lower Rio Grande Public Water Works Authority

(SEAL) _____ (Signature) Date: September 20, 2023

ATTEST:

Glory Juarez, Secretary

**STATE OF NEW MEXICO
DEPARTMENT OF ENVIRONMENT
FUND CAPITAL APPROPRIATION PROJECT
LOWER RIO GRANDE PWWA LA MESA WATER LINE EXTENSIONS CONSTRUCT
SAP 23-H2405-GF**

THIS AGREEMENT between the New Mexico Environment Department hereinafter called the “Department” or NMED, and Lower Rio Grande PWWA, hereinafter called the “Grantee” becomes effective on the date signed by the NMED.

RECITALS

WHEREAS, in the Laws of 2023, Chapter 199, Section 19, Subsection 29, the Legislature made an appropriation to the Department, funds from which the Department is making available to the Grantee pursuant to this Agreement; and

WHEREAS, the Department is granting to Grantee, and the Grantee is accepting the grant of, funds from this appropriation, in accordance with the terms and conditions of this Agreement; and

WHEREAS, NMED is empowered pursuant to Section 74-1-6 B, NMSA 1978 to contract in its own name.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties hereby mutually agree as follows:

ARTICLE I. PROJECT DESCRIPTION, AMOUNT OF GRANT AND REVERSION DATE

A. The project that is the subject of this Agreement is described as follows:

SAP 23-H2405-GF \$277,514.00 APPROPRIATION REVERSION DATE: June 30, 2027

Laws of 2023, Chapter 199, Section 19, Subsection 29, Two Hundred Seventy Seven Thousand Five Hundred Fourteen Dollars, (\$277,514.00), for:

to acquire easements and rights of way and to plan, design, construct, purchase, and equip water line extensions and connections to the La Mesa area for the lower Rio Grande public water works authority in Dona Ana county;

The Grantee’s total reimbursements shall not exceed Two Hundred Seventy Seven Thousand Five Hundred Fourteen Dollars, \$277,514.00 (the “Appropriation Amount”) minus the allocation for Art in Public Places (“AIPP amount”)¹, if applicable, No Dollars, \$0.00, which equals Two Hundred Seventy Seven Thousand Five Hundred Fourteen Dollars, \$277,514.00 (the “Adjusted Appropriation Amount”).

¹ The AIPP amount is “an amount of money equal to one percent or two hundred thousand dollars (\$200,000), whichever is less, of the amount of money appropriated for new construction or any major renovation exceeding one hundred thousand dollars (\$100,000).” Section 13-4A-4 NMSA 1978.

In the event of a conflict among the Appropriation Amount, the Reversion Date, as defined herein and/or the purpose of the Project, as set forth in this Agreement, and the corresponding appropriation language in the laws cited above in this Article I(A), the language of the laws cited herein shall control.

This project is referred to throughout the remainder of this Agreement as the “Project”; the information contained in Article I(A) is referred to collectively throughout the remainder of this Agreement as the “Project Description.” The Special Conditions Attachment may set forth additional or more stringent requirements and conditions, which are incorporated by this reference as if set forth fully herein. If the Special Conditions Attachment imposes more stringent requirements than any requirement set forth in this Agreement, the more stringent requirements of the Attachment shall prevail, in the event of irreconcilable conflict. The Grantee shall reference the Project's number in all correspondence with and submissions to the Department concerning the Project, including, but not limited to, Requests for Payment and reports.

ARTICLE II. LIMITATION ON DEPARTMENT’S OBLIGATION TO MAKE GRANT DISBURSEMENT TO GRANTEE

A. Upon the Effective Date of this Agreement, for permissible purposes within the scope of the Project Description, the Grantee shall only be reimbursed monies for which the Department has issued and the Grantee has received a Notice of Department’s Obligation to Reimburse² Grantee (hereinafter referred to as “Notice of Obligation”). This Grant Agreement and the disbursement of any and all amounts of the above referenced Adjusted Appropriation Amount are expressly conditioned upon the following:

- (i) Irrespective of any Notice of Obligation, the Grantee’s expenditures shall be made on or before the Reversion Date and, if applicable, an Early Termination Date (i.e., the goods have been delivered and accepted or the title to the goods has been transferred to the Grantee and/or the services have been rendered for the Grantee); and
- (ii) The total amount received by the Grantee shall not exceed the lesser of: (a) the Adjusted Appropriation Amount identified in Article I(A) herein or (b) the total of all amounts stated in the Notice(s) of Obligation evidencing that the Department has received and accepted the Grantee’s Third Party Obligation(s), as defined in subparagraph iii of this Article II(A); and
- (iii) The Grantee’s expenditures were made pursuant to the State Procurement Code and execution of binding written obligations or purchase orders with third party contractors or vendors for the provision of services, including professional services, or the purchase of tangible personal property and real property for the Project, hereinafter referred to as “Third Party Obligations”; and
- (iv) The Grantee’s submittal of timely Requests for Payment in accordance with the procedures set forth in Article IX of this Agreement; and
- (v) In the event that capital assets acquired with Project funds are to be sold, leased, or licensed to or operated by a private entity, the sale, lease, license, or operating agreement:
 - a. must be approved by the applicable oversight entity (if any) in accordance with law; or
 - b. if no oversight entity is required to approve the transaction, the Department must approve the transaction as complying with law.

Prior to the sale, lease, license, or operating agreement being approved pursuant to Articles II(A)(v)(a) and II(A)(v)(b) herein, the Department may, in its sole and absolute discretion and unless inconsistent

² “Reimburse” as used throughout this Agreement includes Department payments to the Grantee for invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee.

with State Board of Finance imposed conditions, reimburse the Grantee for necessary expenditures incurred to develop the Project sufficiently to make the sale, lease, license, or operating agreement commercially feasible, such as plan and design expenditures; and

(vi) The Grantee's submission of documentation of all Third-Party Obligations and amendments thereto (including terminations) to the Department and the Department's issuance and the Grantee's receiving of a Notice of Obligation for a particular amount in accordance with the terms of this Agreement shall be governed by the following:

- a. The Grantee shall submit to the Department one copy of all Third-Party Obligations and amendments thereto (including terminations) as soon as possible after execution by the Third Party **but prior to execution by the Grantee.**
- b. Grantee acknowledges and agrees that if it chooses to enter into a Third-Party Obligation prior to receiving a Notice of Obligation that covers the expenditure, it is solely responsible for such obligations.
- c. The Department may, in its sole and absolute discretion, issue to Grantee a Notice of Obligation for the particular amount of that Third Party Obligation that only obligates the Department to reimburse Grantee's expenditures made on or before the Reversion Date or an Early Termination Date. The current Notice of Obligation form is attached to this Agreement as Exhibit 2.
- d. The date the Department signs the Notice of Obligation is the date that the Department's Notice of Obligation is effective. After that date, the Grantee is authorized to budget the particular amount set forth in the Notice of Obligation, execute the Third-Party Obligation and request the Third Party to begin work. Payment for any work performed or goods received prior to the effective date of the Notice of Obligation is wholly and solely the obligation of the Grantee.

B. The Grantee shall implement, in all respects, the Project. The Grantee shall provide all necessary qualified personnel, material, and facilities to implement the Project. The Grantee shall finance its share (if any) of the costs of the Project, including all Project overruns.

C. Project funds shall not be used for purposes other than those specified in the Project Description.

D. Unless specifically allowed by law, Project funds cannot be used to reimburse Grantee for indirect Project costs.

ARTICLE III. NOTICE PROVISIONS AND GRANTEE AND DEPARTMENT DESIGNATED REPRESENTATIVES

Whenever written notices, including written decisions, are to be given or received, related to this Agreement, the following provisions shall apply.

For all matters related to this Agreement, the Grantee designates their official representative(s) or successor, in their Signatory Resolution, as required in Article X. B. (v). The official representative will be the contact and signatory for all disbursements and Notices of Obligation.

If applicable, the Grantee designates an Alternative Fiscal Agent in the Signatory Resolution as required in Article X. B. (v), and in the Alternative

The Department designates the persons listed below, or their successors, as the Points of Contact for matters related to this Agreement.

NMED Program Administrator

Name: Paulette Ortiz
Email: paulette.ortiz@env.nm.gov
Telephone: 505-670-3583

NMED Project Manager

Name: Steven Deal
Email: steven.deal@env.nm.gov
Telephone: 505-670-2926

The Grantee and the Department agree that either party shall send all notices, including written decisions, related to this Agreement to the above named persons by email or regular mail. In the case of mailings, notices shall be deemed to have been given and received upon the date of the receiving party’s actual receipt or five calendar days after mailing, whichever shall first occur. In the case of email transmissions, the notice shall be deemed to have been given and received on the date reflected on the delivery receipt of email.

ARTICLE IV. REVERSION DATE, TERM, DEADLINE TO EXPEND FUNDS

A. As referenced in Article I(A), the applicable law establishes a date by which Project funds must be expended by Grantee, which is referred to throughout the remainder of this Agreement as the “Reversion Date.” Upon being duly executed by both parties, this Agreement shall be effective as of the date of execution by the Department. It shall terminate on June 30, 2027 the Reversion Date unless Terminated Before Reversion Date (“Early Termination”) pursuant to Article V herein.

B. The Project’s funds must be expended on or before the Reversion Date and, if applicable, Early Termination Date of this Agreement. For purposes of this Agreement, it is not sufficient for the Grantee to encumber the Project funds on its books on or before the Project's Reversion Date or Early Termination Date. Funds are expended and an expenditure has occurred as of the date that a particular quantity of goods are delivered to and received by the Grantee or title to the goods is transferred to the Grantee and/or as of the date particular services are rendered for the Grantee. Funds are *not* expended and an expenditure has *not* occurred as of the date they are encumbered by the Grantee pursuant to a contract or purchase order with a third party.

ARTICLE V. EARLY TERMINATION

A. Early Termination Before Reversion Date Due to Completion of the Project or Complete Expenditure of the Adjusted Appropriation or Violation of this Agreement

Early Termination includes:

- (i) Termination due to completion of the Project before the Reversion Date; or
- (ii) Termination due to complete expenditure of the Adjusted Appropriation Amount before the Reversion Date; or
- (iii) Termination for violation of the terms of this Agreement; or

- (iv) Termination for suspected mishandling of public funds, including but not limited to, fraud, waste, abuse, and conflicts of interest.

Either the Department or the Grantee may early terminate this Agreement prior to the Reversion Date by providing the other party with a minimum of fifteen (15) days' advance, written notice of early termination. Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department pursuant to Article V(A).

B. Early Termination Before Reversion Date Due to Non-appropriation

The terms of this Agreement are expressly made contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. Throughout this Agreement the term "non-appropriate" or "non-appropriation" includes the following actions by the New Mexico Legislature: deauthorization, reauthorization or revocation of a prior authorization. The Legislature may choose to non-appropriate the Appropriation referred to in Article I and, if that occurs, the Department shall early terminate this Agreement for non-appropriation by giving the Grantee written notice of such termination, and such termination shall be effective as of the effective date of the law making the non-appropriation. The Department's decision as to whether sufficient appropriations or authorizations are available shall be accepted by the Grantee and shall be final. Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department pursuant to Article V(B).

C. Limitation on Department's Obligation to Make Grant Disbursements to Grantee in the Event of Early Termination

In the event of Early Termination of this Agreement by either party, the Department's sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth Article II.

ARTICLE VI. SUSPENSION OF NEW OR FURTHER OBLIGATIONS

A. The Department may choose, in its sole and absolute discretion, to provide written notice to the Grantee to suspend entering into new and further obligations. Upon the receipt of such written notice by the Grantee:

- (i) The Grantee shall immediately suspend entering into new or further written obligations with third parties; and
- (ii) The Department will suspend the issuance of any new or further Notice of Obligation under this Agreement; and
- (iii) The Department may direct the Grantee to implement a corrective action plan in accordance with Article VI(D) herein.

B. In the event of Suspension of this Agreement, the Department's sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth in Article II herein.

C. A suspension of new or further obligations under this Agreement shall remain in effect unless or until the date the Grantee receives written notice given by the Department informing the Grantee that the Suspension has been lifted or that the Agreement has been Early Terminated in accordance with Article V herein. If the Suspension is lifted, the Department will consider further requests for Notice of Obligation.

D. Corrective Action Plan in the Event of Suspension

In the event that the Department chooses, in its sole and absolute discretion to direct the Grantee to suspend entering into new or further written obligations with third parties pursuant to Article VI(A), the Department may, but is not obligated to, require the Grantee to develop and implement a written corrective action plan to remedy the grounds for the Suspension. Such corrective action plan must be approved by the Department and be signed by the Grantee. Failure to sign a corrective action plan or meet the terms and deadlines set forth in the signed corrective action plan, is hereby deemed a violation of the terms of this Agreement for purposes of Early Termination, Article V(A)(iii). The corrective action plan is in addition to, and not in lieu of, any other equitable or legal remedy, including but not limited to Early Termination.

ARTICLE VII. AMENDMENT

This Agreement shall not be altered, changed, or amended except by instrument in writing duly executed by both the parties hereto.

ARTICLE VIII. REPORTS

A. Database Reporting

The Grantee shall report quarterly Project activity by entering such Project information as the Department and the Department of Finance and Administration may require, such information entered directly into a database maintained by the Department of Finance and Administration (Budget & Formulation Management System). Additionally, the Grantee shall certify on the Request for Payment form (Exhibit 1) that updates have been maintained and are current in the database. The Grantee hereby acknowledges that failure to perform and/or certify updates into the database will delay or potentially jeopardize the reimbursement of funds. The Department shall give Grantee a minimum of thirty (30) days' advance written notice of any changes to the information the Grantee is required to report.

Quarterly reports shall be due on the last day of the month that is 30 days prior to the end of the quarter following execution of this Agreement by the Department and ending during the quarter of the submission of the final request for reimbursement for the Project, or the following quarter.

B. Requests for Additional Information/Project Inspection

During the term of this Agreement and during the period of time during which the Grantee must maintain records pursuant to Article VIII, the Department may:

- (i) request such additional information regarding the Project as it deems necessary; and
- (ii) conduct, at reasonable times and upon reasonable notice, onsite inspections of the Project.

Grantee shall respond to such requests for additional information within a reasonable period of time, as established by the Department.

ARTICLE IX. REQUEST FOR PAYMENT PROCEDURES AND DEADLINES

A. The Grantee shall request payment by submitting a Request for Payment, in the form attached hereto as Exhibit 1. Payment requests are subject to the following procedures:

- (i) The Grantee must submit a Request for Payment; and
- (ii) Each Request for Payment must contain proof of payment by the Grantee or liabilities incurred by the Grantee showing that the expenditures are valid or are liabilities incurred by the Grantee in the form of actual unpaid invoices received by the Grantee for services rendered by a third party or items of tangible personal property received by the Grantee for the implementation of the

Project; provided, however, that the Grantee may be reimbursed for unpaid liabilities only if the Department, in its sole and absolute discretion, agrees to do so and in accordance with any special conditions imposed by the Department.

- (iii) In cases where the Grantee is submitting a Request for Payment to the Department based upon invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee, the Grantee shall make payment to those contractors or vendors within five (5) business days from the date of receiving reimbursement from the Department or such shorter period of time as the Department may prescribe in writing. The Grantee is required to certify to the Department proof of payment to the third party contractor or vendor within ten (10) business days from the date of receiving reimbursement from the Department.

- B. The Grantee must obligate 5% of the Adjusted Appropriation Amount within six months of acceptance of the grant agreement and must have expended no less than 85% of the Adjusted Appropriation Amount six months prior to the reversion date.

C. **Deadlines**

Requests for Payments shall be submitted by Grantee to the Department on the earlier of:

- (i) Immediately as they are received by the Grantee but at a minimum thirty (30) days from when the expenditure was incurred or liability of the Grantee was approved as evidenced by an unpaid invoice received by the Grantee from a third party contractor or vendor; or
- (ii) Twenty (20) days from date of Early Termination; or
- (iii) **Twenty (20) days from the Reversion Date.**

D. The Grantee's failure to abide by the requirements set forth in Article II and Article IX herein will result in the denial of its Request for Payment or will delay the processing of Requests for Payment. The Department has the right to reject a payment request for the Project unless and until it is satisfied that the expenditures in the Request for Payment are for permissible purposes within the meaning of the Project Description and that the expenditures and the Grantee are otherwise in compliance with this Agreement, including but not limited to, compliance with the reporting requirements and the requirements set forth in Article II herein to provide Third Party Obligations and the Deadlines set forth in Article IX herein. The Department's ability to reject any Request for Payment is in addition to, and not in lieu of, any other legal or equitable remedy available to the Department due to Grantee's violation of this Agreement.

ARTICLE X. PROJECT CONDITIONS AND RESTRICTIONS; REPRESENTATIONS AND WARRANTIES

A. The following general conditions and restrictions are applicable to the Project:

- (i) The Project's funds must be spent in accordance with all applicable state laws, regulations, policies, and guidelines, including, but not limited to, the State Procurement Code (or local procurement ordinance, where applicable).
- (ii) The Project must be implemented in accordance with the New Mexico Public Works Minimum Wage Act, Section 13-4-10 through 13-4-17 NMSA 1978, as applicable. Every contract or project in excess of sixty thousand dollars (\$60,000) that the Grantee is a party to for construction, alteration, demolition or repair or any combination of these, including painting and decorating, of public buildings, public works or public roads and that requires or involves the

employment of mechanics, laborers or both shall contain a provision stating the minimum wages and fringe benefits to be paid to various classes of laborers and mechanics, shall be based upon the wages and benefits that will be determined by the New Mexico Department of Workforce Solutions to be prevailing for the corresponding classes of laborers and mechanics employed on contract work of a similar nature in the locality. Further, every contract or project shall contain a stipulation that the contractor, subcontractor, employer or a person acting as a contractor shall pay all mechanics and laborers employed on the site of the project, unconditionally and not less often than once a week and without subsequent unlawful deduction or rebate on any account, the full amounts accrued at time of payment computed at wage rates and fringe benefit rates not less than those determined pursuant to Section 13-4-11 (B) NMSA 1978 to be the prevailing wage rates and prevailing fringe benefit rates issued for the project.

- (iii) The Project may only benefit private entities in accordance with applicable law, including, but not limited to, Article IX, Section 14 of the Constitution of the State of New Mexico, the “Anti-Donation Clause.”
- (iv) The Grantee shall not for a period of 10 years from the date of this agreement convert any property acquired, built, renovated, repaired, designed or developed with the Project’s funds to uses other than those specified in the Project Description without the Department's and the Board of Finance’s express, advance, written approval, which may include a requirement to reimburse the State for the cost of the project, transfer proceeds from the disposition of property to the State, or otherwise provide consideration to the State.
- (v) The Grantee shall comply with all federal and state laws, rules and regulations pertaining to equal employment opportunity. In accordance with all such laws, rules and regulations the Grantee agrees to assure that no person shall, on the grounds of race, color, national origin, sex, sexual preference, age or handicap, be excluded from employment with Grantee, be excluded from participation in the Project, be denied benefits or otherwise be subject to discrimination under, any activity performed under this Agreement. If Grantee is found to be not in compliance with these requirements during the life of this Agreement, Grantee agrees to take appropriate steps to correct any deficiencies. The Grantee's failure to implement such appropriate steps within a reasonable time constitutes grounds for terminating this Agreement.

B. The Grantee hereby represents and warrants the following:

- (i) The Grantee has the legal authority to receive and expend the Project’s funds.
- (ii) This Agreement has been duly authorized by the Grantee, the person executing this Agreement has authority to do so, and, once executed by the Grantee, this Agreement shall constitute a binding obligation of the Grantee, enforceable according to its terms.
- (iii) This Agreement and the Grantee's obligations hereunder do not conflict with any law or ordinance or resolution applicable to the Grantee, the Grantee's charter (if applicable), or any judgment or decree to which the Grantee is subject.
- (iv) The Grantee has independently confirmed that the Project Description, including, but not limited to, the amount and Reversion Date, is consistent with the underlying appropriation in law.
- (v) The Grantee’s governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the person identified as the official representative of the Grantee to sign the Agreement and to sign Requests for Payment.
- (vi) The Grantee shall abide by New Mexico laws regarding conflicts of interest, governmental conduct and whistleblower protection. The Grantee specifically agrees that no officer or employee of the local jurisdiction or its designees or agents, no member of the governing body,

and no other public official of the locality who exercises any function or responsibility with respect to this Grant, during their tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed or goods to be received, pursuant to this Grant. Further, Grantee shall require all of its contractors to incorporate in all subcontracts the language set forth in this paragraph prohibiting conflicts of interest.

- (vii) No funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of this or any agency or body in connection with the awarding of any Third Party Obligation and that the Grantee shall require certifying language prohibiting lobbying to be included in the award documents for all subawards, including subcontracts, loans and cooperative agreements. All subrecipients shall be required to certify accordingly.

ARTICLE XI. STRICT ACCOUNTABILITY OF RECEIPTS AND DISBURSEMENTS; PROJECT RECORDS

A. The Grantee shall be strictly accountable for receipts and disbursements relating to the Project's funds. The Grantee shall follow generally accepted accounting principles, and, if feasible, maintain a separate bank account or fund with a separate organizational code, for the funds to assure separate budgeting and accounting of the funds.

B. For a period of six (6) years following the Project's completion, the Grantee shall maintain all Project related records, including, but not limited to, all financial records, requests for proposals, invitations to bid, selection and award criteria, contracts and subcontracts, advertisements, minutes of pertinent meetings, as well as records sufficient to fully account for the amount and disposition of the total funds from all sources budgeted for the Project, the purpose for which such funds were used, and such other records as the Department shall prescribe.

C. The Grantee shall make all Project records available to the Department, the Department of Finance and Administration, and the New Mexico State Auditor upon request. With respect to the funds that are the subject of this Agreement, if the State Auditor or the Department of Finance and Administration finds that any or all of these funds were improperly expended, the Grantee may be required to reimburse to the State of New Mexico, to the originating fund, any and all amounts found to be improperly expended.

ARTICLE XII. IMPROPERLY REIMBURSED FUNDS

If the Department determines that part or all of the Appropriation Amount was improperly reimbursed to Grantee, including but not limited to, Project funds reimbursed to Grantee based upon fraud, mismanagement, misrepresentation, misuse, violation of law by the Grantee, or violation of this Agreement, the Grantee shall return such funds to the Department for disposition in accordance with law.

ARTICLE XIII. LIABILITY

Neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to immunities and limitations of the New Mexico Tort Claims Act.

ARTICLE XIV. SCOPE OF AGREEMENT

This Agreement constitutes the entire and exclusive agreement between the Grantee and Department concerning the subject matter hereof. The Agreement supersedes any and all prior or contemporaneous agreements, understandings, discussions, communications, and representations, written or verbal.

ARTICLE XV. REQUIRED NON-APPROPRIATIONS CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS AGREEMENT

The Grantee acknowledges, warrants, and agrees that Grantee shall include a “non-appropriations” clause in all contracts between it and other parties that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement that states:

“The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Legislature, the Lower Rio Grande Public Water Works Authority may immediately terminate this Agreement by giving Contractor written notice of such termination. The Lower Rio Grande Public Water Works Authority’s decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. Contractor hereby waives any rights to assert an impairment of contract claim against the Lower Rio Grande Public Water Works Authority or the New Mexico Environment Department or the State of New Mexico in the event of immediate or Early Termination of this Agreement by the Lower Rio Grande Public Water Works Authority or the Department”

ARTICLE XVI. REQUIRED TERMINATION CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS AGREEMENT

Grantee acknowledges, warrants, and agrees that Grantee shall include the following termination clause in all contracts that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement:

“This contract is funded in whole or in part by funds made available under a New Mexico Environment Department Grant Agreement. Should the NMED early terminate the grant agreement, the Lower Rio Grande Public Water Works Authority may early terminate this contract by providing Contractor written notice of such termination. In the event of termination pursuant to this paragraph, the Lower Rio Grande Public Water Works Authority only liability shall be to pay Contractor for acceptable goods delivered and services rendered before the termination date.”

Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department.

ARTICLE XVII. COMPLIANCE WITH UNIFORM FUNDING CRITERIA.

- A. Throughout the term of this Agreement, Grantee shall:

1. submit all reports of annual audits and agreed upon procedures required by Section 12-6-3(A)-(B) NMSA 1978 by the due dates established in 2.2.2 NMAC, reports of which must be a public record pursuant to Section 12-6-5(A) NMSA 1978 within forty-five days of delivery to the State Auditor;
2. have a duly adopted budget for the current fiscal year approved by its budgetary oversight agency (if any);
3. timely submit all required financial reports to its budgetary oversight agency (if any); and
4. have adequate accounting methods and procedures to expend grant funds in accordance with applicable law and account for and safeguard grant funds and assets acquired by grant funds.

B. In the event Grantee fails to comply with the requirements of Paragraph A of this Article XVII, the Department may take one or more of the following actions:

1. suspend new or further obligations pursuant to Article VI(A) of this Agreement;
2. require the Grantee to develop and implement a written corrective action plan pursuant to Article VI(D) of this Agreement to remedy the non-compliance;
3. impose special grant conditions to address the non-compliance by giving the Grantee notice of such special conditions in accordance with Article III of this Agreement; the special conditions shall be binding and effective on the date that notice is deemed to have been given pursuant to Article III; or
4. terminate this Agreement pursuant to Article V(A) of this Agreement.

ARTICLE XVIII. [OPTIONAL IF THE APPROPRIATION IS FUNDED BY SEVERANCE TAX BONDS OR GENERAL OBLIGATION BONDS] SEVERANCE TAX BOND AND GENERAL OBLIGATION BOND PROJECT CLAUSES

A. Grantee acknowledges and agrees that the underlying appropriation for the Project is a severance tax bond or general obligation bond appropriation, and that the associated bond proceeds are administered by the New Mexico State Board of Finance (SBOF), an entity separate and distinct from the Department. Grantee acknowledges and agrees that (i) it is Grantee's sole and absolute responsibility to determine through SBOF staff what (if any) conditions are currently imposed on the Project; (ii) the Department's failure to inform Grantee of a SBOF imposed condition does not affect the validity or enforceability of the condition; (iii) the SBOF may in the future impose further or different conditions upon the Project; (iv) all SBOF conditions are effective without amendment of this Agreement; (v) all applicable SBOF conditions must be satisfied before the SBOF will release to the Department funds subject to the condition(s); and (vi) the Department's obligation to reimburse Grantee from the Project is contingent upon the then current SBOF conditions being satisfied.

B. Grantee acknowledges and agrees that the SBOF may in its sole and absolute discretion remove a project's assigned bond proceeds if the project doesn't proceed sufficiently. Entities must comply with the requirement to encumber five percent (5%) of Project funds within six months of bond issuance as certified by the grantee in the Bond Questionnaire and Certification documents submitted to the SBOF. Failure to comply may result in the bond proceeds reassignment to a new ready project. If this should occur this grant agreement will be suspended until the entity has demonstrated readiness as determined by the SBOF and the Department.

C. Grantee acknowledges and agrees that this Agreement is subject to the SBOF's Bond Project Disbursements rule, NMAC 2.61.6, as may be amended or re-codified. The rule provides definitions and interpretations of grant language for the purpose of determining whether a particular activity is allowable under the authorizing language of the agreement.

Authorization Page
LOWER RIO GRANDE PWWA LA MESA WATER LINE EXTENSIONS CONSTRUCT SAP 23-
H2405-GF

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date of execution by the Department.

GRANTEE

Signature of Official with Authority to Bind Grantee

Lower Rio Grande Public Water Works Authority

Entity Name

By: Esperanza Holguin
(Type or Print Name)

Its: Board Chair
(Type or Print Title)

September 20, 2023
Date

New Mexico Environment Department

Judith L. Kahl, P.E., Bureau Chief, NMED Construction Programs Bureau
Signed pursuant to the March 24, 2023 Secretary of Environment Delegation Order

Name of Grantee: Water Works Authority Project Number: SAP 23-H2405-GF

Authorized to Sign the Agreement		
Name	Esperanza Holguin	
Title	Board Chair	
Signature		
Address	P.O. Box 2646, Anthony NM 88021	
Email	espy.holguin@lrgauthority.org	
Phone	575-233-5742	
Official Representatives authorized to sign Disbursement Requests and All Other Documents		
Name	Martin G. Lopez	
Title	General Manager	
Signature		
Address	P.O. Box 2646, Anthony NM 88021	
Email	martin.lopez@lrgauthority.org	
Phone	575-233-5742 ext. 1004 or 575-571-3628	
Alternate Official Representative; To sign Disbursement Requests and All Other Documents, Requirement and Act as the Project Contact		
Name	Kathi Jackson	Karen Nichols
Title	Finance Manager	Projects Manager
Signature		
Address	P.O. Box 2646, Anthony NM 88021	P.O. Box 2646, Anthony NM 88021
Email	kathi.jackson@lrgauthority.org	karen.nichols@lrgauthority.org
Phone	575-233-5742 ext. 1005	915-203-2057
Designated Agent or Employee that will update DFA Database Quarterly		
Name	Karen Nichols	
Title	Projects Manager	
Signature		
Address	P.O. Box 2646, Anthony NM 88021	
Email	karen.nichols@lrgauthority.org	
Phone	915-203-2057	
If required, Fiscal Agent approved to sign Disbursement Requests		
Name	NOT APPLICABLE	
Title		
Signature		
Address		
Email		
Phone		

**Lower Rio Grande Public Water Works Authority
Resolution Number FY2024-08**

A RESOLUTION AUTHORIZING THE ASSIGNMENT OF AUTHORIZED OFFICER(S) AND AGENT(S)

Whereas, the Lower Rio Grande Public Water Works Authority Board of Directors of Doña Ana County of the State of New Mexico shall enter into a Grant Agreement with the State of New Mexico Environment Department, and

Whereas, the Agreement is identified as Project Number SAP 23-H2406-GF

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

Esperanza Holguin, Chairperson, or successor, is authorized to sign the Grant Agreement for this project, and

Martin Lopez, General Manager, Kathi Jackson, Finance Manager, and Karen Nichols, Projects Manager or successors are the OFFICIAL REPRESENTATIVES who are authorized to sign all other documents necessary to fulfill the Grant Agreement and the requirements (Disbursements and Notice of Obligations (NOO)) and to act as the project contact, and

Karen Nichols, Projects Manager, or successor is the Capital Projects Monitoring System (CPMS) contact who is designated to update the DFA database quarterly per Article VIII. A. of the Intergovernmental Grant Agreement.

PASSED, APPROVED, AND ADOPTED this 20th day of September, 2023

Esperanza Holguin, Chairperson, Lower Rio Grande Public Water Works Authority

(SEAL) _____ (Signature) Date: September 20, 2023

ATTEST:

Glory Juarez, Secretary

**STATE OF NEW MEXICO
DEPARTMENT OF ENVIRONMENT
FUND 93100 CAPITAL APPROPRIATION PROJECT
LOWER RIO GRANDE PWWA OPERATIONS CTR CONSTRUCT
SAP 23-H2406-GF**

THIS AGREEMENT between the New Mexico Environment Department hereinafter called the “Department” or NMED, and Lower Rio Grande PWWA, hereinafter called the “Grantee” becomes effective on the date signed by the NMED.

RECITALS

WHEREAS, in the Laws of 2023, Chapter 199, Section 19, Subsection 30, the Legislature made an appropriation to the Department, funds from which the Department is making available to the Grantee pursuant to this Agreement; and

WHEREAS, the Department is granting to Grantee, and the Grantee is accepting the grant of, funds from this appropriation, in accordance with the terms and conditions of this Agreement; and

WHEREAS, NMED is empowered pursuant to Section 74-1-6 B, NMSA 1978 to contract in its own name.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties hereby mutually agree as follows:

ARTICLE I. PROJECT DESCRIPTION, AMOUNT OF GRANT AND REVERSION DATE

A. The project that is the subject of this Agreement is described as follows:

SAP 23-H2406-GF \$350,000.00 APPROPRIATION REVERSION DATE: June 30, 2027

Laws of 2023, Chapter 199, Section 19, Subsection 30, Three Hundred Fifty Thousand Dollars, (\$350,000.00), for:

to plan, design, construct, furnish and equip a central operations facility, including a driveway with turn lanes, for the lower Rio Grande public water works authority in Dona Ana county;

The Grantee’s total reimbursements shall not exceed Three Hundred Fifty Thousand Dollars, \$350,000.00 (the “Appropriation Amount”) minus the allocation for Art in Public Places (“AIPP amount”)¹, if applicable, Three Thousand Five Hundred Dollars, \$3,500.00, which equals Three Hundred Forty Six Thousand Five Hundred Dollars, \$346,500.00 (the “Adjusted Appropriation Amount”).

¹ The AIPP amount is “an amount of money equal to one percent or two hundred thousand dollars (\$200,000), whichever is less, of the amount of money appropriated for new construction or any major renovation exceeding one hundred thousand dollars (\$100,000).” Section 13-4A-4 NMSA 1978.

In the event of a conflict among the Appropriation Amount, the Reversion Date, as defined herein and/or the purpose of the Project, as set forth in this Agreement, and the corresponding appropriation language in the laws cited above in this Article I(A), the language of the laws cited herein shall control.

This project is referred to throughout the remainder of this Agreement as the “Project”; the information contained in Article I(A) is referred to collectively throughout the remainder of this Agreement as the “Project Description.” The Special Conditions Attachment may set forth additional or more stringent requirements and conditions, which are incorporated by this reference as if set forth fully herein. If the Special Conditions Attachment imposes more stringent requirements than any requirement set forth in this Agreement, the more stringent requirements of the Attachment shall prevail, in the event of irreconcilable conflict. The Grantee shall reference the Project's number in all correspondence with and submissions to the Department concerning the Project, including, but not limited to, Requests for Payment and reports.

ARTICLE II. LIMITATION ON DEPARTMENT’S OBLIGATION TO MAKE GRANT DISBURSEMENT TO GRANTEE

A. Upon the Effective Date of this Agreement, for permissible purposes within the scope of the Project Description, the Grantee shall only be reimbursed monies for which the Department has issued and the Grantee has received a Notice of Department’s Obligation to Reimburse² Grantee (hereinafter referred to as “Notice of Obligation”). This Grant Agreement and the disbursement of any and all amounts of the above referenced Adjusted Appropriation Amount are expressly conditioned upon the following:

- (i) Irrespective of any Notice of Obligation, the Grantee’s expenditures shall be made on or before the Reversion Date and, if applicable, an Early Termination Date (i.e., the goods have been delivered and accepted or the title to the goods has been transferred to the Grantee and/or the services have been rendered for the Grantee); and
- (ii) The total amount received by the Grantee shall not exceed the lesser of: (a) the Adjusted Appropriation Amount identified in Article I(A) herein or (b) the total of all amounts stated in the Notice(s) of Obligation evidencing that the Department has received and accepted the Grantee’s Third Party Obligation(s), as defined in subparagraph iii of this Article II(A); and
- (iii) The Grantee’s expenditures were made pursuant to the State Procurement Code and execution of binding written obligations or purchase orders with third party contractors or vendors for the provision of services, including professional services, or the purchase of tangible personal property and real property for the Project, hereinafter referred to as “Third Party Obligations”; and
- (iv) The Grantee’s submittal of timely Requests for Payment in accordance with the procedures set forth in Article IX of this Agreement; and
- (v) In the event that capital assets acquired with Project funds are to be sold, leased, or licensed to or operated by a private entity, the sale, lease, license, or operating agreement:
 - a. must be approved by the applicable oversight entity (if any) in accordance with law; or
 - b. if no oversight entity is required to approve the transaction, the Department must approve the transaction as complying with law.

Prior to the sale, lease, license, or operating agreement being approved pursuant to Articles II(A)(v)(a) and II(A)(v)(b) herein, the Department may, in its sole and absolute discretion and unless inconsistent with State Board of Finance imposed conditions, reimburse the Grantee for necessary expenditures

² “Reimburse” as used throughout this Agreement includes Department payments to the Grantee for invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee.

incurred to develop the Project sufficiently to make the sale, lease, license, or operating agreement commercially feasible, such as plan and design expenditures; and

(vi) The Grantee's submission of documentation of all Third-Party Obligations and amendments thereto (including terminations) to the Department and the Department's issuance and the Grantee's receiving of a Notice of Obligation for a particular amount in accordance with the terms of this Agreement shall be governed by the following:

- a. The Grantee shall submit to the Department one copy of all Third-Party Obligations and amendments thereto (including terminations) as soon as possible after execution by the Third Party **but prior to execution by the Grantee.**
- b. Grantee acknowledges and agrees that if it chooses to enter into a Third-Party Obligation prior to receiving a Notice of Obligation that covers the expenditure, it is solely responsible for such obligations.
- c. The Department may, in its sole and absolute discretion, issue to Grantee a Notice of Obligation for the particular amount of that Third Party Obligation that only obligates the Department to reimburse Grantee's expenditures made on or before the Reversion Date or an Early Termination Date. The current Notice of Obligation form is attached to this Agreement as Exhibit 2.
- d. The date the Department signs the Notice of Obligation is the date that the Department's Notice of Obligation is effective. After that date, the Grantee is authorized to budget the particular amount set forth in the Notice of Obligation, execute the Third-Party Obligation and request the Third Party to begin work. Payment for any work performed or goods received prior to the effective date of the Notice of Obligation is wholly and solely the obligation of the Grantee.

B. The Grantee shall implement, in all respects, the Project. The Grantee shall provide all necessary qualified personnel, material, and facilities to implement the Project. The Grantee shall finance its share (if any) of the costs of the Project, including all Project overruns.

C. Project funds shall not be used for purposes other than those specified in the Project Description.

D. Unless specifically allowed by law, Project funds cannot be used to reimburse Grantee for indirect Project costs.

ARTICLE III. NOTICE PROVISIONS AND GRANTEE AND DEPARTMENT DESIGNATED REPRESENTATIVES

Whenever written notices, including written decisions, are to be given or received, related to this Agreement, the following provisions shall apply.

For all matters related to this Agreement, the Grantee designates their official representative(s) or successor, in their Signatory Resolution, as required in Article X. B. (v). The official representative will be the contact and signatory for all disbursements and Notices of Obligation.

If applicable, the Grantee designates an Alternative Fiscal Agent in the Signatory Resolution as required in Article X. B. (v), and in the Alternative

The Department designates the persons listed below, or their successors, as the Points of Contact for matters related to this Agreement.

NMED Program Administrator

Name: Paulette Ortiz
Email: paulette.ortiz@env.nm.gov
Telephone: 505-670-3583

NMED Project Manager

Name: Steven Deal
Email: steven.deal@env.nm.gov
Telephone: 505-670-2926

The Grantee and the Department agree that either party shall send all notices, including written decisions, related to this Agreement to the above named persons by email or regular mail. In the case of mailings, notices shall be deemed to have been given and received upon the date of the receiving party’s actual receipt or five calendar days after mailing, whichever shall first occur. In the case of email transmissions, the notice shall be deemed to have been given and received on the date reflected on the delivery receipt of email.

ARTICLE IV. REVERSION DATE, TERM, DEADLINE TO EXPEND FUNDS

A. As referenced in Article I(A), the applicable law establishes a date by which Project funds must be expended by Grantee, which is referred to throughout the remainder of this Agreement as the “Reversion Date.” Upon being duly executed by both parties, this Agreement shall be effective as of the date of execution by the Department. It shall terminate on June 30, 2027 the Reversion Date unless Terminated Before Reversion Date (“Early Termination”) pursuant to Article V herein.

B. The Project’s funds must be expended on or before the Reversion Date and, if applicable, Early Termination Date of this Agreement. For purposes of this Agreement, it is not sufficient for the Grantee to encumber the Project funds on its books on or before the Project's Reversion Date or Early Termination Date. Funds are expended and an expenditure has occurred as of the date that a particular quantity of goods are delivered to and received by the Grantee or title to the goods is transferred to the Grantee and/or as of the date particular services are rendered for the Grantee. Funds are *not* expended and an expenditure has *not* occurred as of the date they are encumbered by the Grantee pursuant to a contract or purchase order with a third party.

ARTICLE V. EARLY TERMINATION

A. Early Termination Before Reversion Date Due to Completion of the Project or Complete Expenditure of the Adjusted Appropriation or Violation of this Agreement

Early Termination includes:

- (i) Termination due to completion of the Project before the Reversion Date; or
- (ii) Termination due to complete expenditure of the Adjusted Appropriation Amount before the Reversion Date; or
- (iii) Termination for violation of the terms of this Agreement; or
- (iv) Termination for suspected mishandling of public funds, including but not limited to, fraud, waste, abuse, and conflicts of interest.

Either the Department or the Grantee may early terminate this Agreement prior to the Reversion Date by providing the other party with a minimum of fifteen (15) days' advance, written notice of early termination. Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department pursuant to Article V(A).

B. Early Termination Before Reversion Date Due to Non-appropriation

The terms of this Agreement are expressly made contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. Throughout this Agreement the term “non-appropriate” or “non-appropriation” includes the following actions by the New Mexico Legislature: deauthorization, reauthorization or revocation of a prior authorization. The Legislature may choose to non-appropriate the Appropriation referred to in Article I and, if that occurs, the Department shall early terminate this Agreement for non-appropriation by giving the Grantee written notice of such termination, and such termination shall be effective as of the effective date of the law making the non-appropriation. The Department’s decision as to whether sufficient appropriations or authorizations are available shall be accepted by the Grantee and shall be final. Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department pursuant to Article V(B).

C. Limitation on Department’s Obligation to Make Grant Disbursements to Grantee in the Event of Early Termination

In the event of Early Termination of this Agreement by either party, the Department’s sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth Article II.

ARTICLE VI. SUSPENSION OF NEW OR FURTHER OBLIGATIONS

A. The Department may choose, in its sole and absolute discretion, to provide written notice to the Grantee to suspend entering into new and further obligations. Upon the receipt of such written notice by the Grantee:

- (i) The Grantee shall immediately suspend entering into new or further written obligations with third parties; and
- (ii) The Department will suspend the issuance of any new or further Notice of Obligation under this Agreement; and
- (iii) The Department may direct the Grantee to implement a corrective action plan in accordance with Article VI(D) herein.

B. In the event of Suspension of this Agreement, the Department’s sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth in Article II herein.

C. A suspension of new or further obligations under this Agreement shall remain in effect unless or until the date the Grantee receives written notice given by the Department informing the Grantee that the Suspension has been lifted or that the Agreement has been Early Terminated in accordance with Article V herein. If the Suspension is lifted, the Department will consider further requests for Notice of Obligation.

D. Corrective Action Plan in the Event of Suspension

In the event that the Department chooses, in its sole and absolute discretion to direct the Grantee to suspend entering into new or further written obligations with third parties pursuant to Article VI(A), the Department may, but is not obligated to, require the Grantee to develop and implement a written corrective action plan to remedy the grounds for the Suspension. Such corrective action plan must be approved by the Department and be signed by the Grantee. Failure to sign a corrective action plan or meet the terms and deadlines set forth in the signed corrective action plan, is hereby deemed a violation of the terms of this Agreement for purposes of Early Termination, Article V(A)(iii). The corrective action plan is in addition to, and not in lieu of, any other equitable or legal remedy, including but not limited to Early Termination.

ARTICLE VII. AMENDMENT

This Agreement shall not be altered, changed, or amended except by instrument in writing duly executed by both the parties hereto.

ARTICLE VIII. REPORTS

A. Database Reporting

The Grantee shall report quarterly Project activity by entering such Project information as the Department and the Department of Finance and Administration may require, such information entered directly into a database maintained by the Department of Finance and Administration (Budget & Formulation Management System). Additionally, the Grantee shall certify on the Request for Payment form (Exhibit 1) that updates have been maintained and are current in the database. The Grantee hereby acknowledges that failure to perform and/or certify updates into the database will delay or potentially jeopardize the reimbursement of funds. The Department shall give Grantee a minimum of thirty (30) days' advance written notice of any changes to the information the Grantee is required to report.

Quarterly reports shall be due on the last day of the month that is 30 days prior to the end of the quarter following execution of this Agreement by the Department and ending during the quarter of the submission of the final request for reimbursement for the Project, or the following quarter.

B. Requests for Additional Information/Project Inspection

During the term of this Agreement and during the period of time during which the Grantee must maintain records pursuant to Article VIII, the Department may:

- (i) request such additional information regarding the Project as it deems necessary; and
- (ii) conduct, at reasonable times and upon reasonable notice, onsite inspections of the Project.

Grantee shall respond to such requests for additional information within a reasonable period of time, as established by the Department.

ARTICLE IX. REQUEST FOR PAYMENT PROCEDURES AND DEADLINES

A. The Grantee shall request payment by submitting a Request for Payment, in the form attached hereto as Exhibit 1. Payment requests are subject to the following procedures:

- (i) The Grantee must submit a Request for Payment; and
- (ii) Each Request for Payment must contain proof of payment by the Grantee or liabilities incurred by the Grantee showing that the expenditures are valid or are liabilities incurred by the Grantee in the form of actual unpaid invoices received by the Grantee for services rendered by a third party or items of tangible personal property received by the Grantee for the implementation of the Project; provided, however, that the Grantee may be reimbursed for unpaid liabilities only if the

Department, in its sole and absolute discretion, agrees to do so and in accordance with any special conditions imposed by the Department.

- (iii) In cases where the Grantee is submitting a Request for Payment to the Department based upon invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee, the Grantee shall make payment to those contractors or vendors within five (5) business days from the date of receiving reimbursement from the Department or such shorter period of time as the Department may prescribe in writing. The Grantee is required to certify to the Department proof of payment to the third party contractor or vendor within ten (10) business days from the date of receiving reimbursement from the Department.

B. The Grantee must obligate 5% of the Adjusted Appropriation Amount within six months of acceptance of the grant agreement and must have expended no less than 85% of the Adjusted Appropriation Amount six months prior to the reversion date.

C. **Deadlines**

Requests for Payments shall be submitted by Grantee to the Department on the earlier of:

- (i) Immediately as they are received by the Grantee but at a minimum thirty (30) days from when the expenditure was incurred or liability of the Grantee was approved as evidenced by an unpaid invoice received by the Grantee from a third party contractor or vendor; or
- (ii) Twenty (20) days from date of Early Termination; or
- (iii) **Twenty (20) days from the Reversion Date.**

D. The Grantee's failure to abide by the requirements set forth in Article II and Article IX herein will result in the denial of its Request for Payment or will delay the processing of Requests for Payment. The Department has the right to reject a payment request for the Project unless and until it is satisfied that the expenditures in the Request for Payment are for permissible purposes within the meaning of the Project Description and that the expenditures and the Grantee are otherwise in compliance with this Agreement, including but not limited to, compliance with the reporting requirements and the requirements set forth in Article II herein to provide Third Party Obligations and the Deadlines set forth in Article IX herein. The Department's ability to reject any Request for Payment is in addition to, and not in lieu of, any other legal or equitable remedy available to the Department due to Grantee's violation of this Agreement.

ARTICLE X. PROJECT CONDITIONS AND RESTRICTIONS; REPRESENTATIONS AND WARRANTIES

A. The following general conditions and restrictions are applicable to the Project:

- (i) The Project's funds must be spent in accordance with all applicable state laws, regulations, policies, and guidelines, including, but not limited to, the State Procurement Code (or local procurement ordinance, where applicable).
- (ii) The Project must be implemented in accordance with the New Mexico Public Works Minimum Wage Act, Section 13-4-10 through 13-4-17 NMSA 1978, as applicable. Every contract or project in excess of sixty thousand dollars (\$60,000) that the Grantee is a party to for construction, alteration, demolition or repair or any combination of these, including painting and decorating, of public buildings, public works or public roads and that requires or involves the employment of mechanics, laborers or both shall contain a provision stating the minimum wages

and fringe benefits to be paid to various classes of laborers and mechanics, shall be based upon the wages and benefits that will be determined by the New Mexico Department of Workforce Solutions to be prevailing for the corresponding classes of laborers and mechanics employed on contract work of a similar nature in the locality. Further, every contract or project shall contain a stipulation that the contractor, subcontractor, employer or a person acting as a contractor shall pay all mechanics and laborers employed on the site of the project, unconditionally and not less often than once a week and without subsequent unlawful deduction or rebate on any account, the full amounts accrued at time of payment computed at wage rates and fringe benefit rates not less than those determined pursuant to Section 13-4-11 (B) NMSA 1978 to be the prevailing wage rates and prevailing fringe benefit rates issued for the project.

- (iii) The Project may only benefit private entities in accordance with applicable law, including, but not limited to, Article IX, Section 14 of the Constitution of the State of New Mexico, the “Anti-Donation Clause.”
- (iv) The Grantee shall not for a period of 10 years from the date of this agreement convert any property acquired, built, renovated, repaired, designed or developed with the Project’s funds to uses other than those specified in the Project Description without the Department’s and the Board of Finance’s express, advance, written approval, which may include a requirement to reimburse the State for the cost of the project, transfer proceeds from the disposition of property to the State, or otherwise provide consideration to the State.
- (v) The Grantee shall comply with all federal and state laws, rules and regulations pertaining to equal employment opportunity. In accordance with all such laws, rules and regulations the Grantee agrees to assure that no person shall, on the grounds of race, color, national origin, sex, sexual preference, age or handicap, be excluded from employment with Grantee, be excluded from participation in the Project, be denied benefits or otherwise be subject to discrimination under, any activity performed under this Agreement. If Grantee is found to be not in compliance with these requirements during the life of this Agreement, Grantee agrees to take appropriate steps to correct any deficiencies. The Grantee's failure to implement such appropriate steps within a reasonable time constitutes grounds for terminating this Agreement.

B. The Grantee hereby represents and warrants the following:

- (i) The Grantee has the legal authority to receive and expend the Project’s funds.
- (ii) This Agreement has been duly authorized by the Grantee, the person executing this Agreement has authority to do so, and, once executed by the Grantee, this Agreement shall constitute a binding obligation of the Grantee, enforceable according to its terms.
- (iii) This Agreement and the Grantee's obligations hereunder do not conflict with any law or ordinance or resolution applicable to the Grantee, the Grantee's charter (if applicable), or any judgment or decree to which the Grantee is subject.
- (iv) The Grantee has independently confirmed that the Project Description, including, but not limited to, the amount and Reversion Date, is consistent with the underlying appropriation in law.
- (v) The Grantee’s governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the person identified as the official representative of the Grantee to sign the Agreement and to sign Requests for Payment.
- (vi) The Grantee shall abide by New Mexico laws regarding conflicts of interest, governmental conduct and whistleblower protection. The Grantee specifically agrees that no officer or employee of the local jurisdiction or its designees or agents, no member of the governing body, and no other public official of the locality who exercises any function or responsibility with

respect to this Grant, during their tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed or goods to be received, pursuant to this Grant. Further, Grantee shall require all of its contractors to incorporate in all subcontracts the language set forth in this paragraph prohibiting conflicts of interest.

- (vii) No funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of this or any agency or body in connection with the awarding of any Third Party Obligation and that the Grantee shall require certifying language prohibiting lobbying to be included in the award documents for all subawards, including subcontracts, loans and cooperative agreements. All subrecipients shall be required to certify accordingly.

ARTICLE XI. STRICT ACCOUNTABILITY OF RECEIPTS AND DISBURSEMENTS; PROJECT RECORDS

A. The Grantee shall be strictly accountable for receipts and disbursements relating to the Project's funds. The Grantee shall follow generally accepted accounting principles, and, if feasible, maintain a separate bank account or fund with a separate organizational code, for the funds to assure separate budgeting and accounting of the funds.

B. For a period of six (6) years following the Project's completion, the Grantee shall maintain all Project related records, including, but not limited to, all financial records, requests for proposals, invitations to bid, selection and award criteria, contracts and subcontracts, advertisements, minutes of pertinent meetings, as well as records sufficient to fully account for the amount and disposition of the total funds from all sources budgeted for the Project, the purpose for which such funds were used, and such other records as the Department shall prescribe.

C. The Grantee shall make all Project records available to the Department, the Department of Finance and Administration, and the New Mexico State Auditor upon request. With respect to the funds that are the subject of this Agreement, if the State Auditor or the Department of Finance and Administration finds that any or all of these funds were improperly expended, the Grantee may be required to reimburse to the State of New Mexico, to the originating fund, any and all amounts found to be improperly expended.

ARTICLE XII. IMPROPERLY REIMBURSED FUNDS

If the Department determines that part or all of the Appropriation Amount was improperly reimbursed to Grantee, including but not limited to, Project funds reimbursed to Grantee based upon fraud, mismanagement, misrepresentation, misuse, violation of law by the Grantee, or violation of this Agreement, the Grantee shall return such funds to the Department for disposition in accordance with law.

ARTICLE XIII. LIABILITY

Neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to immunities and limitations of the New Mexico Tort Claims Act.

ARTICLE XIV. SCOPE OF AGREEMENT

This Agreement constitutes the entire and exclusive agreement between the Grantee and Department concerning the subject matter hereof. The Agreement supersedes any and all prior or contemporaneous agreements, understandings, discussions, communications, and representations, written or verbal.

ARTICLE XV. REQUIRED NON-APPROPRIATIONS CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS AGREEMENT

The Grantee acknowledges, warrants, and agrees that Grantee shall include a “non-appropriations” clause in all contracts between it and other parties that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement that states:

“The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Legislature, the Lower Rio Grande Public Water Works Authority may immediately terminate this Agreement by giving Contractor written notice of such termination. The Lower Rio Grande Public Water Works Authority’s decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. Contractor hereby waives any rights to assert an impairment of contract claim against the Lower Rio Grande Public Water Works Authority or the New Mexico Environment Department or the State of New Mexico in the event of immediate or Early Termination of this Agreement by the Lower Rio Grande Public Water Works Authority or the Department”

ARTICLE XVI. REQUIRED TERMINATION CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS AGREEMENT

Grantee acknowledges, warrants, and agrees that Grantee shall include the following termination clause in all contracts that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement:

“This contract is funded in whole or in part by funds made available under a New Mexico Environment Department Grant Agreement. Should the NMED early terminate the grant agreement, the Lower Rio Grande Public Water Works Authority may early terminate this contract by providing Contractor written notice of such termination. In the event of termination pursuant to this paragraph, the Lower Rio Grande Public Water Works Authority only liability shall be to pay Contractor for acceptable goods delivered and services rendered before the termination date.”

Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department.

ARTICLE XVII. COMPLIANCE WITH UNIFORM FUNDING CRITERIA.

A. Throughout the term of this Agreement, Grantee shall:

1. submit all reports of annual audits and agreed upon procedures required by Section 12-6-3(A)-(B) NMSA 1978 by the due dates established in 2.2.2 NMAC, reports of which must be a public record pursuant to Section 12-6-5(A) NMSA 1978 within forty-five days of delivery to the State Auditor;

2. have a duly adopted budget for the current fiscal year approved by its budgetary oversight agency (if any);
3. timely submit all required financial reports to its budgetary oversight agency (if any); and
4. have adequate accounting methods and procedures to expend grant funds in accordance with applicable law and account for and safeguard grant funds and assets acquired by grant funds.

B. In the event Grantee fails to comply with the requirements of Paragraph A of this Article XVII, the Department may take one or more of the following actions:

1. suspend new or further obligations pursuant to Article VI(A) of this Agreement;
2. require the Grantee to develop and implement a written corrective action plan pursuant to Article VI(D) of this Agreement to remedy the non-compliance;
3. impose special grant conditions to address the non-compliance by giving the Grantee notice of such special conditions in accordance with Article III of this Agreement; the special conditions shall be binding and effective on the date that notice is deemed to have been given pursuant to Article III; or
4. terminate this Agreement pursuant to Article V(A) of this Agreement.

ARTICLE XVIII. [OPTIONAL IF THE APPROPRIATION IS FUNDED BY SEVERANCE TAX BONDS OR GENERAL OBLIGATION BONDS] SEVERANCE TAX BOND AND GENERAL OBLIGATION BOND PROJECT CLAUSES

A. Grantee acknowledges and agrees that the underlying appropriation for the Project is a severance tax bond or general obligation bond appropriation, and that the associated bond proceeds are administered by the New Mexico State Board of Finance (SBOF), an entity separate and distinct from the Department. Grantee acknowledges and agrees that (i) it is Grantee's sole and absolute responsibility to determine through SBOF staff what (if any) conditions are currently imposed on the Project; (ii) the Department's failure to inform Grantee of a SBOF imposed condition does not affect the validity or enforceability of the condition; (iii) the SBOF may in the future impose further or different conditions upon the Project; (iv) all SBOF conditions are effective without amendment of this Agreement; (v) all applicable SBOF conditions must be satisfied before the SBOF will release to the Department funds subject to the condition(s); and (vi) the Department's obligation to reimburse Grantee from the Project is contingent upon the then current SBOF conditions being satisfied.

B. Grantee acknowledges and agrees that the SBOF may in its sole and absolute discretion remove a project's assigned bond proceeds if the project doesn't proceed sufficiently. Entities must comply with the requirement to encumber five percent (5%) of Project funds within six months of bond issuance as certified by the grantee in the Bond Questionnaire and Certification documents submitted to the SBOF. Failure to comply may result in the bond proceeds reassignment to a new ready project. If this should occur this grant agreement will be suspended until the entity has demonstrated readiness as determined by the SBOF and the Department.

C. Grantee acknowledges and agrees that this Agreement is subject to the SBOF's Bond Project Disbursements rule, NMAC 2.61.6, as may be amended or re-codified. The rule provides definitions and interpretations of grant language for the purpose of determining whether a particular activity is allowable under the authorizing language of the agreement.

Authorization Page
LOWER RIO GRANDE PWWA OPERATIONS CTR CONSTRUCT SAP 23-H2406-GF

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date of execution by the Department.

GRANTEE

Signature of Official with Authority to Bind Grantee

Lower Rio Grande Public Water Works Authority
Entity Name

By: Esperanza Holguin
(Type or Print Name)

Its: Board Chair
(Type or Print Title)

September 20, 2023
Date

New Mexico Environment Department

Judith L. Kahl, P.E., Bureau Chief, NMED Construction Programs Bureau
Signed pursuant to the March 24, 2023 Secretary of Environment Delegation Order

Name of Grantee: Water Works Authority Project Number: SAP 23-H2406-GF

Authorized to Sign the Agreement		
Name	Esperanza Holguin	
Title	Board Chair	
Signature		
Address	P.O. Box 2646, Anthony NM 88021	
Email	espy.holguin@lrgauthority.org	
Phone	575-233-5742	
Official Representatives authorized to sign Disbursement Requests and All Other Documents		
Name	Martin G. Lopez	
Title	General Manager	
Signature		
Address	P.O. Box 2646, Anthony NM 88021	
Email	martin.lopez@lrgauthority.org	
Phone	575-233-5742 ext. 1004 or 575-571-3628	
Alternate Official Representative; To sign Disbursement Requests and All Other Documents, Requirement and Act as the Project Contact		
Name	Kathi Jackson	Karen Nichols
Title	Finance Manager	Projects Manager
Signature		
Address	P.O. Box 2646, Anthony NM 88021	P.O. Box 2646, Anthony NM 88021
Email	kathi.jackson@lrgauthority.org	karen.nichols@lrgauthority.org
Phone	575-233-5742 ext. 1005	915-203-2057
Designated Agent or Employee that will update DFA Database Quarterly		
Name	Karen Nichols	
Title	Projects Manager	
Signature		
Address	P.O. Box 2646, Anthony NM 88021	
Email	karen.nichols@lrgauthority.org	
Phone	915-203-2057	
If required, Fiscal Agent approved to sign Disbursement Requests		
Name	NOT APPLICABLE	
Title		
Signature		
Address		
Email		
Phone		

**Lower Rio Grande Public Water Works Authority
Resolution Number FY2024-09**

A RESOLUTION AUTHORIZING THE ASSIGNMENT OF AUTHORIZED OFFICER(S) AND AGENT(S)

Whereas, the Lower Rio Grande Public Water Works Authority Board of Directors of Doña Ana County of the State of New Mexico shall enter into a Grant Agreement with the State of New Mexico Environment Department, and

Whereas, the Agreement is identified as Project Number SAP 23-H2407-GF

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

Esperanza Holguin, Chairperson, or successor, is authorized to sign the Grant Agreement for this project, and

Martin Lopez, General Manager, Kathi Jackson, Finance Manager, and Karen Nichols, Projects Manager or successors are the OFFICIAL REPRESENTATIVES who are authorized to sign all other documents necessary to fulfill the Grant Agreement and the requirements (Disbursements and Notice of Obligations (NOO)) and to act as the project contact, and

Karen Nichols, Projects Manager, or successor is the Capital Projects Monitoring System (CPMS) contact who is designated to update the DFA database quarterly per Article VIII. A. of the Intergovernmental Grant Agreement.

PASSED, APPROVED, AND ADOPTED this 20th day of September, 2023

Esperanza Holguin, Chairperson, Lower Rio Grande Public Water Works Authority

(SEAL) _____ (Signature) Date: September 20, 2023

ATTEST:

Glory Juarez, Secretary

**STATE OF NEW MEXICO
DEPARTMENT OF ENVIRONMENT
FUND 93100 CAPITAL APPROPRIATION PROJECT
LOWER RIO GRANDE PWWA S VALLEY WATER LINES CONSTRUCT
SAP 23-H2407-GF**

THIS AGREEMENT between the New Mexico Environment Department hereinafter called the “Department” or NMED, and Lower Rio Grande PWWA, hereinafter called the “Grantee” becomes effective on the date signed by the NMED.

RECITALS

WHEREAS, in the Laws of 2023, Chapter 199, Section 19, Subsection 31, the Legislature made an appropriation to the Department, funds from which the Department is making available to the Grantee pursuant to this Agreement; and

WHEREAS, the Department is granting to Grantee, and the Grantee is accepting the grant of, funds from this appropriation, in accordance with the terms and conditions of this Agreement; and

WHEREAS, NMED is empowered pursuant to Section 74-1-6 B, NMSA 1978 to contract in its own name.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties hereby mutually agree as follows:

ARTICLE I. PROJECT DESCRIPTION, AMOUNT OF GRANT AND REVERSION DATE

A. The project that is the subject of this Agreement is described as follows:

SAP 23-H2407-GF \$250,000.00 APPROPRIATION REVERSION DATE: June 30, 2027

Laws of 2023, Chapter 199, Section 19, Subsection 31, Two Hundred Fifty Thousand Dollars, (\$250,000.00), for:

to acquire easements and rights of way and to plan, design and construct water line extensions for the lower Rio Grande public water works authority in the South Valley service area in Dona Ana county;

The Grantee’s total reimbursements shall not exceed Two Hundred Fifty Thousand Dollars, \$250,000.00 (the “Appropriation Amount”) minus the allocation for Art in Public Places (“AIPP amount”)¹, if applicable, No Dollars, \$0.00, which equals Two Hundred Fifty Thousand Dollars, \$250,000.00 (the “Adjusted Appropriation Amount”).

¹ The AIPP amount is “an amount of money equal to one percent or two hundred thousand dollars (\$200,000), whichever is less, of the amount of money appropriated for new construction or any major renovation exceeding one hundred thousand dollars (\$100,000).” Section 13-4A-4 NMSA 1978.

In the event of a conflict among the Appropriation Amount, the Reversion Date, as defined herein and/or the purpose of the Project, as set forth in this Agreement, and the corresponding appropriation language in the laws cited above in this Article I(A), the language of the laws cited herein shall control.

This project is referred to throughout the remainder of this Agreement as the “Project”; the information contained in Article I(A) is referred to collectively throughout the remainder of this Agreement as the “Project Description.” The Special Conditions Attachment may set forth additional or more stringent requirements and conditions, which are incorporated by this reference as if set forth fully herein. If the Special Conditions Attachment imposes more stringent requirements than any requirement set forth in this Agreement, the more stringent requirements of the Attachment shall prevail, in the event of irreconcilable conflict. The Grantee shall reference the Project's number in all correspondence with and submissions to the Department concerning the Project, including, but not limited to, Requests for Payment and reports.

ARTICLE II. LIMITATION ON DEPARTMENT’S OBLIGATION TO MAKE GRANT DISBURSEMENT TO GRANTEE

A. Upon the Effective Date of this Agreement, for permissible purposes within the scope of the Project Description, the Grantee shall only be reimbursed monies for which the Department has issued and the Grantee has received a Notice of Department’s Obligation to Reimburse² Grantee (hereinafter referred to as “Notice of Obligation”). This Grant Agreement and the disbursement of any and all amounts of the above referenced Adjusted Appropriation Amount are expressly conditioned upon the following:

- (i) Irrespective of any Notice of Obligation, the Grantee’s expenditures shall be made on or before the Reversion Date and, if applicable, an Early Termination Date (i.e., the goods have been delivered and accepted or the title to the goods has been transferred to the Grantee and/or the services have been rendered for the Grantee); and
- (ii) The total amount received by the Grantee shall not exceed the lesser of: (a) the Adjusted Appropriation Amount identified in Article I(A) herein or (b) the total of all amounts stated in the Notice(s) of Obligation evidencing that the Department has received and accepted the Grantee’s Third Party Obligation(s), as defined in subparagraph iii of this Article II(A); and
- (iii) The Grantee’s expenditures were made pursuant to the State Procurement Code and execution of binding written obligations or purchase orders with third party contractors or vendors for the provision of services, including professional services, or the purchase of tangible personal property and real property for the Project, hereinafter referred to as “Third Party Obligations”; and
- (iv) The Grantee’s submittal of timely Requests for Payment in accordance with the procedures set forth in Article IX of this Agreement; and
- (v) In the event that capital assets acquired with Project funds are to be sold, leased, or licensed to or operated by a private entity, the sale, lease, license, or operating agreement:
 - a. must be approved by the applicable oversight entity (if any) in accordance with law; or
 - b. if no oversight entity is required to approve the transaction, the Department must approve the transaction as complying with law.

Prior to the sale, lease, license, or operating agreement being approved pursuant to Articles II(A)(v)(a) and II(A)(v)(b) herein, the Department may, in its sole and absolute discretion and unless inconsistent with State Board of Finance imposed conditions, reimburse the Grantee for necessary expenditures

² “Reimburse” as used throughout this Agreement includes Department payments to the Grantee for invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee.

incurred to develop the Project sufficiently to make the sale, lease, license, or operating agreement commercially feasible, such as plan and design expenditures; and

(vi) The Grantee's submission of documentation of all Third-Party Obligations and amendments thereto (including terminations) to the Department and the Department's issuance and the Grantee's receiving of a Notice of Obligation for a particular amount in accordance with the terms of this Agreement shall be governed by the following:

- a. The Grantee shall submit to the Department one copy of all Third-Party Obligations and amendments thereto (including terminations) as soon as possible after execution by the Third Party **but prior to execution by the Grantee.**
- b. Grantee acknowledges and agrees that if it chooses to enter into a Third-Party Obligation prior to receiving a Notice of Obligation that covers the expenditure, it is solely responsible for such obligations.
- c. The Department may, in its sole and absolute discretion, issue to Grantee a Notice of Obligation for the particular amount of that Third Party Obligation that only obligates the Department to reimburse Grantee's expenditures made on or before the Reversion Date or an Early Termination Date. The current Notice of Obligation form is attached to this Agreement as Exhibit 2.
- d. The date the Department signs the Notice of Obligation is the date that the Department's Notice of Obligation is effective. After that date, the Grantee is authorized to budget the particular amount set forth in the Notice of Obligation, execute the Third-Party Obligation and request the Third Party to begin work. Payment for any work performed or goods received prior to the effective date of the Notice of Obligation is wholly and solely the obligation of the Grantee.

B. The Grantee shall implement, in all respects, the Project. The Grantee shall provide all necessary qualified personnel, material, and facilities to implement the Project. The Grantee shall finance its share (if any) of the costs of the Project, including all Project overruns.

C. Project funds shall not be used for purposes other than those specified in the Project Description.

D. Unless specifically allowed by law, Project funds cannot be used to reimburse Grantee for indirect Project costs.

ARTICLE III. NOTICE PROVISIONS AND GRANTEE AND DEPARTMENT DESIGNATED REPRESENTATIVES

Whenever written notices, including written decisions, are to be given or received, related to this Agreement, the following provisions shall apply.

For all matters related to this Agreement, the Grantee designates their official representative(s) or successor, in their Signatory Resolution, as required in Article X. B. (v). The official representative will be the contact and signatory for all disbursements and Notices of Obligation.

If applicable, the Grantee designates an Alternative Fiscal Agent in the Signatory Resolution as required in Article X. B. (v), and in the Alternative

The Department designates the persons listed below, or their successors, as the Points of Contact for matters related to this Agreement.

NMED Program Administrator

Name: Paulette Ortiz
Email: paulette.ortiz@env.nm.gov
Telephone: 505-670-3583

NMED Project Manager

Name: Steven Deal
Email: steven.deal@env.nm.gov
Telephone: 505-670-2926

The Grantee and the Department agree that either party shall send all notices, including written decisions, related to this Agreement to the above named persons by email or regular mail. In the case of mailings, notices shall be deemed to have been given and received upon the date of the receiving party’s actual receipt or five calendar days after mailing, whichever shall first occur. In the case of email transmissions, the notice shall be deemed to have been given and received on the date reflected on the delivery receipt of email.

ARTICLE IV. REVERSION DATE, TERM, DEADLINE TO EXPEND FUNDS

A. As referenced in Article I(A), the applicable law establishes a date by which Project funds must be expended by Grantee, which is referred to throughout the remainder of this Agreement as the “Reversion Date.” Upon being duly executed by both parties, this Agreement shall be effective as of the date of execution by the Department. It shall terminate on June 30, 2027 the Reversion Date unless Terminated Before Reversion Date (“Early Termination”) pursuant to Article V herein.

B. The Project’s funds must be expended on or before the Reversion Date and, if applicable, Early Termination Date of this Agreement. For purposes of this Agreement, it is not sufficient for the Grantee to encumber the Project funds on its books on or before the Project's Reversion Date or Early Termination Date. Funds are expended and an expenditure has occurred as of the date that a particular quantity of goods are delivered to and received by the Grantee or title to the goods is transferred to the Grantee and/or as of the date particular services are rendered for the Grantee. Funds are *not* expended and an expenditure has *not* occurred as of the date they are encumbered by the Grantee pursuant to a contract or purchase order with a third party.

ARTICLE V. EARLY TERMINATION

A. Early Termination Before Reversion Date Due to Completion of the Project or Complete Expenditure of the Adjusted Appropriation or Violation of this Agreement

Early Termination includes:

- (i) Termination due to completion of the Project before the Reversion Date; or
- (ii) Termination due to complete expenditure of the Adjusted Appropriation Amount before the Reversion Date; or
- (iii) Termination for violation of the terms of this Agreement; or
- (iv) Termination for suspected mishandling of public funds, including but not limited to, fraud, waste, abuse, and conflicts of interest.

Either the Department or the Grantee may early terminate this Agreement prior to the Reversion Date by providing the other party with a minimum of fifteen (15) days' advance, written notice of early termination. Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department pursuant to Article V(A).

B. Early Termination Before Reversion Date Due to Non-appropriation

The terms of this Agreement are expressly made contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. Throughout this Agreement the term “non-appropriate” or “non-appropriation” includes the following actions by the New Mexico Legislature: deauthorization, reauthorization or revocation of a prior authorization. The Legislature may choose to non-appropriate the Appropriation referred to in Article I and, if that occurs, the Department shall early terminate this Agreement for non-appropriation by giving the Grantee written notice of such termination, and such termination shall be effective as of the effective date of the law making the non-appropriation. The Department’s decision as to whether sufficient appropriations or authorizations are available shall be accepted by the Grantee and shall be final. Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department pursuant to Article V(B).

C. Limitation on Department’s Obligation to Make Grant Disbursements to Grantee in the Event of Early Termination

In the event of Early Termination of this Agreement by either party, the Department’s sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth Article II.

ARTICLE VI. SUSPENSION OF NEW OR FURTHER OBLIGATIONS

A. The Department may choose, in its sole and absolute discretion, to provide written notice to the Grantee to suspend entering into new and further obligations. Upon the receipt of such written notice by the Grantee:

- (i) The Grantee shall immediately suspend entering into new or further written obligations with third parties; and
- (ii) The Department will suspend the issuance of any new or further Notice of Obligation under this Agreement; and
- (iii) The Department may direct the Grantee to implement a corrective action plan in accordance with Article VI(D) herein.

B. In the event of Suspension of this Agreement, the Department’s sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth in Article II herein.

C. A suspension of new or further obligations under this Agreement shall remain in effect unless or until the date the Grantee receives written notice given by the Department informing the Grantee that the Suspension has been lifted or that the Agreement has been Early Terminated in accordance with Article V herein. If the Suspension is lifted, the Department will consider further requests for Notice of Obligation.

D. Corrective Action Plan in the Event of Suspension

In the event that the Department chooses, in its sole and absolute discretion to direct the Grantee to suspend entering into new or further written obligations with third parties pursuant to Article VI(A), the Department may, but is not obligated to, require the Grantee to develop and implement a written corrective action plan to remedy the grounds for the Suspension. Such corrective action plan must be approved by the Department and be signed by the Grantee. Failure to sign a corrective action plan or meet the terms and deadlines set forth in the signed corrective action plan, is hereby deemed a violation of the terms of this Agreement for purposes of Early Termination, Article V(A)(iii). The corrective action plan is in addition to, and not in lieu of, any other equitable or legal remedy, including but not limited to Early Termination.

ARTICLE VII. AMENDMENT

This Agreement shall not be altered, changed, or amended except by instrument in writing duly executed by both the parties hereto.

ARTICLE VIII. REPORTS

A. Database Reporting

The Grantee shall report quarterly Project activity by entering such Project information as the Department and the Department of Finance and Administration may require, such information entered directly into a database maintained by the Department of Finance and Administration (Budget & Formulation Management System). Additionally, the Grantee shall certify on the Request for Payment form (Exhibit 1) that updates have been maintained and are current in the database. The Grantee hereby acknowledges that failure to perform and/or certify updates into the database will delay or potentially jeopardize the reimbursement of funds. The Department shall give Grantee a minimum of thirty (30) days' advance written notice of any changes to the information the Grantee is required to report.

Quarterly reports shall be due on the last day of the month that is 30 days prior to the end of the quarter following execution of this Agreement by the Department and ending during the quarter of the submission of the final request for reimbursement for the Project, or the following quarter.

B. Requests for Additional Information/Project Inspection

During the term of this Agreement and during the period of time during which the Grantee must maintain records pursuant to Article VIII, the Department may:

- (i) request such additional information regarding the Project as it deems necessary; and
- (ii) conduct, at reasonable times and upon reasonable notice, onsite inspections of the Project.

Grantee shall respond to such requests for additional information within a reasonable period of time, as established by the Department.

ARTICLE IX. REQUEST FOR PAYMENT PROCEDURES AND DEADLINES

A. The Grantee shall request payment by submitting a Request for Payment, in the form attached hereto as Exhibit 1. Payment requests are subject to the following procedures:

- (i) The Grantee must submit a Request for Payment; and
- (ii) Each Request for Payment must contain proof of payment by the Grantee or liabilities incurred by the Grantee showing that the expenditures are valid or are liabilities incurred by the Grantee in the form of actual unpaid invoices received by the Grantee for services rendered by a third party or items of tangible personal property received by the Grantee for the implementation of the Project; provided, however, that the Grantee may be reimbursed for unpaid liabilities only if the

Department, in its sole and absolute discretion, agrees to do so and in accordance with any special conditions imposed by the Department.

- (iii) In cases where the Grantee is submitting a Request for Payment to the Department based upon invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee, the Grantee shall make payment to those contractors or vendors within five (5) business days from the date of receiving reimbursement from the Department or such shorter period of time as the Department may prescribe in writing. The Grantee is required to certify to the Department proof of payment to the third party contractor or vendor within ten (10) business days from the date of receiving reimbursement from the Department.

B. The Grantee must obligate 5% of the Adjusted Appropriation Amount within six months of acceptance of the grant agreement and must have expended no less than 85% of the Adjusted Appropriation Amount six months prior to the reversion date.

C. **Deadlines**

Requests for Payments shall be submitted by Grantee to the Department on the earlier of:

- (i) Immediately as they are received by the Grantee but at a minimum thirty (30) days from when the expenditure was incurred or liability of the Grantee was approved as evidenced by an unpaid invoice received by the Grantee from a third party contractor or vendor; or
- (ii) Twenty (20) days from date of Early Termination; or
- (iii) **Twenty (20) days from the Reversion Date.**

D. The Grantee's failure to abide by the requirements set forth in Article II and Article IX herein will result in the denial of its Request for Payment or will delay the processing of Requests for Payment. The Department has the right to reject a payment request for the Project unless and until it is satisfied that the expenditures in the Request for Payment are for permissible purposes within the meaning of the Project Description and that the expenditures and the Grantee are otherwise in compliance with this Agreement, including but not limited to, compliance with the reporting requirements and the requirements set forth in Article II herein to provide Third Party Obligations and the Deadlines set forth in Article IX herein. The Department's ability to reject any Request for Payment is in addition to, and not in lieu of, any other legal or equitable remedy available to the Department due to Grantee's violation of this Agreement.

ARTICLE X. PROJECT CONDITIONS AND RESTRICTIONS; REPRESENTATIONS AND WARRANTIES

A. The following general conditions and restrictions are applicable to the Project:

- (i) The Project's funds must be spent in accordance with all applicable state laws, regulations, policies, and guidelines, including, but not limited to, the State Procurement Code (or local procurement ordinance, where applicable).
- (ii) The Project must be implemented in accordance with the New Mexico Public Works Minimum Wage Act, Section 13-4-10 through 13-4-17 NMSA 1978, as applicable. Every contract or project in excess of sixty thousand dollars (\$60,000) that the Grantee is a party to for construction, alteration, demolition or repair or any combination of these, including painting and decorating, of public buildings, public works or public roads and that requires or involves the employment of mechanics, laborers or both shall contain a provision stating the minimum wages

and fringe benefits to be paid to various classes of laborers and mechanics, shall be based upon the wages and benefits that will be determined by the New Mexico Department of Workforce Solutions to be prevailing for the corresponding classes of laborers and mechanics employed on contract work of a similar nature in the locality. Further, every contract or project shall contain a stipulation that the contractor, subcontractor, employer or a person acting as a contractor shall pay all mechanics and laborers employed on the site of the project, unconditionally and not less often than once a week and without subsequent unlawful deduction or rebate on any account, the full amounts accrued at time of payment computed at wage rates and fringe benefit rates not less than those determined pursuant to Section 13-4-11 (B) NMSA 1978 to be the prevailing wage rates and prevailing fringe benefit rates issued for the project.

- (iii) The Project may only benefit private entities in accordance with applicable law, including, but not limited to, Article IX, Section 14 of the Constitution of the State of New Mexico, the “Anti-Donation Clause.”
- (iv) The Grantee shall not for a period of 10 years from the date of this agreement convert any property acquired, built, renovated, repaired, designed or developed with the Project’s funds to uses other than those specified in the Project Description without the Department’s and the Board of Finance’s express, advance, written approval, which may include a requirement to reimburse the State for the cost of the project, transfer proceeds from the disposition of property to the State, or otherwise provide consideration to the State.
- (v) The Grantee shall comply with all federal and state laws, rules and regulations pertaining to equal employment opportunity. In accordance with all such laws, rules and regulations the Grantee agrees to assure that no person shall, on the grounds of race, color, national origin, sex, sexual preference, age or handicap, be excluded from employment with Grantee, be excluded from participation in the Project, be denied benefits or otherwise be subject to discrimination under, any activity performed under this Agreement. If Grantee is found to be not in compliance with these requirements during the life of this Agreement, Grantee agrees to take appropriate steps to correct any deficiencies. The Grantee’s failure to implement such appropriate steps within a reasonable time constitutes grounds for terminating this Agreement.

B. The Grantee hereby represents and warrants the following:

- (i) The Grantee has the legal authority to receive and expend the Project’s funds.
- (ii) This Agreement has been duly authorized by the Grantee, the person executing this Agreement has authority to do so, and, once executed by the Grantee, this Agreement shall constitute a binding obligation of the Grantee, enforceable according to its terms.
- (iii) This Agreement and the Grantee’s obligations hereunder do not conflict with any law or ordinance or resolution applicable to the Grantee, the Grantee’s charter (if applicable), or any judgment or decree to which the Grantee is subject.
- (iv) The Grantee has independently confirmed that the Project Description, including, but not limited to, the amount and Reversion Date, is consistent with the underlying appropriation in law.
- (v) The Grantee’s governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the person identified as the official representative of the Grantee to sign the Agreement and to sign Requests for Payment.
- (vi) The Grantee shall abide by New Mexico laws regarding conflicts of interest, governmental conduct and whistleblower protection. The Grantee specifically agrees that no officer or employee of the local jurisdiction or its designees or agents, no member of the governing body, and no other public official of the locality who exercises any function or responsibility with

respect to this Grant, during their tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed or goods to be received, pursuant to this Grant. Further, Grantee shall require all of its contractors to incorporate in all subcontracts the language set forth in this paragraph prohibiting conflicts of interest.

- (vii) No funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of this or any agency or body in connection with the awarding of any Third Party Obligation and that the Grantee shall require certifying language prohibiting lobbying to be included in the award documents for all subawards, including subcontracts, loans and cooperative agreements. All subrecipients shall be required to certify accordingly.

ARTICLE XI. STRICT ACCOUNTABILITY OF RECEIPTS AND DISBURSEMENTS; PROJECT RECORDS

A. The Grantee shall be strictly accountable for receipts and disbursements relating to the Project's funds. The Grantee shall follow generally accepted accounting principles, and, if feasible, maintain a separate bank account or fund with a separate organizational code, for the funds to assure separate budgeting and accounting of the funds.

B. For a period of six (6) years following the Project's completion, the Grantee shall maintain all Project related records, including, but not limited to, all financial records, requests for proposals, invitations to bid, selection and award criteria, contracts and subcontracts, advertisements, minutes of pertinent meetings, as well as records sufficient to fully account for the amount and disposition of the total funds from all sources budgeted for the Project, the purpose for which such funds were used, and such other records as the Department shall prescribe.

C. The Grantee shall make all Project records available to the Department, the Department of Finance and Administration, and the New Mexico State Auditor upon request. With respect to the funds that are the subject of this Agreement, if the State Auditor or the Department of Finance and Administration finds that any or all of these funds were improperly expended, the Grantee may be required to reimburse to the State of New Mexico, to the originating fund, any and all amounts found to be improperly expended.

ARTICLE XII. IMPROPERLY REIMBURSED FUNDS

If the Department determines that part or all of the Appropriation Amount was improperly reimbursed to Grantee, including but not limited to, Project funds reimbursed to Grantee based upon fraud, mismanagement, misrepresentation, misuse, violation of law by the Grantee, or violation of this Agreement, the Grantee shall return such funds to the Department for disposition in accordance with law.

ARTICLE XIII. LIABILITY

Neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to immunities and limitations of the New Mexico Tort Claims Act.

ARTICLE XIV. SCOPE OF AGREEMENT

This Agreement constitutes the entire and exclusive agreement between the Grantee and Department concerning the subject matter hereof. The Agreement supersedes any and all prior or contemporaneous agreements, understandings, discussions, communications, and representations, written or verbal.

ARTICLE XV. REQUIRED NON-APPROPRIATIONS CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS AGREEMENT

The Grantee acknowledges, warrants, and agrees that Grantee shall include a “non-appropriations” clause in all contracts between it and other parties that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement that states:

“The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Legislature, the Lower Rio Grande Public Water Works Authority may immediately terminate this Agreement by giving Contractor written notice of such termination. The Lower Rio Grande Public Water Works Authority’s decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. Contractor hereby waives any rights to assert an impairment of contract claim against the Lower Rio Grande Public Water Works Authority or the New Mexico Environment Department or the State of New Mexico in the event of immediate or Early Termination of this Agreement by the Lower Rio Grande Public Water Works Authority or the Department”

ARTICLE XVI. REQUIRED TERMINATION CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS AGREEMENT

Grantee acknowledges, warrants, and agrees that Grantee shall include the following termination clause in all contracts that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement:

“This contract is funded in whole or in part by funds made available under a New Mexico Environment Department Grant Agreement. Should the NMED early terminate the grant agreement, the Lower Rio Grande Public Water Works Authority may early terminate this contract by providing Contractor written notice of such termination. In the event of termination pursuant to this paragraph, the Lower Rio Grande Public Water Works Authority only liability shall be to pay Contractor for acceptable goods delivered and services rendered before the termination date.”

Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department.

ARTICLE XVII. COMPLIANCE WITH UNIFORM FUNDING CRITERIA.

A. Throughout the term of this Agreement, Grantee shall:

1. submit all reports of annual audits and agreed upon procedures required by Section 12-6-3(A)-(B) NMSA 1978 by the due dates established in 2.2.2 NMAC, reports of which must be a public record pursuant to Section 12-6-5(A) NMSA 1978 within forty-five days of delivery to the State Auditor;

2. have a duly adopted budget for the current fiscal year approved by its budgetary oversight agency (if any);
3. timely submit all required financial reports to its budgetary oversight agency (if any); and
4. have adequate accounting methods and procedures to expend grant funds in accordance with applicable law and account for and safeguard grant funds and assets acquired by grant funds.

B. In the event Grantee fails to comply with the requirements of Paragraph A of this Article XVII, the Department may take one or more of the following actions:

1. suspend new or further obligations pursuant to Article VI(A) of this Agreement;
2. require the Grantee to develop and implement a written corrective action plan pursuant to Article VI(D) of this Agreement to remedy the non-compliance;
3. impose special grant conditions to address the non-compliance by giving the Grantee notice of such special conditions in accordance with Article III of this Agreement; the special conditions shall be binding and effective on the date that notice is deemed to have been given pursuant to Article III; or
4. terminate this Agreement pursuant to Article V(A) of this Agreement.

ARTICLE XVIII. [OPTIONAL IF THE APPROPRIATION IS FUNDED BY SEVERANCE TAX BONDS OR GENERAL OBLIGATION BONDS] SEVERANCE TAX BOND AND GENERAL OBLIGATION BOND PROJECT CLAUSES

A. Grantee acknowledges and agrees that the underlying appropriation for the Project is a severance tax bond or general obligation bond appropriation, and that the associated bond proceeds are administered by the New Mexico State Board of Finance (SBOF), an entity separate and distinct from the Department. Grantee acknowledges and agrees that (i) it is Grantee's sole and absolute responsibility to determine through SBOF staff what (if any) conditions are currently imposed on the Project; (ii) the Department's failure to inform Grantee of a SBOF imposed condition does not affect the validity or enforceability of the condition; (iii) the SBOF may in the future impose further or different conditions upon the Project; (iv) all SBOF conditions are effective without amendment of this Agreement; (v) all applicable SBOF conditions must be satisfied before the SBOF will release to the Department funds subject to the condition(s); and (vi) the Department's obligation to reimburse Grantee from the Project is contingent upon the then current SBOF conditions being satisfied.

B. Grantee acknowledges and agrees that the SBOF may in its sole and absolute discretion remove a project's assigned bond proceeds if the project doesn't proceed sufficiently. Entities must comply with the requirement to encumber five percent (5%) of Project funds within six months of bond issuance as certified by the grantee in the Bond Questionnaire and Certification documents submitted to the SBOF. Failure to comply may result in the bond proceeds reassignment to a new ready project. If this should occur this grant agreement will be suspended until the entity has demonstrated readiness as determined by the SBOF and the Department.

C. Grantee acknowledges and agrees that this Agreement is subject to the SBOF's Bond Project Disbursements rule, NMAC 2.61.6, as may be amended or re-codified. The rule provides definitions and interpretations of grant language for the purpose of determining whether a particular activity is allowable under the authorizing language of the agreement.

Authorization Page
LOWER RIO GRANDE PWWA S VALLEY WATER LINES CONSTRUCT SAP 23-H2407-GF

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date of execution by the Department.

GRANTEE

Signature of Official with Authority to Bind Grantee

Lower Rio Grande Public Water Works Authority
Entity Name

By: Esperanza Holguin
(Type or Print Name)

Its: Board Chair
(Type or Print Title)

September 20, 2023
Date

New Mexico Environment Department

Judith L. Kahl, P.E., Bureau Chief, NMED Construction Programs Bureau
Signed pursuant to the March 24, 2023 Secretary of Environment Delegation Order

Name of Grantee: Water Works Authority Project Number: SAP 23-H2407-GF

Authorized to Sign the Agreement		
Name	Esperanza Holguin	
Title	Board Chair	
Signature		
Address	P.O. Box 2646, Anthony NM 88021	
Email	espy.holguin@lrgauthority.org	
Phone	575-233-5742	
Official Representatives authorized to sign Disbursement Requests and All Other Documents		
Name	Martin G. Lopez	
Title	General Manager	
Signature		
Address	P.O. Box 2646, Anthony NM 88021	
Email	martin.lopez@lrgauthority.org	
Phone	575-233-5742 ext. 1004 or 575-571-3628	
Alternate Official Representative; To sign Disbursement Requests and All Other Documents, Requirement and Act as the Project Contact		
Name	Kathi Jackson	Karen Nichols
Title	Finance Manager	Projects Manager
Signature		
Address	P.O. Box 2646, Anthony NM 88021	P.O. Box 2646, Anthony NM 88021
Email	kathi.jackson@lrgauthority.org	karen.nichols@lrgauthority.org
Phone	575-233-5742 ext. 1005	915-203-2057
Designated Agent or Employee that will update DFA Database Quarterly		
Name	Karen Nichols	
Title	Projects Manager	
Signature		
Address	P.O. Box 2646, Anthony NM 88021	
Email	karen.nichols@lrgauthority.org	
Phone	915-203-2057	
If required, Fiscal Agent approved to sign Disbursement Requests		
Name	NOT APPLICABLE	
Title		
Signature		
Address		
Email		
Phone		



LOWER RIO GRANDE

Public Water Works Authority

P.O. Box 2646

Anthony, New Mexico 88021

(575) 233-5742

<https://LRGauthority.org>

RESOLUTION NO. FY2024-12

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

WHEREAS, the Lower Rio Grande Public Water Works Authority (“Borrower”) is a qualified entity under the Drinking Water State Revolving Loan Act, Sections 6-21A-1 et seq., NMSA 1978 (“Act”), and the Board of Directors (“Governing Body”) is authorized to borrow funds and/or issue bonds for financing of public projects for benefit of the Borrower and the public; and

WHEREAS, the New Mexico Finance Authority (“Authority”) has instituted a program for financing of projects from the Drinking Water State Revolving Loan Fund created under the Act, and has developed an application procedure whereby the Governing Body may submit an application (“Application”) for financial assistance from the Authority for drinking water projects; and

WHEREAS, the Governing Body intends to undertake acquisition, construction and improvement of Lead Service Line Replacement Project the (“Project”) for the benefit of the Borrower and its citizens (or members as applicable); and

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

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

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

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

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

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

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

PASSED, APPROVED, AND ADOPTED this 20TH day of September, 2023.

GOVERNING BODY

By _____
Esperanza Holguin, Board Chair

(Seal) ATTEST:

Glory Juarez, Secretary

ATTACHMENT VI – AMENDMENT TO AGREEMENTS FOR ENGINEERING SERVICES
Amendment No. Four

1. As set forth in the AGREEMENT FOR ENGINEERING SERVICES dated the 20th day of July, 2022 (effective date of Agreement) by and between the Lower Rio Grande Public Water Works Authority, the OWNER, and Miller Engineers, Inc. d/b/a Souder, Miller & Associates, the ENGINEER, the OWNER and ENGINEER agree this ____ day of ____, 2023 (effective date of Amendment) that ENGINEER shall modify the Agreement and furnish ENGINEERING SERVICES in accordance with the GENERAL PROVISIONS of the Agreement and OWNER shall compensate the ENGINEER for services described as set forth below:

A. Description of Modifications:

Design, bidding and construction of 1,472 linear feet of waterline extension.

B. Perform or provide the following tasks and/or deliverables:

Design, bidding and construction of 1,472 linear feet of waterline extension.

C. Cost Proposal – Include hourly breakdown for each task

As detailed in the attached cost proposal.

Project Administration	\$	3,165.00
Field Surveying & Mapping	\$	7,778.00
Preliminary Design Phase Services	\$	24,214.00
Final Design Phase Services	\$	10,355.00
Bid Phase Services	\$	13,019.00
Construction Phase Services	\$	14,581.00
Construction Observation Services	\$	13,363.00
Closeout	\$	4,140.00
Total	\$	90,616.00

D. Reimbursable Expense Schedule

NA

E. Agreement Summary:


Original agreement amount:	\$ <u>0.00</u>
Net change for prior amendments:	\$ <u>184,600.00</u>
This amendment amount:	\$ <u>90,616.00</u>
Adjusted Agreement amount:	\$ <u>275,216.00</u>

F. Contract Time shall be 120 calendar days from the date of the OWNERS signature on Attachment VI. The services described in this amendment shall be completed and accepted by the OWNER by ____ (DATE). If these services have not been completed and accepted by ____ the ENGINEER shall pay the OWNER liquidated damages as outlined in the contract.

2. Signatures

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date of the signature by the required approval authorities below.

By: _____ Date: September 20, 2023
OWNER
Type Name Esperanza Holquin
Title Board Chair

By:  Date: 11Sep2023
ENGINEER
Type Name Lilla J. Reid, P.E.
Title Senior Vice President
Address 3500 Sedona Hills Parkway
Las Cruces, NM 88011

REVIEWED AND APPROVED: FUNDING AGENCY
AGENCY NAME: _____
By _____
Type Name _____
Date _____

Scope of Services

Project Description

Souder, Miller & Associates (SMA) prepared this Scope of Services to provide Design, Bid, Construction and Construction Observation Services to Lower Rio Grande Public Water Works Authority (Owner) for a 1,472 foot 6-inch PVC waterline extension (sized based on Owner direction). SMA proposes to complete the following scope of work.



Project Management

1. **Project Management Plan (PMP) Preparation:** SMA will prepare a PMP to outline and document the following to ensure the entire project team has information necessary for a successful project:
 - a. Project team roles and responsibilities
 - b. SMA role in the project
 - c. Subconsultants for the project
 - d. Critical issues for the project
 - e. Project scope, budget and schedule including identification of critical path items
 - f. Change management and mitigation
 - g. QAQC Plan
 - h. Risk identification and safety plan

The PMP is intended to be a living document and the PM will update the PMP throughout the project as necessary.

2. **Kick-off Meeting:** SMA will hold an internal kick-off meeting to review the PMP with all of the project team members.
3. **Ongoing Project Management:** SMA will set up project budget and files, keep project records, update PMP as necessary, and prepare monthly invoices as outlined in the contract. The fee for these monthly project management tasks is based on an overall project duration of ten (10) months.

Preliminary Design Phase Services

4. **Property/Easement Research:** SMA will research New Mexico Department of Transportation and County Right-of-Way Maps, and will research County plat records for adjacent properties and for existing easements shown on plats that may be applicable to the project. Included are the copying and related costs charged by the County for this research. SMA has not included a title search or warranty deed/easement research in this scope of services.

Exhibit A

Preliminary Design, Final Design, Bid, Construction Phase and Construction Observation Services

Scope of Services

5. **New Mexico Department of Transportation (NMDOT) Environmental Clearance:** SMA will prepare and submit an NMDOT Environmental Clearance letter to the NMDOT Environmental Design Division to determine whether any environmental clearance will be required to secure the NMDOT permit.
6. **As-built Research:** SMA will go through the Owner's available record drawings for applicable projects. The Owner will provide access to the records or will provide the records to SMA.
7. **Utility Coordination:** SMA will submit a design conference ticket and a design locate to the 811 Utility Locating System to attempt to get information regarding utilities that may be impacted by the proposed project. SMA will follow-up with utilities that do not respond to the design conference ticket up to two times before proceeding with the design without the utility information. SMA has not included physical utility location (potholing) nor associated mapping in this scope of services. SMA shall not be held responsible for costs (typically change order costs) associated with utilities that are not marked despite SMA's efforts to obtain the existing utility information.
8. **Topographical Survey:** SMA will perform a topographical survey of the project area. This survey will identify the approximate locations of property boundaries and easements based on occupation lines, but will not include a boundary survey of these properties. The survey will collect utility markings from the 811 design locate.
9. **Design of Waterline Plan:** SMA will prepare a pre-final horizontal alignment design for the waterline incorporating the data from the as-built research, the utility coordination and the property and easement research.
10. **Design of Waterline Profile:** SMA will prepare the pre-final design of the profile for the waterline. This profile will take into account the known underground utilities and will account for depth of bury if that information was relayed by the utility companies and attempt to minimize high points in the waterline.
11. **Design Water Connections:** SMA will prepare the pre-final design of the connections to the proposed waterline. SMA will design the connections to the existing system and any branch lines. Design of service line connections will not be included in this task because this work is covered by in the standard details, and the location of the service lines will be field coordinated by the construction observer during construction.
12. **Prepare Plans:** SMA will prepare a pre-final set of plans to include the design elements above and a Cover Sheet, General Notes, Overall Map with Survey Control, Standard Details, and Standard Construction Traffic Control Sheets.
13. **Engineer's Opinion of Probable Construction Cost (EOPCC):** Once the pre-final design of the waterline(s) is complete, SMA will estimate the quantities for all proposed items and will prepare unit cost price estimates for each item using SMA's database of existing projects and other resources.
14. **Prepare Contract Documents and Specifications:** SMA will prepare contract documents utilizing the Engineers Joint Contract Documents Committee (EJCDC) standard contract. This task includes modifying the standard contract for this project, and preparing a bid schedule. SMA will also prepare technical specifications to cover work included in the project.
15. **Submission to Agencies:** SMA will submit the pre-final plans, contract documents and technical specifications (Construction Documents) to the following Agencies for their review concurrent with the design review with the Owner:

Exhibit A

Preliminary Design, Final Design, Bid, Construction Phase and Construction Observation Services

Scope of Services

- a. NMED – Construction Programs Bureau (CPB)
- b. NMED-DWB – SMA will follow the NMED-Drinking Water Bureau (DWB) construction application checklist to prepare the Application for Construction or Modification of Public Water Supply System. The Owner will need to provide all the information requested by NMED-DWB that is not part of the proposed project. SMA understands that NMED-DWB approval is not required for pipeline projects.

SMA intends to address the comments from the Owner and the Agencies at the same time.

16. **Right-of-Way Permits:** SMA will submit right-of-way permit applications with the pre-final plans to the NMDOT and County. SMA will relay comments received during the permitting process to the Owner to ensure that the Owner agrees with design changes needed.
17. **Design Review with Owner:** SMA will conduct a meeting with the Owner's representative to review the pre-final design. **SMA will submit an electronic copy of the pre-final Construction Documents and the EOPCC via email** prior to the pre-final design review meeting. The purpose of this meeting will be to identify any issues with the alignment, profiles, and connections for the waterline(s) and to ensure that the alignment, profiles, pipe sizes, and locations of connections are acceptable to the Owner. Some potential issues to identify at this stage include: private or public utilities that were not identified on the available record drawings, landscaping or structures that were not identified on the topographical survey. The meeting is also intended to get Owner input on the standard details and to identify any Owner concerns related to operation and maintenance.

Final Design Phase Services

18. **Revisions to Construction Documents:** SMA will revise the Construction Documents to attempt to incorporate the pre-final design review comments resulting from the Owner and Agency reviews. The contract documents will be updated to include applicable wage rates as required by the Funding Agency.
19. **Revisions to EOPCC:** The EOPCC will be updated to reflect design changes.
20. **Resubmittal:** SMA will re-submit the revised Construction Documents to the Owner and Agencies as needed based on review comments received.
21. **Production:** SMA will produce a final plan set on 24" x 36" bond, and a final unbound set of the contract documents and specifications. These final documents will be used to make copies for distribution to the Owner and for distribution during bidding. **SMA will deliver three (3) hardcopies of the final Construction Documents and the EOPCC (and one digital pdf copy)** to the Owner after production.

Bid Phase Services

22. **Advertisement:** SMA will arrange to have the Advertisement for Bids published in one newspaper of general circulation nearest to the Owner's location two (2) times, approximately a week apart. The cost of the Advertisement is included in SMA's fee.
23. **Distribute Bid Documents:** SMA will make available electronic copies of the construction documents to interested Contractors during bidding and to local plan rooms. Contractors may obtain copies by contacting SMA to obtain access via the SMA web site. SMA will provide three (3) copies of 24" x 36"

Exhibit A

Preliminary Design, Final Design, Bid, Construction Phase and Construction Observation Services

Scope of Services

final design drawings, contract documents and technical specifications to the Contractor to whom the project is awarded.

24. **Substitution Evaluation:** SMA will evaluate and determine the acceptability of “or equals” and substitute materials and equipment proposed by bidders, provided that such proposals are allowed by the contract documents prior to award of contracts for the Work. Engineer shall issue a bid addendum to allow approved “or equals” and substitutes.
25. **Answer Questions During Bidding:** SMA will accept and answer questions from Contractors during bidding.
26. **Prepare Addenda:** If any additional information needs to be included in the construction documents, SMA will prepare addenda and distribute these addenda to all interested Contractors, to the Owner and to the Funding Agency.
27. **Pre-bid Conference:** Prior to the bid opening, SMA will conduct a pre-bid conference to review the project and to address any outstanding issues with the construction documents. A field review of the project may be conducted during this pre-bid conference. SMA assumes that the Owner can arrange to hold the pre-bid conference at facilities that do not require any fees for their use, so no costs for facility use are included.
28. **Open Bids:** The Contractors will submit their bids to the Owner to SMA at their office at 3500 Sedona Hills Parkway, Las Cruces, NM 88011 up to the bid opening deadline. After the bid opening deadline, SMA will read the bids received aloud, and will adjourn the bid opening meeting.
29. **Preparation of Bid Tabulation:** SMA will examine and tabulate the bids received to identify any math or extension errors.
30. **Preparation of Recommendation of Award:** SMA will examine the bid packages received for completeness. SMA will check that the Contractors are properly licensed and will verify the references for the low bidder. SMA will then make a written recommendation to the Owner for the award of the construction contract.

Construction Phase Services

31. **Conform Contract Documents:** Once the Owner and Agencies have approved the recommendation of award, SMA will prepare the Notice of Award for execution by the Owner and the Contractor. SMA will also prepare the contract documents for execution. Four (4) original copies will be prepared for execution by the Owner and Contractor and for concurrence by the Funding Agency. SMA will distribute the fully executed copies to the Owner, the Contractor the Funding Agency, and will keep one original.
32. **Pre-construction Conference:** SMA will conduct a pre-construction conference to address construction related issues with the Owner and Contractor. The cut-off for pay periods will be set as well as the Notice to Proceed date. SMA will prepare the Notice to Proceed for execution by the Contractor and the Owner.
33. **Submittal and Shop Drawing Review:** SMA will review submittals and other data that the Contractor is required to submit for conformance with the information in the contract documents and compatibility with the design concept of the project as a functioning whole. Such reviews will not extend to means, methods, techniques, sequences, or procedures of construction or to safety

Exhibit A

Preliminary Design, Final Design, Bid, Construction Phase and Construction Observation Services

Scope of Services

precautions and programs incident thereto. SMA will verify and document whether Contractor submittals are in accordance with the technical specifications. SMA will create and maintain a log of all submittals and shop drawings.

34. **Respond to Requests for Information:** SMA will respond to the Contractor's Requests for Information (RFIs) in writing. SMA will create and maintain a log of all RFIs. This may include issuing necessary clarifications and interpretations of the contract documents and technical specifications as appropriate.
35. **Field Orders:** SMA may issue field orders authorizing minor variations from the requirements of the contract documents and technical specifications.
36. **Site Visits:** SMA will make periodic visits to the site to observe the progress and quality of the various aspects of the Contractor's work. Based on the information obtained, and to the extent possible during such visits and observations, SMA will determine if the work is proceeding in accordance with the contract documents and technical specifications and will keep the Owner informed of the progress of the work. During such visits, SMA will recommend to the Owner that the Contractor's work be disapproved and rejected while it is in progress if SMA believes that such work will not produce a completed project that conforms generally to the contract documents and technical specifications or that will prejudice the integrity of the design concept of the completed project as a functioning whole as indicated in the contract documents and technical specifications. These visits will coincide with the progress meetings. The fee is based on making one site visits [one site visit per month for the 30 calendar day construction project duration and preparing a site visit record for the Owner via email.]
37. **Progress Meetings:** SMA will establish, coordinate and attend regular project meetings throughout the duration of the project. The fee is based on attending monthly meetings for the 30 calendar day construction project duration and preparing agendas and meeting minutes for these meetings.
38. **Preparation of Periodic Pay Requests:** SMA will prepare periodic pay requests for the work accomplished during the pay period as verified by the construction observer. Based on the construction observer review of applications for payment and engineer review of accompanying support documentation, SMA will recommend the amounts that the Contractor be paid. Such recommendations of payment will be based on such observations and review that, to the best of SMA's knowledge, the work has progressed to the point indicated, the quality of such work is generally in accordance with the contract documents, and the conditions precedent to the Contractor being entitled to such payment appear to have been fulfilled.
39. **Preparation of Contract Change Orders:** SMA will recommend action on any proposed contract changes including review of proposed pricing. SMA will prepare formal change orders required for the project.
40. **Complete Acceptance Meeting:** SMA will schedule and arrange acceptance meetings when notified by the Contractor that the project is ready for acceptance. SMA will complete one (1) substantial completion acceptance meetings, prepare and distribute a "punchlist" outlining items to be addressed, and complete one (1) follow-up final completion meeting after Contractor indicates that the "punchlist" has been completed and make a recommendation to the Owner regarding project acceptance.

Exhibit A

Preliminary Design, Final Design, Bid, Construction Phase and Construction Observation Services

Scope of Services

41. **Preparation of Close-out Documents:** At the completion of the project, SMA will complete forms, provide direction, and coordinate completion of the closeout documents required by the NMED [Funding Agency] listed below:
 - a. Certification of Substantial Completion
 - b. Engineer & Community Acceptance
 - c. Record Drawings & O&M Manuals Acceptance
 - d. Consent of Surety to Final Payment
 - e. Affidavit of Payment and Release of Liens
 - f. Labor Standards Certification
42. **Maintain Records:** SMA will maintain records of all contract documents, change orders, RFIs, pay requests, funding reimbursement requests, financial status reports, certified payroll, and design and construction documents during the entire construction period and will deliver one (1) copy of the complete project records to the Owner at the completion of construction in digital PDF format.
43. **Preparation of Record Drawings:** SMA will update the construction plans to reflect changes made during construction. Record Drawings will be prepared utilizing the project documentation provided by the Contractor. **SMA will submit the original record drawings and three (3) hardcopies (and one digital pdf copy)** to the Owner upon completion.
44. **Preparation of Operation and Maintenance (O&M) Manual:** SMA will prepare an O&M Manual to include operation and maintenance information provided by the manufacturer of manufactured goods installed on the project.
45. **Warranty Meeting:** SMA will schedule and arrange a warranty meeting 11 months after the substantial completion date to make recommendations to the Owner regarding corrections covered by the Contractor's warranty that need to be completed. SMA will complete one (1) warranty meeting, prepare and distribute a "punchlist" outlining items to be addressed, and complete one (1) follow-up meeting after Contractor indicates that the "punchlist" has been completed.
46. SMA will provide construction surveying services for the water system improvements project. Specifically, SMA will tie into the established project control, stake the center line (or offset if preferred by contractor) of the waterline at 50' intervals (or greater), angles, tees, vaults, hydrants, and valves.
47. SMA will provide additional incremental stakes for crossings and will provide traffic control for the construction staking in County and NMDOT rights-of-way.
48. SMA will provide stakes one time with an additional 8 hours available for re-stakes.

Construction Observation Services

49. **Construction Observation:** SMA will provide an on-site Resident Project Representative (RPR) on a part-time basis during construction. The fee for this work was based on a construction duration of 30 calendar days and completing a total of ten inspections that will be coordinated with the Contractor to attempt to occur during periods when the observation will be most beneficial. SMA will coordinate with the Contractor to attempt to minimize the number of site visits and provide site visits when they are most beneficial. Please note that SMA is unable to observe errors or deficiencies while SMA personnel are not on site. during progression of construction. The fee for this work was based on a

Exhibit A

Preliminary Design, Final Design, Bid, Construction Phase and Construction Observation Services

Scope of Services

construction duration of 30 calendar days to substantial completion, and 15 calendar days between substantial completion and final completion. The fee for Construction Observation Services is based on 9 hours on-site per day, 0.5 hours of travel each day, 0.5 hours for report preparation, daily expenses of \$15, and a daily mileage reimbursement of 44 miles at \$0.625/mile. This work will include coordination of the construction schedule with the Contractor and verification of quality of work for conformance with the Construction Documents.

- 50. **Preconstruction Conference:** The RPR will participate in the pre-construction conference prior to commencement of work at the site.
- 51. **Quantity Verification:** The RPR will verify the quantities in applications for payment and accompanying support documentation and advise the engineer regarding the amounts that the Contractor should be paid.
- 52. **Material Verification:** While on-site, SMA will verify and document that material received is per the submittals, material installed, tested, and measured per the technical specifications.

Schedule

SMA proposes to complete the above scope of services according to the following schedule.

Task	Duration (calendar days)
List of data needed from Owner	10 days from contract execution
Field Surveying & Mapping	45 days from contract execution
Preliminary Design Phase Services	90 days from the receipt of Owner data
Final Design Phase Services	30 days from the receipt of Agencies and Owner comments
Bid Phase Services	45 days from the receipt of Agencies approval and Owner authorization to Bid
Construction Phase Services	30 days from the construction Notice to Proceed
Construction Observation Services	30 days from the construction Notice to Proceed
Closeout Services	375 days from final completion (45 days for closeout, 330 days for warranty)

Compensation

The budgets shown below exclude New Mexico Gross Receipts Tax (NMGRT). NMGRT will be added to each invoice based on the current rate at the time of billing. The budgets for the phases shown will be billed on a lump sum basis; therefore, the invoices will not include an itemized breakdown of charges. Invoices will be issued on a monthly basis reflecting the percentage of each task completed to date.

<u>Task</u>	<u>Cost</u>
Project Administration	\$ 3,165.00
Field Surveying & Mapping	\$ 7,778.00
Preliminary Design Phase Services	\$ 24,214.00
Final Design Phase Services	\$ 10,355.00
Bid Phase Services	\$ 13,019.00
Construction Phase Services	\$ 14,581.00
Construction Observation Services	\$ 13,363.00
Closeout	\$ 4,140.00
Total	\$ 90,616.00

Assumptions

SMA made the following assumptions to develop the fee for the above scope of services:

1. SMA assumes that there is no contamination on the project site. If contamination is found on the project site, and investigation is required, SMA will alert the Owner and additional scope and fee will be negotiated with the Owner.
2. SMA assumes that the Owner holds titles or easements to any properties required for the project with the exception of the public rights-of-way listed above. SMA assumes that the Owner will provide copies of the warranty deeds, plats, and easement documents to SMA. A title search, warranty deed research, easement research, boundary surveys or easement preparation will require an amendment to this contract, which will be negotiated with the Owner. If the property descriptions in the easement documents are ambiguous, the Owner may need to provide additional direction regarding the proposed improvement locations or negotiate a fee to have SMA prepare a new easement.
3. SMA assumes that the Owner will provide operations staff to open or otherwise provide access to the existing facilities that need to be surveyed.
4. SMA assumes that there will not be any additional environmental clearance work will be required to secure the NMDOT permit. If additional environmental clearance work will be required, SMA will negotiate a fee for the additional work required.
5. SMA assumes that there are no geotechnical conditions that will require special design considerations (corrosive soils, shallow groundwater, rock excavation).
6. SMA assumes the Owner will secure a Site Certificate from their attorney if required by the funding agency to confirm property ownership for the property.
7. SMA assumes that the Owner knows the location of their existing utilities and can mark the locations within allowable 811 tolerances (typically within 18 inches).

Exhibit A

Preliminary Design, Final Design, Bid, Construction Phase and Construction Observation Services

Scope of Services

8. SMA assumes that the proposed improvements will have adequate space within the specified corridor to be installed. If existing utilities within the corridor prohibit the installation of the proposed improvements, SMA will alert the Owner, and the corridor will be modified, or an additional scope and fee will be negotiated with the Owner to cover the additional engineering required to mitigate the existing utilities.
9. SMA assumes that the Owner does not have an existing Supervisory Control and Data Acquisition (SCADA) system or that the proposed improvements will need to be tied into an existing SCADA system.
10. SMA assumes that the bid opening and the preconstruction conference will either be held at SMA's offices or that the Owner can arrange to hold the meetings at facilities that do not require any fees for their use. No costs for use of a third-party facility are included in the fee.
11. SMA assumes that the construction progress meeting can be held at the Contractor's trailer or at the Owner's facilities. No costs for use of a third-party facility are included in the fee.
12. During construction, job site safety shall be the sole responsibility of the Contractor. SMA will not manage or control the Contractor's work with respect to means, methods, techniques, sequences or procedures, and/or safety. The Contractor will be responsible for complying with rules, laws, ordinances, codes, or orders in the execution of the work. SMA and its subconsultants shall have no responsibility for the discovery, presence, handling, removal, or disposal of or exposure of persons to hazardous materials or toxic substances in any form at the Project site. The Scope of Services and Fee Schedule have been prepared on the basis that no hazardous or toxic substances are present at the Project site. In the event hazardous or toxic substances are discovered on the site, the parties agree to review and renegotiate the terms and conditions of this contract to protect the interests of the parties.

Summary of Cost Proposal

Souder, Miller & Associates

Professional Services and Expenses Task/Hours/Fee Breakdown Related To

Project Description: Hwy 189 WL Extension
Project Number: 6331353
Owner: LRGPWWA
Date of Submittal: September 11, 2023
Tax Rate on Services: 6.5000%

TOTALS

PHASE/ CATEGORY OF WORK	Subtotal	NMGRT	Total
Project Administration	\$ 3,165.00	\$ 205.73	\$ 3,370.73
Field Survey and Mapping	\$ 7,778.00	\$ 505.57	\$ 8,283.57
Preliminary Design	\$ 24,214.00	\$ 1,573.91	\$ 25,787.91
Final Design	\$ 10,355.00	\$ 673.08	\$ 11,028.08
Bid Administration	\$ 13,019.00	\$ 846.24	\$ 13,865.24
Construction Administration	\$ 14,582.00	\$ 947.83	\$ 15,529.83
Construction Observation	\$ 13,363.00	\$ 868.60	\$ 14,231.60
Closeout	\$ 4,140.00	\$ 269.10	\$ 4,409.10
TOTALS	\$ 90,616.00	\$ 5,890.04	\$ 96,506.04

EXHIBIT B.2 - COST PROPOSAL

Souder, Miller & Associates

Professional Services and Expenses Task/Hours/Fee Breakdown Related To

DESIGN PHASE - BASIC ENGINEERING SERVICES

Project Description: Hwy 189 WL Extension
Project Number: 6331353
Owner: LRGPWWA
Date of Submittal: September 11, 2023
Tax Rate on Services: 6.5000%

Note: Figures in this table do not include tax.

Job Description	Principal	Senior Manager III	Senior Manager II	Project Eng./Sci./Surv II	Staff EIT/LSIT Sci. II	Eng/CAD Surv/Field Tech V	Eng/CAD Surv/Field Tech III	Eng/CAD Surv/Field Tech I	Project Fin./Mgr. Asst. II	GPS	Mileage	Expenses	Per Diem	Total	SMA	Sub Contracts	Total Task
Billing Rate per Unit	\$ 240	\$ 225	\$ 210	\$ 140	\$ 120	\$ 120	\$ 80	\$ 70	\$ 100	\$ 25	\$ 0.655	\$ 1.00	\$ 15				
Unit	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Mi	Actual	Days	\$	\$	\$	
Task																	
Project Administration																	
Project Management Plan Preparation			1	1										\$ 350	\$ -	\$ -	\$ 350
Kick-off Meeting		1		1	1	1								\$ 815	\$ -	\$ -	\$ 815
Ongoing Project Management			4	4					6					\$ 2,000	\$ -	\$ -	\$ 2,000
Subtotal Hours:	0	1	6	6	1	1	0	0	6	0	0	0	0	\$ 3,165	\$ -	\$ -	\$ 3,165
Subtotal Cost:	\$ -	\$ 225	\$ 1,260	\$ 840	\$ 120	\$ 120	\$ -	\$ -	\$ 600	\$ -	\$ -	\$ -	\$ -	\$ 3,165	\$ -	\$ -	\$ 3,165
Preliminary Design																	
Property/Easement Research				1										\$ 140	\$ -	\$ -	\$ 140
NMDOT Environmental Clearance				2	4									\$ 760	\$ -	\$ -	\$ 760
As-built Research					1									\$ 120	\$ -	\$ -	\$ 120
Utility Coordination				2	12						44	100	1	\$ 1,864	\$ -	\$ -	\$ 1,864
Subtotal Hours:				5	17						44	100	1	\$ 2,824	\$ -	\$ -	\$ 2,824
Subtotal Cost:	\$ -	\$ -	\$ -	\$ 700	\$ 5,880	\$ 12,960	\$ -	\$ -	\$ -	\$ -	\$ 29	\$ 100	\$ 15	\$ 24,214	\$ -	\$ -	\$ 24,214
Design Plans																	
Cover/Index			1		2	8								\$ 1,410	\$ -	\$ -	\$ 1,410
Notes			1		2	8								\$ 1,410	\$ -	\$ -	\$ 1,410
Survey Control			1		2	8								\$ 1,410	\$ -	\$ -	\$ 1,410
Scope			1		4	8								\$ 1,650	\$ -	\$ -	\$ 1,650
P&P			1		4	16								\$ 2,610	\$ -	\$ -	\$ 2,610
Details			1		2	8								\$ 1,410	\$ -	\$ -	\$ 1,410
TC			1		2	8								\$ 1,410	\$ -	\$ -	\$ 1,410
Subtotal Hours:			5		17	59								\$ 10,355	\$ -	\$ -	\$ 10,355
Subtotal Cost:	\$ 480	\$ 675	\$ -	\$ 2,240	\$ 1,920	\$ 5,040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,355	\$ -	\$ -	\$ 10,355
Prepare Plans																	
EOPCC			1		4	8								\$ 1,650	\$ -	\$ -	\$ 1,650
Prepare Contract Documents and Specifications			1		4	12								\$ 2,130	\$ -	\$ -	\$ 2,130
QAQC	4		2		4	12								\$ 3,300	\$ -	\$ -	\$ 3,300
Submission to Agency[ies]			1		1	4								\$ 810	\$ -	\$ -	\$ 810
Right-of-Way Permits			1		1	4								\$ 810	\$ -	\$ -	\$ 810
Design Review with Owner			4											\$ 840	\$ -	\$ -	\$ 840
Subtotal Hours:	4	0	17	5	49	108	0	0	0	0	44	100	1	\$ 24,214	\$ -	\$ -	\$ 24,214
Subtotal Cost:	\$ 960	\$ -	\$ 3,570	\$ 700	\$ 5,880	\$ 12,960	\$ -	\$ -	\$ -	\$ -	\$ 29	\$ 100	\$ 15	\$ 24,214	\$ -	\$ -	\$ 24,214
Final Design																	
Revisions to Construction Documents	1	2		12	8	32								\$ 7,170	\$ -	\$ -	\$ 7,170
QAQC	1	1		2	2	8								\$ 1,945	\$ -	\$ -	\$ 1,945
Revisions to EOPCC				1	2									\$ 380	\$ -	\$ -	\$ 380
Resubmittal				1	2									\$ 380	\$ -	\$ -	\$ 380
Production					2	2								\$ 480	\$ -	\$ -	\$ 480
Subtotal Hours:	2	3	0	16	16	42	0	0	0	0	0	0	0	\$ 10,355	\$ -	\$ -	\$ 10,355
Subtotal Cost:	\$ 480	\$ 675	\$ -	\$ 2,240	\$ 1,920	\$ 5,040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,355	\$ -	\$ -	\$ 10,355
Field Survey and Mapping																	
Survey Plan / Instructions		1												\$ 225	\$ -	\$ -	\$ 225
Survey Research:														\$ -	\$ -	\$ -	\$ -
Utility Locations														\$ -	\$ -	\$ -	\$ -
Right of Way / Easements		1												\$ 225	\$ -	\$ -	\$ 225
Property Ownership		1												\$ 225	\$ -	\$ -	\$ 225
Obtain Permission to Survey		1												\$ 225	\$ -	\$ -	\$ 225
Perform Field Research		2												\$ 450	\$ -	\$ -	\$ 450
Perform Field Survey		2					18	18		30	88	250	4	\$ 4,268	\$ -	\$ -	\$ 4,268
Establish Utility & R/W Location							1	1						\$ 150	\$ -	\$ -	\$ 150
Establish Control Points							1	1						\$ 150	\$ -	\$ -	\$ 150
Download Data / tins & contours		1					2	1						\$ 385	\$ -	\$ -	\$ 385
Prepare Mapping		2					8							\$ 1,090	\$ -	\$ -	\$ 1,090
Verify Accuracy of Survey		1					2							\$ 385	\$ -	\$ -	\$ 385
Subtotal Hours:	0	12	0	0	0	0	32	20	0	30	88	250	4	\$ 7,778	\$ -	\$ -	\$ 7,778
Subtotal Cost:	\$ -	\$ 2,700	\$ -	\$ -	\$ -	\$ -	\$ 2,560	\$ 1,400	\$ -	\$ 750	\$ 58	\$ 250	\$ 60	\$ 7,778	\$ -	\$ -	\$ 7,778

Total Cost during the Design Phase: \$ 45,511

**Professional Services and Expenses Task/Hours/Fee Breakdown Related To
CONSTRUCTION PHASE - BASIC ENGINEERING SERVICES**

Project Description: Hwy 189 WL Extension
 Project Number: 6331353
 Owner: LRGPWVA
 Date of Submittal: September 11, 2023
 Tax Rate on Services: 6.5000%

Note: Figures in this table do not include tax.

Job Description	Principal	Senior Manager	Project Eng./Sci./Surv II	Staff EIT/LSIT Sci. II	Eng/CAD Surv/Field Tech V	Construc. Observer IV	Project Fin./Mgr. Asst. II	Mileage	Expenses	Per Diem	Total SMA	Sub Contracts	Total Task
Billing Rate per Unit	\$ 240	\$ 210	\$ 140	\$ 120	\$ 120	\$ 120	\$ 100	\$ 0.655	\$ 1.00	\$ 15			
Unit	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Mi	Actual	Days	\$	\$	\$
Task													
Bid Administration													
Advertisement			1								\$ 140	\$ -	\$ 140
Distribute Bid Documents			2								\$ 280	\$ -	\$ 280
Substitution Evaluation		2	4	4	2						\$ 1,700	\$ -	\$ 1,700
Answer Questions During Bidding		2	4	12	4						\$ 2,900	\$ -	\$ 2,900
Prepare Addenda		2	4	4	12						\$ 2,900	\$ -	\$ 2,900
Pre-bid Conference		2	2					44	200	2	\$ 959	\$ -	\$ 959
Open Bids			2								\$ 280	\$ -	\$ 280
Preparation of Bid Tabulation		1	2	12							\$ 1,930	\$ -	\$ 1,930
Preparation of Recommendation of Award		1	2	12							\$ 1,930	\$ -	\$ 1,930
Subtotal Hours:	0	10	23	44	18	0	0	44	200	2	\$ 13,019	\$ -	\$ 13,019
Subtotal Cost:	\$ -	\$ 2,100	\$ 3,220	\$ 5,280	\$ 2,160	\$ -	\$ -	\$ 29	\$ 200	\$ 30	\$ 13,019	\$ -	\$ 13,019
Construction Administration													
Ongoing Project Management	4	2					4				\$ 2,820	\$ -	\$ 2,820
Conform Contract Documents		1	2	12							\$ 1,930	\$ -	\$ 1,930
Pre-construction Conference			4					44	150	1	\$ 754	\$ -	\$ 754
Submittal and Shop Drawing Review		1	1	4							\$ 830	\$ -	\$ 830
Respond to Requests for Information		1	2	8	1						\$ 1,570	\$ -	\$ 1,570
Field Orders		1	1	6	1						\$ 1,190	\$ -	\$ 1,190
Site Visits			3								\$ 420	\$ -	\$ 420
Progress Meetings	1	2	4					44	150	1	\$ 1,414	\$ -	\$ 1,414
Preparation of Periodic Pay Requests	1	1	8								\$ 1,570	\$ -	\$ 1,570
Preparation of Contract Change Orders		1	8								\$ 1,330	\$ -	\$ 1,330
Complete Acceptance Meeting			4					44	150	1	\$ 754	\$ -	\$ 754
Subtotal Hours:	6	10	37	30	2	0	4	132	450	3	\$ 14,581	\$ -	\$ 14,581
Subtotal Cost:	\$ 1,440	\$ 2,100	\$ 5,180	\$ 3,600	\$ 240	\$ -	\$ 400	\$ 86	\$ 450	\$ 45	\$ 14,581	\$ -	\$ 14,581
Construction Observation													
Construction Observation						100		440	400	10	\$ 12,838	\$ -	\$ 12,838
Preconstruction Conference						4		44		1	\$ 524	\$ -	\$ 524
Number of Visits = <u>10</u>													
Hours per Visit = <u>10</u>													
Frequency of Visits = Bi-Weekly													
Includes Pay Meeting Attendance													
Subtotal Hours:	0	0	0	0	0	104	0	484	400	11	\$ 13,362	\$ -	\$ 13,362
Subtotal Cost:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,480	\$ -	\$ 317	\$ 400	\$ 165	\$ 13,362	\$ -	\$ 13,362
Closeout													
Preparation of Close-out Documents		1	2	8							\$ 1,450	\$ -	\$ 1,450
Maintain Records			4								\$ 560	\$ -	\$ 560
Preparation of Record Drawings	2	1			12						\$ 2,130	\$ -	\$ 2,130
Preparation of O&M Manual											\$ -	\$ -	\$ -
Coordinate Warranty + Repairs Based on Walk											\$ -	\$ -	\$ -
Subtotal Hours:	2	2	6	8	12	0	0	0	0	0	\$ 4,140	\$ -	\$ 4,140
Subtotal Cost:	\$ 480	\$ 420	\$ 840	\$ 960	\$ 1,440	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,140	\$ -	\$ 4,140

Total Cost during the Construction Phase: \$ 45,102



LOWER RIO GRANDE

Public Water Works Authority

P. O. Box 2646 Anthony, New Mexico 88021 (575) 233-5742

The delinquency fee is applied after the delinquency date has occurred and the disconnection list is generated, which is forty-five (45) days after billing date and whether services have or have not been physically terminated through closing, locking or removing of water meter.

- I. Delinquent Accounts.** When an account balance reaches sixty (60) days, the customer will be required to pay a deposit (See Schedule of Rates & Fees- Attachment #2) which will be refundable after the account balance has been kept current for a period of twelve (12) consecutive months. In addition, for a renter account, the member/owner will have no authority over the renter's account unless it becomes delinquent and 90 days from the bill date, after which the LRGPWWA will notify the member/owner and the member/owner will have the authority to close or deactivate the account.
- J. Membership in Default.** When an account balance reaches six (6) months, the membership is deemed to be in default, and collection procedures will be initiated.
- K. Termination of Membership & Liens.** If a member's account is delinquent for twelve (12) months after disconnection of water service, the amount due may be considered uncollectible and the membership shall be cancelled. Water service for **all** accounts associated with the terminated membership will be terminated. The Authority may file a lien against property owned by the member, initiate further collection procedures, and/or use any other available means to collect the amount owned and resolve the default. After a membership is terminated [or the property is sold](#), a request for reconnection shall be subject to payment of all outstanding balances plus a new **membership fee and connection reinstatement fees**.
- L. Water/Sewer Service to the Seriously Ill.** The Authority will not terminate water/sewer service to any residence where a seriously ill person resides provided that:



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SCHEDULE OF RATES & FEES

Water Rates

Adopted ~~February 17, 2021~~ **August 16, 2023**

Implementation Date ~~July 1, 2021~~ **September 1, 2023 (10/1/23 Bills)**

Residential Water Rates

Minimum Bill		\$ 20.73	for			2,000	gallons
Tier 1	2,001–5,000	gallons	for	\$ 3.32	per	1,000	gallons
Tier 2	5,001–10,000	gallons	for	\$ 4.15	per	1,000	gallons
Tier 3	10,001–15,000	gallons	for	\$ 4.97	per	1,000	gallons
Tier 4	15,001–20,000	gallons	for	\$ 5.81	per	1,000	gallons
Tier 5	Over 20,000	gallons	for	\$ 6.63	per	1,000	gallons

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

Minimum Bill		\$ 33.18	for			2,000	gallons
Tier 1	2,001–5,000	gallons	for	\$ 3.32	per	1,000	gallons
Tier 2	5,001–10,000	gallons	for	\$ 4.15	per	1,000	gallons
Tier 3	10,001–15,000	gallons	for	\$ 4.97	per	1,000	gallons
Tier 4	15,001–20,000	gallons	for	\$ 5.81	per	1,000	gallons
Tier 5	Over 20,000	gallons	for	\$ 6.63	per	1,000	gallons

Commercial Water Rates *

Minimum Bill		\$ 53.09	for			2,000	gallons
Tier 1	2,001–5,000	gallons	for	\$ 4.97	per	1,000	gallons
Tier 2	5,001–20,000	gallons	for	\$ 5.81	per	1,000	gallons
All over	All over 20,000	gallons	for	\$ 6.63	per	1,000	gallons



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NEW RATE TABLES:

Residential Water Rates		
Tier	Gallons	Effective 9/1/2023
Minimum	0-2,000 - Base	\$ 22.43
Tier 1/1,000 gallons	2,001-5,000	\$ 3.59
Tier 2/1,000 gallons	5,001-10,000	\$ 4.49
Tier 3/1,000 gallons	10,001-15,000	\$ 5.38
Tier 4/1,000 gallons	15,001-20,000	\$ 6.28
Tier 5/1,000 gallons	20,001 & over	\$ 7.17

Small Commercial Water Tier	Gallons	Effective 9/1/2023
Minimum	0-2,000	\$ 35.88
Tier 1/1,000 gallons	2,001-5,000	\$ 3.59
Tier 2/1,000 gallons	5,001-10,000	\$ 4.47
Tier 3/1,000 gallons	10,001-15,000	\$ 5.38
Tier 4/1,000 gallons	15,001-20,000	\$ 6.28
Tier 5/1,000 gallons	20,001 & over	\$ 7.17

Commercial Water Tier	Gallons	Effective 9/1/2023
Minimum	0-2,000	\$ 54.12
Tier 1	2,001-5,000	\$ 5.07
Tier 2	5,001-20,000	\$ 5.92
Tier 3	20,001 & over	\$ 6.76

FOR BULK WATER RATE & FEES
See Bulk Water Agreement Form (Attachment 15)



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Sewer Rates

Adopted ~~February 17, 2021~~ August 16, 2023

Implementation Date ~~July 1, 2021~~ *September 1, 2023 (10/1/23 Bills)

Residential Sewer Rates (If Water Service is from LRGPWWA)

Minimum Bill	\$ 12.36	for		0	gallons
Tier 1	0-20,000	gallons	for	\$ 1.80	per 1,000 gallons
No additional charge for usage over 20,000 water usage					

Commercial Sewer Rates (If Water Service is from LRGPWWA)

Minimum Bill	\$16.22	for		0	gallons
Tier 1	0-10,000	gallons	for	\$ 2.06	per 1,000 gallons
Tier 2	10,001-20,000	gallons	for	\$ 2.32	per 1,000 gallons
Tier 3	All over 20,001	gallons	for	\$ 3.09	per 1,000 gallons

Residential Sewer Rates		
Tier	Gallons Water Usage	Effective 9/1/2023
Minimum	0	\$ 15.28
Tier 1	0-20,000	\$ 2.10
Tier 2	over 20,000	\$ -

Commercial Sewer		
Tier	Gallons Water Usage	Effective 9/1/2023
Minimum	0	\$ 18.90
Tier 1	0-10,000	\$ 2.40
Tier 2	10,001-20,000	\$ 2.70
Tier 3	over 20,000	\$ 3.60

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

The following rates apply to those who receive only sewer service from the LRGPWWA: