LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Meeting Notice & Agenda — REGULAR BOARD OF DIRECTORS MEETING
9:00 a.m. Thursday, August 20, 2026, at the Vado OFFICE, 579 Vado Road, Vado, NM and ONLINE VIA ZOOM

Contact us at 575-233-5742 or board@LRGauthority.org for information, assistance, an 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 before the meeting and may be obtained at any LRGPWWA Office or 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), District #4 is vacant, **Mr. Perez** _____ (District # 5), **Mrs. Juarez** ____ (District #6), **Ms. Bowles** ____ (District #7).

II. Pledge of Allegiance

III. Motion to approve Agenda

IV. Approval of Minutes: Motion to approve the minutes for July 16th Regular Board Meeting

V. Presentations: None

VI. Public Input:

1. Mr. Luis Hidalgo, regarding Maria Hidalgo's water meter issues
2. Mr. Ben Estrada & Mr. Alex Rodriguez regarding the rate increases

VII. Managers' Reports

- **A.** General Manager
- **B.** Projects
- **C.** Operations
- **D.** Finance

VIII. Unfinished Business: none

IX. New Business:

- **A.** Motion to adopt Resolution #FY2027-05 Authorizing Application to NM Water Trust Board for South Valley Waterline Extension Project & authorize the General Manager to sign on behalf of the Authority and assign agents.
- **B.** Motion to adopt Resolution #FY2027-06 Authorizing Application to NM Water Trust Board for High Valley Water Treatment Project & authorize the General Manager to sign on behalf of the Authority and assign agents.
- **C.** Motion to adopt Resolution #FY2027-07 Authorizing Application to NM Water Trust Board for Organ Wastewater Lagoons Rehabilitation Project & authorize the General Manager to sign on behalf of the Authority and assign agents.
- **D.** Motion to adopt Resolution #FY2027-08 Authorizing Application to NM Water Trust Board for East Mesa Well Improvements Project & authorize the General Manager to sign on behalf of the Authority and assign agents.
- **E.** Motion to adopt Resolution #FY2027-09 Authorizing SAP 26-K2415-GF Valle Del Rio Generator Purchase & authorize the General Manager to sign on behalf of the Authority and assign agents.

F. Motion to adopt Resolution #FY2027-10 Authorizing SAP 26-K3197 NM HWY 478 & Boyer Rd Water Line Replacement & authorize the General Manager to sign on behalf of the Authority and assign agents.

G. Motion to approve and amend Schedule of Rates & Fees to reflect increasing "Fire-Flow Testing Fee"

H. Motion to approve Policy #2027-01 Fraud, Waste & Abuse Policy

I. Motion to authorize End of Year Training

X. Other discussion and agenda items for the next meeting at 9:00 a.m. Thursday, September 17th, 2026, at our Central office and via Zoom.
1. 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 requires 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 579 Vado Road, Vado, NM at least one week before 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 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 579 Vado Road, Vado, 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. Thursday, July 16, 2026, at the Vado OFFICE, 579 Vado Road, Vado, NM and ONLINE VIA ZOOM

Contact us at 575-233-5742 or board@LRGauthority.org for information, assistance, an 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 before the meeting and may be obtained at any LRGPWWA Office or www.LRGauthority.org/noticesavisos.html

I. **Call to Order, Roll Call to Establish Quorum:** District 1 is vacant, **Mr. Franco** representing District #2 was present, **Mr. Cadena** representing District #3 was present, District #4 is vacant, **Mr. Perez** representing District # 5 was present, **Mrs. Juarez** representing District #6 was present, **Ms. Bowles** representing District #7 was present via Zoom. Staff present were General Manger Martin Lopez, Projects Manager Patricia Charles, Finance Manager Kathi Jackson, Accounting Assistant John Schroder & Operations Manager Mike Lopez. Guests present were Tyler Hopkins with Bohannan Huston, Inc. & Faustino Peres from Representative Laras Office via Zoom.

II. **Pledge of Allegiance:** General Manager led the Pledge of allegiance.

III. **Motion to approve Agenda:** Mr. Perez 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 June 18th Regular Board Meeting:** Ms. Bowles made the motion to approve the minutes for June 18th Regular Board Meeting. Mr. Perez 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. General Managers report is attached for review.
- **B.** **Operations:** Mr. Lopez provided a written report and stood for questions. Operations Managers report is attached for review.
- **C.** **Finance:** Ms. Jackson provided a written report and stood for questions. Finance Managers report is attached for review.
- **D.** **Projects:** Ms. Charles provided a written report and stood for questions. Projects Managers report is attached for review.

VIII. **Unfinished Business:** none

IX. **New Business:**

- **A.** **Motion to adopt Resolution #FY2027-01 Adopting Budget Adjustments for FY2026:** Mrs. Juarez made the motion to adopt Resolution FY#2027-01 Budget Adjustments for FY2026. Mr. Perez seconded the motion; the motion passed with all in favor. Ms. Jackson indicated that we Budgeted 5.1 million and our actual income was 5.3 million the extra 200k was used to pay off 3 loans.

- **B.** **Motion to adopt Resolution #FY2027-02 Adopting 4th Quarter Budget for FY2026:** Mrs. Juarez made the motion to adopt Resolution FY#2027-02 Quarter Budget for FY2026. Ms. Bowles seconded the motion; the motion passed with

all in favor. Ms. Jackson said after the budget adjustments were made we were within the budgeted amount for the year.

C. **Motion to adopt Resolution #FY2027-03 Approving FY2027 Final Budget:** Mr. Perez made the motion to adopt Resolution #FY2027-03 approving the Final Budget, with amending for correction of year on Resolution. Mr. Franco seconded the motion; the motion passed with all in favor. The final budget for 2027 included rate adjustments, increase in insurance and funds to pay off loans.

D. **Motion to adopt Resolution #FY2027-04 Approving Membership with SCCOG for FY2026-2027:** Mr. Franco made the motion to adopt Resolution #FY2027-04 approving Membership with SCCPG for FY2026-2027; Mr. Perez seconded the motion; Mrs. Juarez abstaining from the vote, the rest were in favor. Mr. Lopez said we rely on this organization during the Legislative Session; they help us put together our ICIP and they are a good networking agency. We would like to keep Ms. Jackson as our appointee and Ms. Bowels as our designated representative.

E. **Motion to Authorize General Manager to approve Staff Developmental Training and Travel:** Ms. Bowles made the motion to authorize General Manager to approve Staff Developmental Training and Travel. Mrs. Juarez seconded the motion; the motion passed with all in favor.

F. **Motion to Authorize travel and attendance for Board & Staff for Conferences and Legislature:** Mrs. Juarez made a motion to authorize travel and attendance for Board & Staff for conferences and Legislature. Mr. Perez seconded the motion; the motion passed with all in favor.

X. Other discussion and agenda items for the next meeting at 9:00 a.m. Thursday, August 20th, 2026, at our Central office and via Zoom.

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

XI. **Motion to Adjourn:** Mr. Perez made the motion to adjourn the meeting at 9:35 a.m.

These minutes will be presented to the board for approval on the 20th Day of August, 2026 at a regular meeting of the Board of Directors:

SEAL:

_____

James Cadena, Board Chair

Attest:

_____

Glory Juarez, Secretary

LRGPWWA
Manager's Report
August 20, 2026

1. The LRGPWWA has been invited to participate in a tabletop exercise to test water utility emergency response plans for natural hazards that are in Dona Ana County. It will take place prior to April 2027
2. Paid off NMFA waterline loan (Berino/Del Cerro Water Project)
3. NMDOT/County will pay for the relocation of the waterline on the Kit Carson Bridge in Rincon
4. Analyzing the closure of the East Mesa Office. Low foot traffic, drop box in place and documents available on website-projected closure is December 2026
5. Rincon office (roof) fraud was resolved recovered-1/3 restitution
6. Mountainview Water (Organ Water) BLM termination was received permit not used, no facilities were constructed
7. NMED notified us that water systems will have to begin sampling for PFAS in 2027(per- and polyfluoroalkyl substances-synthetic or forever chemicals). No indication if they are going to pay for the samples
8. The additional security cameras have been installed

Projects Updates 08-20-2026

1. We will be applying for grant funding from Water Trust Board for Design only. They have approximately $100 million dollars to use on Projects.

    a. Requesting $500,000.00 for South Valley to continue the line extension
    b. Requesting $225,000.00 for High Valley Treatment Project – so we can treat for high levels of gross alpha radium
    c. Requesting $242,464.00 for Organ Lagoons for rehabilitation of ponds
    d. Requesting $322,300.00 for East Mesa Well Project

2. Applying for funding from NADBank for Lift Station #17 customer connections

3. The Grant Agreements for Stern Drive ($504,000.00) and Valle Del Rio ($539,538.40) have been signed they are in the system now, but we still cannot draw funds from either one yet.

4. Funding for Hwy 189 and S. Valley Line Extension Projects have been expanded; we received the certificate of Project Completion yesterday from NMED.

5. The Projects under construction are:

    a. **Stern Drive** we have had the substantial completion meeting
    b. **High Valley** we will be having the substantial completion meeting next week.
    c. **Valle Del Rio** is also very close to completion.

6. Office Building: We have requested the final payment to the contractor and have sent the closing documents to NM Environment Dept. Construction Programs Bureau.

7. Rincon Building: Reauthorization was granted to include property purchase in the description of this project. We continue in the search for property for our future building.

8. Mesquite Brazito Project will close at the end of this month. The last of the funding was used to install Bioxide equipment. USDA is working on the last Estimate of Funds for this project.

9. We are waiting on signed grant agreements for:

    A. Valle Del Rio $344,000.00 for the purchase of a new generator
    B. NM HYW 478 & Boyer Road $66,000.00

Lower Rio Grande PWWA

Operators Report

August 19, 2026

1. Our Operators have installed 6 new water services at the South Valley Area.
2. I have around 12 estimates for new services.
3. We had 5 service line breaks at the East Mesa Area.
4. We had two service line breaks at the Rincon Area.
5. The interconnect from Mesquite to Brazito has been working well.
6. We had 5 water line breaks in the South Valley area.
7. No problems with the force main from Brazito to Mesquite.
8. The high valley well #3 was down however when Stewart brothers came back and pulled the well they noticed that the motor wires were pinched and that is what caused the motor to short out. They fixed the problem at no cost to the Authority.
9. Operations and Martin started to enter a lot of information into the lead line inventory.
10. A couple of our operators continue performing lead line potholing at Alto De Las Flores

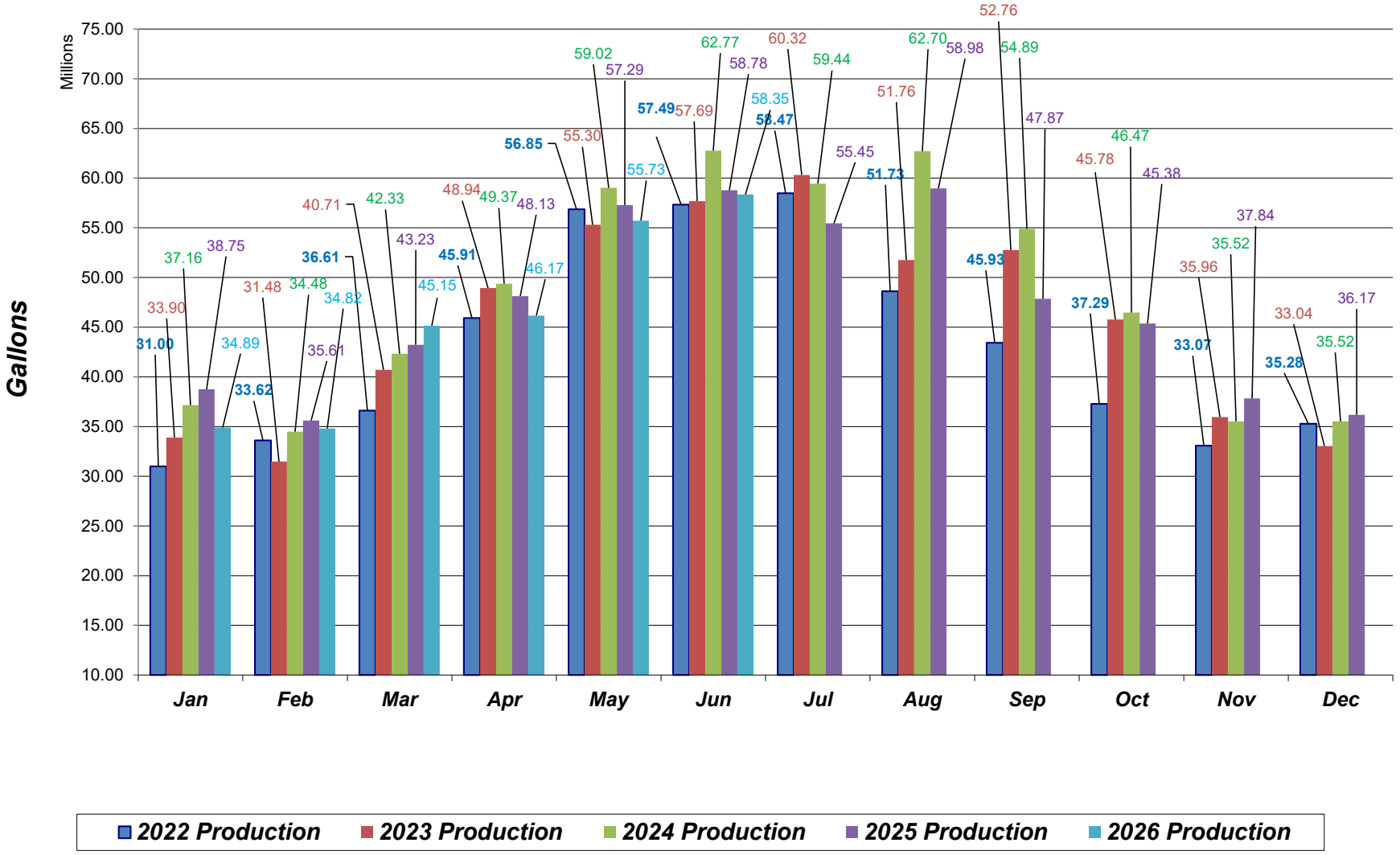
NMED: All of our Monthly Bac-T-Samples were taken for the month of June and all samples were negative.

Mesquite and Organ Sewer Reports. The Organ Pond Wastewater report is due on August 1st 2026.

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 2027 Period Ending: 07/31/2026

Combined Summary

AcctNumber	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Revenue				
40000 - Operating Revenue	4,721,769.00	408,463.99	408,463.99	4,313,305.01
40002 - Installation Fees	80,000.00	7,592.11	7,592.11	72,407.89
40003 - Activation & Connection Fees-W	22,500.00	1,950.00	1,950.00	20,550.00
40005 - Backflow Testing	7,500.00	500.00	500.00	7,000.00
40006 - Tampering Fee/Line Breaks	5,000.00	0.00	0.00	5,000.00
40007 - Delinquiency Fee	75,000.00	7,450.00	7,450.00	67,550.00
40008 - Penalties-Water	95,000.00	9,502.82	9,502.82	85,497.18
40009 - Membership Fees	5,000.00	350.00	350.00	4,650.00
40010 - Impact Fees	50,000.00	1,033.33	1,033.33	48,966.67
40011 - Returned Check Fees	525.00	70.00	70.00	455.00
40012 - Credit Card Fees	17,000.00	1,764.00	1,764.00	15,236.00
40013 - Miscellaneous Revenue	250.00	0.00	0.00	250.00
40015 - Penalties-Sewer	1,500.00	2,966.08	2,966.08	-1,466.08
40017 - Hydrant Meter Rental Fee	3,500.00	250.00	250.00	3,250.00
40018 - Permit Fees	500.00	0.00	0.00	500.00
40019 - DAC Trash Coupons	600.00	124.00	124.00	476.00
40020 - Miscellaneous Revenue-Sewer	0.00	2,456.75	2,456.75	-2,456.75
40025 - DAC Sewer Revenue	0.00	3,205.58	3,205.58	-3,205.58
45000 - Tower Rent	5,500.00	750.00	750.00	4,750.00
45005 - Fiscal Agent Fees	55,000.00	8,462.91	8,462.91	46,537.09
45010 - Interest	500.00	45.66	45.66	454.34
45015 - Copy/Fax	100.00	4.00	4.00	96.00
45020 - Other Income	60,000.00	11,334.67	11,334.67	48,665.33
45025 - Contract Services	0.00	6,271.72	6,271.72	-6,271.72
45030 - Transfers In	0.00	0.00	0.00	0.00
49000 - Recovered Bad Debts	1,000.00	100.00	100.00	900.00
Revenue Total:	**5,207,744.00**	**474,647.62**	**474,647.62**	**4,733,096.38**
Expense				
60001 -Transfers to Reserves	0.00	10,000.00	10,000.00	-10,000.00
60005 - Accounting Fees	500.00	0.00	0.00	500.00
60010 - Audit	21,000.00	0.00	0.00	21,000.00
60020 - Bank Service Charges	40,000.00	0.00	0.00	40,000.00
60021 - Monthly Credit Card Processing F	0.00	5,108.73	5,108.73	-5,108.73
60025 - Cash Short/Over	500.00	0.82	0.82	499.18
60026 - Computer Hardware	25,000.00	0.00	0.00	25,000.00
60030 - Dues and Subscriptions	3,250.00	500.00	500.00	2,750.00
60035 - Engineering Fees	60,000.00	4,116.13	4,116.13	55,883.87
60045 - Late Fees	500.00	0.00	0.00	500.00

60050 - Legal Fees	10,000.00	0.00	0.00	10,000.00
60055 - Legal Notices	500.00	0.00	0.00	500.00
60060 - Licenses & Fees	13,500.00	2,060.00	2,060.00	11,440.00
60065 - Meals	1,000.00	99.94	99.94	900.06
60075 - Permit Fees	1,000.00	0.00	0.00	1,000.00
60080 - Postage	4,000.00	20.96	20.96	3,979.04
60090 - Professional Fees-Other	25,000.00	0.00	0.00	25,000.00
60120 - Retirement Account Fees	30,000.00	0.00	0.00	30,000.00
60125 - Easments & Leases	10,000.00	0.00	0.00	10,000.00
60130 - Training	5,000.00	75.00	75.00	4,925.00
60140 - Travel:Airfare Per Diem	3,000.00	0.00	0.00	3,000.00
60150 - Travel:Lodging Per Diem	14,500.00	939.89	939.89	13,560.11
60155 - Travel:Meals Per Diem	2,000.00	131.14	131.14	1,868.86
60160 - Travel:Mileage/Parking Per Diem	2,000.00	0.00	0.00	2,000.00
60165 - Travel:Vehicle Rental Per Diem	1,500.00	0.00	0.00	1,500.00
60600 - Debit Service	431,591.00	153,552.84	153,552.84	278,038.16
60625 - Interest paid to NMED	89,797.00	0.00	0.00	89,797.00
60650 - Interest paid to NMFA	0.00	5,398.01	5,398.01	-5,398.01
60675 - Interest paid to USDA	96,606.00	23,752.32	23,752.32	72,853.68
63000 - Regular Pay	1,775,000.00	99,768.87	99,768.87	1,675,231.13
63001 - Overtime	50,000.00	3,999.01	3,999.01	46,000.99
63006 - Holiday Pay	80,000.00	6,125.01	6,125.01	73,874.99
63007 - Sick Pay	95,000.00	5,323.68	5,323.68	89,676.32
63008 - Annual Leave Pay	100,000.00	11,907.69	11,907.69	88,092.31
63040 - Administrative Labor	25,000.00	0.00	0.00	25,000.00
63070 - Employee Benefits-401K Contrib	232,000.00	3,566.24	3,566.24	228,433.76
63100 - Insurance-Dental	13,000.00	1,020.52	1,020.52	11,979.48
63110 - Insurance-Health	360,000.00	26,329.43	26,329.43	333,670.57
63115 - Salaries: Insurance - Work Comp	30,000.00	3,570.00	3,570.00	26,430.00
63125 - Insurance: Life & Disability	25,000.00	558.36	558.36	24,441.64
63130 - Mileage	1,500.00	0.00	0.00	1,500.00
63135 - Drug Testing	1,000.00	0.00	0.00	1,000.00
63160 - Payroll Taxes-Medicare	23,000.00	1,843.27	1,843.27	21,156.73
63170 - Payroll Taxes-Social Security	115,000.00	7,881.69	7,881.69	107,118.31
63180 - Payroll Taxes-State Unemployme	10,000.00	0.00	0.00	10,000.00
63195 - Taxes, Liability, Insurance: Cobra	1,000.00	0.00	0.00	1,000.00
63200 - Vision Insurance	4,500.00	233.00	233.00	4,267.00
64100 - Sewer:DAC Waste Water Flow Ch	0.00	6,239.83	6,239.83	-6,239.83
64200 - Sewer:Electricity-Sewer	0.00	896.38	896.38	-896.38
64300 - Sewer:Lab & Chemicals-Sewer	0.00	414.00	414.00	-414.00
64501 - Pre Paid Tank Site Lease	2,000.00	0.00	0.00	2,000.00
65010 - Automobile Repairs & Maint.	75,000.00	7,455.55	7,455.55	67,544.45
65230 - Computer Maintenance	133,000.00	4,531.60	4,531.60	128,468.40
65240 - Equipment Rental	5,000.00	0.00	0.00	5,000.00
65250 - Fuel	100,000.00	9,034.70	9,034.70	90,965.30
65255 - GPS Insights Charges	7,500.00	3,411.45	3,411.45	4,088.55
65260 - Kitchen & Cleaning Supplies	1,000.00	0.00	0.00	1,000.00

65270 - Lab Chemicals-Water	5,500.00	59.68	59.68	5,440.32
65275 - SCADA Maintenance Fee	5,000.00	120.49	120.49	4,879.51
65276 - Test Equipment Calibration	3,000.00	0.00	0.00	3,000.00
65277 - Generator Maintenance Contrac	10,000.00	0.00	0.00	10,000.00
65278 - Meter Testing/Repair/Replaceme	10,000.00	26.62	26.62	9,973.38
65280 - Lab Chemicals-Water:Chemicals	50,000.00	4,992.46	4,992.46	45,007.54
65300 - Locates	4,000.00	0.00	0.00	4,000.00
65310 - Maint. & Repairs-Infrastructure	50,000.00	12,431.47	12,431.47	37,568.53
65320 - Maint. & Repairs-Office	37,500.00	1,458.35	1,458.35	36,041.65
65330 - Maintenance & Repairs-Other	110,000.00	6,607.87	6,607.87	103,392.13
65340 - Materials & Supplies	75,000.00	11,643.01	11,643.01	63,356.99
65345 - Non Inventory-Consumables	52,000.00	2,384.93	2,384.93	49,615.07
65350 - Office Supplies	17,500.00	663.29	663.29	16,836.71
65360 - Printing and Copying	90,000.00	5,828.05	5,828.05	84,171.95
65370 - Tool Furniture	15,000.00	938.82	938.82	14,061.18
65390 - Uniforms-Employee	25,000.00	1,331.45	1,331.45	23,668.55
65490 - Cell Phone	30,000.00	1,279.90	1,279.90	28,720.10
65500 - Electricity-Lighting	6,500.00	377.65	377.65	6,122.35
65510 - Electricity-Offices	15,000.00	499.58	499.58	14,500.42
65520 - Electricity-Wells	210,000.00	12,923.75	12,923.75	197,076.25
65530 - Garbage Service	3,500.00	321.54	321.54	3,178.46
65540 - Natural Gas	3,500.00	141.23	141.23	3,358.77
65550 - Security/Alarm	5,000.00	432.47	432.47	4,567.53
65560 - Telephone	10,000.00	813.80	813.80	9,186.20
65570 - Wastewater	3,500.00	186.07	186.07	3,313.93
66200 - Insurance-General Liability	180,000.00	36,442.00	36,442.00	143,558.00
66300 - Insurance-Vehicles	0.00	139.93	139.93	-139.93
66700 - Water Conservation Fee	25,000.00	1,750.37	1,750.37	23,249.63
Expense Total:	**5,207,744.00**	**513,660.84**	**513,660.84**	**4,694,083.16**
Total Surplus (Deficit):	**0.00**	**-39,013.22**	**-39,013.22**	**39,013.22**

Income Statement

Lower Rio Grande Public Water Works Authority

Group Summary

For Fiscal: FYE 2027 Period Ending: 07/31/2026

Water Only Summary

AcctNumber	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Revenue				
40000 - Operating Revenue	4,721,769.00	361,880.74	361,880.74	4,359,888.26
40002 - Installation Fees	80,000.00	7,242.11	7,242.11	72,757.89
40003 - Activation & Connection Fees-W	22,500.00	1,950.00	1,950.00	20,550.00
40005 - Backflow Testing	7,500.00	500.00	500.00	7,000.00
40006 - Tampering Fee/Line Breaks	5,000.00	0.00	0.00	5,000.00
40007 - Delinquiency Fee	75,000.00	7,450.00	7,450.00	67,550.00
40008 - Penalties-Water	95,000.00	9,502.82	9,502.82	85,497.18
40009 - Membership Fees	5,000.00	350.00	350.00	4,650.00
40010 - Impact Fees	50,000.00	1,033.33	1,033.33	48,966.67
40011 - Returned Check Fees	525.00	70.00	70.00	455.00
40012 - Credit Card Fees	17,000.00	1,764.00	1,764.00	15,236.00
40013 - Miscellaneous Revenue	250.00	0.00	0.00	250.00
40015 - Penalties-Sewer	1,500.00	390.00	390.00	1,110.00
40017 - Hydrant Meter Rental Fee	3,500.00	250.00	250.00	3,250.00
40018 - Permit Fees	500.00	0.00	0.00	500.00
40019 - DAC Trash Coupons	600.00	124.00	124.00	476.00
40020 - Miscellaneous Revenue-Sewer	0.00	2,378.00	2,378.00	-2,378.00
45000 - Tower Rent	5,500.00	750.00	750.00	4,750.00
45005 - Fiscal Agent Fees	55,000.00	8,462.91	8,462.91	46,537.09
45010 - Interest	500.00	45.66	45.66	454.34
45015 - Copy/Fax	100.00	4.00	4.00	96.00
45020 - Other Income	60,000.00	11,334.67	11,334.67	48,665.33
45025 - Contract Services	0.00	6,271.72	6,271.72	-6,271.72
45030 - Transfers In	0.00	0.00	0.00	0.00
49000 - Recovered Bad Debts	1,000.00	100.00	100.00	900.00
Revenue Total:	**5,207,744.00**	**421,853.96**	**421,853.96**	**4,785,890.04**
Expense				
60001 - Transfers to Reserves	0.00	10,000.00	10,000.00	-10,000.00
60005 - Accounting Fees	500.00	0.00	0.00	500.00
60010 - Audit	21,000.00	0.00	0.00	21,000.00
60020 - Bank Service Charges	40,000.00	0.00	0.00	40,000.00
60021 - Monthly Credit Card Processing F	0.00	5,108.73	5,108.73	-5,108.73
60025 - Cash Short/Over	500.00	0.82	0.82	499.18
60026 - Computer Hardware	25,000.00	0.00	0.00	25,000.00
60030 - Dues and Subscriptions	3,250.00	500.00	500.00	2,750.00
60035 - Engineering Fees	60,000.00	4,116.13	4,116.13	55,883.87
60045 - Late Fees	500.00	0.00	0.00	500.00
60050 - Legal Fees	10,000.00	0.00	0.00	10,000.00

60055 - Legal Notices	500.00	0.00	0.00	500.00
60060 - Licenses & Fees	13,500.00	2,060.00	2,060.00	11,440.00
60065 - Meals	1,000.00	99.94	99.94	900.06
60075 - Permit Fees	1,000.00	0.00	0.00	1,000.00
60080 - Postage	4,000.00	20.96	20.96	3,979.04
60090 - Professional Fees-Other	25,000.00	0.00	0.00	25,000.00
60120 - Retirement Account Fees	30,000.00	0.00	0.00	30,000.00
60125 - Easments & Leases	10,000.00	0.00	0.00	10,000.00
60130 - Training	5,000.00	75.00	75.00	4,925.00
60140 - Travel:Airfare Per Diem	3,000.00	0.00	0.00	3,000.00
60150 - Travel:Lodging Per Diem	14,500.00	939.89	939.89	13,560.11
60155 - Travel:Meals Per Diem	2,000.00	131.14	131.14	1,868.86
60160 - Travel:Mileage/Parking Per Diem	2,000.00	0.00	0.00	2,000.00
60165 - Travel:Vehicle Rental Per Diem	1,500.00	0.00	0.00	1,500.00
60600 - Debit Service	431,591.00	144,290.49	144,290.49	287,300.51
60625 - Interest paid to NMED	89,797.00	0.00	0.00	89,797.00
60650 - Interest paid to NMFA	0.00	5,398.01	5,398.01	-5,398.01
60675 - Interest paid to USDA	96,606.00	8,554.67	8,554.67	88,051.33
63000 - Regular Pay	1,775,000.00	99,768.87	99,768.87	1,675,231.13
63001 - Overtime	50,000.00	3,999.01	3,999.01	46,000.99
63006 - Holiday Pay	80,000.00	6,125.01	6,125.01	73,874.99
63007 - Sick Pay	95,000.00	5,323.68	5,323.68	89,676.32
63008 - Annual Leave Pay	100,000.00	11,907.69	11,907.69	88,092.31
63040 - Administrative Labor	25,000.00	0.00	0.00	25,000.00
63070 - Employee Benefits-401K Contrib	232,000.00	3,566.24	3,566.24	228,433.76
63100 - Insurance-Dental	13,000.00	1,020.52	1,020.52	11,979.48
63110 - Insurance-Health	360,000.00	26,329.43	26,329.43	333,670.57
63115 - Salaries: Insurance - Work Comp	30,000.00	3,570.00	3,570.00	26,430.00
63125 - Insurance: Life & Disability	25,000.00	558.36	558.36	24,441.64
63130 - Mileage	1,500.00	0.00	0.00	1,500.00
63135 - Drug Testing	1,000.00	0.00	0.00	1,000.00
63160 - Payroll Taxes-Medicare	23,000.00	1,843.27	1,843.27	21,156.73
63170 - Payroll Taxes-Social Security	115,000.00	7,881.69	7,881.69	107,118.31
63180 - Payroll Taxes-State Unemployme	10,000.00	0.00	0.00	10,000.00
63195 - Taxes, Liability, Insurance: Cobra	1,000.00	0.00	0.00	1,000.00
63200 - Vision Insurance	4,500.00	233.00	233.00	4,267.00
64501 - Pre Paid Tank Site Lease	2,000.00	0.00	0.00	2,000.00
65010 - Automobile Repairs & Maint.	75,000.00	7,455.55	7,455.55	67,544.45
65230 - Computer Maintenance	133,000.00	4,531.60	4,531.60	128,468.40
65240 - Equipment Rental	5,000.00	0.00	0.00	5,000.00
65250 - Fuel	100,000.00	9,034.70	9,034.70	90,965.30
65255 - GPS Insights Charges	7,500.00	3,411.45	3,411.45	4,088.55
65260 - Kitchen & Cleaning Supplies	1,000.00	0.00	0.00	1,000.00
65270 - Lab Chemicals-Water	5,500.00	59.68	59.68	5,440.32
65275 - SCADA Maintenance Fee	5,000.00	120.49	120.49	4,879.51
65276 - Test Equipment Calibration	3,000.00	0.00	0.00	3,000.00
65277 - Generator Maintenance Contrac	10,000.00	0.00	0.00	10,000.00

65278 - Meter Testing/Repair/Replaceme	10,000.00	26.62	26.62	9,973.38
65280 - Lab Chemicals-Water:Chemicals	50,000.00	4,992.46	4,992.46	45,007.54
65300 - Locates	4,000.00	0.00	0.00	4,000.00
65310 - Maint. & Repairs-Infrastructure	50,000.00	12,431.47	12,431.47	37,568.53
65320 - Maint. & Repairs-Office	37,500.00	1,458.35	1,458.35	36,041.65
65330 - Maintenance & Repairs-Other	110,000.00	6,607.87	6,607.87	103,392.13
65340 - Materials & Supplies	75,000.00	11,643.01	11,643.01	63,356.99
65345 - Non Inventory-Consumables	52,000.00	2,384.93	2,384.93	49,615.07
65350 - Office Supplies	17,500.00	663.29	663.29	16,836.71
65360 - Printing and Copying	90,000.00	5,828.05	5,828.05	84,171.95
65370 - Tool Furniture	15,000.00	938.82	938.82	14,061.18
65390 - Uniforms-Employee	25,000.00	1,331.45	1,331.45	23,668.55
65490 - Cell Phone	30,000.00	1,279.90	1,279.90	28,720.10
65500 - Electricity-Lighting	6,500.00	377.65	377.65	6,122.35
65510 - Electricity-Offices	15,000.00	499.58	499.58	14,500.42
65520 - Electricity-Wells	210,000.00	12,923.75	12,923.75	197,076.25
65530 - Garbage Service	3,500.00	321.54	321.54	3,178.46
65540 - Natural Gas	3,500.00	141.23	141.23	3,358.77
65550 - Security/Alarm	5,000.00	432.47	432.47	4,567.53
65560 - Telephone	10,000.00	813.80	813.80	9,186.20
65570 - Wastewater	3,500.00	186.07	186.07	3,313.93
66200 - Insurance-General Liability	180,000.00	36,442.00	36,442.00	143,558.00
66300 - Insurance-Vehicles	0.00	139.93	139.93	-139.93
66700 - Water Conservation Fee	25,000.00	1,750.37	1,750.37	23,249.63
Expense Total:	**5,207,744.00**	**481,650.63**	**481,650.63**	**4,726,093.37**
Total Surplus (Deficit):	**0.00**	**-59,796.67**	**-59,796.67**	**59,796.67**

Income Statement

Lower Rio Grande Public Water Works Authority

Group Summary

For Fiscal: FYE 2027 Period Ending: 07/31/2026

Sewer Only Summary

AcctNumber	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Revenue				
40000 - Operating Revenue	340,107.00	46,583.25	46,583.25	293,523.75
40002 - Installation Fees	800.00	350.00	350.00	450.00
40015 - Penalties-Sewer	25,000.00	2,576.08	2,576.08	22,423.92
40020 - Miscellaneous Revenue-Sew	25,000.00	78.75	78.75	24,921.25
40025 - DAC Sewer Revenue	20,000.00	3,205.58	3,205.58	16,794.42
Revenue Total:	**410,907.00**	**52,793.66**	**52,793.66**	**358,113.34**
Expense				
60600 - Debit Service	119,098.25	0.00	0.00	119,098.25
60675 - Interest paid to USDA	176,808.75	15,197.65	15,197.65	161,611.10
64100 - Sewer:DAC Waste Water Flo	100,000.00	6,239.83	6,239.83	93,760.17
64200 - Sewer:Electricity-Sewer	15,000.00	896.38	896.38	14,103.62
64300 - Sewer:Lab & Chemicals-Sew	0.00	414.00	414.00	-414.00
65310 - Maint. & Repairs-Infrastruct	0.00	0.00	0.00	0.00
Expense Total:	**410,907.00**	**22,747.86**	**22,747.86**	**388,159.14**
Total Surplus (Deficit):	**0.00**	**30,045.80**	**30,045.80**	**-30,045.80**

LOWER RIO GRANDE
Public Water Works Authority

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

http://LRGauthority.org

Resolution # #FY2027-05

Authorizing Application to New Mexico Water Trust Board for South Valley Line Extension Project

Whereas, the Lower Rio Grande Public Water Works Authority (LRGPWWA) was established in 2009 under NMSA 1978 73-26-1 as a political subdivision of the State of New Mexico as a special district, an independent public body, and a regional member-owned community water system formed by the merger of five mutual domestic water consumers associations (MDWCAs) in Doña Ana County and;

Whereas, subsequent mergers have added six former MDWCAs to the LRGPWWA and a previously privately-owned water systems has been acquired resulting in a regional water/wastewater utility system with five geographically separate service areas and;

Whereas, the LRGPWWA Board of Directors recognizes the technical, managerial, and financial benefits and efficiencies from the economies of scale gained with the merger of its first 5 water associations and again and again with subsequent mergers which have come from the regionalization and merger of governance, administration & management, finances & accounting, operation & maintenance, and planning & project development and;

Whereas, to further refine its goals of regionalization and collaboration for sustainability while facing sustained drought and climate change, the LRGPWWA adopted a Water Master Plan completed in September 2021 which recommends the development of a new wellfield on the west mesa near La Mesa for the purpose of relocating LRGPWWA water sources outside the Mesilla Valley floor to reduce potential conflicts with senior water rights holders and improve water quality;

Now Therefore, be it resolved, the Board of Directors adopts and passes this resolution to authorize submission of a funding application to the New Mexico Water Trust Board for the South Valley Line Extension Project.

PASSED, APPROVED, AND ADOPTED: August 20, 2026, Seal:

_____

James Cadena, Board Chair

_____

Glory Juarez, Secretary

WATER TRUST BOARD
2027 APPLICATION CERTIFICATION

SECTION VI. CERTIFICATION South Valley Water Line Extension Project

I certify that:

Applicant has the authority to request the funds described in this application. To the best of my knowledge all information contained in this application is valid and accurate and the submission of this application has been authorized by the governing body of the undersigned jurisdiction.

Signature:

_____
Highest Elected Official/Authorized Officer

Print Name: _____

Print Title: _____

Jurisdiction: _____

Date: _____

LOWER RIO GRANDE
Public Water Works Authority

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

http://LRGauthority.org

Resolution # #FY2027-06

Authorizing Application to New Mexico Water Trust Board for High Valley Water Treatment Project

Whereas, the Lower Rio Grande Public Water Works Authority (LRGPWWA) was established in 2009 under NMSA 1978 73-26-1 as a political subdivision of the State of New Mexico as a special district, an independent public body, and a regional member-owned community water system formed by the merger of five mutual domestic water consumers associations (MDWCAs) in Doña Ana County and;

Whereas, subsequent mergers have added six former MDWCAs to the LRGPWWA and a previously privately-owned water systems has been acquired resulting in a regional water/wastewater utility system with five geographically separate service areas and;

Whereas, the LRGPWWA Board of Directors is committed to providing clean, safe, reliable, affordable drinking water to its customers 24/7/365 and;

Whereas, the High Valley wells produce water with levels of gross alpha exceeding the New Mexico Environmental Department levels according to the New Mexico Drinking Water Regulations.

Now Therefore, be it resolved, the Board of Directors adopts and passes this resolution to authorize submission of a funding application to the New Mexico Water Trust Board for the High Valley Water Treatment Project.

PASSED, APPROVED, AND ADOPTED: August 20, 2026, Seal:

_____

James Cadena, Board Chair

_____

Glory Juarez, Secretary

WATER TRUST BOARD
2027 APPLICATION CERTIFICATION

SECTION VI. CERTIFICATION South Valley Water Line Extension Project

I certify that:

Applicant has the authority to request the funds described in this application. To the best of my knowledge all information contained in this application is valid and accurate and the submission of this application has been authorized by the governing body of the undersigned jurisdiction.

Signature:

_____
Highest Elected Official/Authorized Officer

Print Name: _____

Print Title: _____

Jurisdiction: _____

Date: _____

LOWER RIO GRANDE
Public Water Works Authority

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

http://LRGauthority.org

Resolution # #FY2027-07

Authorizing Application to New Mexico Water Trust Board for Organ Wastewater Lagoons Rehabilitation Project

Whereas, the Lower Rio Grande Public Water Works Authority (LRGPWWA) was established in 2009 under NMSA 1978 73-26-1 as a political subdivision of the State of New Mexico as a special district, an independent public body, and a regional member-owned community water system formed by the merger of five mutual domestic water consumers associations (MDWCAs) in Doña Ana County and;

Whereas, subsequent mergers have added six former MDWCAs to the LRGPWWA and a previously privately-owned water systems has been acquired resulting in a regional water/wastewater utility system with five geographically separate service areas and;

Whereas, the LRGPWWA Board of Directors recognizes the technical, managerial, and financial benefits and efficiencies from the economies of scale gained with the merger of its first 5 water associations and again and again with subsequent mergers which have come from the regionalization and merger of governance, administration & management, finances & accounting, operation & maintenance, and planning & project development and;

Whereas, the goal is to improve the existing wastewater lagoon system to extend the useful life of the lagoons and improve performance, operations and maintenance;

Now Therefore, be it resolved, the Board of Directors adopts and passes this resolution to authorize submission of a funding application to the New Mexico Water Trust Board for the Organ Wastewater Lagoons Rehabilitation Project.

PASSED, APPROVED, AND ADOPTED: August 20, 2026, Seal:

_____

James Cadena, Board Chair

_____

Glory Juarez, Secretary

WATER TRUST BOARD
2027 APPLICATION CERTIFICATION

SECTION VI. CERTIFICATION South Valley Water Line Extension Project

I certify that:

Applicant has the authority to request the funds described in this application. To the best of my knowledge all information contained in this application is valid and accurate and the submission of this application has been authorized by the governing body of the undersigned jurisdiction.

Signature:

_____
Highest Elected Official/Authorized Officer

Print Name: _____

Print Title: _____

Jurisdiction: _____

Date: _____

LOWER RIO GRANDE
Public Water Works Authority

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

http://LRGauthority.org

Resolution # #FY2027-08

Authorizing Application to New Mexico Water Trust Board for East Mesa Well Improvements Project

Whereas, the Lower Rio Grande Public Water Works Authority (LRGPWWA) was established in 2009 under NMSA 1978 73-26-1 as a political subdivision of the State of New Mexico as a special district, an independent public body, and a regional member-owned community water system formed by the merger of five mutual domestic water consumers associations (MDWCAs) in Doña Ana County and;

Whereas, subsequent mergers have added six former MDWCAs to the LRGPWWA and a previously privately-owned water systems has been acquired resulting in a regional water/wastewater utility system with five geographically separate service areas and;

Whereas, the LRGPWWA Board of Directors recognizes the technical, managerial, and financial benefits and efficiencies from the economies of scale gained with the merger of its first 5 water associations and again and again with subsequent mergers which have come from the regionalization and merger of governance, administration & management, finances & accounting, operation & maintenance, and planning & project development and;

Whereas the goal is to provide an additional source of potable water to meet peak demands and extend the service life of existing infrastructure and improve performance, operations and maintenance;

Now Therefore, be it resolved, the Board of Directors adopts and passes this resolution to authorize submission of a funding application to the New Mexico Water Trust Board for the East Mesa Well Improvements Project.

PASSED, APPROVED, AND ADOPTED: August 20, 2026, Seal:

_____

James Cadena, Board Chair

_____

Glory Juarez, Secretary

WATER TRUST BOARD
2027 APPLICATION CERTIFICATION

SECTION VI. CERTIFICATION South Valley Water Line Extension Project

I certify that:

Applicant has the authority to request the funds described in this application. To the best of my knowledge all information contained in this application is valid and accurate and the submission of this application has been authorized by the governing body of the undersigned jurisdiction.

Signature:

_____
Highest Elected Official/Authorized Officer

Print Name: _____

Print Title: _____

Jurisdiction: _____

Date: _____

A RESOLUTION AUTHORIZING PROJECT SAP 26-K2415 AS DESCIBED IN ATTACHMENT A, AND THE ASSIGNMENT OF AUTHORIZED OFFICER(S) AND AGENT(S)

RESOLUTION #FY2027-09

Whereas, the Board of Directors of Lower Rio Grande Public Water Works Authority of Dona 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 26-K2415-GF

NOW THEREFORE, BE IT RESOLVED by the named applicant that:

Martin Lopez (Name), General Manager (Title) or successor is authorized to sign the Grant Agreement for the project, and

Martin Lopez (Name), General Manager (Title) or successor is the OFFICAL REPRESENTATIVE(S) who is authorized to sign all other documents necessary to fulfill the Grant Agreement and the requirements (Project Description, Disbursements and to act as the project contact, and

Patricia Charles (Name), Projects Manager (Title) or successor is the DFA Database contact who is designated to update the database quarterly per Article VIII. A. of the Intergovernmental Grant Agreement.

Patricia Charles (Name), Projects Manager (Title) (may have more than one) or successors is the CONTACT who is designated to receive Notice of Obligations (NOO'S).

PASSED, APPROVED, AND ADOPTED: August 20, 2026

Name, Mayor / Chairperson / Director / Officer, Title Community / Utility

Martin Lopez (Signature) August 20, 2026 (Date)

(SEAL)

ATTEST:

_____

LRGPWWA Board Secretary

A RESOLUTION AUTHORIZING PROJECT SAP 26-K3197 AS DESCIBED IN ATTACHMENT A, AND THE ASSIGNMENT OF AUTHORIZED OFFICER(S) AND AGENT(S)

RESOLUTION #FY2027-10

Whereas, the Board of Directors of Lower Rio Grande Public Water Works Authority of Dona 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 26-K3197-GF

NOW THEREFORE, BE IT RESOLVED by the named applicant that:

Martin Lopez (Name), General Manager (Title) or successor is authorized to sign the Grant Agreement for the project, and

Martin Lopez (Name), General Manager (Title) or successor is the OFFICAL REPRESENTATIVE(S) who is authorized to sign all other documents necessary to fulfill the Grant Agreement and the requirements (Project Description, Disbursements and to act as the project contact, and

Patricia Charles (Name), Projects Manager (Title) or successor is the DFA Database contact who is designated to update the database quarterly per Article VIII. A. of the Intergovernmental Grant Agreement.

Patricia Charles (Name), Projects Manager (Title) (may have more than one) or successors is the CONTACT who is designated to receive Notice of Obligations (NOO'S).

PASSED, APPROVED, AND ADOPTED: August 20, 2026

Name, Mayor / Chairperson / Director / Officer, Title Community / Utility

Martin Lopez (Signature) August 20, 2026 (Date)

(SEAL)

ATTEST:

_____

LRGPWWA Board Secretary

www.LRGauthority.org

LOWER RIO GRANDE
Public Water Works Authority

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

Fire-flow Testing Fee (per test)	$200.00 Increase to $300
Water/Sewer facility Tampering fee: (in addition to repair/replacement costs)	$500.00
Non-Sufficient funds (NSF) fees: fees apply to returned checks and bank drafts (after 3 times, customer is put on cash-only basis)	$35.00
Late penalty on overdue accounts	15% of the overdue bill
Copy of Current Bill	$2.00
Customer History	$1.25 per page
Dona Ana County Service Letter	$5.00
Copying per page	$1.25 letter (8½ X11) $1.40 legal (8½ X14) two-sided copies are charged as two pages
IPR Request Copies/per page (See Inspection of Public Records Policy)	$1.00
Faxes (Local/Toll free) per page	$2.00
Faxes (Long Distance) per page	$3.00
Convenience Fee for Payment by Credit Card	$2.00 per transaction on-site $1.25 per transaction online
Convenience Fee for Payment by Phone	$1.25 per transaction

Version 2.0 - Adopted 3/21/12 and Amended 5/15/13, 9/18/2013, 1/15/14, 2/19/14, 4/16/14, 5/21/14, 7/1/14, 11/18/15, 1/20/16, 4/20/16, 5/18/16, 4/19/17, 8/16/17, 1/17/18, 8/15/18, amended 12/12/18, 2/17/21, 6/23/21, 5/17/23, 6/21/23, 9/20/23, 5/15/24 (thru 1/1/25), amended 1/21/26, amended 5/21/26, amended 6/18/26

LOWER RIO GRANDE
Public Water Works Authority

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

http://LRGauthority.org

Policy LRGPWWA 2027-01
Fraud, Waste and Abuse

I. Policy Statement-Fraud, Waste, Abuse

The Lower Rio Grande Public Water Works Authority (LRGPWWA) is committed to the highest standards of ethical conduct, transparency, and responsible stewardship of resources. The LRGPWWA strictly prohibits fraudulent conduct and abuse of LRGPWWA resources or authority.

While the LRGPWWA recognizes that some degree of waste may occur in complex operations, it does not condone careless or inefficient use of resources. LRGPWWA promotes a culture of continuous improvement, encouraging departments and individuals to identify and address inefficiencies constructively.

This policy supports proactive prevention, timely reporting, and thorough investigation of Fraud, Waste, and Abuse, with the goal of protecting the LRGPWWA's mission, reputation, and resources. LRGPWWA fosters an environment where concerns can be raised without fear of retaliation.

II. Scope

This policy applies to all employees and Board members of the LRGPWWA.

III. Effective Date

August 20, 2026

IV. Definitions

Fraud: Intentional misrepresentation or concealment of a material fact for personal or institutional gain, or to induce another to act to their detriment. Examples include misappropriation of assets, forgery, falsification of documents, and unauthorized destruction of records.

Abuse: In this policy, "abuse" specifically refers to the improper use of LRGPWWA resources, systems or authority for personal or institutional advantage. Examples include improper access or disclosure of confidential information, improper use of position or influence, utilizing LRGPWWA for non-work-related tasks or personal errands that fall outside their official job or responsibilities, and improper influence in procurement or contracting.

Waste: Careless, inefficient, or unnecessary use of LRGPWWA resources, including time, money, materials, equipment, and personnel. Unlike fraud or abuse, waste may not involve intentional misconduct but can result from poor judgment, inadequate oversight, or systemic inefficiencies.

V. Prevention and Detection

All levels of management are responsible for establishing and maintaining effective internal controls to prevent fraud, waste, and abuse within their areas.

VI. Reporting Requirements and Mechanisms

The LRGPWWA considers timely reporting to be a cornerstone of its commitment to ethical conduct and accountability. Any employee or Board member who suspects or observes fraud, waste or abuse must report it immediately.

Employees or Board members who are unsure whether a situation qualifies for reporting are encouraged to seek guidance from the General Manager. If the General Manager is possibly involved, then the Board Chair must be asked.

Reports of fraud, waste or abuse may be reported through the employee's supervisor or Board Chair.

Retaliation is prohibited against employees or Board members who report suspected wrongdoing in good faith.

VII. Investigation Process

The General Manager will oversee all investigations into fraud, waste or abuse, except when a conflict of interest exists, in which case the Board Chair will have an independent investigator assigned. Investigations will be conducted confidentially and in accordance with applicable laws and LRGPWWA policies, protecting the rights and reputations of all parties involved.

Fraud, waste, and abuse reports communicated to the Board of Directors will be reviewed internally, investigated, or communicated to the LRGPWWA management for any appropriate action.

VIII. Corrective Actions and Remedies

If an investigation substantiates fraud, waste or abuse, the General Manger will forward the investigation report to management who will take necessary disciplinary measures. Substantiated reports will also be provided, as required by law, to the State of New Mexico.

LRGPWWA management shall review and remediate any internal control deficiencies identified during investigations.

IX. Sanctions

Failure to report suspected fraud or abuse in a timely manner and appropriate manner may result in disciplinary action. The severity of disciplinary action will be determined based on the nature of the omission, the individual's role and responsibilities, and whether the failure to report contributed to harm or hindered an investigation.

X. Oversight and Review

The General Manager will provide periodic reports to the Board members summarizing confirmed instances of fraud and abuse, associated disciplinary actions, and corrective measures taken to remediate internal control deficiencies.

Employees and Board members shall be provided a copy of the policy on an annual basis prior to the commencement of a new fiscal year or at time of employment or election to the Board.

Adopted this **20th** day of **August 2026.**

_____

Board Chair

Attest

_____

Board Secretary