

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

MINUTES - REGULAR BOARD OF DIRECTORS MEETING

9:00 a.m. Wednesday, August 17, 2011 at the Vado Office, 325 Holguin Road

{Note: Minutes are a DRAFT until they are approved & signed by the Board}

- I. **Sign in, establish quorum, call meeting to order:** Sign in sheet and agenda are attached. Board members present were Chairman Robert "Marty" Nieto, Vice-Chairman John Holguin, Director Blanca Martinez and Secretary Santos Ruiz came in late during item V. A. Director Rosaura Pargas was absent. Staff members present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Operations Manager Mike Lopez, Projects Manager Karen Nichols, Payroll Specialist Connie Garcilazo. Also present were Hector Vasquez, Erick Chavez and Guillermo Orquiz representing Vencor Engineering; Mr. Billy Garret, Dona Ana County Commissioner-District I; Jose Terronez of Molzen Corbin Associates, Mary Berry and Joe Garcia from Butterfield Park MDWCA; and La Mesa area customers Matt Dyer, Johnny Garcia and, Bruce Galloway, Madeline Bradshaw. With quorum established, Mr. Nieto called the meeting to order at 9:04 a.m. {35}
- II. **Approval of agenda:** Mr. Holguin made a motion and Ms. Martinez seconded to approve the agenda with the following changes; move item VII after VIII C. and postpone item III until Mr. Ruiz arrives. Motion carried on a vote of 3-0. 1:34}
- III. **Approval of Minutes:** Mr. Holguin made a motion and Mr. Ruiz seconded to approve of Minutes of 7/14/11 and 7/20/11. Motion carried on a vote of 4-0. {2:09:30}
- IV. **Guest Presentations:** Ms. Tiffany Bloom of South Central Council of Governments reviewed the Draft LRGPWWA Infrastructure Capital Improvements Plan 2013-2017 (attached) for Board & public input and explained each project. The plan will be on the September agenda for adoption by resolution.

The La Mesa area customers presented a map showing customers in need of community water and a list of the property owners. Mr. Lopez explained that this is a long term project and it is part of the Lower Rio Grande Public Water Works projects for future funding due to the expense involved in extending service to this area. {28:51}

- V. **Public Input:**
 - A. **Public hearing re: Funding Application to USDA-Rural Development for Authority – La Mesa Water Project (re-application), Interconnect/Looping Project, Berino/Del Cerro Project:**

Mr. Terronez of Molzen Corbin Associates made a presentation (attached) on the La Mesa Water System Improvements and answered questions from the Board and the public. The Authority needs to submit an updated Letter Of Conditions notebook by 9/14/11 for review by USDA RD. The LOC had been completed by La Mesa MDWCA, but after reviewing it, USDA-RD required that it be resubmitted with all the documents in the name of the Authority. When the review is complete, they will issue closing instructions and we can begin construction. {45:01}

A presentation (attached) was made by Mr. Vasquez informing the Board and the public of the about the Berino/Del Cerro water system improvements, and he also answered questions from the Board and the public about the project. {1:18:00}

B. General Public Input – 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action:

Mr. Garret Dona Ana County Commissioner District asked for community members to get involved in current and future regional and county planning efforts and stated that he supported Lower Rio Grande PWWA. {1:31:15}

VI. General Manager's Reports:

A. Management Report: The General Manager's written report was in the board packet (attached) and Mr. Martin Lopez reviewed with the Board. {1:40:00}

B. Finance Report: Ms. Jackson's written report was in the board packet (attached) and she discussed it with the board, Ms. Jackson stated that Ms. Benita Evaro was promoted to Accounts Payable Specialist. {1:46:00}

C. Projects Report: Ms. Karen Nichols reviewed written report (attached) with the Board. {1:57:00}

D. Operations Report: Mr. Mike Lopez, Operations Manager handed out written report (attached) and reviewed it with the board. {2:01:50 – move to item VIII)

VII. Unfinished Business:

A. Closed Session: {2:12:30 recording paused}

1. Mr. Holguin made a motion to convene in closed session pursuant to NMSA 1978 Section 10-15-1 (H)(2) for discussion regarding evaluation of the General Manager and Section 10-15-1(H)(8) for discussion of the acquisition or disposal of real property or water rights. Mr. Nieto took a roll call for vote, Mr. Holguin voted yes, Mr. Ruiz voted yes, Ms. Martinez voted yes and Mr. Nieto voted yes. On a vote of 4-0, motion carried.

2. Mr. Holguin made a motion and Mr. Ruiz seconded to resume the open meeting at 11:26 a.m., and it carried on a vote of 4-0. Mr. Nieto stated that the matters discussed in the closed meeting were limited to those stated in the motion to close. {2:13:36}

B. GM Evaluation: Based on the Board's evaluation of the General Manager, Mr. Holguin made a motion and Mr. Ruiz seconded to give Mr. Martin Lopez the pay increase of \$5,000 per year retroactive as of beginning of fiscal year July 01, 2011. Motion carried on a vote of 4-0. {2:16:20 – move to item IX}

VIII. New Business:

A. Resolution 2012-1 & 2012-2: Mr. Holguin made a motion and Mr. Ruiz seconded to approve RIP Loan Application Resolution Number 2012-1 Authorizing application for \$2

million loan for Water System Interconnect & Looping Project. On a vote of 4-0 motion carried for two resolutions on item VIII. A & B. {2:05:00}

B. Resolution 2012-3: Mr. Holguin made a motion and Mr. Ruiz seconded to approve NMFA Loan Application Resolution Number 2012-2 Authorizing application for loan to meet WTB match requirement for Berino/Mesquite-Del Cerro Water Project. After some discussion an amended motion was made by Mr. Holguin and seconded by Mr. Ruiz to approve the applications on items A & B with the following changes item 2012-1 and 2012-2 are item A-RIP Loan and 2012-3 is item B- Finance Authority. Motion carried on a vote of 4-0. {2:07:00}

C. USDA RD Procession Documents for Adoption: Mr. Holguin made a motion to Adopt all USDA-RD documents for La Mesa Well Project & Berino & Mesquite-Del Cerro Water Projects including AD-1047, AD10-48, AD-1049, RD1910-11, RD instruction 1940-Q exhibit A1, Standard Form LLL, RUS Bulletin 1780-22, RUS Bulletin 1780-28 "Loan Resolution Security Agreement", Form RD 1942-8, RUS Bulletin 1780-12, RD 400-1, RD 400-4, RD 410-9, RD Forms 442-4, 442-5, 442-6, Form RD 1940-1. Mr. Ruiz seconded motion and it carried on a vote of 4-0. {2:10:00 - move to item VII}

IX. Other discussion and agenda items for next meeting on 9/21/11 at 9:00 a.m. The next Board meeting will be 9/21/11 at 9:00 a.m. The following items were discussed for next meeting; Mr. Lopez stated that the attorney finished revising the Brazito/Authority Sewer agreement and the draft policy for providing service outside of our service area might be presented at the September Board meeting. Ms. Nichols stated that RFP authorizations for the Surface Water Treatment Plant Project and for general engineering services for small projects might be on the next agenda, and also the Source Water Protection Plan if New Mexico Rural Water Association completes it on schedule. Mr. Lopez stated that if no corrections are needed ICIP resolution will be ready for the September meeting. Mr. Nieto asked about policies for employee accidents and Mr. Lopez stated that is part of the personnel policies and staff is working on this.

Mr. Lopez informed the board of the Infrastructure conference 10/25/11 and asked the Directors to contact Ms. Jackson if they would like to attend. {2:30:26}

X. Adjourn: There was no further business, Mr. Holguin made a motion to adjourn the meeting, Mr. Ruiz seconded and it carried on a vote of 4-0. Mr. Nieto declared the meeting adjourned at 11:44 a.m.

Date Minutes approved:

Directors Present:

Chairman Roberto M. Nieto

Vice- Chairman John Holguin

Secretary Santos Ruiz

ABSENT
Director Rosaura Pargas

Director Blanca Martinez

Lower Rio Grande Public Waterworks Authority Sign In Sheet

Date: 8/17/11

Time: 9 am

Place: Vado Office

Meeting Type: Regular Monthly

Name, Title – Print Sign	Company or Agency Represented	Mailing Address	Telephone	Email
Tommy Garcia Joe A. Garcia	VENCOR	—	575-642-6854	thomasa.r.talao.com
Joe A. Garcia Mary Berry	Butterfield Park LRG PWA	5325 Desert Fk. 9170 Berry Path 88011 525 Holguin	382-5874 575-621-9897	bpmrdwca@yahoo.com mrberry@nmsu.edu
John Holguin	LRG PWA	325 Holguin Rd Vado	695-9007	jholguin@8.com
Kathi Jackson Kathie Jackson	Finance Manager LRG PWA	PO Box 2646 Anthony NM 88021	233-3947	
Jose Terrones Jose Terrones	MOLZEN CORBIN	1155 Commerce Dr Las Cruces, NM	522-0049	jtterrones@molzen.com
Eric Chavez Eric Chavez	VENCOR ENGINEERING		575-621-2384	ericchavez@gmail.com
William Dyer William Dyer	Vencor Engineering		915-740-9267	memcor@nmsu.edu
Hector Vasquez	VENCOR ENGR		(575) 642-7955	vencorllc@gmail.com
Matt Dyer Matt Dyer	PSC	115 W. Griggs. Las Cruces, NM 88001	575-523-0915	mdyer@team-psc.com
Billy G. Garrett Billy G. Garrett	Doña Ana County (Commission)		575-915-5755	billyg4dca@gmail.com

Lower Rio Grande Public Waterworks Authority Sign In Sheet

Date: 8/17/11

Time: 9 am

Place: Vado Office

Meeting Type: Regular Monthly

Name, Title - Print Sign	Company or Agency Represented	Mailing Address	Telephone	Email
<u>SCOTT STEVENSON</u>		<u>Box 400 MESQUITE 88048</u>	<u>233 4572</u>	<u>DOUBLEDRUM@Q.COM</u>
<u>Madeline Bradshaw</u>		<u>573 Hwy. 189 La Mesa NM 88044</u>	<u>233-3468</u>	<u>madbrad422@ yahoo.com</u>
<u>Bruce Galloway</u>		<u>573 Hwy 189 La Mesa, NM 88044</u>	<u>233-3468</u>	<u>bgalloway@ziarec. com</u>
<u>Joe A. Garcia</u>	<u>BUTTERFIELD PARK WATER CO.</u>	<u>5325 DESERT PARK AVE. 88011</u>	<u>382-5145</u>	
<u>MARTIN Lopez</u>	<u>LRG PWWA STAFF</u>			
<u>Tiffany Bloom</u>	<u>SCCOG</u>	<u>P.O. BOX 297 Mesilla, NM 88046</u>	<u>740-2926</u>	<u>tibloom@sccog-nm. com</u>
<u>Blanca Martinez</u>		<u>16660 San Jose La Mesa NM 88044</u>	<u>575 642-3551</u>	<u>MARTI.ES16@MSN.COM</u>
<u>Santos Ruiz</u>		<u>P. O Box 106 Bering N Mex</u>	<u>882 5937</u>	
<u>Michael Lopez</u>	<u>LRG PWWA Ops manager</u>	<u>P.O. Box 2646 Anthony NM 88021</u>	<u>(575) 635-3921</u>	
<u>Connie Garcia</u>	<u>LRG PWWA</u>	<u>PO BOX 2646 Anthony NM</u>	<u>575-882-5672</u>	<u>connie.garcia@ LRGCAuthority.org</u>
<u>Karen Nichols</u>	<u>LRG PWWA</u>	<u>PO Box 2646 Anthony NM 88021</u>	<u>915 203 2057</u>	<u>Karen.Nichols@ LRGCAuthority.org</u>

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

MEETING NOTICE & AGENDA - REGULAR BOARD OF DIRECTORS MEETING

9:00 a.m. Wednesday, August 17, 2011 at the Vado Office, 325 Holguin Road

Agendas are final 24 hours prior to the meeting and may be obtained at any LRGPWVA Office – call 575-233-3947 for information

- I. Sign in, establish quorum, call meeting to order
- II. Approval of agenda
- III. Approval of Minutes of 7/14/11 & 7/20/11
- IV. Guest Presentations – Tiffany Bloom of South Central Council of Governments presenting LRGPWVA Draft Infrastructure Capital Improvements Plan for Board & public input – plan to be adopted at September meeting
- V. Public Input:
 - A. Public hearing re: Funding Application to USDA-Rural Development for Authority – La Mesa Water Project (re-application), Interconnect/Looping Project, Berino/Del Cerro Project
 - B. General Public Input – 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action:
- VI. General Manager's Reports:
 - A. Management Report
 - B. Finance Report
 - C. Projects Report
 - D. Operations Report
- VII. Unfinished Business:
 - A. Closed Session:
 1. Motion to convene in closed session pursuant to NMSA 1978 Section 10-15-1 (H)(2) for discussion regarding evaluation of the General Manager and Section 10-15-1(H)(8) for discussion of the acquisition or disposal of real property or water rights – Roll Call Vote
 2. Motion to resume the open meeting and statement by the Chair that affirming that the matters discussed in the closed meeting were limited to those stated in the motion to close.
 - B. Evaluation of General Manager
- VIII. New Business:
 - A. RIP Loan Application Resolution Number 2012-1 Authorizing application for \$2 million loan for Water System Interconnect & Looping Project
 - B. NMFA Loan Application Resolution Number 2012-2 Authorizing application for loan to meet WTB match requirement for Berino/Mesquite-Del Cerro Water Project
 - C. Adoption of all USDA-RD documents for La Mesa Well Project & Berino & Mesquite-Del Cerro Water Projects including AD-1047, AD10-48, AD-1049, RD1910-11, RD instruction 1940-Q exhibit A1, Standard Form LLL, RUS Bulletin 1780-22, RUS Bulletin 1780-28 "Loan Resolution Security Agreement", Form RD 1942-8, RUS Bulletin 1780-12, RD 400-1, RD 400-4, RD 410-9, RD Forms 442-4, 442-5, 442-6, Form RD 1940-1
- IX. Other discussion and agenda items for next meeting on 9/21/11 at 9:00 a.m.
- X. Adjourn

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

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

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
&
LOWER RIO GRANDE MUTUAL DOMESTIC WATER ASSOCIATION
MINUTES**

**SPECIAL CLOSED MEETING OF THE BOARDS OF DIRECTORS
10:00 a.m. Thursday, July 14, 2011 at the Vado Office, 325 Holguin Road**

LRGPWWA Chairman/LRGMDWA President Roberto Nieto called the meeting to order at 10:05 a.m. In addition to Mr. Nieto, the LRGPWWA directors present were: Vice-chairman John Holguin and Secretary Santos Ruiz. Directors Rosaura Pargas and Blanca Martinez were absent. In addition to Mr. Nieto, the LRGMDWA directors present were Vice-president John Holguin and Directors Santos Ruiz and Gabriel Gutierrez. Secretary/Treasurer Mike Guillen and Director Ismael Borrunda were absent. Staff present were General Manager Martin Lopez, Operations Manager Mike Lopez, Financial Manager Kathi Jackson, and Projects Manager Karen Nichols. Also present were Matt Dyer and Pat Conover of Parkhill, Smith & Cooper and LRGPWWA & LRGMDWA attorney Beverly Singleman.

Mr. Holguin made a motion to close the meeting pursuant to NMSA 1978 10-15-1 (H)(7) regarding threatened or pending litigation. Mr. Ruiz seconded the motion, and carried on a roll-call vote of 4-0 with Mr. Gutierrez voting yes, Mr. Holguin voting yes, Mr. Nieto voting yes, and Mr. Ruiz voting yes.

The closed session was adjourned at 11:25 a.m.

Date Minutes Approved _____

Chairman Roberto M. Nieto

President Roberto M. Nieto

Vice- Chairman John Holguin

Vice- president John Holguin

Secretary Santos Ruiz

ABSENT

Secretary/Treasurer Mike Guillen

ABSENT

Director Rosaura Pargas

Director Gabriel Gutierrez

ABSENT

Director Blanca Martinez

Director Santos Ruiz

ABSENT

Director Ismael Borrunda

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
LOWER RIO GRANDE MUTUAL DOMESTIC WATER ASSOCIATION**

JOINT MEETING MINUTES

LRGPWWA REGULAR BOARD OF DIRECTORS MEETING

LRGMDWA POSTPONED REGULAR BOARD OF DIRECTORS MEETING

9:00 a.m. Wednesday, July 20, 2011 at the Vado Office, 325 Holguin Road

Agendas are final 24 hours prior to the meeting and may be obtained at any LRGPWWA Office – call 575-233-3947 for information

- I. **Sign in, establish quorum, call meeting to order:** Sign in sheet and agenda are attached: Board Members present were Chairman Robert “Marty” Nieto, Vice-Chairman John Holguin, and Secretary Santos Ruiz. Absent were Directors Rosaura Pargas and Blanca Martinez. Staff members present were General Manager Martin Lopez, Projects Manager Karen Nichols, Financial Manager Kathi Jackson and HR/Payroll Specialist Connie Garcilazo. Also present were Mr. Paul Michaud of the City of Las Cruces Planning Department, Hector Vasquez and Tommy Garcia from Vencor Engineering, and Patricia Bolliger of Zia Engineering. With a quorum established Mr. Nieto called the meeting to order at 9:03 a.m.

- II. **Approval of agenda:**
Mr. Holguin made a motion to approve the agenda with items VI. D. and III B. postponed. Mr. Ruiz seconded motion, and it carried on a vote of 3-0. {1:10}

- III. **Approval of Minutes**
 - A. **LRGPWWA - 6/15/11:**
Mr. Holguin made a motion to approve the minutes (attached), Mr. Ruiz seconded, and it carried on a vote of 3-0. {1:37}

 - B. **LRGMDWA – concurrence w/LRGPWWA approval of 5/4/11 minutes:** Postponed

- IV. **Guest Presentations – Paul Michaud – Vision 2040 Plan:**
Mr. Michaud made a power point presentation on the Vision 2040 Plan and explained the process of this plan stating that it includes City and County. {4:04}

- V. **Public Input**
 - A. **Public hearing re: Funding Application to USDA-Rural Development for Authority Sewer Project Phase I – Mesquite/Brazito and Surface Water Treatment Plant Project:**
Mr. Lopez informed the Board that USDA requires a public hearing to process funding application. Mr. Vasquez provided information on the status of the Lower Rio Grande PWWA/Brazito and Surface Water Treatment Plant Project. Mr. Lopez informed the Board that the LRG Mutual had put together a contract with CE&M for a Preliminary Engineering Report and Environment documents for a Surface Water Treatment Plant and stated that the documents cannot be taken and awarded to one of the current engineers. The LRG Authority Board will need to issue a Request For Proposals for Professional Services to amend PER and Environmental document and move forward with the project. {46:38}

 - B. **General Public Input – 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action: NONE** {1:13:56}

- VI. **General Manager’s Reports**

- A. **Management Report:** General Manager Martin Lopez written report is attached in the board packet, and Mr. Lopez discussed it with the Board. {1:14:47}
- B. **Finance Report:** Finance Manager Kathi Jackson written budget report is attached in the board packet, and Ms. Jackson discussed it with the Board. {1:21:01}
- C. **Projects Report:** Ms. Karen Nichols Projects Manager written report is attached in the board packet, and was Ms. Nichols reviewed it with the Board of Directors. {1:31:41}
- D. **Operations Report:** Postponed

VII. Unfinished Business

A. Closed Session:

- 1. Mr. Holguin made a motion and Mr. Ruiz seconded to convene in closed session at 10:49 a.m. pursuant to NMSA 1978 10-15-1 (H)(7) regarding threatened or pending litigation. Mr. Nieto called on each director for the vote. Mr. Holguin voted yes, Mr. Ruiz voted yes, and Mr. Nieto votes yes. On a vote of 3-0, the motion carried. {1:44:19}
- 2. Mr. Holguin made a motion to resume the open meeting, Mr. Ruiz seconded, and carried on a vote of 3-0. Mr. Nieto stated that matters discussed in the closed meeting were limited to those stated in the motion to close. {1:45:42}

VIII. New Business

- A. **Agreement w/Brazito MDWCA re: Sewer Project:** Ms. Singleman discussed the proposed agreement (attached) with the Board. After some discussion the item was postponed for further review. {1:46:17}

- IX. **Other discussion and agenda items for next meeting on 8/17/11 at 9:00 a.m.** The next meeting will be 8/17/11 at 9:00 a.m. Mr. Lopez informed the Board that he and Ms. Nichols had been invited to speak with some board and community members in Butterfield Park, and they may wish to explore the possibility or regionalizing or joining the Authority. {1:55:30}

- X. **Adjourn:** There was no further business, Mr. Holguin made a motion to adjourn the meeting, Mr. Ruiz seconded, and it carried on a vote of 3-0. Mr. Nieto declared the meeting adjourned at 11:36 a.m. {2:15:56}

Date Minutes approved: _____

Directors Present:

Chairman Roberto Nieto

Vice-Chairman John Holguin

Secretary Santos Ruiz

ABSENT

Director Rosaura Parga

ABSENT

Director Blanca Martinez

Infrastructure Capital Improvement Plan FY 2013-2017

ICIP for Lower Rio Grande Public Water Works Authority

Contact: Martin G. Lopez
325 Holguin Road
Vado, NM 88072

Telephone No.: 575-571-3628

COG District: 7

Fax: 575-233-3961

Entity Type: SD

Email Address: martin.lopez@lrgauthority.
org

Project Priority Process/Capital Improvement Goals

Project Priority Process

The Lower Rio Grande Public Water Works Authority represents the successful grassroots regionalization effort of five mutual domestic associations in southern Dona Ana County. The five mutual domestics that joined together in this effort are the Berino MDWC & MSWA, Desert Sands MDWCA, La Mesa MDWCA, Mesquite MDWC & MSWA, and Vado MDWCA. This regional effort currently serves a combined total of more than 600 wastewater and 3,600 residential water connections plus four schools, several dairies, and various small commercial enterprises in eight federally-designated Colonias, including Las Palmeras, Montana Vista, Vado, Del Cerro, La Mesa, Berino, Mesquite, and Brazito (the Authority is working with the Brazito MDWCA and Dona Ana County on a regional sewer line extension project and with the Brazito MDWCA on an emergency water interconnect project.)

The five mutual domestics first formed the Lower Rio Grande Mutual Domestic Water Association (LRGMDWA) to act as their umbrella organization in 2006. Their grassroots regionalization effort continued and they secured the passage of New Mexico House Bill 185 of 2009 which created the Lower Rio Grande Public Water Works Authority (LRGPWWA). In October 2010 the process of merging began. By December 1, 2010 the LRGPPWA assumed all administrative and operational aspects of the five mutual domestics

Capital Improvement Goals

The goals of the Lower Rio Grande Public Water Works Authority include:

- *Developing a regional solution to water quality and availability issues by interconnecting and upgrading existing infrastructure.
- *Developing additional water supplies and treatment options for short-term and long-term sustainability.
- *Developing public and private partnerships to extend sewer service to unserved areas.

Nature/Effect/Options/Recommendations of Trends

Residential, commercial, and industrial development of the communities served by the Lower Rio Grande Public Water Works Authority have been impeded by water quality and availability issues, including arsenic, nitrate, and fluoride contamination and poor fire flow. Additionally, there are 16 facilities, primarily dairies, in the process of submitting and implementing a plan to abate pollution of subsurface water in accordance with the requirements and provisions of 20.6.2.4000 through 20.6.2.4115 NMAC. It is the goal of the Lower Rio Grande PWWA to address these and other issues as much as possible to provide for the sustainable development of the communities served by the Authority.

Infrastructure Capital Improvement Plan FY 2013-2017

Lower Rio Grande Public Water Works Authority Project Summary

Rank	Project Title	Top 5 Rank	Category	Funding Sources	2013	2014	2015	2016	2017	Total
2013-01	Authority Brazito Water Interconnect	1	Water Supply	CDBG SGRANT SLOAN FGRANT FLOAN	500,000	0	0	0	0	500,000
2013-02	Authority Interconnect Looping Project	2	Water Supply	LGRANT SGRANT FGRANT CDBG SLOAN	1,700,000	1,650,000	1,650,000	0	0	5,000,000
2013-03	System-Wide Information Technology Standardization	3	Water Supply	CDBG SGRANT SLOAN FGRANT FLOAN	500,000	550,000	100,000	0	0	1,150,000
2013-04	Surface Water Treatment Plant	4	Water Supply	LGRANT SGRANT CDBG SLOAN FLOAN	100,000	6,100,000	0	0	0	6,200,000
2013-05	Distribution System Rehabilitation & Improvements	5	Water Supply	LGRANT SLOAN FGRANT CDBG SGRANT	220,000	2,596,000	0	0	0	2,816,000
2013-06	Authority Brazito Sewer Project Phases I and II		Wastewater	LGRANT SGRANT CDBG FLOAN SLOAN	400,000	3,300,000	0	3,300,000	0	7,000,000
2013-07	Light Equipment Purchase		Water Supply	LGRANT SGRANT FGRANT FLOAN SLOAN	70,000	70,000	70,000	70,000	70,000	350,000

Infrastructure Capital Improvement Plan FY 2013-2017

2013-08	Heavy Equipment Purchase	Water Supply	LGRANT SGRANT FGRANT FLOAN SLOAN	171,000	171,000	171,000	171,000	171,000	855,000
2014-01	Vado Area Water System Improvements	Water Supply	CDBG SGRANT FGRANT SLOAN FLOAN	0	1,530,000	0	0	0	1,530,000
2015-01	Sewer Service Extension to Unserved Areas	Wastewater	CDBG FGRANT FLOAN LGRANT SGRANT	0	0	200,000	200,000	200,000	600,000
2015-02	Sewer Line for Dairies	Wastewater	LGRANT SGRANT CDBG FLOAN SLOAN	0	0	2,750,000	0	0	2,750,000
Grand Total					15,967,000		3,741,000		28,751,000
				3,661,000		4,941,000		441,000	

Infrastructure Capital Improvement Plan FY 2013-2017

ICIP Capital Project Description

Project Title: Authority Brazito Water Interconnect

Description/Justification & Benefits: This project will plan, design, and construct an emergency 12" piping interconnection along Hwy 478 to the Brazito MDWCA. This project will provide an emergency water supply for the Brazito MDWCA and the Lower Rio Grande Public Water Works Authority.

Location: Mesquite and Brazito

Implementation Plan: USDA has approved Brazito MDWCA's PER and Environmental Documents for this project, and the Brazito MDWCA has been funded for their half of the interconnect.

Category: Water Supply **COG District:** 7

Potential Future Funding Sources: CDBG SGRANT SLOAN FGRANT **Colonias?** Yes **House District:**
FLOAN

52-Cervantes **Subcode:** **Project Ranking:** 2013-01 **Senate District:**
38-Papen **Capital Outlay Rank:** 1 **County District:**
08-Dona Ana

Estimated Costs Not Yet Funded

	2013	2014	2015	2016	2017	TOTAL NOT YET FUNDED
Land Acquisition	0	0	0	0	0	0
Planning/Design	0	0	0	0	0	0
Engineering/Architectural	40,000	0	0	0	0	40,000
Construction	460,000	0	0	0	0	460,000
Other	0	0	0	0	0	0
TOTAL NOT YET FUNDED	500,000	0	0	0	0	500,000

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

Yes

Opr Exp and Debt Srvc	1,000	1,000	1,000	1,000	1,000	5,000
Operating Revenues	1,000	1,000	1,000	1,000	1,000	5,000

Current Funding Status

	0
	0
	0
	0
	0
Other	0
Matching Funds	0
Total Already Funded	0
Amount Not Yet Funded	500,000
Total Project Cost	500,000

Infrastructure Capital Improvement Plan FY 2013-2017

Capital Outlay Project Information

Criterion that best describes this project:

Critical

Explanation:

This project will provide an emergency water supply for the Brazito MDWCA and the Lower Rio Grande Public Water Works Authority.

Project Contact Person:

Martin G. Lopez

Phone Number:

575-571-3628

Address:

325 Holguin Road, Vado, NM
88072

Email:

martin.lopez@lrgauthority.org

Phase Amount

0

Amount Requested:

500,000

Project Phase:

Not Phased

When can the project begin?

Immediately

The local government that will own and administer this project:

LRGPWWA

Has local government agreed to administer, maintain and operate the capital project?

Yes

Will funds be expended within four (4) years from time the funding is made available?

Yes

Legislators that will be affected by this request:

Senator Mary Kay Papen

Senator Cynthia Nava

Rep. Mary Helen Garcia

Rep. Joseph Cervantes

Infrastructure Capital Improvement Plan FY 2013-2017

ICIP Capital Project Description

Project Title: Authority Interconnect Looping Project

Description/Justification & Benefits: This project will plan, design, and construct large-diameter piping interconnections to loop the entire regional system. There are four sections involved: The first section extends from Berino Road, continuing south on Stern Drive, west on Ohara Road, looping north up Hwy 460 to Stern Drive. The second section extends from 460 west on Lipps, down Venadito, south to Ohara Road, west to Hwy 478, and north to Joy Rd. The third section extends from the East Side Canal in Berino west on Berino Road to Hwy 28, north on Hwy 28 into La Mesa, along Castille Road to Archer Farms Rd. The fourth section extends from Smokey Rd on Hwy 192 to Well #6 at John Grisham in Mesquite.

This project will be constructed in phases. Large-diameter pipeline will be installed in sections and sub-sections as funding permits.

Location: LRGPWWA Service Area.

Implementation Plan: Planning and design are necessary for this project - 2013. Design memos will suffice for phases of this project. This project will also be included in the overarching system PER.

Category: Water Supply **COG District:** 7

Potential Future Funding Sources: LGRANT SGRANT FGRANT CDBG **Colonias?** Yes **House District:**

SLOAN **Project Ranking:** 2013-02 **Senate District:**

52-Cervantes **Subcode:** **Capital Outlay Rank:** 2 **County District:**

38-Papen

08-Dona Ana

Estimated Costs Not Yet Funded

	2013	2014	2015	2016	2017	TOTAL NOT YET FUNDED
Land Acquisition	0	0	0	0	0	0
Planning/Design	50,000	0	0	0	0	50,000
Engineering/Architectural	150,000	150,000	150,000	0	0	450,000
Construction	1,500,000	1,500,000	1,500,000	0	0	4,500,000
Other	0	0	0	0	0	0
TOTAL NOT YET FUNDED	1,700,000	1,650,000	1,650,000	0	0	5,000,000

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

Yes

Opr Exp and Debt Srvc	0	5,000	5,000	5,000	5,000	20,000
Operating Revenues	0	5,000	5,000	5,000	5,000	20,000

Current Funding Status

	0
	0
	0
	0
	0
Other	0

Infrastructure Capital Improvement Plan FY 2013-2017

Matching Funds	0
Total Already Funded	0
Amount Not Yet Funded	5,000,000
Total Project Cost	5,000,000

Infrastructure Capital Improvement Plan FY 2013-2017

Capital Outlay Project Information

Criterion that best describes this project:

Critical

Explanation:

This project will extend the large-diameter piping interconnections of the Lower Rio Grande Public Water Works Authority and provide a model for regionalization of water systems across the state and throughout the desert Southwest. On a regional scale, the extension of system interconnection and looping will provide the infrastructure required to provide quality drinking water and sufficient fire flow protection to the area. This will enable the region to attract quality commercial and residential development and improve the opportunities for well-paying jobs and quality housing for residents.

Project Contact Person:

Martin G. Lopez

Phone Number:

575-571-3628

Address:

325 Holguin Road, Vado, NM
88072

Email:

martin.lopez@lrgauthority.org

Phase Amount

500,000

Amount Requested:

500,000

Project Phase:

Phase I

When can the project begin?

Immediately

The local government that will own and administer this project:

LRGPWWA

Has local government agreed to administer, maintain and operate the capital project?

Yes

Will funds be expended within four (4) years from time the funding is made available?

Yes

Legislators that will be affected by this request:

Senator Mary Kay Papen

Senator Cynthia Nava

Rep. Mary Helen Garcia

Rep. Joseph Cervantes

Infrastructure Capital Improvement Plan FY 2013-2017

ICIP Capital Project Description

Project Title: System-Wide Information Technology Standardization

Description/Justification & Benefits: This project will plan, design, purchase, contract/install system-wide standardized information technology to include computer billing programs, SCADA system (for well/pump/tank control), security fences and cameras, radio-read water meters, and associated technology, equipment, licenses, and fixtures.

Location: LRGPWVA Service Area.

Implementation Plan: 2013 - Plan, design, construct, and install SCADA system (\$300,000) and security fences and cameras (\$150,000). 2014 - Install meters (\$550,000). 2015 - Purchase and install billing programs (\$100,000).

Category: Water Supply **COG District:** 7

Potential Future Funding Sources: CDBG SGRANT SLOAN FGRANT **Colonias?** Yes **House District:**
FLOAN

52-Cervantes **Subcode:** **Project Ranking:** 2013-03 **Senate District:**
38-Papen **Capital Outlay Rank:** 3 **County District:**
08-Dona Ana

Estimated Costs Not Yet Funded

	2013	2014	2015	2016	2017	TOTAL NOT YET FUNDED
Land Acquisition	0	0	0	0	0	0
Planning/Design	20,000	0	0	0	0	20,000
Engineering/Architectural	30,000	0	0	0	0	30,000
Construction	450,000	0	0	0	0	450,000
Other	0	550,000	100,000	0	0	650,000
TOTAL NOT YET FUNDED	500,000	550,000	100,000	0	0	1,150,000

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

Yes

Opr Exp and Debt Srvc	1,000	1,000	1,000	1,000	1,000	5,000
Operating Revenues	1,000	1,000	1,000	1,000	1,000	5,000

Current Funding Status

	0
	0
	0
	0
	0
Other	0
Matching Funds	0
Total Already Funded	0
Amount Not Yet Funded	1,150,000
Total Project Cost	1,150,000

Infrastructure Capital Improvement Plan FY 2013-2017

Capital Outlay Project Information

Criterion that best describes this project:

Necessary

Explanation:

This project will plan, design, purchase, contract/install system-wide standardized information technology to include computer billing programs, SCADA system (for well/pump/tank control), security fences and cameras, radio-read water meters, and associated technology, equipment, licenses, and fixtures. This project will result in greater efficiency and security of operations which will keep rates low.

Project Contact Person:

Martin G. Lopez

Phone Number:

575-571-3628

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325 Holguin Road, Vado, NM
88072

Email:

martin.lopez@lrgauthority.org

Phase Amount

300,000

Amount Requested:

300,000

Project Phase:

Phase I

When can the project begin?

July 2012

The local government that will own and administer this project:

LRGPWWA

Has local government agreed to administer, maintain and operate the capital project?

Yes

Will funds be expended within four (4) years from time the funding is made available?

Yes

Legislators that will be affected by this request:

Senator Mary Kay Papen

Senator Cynthia Nava

Rep. Mary Helen Garcia

Rep. Joseph Cervantes

Infrastructure Capital Improvement Plan FY 2013-2017

ICIP Capital Project Description

Project Title: Surface Water Treatment Plant

Description/Justification & Benefits: A surface water treatment plant will provide an additional source of water for many uses to the communities served by the Lower Rio Grande Public Water Works Authority.

Location: LRGPWWA Service Area.

Implementation Plan: Amend the PER - 2013.
Design and Construction - 2013-2014.

Category: Water Supply **COG District:** 7

Potential Future Funding Sources: LGRANT SGRANT CDBG SLOAN **Colonias?** Yes **House District:**
FLOAN

52-Cervantes **Subcode:** **Project Ranking:** 2013-04

38-Papen **Capital Outlay Rank:** 4 **Senate District:**

08-Dona Ana **County District:**

Estimated Costs Not Yet Funded

	2013	2014	2015	2016	2017	TOTAL NOT YET FUNDED
Land Acquisition	0	0	0	0	0	0
Planning/Design	30,000	0	0	0	0	30,000
Engineering/Architectural	70,000	100,000	0	0	0	170,000
Construction	0	6,000,000	0	0	0	6,000,000
Other	0	0	0	0	0	0
TOTAL NOT YET FUNDED	100,000	6,100,000	0	0	0	6,200,000

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

Yes

Opr Exp and Debt Srvc	10,000	10,000	10,000	10,000	10,000	50,000
Operating Revenues	10,000	10,000	10,000	10,000	10,000	50,000

Current Funding Status

Capital Outlay 2007		660,000
		0
		0
		0
		0
Other		0
Matching Funds		0
Total Already Funded		660,000
Amount Not Yet Funded		6,200,000
Total Project Cost		6,860,000

Infrastructure Capital Improvement Plan FY 2013-2017

Capital Outlay Project Information

Criterion that best describes this project:

Critical

Explanation:

Population growth in the region, as well as the groundwater contamination due to the dairies, arsenic, and other contaminants requires a new water source. A surface water treatment plant is necessary to provide an additional source of water for many uses.

Project Contact Person:

Martin G. Lopez

Phone Number:

575-571-3628

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325 Holguin Road, Vado, NM
88072

Email:

martin.lopez@lrgauthority.org

Phase Amount

100,000

Amount Requested:

6,200,000

Project Phase:

Phase I

When can the project begin?

Immediately

The local government that will own and administer this project:

LRGPWWA

Has local government agreed to administer, maintain and operate the capital project?

Yes

Will funds be expended within four (4) years from time the funding is made available?

Yes

Legislators that will be affected by this request:

Senator Mary Kay Papen

Senator Cynthia Nava

Rep. Mary Helen Garcia

Rep. Joseph Cervantes

Infrastructure Capital Improvement Plan FY 2013-2017

ICIP Capital Project Description

Project Title: Distribution System Rehabilitation & Improvements

Description/Justification & Benefits: This project will plan, design, and construct water distribution system rehabilitation and system-wide improvements. It will include pipeline connections, looping, and improvements at the neighborhood level. It will include upgrades to small diameter lines to enable proper flow through the system, provide for future growth, and meet the requirements for fire protection. It will include purchasing and installing valves, hydrants, and equipment and appurtenances as designed and required by regulatory agencies. The PER and Environmental Documents for this project will be overarching and include the large-diameter piping interconnections including emergency interconnections, tanks, wells, booster stations, and related improvements.

Location: LRGPWWA Service Area.

Implementation Plan: PER and Environmental Documents - 2012-2013. Project Design and Construction - 2013-2014.

Category: Water Supply **COG District:** 7

Potential Future Funding Sources: LGRANT SLOAN FGRANT CDBG **Colonias?** Yes **House District:**
SGRANT

52-Cervantes **Subcode:** **Project Ranking:** 2013-05 **Senate District:**
31-Nava **Capital Outlay Rank:** 5 **County District:**
08-Dona Ana

Estimated Costs Not Yet Funded

	2013	2014	2015	2016	2017	TOTAL NOT YET FUNDED
Land Acquisition	0	0	0	0	0	0
Planning/Design	120,000	0	0	0	0	120,000
Engineering/Architectural	100,000	236,000	0	0	0	336,000
Construction	0	2,360,000	0	0	0	2,360,000
Other	0	0	0	0	0	0
TOTAL NOT YET FUNDED	220,000	2,596,000	0	0	0	2,816,000

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

Yes

Opr Exp and Debt Srvc	0	5,000	5,000	5,000	5,000	20,000
Operating Revenues	0	5,000	5,000	5,000	5,000	20,000

Current Funding Status

	0
	0
	0
	0
	0
Other	0
Matching Funds	0
Total Already Funded	0

Infrastructure Capital Improvement Plan FY 2013-2017

Amount Not Yet Funded	2,816,000
Total Project Cost	2,816,000

Infrastructure Capital Improvement Plan FY 2013-2017

Capital Outlay Project Information

Criterion that best describes this project:

Critical

Explanation:

This project will plan, design, and construct water distribution system rehabilitation and system-wide improvements at the neighborhood level. This will improve water pressure and fire flow protection for residents and businesses served by the Authority.

Project Contact Person:

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Phone Number:

575-571-3628

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325 Holguin Road, Vado, NM
88072

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Phase Amount

100,000

Amount Requested:

100,000

Project Phase:

Phase I

When can the project begin?

Immediately

The local government that will own and administer this project:

LRGPWWA

Has local government agreed to administer, maintain and operate the capital project?

Yes

Will funds be expended within four (4) years from time the funding is made available?

Yes

Legislators that will be affected by this request:

Senator Mary Kay Papen

Senator Cynthia Nava

Rep. Mary Helen Garcia

Rep. Joseph Cervantes

Infrastructure Capital Improvement Plan FY 2013-2017

ICIP Capital Project Description

Project Title: Authority Brazito Sewer Project Phases I and II

Description/Justification & Benefits: This project will extend the sewer collection system from Mesquite to Brazito. This is a regional effort in partnership with the Brazito MDWCA and Dona Ana County to extend sewer service from Mesquite to Brazito. The Colonia Community of Brazito has over 500 dwellings, all of which are on individual septic tanks and leach fields. The tanks and fields are in close proximity to the system's drinking water wells and table, posing a serious threat of groundwater contamination. Dona Ana County has requested that the Authority's sewer lines be extended to Brazito to avoid leap-frogging the Authority's sewer service area and due to the Brazito MDWCA's unwillingness to commit to wastewater operation and maintenance. This project will also extend sewer service to two neighborhoods in Mesquite that do not currently have sewer service.

Location: Mesquite and Brazito

Implementation Plan: The PER is at 65% completion. Land acquisition for four 20'x20' lots for lift stations - 2013. Design - 2013. Construction - 2014 and 2016.

Category: Wastewater **COG District:** 7

Potential Future Funding Sources: LGRANT SGRANT CDBG FLOAN **Colonias?** Yes **House District:**
SLOAN

52-Cervantes **Subcode:** **Project Ranking:** 2013-06 **Senate District:**
38-Papen **Capital Outlay Rank:** () **County District:**
08-Dona Ana

Estimated Costs Not Yet Funded

	2013	2014	2015	2016	2017	TOTAL NOT YET FUNDED
Land Acquisition	200,000	0	0	0	0	200,000
Planning/Design	0	0	0	0	0	0
Engineering/Architectural	200,000	300,000	0	300,000	0	800,000
Construction	0	3,000,000	0	3,000,000	0	6,000,000
Other	0	0	0	0	0	0
TOTAL NOT YET FUNDED	400,000	3,300,000	0	3,300,000	0	7,000,000

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

Yes User rates will cover the operating expenses and will require a rate increase once the project has been constructed. The initial study will not require operating expenses.

Opr Exp and Debt Srvc	0	17,000	18,000	18,000	21,000	74,000
Operating Revenues	0	20,000	22,000	22,000	25,000	89,000

Current Funding Status

LGRANT	115,000
NMFA Planning Grant	37,500
	0
	0
	0
Other	0

Infrastructure Capital Improvement Plan FY 2013-2017

Matching Funds	0
Total Already Funded	152,500
Amount Not Yet Funded	7,000,000
Total Project Cost	7,152,500

Infrastructure Capital Improvement Plan FY 2013-2017

ICIP Capital Project Description

Project Title: Light Equipment Purchase

Description/Justification & Benefits: This project will involve replacing ten old pickup trucks with the following pickup trucks: three 1/2 ton pickup trucks, four 3/4 ton pickup trucks, and three 1 ton pickup trucks.

Location: LRGPWWA Service Area.

Implementation Plan: Vehicle procurement and purchase - 2013-2017.

Category: Water Supply **COG District:** 7

Potential Future Funding Sources: LGRANT SGRANT FGRANT **Colonias?** Yes **House District:**

FLOAN SLOAN

52-Cervantes **Subcode:** **Project Ranking:** 2013-07 **Senate District:**

31-Nava **Capital Outlay Rank:** 0 **County District:**

08-Dona Ana

Estimated Costs Not Yet Funded

	2013	2014	2015	2016	2017	TOTAL NOT YET FUNDED
Land Acquisition	0	0	0	0	0	0
Planning/Design	0	0	0	0	0	0
Engineering/Architectural	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	70,000	70,000	70,000	70,000	70,000	350,000
TOTAL NOT YET FUNDED	70,000	70,000	70,000	70,000	70,000	350,000

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

Yes

Opr Exp and Debt Srvc	13,000	15,000	16,000	17,000	18,000	79,000
Operating Revenues	13,000	15,000	16,000	17,000	18,000	79,000

Current Funding Status

	0
	0
	0
	0
	0
Other	0
Matching Funds	0
Total Already Funded	0
Amount Not Yet Funded	350,000
Total Project Cost	350,000

Infrastructure Capital Improvement Plan FY 2013-2017

ICIP Capital Project Description

Project Title: Heavy Equipment Purchase

Description/Justification & Benefits: This project will involve the purchase of heavy equipment including a dually dump truck, a vactor truck, a front loader, one 1/2 ton truck with a crane, a grader, a water truck, a mini excavator and trailer, and a large backhoe with a trailer.

Location: LRGPWWA Service area.

Implementation Plan: Equipment procurement and purchase - 2013-2017.

Category: Water Supply **COG District:** 7

Potential Future Funding Sources: LGRANT SGRANT FGRANT **Colonias?** Yes **House District:**

FLOAN SLOAN

34-Garcia **Subcode:** **Project Ranking:** 2013-08 **Senate District:**

31-Nava **Capital Outlay Rank:** 0 **County District:**

08-Dona Ana

Estimated Costs Not Yet Funded

	2013	2014	2015	2016	2017	TOTAL NOT YET FUNDED
Land Acquisition	0	0	0	0	0	0
Planning/Design	0	0	0	0	0	0
Engineering/Architectural	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	171,000	171,000	171,000	171,000	171,000	855,000
TOTAL NOT YET FUNDED	171,000	171,000	171,000	171,000	171,000	855,000

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

Yes

Opr Exp and Debt Srvc	14,000	15,000	16,000	17,000	18,000	80,000
Operating Revenues	14,000	15,000	16,000	17,000	18,000	80,000

Current Funding Status

	0
	0
	0
	0
	0
Other	0
Matching Funds	0
Total Already Funded	0
Amount Not Yet Funded	855,000
Total Project Cost	855,000

Infrastructure Capital Improvement Plan FY 2013-2017

ICIP Capital Project Description

Project Title: Vado Area Water System Improvements

Description/Justification & Benefits: This project will plan, design, and construct water system improvements in the community of Vado. Current substandard water distribution and service lines will be replaced. This project also involves the purchase and installation of appurences and equipment including hydrants and valves.

Location: Vado

Implementation Plan: Project planning and design: 2013-2014.
Project construction: 180 days in 2014/2015.

Category: Water Supply **COG District:** 7

Potential Future Funding Sources: CDBG SGRANT FGRANT SLOAN **Colonias?** Yes **House District:**
FLOAN

52-Cervantes **Subcode:** **Project Ranking:** 2014-01
38-Papen **Capital Outlay Rank:** () **Senate District:**
08-Dona Ana **County District:**

Estimated Costs Not Yet Funded

	2013	2014	2015	2016	2017	TOTAL NOT YET FUNDED
Land Acquisition	0	0	0	0	0	0
Planning/Design	0	100,000	0	0	0	100,000
Engineering/Architectural	0	130,000	0	0	0	130,000
Construction	0	1,300,000	0	0	0	1,300,000
Other	0	0	0	0	0	0
TOTAL NOT YET FUNDED	0	1,530,000	0	0	0	1,530,000

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

Yes

Opr Exp and Debt Srvc	0	1,000	1,000	1,000	1,000	4,000
Operating Revenues	0	1,000	1,000	1,000	1,000	4,000

Current Funding Status

	0
	0
	0
	0
	0
Other	0
Matching Funds	0
Total Already Funded	0
Amount Not Yet Funded	1,530,000
Total Project Cost	1,530,000

Infrastructure Capital Improvement Plan FY 2013-2017

ICIP Capital Project Description

Project Title: Sewer Service Extension to Unserved Areas
Description/Justification & Benefits: This project will plan, design, and construct sewer line extensions to currently unserved areas in partnership with Dona Ana County.
Location: LRGPWWA Service Area.
Implementation Plan: Design memorandums will be completed for sewer line extensions.
Category: Wastewater **COG District:** 7
Potential Future Funding Sources: CDBG FGRANT FLOAN LGRANT **Colonias?** Yes **House District:**
SGRANT
52-Cervantes Subcode: **Project Ranking:** 2015-01 **Senate District:**
38-Papen **Capital Outlay Rank:** 0 **County District:**
08-Dona Ana

Estimated Costs Not Yet Funded

	2013	2014	2015	2016	2017	TOTAL NOT YET FUNDED
Land Acquisition	0	0	0	0	0	0
Planning/Design	0	0	10,000	10,000	10,000	30,000
Engineering/Architectural	0	0	17,000	17,000	17,000	51,000
Construction	0	0	173,000	173,000	173,000	519,000
Other	0	0	0	0	0	0
TOTAL NOT YET FUNDED	0	0	200,000	200,000	200,000	600,000

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

Yes

Opr Exp and Debt Srvc	0	0	5,000	7,000	9,000	21,000
Operating Revenues	0	0	5,000	7,000	9,000	21,000

Current Funding Status

	0
	0
	0
	0
	0
Other	0
Matching Funds	0
Total Already Funded	0
Amount Not Yet Funded	600,000
Total Project Cost	600,000

Infrastructure Capital Improvement Plan FY 2013-2017

ICIP Capital Project Description

Project Title: Sewer Line for Dairies

Description/Justification & Benefits: The concentration of dairies with waste lagoons in the service area of the Lower Rio Grande Public Water Works Authority poses serious groundwater contamination potential. A sewer line connecting the dairies with the Dona Ana County wastewater treatment facility and with the Lower Rio Grande Public Water Works Authority Regional Surface Water Treatment Plant will alleviate nitrate contamination in the groundwater as well as provide water for re-use.

Location: LRGPWVA Service Area.

Implementation Plan: A Preliminary Engineering Report and Environmental Study are the first steps in this project.

Category: Wastewater **COG District:** 7

Potential Future Funding Sources: LGRANT SGRANT CDBG FLOAN **Colonias?** Yes **House District:**
SLOAN

52-Cervantes **Subcode:** **Project Ranking:** 2015-02 **Senate District:**
38-Papen **Capital Outlay Rank:** () **County District:**
08-Dona Ana

Estimated Costs Not Yet Funded

	2013	2014	2015	2016	2017	TOTAL NOT YET FUNDED
Land Acquisition	0	0	100,000	0	0	100,000
Planning/Design	0	0	50,000	0	0	50,000
Engineering/Architectural	0	0	100,000	0	0	100,000
Construction	0	0	2,500,000	0	0	2,500,000
Other	0	0	0	0	0	0
TOTAL NOT YET FUNDED	0	0	2,750,000	0	0	2,750,000

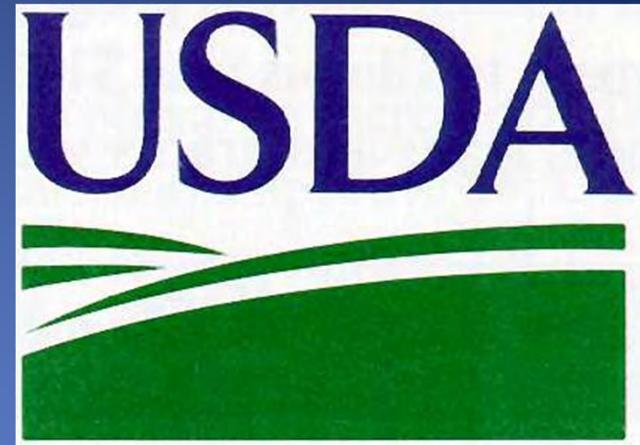
Has your local government/agency planned for operating expenses for the project when it is completed?

Yes

Opr Exp and Debt Srvc	0	0	10,000	10,000	12,000	32,000
Operating Revenues	0	0	12,000	12,000	14,000	38,000

Current Funding Status

	0
	0
	0
	0
	0
Other	0
Matching Funds	0
Total Already Funded	0
Amount Not Yet Funded	2,750,000
Total Project Cost	2,750,000



La Mesa Water System Improvements: Well No. 3

August 17, 2011

MOLZENCORBIN

Introductions & Meeting Purpose

- Introductions
- Purpose – To inform the community of La Mesa
 - Problem, Actions to Correct Problem, Funding, Technical Information, Project Costs
 - Seek Comments, Support, and Answer Questions



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Problem:

- Well #1 on NM 28 is located around farm land and high levels of nitrates can occur with time
- High levels of nitrates pose a serious health risk if consumed
- Low storage volume to meet established reserve demands
- No back up power during power outages



How Do Nitrates Get into the Wells?

- Most nitrate contamination comes from runoff from agricultural areas that have received fertilizer
- Nitrates can also be introduced by improperly installed septic tanks
- Well head contamination due to poor construction



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Actions to Correct Problem:

- LRGPWWA has been pursuing funding to improve the water system
 - USDA Rural Development



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USDA Rural Development:

- Fund projects to improve water systems and sewer systems
- RD selects projects based on importance and need
- 2 year planning, design, and environmental deadline
- 3 years to construct the project after design



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USDA RD Process:

- LRGPWWA was selected for the 2008-2009 fiscal year
- RD – LRGPWWA contract – Indent to meet Letter of Conditions
- LRGPWWA – Molzen Corbin contract
- Preliminary Engineering Report
- Environmental Impact Document
- Public Meetings
- Final Design
- Bid Documents
- Letter of Conditions – September 14, 2011
- Construction



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Alternatives:

- Keep Using Well No. 1
 - No improvements
- Drill New Well at same location
 - Site space
- Drill New Well at a different location
 - Site Elevation, Site Space, Site Location



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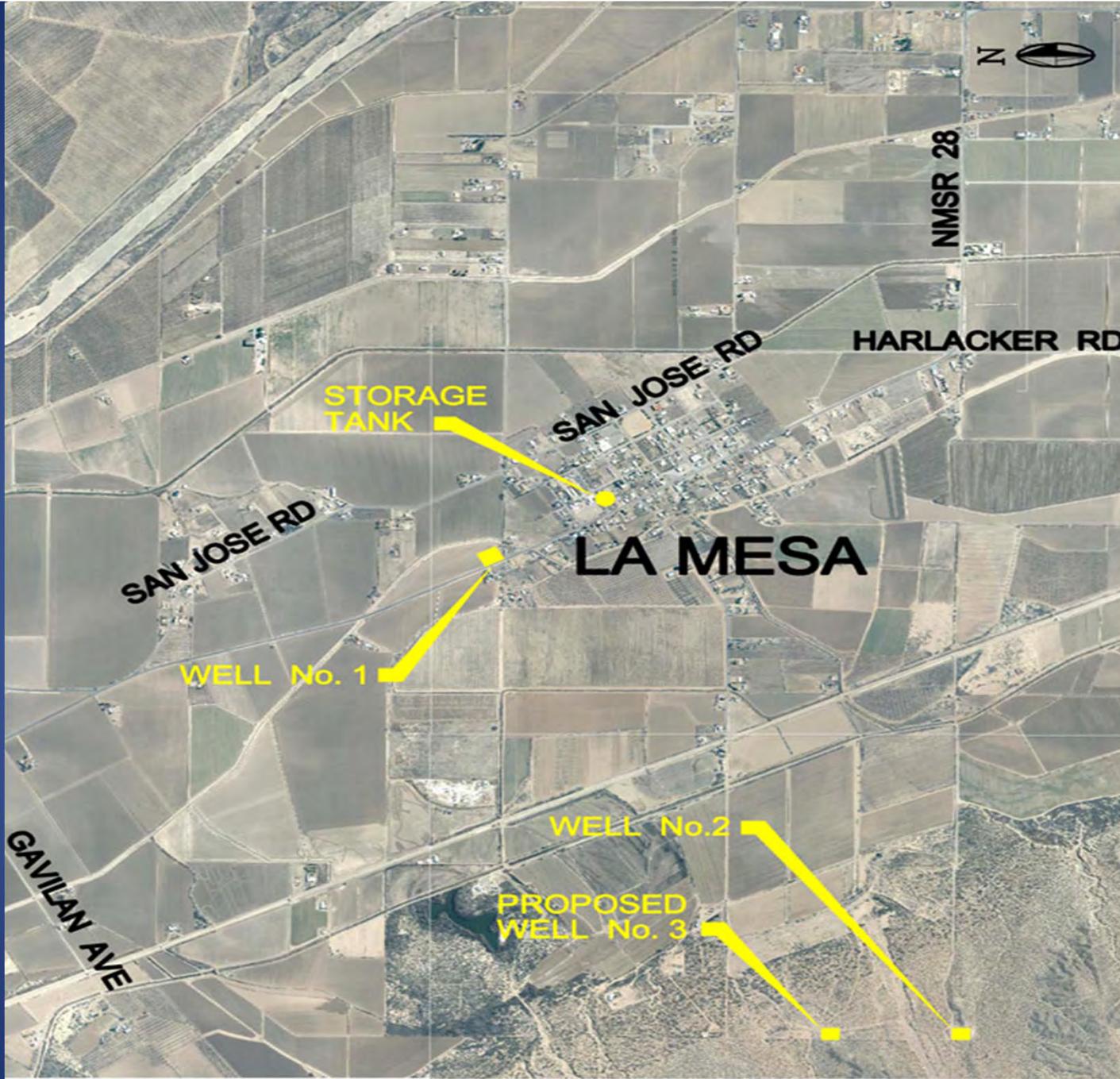
Selected Alternative:

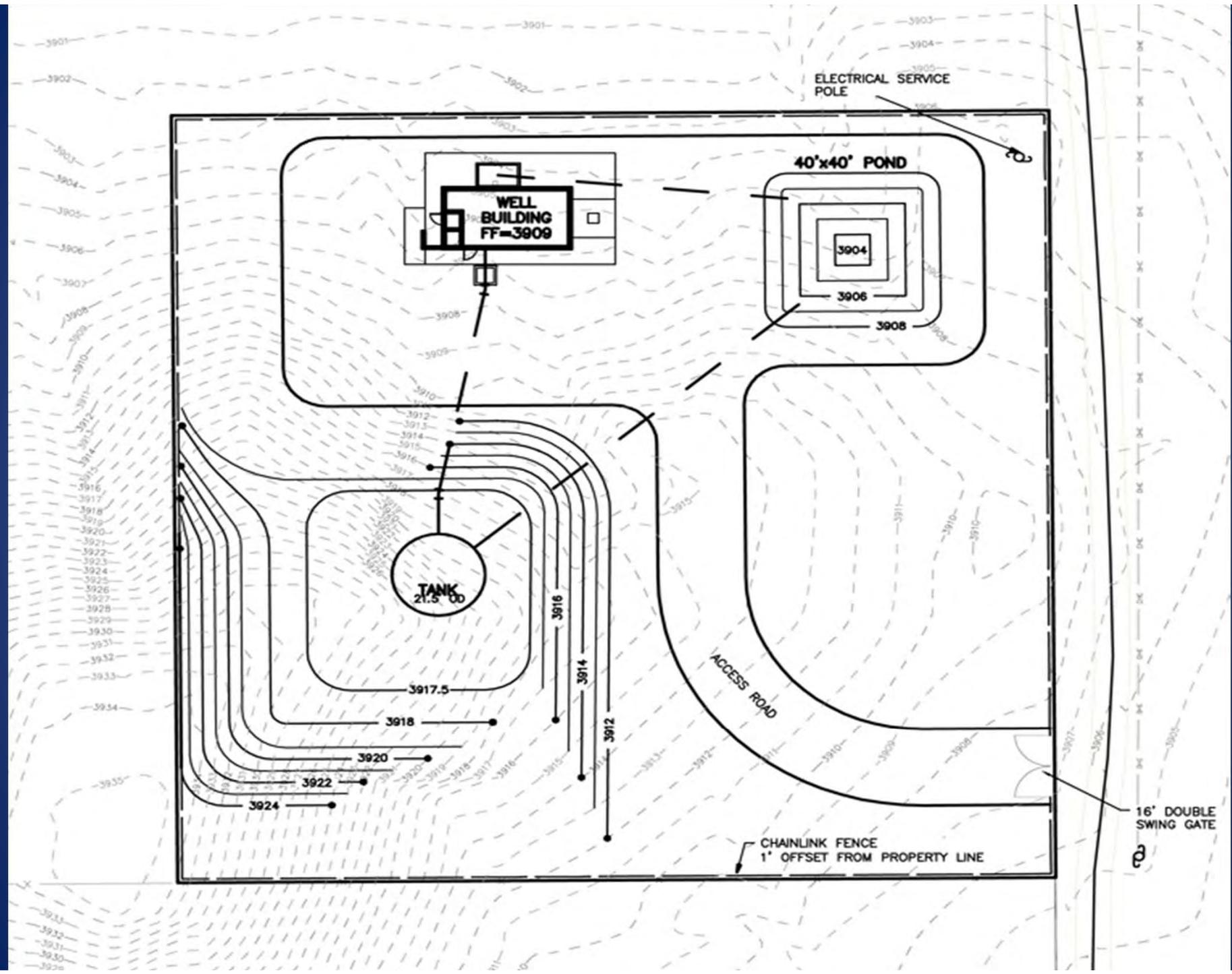
- Drill new Well at a different location
- Site will be located away from farm land
 - Reduce possibility of nitrates contaminates
- New Water Storage Tank
 - Increase storage capacity to meet reserve demands
- New Generator
 - Provide back up power for emergency use



MOLZENCORBIN







Estimated Project Costs:

Construction	\$ 1,301,863
Construction NMGRT (DAC)	\$ 81,366
Engineering Fees (Design)	\$ 120,000
Construction Observation	\$ 50,000
PER/Environmental Report	\$ 25,593
Topographic Survey/Easements	\$ 20,000
Additional Engineering	\$ 51,000
LOC Binder	\$ 1,360
Refinance NMED Loan	\$ 139,618
Legal Services	\$ 20,000
Professional Svcs. NMGRT (LC)	\$ 21,417
<u>Contingencies</u>	<u>\$ 208,129</u>
Total (w/ taxes & contingencies)	\$ 2,040,346



MOLZENCORBIN



Funding Sources:

RD Loan FY 2009	\$ 471,000
RD Colonias Grant FY 2009	<u>\$ 1,569,346</u>
Total	\$ 2,040,346



MOLZENCORBIN



What's Next?

- LRGPWWA submit updated LOC Binder before September 14, 2011
- USDA RD Review LOC Binder and set a date for Closing Instructions
- Construction



MOLZENCORBIN



Questions? Comments?



MOLZENCORBIN





LOWER RIO GRANDE
Public Water Works Authority

BERINO – DEL CERRO WATER IMPROVEMENTS

BERINO – DEL CERRO WATER IMPROVEMENTS

BERINO SYSTEM IMPROVEMENTS

- 200,000 GALLON BLENDING TANK AT BERINO WATER OFFICE
- PRIVATE EASEMENTS OBTAINED = 3 EACH (EA)
- 12" PVC WATERLINE = 26,379 LINEAR FEET (LF) OR 5 MILES
- 6" PVC WATERLINE = 31,663 LF OR 6 MILES
- GATE VALVES = 130 EA
- FIRE HYDRANTS = 36 EA
- AIR RELIEF VALVES = 15 EA
- ASPHALT PAVEMENT TRENCHING, REMOVAL AND SURFACE RESTORATION = 325 SQUARE YARDS (SY)
- HORIZONTAL DIRECTIONAL BORES = 4 EA
 - > BERINO ROAD & WATER OFFICE
 - > BERINO ROAD & VISTOSO LOOP WEST
 - > BERINO ROAD & ANTHONY LATERAL
 - > BERINO ROAD & NM 478

BERINO – DEL CERRO WATER IMPROVEMENTS

DEL CERRO / MESQUITE PROPER

- PRIVATE EASEMENTS OBTAINED = 260
- 12" PVC WATERLINE = 16,080 LINEAR FEET (LF) OR 3 MILES
- 8" PVC WATERLINE = 6200 LF OR 1 MILES
- 6" PVC WATERLINE = 84,680 LF OR 16 MILES
- GATE VALVES = 157 EA
- FIRE HYDRANTS = 135 EA
- AIR RELIEF VALVES = 18 EA
- HORIZONTAL DIRECTIONAL BORES = 1 EA
 - > NM 478 & MESQUITE DRIVE



LOWER RIO GRANDE
Public Water Works Authority

INTERCONNECT PROJECT

Southern Loop

LRGPWWA – INTERCONNECT PROJECT Southern Loop

- PRIVATE EASEMENTS REQUIRED = 13
- 12" PVC WATERLINE = 43094 LF OR 8 MILES
- GATE VALVES = 18 EA
- FIRE HYDRANTS = 18 EACH
- HORIZONTAL DIRECTIONAL BORES = 2 EA
 - > NM 460 & LIPPS ROAD
 - > NM 404 & ANTHONY LATERAL

SUMMARY OF COSTS

- BERINO WATER SYSTEM IMPROVEMENTS = \$3.28 MILLION
DEL CERRO / MESQUITE PROPER = \$6.54 MILLION
TOTAL COMBINED PROJECT COST = \$9.82 MILLION

- INTERCONNECT PROJECT- Southern Loop
TOTAL PROJECT COST = \$2.6 MILLION

**LRG PWWA
Manager's Report
August 17, 2011**

- Transfer of Assets (bank funds) from Associations
 - BLM permits are being processed
 - Lack the USDA construction accounts for the Desert Sands and Mesquite water projects
- Project Funding Applications
 - Berino-Del Cerro Water Project
 - Water Trust Board determined funding 10% Loan/90% Grant combination and 20% Match)
 - USDA ≈55% Grant/45% Loan
 - USDA Mesquite sewer project resubmitted LOC and should have been sent to Denver for RD review last week as per as Gannett
 - La Mesa water project will resubmit LOC
- Billing Program is networked and payment are can be taken in any of the open offices
- Final FY2011 Budget was submitted to DFA, no negative responses
- Working with Senator Mary Kay Papen to access revert Colonias Initiative funds from other projects and possible capital outlay for Special Session
- DAC is seeking input and LRG assistance on their proposal known as the El Camino Real Scenic Byway Master Plan (possibly a letter of support)
- Redistricting by DAC has most of current Authority Service Area in District 1 (Billy Garrett); and small

portions near Berino and Desert Sands in District 2
(Dolores Saldana-Caviness)

- Will be working with Olga with RCAC to establish election procedure and process; and to determine if DAC Election folks will be used or if it done internally
- Personnel
 - Vehicle Accident involving Ismael Acosta
 - Jacob Nieto Resigned
 - Tony Duarte Hired
 - Meter Readers hiring pending, recommendations from Workforce Solutions
- Meetings/Trainings:
 - Community Meeting at DACC Gadsden Center tonight at 6 pm
 - DAC Berino Master Plan Meeting 6pm on Wednesday, August 24th at Immaculate Mission Church, 205 San Benito Road
 - DAC P&Z Meeting 9 am Thursday, August 25th (Proposed subdivision in Berino; 23 lots off Aldaz Road)
 - Infrastructure Finance Conference in Albuquerque October 25-27 Hard Rock Hotel & Casino

Total Project Cost		Berino-Del Cerro (Mesquite)	
Mesquite	Berino	Total	
\$ 6,536,945.00	\$ 3,283,429.00	\$ 9,820,374.00	
		Total & Leveraged	
Mesquite Phase 4a	\$ 2,151,523.00	\$ 10,389,401.00	
Mesquite Phase 4b	\$ 2,410,860.00		
Mesquite Phase 4c	\$ 1,974,562.00		
Total	\$ 6,536,945.00		

Funds Requested		
Berino-Del Cerro (4a)	Leveraged	Total
\$ 5,434,952.00	\$ 569,027.00	\$ 6,003,979.00

WTB		
Funding Obligated	\$ 4,371,629.75	(90% Grant/10% Loan)
10% Loan Match	\$ 437,162.98	
20% Match	\$ 874,320.00	
Total	\$ 5,245,949.75	
Shortage	\$ 189,002.25	
WTB (Loan)	\$ 1,500,485.23	Matches & Shortage
WTB (Grant)	\$ 3,934,466.78	

USDA		
Grant	\$ 3,116,147.00	
Loan	\$ 2,304,000.00	
Total	\$ 5,420,147.00	Obligated

Unfunded Project Cost	
Phase 4b	\$ 2,410,860.00
Phase 4c	\$ 1,974,562.00
Total	\$ 4,385,422.00

Funded Project		
Funding Awarded	\$ 9,820,374.00	Matches & Shortage
Phases 4b & 4c Total	\$ 4,385,422.00	
Difference	\$ 1,034,725.00	
WTB Shortage	\$ 1,500,485.23	Matches & Shortage
Difference	\$ (465,760.23)	

Project Cost	\$ 10,389,401.00
Leveraged	\$ 562,474.00
LRGPWWA	\$ 6,553.00
Total	\$ 9,820,374.00

Project Cost	\$ 9,820,374.00
WTB	\$ 4,371,629.75
USDA	\$ 5,420,147.00
Total	\$ 9,791,776.75

WTB	
Loan	\$ 437,162.98
Grant	\$ 3,934,466.78
Match	\$ 874,320.00
*USDA funds will be used as Match	
Total	\$ 4,371,629.75

USDA	
Loan	\$ 2,304,000.00
Grant	\$ 3,116,147.00
Total	\$ 5,420,147.00

Loans	\$ 2,741,162.98
Grant	\$ 7,050,613.78
Total	\$ 9,791,776.75

Shortage	\$ 28,597.25
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LRGPWWA
Profit & Loss
 July 2011

	Jul 11
Ordinary Income/Expense	
Income	
Grant Income	22,977.00
Interest	54.98
Operating Revenue	
Contract Services	3,819.69
Monthly Services	164,428.75
Monthly Services-Sewer	6,931.13
Other Income	10,014.91
Penalties-Sewer	470.96
Penalties-Water	8,386.20
Total Operating Revenue	194,051.64
Total Income	217,083.62
Cost of Goods Sold	
Cost of Goods Sold	174.62
Total COGS	174.62
Gross Profit	216,909.00
Expense	
Accounting, Auditing, Legal	
Accounting Fees	0.00
Bank Service Charges	13,818.79
Engineering Fees	5,210.79
Government Penalties & Interest	25.00
Legal Fees	1,788.65
Permit Fees	125.00
Postage-Billing	1,183.17
Postage-Other	333.71
Travel	
Lodging Per Diem	589.45
Meals Per Diem	184.62
Mileage/Parking Per Diem	52.67
Total Travel	826.74
Total Accounting, Auditing, Legal	23,311.85
Depreciation Expense	
Sewer	2,206.22
Water	30,677.62
Total Depreciation Expense	32,883.84
Lab, Chemicals	
Chemicals	1,012.57
Laboratory Fees	486.83
Lab, Chemicals - Other	26.00
Total Lab, Chemicals	1,525.40
Salaries	
Accrued Leave	4,967.01
Administrative Labor	25,328.07
Clerical Labor	16,662.83
Contract Labor	566.74
Operations Labor	32,154.56
Salaries - Other	250.30
Total Salaries	79,929.51

LRGPWWA
Profit & Loss
 July 2011

	Jul 11
Supplies	
Cell Phone	2,091.31
Computer Maintenance	10,589.82
Kitchen & Cleaning Supplies	294.73
Materials & Supplies	20,752.30
Office Supplies	790.76
Printing and Copying	722.00
Telephone	822.05
Supplies - Other	1,849.34
	37,912.31
Total Supplies	
Taxes, Liability, Insurance	
401K 10% Company Contribution	6,981.63
Employee Benefits-401K Contrib	2,412.66
Insurance-Dental	668.40
Insurance-Health	7,857.00
Insurance-Life,Disability	-41.28
Insurance-Vision	0.00
Insurance - Liability, D and O	10,884.00
Payroll Taxes-Federal Unemploym	0.00
Payroll Taxes-Medicare	1,197.20
Payroll Taxes-Social Security	4,954.57
Payroll Taxes-State Unemploymen	781.26
Payroll Taxes-Worker's Comp Fee	1,119.00
State Taxes	0.00
Water Conservation Fee	1,465.53
	38,279.97
Total Taxes, Liability, Insurance	
Utilities	
Automobile Repairs & Maint.	2,720.03
Electricity-Operations	16,385.07
Equipment Rental	4.57
Fuel	2,887.45
Garbage Service	124.30
Maint. & Repairs-Infrastructure	7,158.07
Maint. & Repairs-Office	426.44
Maintenance & Repairs-Other	4,001.47
Natural Gas	92.98
Security/Alarm	24.95
Wastewater	66.15
	33,891.48
Total Utilities	
Total Expense	247,734.36
Net Ordinary Income	-30,825.36
Other Income/Expense	
Other Expense	
Ask My Accountant	3,140.00
	3,140.00
Total Other Expense	
Net Other Income	-3,140.00
Net Income	-33,965.36

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
8/17/11 BOARD OF DIRECTORS MEETING
PROJECTS REPORT**

Authority Construction Projects:

LRG-11-01 - La Mesa Water System Improvements – Molzen Corbin – final design/closing - RD: ROW & easements are at 100%. Funding application and Letter of Conditions Notebook items have been redone in the name of the Authority, today's agenda includes a new public hearing and adoption of RD forms that are required. LOC Notebook will be resubmitted for re-review by RD within a few days after the documents from today's meeting are incorporated.

LRG: 11-02.1 -Mesquite Wastewater Project – Gannet Fleming– final design/closing/Letter advising of Unfavorable Action - RD: The original Letter of Intent to Meet Conditions we executed and returned to their Los Lunas office has still not been received by the Las Cruces Office. The engineer expects the final review to take about six weeks from 7/22/11.

LRG-11-02.2 - Authority/Brazito Sewer Project – Vencor – planning – CDBG/SAP: Field data collection is 100% complete, documents at 65% completion (PER, EID & sewer model) have been submitted for review at NMED CPB.

LRG-11-03 – Interconnect & Looping Project – Stern Drive project is complete, Castillo Road project is pending resolution of the bridge crossing issues which are under review by the contractor's insurance company. The remainder of the this project will include completion of the interconnection & looping between the Castillo Road project & Stern Drive project, between the south end of the Stern Drive project to pick up the Desert Sands tanks & wells and loop back around to lines to be installed with the Berino/Del Cerro project at Joy Dr/Hwy. 478, and will interconnect the Berino part of the system back to La Mesa on the west side. The agenda today includes a resolution to apply for a \$2 million Rural Infrastructure Program loan to design & construct the southern loop.

LRG-11-03.4 Mesquite/Brazito Water Emergency Water Interconnect & Supplemental Wells – prelim. Planning: Vencor has a preliminary map, nothing to report yet.

LRG-11-04 - Berino & Mesquite/Del Cerro combined Project – funding app./design – RD/WTB: NMFA Board approved \$4,371,630 funding package on 8/11/11 at 90% grant, 10% loan with an additional 20% match requirement. USDA-RD issued a Letter of Conditions on 8/3/11 for \$3,116,147 Colonias Grant and \$2,304,000 loan at 3.375% interest, 40 year term. Letter of Intent to Meet Conditions has been signed & submitted, adoption of processing documents is on today's agenda. GM is negotiating with one of the dairies for one of the two remaining easements needed. BNSF temporary permit to take soil samples on Berino Road is still pending, but "on the way" according to BNSF. Submittal of plans to NMED DWB , CPB, and other agencies expected for 9/15/11.

LRG-11-05 – Surface Water Treatment Plant – PER (approved) & EID (under review) completed by CE&M, USDA-RD NOI published 7/9/11, public meeting 7/20/11. Authorization to RFP for engineering services will be placed on the September agenda.

Authority PERs/EAs/40 Yr. Water Plan:

LRG-12-01 – Authority PER – prelim. planning: CDBG Planning Grant Application submitted thru SCCOG 3/16/11, still no response, but did respond to a request for more budget detail.

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

Return Flow Credit Plan – CE&M – GF work in progress: Executed engineering services agreement with Grace Engineering (Karen Perez) on 5/3/11, kick off meeting to coordinate with county on 5/16/11, flow meter installed at San Miguel lift station on 5/31/11.

Radio Read Meters – in-house – SRF Fund: Rob Pine at NMED-DWB advised that our funding request for \$595,000 is approved: 25% subsidized + 25% grant = 50% grant, 50% loan at 0%. This will purchase 3400 meters at \$175 ea. No written confirmation as yet.

Individual MDWCA Projects under construction:

Desert Sands Phase II-III Water System Improvements – Construction in progress: Final pay application has been approved by USDA-RD, funds should be in this week.

Mesquite Water Project – Gannett Fleming – Construction complete, pending close-out: Have come to an agreement with the engineer on final Change Order to change out pump control valve on old Mesquite Well #4 (Authority #8), awaiting RD concurrence with the Change Order. Engineer sent letter 7/12/11 approving the Change Order and requested that the contractor let him know when he can begin work, no reply as yet.

LRG MDWA Projects:

Castillo Rd - La Mesa/Mesquite Interconnect – CE&M – construction incomplete: Bridge report was provided to the contractor & engineering firm with a Cc: to the engineer who is no long with that firm. A letter was received from the contractor's insurance company informing us that a claim had been filed.

CE&M PER – final review: PER is approved, EID is under review.

La Mesa Building (jointly funded by La Mesa & LGRMDWA) – Molzin Corbin – under construction - NMED - SAP08-3099, Colonias 09-3118: 4 pay requests have been submitted, first three have been paid. Duran Construction is working on the rebar for the foundation and failed an inspection. Concrete pad cannot be poured until corrections are made. We applied

for gas service on 7/1, and it has not been installed yet. The steel building manufacturer has submitted drawings for approval, they were rejected by the Structural Engineer, and they will have to be resubmitted. Change Order is still pending.

Other projects:

Website: Board Minutes page is up to date, will be working with Mike to put up an Operations Page.

ICIP – Review of the draft plan is on today's agenda, final plan will be on the next agenda for adoption by resolution.

EBID Surface Water Treatment Plant – no update

NMFA Refinancing – We will have a write-up in their next newsletter, final draft from NMFA is attached.

Lower Rio Grande Public Water Works Authority Refunding and Regionalization

CHALLENGE:

The Lower Rio Grande Public Water Works Authority was established by the merger of five mutual domestic water associations, which in state law requires that the new Authority assume all assets and liabilities of the founding entities. At the time of the merger, existing debt was \$1.3 million from USDA-RD, NM Finance Authority, and the NM Environment Department Rural Infrastructure Program, and transfer of the loans presented a huge challenge. Another hurdle was that the new entity did not have three years of audited financial statements as required by nearly all funding agencies.

SOLUTION:

The Authority paid off several smaller loans and began working with NMFA staff to analyze their remainder debt and focus on solutions. The NMFA was able to address and resolve the audit requirements as well as work out terms that involved an affordable loan payment with a substantial savings in total cost to the Authority.

A short-term NMFA equipment loan was easily transferred to the Authority, the new Public Project Revolving Fund loan of \$790,914 was closed on July 15, 2011, and NMFA immediately paid the four remaining USDA-RD founding entity loans.

BENEFIT:

The re-funding strategy allowed the Authority to fulfill its statutory requirements. Perhaps even more importantly, NMFA helped us establish a precedent for regionalization and realize the benefits for communities as well as for funding and regulatory agencies that work with and oversee them.

PULL OUT QUOTE:

“The NMFA staff expertly guided us toward what could be done instead of what was difficult or impossible.”

Karen Nichols, Projects Manager, Lower Rio Grande Public Water Works Authority

Lower Rio Grande PWWA

Operators Report

August 17, 2011

System Problems and Repairs.

- Backflow inspections are current.(Mesquite District)
- Sewer tank inspections are current.(Mesquite District) ~~well~~
- No Major problems with the Lower Rio Grande system.
- Two new services were installed in the mesquite district.
- One new service in the Berino district.
- Two new services in Desert Aire.
- We had to repair two services in La Union.
- We have had problems with the sewer system in the Mesquite district, which we have solved.
- We have installed a Sea Quest unit at well # 5 in La Mesa.
- We are installing the Chlorine gas unit at well # 5 as well.
- We had a main line water break on Sunday the 7th due to somebody rammimg a one inch re-bar into the ground.
- CCR's were generated and sent for Lower Rio Grande PWWA, Cielo Dorado, La Union, and Desert Aire.
- We had a water break at River Valley Dairy.
- We had a lot of over time on the weekends with our sewer problems, I changed the employeess work week from Monday to Friday to Thursday to Monday which eliminated the over time.
- We also had a Surprise visit from NMED out of Santa Fe.

NMED: Monthly Bac-T-Samples Have been taken for the Lower Rio Grande PWWA, La Union, and Desert Aire.

Mesquite district Wetlands: The Wetlands Sewer Report was generated and sent on Aug 10th.

Chlorine: No problems with Chlorine this month.

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



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road

Vado, New Mexico 88072

(575) 571-3628

Resolution 2012-1

Project No. LRG 11-04 Water System Interconnection & Looping

The Lower Rio Grande Public Water Works Authority, of Dona Ana County, of the State of New Mexico.

Whereas, a meeting of the Board of Directors was held on August 17, 2011,

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

General Manager Martin Lopez, is authorized to make application to New Mexico Environment Department Construction Programs Bureau Rural Infrastructure Program for loan funding for this project in the amount of Two Million Dollars (\$2,000,000) for Twenty (20) Years at a Three Percent (3%) Rate of Interest to be repaid out of water system revenues.

PASSED, APPROVED, AND ADOPTED: August 17, 2011.

Roberto Nieto, Chairman, Lower Rio Grande Public Water Works Authority

(Signature) August 17, 2011
Date

(SEAL)

ATTEST:

Santos Ruiz, Secretary, Lower Rio Grande Public Water Works Authority

(Signature) August 17, 2011
Date



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road

Vado, New Mexico 88072

(575) 571-3628

Resolution 2012-2

Project No. LRG 11-04 Water System Interconnection & Looping

The Lower Rio Grande Public Water Works Authority, of Doña Ana County, of the State of New Mexico.

Whereas, a meeting of the Governing Body was held on August 17, 2011,

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

Roberto Nieto, Board Chairman, is authorized to sign the loan agreement for this project, and Martin G. Lopez, General Manager, or his successor and Karen Nichols, Projects Manager, or her successor as the LOAN REPRESENTATIVE(s) authorized to submit any documents pertaining to the project and act as the single point of contact, and

Roberto Nieto, Board Chairman, or his successor, or Kathi Jackson, Finance Manager, or her successor as the SIGNATORY AUTHORITY(s) authorized to sign reimbursement requests and other documents requiring a signature for submittal to the New Mexico Environment Department.

PASSED, APPROVED, AND ADOPTED: August 17, 2011.

Roberto Nieto, Chairman, Lower Rio Grande Public Water Works Authority

(Signature) August 17, 2011
Date

(SEAL)

ATTEST:

Santos Ruiz, Secretary, Lower Rio Grande Public Water Works Authority

(Signature) August 17, 2011
Date

Project Name Water System Interconnect - Looping

Project No. LRG 11-04

Loan Representative(s)	
Name	<u>Martin G. Lopez, General Manager</u>
Signature	_____
Address	<u>325 Holguin Road</u> <u>Vado NM 88072</u>
E-mail	<u>martin.lopez@LRGauthority.org</u>
Phone	<u>575-571-3628</u>
Name	<u>Karen Nichols, Projects Manager</u>
Signature	_____
Address	<u>325 Holguin Road</u> <u>Vado NM 88072</u>
E-mail	<u>karen.nichols@LRGauthority.org</u>
Phone	<u>915-203-2057</u>
Name	_____
Signature	_____
Address	_____
E-mail	_____
Phone	_____
Name	_____
Signature	_____
Address	_____
E-mail	_____
Phone	_____

Loan Signatory Authority(ies)	
Name	<u>Roberto Nieto, Board Chairman</u>
Signature	_____
Address	<u>325 Holguin Road</u> <u>Vado NM 88072</u>
E-mail	<u>roberto.nieto@LRGauthority.org</u>
Phone	<u>575-621-9697</u>
Name	<u>Kathi Jackson, Finance Manager</u>
Signature	_____
Address	<u>325 Holguin Road</u> <u>Vado NM 88072</u>
E-mail	<u>kathi.jackson@LRGauthority.org</u>
Phone	<u>575-233-3947</u>
Name	_____
Signature	_____
Address	_____
E-mail	_____
Phone	_____
Name	_____
Signature	_____
Address	_____
E-mail	_____
Phone	_____



LOWER RIO GRANDE

Public Water Works Authority

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

RESOLUTION NO. 2012-3

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

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

WHEREAS, the Governing Body intends to request loan funds to meet WTB Funding Match Requirements and Project Shortage Funds ("Project") for the benefit of the Governmental Unit and its citizens; and

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

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY:

Section 1. That all actions previously taken by the Governing Body and the Governmental Unit and their respective officers and employees in connection with the Application and the Project are hereby ratified, approved and confirmed.

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

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



LOWER RIO GRANDE
Public Water Works Authority

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

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

PASSES APPROVED AND ADOPTED this 17th day of August, 2012.

GOVERNING BODY

By _____
Roberto M. Nieto, Chairman

(Seal)

ATTEST:

Santo Ruiz, Secretary

CERTIFICATION FOR CONTRACTS, GRANTS AND LOANS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or Federal loan, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant or loan.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant or loan, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including contracts, subcontracts, and subgrants under grants and loans) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Lower Rio Grande Public Water Works Authority

(Name of Organization)

General Manager

(Authorized Official, Title)

July 25, 2011

(Date)

RESOLUTION OF ~~MEMBERS OR STOCKHOLDERS~~

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

(~~Name of Association~~) ENTITY

325 Holguin Road, Vado NM 88072

(Address, including Zip Code)

RESOLVED, that the Governing Board of this ~~Association~~ be and it hereby is authorized and empowered to take all action necessary or appropriate —
ENTITY

1. To obtain for and on behalf of the ~~Association~~ through the United States Department of Agriculture (USDA) or any other Governmental agency:
ENTITY

(a) A loan in a sum not to exceed \$ \$2,304,000.00 ;

(b) A grant in a sum not to exceed \$ \$311,614,700.00 ;

to be advanced by the lender or grantor in one or more advances at such time or times as may be agreed upon.

2. In case of a loan or grant or both —

(a) For the execution of such application or applications (including exhibits, amendments and/or supplements thereto) as may be required:

(b) For the execution and delivery to the lender or grantor of all such written instruments as may be required in regard to or as evidence of such loan or grant; and

(c) In its judgment to carry out the terms of this resolution.

3. And in case of a loan — ENTITY

(a) To obligate this ~~Association~~ for the repayment of the loan at such rates of interest and on such other terms and conditions as the Governing Board shall deem proper;

(b) To pledge, hypothecate, mortgage, convey, or assign property of this ~~Association~~ of any kind and in any amount now owned or hereafter acquired, as security for any or all obligations (past, present and/or future) of this ~~Association~~ to such lender; and
ENTITY

(c) From time to time to pay, extend, or renew any such obligations.

CERTIFICATION

I, the undersigned, as Secretary of the above named ~~Association~~, hereby
ENTITY
(Secretary) (Acting Secretary)

certify that said ~~Association~~ on the 17th day of August, 2011, had _____
ENTITY
(Number)

Members ; that Three (3) of these
(members) (stockholders) or (shares of voting stock outstanding)

constituted a quorum; that _____ said members or stockholders or shares of voting stock were present at a meeting

of the members or stockholders duly called and held on the 17th day of August, 2011 ;

that the foregoing resolution was adopted at such meeting by the affirmative vote of _____ said members or stockholders or shares of voting stock; and that said resolution has not been rescinded or amended in any way.

Dated this day 17th of August, 2011 .

Secretary of Lower Rio Grande PWWA

RESOLUTION OF ~~MEMBERS OR STOCKHOLDERS~~

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

(~~Name of Association~~) ENTITY

325 Holguin Road, Vado NM 88072

(Address, including Zip Code)

RESOLVED, that the Governing Board of this ~~Association~~ be and it hereby is authorized and empowered to take all action necessary or appropriate — ENTITY

1. To obtain for and on behalf of the ~~Association~~ through the United States Department of Agriculture (USDA) or any other Governmental agency: ENTITY

(a) A loan in a sum not to exceed \$ \$471,000.00 ;

(b) A grant in a sum not to exceed \$ \$1,569,346.00 ;

to be advanced by the lender or grantor in one or more advances at such time or times as may be agreed upon.

2. In case of a loan or grant or both —

(a) For the execution of such application or applications (including exhibits, amendments and/or supplements thereto) as may be required:

(b) For the execution and delivery to the lender or grantor of all such written instruments as may be required in regard to or as evidence of such loan or grant; and

(c) In its judgment to carry out the terms of this resolution.

3. And in case of a loan — ENTITY

(a) To obligate this ~~Association~~ for the repayment of the loan at such rates of interest and on such other terms and conditions as the Governing Board shall deem proper; ENTITY

(b) To pledge, hypothecate, mortgage, convey, or assign property of this ~~Association~~ of any kind and in any amount now owned or hereafter acquired, as security for any or all obligations (past, present and/or future) of this ~~Association~~ to such lender; and ENTITY

(c) From time to time to pay, extend, or renew any such obligations.

CERTIFICATION

I, the undersigned, as Secretary, Santos Ruiz of the above named ~~Association~~, hereby ENTITY
(Secretary) (Acting Secretary)

certify that said ~~Association~~ on the 18th day of August, 2010, had 2465 ENTITY
(Number)

Members ; that Three (3) of these
(members) (stockholders) or (shares of voting stock outstanding)

constituted a quorum; that Five (5) said members or stockholders or shares of voting stock were present at a meeting

of the members or stockholders duly called and held on the 18th day of August, 2010 ;

that the foregoing resolution was adopted at such meeting by the affirmative vote of Four (4) said members or stockholders or shares of voting stock; and that said resolution has not been rescinded or amended in any way.

Dated this day 18th of August, 2010 .

Secretary of Lower Rio Grande PWWA

U.S. DEPARTMENT OF AGRICULTURE

Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR Part 3017, Section 3017.510, Participants' responsibilities. The regulations were published as Part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the proposed covered transaction.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Lower Rio Grande PWWA
Organization Name

Berino/Del Cerro Water Project
PR/Award Number or Project Name

Roberto Nieto, Chaiman
Name(s) and Title(s) of Authorized Representative(s)

Signature(s)

02-17-2011
Date

Instructions for Certification

1. By signing and submitting this form, the prospective primary participant is providing the certification set out on the reverse side in accordance with these instructions.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out on this form. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the department or agency to whom this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary participant further agrees by submitting this form that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

U.S. DEPARTMENT OF AGRICULTURE

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY
AND VOLUNTARY EXCLUSION - LOWER TIER COVERED TRANSACTIONS**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR Part 3017, Section 3017.510, Participants' responsibilities. The regulations were published as Part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency with which this transaction originated.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

- (1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

VENCOR ENGINEERING, LLC

Organization Name

LRGPINWA ~
BERINGO/DEL CERRO
WATER IMPROVEMENTS

PR/Award Number or Project Name

HECTOR R. VÁSQUEZ, P.E. / CEO

Name(s) and Title(s) of Authorized Representative(s)



Signature(s)

2/18/2011

Date

U.S. DEPARTMENT OF AGRICULTURE

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS (GRANTS) ALTERNATIVE I - FOR GRANTEEES OTHER THAN INDIVIDUALS

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), 7 CFR Part 3017, Subpart F, Section 3017.600, Purpose. The regulations were published as Part II of the January 31, 1989 Federal Register (pages 4947-4952). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the grant.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

Alternative I

(A) The grantee certifies that it will provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing a drug-free awareness program to inform employees about --
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --
 - (1) Abide by the terms of the statement; and

(2) Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;

(e) Notifying the agency within ten days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction;

(f) Taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted --

(1) Taking appropriate personnel action against such an employee, up to and including termination; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

B. The grantee shall insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (Street address, city, county, State, zip code)

Dona Ana County, New Mexico

Lower Rio Grande Public Water Works Authority La Mesa Well 3

Organization Name

PR/Award Number or Project Name

Martin G. Lopez, General Manager

Name and Title of Authorized Representative

July 25, 2011

Signature

Date

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this form, the grantee is providing the certification set out on pages 1 and 2.
2. The certification set out on pages 1 and 2 is a material representation of fact upon which reliance was placed when the agency determined to award the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

RE EST FOR OBLIGATION OF FUN

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED			
Complete Items 1 through 30 and applicable Items 31 through 43. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 36 007 *****4460		LOAN NUMBER	FISCAL YEAR
2. BORROWER NAME LA MESA MDWCA		3. NUMBER NAME FIELDS 1 1, 2, or 3 from Item 2)	
		4. STATE NAME New Mexico	
		5. COUNTY NAME 007 Dona Ana	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 4 - HISPANIC 2 - BLACK 5 - A/PI 3 - AI/AN	7. TYPE OF APPLICANT 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARM WORKERS 7 - OTHER 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION	8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONL 5 - LIVESTOCK ONL 6 - CROPS ONLY 7 - SECURED BY BONDS	9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.
10. SEX CODE 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN. MALE OWNED 5 - ORGAN. FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATE 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO	13. CREDIT REPORT 1 - YES 2 - NO
14. DIRECT PAYMENT 2 (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 1 - YES 2 - NO	17. INTEREST CREDIT 1 - YES (PRO SFH ONLY) 2 - NO
18. COMMUNITY SIZE 1 - 10,000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		19. DWELLING TYPE/USE OF FUNDS CODE <i>(See FMI)</i>	
COMPLETE FOR OBLIGATION OF FUNDS			
20. TYPE OF ASSISTANCE 061 (See FMI)	21. PURPOSE CODE 3 	22. SOURCE OF FUNDS 2 	23. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
24. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT	25. AMOUNT OF LOAN \$ 471,000.00		26. AMOUNT OF GRANT \$ 0.00
27. AMOUNT OF IMMEDIATE ADVANCE \$ 0.00	28. DATE OF APPROVAL MO DA YR 07 -- 12 21 -- 09 	29. INTEREST RATE 3.5000%	30. REPAYMENT TERMS 40
COMPLETE FOR SINGLE FAMILY HOUSING ONLY			
31. INCOME CATEGORY CODES 1 - VERY LOW 2 - LOW 3 - MODERATE 4 - ABOVE MODERATE		32. LOW INCOME LIMIT-MAX.	33. ADJUSTED FAMILY INCOME
34. R.E.INSURANCE	35. R.E.TAXES 1st year	36. R.E. TAXES 2nd year	37. NOTE INSTALLMENT INELIGIBLE
38. TYPE OF UNIT 1 - FARM TRACT 2 - NON-FARM TRACT			
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
39. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
40. DISASTER DESIGNATION NUMBER <i>(See FMI)</i>		41. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUB LOA 4 - ASSUMPTION WIT SUBSEQUENT LOAN	
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
42. OBLIGATION DATE MO DA YR 0 7 -- 13 11 -- 10 19 		43. BEGINNING FARMER/RANCHER <i>(See FMI)</i>	

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the fo have included for this purpose.

CERTIFICATION APPROVAL

For All Farmer Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representatives completing title work and completing loan closing.

44. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

Approval of financial assistance is subject to: 1. Availability of Funds; 2. Letter of Conditions dated July 22, 2009; 3 Letter of Intent to Meet Conditions dated July 22, 2009 and 4. Loan and Grant Closing Instructions issued by the U.S. Office of General Counsel.

45. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and requested payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

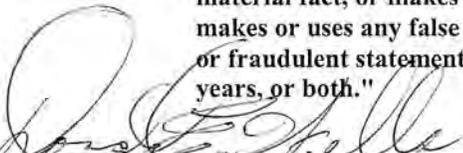
(For SFH & FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 29 of this form.

YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more five years, or both."

Attest:

~~XXXX~~

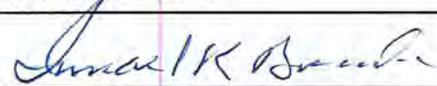

DONALD E. WELLS, Secretary

LA MESA MDWCA

Date

July 22, 2009

By:



Ismael Borunda
President

46. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.


MARTHA TORREZ (Signature of Approving Official)

Date Approved:

July 22, 2009

Title

Community Programs Director

47. TO THE APPLICANT: As of this date July 31, 2009, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the County Supervisor or District Director.

RE TEST FOR OBLIGATION OF FUN

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED			
Complete Items 1 through 30 and applicable Items 31 through 43. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 36 007 *****4460		LOAN NUMBER	FISCAL YEAR
2. BORROWER NAME LA MESA MDWCA		3. NUMBER NAME FIELDS 1 1, 2, or 3 from Item 2)	
		4. STATE NAME New Mexico	
		5. COUNTY NAME 007 Dona Ana	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 4 - HISPANIC 2 - BLACK 5 - A/PI 3 - AI/AN	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION	8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY	9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.
4 3-A/AN	3	6	0
10. SEX CODE 1 - MALE 2 - FEMALE	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATE	12. VETERAN CODE 1 - YES 2 - NO	13. CREDIT REPORT 1 - YES 2 - NO
4	3 - FAMILY UNIT 4 - ORGAN. MALE OWNED 5 - ORGAN. FEMALE OWNED 6 - PUBLIC BODY	3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	2
14. DIRECT PAYMENT <i>(See FMI)</i>	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY	16. FEE INSPECTION 1 - YES 2 - NO	17. INTEREST CREDIT 1 - YES (FRO SFH ONLY) 2 - NO
	3 - SEMI-ANNUALLY 4 - QUARTERLY	2	
18. COMMUNITY SIZE 1 - 10,000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		19. DWELLING TYPE/USE OF FUNDS CODE <i>(See FMI)</i>	
COMPLETE FOR OBLIGATION OF FUNDS			
20. TYPE OF ASSISTANCE 171 <i>(See FMI)</i>	21. PURPOSE CODE 3	22. SOURCE OF FUNDS 2	23. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
1			1
24. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT	25. AMOUNT OF LOAN	26. AMOUNT OF GRANT \$ 1,569,346.00	
1			
27. AMOUNT OF IMMEDIATE ADVANCE \$ 0.00	28. DATE OF APPROVAL MO DA YR 07 -- 22 -- 10 	29. INTEREST RATE	30. REPAYMENT TERMS
COMPLETE FOR SINGLE FAMILY HOUSING ONLY			
31. INCOME CATEGORY CODES 1 - VERY LOW 2 - LOW	32. LOW INCOME LIMIT-MAX.	33. ADJUSTED FAMILY INCOME	
3 - MODERATE 4 - ABOVE MODERATE			
34. R.E. INSURANCE	35. R.E. TAXES 1st year	36. R.E. TAXES 2nd year	37. NOTE INSTALLMENT INELIGIBLE
38. TYPE OF UNIT 1 - FARM TRACT 2 - NON-FARM TRACT			
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
39. PROFIT TYPE 3 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
40. DISASTER DESIGNATION NUMBER <i>(See FMI)</i>		41. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUB LOA 4 - ASSUMPTION WIT SUBSEQUENT LOAN	
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
42. OBLIGATION DATE MO DA YR 07 -- 31 -- 19 		43. BEGINNING FARMER/RANCHER <i>(See FMI)</i>	

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the for have included for this purpose.

CERTIFICATION APPROVAL

For All Farmer Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representatives completing title work and completing loan closing.

44. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

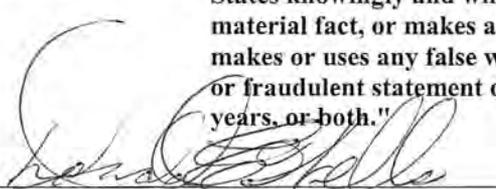
Approval of financial assistance is subject to: 1. Availability of Funds; 2. Letter of Conditions dated July 22, 2009; 3 Letter of Intent to Meet Conditions dated July 22, 2009; and 4. Loan and Grant Closing Instructions issued by the U.S. Office of General Counsel.

45. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and requested payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For SFH & FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 29 of this form.

_____ YES _____ NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more five years, or both."

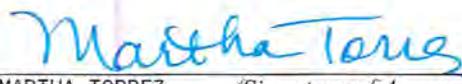
Attest: 
DONALD E. WELLS, Secretary

LA MESA MDWCA

Date July 22, 2009

By: 
Ismael Borunda
President

46. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.


MARTHA TORREZ (Signature of Approving Official)
Community Programs Director

Date Approved: July 22, 2009 Title

47. TO THE APPLICANT: As of this date July 31, 2009 this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the County Supervisor or District Director.

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED ()			
Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 36-007-*****2627		LOAN NUMBER	FISCAL YEAR
2. BORROWER NAME Lower Rio Grande Public Water Works		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
Authority		4. STATE NAME New Mexico	
		5. COUNTY NAME Dona Ana	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AI/AN 4 - HISPANIC 5 - A/PI	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10 - PUBLIC COLLEGE/UNIVERSITY 11 - OTHER		8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT
9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.	10. SEX CODE 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN. MALE OWNED 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO
13. CREDIT REPORT 1 - YES 2 - NO	14. DIRECT PAYMENT 2 (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 2 - YES 1 - NO
17. COMMUNITY SIZE 1 - 10,000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)	
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 061 (See FMI)	20. PURPOSE CODE 3	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT	24. AMOUNT OF LOAN 2,304,000.0	25. AMOUNT OF GRANT	
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE 3.375 %	29. REPAYMENT TERMS 40
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)	32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN		
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR	34. BEGINNING FARMER/RANCHER (See FMI)		

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder COPY 1 - Finance Office COPY 2 - Applicant/Lender COPY 3 - State Office

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

- 35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL. Financial assistance is subject to: 1) Availability of Funds; 2) Letter of Conditions dated August 3, 2011; 3) Letter of Intent to Meet Conditions dated August 3, 2011; and 4) Closing Instructions issued by the U.S. Office of General Counsel.
36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."



Date: August 3, 2011. Signature of Roberto Nieto, Chairman.

Date: August 3-26, 2011. Attest: Santos Ruiz, Secretary.

- 37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: Martha Torrez

Date Approved: 08-03-2011

Title: Community Programs Director

- 38. TO THE APPLICANT: As of this date, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 36-007-*****2627		LOAN NUMBER	FISCAL YEAR 2011
2. BORROWER NAME Lower Rio Grande Public Water Works		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
Authority		4. STATE NAME New Mexico	
		5. COUNTY NAME Dona Ana	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AI/AN 4 - HISPANIC 5 - A/PI	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10-PUBLIC COLLEGE/UNIVERSITY 11-OTHER	8. COLLATERAL CODE 1- REAL ESTATE SECURED 2-REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT	9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.
10. SEX CODE 1 - MALE 2 - FEMALE	3 - FAMILY UNIT 4 - ORGAN, MALE OWNED 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO
14. DIRECT PAYMENT (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 1 - YES 2 - NO	
17. COMMUNITY SIZE 1 - 10 000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)	
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 171 (See FMI)	20. PURPOSE CODE 3	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT	24. AMOUNT OF LOAN	25. AMOUNT OF GRANT 3,116,147.0	
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE 0 %	29. REPAYMENT TERMS
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)	32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN		
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR	34. BEGINNING FARMER/RANCHER (See FMI)		

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder COPY 1 - Finance Office COPY 2 - Applicant/Lender COPY 3 - State Office

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

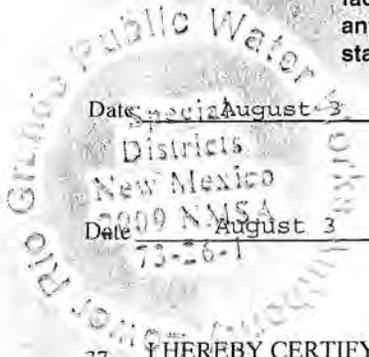
If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL. Financial assistance is subject to: 1) Availability of Funds; 2) Letter of Conditions dated August 3, 2011; 3) Letter of Intent to Meet Conditions dated August 3, 2011; and 4) Closing Instructions issued by the U.S. Office of General Counsel.

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."



Date: Special August 3, 20 11

[Signature]
Roberto Nieto, Chairman
(Signature of Applicant)

Date: August 3, 20 11

Attest: [Signature]
Santos Ruiz, Secretary
(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: Martha Torrez

Date Approved: 08-03-2011

Title: Community Programs Director

38. TO THE APPLICANT: As of this date _____, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

Position 5

UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Development

MINUTES OF ~~SPECIAL MEMBERSHIP~~ MEETING OF THE

Lower Rio Grande Public Water Works Authority
(Name of ~~Association~~ Entity)

Doña Ana County, New Mexico

A Special Meeting of the members of the Lower Rio Grande Public Water Works Authority

_____ was held at 10:00 o'clock A.M., on

the 18th day of August, 2010, pursuant to notice duly given the membership in accordance with the ~~By-Laws~~ Governance Document.

The Meeting was duly called to order by Roberto Nieto, ~~President~~ Chairman, who caused a count to be taken of the members present and there were 4 members present. Each member was required to sign an Attendance record, which is attached as "Exhibit A" and incorporated in these Minutes as a part hereof. Also present were the following persons:

See Attached List _____

The ~~President~~ Chairman stated that the purpose of the Meeting was to consider the adoption of a Resolution to authorize the Board of Directors to take all appropriate action to

Construct the pending water and wastewater projects of the Founding Entities of the LRGPWVA INCLUDING THE LA MESA WELL PROJECT, MESQUITE WASTEWATER PROJECT, MESQUITE/DEL CERRO WATER PROJECT AND THE BERINO WATER PROJECT (State purpose: such as : "To construct, expand, rehabilitate, etc., a rural waterworks system,

_____ waste disposal system, etc.")

to serve the members, and to do all things necessary to obtain financing for the project through the Rural Development. After discussion, the following Resolution was then introduced by Santos Ruiz, seconded by John Holguin, and unanimously carried:

(SEAL)

Secretary

Form RD-NM 1942-4

New Mexico Instruction 1942-A
Exhibit A

ATTENDANCE RECORD OF ~~SPECIAL MEMBERSHIP~~ MEETING
OF LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Held on August 18, 2011

<u>NAME OF MEMBER</u>	<u>ADDRESS</u>	<u>S</u>
1. <u>See Attached Sign-In Sheet</u>	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____
6. _____	_____	_____
7. _____	_____	_____
8. _____	_____	_____
9. _____	_____	_____
10. _____	_____	_____
11. _____	_____	_____
12. _____	_____	_____
13. _____	_____	_____
14. _____	_____	_____
15. _____	_____	_____
16. _____	_____	_____
17. _____	_____	_____
18. _____	_____	_____

19. _____

20. _____

(Other pages may be added, if necessary)

Form RD-NM 1942-4

(3/13/91) NM PN 481

Position 5

UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Development

**NEW MEXICO OPEN MEETINGS ACT REQUIRES NOTICE OF MEETINGS, AND NOTICE
WAS DULY GIVEN**

~~WAIVER OF NOTICE AND CALL OF~~

~~SPECIAL MEETING OF BOARD OF DIRECTORS OF~~

_____ County _____, New Mexico

We, the undersigned, being all of the Directors of _____

_____, _____ County, New Mexico,
(Name of Association)

hereby waive notice and call a special meeting of the Board to be held on the
____ day of _____, 20____, at _____,

and we consent that said meeting may be held at such time and place for the following purposes:

- 1) ~~To adopt a Loan Resolution Security Agreement on Form RUS Bulletin 1780-28 and Resolution of Members or Stockholders on Form RD 1942-8, authorizing the officers of the Association to obtain a loan of _____ Dollars (\$ _____), _____ made or insured by the United States of America, acting through the _____ Rural Development, and issue evidence of indebtedness in the form prescribed by the Rural Development.~~
- 2) ~~To adopt a Rate Resolution on Form RD NM 1942-7, to put into full force and effect a schedule of water and / or sewer rates and charges approved by the Rural Development, and~~
- 3) ~~To transact such other business as may properly come before the meeting.~~

Dated and signed this _____ day of _____, 20_____.

Position 5
UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Development

MINUTES OF ~~SPECIAL~~ MEETING OF BOARD DIRECTORS

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
(Name of ~~Association~~ ENTITY)

Dona Ana County, New Mexico

Held on the 17th day of August, 2011

A ~~Special~~ Meeting of the Board of Directors was held on the 17th day of August, 2011, at Vado, New Mexico, pursuant to a ~~Waiver of Notice signed by all of the Directors consenting to the holding of said meeting~~. The original ~~signed~~ Waiver of Notice and Call of Special Meeting is attached to and made a part of these Minutes.

The roll was called by the Secretary and the following Directors were present in person

<u>Roberto Nieto</u>	<u>Santos Ruiz</u>
<u>John Holguin</u>	<u>Blanca Martinez</u>
<u>Rosaura Pargas</u>	

The ~~President~~ Chairman announced that 5 Directors were present and that there was a quorum, as required by the by-laws for the transaction of business.

The ~~President~~ Chairman stated that the meeting was called to:

- 1) Adopt a Loan Resolution Security Agreement on Form RUS Bulletin 1780-28 and Resolution of Members or Stockholders on Form RD 1942-8, authorizing the officers of the ~~Association~~ Entity to obtain a loan of Two Million Three Hundred and Four Thousand Dollars (\$2,304,000.00), made or insured by the United States of America, acting through the Rural Development, and to issue evidence of indebtedness in the form prescribed by the Rural Development.
- ~~2) Adopt a Rate Resolution on Form RD-NM 1942-7, to put into full force and effect a schedule of water and / or sewer rates and charges approved by the Rural Development, and~~
- 3) Transact such other business as may properly come before the meeting.

Form RD-NM 1942-6

At the request of the ~~president~~ Chairman, Mr. Martin Lopez, General Manager, ~~attorney~~ for the Association Entity, explained the Association Entity Loan Resolution, and Resolution of Members of or Stockholders and the Rate Resolution. These Resolutions were read and fully discussed by the Board, and the President Chairman asked for motions on these Resolutions.

Upon motion made by _____, seconded by _____, and unanimously carried, it was resolved that the Loan Resolution Security Agreement on Form RUS Bulletin 1780-28 and Resolution of Members or Stockholders on Form RD 1942-8, be passed and adopted by the Board and that said Resolutions in their entirety be incorporated into and made a part of the Minutes of this Meeting.

~~Upon motion made by _____, seconded by _____, and unanimously carried, it was resolved that the Rate Resolution on Form RD NM 1942-7, be passed and adopted and the Schedule of Rates set forth therein be placed into immediate force and effect, and that said Resolution be incorporated into and made a part of the Minutes of this meeting.~~

There being no further business to be transacted, the meeting was adjourned.

Santos Ruiz, Secretary

CERTIFICATION

I hereby certify that the foregoing is a true and correct copy of the Minutes of the Meeting of the Board of Directors, and reflect the actions taken at said meeting.

(SEAL)

Santos Ruiz, Secretary

Position 5
UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Development

MINUTES OF ~~SPECIAL~~ MEETING OF BOARD DIRECTORS

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
(Name of ~~Association~~ ENTITY)

Dona Ana County, New Mexico

Held on the 17th day of August, 2011

A ~~Special~~ Meeting of the Board of Directors was held on the 17th day of August, 2011, at Vado, New Mexico, pursuant to a ~~Waiver of Notice signed by all of the Directors consenting to the holding of said meeting~~. The original ~~signed~~ Waiver of Notice and Call of Special Meeting is attached to and made a part of these Minutes.

The roll was called by the Secretary and the following Directors were present in person

<u>Roberto Nieto</u>	<u>Santos Ruiz</u>
<u>John Holguin</u>	<u>Blanca Martinez</u>
<u>Rosaura Pargas</u>	

The ~~President~~ Chairman announced that 4 Directors were present and that there was a quorum, as required by the by-laws for the transaction of business.

The ~~President~~ Chairman stated that the meeting was called to:

- 1) Adopt a Loan Resolution Security Agreement on Form RUS Bulletin 1780-28 and Resolution of Members or Stockholders on Form RD 1942-8, authorizing the officers of the ~~Association~~ Entity to obtain a loan of Four Hundred Seventy One Thousand Dollars (\$471,000.00), made or insured by the United States of America, acting through the Rural Development, and to issue evidence of indebtedness in the form prescribed by the Rural Development.
- ~~2) Adopt a Rate Resolution on Form RD-NM 1942-7, to put into full force and effect a schedule of water and / or sewer rates and charges approved by the Rural Development, and~~
- 3) Transact such other business as may properly come before the meeting.

Form RD-NM 1942-6

At the request of the ~~president~~ Chairman, Mr. Martin Lopez, General Manager, ~~attorney~~ for the Association Entity, explained the Association Entity Loan Resolution, and Resolution of Members of or Stockholders and the Rate Resolution. These Resolutions were read and fully discussed by the Board, and the ~~President~~ Chairman asked for motions on these Resolutions.

Upon motion made by _____, seconded by _____, and unanimously carried, it was resolved that the Loan Resolution Security Agreement on Form RUS Bulletin 1780-28 and Resolution of Members or Stockholders on Form RD 1942-8, be passed and adopted by the Board and that said Resolutions in their entirety be incorporated into and made a part of the Minutes of this Meeting.

~~Upon motion made by _____, seconded by _____, and unanimously carried, it was resolved that the Rate Resolution on Form RD NM 1942-7, be passed and adopted and the Schedule of Rates set forth therein be placed into immediate force and effect, and that said Resolution be incorporated into and made a part of the Minutes of this meeting.~~

There being no further business to be transacted, the meeting was adjourned.

Santos Ruiz, Secretary

CERTIFICATION

I hereby certify that the foregoing is a true and correct copy of the Minutes of the Meeting of the Board of Directors, and reflect the actions taken at said meeting.

(SEAL)

Santos Ruiz, Secretary

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

APPLICANT CERTIFICATION
FEDERAL COLLECTION POLICIES FOR CONSUMER OR COMMERCIAL DEBTS

The Federal Government is authorized to check credit information about the applicant(s) including using the federal Credit Alert Interactive Voice Response System (CAIVRS) or its successors to check to see if the applicant(s) are delinquent or in default on a Federal debt.

The Federal Government is also authorized by law to take any or all of the following actions in the event your loan payments become delinquent or you default on your loan:

- Report your name and account information to a credit reporting agency, and the Credit Alert Interactive Voice Response System (CAIVRS).
- Assess interest and penalty charges for the period of time that payment is not made.
- Assess charges to cover additional administrative costs incurred by the government to service your account.
- Offset amounts to be paid to you from your Federal income tax refund.
- Offset amounts to be paid to you under other Federal Programs.
- Refer your account to a private collection agency to collect the amount due.
- Foreclose on any security you have given for the loan.
- Pursue legal action to collect through the courts.
- Report any written off debt to the Internal Revenue Service as taxable income.
- If you are a current or retired Federal employee, take action to offset your salary, or civil service retirement benefits.
- Debar or suspend you from doing business with the Federal Government either as a participant or principal throughout the executive branch of the Federal Government for the period of debarment or suspension.
- Refer any debt that is delinquent to the Treasury Offset Program (TOP) in accordance with the Debt Collection Improvement Act of 1996.
- Refer any eligible debt that is delinquent to the Treasury for cross servicing in accordance with the Debt Collection Improvement Act of 1996.
- Garnish your wages as allowed by the Debt Collection Improvement Act of 1996.

Any or all of these actions may be used to recover any debts owed when it is determined to be in the interest of the Government to do so.

CERTIFICATION: I/we have read and I/we understand the actions the Federal Government may take in the event that I/we fail to meet my/our scheduled payments in accordance with the terms and conditions of my/our agreement. I/we understand that the above list is not all inclusive and that the Federal Government may deem additional actions necessary to collect should I/we become delinquent.

(Signature-Individual(s))	(Date)	(Signature-Individual(s))	(Date)
(SEAL)	07-25-2011 (Date)	Lower Rio Grande PWWA (Name of Applicant)	
ATTEST:		(Signature of Authorized Entity Official) Roberto Nieto, Chairman of the Board (Title of Authorized Entity Official)	
(Signature of Attesting Official)		325 Holguin Road (Address)	
Santos Ruiz, Secretary (Title of Attesting Official)		Vado NM 88072 (City, State, and Zip Code)	

EQUAL OPPORTUNITY AGREEMENT

This agreement, dated July 25, 2011 between
Lower Rio Grande Public Water Works Authority

(herein called "Recipient" whether one or more) and United States Department of Agriculture (USDA), pursuant to the rules and regulations of the Secretary of Labor (herein called the 'Secretary') issued under the authority of Executive Order 11246 as amended, witnesseth:

In consideration of financial assistance (whether by a loan, grant, loan guaranty, or other form of financial assistance) made or to be made by the USDA to Recipient, Recipient hereby agrees, if the cash cost of construction work performed by Recipient or a construction contract financed with such financial assistance exceeds \$10,000 - unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965.

1. To incorporate or cause to be incorporated into any contract for construction work, or modification thereof, subject to the relevant rules, regulations, and orders of the Secretary or of any prior authority that remain in effect, which is paid for in whole or in part with the aid of such financial assistance, the following "Equal Opportunity Clause":

During the performance of this contract, the contractor agrees as follows:

- (a) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the USDA setting forth the provisions of this nondiscrimination clause.
- (b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- (c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the USDA, advising the said labor union or workers' representative of the contractor's commitments under this agreement and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (d) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of all rules, regulations and relevant orders of the Secretary of Labor.
- (e) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, rules, regulations, and orders, or pursuant thereto, and will permit access to his books, records, and accounts by the USDA Civil Rights Office, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by Law.
- (g) The contractor will include the provisions of paragraph 1 and paragraph (a) through (f) in every subcontract or purchase order, unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the USDA may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the USDA, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collections is 0575-0018. The time required to complete this information collection is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

2. To be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the organization so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.
3. To notify all prospective contractors to file the required 'Compliance Statement', Form RD 400-6, with their bids.
4. Form AD-425, Instructions to Contractors, will accompany the notice of award of the contract. Bid conditions for all nonexempt federal and federally assisted construction contracts require inclusion of the appropriate "Hometown" or "Imposed" plan affirmative action and equal employment opportunity requirements. All bidders must comply with the bid conditions contained in the invitation to be considered responsible bidders and hence eligible for the award.
5. To assist and cooperate actively with USDA and the Secretary in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary, that it will furnish USDA and the Secretary such information such as, but not limited to, Form AD 560, Certification of Nonsegregated Facilities, to submit the Monthly Employment Utilization Report, Form CC-257, as they may require for the supervision of such compliance, and that it will otherwise assist USDA in the discharge of USDA's primary responsibility for securing compliance.
6. To refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by USDA or the Secretary of Labor pursuant to Part II, Subpart D, of the Executive Order.
7. That if the recipient fails or refuses to comply with these undertakings, the USDA may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the organization under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such organization; and refer the case to the Department of Justice for appropriate legal proceedings.

Signed by the Recipient on the date first written above.

 Recipient

Lower Rio Grande Public Water Works Authority

 Recipient

(CORPORATE SEAL)

Roberto Nieto, Chairman of the Board

 Name of Corporate Recipient

Attest:

 Santos Ruiz Secretary

By _____
 President

USDA
Form RD 400-4
(Rev. 3-97)

ASSURANCE AGREEMENT
(Under Title VI, Civil Rights Act of 1964)

FORM APPROVED
OMB No. 0575-0018

The Lower Rio Grande Public Water Works Authority
(name of recipient)

325 Holguin Road, Vado NM 88072
(address)

("Recipient" herein) hereby assures the U. S. Department of Agriculture that Recipient is in compliance with and will continue to comply with Title VI of the Civil Rights Act of 1964 (42 USC 2000d et. seq.), 7 CFR Part 15, and Rural Housing Service, Rural Business-Cooperative Service, Rural Utilities Service, or the Farm Service Agency, (hereafter known as the " Agency") regulations promulgated thereunder, 7 C.F.R. §1901.202. In accordance with that Act and the regulations referred to above, Recipient agrees that in connection with any program or activity for which Recipient receives Federal financial assistance (as such term is defined in 7 C.F.R. §14.2) no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination.

1. Recipient agrees that any transfer of any aided facility, other than personal property, by sale, lease or other conveyance of contract, shall be, and shall be made expressly, subject to the obligations of this agreement and transferee's assumption thereof.
2. Recipient shall:
 - (a) Keep such records and submit to the Government such timely, complete, and accurate information as the Government may determine to be necessary to ascertain our/my compliance with this agreement and the regulations.
 - (b) Permit access by authorized employees of the Agency or the U.S. Department of Agriculture during normal business hours to such books, records, accounts and other sources of information and its facilities as may be pertinent to ascertaining such compliance.
 - (c) Make available to users, participants, beneficiaries and other interested persons such information regarding the provisions of this agreement and the regulations, and in such manner as the Agency or the U.S. Department of Agriculture finds necessary to inform such persons of the protection assured them against discrimination.
3. The obligations of this agreement shall continue:
 - (a) As to any real property, including any structure, acquired or improved with the aid of the Federal financial assistance, so long as such real property is used for the purpose for which the Federal financial assistance is made or for another purpose which affords similar services or benefits, or for as long as the Recipient retains ownership or possession of the property, whichever is longer.
 - (b) As to any personal property acquired or improved with the aid of the Federal financial assistance, so long as Recipient retains ownership or possession of the property.
 - (c) As to any other aided facility or activity, until the last advance of funds under the loan or grant has been made.
4. Upon any breach or violation this agreement the Government may, at its option:
 - (a) Terminate or refuse to render or continue financial assistance for the aid of the property, facility, project, service or activity.
 - (b) Enforce this agreement by suit for specific performance or by any other available remedy under the laws of the United States or the State in which the breach or violation occurs.

Rights and remedies provided for under this agreement shall be cumulative.

In witness whereof, Lower Rio Grande Public Water Works Authority on this
(name of recipient)

date has caused this agreement to be executed by its duly authorized officers and its seal affixed hereto, or, if a natural person, has hereunto executed this agreement.

(S E A L)

7/25/11
Recipient

Roberto Nieto, Chairman of the Board
Date

Attest: _____
Secretary
Santos Ruiz
Title

Title

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0570-0018. The time required to complete this information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

STATEMENT REQUIRED BY THE PRIVACY ACT

The Rural Economic and Community Development (RECD) is authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et. seq.); and Title V of the Housing Act of 1949, as amended (42 U.S.C. 1471 et. seq.) or other Acts administered by RECD to solicit the information requested on RECD application forms.

Disclosure of information requested is voluntary. However, failure to disclose certain items of information requested, including your Social Security Number or Federal Identification Number, may result in a delay in the processing of an application or its rejection.

The principal purposes for collecting the requested information are to determine eligibility for RECD credit or other financial assistance, the need for interest credit or other servicing actions, for the servicing of your loan, and for statistical analysis. Information provided may be used outside of the Department of Agriculture for the following purposes:

1. Referral to interested parties who submit requests under the Freedom of Information Act (FOIA), unless disclosure is prohibited by a FOIA exemption.
2. Referral to a Federal Records Center for storage.
3. When a record on its face, or in conjunction with other records, indicates a violation or potential violation of law, whether civil, criminal or regulatory in nature, and whether arising by general statute or particular program statute, or by regulation, rule, or order issued pursuant thereto, disclosure may be made to the appropriate agency, whether Federal, foreign, State, local, or tribal, or other public authority responsible for enforcing, investigating or prosecuting such violation or charged with enforcing or implementing the statute, or rule, regulation, or order issued pursuant thereto, if the information disclosed is relevant to any enforcement, regulatory, investigative or prosecutive responsibility of the receiving entity.
4. A record from this system of records may be disclosed to a Member of Congress or to a Congressional staff member in response to an inquiry of the Congressional office made at the written request of the constituent about whom the record is maintained.
5. Disclosure may be made of names, home addresses, social security numbers, and financial information to business firms in a trade area that buy chattel or crops or sell them for commission. This is in order that RECD may benefit from the purchaser notification provisions of Section 1324 of the Food Security Act of 1985 [7 U.S.C. 163(e)]. The Act requires that potential purchasers of farm commodities must be advised ahead of time that a lien exists in order for the creditor to perfect its lien against such purchases.
6. Disclosure of the name, home address, and information concerning default on loan repayment when the default involves a security interest in tribal allotted or trust land. Pursuant to the Cranston-Gonzales National Affordable Housing Act of 1990 (42 U.S.C. 12701 et. seq.), liquidation may be pursued only after offering to transfer the account to an eligible tribal member, the tribe, or the Indian Housing Authority serving the tribe(s).
7. Referral of names, home addresses, social security numbers, and financial information to a collection or servicing contractor, financial institution, or a local, State, or Federal agency, when RECD determines such referral is appropriate for servicing or collecting the borrower's account or as provided for in contracts with servicing or collections agencies.
8. It shall be a routine use of the records in this system of records to disclose them in a proceeding before a court or adjudicative body, when: (a) the agency or any component thereof; or (b) any employee of the agency in his or her official capacity; or (c) any employee of the agency in his or her individual capacity where the agency has agreed to represent the employee; or (d) the United States is a party to litigation or has an interest in such litigation, and by careful review, the agency determines that the records are both relevant and necessary to the litigation, provided, however, that in each case, the agency determines that disclosure of the records is a use of the information contained in the records that is compatible with the purpose for which the agency collected the records.
9. Referral of name, home address, and financial information for selected borrowers to financial consultants, advisors, lending institutions, packagers, agents, and private or commercial credit sources, when RECD determines such referral is appropriate to encourage the borrower to refinance their RECD indebtedness by Title V of the Housing Act of 1949, as amended [42 U.S.C. 1471].
10. Referral of legally enforceable debts to the Department of the Treasury, Internal Revenue Service (IRS), to be offset against any tax refund that may become due the debtor for the tax year in which the referral is made, in accordance with the IRS regulations at 26 CFR 01.6402-6T, Offset of Past Due Legally Enforceable Debt against Overpayment, and under the authority contained in 31 U.S.C. 3720A.
11. Referral of information regarding indebtedness to the Defense Manpower Data Center, Department of Defense, and the United States Postal Service for the purpose of conducting computer matching programs to identify and locate individuals receiving Federal salary or benefit payments and who are delinquent in their repayment of debts owed to the U.S. Government under certain programs administered by the RECD in order to collect debts under the provisions of the Debt Collection Act of 1982 [5 U.S.C. 5514] by voluntary repayment administrative or salary offset procedures, or by collection agencies.

12. Referral of names, home addresses, and financial information to lending institutions when RECD determines the individual may be financially capable of qualifying for credit with or without a guarantee.
13. Disclosure of names, home addresses, social security numbers, and financial information to lending institutions that have a lien against the same property as RECD for the purpose of the collection of the debt. These loans can be under the direct and guaranteed loan programs.
14. Referral to private attorneys under contract with either RECD or with the Department of Justice for the purpose of foreclosure and possession actions and collection of past due accounts in connection with RECD.
15. It shall be a routine use of the records in this system of records to disclose them to the Department of Justice when: (a) the agency or any component thereof; or (b) any employee of the agency in his or her official capacity where the Department of Justice has agreed to represent the employee; or (c) the United States Government, is a party to litigation or has an interest in such litigation, and by careful review, the agency determines that the records are both relevant and necessary to the litigation and the use of such records by the Department of Justice is therefore deemed by the agency to be for a purpose that is compatible with the purpose for which the agency collected the records.
16. Referral of names, home addresses, social security numbers, and financial information to the Department of Housing and Urban Development (HUD) as a record of location utilized by Federal agencies for an automatic credit prescreening system.
17. Referral of the names, home addresses, social security numbers, and financial information to the Department of Labor, State Wage Information Collection Agencies, and other Federal, State, and local agencies, as well as those responsible for verifying information furnished to qualify for Federal benefits, to conduct wage and benefit matching through manual and/or automated means, for the purpose of determining compliance with Federal regulations and appropriate servicing actions against those not entitled to program benefits, including possible recovery of improper benefits.
18. Referral of names, home addresses, and financial information to financial consultants, advisors, or underwriters, when RECD determines such referral is appropriate for developing packaging and marketing strategies involving the sale of RECD loan assets.
19. To provide the basis for borrower success stories in Department of Agriculture news releases.
20. Referral to a credit reporting agency.

Every effort will be made to protect the privacy of applicants and borrowers.

FEDERAL EQUAL CREDIT OPPORTUNITY ACT STATEMENT

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency which administers compliance with this law concerning Rural Economic and Community Development services is the Federal Trade Commission, Pennsylvania Avenue at Sixth Street N. W., Washington, DC 20580.

This is to acknowledge my receipt of the above and also, in the case of applicants for business and industry, limited profit rural rental housing and emergency loans to other than individuals, that I have read the reverse of this form, and accept the conditions stated thereon.

 APPLICANT (Signature)

 CO-APPLICANT (Signature)

7/25/11

 DATE

**Rural Economic and Community Development services
 are Equal Opportunity Lenders
 Complaints of discrimination should be sent to:
 Secretary of Agriculture, Washington, DC 20250**

WARNING

All information supplied to Rural Economic and Community Development (RECD) by you or your agents in connection with your loan application may be released to interested third parties, including competitors, without your knowledge or consent under the provision of the Freedom of Information Act (5 U.S.C. 552).

Much information not clearly marked "Confidential" may be released routinely if a request is received for same. Further, if we receive a request for information which you marked "Confidential," the Federal Government will have to release the information unless you can demonstrate to our satisfaction that release of the information would be likely to produce substantial competitive harm to your business or would constitute a clearly unwarranted invasion of personal privacy. Also, forms, consultant reports, etc., cannot be considered confidential in their entirety if confidential material contained therein can be reasonably segregated from other information.

Information submitted may be made available to the public during the time it is held in Government files regardless of the action taken by RECD on your application.

**Water and Waste System Grant Agreement
United States Department of Agriculture
Rural Utilities Service**

THIS AGREEMENT dated August 17, 2011, between

the Lower Rio Grande Public Water Works Authority

a public ~~corporation~~ organized and operating under
entity

NMSA 1978 73-26-1

(Authorizing Statute)

herein called "Grantee," and the United States of America acting through the Rural Utilities Service, Department of Agriculture, herein called "Grantor," WITNESSETH:

WHEREAS

Grantee has determined to undertake a project of acquisition, construction, enlargement, or capital improvement of a (water) ~~(waste)~~ system to serve the area under its jurisdiction at an estimated cost of \$ \$5,989,174.00 and has duly authorized the undertaking of such project.

Grantee is able to finance not more than \$ 2,873,027.00 of the development costs through revenues, charges, taxes or assessments, or funds otherwise available to Grantee resulting in a reasonable user charge.

Said sum of \$ 2,873,027.00 has been committed to and by Grantee for such project development costs.

Grantor has agreed to grant the Grantee a sum not to exceed \$ 3,116,147.00 or 52 percent of said project development costs, whichever is the lesser, subject to the terms and conditions established by the Grantor. Provided, however, that the proportionate share of any grant funds actually advanced and not needed for grant purposes shall be returned immediately to the Grantor. The Grantor may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the Conditions of the grant.

As a condition of this grant agreement, the Grantee assures and certifies that it is in compliance with and will comply in the course of the agreement with all applicable laws, regulations, Executive orders and other generally applicable requirements, including those set out in 7 CFR 3015.205(b), which hereby are incorporated into this agreement by reference, and such other statutory provisions as are specifically set forth herein.

NOW, THEREFORE, In consideration of said grant by Grantor to Grantee, to be made pursuant to Section 306(a) of The Consolidated Farm and Rural Development Act for the purpose only of defraying a part not to exceed 52 percent of the project development costs, as defined by applicable Rural Utilities Service instructions.

Grantee Agrees That Grantee Will:

A. Cause said project to be constructed within the total sums available to it, including said grant, in accordance with the project plans and specifications and any modifications thereof prepared by Grantee and approved by Grantor.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0121. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

B. Permit periodic inspection of the construction by a representative of Grantor during construction.

C. Manage, operate and maintain the system, including this project if less than the whole of said system, continuously in an efficient and economical manner.

D. Make the services of said system available within its capacity to all persons in Grantee's service area without discrimination as to race, color, religion, sex, national origin, age, marital status, or physical or mental handicap (possess capacity to enter into legal contract for services) at reasonable charges, including assessments, taxes, or fees in accordance with a schedule of such charges, whether for one or more classes of service, adopted by resolution dated September 1, 2010, as may be modified from time to time by Grantee. The initial rate schedule must be approved by Grantor. Thereafter, Grantee may make such modifications to the rate system as long as the rate schedule remains reasonable and nondiscriminatory.

E. Adjust its operating costs and service charges from time to time to provide for adequate operation and maintenance, emergency repair reserves, obsolescence reserves, debt service and debt service reserves.

F. Expand its system from time to time to meet reasonably anticipated growth or service requirements in the area within its jurisdiction.

G. Provide Grantor with such periodic reports as it may require and permit periodic inspection of its operations by a representative of the Grantor.

H. To execute any agreements required by Grantor which Grantee is legally authorized to execute. If any such agreement has been executed by Grantee as a result of a loan being made to Grantee by Grantor contemporaneously with the making of this grant, another agreement of the same type need not be executed in connection with this grant.

I. Upon any default under its representations or agreements set forth in this instrument, Grantee, at the option and demand of Grantor, will repay to Grantor forthwith the original principal amount of the grant stated herein above with the interest at the rate of 5 percentum per annum from the date of the default. Default by the Grantee will constitute termination of the grant thereby causing cancellation of Federal assistance under the grant. The provisions of this Grant Agreement may be enforced by Grantor, at its option and without regard to prior waivers by it previous defaults of Grantee, by judicial proceedings to require specific performance of the terms of this Grant Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by Grantor to assure compliance with the provisions of this Grant Agreement and the laws and regulations under which this grant is made.

J. Return immediately to Grantor, as required by the regulations of Grantor, any grant funds actually advanced and not needed by Grantee for approved purposes.

K. Use the real property including land, land improvements, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed.

1. Title to real property shall vest in the recipient subject to the condition that the Grantee shall use the real property for the authorized purpose of the original grant as long as needed.

2. The Grantee shall obtain approval by the Grantor agency for the use of the real property in other projects when the Grantee determines that the property is no longer needed for the original grant purposes. Use in other projects shall be limited to those under other Federal grant programs or programs that have purposes consistent with those authorized for support by the Grantor.

3. When the real property is no longer needed as provided in 1 and 2 above, the Grantee shall request disposition instructions from the Grantor agency or its successor Federal agency. The Grantor agency shall observe the following rules in the disposition instructions:

(a) The Grantee may be permitted to retain title after it compensates the Federal Government in an amount computed by applying the Federal percentage of participation in the cost of the original project to the fair market value of the property.

(b) The Grantee may be directed to sell the property under guidelines provided by the Grantor agency. When the Grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practicable and result in the highest possible return.

[Revision 1, 04/17/1998]

(c) The Grantee may be directed to transfer title to the property to the Federal Government provided that in such cases the Grantee shall be entitled to compensation computed by applying the Grantee's percentage of participation in the cost of the program or project to the current fair market value of the property.

This Grant Agreement covers the following described real property (use continuation sheets as necessary).

See Attached Title Binder

L. Abide by the following conditions pertaining to equipment which is furnished by the Grantor or acquired wholly or in part with grant funds. Equipment means tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. A grantee may use its own definition of equipment provided that such definition would at least include all equipment defined above.

[Revision 1, 04/17/1998]

1. Use of equipment.

(a) The Grantee shall use the equipment in the project for which it was acquired as long as needed. When no longer needed for the original project, the Grantee shall use the equipment in connection with its other Federally sponsored activities, if any, in the following order of priority:

(1) Activities sponsored by the Grantor.

(2) Activities sponsored by other Federal agencies.

(b) During the time that equipment is held for use on the property for which it was acquired, the Grantee shall make it available for use on other projects if such other use will not interfere with the work on the project for which the equipment was originally acquired. First preference for such other use shall be given to Grantor sponsored projects. Second preference will be given to other Federally sponsored projects.

2. Disposition of equipment. When the Grantee no longer needs the equipment as provided in paragraph (a) above, the equipment may be used for other activities in accordance with the following standards:

(a) Equipment with a current per unit fair market value of less than \$5,000. The Grantee may use the equipment for other activities without reimbursement to the Federal Government or sell the equipment and retain the proceeds.

(b) Equipment with a current per unit fair market value of \$5,000 or more. The Grantee may retain the equipment for other uses provided that compensation is made to the original Grantor agency or its successor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original project or program to the current fair market value or proceeds from sale of the equipment. If the Grantee has no need for the equipment and the equipment has further use value, the Grantee shall request disposition instructions from the original Grantor agency.

The Grantor agency shall determine whether the equipment can be used to meet the agency's requirements. If no requirement exists within that agency, the availability of the equipment shall be reported, in accordance with the guidelines of the Federal Property Management Regulations (FPMR), to the General Services Administration by the Grantor agency to determine whether a requirement for the equipment exists in other Federal agencies. The Grantor agency shall issue instructions to the Grantee no later than 120 days after the Grantee requests and the following procedures shall govern:

(1) If so instructed or if disposition instructions are not issued within 120 calendar days after the Grantee's request, the Grantee shall sell the equipment and reimburse the Grantor agency an amount computed by applying to the sales proceeds the percentage of Federal participation in the cost of the original project or program. However, the Grantee shall be permitted to deduct and retain from the Federal share ten percent of the proceeds for Grantee's selling and handling expenses.

(2) If the Grantee is instructed to ship the equipment elsewhere the Grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the Grantee participation in the cost of the original grant project or program to the current fair market value of the equipment, plus any reasonable shipping or interim storage costs incurred.

(3) If the Grantee is instructed to otherwise dispose of the equipment, the Grantee shall be reimbursed by the Grantor agency for such costs incurred in its disposition.

3. The Grantee's property management standards for equipment shall also include:

(a) Records which accurately provide for: a description of the equipment; manufacturer's serial number or other identification number; acquisition date and cost; source of the equipment; percentage (at the end of budget year) of Federal participation in the cost of the project for which the equipment was acquired; location, use and condition of the equipment and the date the information was reported; and ultimate disposition data including sales price or the method used to determine current fair market value if the Grantee reimburses the Grantor for its share.

(b) A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years to verify the existence, current utilization, and continued need for the equipment.

(c) A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated and fully documented.

(d) Adequate maintenance procedures shall be implemented to keep the equipment in good condition.

(e) Proper sales procedures shall be established for unneeded equipment which would provide for competition to the extent practicable and result in the highest possible return.

This Grant Agreement covers the following described equipment(use continuation sheets as necessary).

M. Provide Financial Management Systems which will include:

1. Accurate, current, and complete disclosure of the financial results of each grant. Financial reporting will be on an accrual basis.
2. Records which identify adequately the source and application of funds for grant-supported activities. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.
3. Effective control over and accountability for all funds, property and other assets. Grantees shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes.
4. Accounting records supported by source documentation.

N. Retain financial records, supporting documents, statistical records, and all other records pertinent to the grant for a period of at least three years after grant closing except that the records shall be retained beyond the three-year period if audit findings have not been resolved. Microfilm or photo copies or similar methods may be substituted in lieu of original records. The Grantor and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Grantee's government which are pertinent to the specific grant program for the purpose of making audits, examinations, excerpts and transcripts.

O. Provide information as requested by the Grantor to determine the need for and complete any necessary Environmental Impact Statements.

P. Provide an audit report prepared in accordance with Grantor regulations to allow the Grantor to determine that funds have been used in compliance with the proposal, any applicable laws and regulations and this Agreement.

Q. Agree to account for and to return to Grantor interest earned on grant funds pending their disbursement for program purposes when the Grantee is a unit of local government. States and agencies or instrumentality's of states shall not be held accountable for interest earned on grant funds pending their disbursement.

R. Not encumber, transfer or dispose of the property or any part thereof, furnished by the Grantor or acquired wholly or in part with Grantor funds without the written consent of the Grantor except as provided in item K above.

S. To include in all contracts for construction or repair a provision for compliance with the Copeland "Anti-Kick Back" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR, Part 3). The Grantee shall report all suspected or reported violations to the Grantor.

T. To include in all contracts in excess of \$100,000 a provision that the contractor agrees to comply with all the requirements of the Clean Air Act (42 U.S.C. §7414) and Section 308 of the Water Pollution Control Act (33 U.S.C. §1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 of the Clean Air Act and Section 308 of the Water Pollution Control Act and all regulations and guidelines issued thereunder after the award of the contract. In so doing the Contractor further agrees:

[Revision 1, 11/20/1997]

1. As a condition for the award of contract, to notify the Owner of the receipt of any communication from the Environmental Protection Agency (EPA) indicating that a facility to be utilized in the performance of the contract is under consideration to be listed on the EPA list of Violating Facilities. Prompt notification is required prior to contract award.

2. To certify that any facility to be utilized in the performance of any nonexempt contractor subcontract is not listed on the EPA list of Violating Facilities pursuant to 40 CFR Part 32 as of the date of contract award.

[Revision 1, 11/20/1997]

3. To include or cause to be included the above criteria and the requirements in every nonexempt subcontract and that the Contractor will take such action as the Government may direct as a means of enforcing such provisions.

As used in these paragraphs the term "facility" means any building, plan, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by a Grantee, cooperator, contractor, or subcontractor, to be utilized in the performance of a grant, agreement, contract, subgrant, or subcontract. Where a location or site of operation contains or includes more than one building, plant, installation, or structure, the entire location shall be deemed to be a facility except where the Director, Office of Federal Activities, Environmental Protection Agency, determines that independent facilities are co-located in one geographical area.

Grantor Agrees That It:

A. Will make available to Grantee for the purpose of this Agreement not to exceed \$ 3,116,147.00 which it will advance to Grantee to meet not to exceed 52 percent of the project development costs of the project in accordance with the actual needs of Grantee as determined by Grantor.

B. Will assist Grantee, within available appropriations, with such technical assistance as Grantor deems appropriate in planning the project and coordinating the plan with local official comprehensive plans for sewer and water and with any State or area plans for the area in which the project is located.

C. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Grantor may determine to be (1) advisable to further the purpose of the grant or to protect Grantor's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.

Termination of This Agreement

This Agreement may be terminated for cause in the event of default on the part of the Grantee as provided in paragraph I above or for convenience of the Grantor and Grantee prior to the date of completion of the grant purpose. Termination for convenience will occur when both the Grantee and Grantor agree that the continuation of the project will not produce beneficial results commensurate with the further expenditure of funds.

In witness whereof Grantee on the date first above written has caused these presence to be executed by its duly authorized

Board Chairman

attested and its corporate seal affixed by its duly authorized

Secretary

SEAL:

Attest:

By _____

(Title) Secretary Santos Ruis

Executed

By _____

(Title) Board Chairman Roberto Nieto

UNITED STATES OF AMERICA

RURAL UTILITIES SERVICE

By _____

(Title)

**WATER AND WASTE
ELIGIBILITY CERTIFICATION**

Certification for commercial credit and outstanding judgments

The undersigned certifies, to the best of their knowledge and belief, that:

1. The organization is unable to finance the proposed project from its own resources or through commercial credit at reasonable rates and terms.
2. No outstanding judgment has been obtained and recorded by the United States of America in a Federal Court (other than in the United States Tax Court).

Lower Rio Grande Public Water Works Authority

Name of Organization

Martin G. Lopez, General Manager

Name of Authorized Official

July 25, 2011

Signature

Date

A RESOLUTION OF THE BOARD OF DIRECTORS

OF THE LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS IN THE

PRINCIPAL AMOUNT OF \$2,304,000.00 FOR THE PURPOSE

OF PROVIDING A PORTION OF THE COST OF ACQUIRING AND CONSTRUCTING A
Water Project in Berino & Mesquite
Del Cerro, PROVIDING FOR THE COLLECTION, HANDLING, AND
DISPOSITION OF REVENUES THEREFROM, AND AUTHORIZING MAKINGS OF PROMISSORY NOTE(S),
SECURITY INSTRUMENTS, AND PLEDGES OF REVENUES TO EVIDENCE AND SECURE THE PAYMENT OF
SAID INDEBTEDNESS AND FOR RELATED PURPOSES.

WHEREAS, the LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY, (hereinafter
referred to as the "Organization"), was organized under NMSA 1978 73-26-1 LOWER RIO GRANDE PUBLIC WATER WORKS
AUTHORITY for the purpose of providing a

Community Water System (hereinafter referred to as the
"Facility") to serve the Members of the said Organization; and

WHEREAS, a meeting of the members of the said organization was held on the 17th day of August, 2011
pursuant to proper notice thereof to consider plans for the acquisition and construction methods of financing the Facility:

and, as shown by the minutes of said meeting, of the _____ members of record of the organization there were
present and voting YES, and by a recorded majority vote, the Facility and its financing authorized; and,

WHEREAS, the proposed Facility is to be constructed and equipped in accordance with plans, and specifications
prepared by Vencor Incorporated

and in order to finance the Facility, the Board of Directors
(hereinafter referred to as the "Board") is authorized and empowered, in their discretion, for and in the name of the organization,
to make application to the United States of America, acting through the United States Department of Agriculture,
(hereinafter referred to as the "Government"), for financial assistance; to cause the execution and delivery of a
promissory note or notes or other evidence of indebtedness (hereinafter referred to as the "note"), and appropriate security instruments
to secure any loan or loans made or insured by the Government; to comply with any requirements, terms or conditions prescribed by the
Government or by Government regulations; and to execute contracts or enter into agreements and, without limitation, to take any and
all other action as may be necessary, incidental or appropriate to finance, acquire, construct, complete, and/or equip the Facility for and
on behalf of the Organization.

NOW THEREFORE, it is hereby resolved by the Board as follows:

Section 1. (Determination of Board). That it is necessary to defray a portion of the costs of financing the Facility by obtaining
a loan made or insured by the Government in accordance with applicable provisions of the Consolidated Farm and Rural Development
Act, it being determined that the Organization is unable to obtain sufficient credit elsewhere to finance the Facility, taking into
consideration prevailing private and cooperative rates and terms currently available;

Section 2. (Terms of Loan). That the Organization borrow \$2,304,000.00 and issue as evidence thereof an installment promissory note in the form prescribed by the Government for the full principal amount of the loan. The note shall be signed by the President, attested by the Secretary and have the corporate seal of the Organization affixed thereto, and shall bear interest from its date, which shall be the date of delivery at a rate not to exceed 3.375% percent per annum; the principal and interest shall be paid over a period of Forty (40) years in accordance with the payment schedule set forth in the promissory note, until the principal and interest are fully paid except the final payment of the entire indebtedness, if not sooner paid, shall be due and payable Forty (40) years from the date of the note. Each payment shall be applied first to the payment of the accrued interest and second to the payment of the principal. Prepayments of any installment may be made in any amount at any time at the option of the Organization.

Section 3. (Assignment and Pledge of Revenue). The indebtedness hereby authorized to be incurred, together with the interest thereon, shall be payable from the gross income and revenue to be derived from the operation of the Facility, a sufficient portion of which, to pay the principal and interest as and when the same shall become due, is hereby assigned, and pledged and shall be set aside for that purpose and this assignment and pledge shall extend to and include any assessments that may be levied pursuant to Section 5 (d) hereof.

Section 4. (Protection and Disposition of Funds). The General Manager of the Organization shall be the custodian of all funds of the Organization. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.

The General Manager is hereby directed to establish the following accounts into which the current funds of the Organization, note proceeds, the revenues from the Facility and any other income shall be deposited, which accounts shall be continually maintained, except as otherwise provided, so long as the indebtedness hereby authorized remains unpaid:

(a) Construction Account.

The proceeds of the borrowing hereby authorized not disbursed contemporaneously with loan closing for incurred Facility costs, and at least the amount of \$6,553.00 to be contributed by the Organization from the collection of initial connection fees, membership fees or contributions shall be deposited in the Construction Account which shall be established as required by the Government. Withdrawals from the construction account shall be made only on checks signed by the Board Chairman of the Organization as authorized by the Board from time to time, and with prior concurrence of the Government. At the option of the Government, the construction account may be established as a "supervised bank account". Amounts in the supervised bank account exceeding \$100,000 shall be secured by the depository bank in advance in accordance with U.S. Treasury Department Circular No. 176. Withdrawals from a supervised bank account

shall be made only on checks signed by the Board Chairman of the Organization and countersigned by an authorized official of the Department of Agriculture. The Organization's share of any insurance or liquidated damages and other monies paid by defaulting contractors or their sureties will be deposited in the Construction Account to assure completion of the Facility. When all construction costs have been paid in full, any balance remaining in the Construction Account may be applied on the loan or used for other authorized purposes that have been approved by the Government and the Construction Account shall be closed.

(b) General Account

As soon as the facility becomes revenue producing, all funds received shall be set aside in an account to be designated as the General Account, and disbursements and transfers from this account shall be in the following priority: Debt Service, Operations and Maintenance, transfers to Reserve Account. Monies deposited in the General Account shall be used only in the manner and order as follows:

(1) Borrowers making monthly USDA Debt Service Payments shall use the General Account for making such payments plus operating and maintenance expenses. Also, funds will be transferred from this account to the Reserve Account in accordance with (d) below.

(2) Borrowers making other than monthly USDA Debt Service Payments shall use the General Account to pay operating and maintenance expenses. Other transfers from this account will be made in the following order: (i) Transfers to the Debt Service Account will be made in accordance with (c) below, (ii) Transfers to the Reserve Account will be made in accordance with (d) below.

(c) Debt Service Account

For borrowers on other than monthly debt service payments, transfers, in proportion to income availability, shall be made from the General Account and set aside in an account designated as the Debt Service Account, in sufficient amounts which will accumulate for the next installment on the note.

(d) Reserve Account

From the remaining funds in the General Account, after transfers and payments required in (b)(1) or (b)(2) and (c), there shall be set aside into an account(s) designated as the Reserve Account(s) the sum of \$875.60

each month until the sum of \$105,072.00 is reached. With the prior written approval of the Government, funds may be withdrawn and used for such things as loan installments, emergency maintenance, extensions to facilities and replacement of short-lived assets, subject to conditions established by the Government.

(e) Whenever there shall accumulate in the General Account amounts in excess of those required in subsections (b)(1) and (2), (c), and (d), such excess will be used by the organization to make prepayments on the loan or retained in the General Account.

(f) The accounts required in subsections (b)(1) and (2), (c), and (d) may be established and maintained as bookkeeping accounts or as separate bank accounts at the election of the Organization, unless otherwise directed by the Government.

Section 5. (Other Covenants and Agreements of the Organization). The Organization covenants and agrees that so long as the indebtedness hereby authorized remains unpaid;

(a) It will indemnify the Government for any payments made or losses suffered by the Government.

(b) It will comply with applicable State laws and regulations and continually operate and maintain the Facility in good condition.

(c) It will impose and collect such rates and charges that gross revenues will be sufficient at all times to provide for payment of the operation and maintenance thereof; the installment payments on the note; and the maintenance of the various funds herein created. All service rendered by or use of the Facility shall be subject to the full rates prescribed in the rules and regulations of the Organization; no free service by or use of the Facility will be permitted.

(d) It will cause to be levied and collected such assessments as may be necessary to operate and maintain the Facility in good condition and meet installment payments on the note when the same become due if, for any reason, gross revenues are insufficient.

(e) It will establish and maintain such books and records relating to the operation of the system and its financial affairs, and will provide for the annual audit thereof, in such manner as may be required by the Government; will provide the Government without its request a copy of each such audit; and will make and forward to the Government such additional information and reports as it may from time to time require.

(f) It will provide the Government, at all reasonable times, access to all books and records relating to the Facility and access to the property of the Facility so that the Government may ascertain that the Organization is complying with the provisions hereof and with the provisions of other instruments incident to the making or insuring of the loan.

(g) It will maintain at least such insurance and fidelity bond coverage as may be required by the Government.

(h) It will not borrow any money from any source or enter into any contract or agreement or incur any other liabilities in connection with making extensions or improvements to the Facility, exclusive of normal maintenance, without obtaining the prior written consent of the Government.

(i) It will not cause or permit any voluntary dissolution of its organization, or merge or consolidate with any other organization, without obtaining the prior written consent of the Government. It will not dispose of or transfer title to the facility or any part thereof, including lands and interest in lands, by sale, security instrument, lease or other encumbrance, without obtaining the prior written consent of the Government. Revenue in excess of the amount required to maintain the accounts described by Section 4 herein will not be distributed or transferred to any other organization or legal entity.

(j) It will not modify or amend the Articles of Incorporation or the Bylaws of the Organization without the written consent of the Government,

(k) It will provide adequate service to all persons within the service area who can feasibly and legally be served and will obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the organization or public body.

(l) All present and future contract rights, accounts receivable, and general intangibles arising in connection with the facility are pledged as security for the loan.

(m) It will comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing adverse environmental impacts of the facility's construction or operation.

Section 6. (Security Instruments). In order to secure the payment of the principal and interest of the note, the President and Secretary of the Organization are hereby authorized and directed to execute and deliver good and sufficient lien instruments, where necessary, encumbering the properties and assets both real and personal constituting said Facility, as completed or as the same may be thereafter extended, including an assignment and pledge of revenues and such other instruments as may be prescribed by the Government

Section 7. (Refinancing). If at any time it shall appear to the Government that the Organization is able to refinance the amount of the indebtedness then outstanding, in whole or in part, by obtaining a loan for such purposes from responsible cooperative or private credit sources at reasonable rates and terms for loans for similar purposes and periods of time, the Organization will, upon request of the Government, apply for and accept such loan in sufficient amount to repay the Government and will take such actions as may be required in connection with such loan.

Section 8. ("Equal Employment Opportunity under Construction Contracts and Nondiscrimination"). The President and the Secretary be and they are hereby authorized and directed to execute for and on behalf of the Organization, Form RD 400-1, "Equal Opportunity Agreement", and Form RD 400-4, "Assurance Agreement".

Section 9. In the case of a grant in the sum not to exceed \$3,116,147.00, the Organization hereby accepts the grant under the terms as offered by the Government and that the Chairman and Secretary of the Organization are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant and the Organization hereby resolves to operate the facility under the terms as offered in said grant agreement(s).

Section 10. Default under the provisions of this agreement or any instrument incident to the making or issuing of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Organization, and default under any such instrument may be construed by the Government to constitute default hereunder.

Section 11. (Resolution of Contract). The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instruments, shall constitute a contract between the Organization and the Government or assignee so long as the note hereby authorized remains unpaid.

Section 12. This resolution shall take effect and be in force from and after the 17th day of August, 2011, being the date of its enactment.

The vote was: Yeas _____ Nays _____ Absent _____

(SEAL) (if applicable)

By Roberto Nieto

Attest:

Title Chairman of the Board

Title Santos Ruiz, Secretary

CERTIFICATION

I, the undersigned, as secretary of the LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY hereby certify that the Board of Directors of such Organization or Corporation is composed of 2,465 members of whom 4, constituting a quorum, were present at a meeting thereof duly called and held on the 17th day of August, 2011; that the foregoing resolution was adopted at such meeting by the vote shown above, and that said resolution has not been rescinded or amended in any way.

Dated, this 17th day of August, 2011.

Santos Ruiz
Secretary of Lower Rio Grande Public Water Works Authority

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS IN THE
PRINCIPAL AMOUNT OF \$471,000.00 FOR THE PURPOSE
OF PROVIDING A PORTION OF THE COST OF ACQUIRING AND CONSTRUCTING A
Water Project in La Mesa, PROVIDING FOR THE COLLECTION, HANDLING, AND
DISPOSITION OF REVENUES THEREFROM, AND AUTHORIZING MAKINGS OF PROMISSORY NOTE(S),
SECURITY INSTRUMENTS, AND PLEDGES OF REVENUES TO EVIDENCE AND SECURE THE PAYMENT OF
SAID INDEBTEDNESS AND FOR RELATED PURPOSES.

WHEREAS, the LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY, (hereinafter
referred to as the "Organization"), was organized under NMSA 1978 73-26-1 LOWER RIO GRANDE PUBLIC WATER WORKS
AUTHORITY for the purpose of providing a
Community Water System (hereinafter referred to as the
"Facility") to serve the Members of the said Organization; and

WHEREAS, a meeting of the members of the said organization was held on the 18th day of August, 2010
pursuant to proper notice thereof to consider plans for the acquisition and construction methods of financing the Facility:
and, as shown by the minutes of said meeting, of the Four (4) members of record of the organization there were
present and voting YES, and by a recorded majority vote, the Facility and its financing authorized; and,

WHEREAS, the proposed Facility is to be constructed and equipped in accordance with plans, and specifications
prepared by Molzen Corbin Associates

and in order to finance the Facility, the Board of Directors
(hereinafter referred to as the "Board") is authorized and empowered, in their discretion, for and in the name of the organization,
to make application to the United States of America, acting through the United States Department of Agriculture,
(hereinafter referred to as the "Government"), for financial assistance; to cause the execution and delivery of a
promissory note or notes or other evidence of indebtedness (hereinafter referred to as the "note"), and appropriate security instruments
to secure any loan or loans made or insured by the Government; to comply with any requirements, terms or conditions prescribed by the
Government or by Government regulations; and to execute contracts or enter into agreements and, without limitation, to take any and
all other action as may be necessary, incidental or appropriate to finance, acquire, construct, complete, and/or equip the Facility for and
on behalf of the Organization.

NOW THEREFORE, it is hereby resolved by the Board as follows:

Section 1. (Determination of Board). That it is necessary to defray a portion of the costs of financing the Facility by obtaining
a loan made or insured by the Government in accordance with applicable provisions of the Consolidated Farm and Rural Development
Act, it being determined that the Organization is unable to obtain sufficient credit elsewhere to finance the Facility, taking into
consideration prevailing private and cooperative rates and terms currently available;

Section 2. (Terms of Loan). That the Organization borrow \$471,000 and issue as evidence thereof an installment promissory note in the form prescribed by the Government for the full principal amount of the loan. The note shall be signed by the President, attested by the Secretary and have the corporate seal of the Organization affixed thereto, and shall bear interest from its date, which shall be the date of delivery at a rate not to exceed 3.50% percent per annum; the principal and interest shall be paid over a period of Forty (40) years in accordance with the payment schedule set forth in the promissory note, until the principal and interest are fully paid except the final payment of the entire indebtedness, if not sooner paid, shall be due and payable Forty (40) years from the date of the note. Each payment shall be applied first to the payment of the accrued interest and second to the payment of the principal. Prepayments of any installment may be made in any amount at any time at the option of the Organization.

Section 3. (Assignment and Pledge of Revenue). The indebtedness hereby authorized to be incurred, together with the interest thereon, shall be payable from the gross income and revenue to be derived from the operation of the Facility, a sufficient portion of which, to pay the principal and interest as and when the same shall become due, is hereby assigned, and pledged and shall be set aside for that purpose and this assignment and pledge shall extend to and include any assessments that may be levied pursuant to Section 5 (d) hereof.

Section 4. (Protection and Disposition of Funds). The General Manager of the Organization shall be the custodian of all funds of the Organization. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.

The General Manager is hereby directed to establish the following accounts into which the current funds of the Organization, note proceeds, the revenues from the Facility and any other income shall be deposited, which accounts shall be continually maintained, except as otherwise provided, so long as the indebtedness hereby authorized remains unpaid:

(a) Construction Account.

The proceeds of the borrowing hereby authorized not disbursed contemporaneously with loan closing for incurred Facility costs, and at least the amount of 0 to be contributed by the Organization from the collection of initial connection fees, membership fees or contributions shall be deposited in the Construction Account which shall be established as required by the Government. Withdrawals from the construction account shall be made only on checks signed by the Board Chairman of the Organization as authorized by the Board from time to time, and with prior concurrence of the Government. At the option of the Government, the construction account may be established as a "supervised bank account". Amounts in the supervised bank account exceeding \$100,000 shall be secured by the depository bank in advance in accordance with U.S. Treasury Department Circular No. 176. Withdrawals from a supervised bank account

shall be made only on checks signed by the Board Chairman of the Organization and countersigned by an authorized official of the Department of Agriculture. The Organization's share of any insurance or liquidated damages and other monies paid by defaulting contractors or their sureties will be deposited in the Construction Account to assure completion of the Facility. When all construction costs have been paid in full, any balance remaining in the Construction Account may be applied on the loan or used for other authorized purposes that have been approved by the Government and the Construction Account shall be closed.

(b) General Account

As soon as the facility becomes revenue producing, all funds received shall be set aside in an account to be designated as the General Account, and disbursements and transfers from this account shall be in the following priority: Debt Service, Operations and Maintenance, transfers to Reserve Account. Monies deposited in the General Account shall be used only in the manner and order as follows:

(1) Borrowers making monthly USDA Debt Service Payments shall use the General Account for making such payments plus operating and maintenance expenses. Also, funds will be transferred from this account to the Reserve Account in accordance with (d) below.

(2) Borrowers making other than monthly USDA Debt Service Payments shall use the General Account to pay operating and maintenance expenses. Other transfers from this account will be made in the following order: (i) Transfers to the Debt Service Account will be made in accordance with (c) below, (ii) Transfers to the Reserve Account will be made in accordance with (d) below.

(c) Debt Service Account

For borrowers on other than monthly debt service payments, transfers, in proportion to income availability, shall be made from the General Account and set aside in an account designated as the Debt Service Account, in sufficient amounts which will accumulate for the next installment on the note.

(d) Reserve Account

From the remaining funds in the General Account, after transfers and payments required in (b)(1) or (b)(2) and (c), there shall be set aside into an account(s) designated as the Reserve Account(s) the sum of \$182.80

each month until the sum of \$21,936.00 is reached. With the prior written approval of the Government, funds may be withdrawn and used for such things as loan installments, emergency maintenance, extensions to facilities and replacement of short-lived assets, subject to conditions established by the Government.

(e) Whenever there shall accumulate in the General Account amounts in excess of those required in subsections (b)(1) and (2), (c), and (d), such excess will be used by the organization to make prepayments on the loan or retained in the General Account.

(f) The accounts required in subsections (b)(1) and (2), (c), and (d) may be established and maintained as bookkeeping accounts or as separate bank accounts at the election of the Organization, unless otherwise directed by the Government.

Section 5. (Other Covenants and Agreements of the Organization). The Organization covenants and agrees that so long as the indebtedness hereby authorized remains unpaid;

(a) It will indemnify the Government for any payments made or losses suffered by the Government.

(b) It will comply with applicable State laws and regulations and continually operate and maintain the Facility in good condition.

(c) It will impose and collect such rates and charges that gross revenues will be sufficient at all times to provide for payment of the operation and maintenance thereof; the installment payments on the note; and the maintenance of the various funds herein created. All service rendered by or use of the Facility shall be subject to the full rates prescribed in the rules and regulations of the Organization; no free service by or use of the Facility will be permitted.

(d) It will cause to be levied and collected such assessments as may be necessary to operate and maintain the Facility in good condition and meet installment payments on the note when the same become due if, for any reason, gross revenues are insufficient.

(e) It will establish and maintain such books and records relating to the operation of the system and its financial affairs, and will provide for the annual audit thereof, in such manner as may be required by the Government; will provide the Government without its request a copy of each such audit; and will make and forward to the Government such additional information and reports as it may from time to time require.

(f) It will provide the Government, at all reasonable times, access to all books and records relating to the Facility and access to the property of the Facility so that the Government may ascertain that the Organization is complying with the provisions hereof and with the provisions of other instruments incident to the making or insuring of the loan.

(g) It will maintain at least such insurance and fidelity bond coverage as may be required by the Government.

(h) It will not borrow any money from any source or enter into any contract or agreement or incur any other liabilities in connection with making extensions or improvements to the Facility, exclusive of normal maintenance, without obtaining the prior written consent of the Government.

(i) It will not cause or permit any voluntary dissolution of its organization, or merge or consolidate with any other organization, without obtaining the prior written consent of the Government. It will not dispose of or transfer title to the facility or any part thereof, including lands and interest in lands, by sale, security instrument, lease or other encumbrance, without obtaining the prior written consent of the Government. Revenue in excess of the amount required to maintain the accounts described by Section 4 herein will not be distributed or transferred to any other organization or legal entity.

(j) It will not modify or amend the Articles of Incorporation or the Bylaws of the Organization without the written consent of the Government,

(k) It will provide adequate service to all persons within the service area who can feasibly and legally be served and will obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the organization or public body.

(l) All present and future contract rights, accounts receivable, and general intangibles arising in connection with the facility are pledged as security for the loan.

(m) It will comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing adverse environmental impacts of the facility's construction or operation.

Section 6. (Security Instruments). In order to secure the payment of the principal and interest of the note, the President and Secretary of the Organization are hereby authorized and directed to execute and deliver good and sufficient lien instruments, where necessary, encumbering the properties and assets both real and personal constituting said Facility, as completed or as the same may be thereafter extended, including an assignment and pledge of revenues and such other instruments as may be prescribed by the Government

Section 7. (Refinancing). If at any time it shall appear to the Government that the Organization is able to refinance the amount of the indebtedness then outstanding, in whole or in part, by obtaining a loan for such purposes from responsible cooperative or private credit sources at reasonable rates and terms for loans for similar purposes and periods of time, the Organization will, upon request of the Government, apply for and accept such loan in sufficient amount to repay the Government and will take such actions as may be required in connection with such loan.

Section 8. ("Equal Employment Opportunity under Construction Contracts and Nondiscrimination"). The President and the Secretary be and they are hereby authorized and directed to execute for and on behalf of the Organization, Form RD 400-1, "Equal Opportunity Agreement", and Form RD 400-4, "Assurance Agreement".

Section 9. In the case of a grant in the sum not to exceed \$1,569,346.00, the Organization hereby accepts the grant under the terms as offered by the Government and that the Chairman and Secretary of the Organization are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant and the Organization hereby resolves to operate the facility under the terms as offered in said grant agreement(s).

Section 10. Default under the provisions of this agreement or any instrument incident to the making or issuing of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Organization, and default under any such instrument may be construed by the Government to constitute default hereunder.

Section 11. (Resolution of Contract). The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instruments, shall constitute a contract between the Organization and the Government or assignee so long as the note hereby authorized remains unpaid.

Section 12. This resolution shall take effect and be in force from and after the 18th day of August, 2010, being the date of its enactment.

The vote was: Yeas 4 Nays 0 Absent 1

(SEAL) (if applicable)

By Roberto Nieto

Attest:

Title Chairman of the Board

Title Santos Ruiz, Secretary

CERTIFICATION

I, the undersigned, as secretary of the LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY hereby certify that the Board of Directors of such Organization or Corporation is composed of 2,465 members of whom 4, constituting a quorum, were present at a meeting thereof duly called and held on the 18th day of August, 2010; that the foregoing resolution was adopted at such meeting by the vote shown above, and that said resolution has not been rescinded or amended in any way.

Dated, this 18th day of August, 2010.

Santos Ruiz
Secretary of Lower Rio Grande Public Water Works Authority

