



LOWER RIO GRANDE Public Water Works Authority

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

www.LRGauthority.org

Sign In Sheet



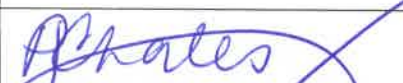




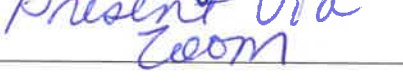

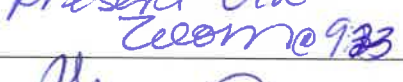

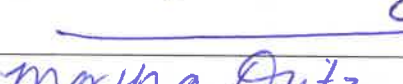
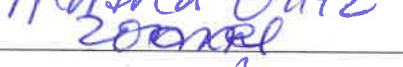
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Date: 8-17-22

Time: 9:00 am

Places: La Mesa Office

Event: Regular Board Meeting

SIGNATURE	Print Name, Title, Company	Phone Number	Email Address
	Martin Lopez LRG General Manager	575-233-5742 Ext. 1004	martin.lopez@lrgauthority.org
	Karen Nichols LRG Projects Manager	575-233-5742 Ext. 1018	karen.nichols@lrgauthority.org
	Patricia Charles LRG Projects Special.	575-233-5742 Ext. 1021	patty.charles@lrgauthority.org
	Kathi Jackson LRG Finance Manager	575-233-5742 Ext. 1005	kathi.jackson@lrgauthority.org
	John Schroder LRG Accounting Assistant	575-233-5742 Ext. 1006	john.schroder@lrgauthority.org
	Mike Lopez LRG Operations Manager	575-233-5742 Ext. 1011	mike.lopez@lrgauthority.org
	Espy Holguin LRG Board Chair	575-644-9543	Espy.holguin@lrgauthority.org
	Furman Smith LRG Board Vice Chair	575-382-5982	furman.smith@lrgauthority.org
	Joe Evaro LRG Board Secretary	575-618-0182	joe.evaro@lrgauthority.org
	Paul Smith LRG Board Director	505-710-4671	paul.smith@lrgauthority.org
	Glory Juarez LRG Board Director	575-494-2750	glory.juarez@lrgauthority.org
	Josh Smith LRG Attorney	575-528-0500	
	FXSA	915-533-4673	

Marty Howell Souder, Miller & Assoc. 575-647-0799
Gina Carrion FXSA 915-533-4673



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

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Event: Regular Board Meeting

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LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Draft Minutes —REGULAR BOARD OF DIRECTORS MEETING

9:00 a.m. Wednesday, August 17, 2022 AT THE LA MESA OFFICE & ONLINE VIA ZOOM

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

- I. **Call to Order, Roll Call to Establish Quorum:** Mr. P. Smith representing District #1 was present at 9:23 a.m., District #2 is vacant, Mr. Evaro representing District #3 was present, Mrs. Holguin representing District #4 was present, District #5 is vacant, Mrs. Juarez representing District #6, Mr. F. Smith representing District #7 was present. Staff present were General Manager Martin Lopez, Projects Manager Karen Nichols, Projects Specialist Patricia Charles, Finance Manager Kathi Jackson, Accounting Assistant John Schroder, Operations Manager Mike Lopez. Guests present were Martha Ortiz & Gina Carrion from FXSA, Marty Howell from Souder Miller & Associates, Tyler Hopkins & Matt Thompson from Bohannon Huston.
- II. **Pledge of Allegiance:** The pledge of allegiance was led by General Manager Martin Lopez
- III. **Motion to approve Agenda:** Mrs. Juarez made the motion to approve the agenda. Mr. Evaro seconded the motion the motion passed with all in favor.
- IV. **Approval of Minutes: Motion to approve the minutes for Regular Board Meeting on July 20, 2022:** Mrs. Juarez made the motion to approve the minutes for July 20, 2022 meeting. Mr. Evaro seconded the motion, the motion passed with all in favor.
- V. **Presentations:**
 - A. **Staff Recognition for 5 years of service – Maria Guadalupe Estrada:** Mr. Lopez said Mrs. Estrada's is a Billing Clerk her 5-year anniversary is on August 23, 2022. But wanted to recognize her today. She worked for Berino Water System many years ago, she left to raise a family and is now back. Mrs. Estrada could not attend today's meeting to accept her award because her office is shorthanded and is swamped. Congratulations to Lupita from everyone at the meeting.
- VI. **Public Input: 3 minutes per person:** none
- VII. **Managers' Reports**
 - A. **General Manager:** Mr. Lopez provided a written report and stood for questions. He said due to the closure of Pic Quick convenience stores we are not able to sell trash tickets in our East Mesa area. We will begin selling trash coupons at our East Mesa Office. The Las Flores Phase 2 Subdivision in Berino is requesting a Ready, Willing & Able Letter for water Service. Due to staff shortages, we will be assisting Talavera Water with Capital Outlay Request for the next Session for Radio Read System, Meters and other service line upgrades. The Solar Farm Zone change and special use permits were approved by DAC Planning & Zoning. We were contacted by the Arizona State University Industrial Assessment Center to conduct a no-cost energy efficiency audit to water &

wastewater treatment facilities sponsored by a Dept. of Energy Program. He indicated LRGPWWA would like to participate, and there will be a kick off discussion tomorrow. We hired additional staff. US Senators Heinrich and Lujan visited the South Valley Water Project along with State Senator Cervantes and Representative Gallegos on Tuesday, August 16, 2022. USDA was also in attendance and presented LRGPWWA with a Certificate for Successful application of funds in Berino to upgrade and modernize the water system.

- B. Finance:** Ms. Jackson provided a written report and stood for questions. Expenses were \$380,758.80 and expenses were \$439,121.70 for a deficit. We paid RCAC interest and General Liability Insurance. She has been interviewing for finance department staff and has hired a new Meter Mechanic.
- C. Projects:** Ms. Nichols provided a written report and stood for questions. As Mr. Lopez mentioned the Event yesterday was pretty exciting. The sewer project is cooking along. We have 2 SAP Grant Agreements on the agenda today. We have a Notice of Intent to apply to Water Trust Board for funding to complete the rest of Stern Drive all the way to the Brazito wells. We have an RFP for Engineering Firm selection.
- D. Operations:** Mr. Lopez provided a written report and stood for questions. He said the well techs installed a new media that will go into the Venadito Arsenic plant in Desert Sands, however we lack one vessel, because the stainless steel under drain was not shipped and will arrive soon. In water production July 2022 we produced 58.47 million gallons, July 2021 we produced 50.01 gallons. An increase of 8.46 million gallons this year. Mrs. Holguin wanted to thank Mr. Lopez and his staff for the preparations for the Senators Visit. Mr. Lopez and Ms. Nichols conveyed LRGPWWA's needs to the Senators very well. Turnout was great.

VIII. Unfinished Business: None

IX. New Business

- A. Motion to adopt Joint Resolution #FY2023-01 approving and adopting a Merger Plan with Rincon Mutual Domestic Water Consumers Association:** Mrs. Juarez made the motion to adopt Resolution FY#2023-021 approving and adopting a Merger Plan with Rincon Mutual Domestic Water Consumers Association. Mr. Furman seconded the motion, the motion passed with three yes, Mr. Evaro's no vote and Mr. F Smith's abstaining from vote. Mrs. Juarez asked about Item F, is there any significant debt that the board should be concerned with. Mr. Lopez said in reviewing their financials about 6 months ago they have positive cash flow and have a large savings account. They did have a USDA loan, but he and USDA both recommended that they pay it off before the merger. The reason they wanted to merge is because of the lack of Board Members and lack of Staff members. Mr. Evaro asked if they had any large equipment. Mr. Lopez said they did not own any large or heavy equipment.
- B. Motion to adopt Resolution FY2023-07 Authorizing Assignment of Authorized Officers & Agents for SAP 22-G2329-STB:** Mr. F Smith made the motion to adopt Resolution FY2023-07 authorizing assignment of authorized Officers & Agents for SAP 22-G2329-STB. Mrs. Juarez seconded the motion, the motion passed with all in favor.

- C. **Motion to approve SAP 22-G2820-STB Grant Agreement:** Mr. F Smith made the motion to approve SAP 22-G2820-STB Grant Agreement. Mrs. Juarez seconded the motion, the motion passed with all in favor.
- D. **Motion to accept the RFP Committee Report for RFP #2023-01 East Mesa Water System Improvements and to select an engineering firm:** Mrs. Juarez made the motion to accept the RFP Committee Report for RFP #2023-01 East Mesa Water System Improvements and to select an engineering firm. Mr. Evaro seconded the motion, the motion passed with all in favor. Ms. Nichols said this request was issued for the East Mesa Water System the initial request only had State funds and had Resident and Resident Veteran preferences as a requirement. Now we have Drinking Water funds and they do not allow State preferences so the RFP had to be reissued. The committee reviewed and scored the two Proposals that were received. Both Proposals were provided to the Board Members for their review. The committee recommends, selecting Daniel B Stephens & Associates because we are happy with their work and they have updated the Planning and completed Design for Phase I. They are also well into Design for Phase II. The committee understands that the final decision is the Board's.
- E. **Motion to approve Engineering Agreement for East Mesa Phase I Water System Improvements Project Construction Phase Services contingent upon NMED-CPB approval - *NOTE: this agenda item is included as a contingency because a proposed Agreement was received before it was determined that the RFP had to be re-issued due to federal requirements. This item will be tabled if the firm that provided the proposed contract is not the firm selected:*** Ms. Glory made the motion to approve the Engineering Agreement for East Mesa Phase I Water System Improvements Project Construction Phase Services contingent upon NMED-CPB approval with Daniel B Stephens & Associates. Mr. F Smith seconded the motion, the motion passed with all in favor.
- F. **Motion to authorize staff to apply for Water Trust Board funding for design and construction of the remainder of the Stern Drive interconnect pipeline:** Mrs. Juarez made the motion to authorize staff to apply for Water Trust Board funding for design and construction of the remainder of the Stern Drive interconnection pipeline. Mr. Evaro seconded the motion, the motion passed with all in favor. Mr. Lopez said we have been having issues at the Brazito wells with Iron and Manganins, Operations brought in contractors to clean and scrub the tanks. We looked at the possibility of treatment, but the cost would be 2-3 million dollars to possibly 5 million dollars for Iron & Manganins removal. Instead, we could apply for a transmission line along Stern Drive to Yacca Road and into Mesquite. These wells would then become backup wells. The 1st phase would extend line along Stern Drive to Yacca field. Then request from Capital Outlay for a waterline along 478 up to Forest Road.
- X. **Other discussion and agenda items for next meeting at 9:00 a.m. Wednesday, September 21, 2022 at our East Mesa Office and via Zoom.**
- A. **Have any Board Members participated in training? If so, please give us a copy of your certificate**
- B. **Amending The Schedule of Rates & Fees – Water meter installation fees**

- C. NM Infrastructure Conference on October 26-28, 2022, Mr. Lopez said if any of the board members are interested in attending, please contact Patricia Charles.

- XI. **Motion to Adjourn:** Mrs. Juarez made the motion to adjourn the board meeting at 9:45 a.m. Mr. Evaro seconded the motion, the motion passed with all in favor.

These minutes will be presented to the board for approval on the 21st Day of September, 2022 at a regular meeting of the Board of Directors:

SEAL:

Esperanza Holguin, Board Chair

Attest:

Joe Evaro, Secretary

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Meeting Notice & Agenda—REGULAR BOARD OF DIRECTORS MEETING

9:00 a.m. Wednesday, August 17, 2022 AT THE LA MESA OFFICE & ONLINE VIA ZOOM

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

- I. Call to Order, Roll Call to Establish Quorum: Mr. P. Smith _____ (District #1), Vacant (District #2), Mr. Evaro _____ (District #3), Mrs. Holguin _____ (District #4), Vacant (District # 5), Mrs. Juarez _____ (District #6), Mr. F. Smith _____ (District #7)
- II. Pledge of Allegiance
- III. Motion to approve Agenda
- IV. Approval of Minutes: Motion to approve the minutes for Regular Board Meeting on July 20, 2022
- V. Presentations:
 - A. Staff Recognition for 5 years of service – Maria Guadalupe Estrada
- VI. Public Input: 3 minutes per person
- VII. Managers' Reports
 - A. General Manager
 - B. Finance
 - C. Projects
 - D. Operations
- VIII. Unfinished Business
- IX. New Business
 - A. Motion to adopt Joint Resolution #FY2023-01 approving and adopting a Merger Plan with Rincon Mutual Domestic Water Consumers Association
 - B. Motion to adopt Resolution FY2023-07 Authorizing Assignment of Authorized Officers & Agents for SAP 22-G2329-STB
 - C. Motion to approve SAP 22-G2820-STB Grant Agreement
 - D. Motion to accept the RFP Committee Report for RFP #2023-01 East Mesa Water System Improvements and to select an engineering firm
 - E. Motion to approve Engineering Agreement for East Mesa Phase I Water System Improvements Project Construction Phase Services contingent upon NMED-CPB approval - **NOTE: this agenda item is included as a contingency because a proposed Agreement was received before it was**

determined that the RFP had to be re-issued due to federal requirements. This item will be tabled if the firm that provided the proposed contract is not the firm selected

F. Motion to authorize staff to apply for Water Trust Board funding for design and construction of the remainder of the Stern Drive interconnect pipeline

X. Other discussion and agenda items for next meeting at 9:00 a.m. Wednesday, September 21, 2022 at our East Mesa Office and via Zoom.

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

B. Amending The Schedule of Rates & Fees – Water meter installation fees

XI. Motion to Adjourn

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aide or service to attend or participate in the hearing or meeting, please contact the LRGPWWA office at 575-233-5742, PO Box 2646, Anthony NM 88021 OR 215 Bryant St., Mesquite NM at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the LRGPWWA office if a summary or other type of accessible format is needed.

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

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Minutes — REGULAR BOARD OF DIRECTORS MEETING

9:00 a.m. Wednesday, July 20, 2022 AT THE LA MESA OFFICE & ONLINE VIA ZOOM

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

- I. **Call to Order, Roll Call to Establish Quorum:** Board Chair called the meeting to order at 9:20 a.m. Mr. P. Smith representing District #1 was present via Zoom, District #2 is vacant, Mr. Evaro representing District #3 was present, Mrs. Holguin representing District #4 was present via Zoom, District #5 is vacant, Mrs. Juarez representing District #6 was present via Zoom, Mr. F. Smith representing District #7 was present via Zoom. Staff members present were General Manager Martin Lopez, Projects Manager Karen Nichols, Projects Specialist Patricia Charles, Finance Manager Kathi Jackson, Accounting Assistant John Schroder and Operations Manager Mike Lopez. Guests present Marty Howell from Souder, Miller & Associates and Tyler Hopkins from Bohannon Huston.
- II. **Pledge of Allegiance:** The pledge of allegiance was led by General Manager Martin Lopez
- III. **Motion to approve Agenda:** Mr. F Smith made the motion to approve the agenda and Mr. P Smith seconded the motion, the motion passed with all in favor.
- IV. **Approval of Minutes: Motion to approve the minutes for: Regular Board Meeting on June 15, 2022 and Special Board Meeting on July 6, 2022.** Mr. Evaro made the motion to approve the minutes for June 15 and July 6, 2022. Mr. F Smith seconded the motion, the motion passed with all in favor.
- V. **Presentations: Staff Recognition for 5 years of service – Patricia Charles, Projects Specialist** Mr. Lopez presented Ms. Charles with a 5-year plaque and thanked her for her service.
- VI. **Public Input:** none
- VII. **Managers' Reports:**
 - A. **General Manager:** Mr. Lopez provided a written report and stood for questions. There was a break-in at the East Mesa Office. They spray painted the security camera, turned off the power and broke the handle on the front door. Added additional lighting, padlocked the breaker boxes and will install an additional security camera. We have had continued issues with our Information Technology (IT) Network. New servers are in place and a separate Gateway to the La Mesa Office. Rincon Water has reorganized into a Mutual Domestic and membership will be meeting today and voting to merge into LRGPWWA. Two employees have submitted their resignations. Mr. Lopez wanted to thank Ms. Nichols staff (Angie Meza & Patricia Charles) for assisting the Finance Dept. with Credit Card payments. He also thanked Mike Lopez and his staff for handling the additional work due to staff shortage.
 - B. **Finance:** Ms. Jackson provided a written report and stood for questions. Revenues for the end of June 2022 \$420,165.07 and expenses were \$321,209.59 with a surplus of \$98,955.48 which we

already have plans for. Year to date revenue was \$4,105,351.51 and Year to date expenses were \$3,775,899.78

- C. Projects:** Ms. Nichols provided a written report and stood for questions. Mr. P Smith asked about the progress of the new office building. Ms. Nichols said the building construction is at a stand still and has been for quite a while now. The contractor changed manufactures for the modular building, which is the office building. The Architect has requested references, examples of projects and drawings be submitted for review. That has not been done yet, the representative of the Manufacturer had an operation and has not been able to send the information needed. Ms. Nichols said these delays have moved the completion date from this September to June 2023, but she thinks it will be more likely August or September 2023. Some other items on the list that caused delays were a gas line that needed to be moved and was finally moved. An electric pole needed to be moved and has not been done yet. Mr. P Smith asked if there was anyway of changing the Manufacturer, Ms. Nichols said that was up to the Contractor. Mrs. Holguin said she has contacted Mr. Dan Aguirre at Wilson & Company about the delays and said they will look into it and call her back. At which time Mrs. Holguin will contact Ms. Nichols.
- D. Operations:** Mr. Lopez provided a written report and stood for questions. He has sent out the Sewer 2nd Quarter report that he generates for the Wetlands. If he sends a total of 4 quarters with good results, then the well monitoring can be shut down. Lightning took out the level transmitter for lift station #1 it will have to be replaced at a cost of \$1,700.00. The lightning also caused problems with Well #6. We produced 1.75 million gallons less than same time last year.

VIII. Unfinished Business: none

IX. New Business

- A. Motion to adopt Resolution FY2023-01 Authorizing Application to NMFA Local Government Planning Fund for a Water Asset Management Plan:** Mr. P Smith made the motion to adopt resolution FY2023-01 authorizing application to NMFA Local Government Planning Fund for a Water Asset Management Plan. Mrs. Juarez seconded the motion, the motion passed with all in favor.
- B. Motion to adopt Resolution FY2023-02 Authorizing Application to NMFA Local Government Planning Fund for a Wastewater Asset Management Plan:** Mrs. Juarez made the motion to adopt resolution FY2023-02 authorizing application to NMFA Local Government Planning Fund for a Wastewater Asset Management Plan. Mr. F Smith seconded the motion, the motion passed with all in favor.
- C. Motion to adopt Resolution FY2023-03 Authorizing FY-2023 membership in the South-Central Council of Governments and appointing a delegate and an alternate:** Mrs. Holguin said in the past Ms. Jackson was the designated representative and Mrs. Holguin the alternate. The meetings are held every three months and are at different communities. The most recent meeting was held in Socorro. She would like to ask Ms. Jackson if she would be willing to remain the designated representative. Ms. Jackson graciously accepted to continue to service. Mrs. Holguin said if none

of the other board members will volunteer to service then she will remain the alternate. Mr. P Smith made the motion to adopt resolution FY2023-03 authorizing FY-2023 membership in the South-Central Council of Governments and appointing a delegate and an alternate. Mr. F Smith seconded the motion, the motion passed with Mrs. Juarez abstaining from the vote.

- D. Motion to adopt Resolution FY2023-04 Approving and Adopting 4th Quarter FY2022 Budget:** Mrs. Juarez made the motion to adopt resolution FY2023-04 approving & adopting 4th qtr. FY2022 budget. Mr. F Smith seconded the motion, the motion passed with all in favor.
- E. Motion to adopt Resolution FY2023-06 Approving and Adopting Budget Adjustments for 4th Quarter FY2022:** Mr. P Smith made the motion to adopt resolution FY2023-06 approving & adopting budget adjustments for 4th qtr. FY2022. Mrs. Juarez seconded the motion, the motion passed with all in favor.
- F. Motion to adopt Resolution FY2023-05 Approving and Adopting FY2023 Budget:** Mrs. Juarez made the motion to adopt resolution FY2023-05 approving & adopting FY2023 budget. Mr. F Smith seconded the motion, the motion passed with all in favor.
- G. Motion to authorize the General Manager to approve staff per diem pertaining to training, meetings, etc., for FY2023 within the approved budget:** Mrs. Juarez made the motion to authorize the General Manager to approve staff per diem for training and meetings, etc. for FY2023. Mr. F Smith seconded the motion, the motion passed with all in favor.
- H. Motion to approve On-Call Engineering Agreement with Souder Miller & Associates:** Mrs. Juarez made the motion to approve On-Call Engineering Agreement with Souder Miller & Associates. Mr. Evaro seconded the motion, the motion passed with all in favor.
- X. Other discussion and agenda items for next meeting at 9:00 a.m. Wednesday, August 17, 2022 at our La Mesa Office and via Zoom.**
 - A.** Have any Board Members participated in training? If so, please give us a copy of your certificate
 - B.** Recognition of two staff members for years of service
 - C.** Joint Resolution for Merger Plan with Rincon MDWA
 - D.** Motion to approve Engineering Agreement for East Mesa Phase I Water System Improvements Project Construction Phase Services
- XI. Motion to Adjourn:** Mr. F Smith made the motion to adjourn the board meeting at 10:05 a.m. Mr. P Smith seconded the motion, the motion passed with all in favor.

These minutes will be presented to the board for approval on the 17th Day of June, 2022 at a regular meeting of the Board of Directors:

SEAL:

Esperanza Holguin, Board Chair

Attest:

Joe Evaro, Secretary

LRGPWWA
Manager's Report
August 17, 2022

- We are going to begin selling Trash Coupons at the East Mesa Office. No other place to purchase in that area
- The Las Flores Phase 2 Subdivision in Berino is requesting a Ready, Willing and Able Letter for water service
- Staff will be assisting Talavera Water with Capitol Outlay Request for the next Session-Radio Read System and Meters and other service line upgrades
- The Solar Farm Zone Change and Special Use Permit were approved by the P&Z
- We were contacted by the Arizona State University Industrial Assessment Center to conduct a no-cost energy efficiency audit to water and wastewater treatment facilities sponsored by a Department of Energy program. I indicated the LRGPWWA would like to participate
- Hired an employee for the Operations Department and another has completed his Probationary Period
- Hired an employee for the Finance Department
- US Senators Heinrich and Lujan visited the South Valley Water Project along with State Senator Cervantes and Representative Gallegos



Lower Rio Grande Public Water Works Authority

Group Summary

For Fiscal: FYE 2023 Period Ending: 07/31/2022

AcctNumber	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Revenue				
40000 - Operating Revenue	3,278,625.00	341,668.12	341,668.12	2,936,956.88
40001 - Activation & Connection Fees-Sev	525.00	0.00	0.00	525.00
40002 - Installation Fees	78,750.00	-5,264.44	-5,264.44	84,014.44
40003 - Activation & Connection Fees-Wa	5,250.00	1,783.33	1,783.33	3,466.67
40005 - Backflow Testing	7,350.00	375.00	375.00	6,975.00
40007 - Delinquency Fee	78,750.00	7,200.00	7,200.00	71,550.00
40008 - Penalties-Water	78,750.00	8,790.47	8,790.47	69,959.53
40009 - Membership Fees	5,250.00	500.00	500.00	4,750.00
40010 - Impact Fees	42,000.00	7,898.23	7,898.23	34,101.77
40011 - Returned Check Fees	525.00	105.00	105.00	420.00
40012 - Credit Card Fees	12,600.00	1,608.00	1,608.00	10,992.00
40013 - Miscellaneous Revenue	210.00	0.00	0.00	210.00
40015 - Penalties-Sewer	6,300.00	2,502.27	2,502.27	3,797.73
40017 - Hydrant Meter Rental Fee	5,250.00	250.00	250.00	5,000.00
40019 - DAC Trash Coupons	1,050.00	66.00	66.00	984.00
40020 - Miscellaneous Revenue-Sewer	5,250.00	63.04	63.04	5,186.96
40025 - DAC Sewer Revenue	0.00	4,855.63	4,855.63	-4,855.63
45000 - Tower Rent	5,250.00	500.00	500.00	4,750.00
45005 - Fiscal Agent Fees	52,500.00	4,501.16	4,501.16	47,998.84
45010 - Interest	0.00	33.25	33.25	-33.25
45015 - Copy/Fax	105.00	5.00	5.00	100.00
45020 - Other Income	47,250.00	50.05	50.05	47,199.95
45022 - Annual Farm Rental	5,250.00	0.00	0.00	5,250.00
45025 - Contract Services	102,000.00	3,068.69	3,068.69	98,931.31
45030 - Transfers In	300,000.00	0.00	0.00	300,000.00
49000 - Recovered Bad Debts	0.00	200.00	200.00	-200.00
Revenue Total:	4,118,790.00	380,758.80	380,758.80	3,738,031.20
Expense				
60001 - Transfer to Reserves	0.00	10,000.00	10,000.00	-10,000.00
60005 - Accounting Fees	525.00	0.00	0.00	525.00
60010 - Audit	14,700.00	0.00	0.00	14,700.00
60020 - Bank Service Charges	15,750.00	3,095.35	3,095.35	12,654.65
60025 - Cash Short/Over	525.00	252.16	252.16	272.84
60026 - Computer Hardware	10,500.00	1,793.54	1,793.54	8,706.46
60030 - Dues and Subscriptions	3,150.00	1,227.00	1,227.00	1,923.00
60035 - Engineering Fees	63,000.00	7,062.97	7,062.97	55,937.03
60045 - Late Fees	1,050.00	0.00	0.00	1,050.00
60050 - Legal Fees	5,250.00	1,397.24	1,397.24	3,852.76
60055 - Legal Notices	2,625.00	0.00	0.00	2,625.00
60060 - Licenses & Fees	5,250.00	2,898.90	2,898.90	2,351.10
60065 - Meals	2,625.00	60.90	60.90	2,564.10
60075 - Permit Fees	1,575.00	0.00	0.00	1,575.00

60080 - Postage	3,150.00	33.28	33.28	3,116.72
60090 - Professional Fees-Other	10,500.00	0.00	0.00	10,500.00
60100 - Project Development	0.00	2,500.00	2,500.00	-2,500.00
60120 - Retirement Account Fees	6,825.00	5,088.65	5,088.65	1,736.35
60125 - Easements & Leases	10,500.00	0.00	0.00	10,500.00
60130 - Training	5,250.00	30.00	30.00	5,220.00
60140 - Travel:Airfare Per Diem	3,150.00	0.00	0.00	3,150.00
60150 - Travel:Lodging Per Diem	4,200.00	0.00	0.00	4,200.00
60155 - Travel:Meals Per Diem	2,100.00	0.00	0.00	2,100.00
60160 - Travel:Mileage/Parking Per Diem	1,575.00	0.00	0.00	1,575.00
60165 - Travel:Vehicle Rental Per Diem	1,050.00	0.00	0.00	1,050.00
60600 - Debit Service	307,750.00	14,772.78	14,772.78	292,977.22
60625 - Interest paid to NMED	14,700.00	0.00	0.00	14,700.00
60650 - Interest paid to NMFA	38,850.00	4,779.73	4,779.73	34,070.27
60675 - Interest paid to USDA	120,500.00	13,295.22	13,295.22	107,204.78
60680 - RCAC Interest Expense	0.00	33,835.41	33,835.41	-33,835.41
63000 - Regular Pay	1,176,000.00	120,045.93	120,045.93	1,055,954.07
63001 - Overtime	57,225.00	4,778.31	4,778.31	52,446.69
63006 - Holiday Pay	59,325.00	10,085.98	10,085.98	49,239.02
63007 - Sick Pay	52,500.00	6,147.75	6,147.75	46,352.25
63008 - Annual Leave Pay	123,900.00	14,081.98	14,081.98	109,818.02
63010 - 401K 10% Company Contribution	5,250.00	0.00	0.00	5,250.00
63020 - 401K Employee Contribution	2,100.00	0.00	0.00	2,100.00
63040 - Administrative Labor	5,250.00	0.00	0.00	5,250.00
63070 - Employee Benefits-401K Contrib	176,925.00	4,225.06	4,225.06	172,699.94
63100 - Insurance-Dental	13,125.00	1,122.12	1,122.12	12,002.88
63110 - Insurance-Health	262,500.00	27,695.78	27,695.78	234,804.22
63115 - Salaries: Insurance - Work Comp	15,750.00	0.00	0.00	15,750.00
63125 - Insurance: Life & Disability	13,125.00	-180.84	-180.84	13,305.84
63130 - Mileage	1,575.00	0.00	0.00	1,575.00
63135 - Drug Testing	525.00	0.00	0.00	525.00
63160 - Payroll Taxes-Medicare	21,525.00	2,249.51	2,249.51	19,275.49
63170 - Payroll Taxes-Social Security	84,525.00	9,618.67	9,618.67	74,906.33
63195 - Taxes, Liability, Insurance: Cobra	0.00	85.00	85.00	-85.00
63200 - Vision Insurance	4,200.00	263.08	263.08	3,936.92
64100 - Sewer:DAC Waste Water Flow Ch	52,500.00	9,870.33	9,870.33	42,629.67
64200 - Sewer:Electricity-Sewer	9,450.00	2,078.05	2,078.05	7,371.95
64300 - Sewer:Lab & Chemicals-Sewer	10,500.00	-280.00	-280.00	10,780.00
64500 - Sewer:Supplies & Materials	29,925.00	0.00	0.00	29,925.00
64501 - Pre Paid Tank Site Lease	1,706.25	0.00	0.00	1,706.25
65010 - Automobile Repairs & Maint.	52,500.00	1,188.14	1,188.14	51,311.86
65230 - Computer Maintenance	73,500.00	7,760.81	7,760.81	65,739.19
65240 - Equipment Rental	2,625.00	0.00	0.00	2,625.00
65250 - Fuel	63,000.00	7,666.43	7,666.43	55,333.57
65255 - GPS Insights Charges	7,350.00	650.60	650.60	6,699.40
65260 - Kitchen & Cleaning Supplies	1,050.00	0.00	0.00	1,050.00
65270 - Lab Chemicals-Water	5,250.00	0.00	0.00	5,250.00
65275 - SCADA Maintenance Fee	2,100.00	0.00	0.00	2,100.00
65276 - Test Equipment Calibration	2,100.00	0.00	0.00	2,100.00
65277 - Generator Maintenance Contract	3,150.00	0.00	0.00	3,150.00
65278 - Meter Testing/Repair/Replacemer	64,233.75	15.00	15.00	64,218.75
65280 - Lab Chemicals-Water:Chemicals	36,750.00	5,358.55	5,358.55	31,391.45

65300 - Locates	2,625.00	0.00	0.00	2,625.00
65310 - Maint. & Repairs-Infrastructure	68,250.00	16,058.70	16,058.70	52,191.30
65320 - Maint. & Repairs-Office	13,125.00	427.25	427.25	12,697.75
65330 - Maintenance & Repairs-Other	240,975.00	1,935.05	1,935.05	239,039.95
65340 - Materials & Supplies	99,750.00	2,689.37	2,689.37	97,060.63
65345 - Non Inventory-Consumables	52,500.00	2,984.13	2,984.13	49,515.87
65350 - Office Supplies	10,500.00	1,184.85	1,184.85	9,315.15
65360 - Printing and Copying	49,875.00	4,856.84	4,856.84	45,018.16
65370 - Tool Furniture	10,500.00	1,148.00	1,148.00	9,352.00
65390 - Uniforms-Employee	15,750.00	502.03	502.03	15,247.97
65490 - Cell Phone	21,000.00	1,728.22	1,728.22	19,271.78
65500 - Electricity-Lighting	6,300.00	1,426.41	1,426.41	4,873.59
65510 - Electricity-Offices	15,750.00	1,828.45	1,828.45	13,921.55
65520 - Electricity-Wells	210,000.00	39,514.83	39,514.83	170,485.17
65530 - Garbage Service	3,150.00	271.88	271.88	2,878.12
65540 - Natural Gas	3,150.00	180.44	180.44	2,969.56
65550 - Security/Alarm	5,250.00	785.26	785.26	4,464.74
65560 - Telephone	21,000.00	1,664.63	1,664.63	19,335.37
65561 - Telstar Maintenance Contract	7,350.00	0.00	0.00	7,350.00
65570 - Wastewater	2,100.00	194.78	194.78	1,905.22
66200 - Insurance-General Liability	94,500.00	21,371.00	21,371.00	73,129.00
66700 - Water Conservation Fee	15,750.00	1,720.21	1,720.21	14,029.79
Expense Total:	4,118,790.00	439,121.70	439,121.70	3,679,668.30
Total Surplus (Deficit):	0.00	-58,362.90	-58,362.90	58,362.90

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
PROJECTS REPORT – 8/17/2022**

LRG-17-01 – Mesquite-Brazito Sewer Project 2 – Bohannon Huston, Inc./Smithco Construction – Construction Stage – USDA-RD LOC \$17,073,000 (\$6,189,000 Loan/\$8,030,000 Grant, \$2,854,000 additional grant) – Colonia's Infrastructure Fund award letter for \$5.715 million has been received, and all Readiness to Proceed items are complete except for NMED-CPB approval of plans and contract documents which is 2 weeks overdue. Progress Meeting was held 8/4/22.

LRG-11-03 – Interconnect & Looping Project – see LRG-18-02 for current portion – Stern Drive Line Ext.

LRG-11-05 – South Valley Water Supply & Treatment Project WTB #252 Planning USDA-RD Construction Funds– Bohannon Huston - Construction stage - \$1,174,00,000 RD Loan and \$4,629,000 Grant RD Funds: Title policy issues have finally been fully addressed, and we have closed on RD funding. The draws on RD funds have been submitted. Sen. Heinrich, Sen. Lujan, the USDA-RD State Director and State Rep. Gallegos & Sen. Cervantes visited the site on 8/16/22.

LRG-17-02 – Central Office Building – Wilson & Co. - DW-4213 \$3,586,286.00

- SAP 21-F2723-STB \$1,200,000: Site work is continuing. Progress meetings are now every other week with one per month being on-site. 4th Request for Funds for the SAP grant has been submitted to NM DFA, and 24 Requisitions have been submitted to NMFA DW Program. Modular building manufacturer has still not been approved, and project is seriously delayed. SAP Grant for FFE is on today's agenda.

Forty-Year Water Plan – CE&M – complete – needs update for new mergers after Brazito combine & commingle: Currently only includes the initial five systems. Brazito combine & comingle is in process and needs to be completed before updating the 40-year plan.

LRG-13-03 – Valle Del Rio Water System Project – Construction Stage & Ph. II Design - \$1,197,708 DWSRLF funding - \$898,281 principal forgiveness – 299,427 loan repayment – Souder, Miller & Associates/Morrow Enterprises, Inc.: Project is on hold pending El Paso Electric Company work to install 3-phase power to the site. EPEC agreement for the service installation has been executed. That is finally underway. They expect it to be done in September. SMA is nearly done with the building design, review meeting was held Monday, and a Change Order will be submitted the construction costs associated with relocating a metal building from the Desert Sands system, setting it up at VDR, and including the pad, plumbing, etc. Booster skid is here, and generator is ordered. SAP Grant for moving the Desert Sands arsenic treatment skid to Valle Del Rio for iron & manganese removal is on today's agenda.

LRG-17-03 –East Mesa Water System Improvements Project – NMFA 3803-PG & 3804-PG \$93,307, 4915-CIF \$207,608 Loan/\$39544 Grant/\$9,562 Match, 5535-CIF \$67,487 Loan incl. Match/\$269,910 Grant, DW-5631 \$1,338,660 Loan/\$2,788,875 Grant – PhI Construction, Ph II Design –Ph. I construction funds are now available, and engineering selection. Four Requisitions have been submitted for Phase II.

LRG-18-01 Ph. II – High Valley Water System Improvements Ph. II & III Project – NMFA 4916-CIF \$630,384 Grant, \$111,244 Loan – Design & Construction – Souder, Miller & Assoc. –Phase II funding is closed out. Engineering contract amendment #9 has been submitted to NMED-CPB for the remainder of the work for Phase III.

LRG-18-02 – Stern Drive Waterline Extension Project – Design/Build – SMA - \$150,000 SAP – Project is now closed out. Approval to apply to Water Trust Board for the remainder of the line all the way to the Brazito tank site is on today's agenda.

LRG-19-09 – S. Valley Service Area Line Extensions - SMA –SMA Task Order for community outreach to see where there is interest from potential new customers, and determine whether a PER is needed. SMA has identified potential locations and potential new customers and submitted cost estimates and phasing recommendations after confirming that the work would require a Technical Memo, not a PER. Report has been submitted, and staff review is ongoing. Rep. Gallegos' staff has reached out about the project after being contacted by a resident, and Rep. Lara reached out about a constituent near La Mesa seeking service.

On-Call Engineering Services – Souder, Miller & Associates and Bohannon Huston, Inc. were selected.

Other projects:

NM 2023 Legislature: Martin & I will be cooperating with RCAC, Rick Martinez, and other stakeholders on regional authority legislation, and expect to appear at the Water & Natural Resources Committee meeting in October. We have lobbying contract with Mr. Martinez and have had some preliminary discussions with him and with BHI regarding a Capital Outlay Request for a well/storage/transmission line project from the Water Master Plan.

Infrastructure Capital Improvements Plan 2024-2028: ICIP is complete and has been submitted.

Reporting to Funding Agencies: Quarterly CIF Reports were submitted for the 2nd Quarter; SAP monthly reporting Capital Outlay and US Census Construction reporting are up to date.

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

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

Training –Patty and I have not attended any trainings for the past month.

As Needed Engineering Services - Currently we have two active Task Orders: Bohannon Huston, Inc. for renewal of the Organ discharge permit and BLM permit renewals.

Collection & Lien Procedures - 339 first notifications, 309 certified letters have been sent and 132 liens have been filed to date. 55 liens have been released following payment in full of the account.

Water Audits – Water Audit Committee met on 7/6/22 & 7/15/22 to review 2022 data, and will meet again to continue resolving issues.

Rate Study – Implementation of rate adjustment began July 1, met with Karl Pennock, RCAC, for an update on 2/15/22. Second 3% adjustment was effective 7/1/22

Cyber Security Assessment – Our insurance company is requiring training for all employees on phishing & malware, Patty administered the 2021 training for all employees and it looking into training for 2022.

NM Board of Licensure for PEs & Surveyors – I have been appointed by the Governor to this board and assigned to the Professional Engineering Committee. PEC met on 8/11/22, full board on 8/12/22.

Other Items: Zone change and SUP applications to DAC P&Z for the 30 acres we own in Vado for the community solar project were approved on 8/11/22.

Lower Rio Grande PWWA

Operators Report

August 17, 2022

Backflow inspections are Current. (Mesquite District)

- For the month of July, we were issued 311 work and service orders.
- For the month of June, we were issued 330 work and service orders.
- For the month of July, we installed 4 new water service connections in the South Valley Area.
- We did not have any new services to install at the East Mesa.
- We had one main line break at the East Mesa service area.
- We had no main or service line breaks at Alto De las Flores.
- We had 3 Main line water breaks in South valley area.
- The force main from Brazito to Mesquite is working fine.
- The well techs have installed the new media that will go into the Venadito Arsenic plant in Desert Sands, however we lack one vessel, because the stainless steel under drain was not shipped and will be arriving around the week of August 15th.

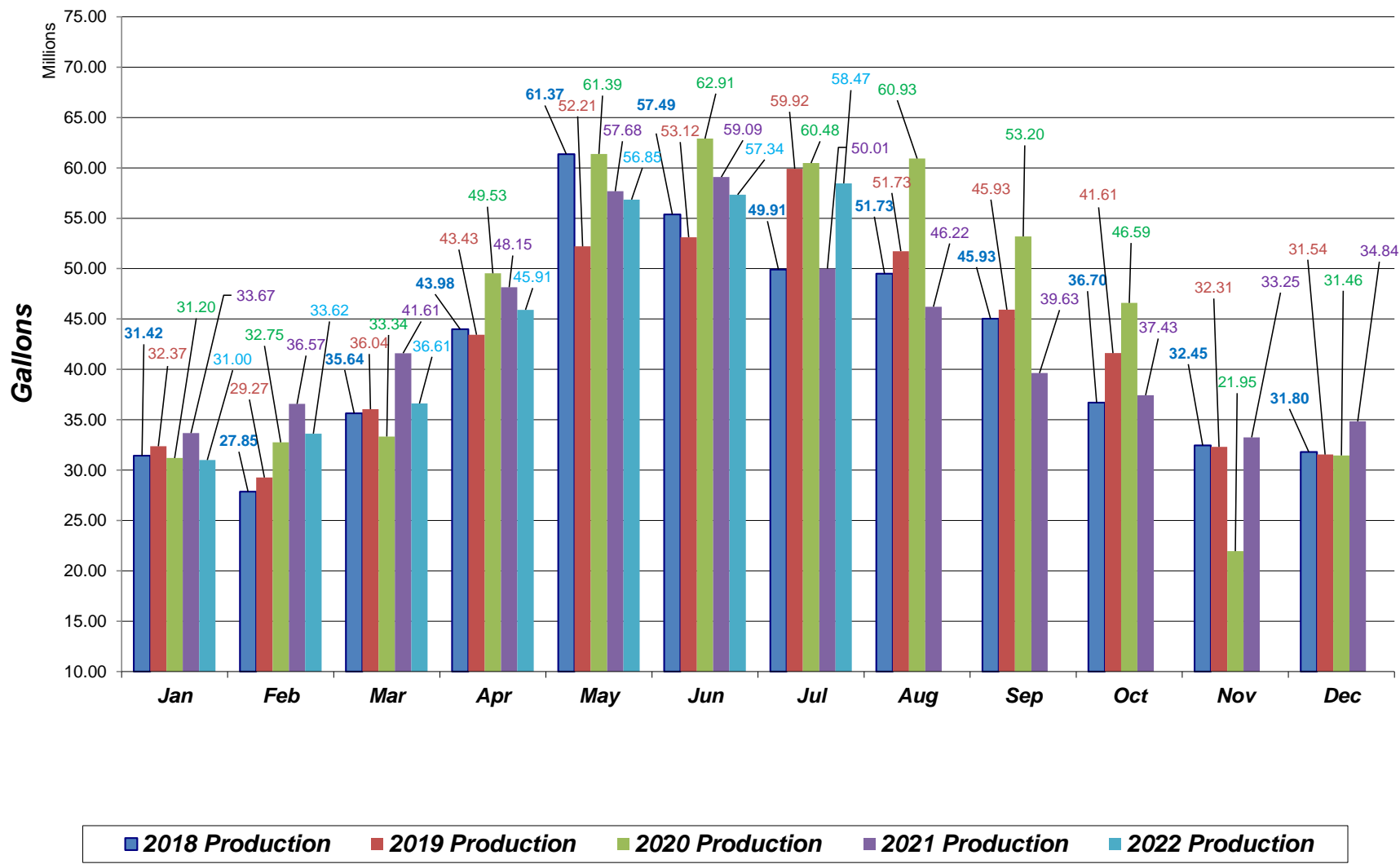
NMED: All of our Monthly Bac-T-Samples were taken for the month of July and all samples were negative.

Mesquite and Organ Sewer Reports. The Organ Pond's and Mesquite Wetland Wastewater reports were sent February 1st. The Organ facility is due twice a year and the Mesquite Facility is due every Quarter the next one is on July 2022. The Mesquite facility sewer report was sent on June 24th. All of the results were within parameters.

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

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

Lower Rio Grande PWWA Water Production Report



RINCON MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

&

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

MERGER PLAN

**Adopted July 20, 2022 by Rincon Mutual Domestic Water Consumers Association
Board of Directors by Joint Resolution**

**Adopted August 17, 2022 by Lower Rio Grande Public Water Works Authority
Board of Directors by Joint Resolution**

JOINT RESOLUTION NUMBER FY2023-01
OF
RINCON MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION BOARD OF DIRECTORS
AND
JOINT RESOLUTION NUMBER FY2023-01
OF
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY BOARD OF DIRECTORS

APPROVING THE MERGER PLAN

WHEREAS, a majority of a quorum of the membership of Rincon Mutual Domestic Water Consumers Association ("Association"), on July 20, 2022, voted to approve the merger of their Association, including assets and liabilities and water rights, into the Lower Rio Grande Public Water Works Authority ("Authority") as the successor entity; and

WHEREAS, the Board of Directors of the Lower Rio Grande Public Water Works Authority adopted this Resolution approving and accepting the merger plan on August 17, 2022, and the Board of Directors of the Rincon Mutual Domestic Water Consumers Association adopted this Resolution approving and accepting the merger plan on July 20, 2022; and

WHEREAS, the Sanitary Projects Act, Section 3-29-20.1 NMSA 1978, in providing for the merger of two or more Associations, requires that the Board of Directors of each entity approve a Plan of Merger; and

WHEREAS, NMSA 1978 73-26-1, the legislation creating the Authority, requires that all functions, appropriations, money, records, equipment, and all personal property and real property, including water rights, easements, permits, and infrastructure, as well as all encumbrances, debts, and liabilities, pertaining to or owned by the merging entities shall be transferred to the Authority;

BE IT THEREFORE RESOLVED, that the following PLAN OF MERGER is hereby adopted as follows:

I. Names of Entities to Merge:

- A.** The Rincon Mutual Domestic Water Consumers Association, whose membership has approved a merger (herein after called the "Association"), located Doña Ana County, New Mexico.
- B.** The Lower Rio Grande Public Water Works Authority whose board of directors has approved a merger, located in Doña Ana County, New Mexico.

II. Terms and Conditions of Merger:

Upon approval and acceptance by the Lower Rio Grande Public Water Works Authority (herein after called the "Authority"), the merging Association will immediately commence the process of merger into the Authority. Conditions include but are not limited to the following

- A.** Transition of Membership Accounts to the Authority:

1. All members/customers of the merging association shall continue to receive service and are entitled to representation in the governance of the Authority.

2. The Association will provide the Authority, the most current list of all customer/member accounts with all contact information, identifying the following:

- a) Voting Members
- b) Active users
- c) Non-active users
- d) Non-residential accounts: commercial, institutions, churches
- e) A waiting list, if applicable
- f) A list of any suspected connections that are connected illegally to its system
- g) A Delinquent Accounts list, to include, the amount due and time of arrears in increments of 30, 60, days and those over 120 days.

B. Provide a list of current board members, positions/officers, term, and expiration of term.

1. The Association shall provide an organizational chart and a list of employees.

2. The Association and the Authority will develop a plan for joint use of staff, to facilitate the transfer and retention of employees transitioning from one public employer to another.

3. A current list of employees will be provided by the Association.

4. The Authority and Association will develop an employee transfer and retention plan. Employee transfer and retention shall be based on the need of the Authority for that position and the employee eligibility and qualification.

5. All transferred employees shall become employees of the Authority and shall be subject to its Personnel Policies and Procedures.

C. Upon the transfer of employment, the Association shall provide the Authority with employment records of each employee transferred. Time in service with the Association shall count as time in service with the Authority.

D. The Association's assets must be transferred or assigned including infrastructure and non-infrastructure items such as real property/buildings/land, office equipment, tools/vehicles/machinery will be listed as follows: Real property will be transferred by Warranty Deed, and all easements, rights-of-way, permits, and all other property by Quit Claim Deed

1. The Authority's Asset Management Plan shall be amended to include all of the Association's assets and infrastructure and their current condition, present value and replacement value.

2. The Authority is responsible for integrating the Association's Asset Management Plan.

3. Transfer of Real Property:

- a) The Association shall initiate a title search and provide a current list of real property and a list of permits, licenses, easements, leases, and rights of way to the Authority.
 - b) The Authority shall assist the Association in developing the documents necessary for the transfers.
4. Transfer of Office Equipment:
- a) The Association shall provide a current list of office equipment to Authority.
 - b) The Authority shall assist the Association in developing the documents necessary for the transfer.
5. Transfer of Tools/Vehicles/Machinery:
- a) The Association shall provide a current list of tools/vehicles/machinery to Authority.
6. The Authority shall assist the Association in developing the documents necessary for the transfers.
7. The Association shall transfer its business records to the Authority
- E. The Association shall complete a financial plan prior to the merger to include an annual budget, reserves, rates, an income and equity statement, balance sheet, and a comprehensive list of liabilities and assets.
- F. Existing public/agency funding and debt issued in the name of the Association shall be transferred and assigned to the Authority in accordance with agency/bank procedures.
- G. All bank account balances and monies of the Association shall be transferred and assigned to the Authority. However, monies in reserve funds dedicated to specific employee accounts that cannot be assumed by the Authority shall be retained until transferred out of the merging Association's control.
- H. The Association shall change the ownership of its developed and inchoate water rights to the Authority according to the regulations of the Office of the State Engineer. **The Place of Use for the proven transferred water rights and the development of the inchoate water rights shall remain the Rincon Service Area unless a move is deemed necessary by the Authority to preserve the rights.** The Forty (40 Yr.) Year Water Plan for the Authority shall be modified accordingly.
- I. The interconnection of water lines and other infrastructure of the Association with the Authority shall be based on feasibility and the ability to protect public health.
- J. The Association, in partnership with the Authority, shall keep its members informed of the transition process.

III. Manner and Basis for Assuming Obligations

- A. Until the Authority assumes governance over the Association, the Association shall:
- 1. Continue to govern under their existing Articles, Bylaws, Rules and Regulations, policies and procedures including budget, rates, fees, reserve funds;
 - 2. Manage personnel;

- B.** Once the Authority assumes governance over the Association, it shall:
1. Assume management, operation, and maintenance of the business of the Association;
 2. Commence redistricting in order to provide all members with equal representation on the Authority Board of Directors.

THE BOARD OF THE RINCON MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION

Seal:

Attest:

	July 20, 2022
Elizabeth Moyers, Secretary/Treasurer	Date

THE BOARD OF THE LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

By:

Seal:

Esperanza Holguin, Chair

August 17, 2022
Date

Attest:

Joe Evaro, Secretary

August 17, 2022
Date

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

Resolution Number FY2023-07

Whereas, the Board of Directors / Council / Commission of Community / Utility of County Name County of the State of New Mexico shall enter into a Grant Agreement with the State of New Mexico Environment Department, and

Whereas, the Agreement is identified as Project Number SAP 22-G2329-STB

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

(Name), Mayor/ Chairperson / Director / Officer, or successor is authorized to sign the Grant Agreement for this project, and

(Authorized Officer Name), (Authorized Officer Title), (may have more than one) or successor is the OFFICAL REPRESENTATIVE(S) who is authorized to sign all other documents necessary to fulfill the Grant Agreement and the requirements (Project Description, Disbursements and Notice of Obligations (NOO)) and to act as the project contact, and

(Designated Agent or Employee Name), (Title), or successor is the Capital Projects Monitoring System (CPMS) contact who is designated to update the CPMS database monthly per Article VIII. A. of the Intergovernmental Grant Agreement.

PASSED, APPROVED, AND ADOPTED: _____.

Name, ~~Mayor / Chairperson / Director / Officer~~, ~~Title~~, ~~Community / Utility~~
Lower Rio Grande Public Water Works Authority

_____	August 17, 2022
(Signature) Esperanza Holguin	Date

(SEAL)

ATTEST:

(~~Municipal Clerk~~) Joe Evaro, Secretary

**STATE OF NEW MEXICO
DEPARTMENT OF ENVIRONMENT
CAPITAL APPROPRIATION PROJECT
LOWER RIO GRANDE PWWA HIGH VALLEY WATER SYS IN VADO IMPROVE
SAP 22-G2329-STB**

THIS AGREEMENT is made and entered into as of this [17th] day of [August], 20[22], by and between the New Mexico Environment Department hereinafter called the “Department” or “NMED”, and Lower Rio Grande Public Water Works Authority hereinafter called the “Grantee”. This Agreement shall be effective as of the date it is executed by the Department.

RECITALS

WHEREAS, in the Laws of 2022, Chapter 53, Section 22, Paragraph 28, the Legislature made an appropriation to the Department, funds from which the Department is making available to the Grantee pursuant to this Agreement; and

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

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

AGREEMENT

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

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

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

**SAP 22-G2329-STB (\$250,000.00) APPROPRIATION REVERSION DATE: June 30, 2026
Laws of 2022 Chapter 53, Section 22, Paragraph 28, Two Hundred Fifty Thousand Dollars (\$250,000.00):**

to plan, design, construct, improve and equip a water system in the Vado area for the lower Rio Grande public water works authority in Dona Ana county

The Grantee’s total reimbursements shall not exceed Two Hundred Fifty Thousand Dollars (\$250,000.00) minus the allocation for Art in Public Places¹, if applicable, No Dollars (\$0.00) which equals Two Hundred Fifty Thousand Dollars (\$250,000.00) (the “Adjusted Appropriation Amount”).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE III. NOTICE PROVISIONS AND GRANTEE AND DEPARTMENT DESIGNATED REPRESENTATIVES

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

The Grantee designates the person(s) listed below, or their successor, as their official representative(s) concerning all matters related to this Agreement:

Grantee: _____
Name: _____
Title: _____
Address: _____
Email: _____
Telephone: _____

Please provide this information in the Resolution and Signature page; this page does NOT need to be completed.

The Grantee designates the person(s) listed below, or their successor, as their Fiscal Officer or Fiscal Agent concerning all matters related to this Agreement:

Grantee: _____
Name: _____
Title: _____
Address: _____
Email: _____
Telephone: _____

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

Department: New Mexico Environment Department
Name: Paulette Ortiz
Title: Project Administrator
Address: Construction Program Bureau
NMED, Harold Runnels Building
P.O. Box 5469
Santa Fe, NM 87502

Email: paulette.ortiz@state.nm.us
Telephone: 505-670-3583

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

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

A. As referenced in Article I(A), the applicable law establishes a date by which Project funds must be expended by Grantee, which is referred to throughout the remainder of this Agreement as the "Reversion Date." Upon being duly executed by both parties, this Agreement shall be effective as of the date of execution by the

Department. It shall terminate on June 30, 2026 the Reversion Date unless Terminated Before Reversion Date (“Early Termination”) pursuant to Article V herein.

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

ARTICLE V. EARLY TERMINATION

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

Early Termination includes:

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

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

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

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

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

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

ARTICLE VI. SUSPENSION OF NEW OR FURTHER OBLIGATIONS

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

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

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

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

D. Corrective Action Plan in the Event of Suspension

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

ARTICLE VII. AMENDMENT

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

ARTICLE VIII. REPORTS

A. Database Reporting

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

Monthly reports shall be due on the last day of each month, beginning with the first full month following execution of this Agreement by the Department and ending upon the submission of the final request for reimbursement for the Project.

B. Requests for Additional Information/Project Inspection

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

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

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

ARTICLE IX. REQUEST FOR PAYMENT PROCEDURES AND DEADLINES

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

- (i) The Grantee must submit a Request for Payment; and
- (ii) Each Request for Payment must contain proof of payment by the Grantee or liabilities incurred by the Grantee showing that the expenditures are valid or are liabilities incurred by the Grantee in the form of actual unpaid invoices received by the Grantee for services rendered by a Third-Party or items of tangible personal property received by the Grantee for the implementation of the Project; provided, however, that the Grantee may be reimbursed for unpaid liabilities only if the Department, in its sole and absolute discretion, agrees to do so and in accordance with any special conditions imposed by the Department.
- (iii) In cases where the Grantee is submitting a Request for Payment to the Department based upon invoices received, but not yet paid, by the Grantee from a Third-Party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee, the Grantee shall make payment to those contractors or vendors within five (5) business days from the date of receiving reimbursement from the Department or such shorter period of time as the Department may prescribe in writing. The Grantee is required to certify to the Department proof of payment to the Third-Party contractor or vendor within ten (10) business days from the date of receiving reimbursement from the Department.

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

C. Deadlines

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

- (i) Immediately as they are received by the Grantee but at a minimum thirty (30) days from when the expenditure was incurred or liability of the Grantee was approved as evidenced by an unpaid invoice received by the Grantee from a Third-Party contractor or vendor; or
- (ii) July 15 of each year for all unreimbursed expenditures incurred during the previous fiscal year; or
- (iii) Twenty (20) days from date of Early Termination; or
- (iv) Twenty (20) days from the Reversion Date.

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

ARTICLE X. PROJECT CONDITIONS AND RESTRICTIONS; REPRESENTATIONS AND WARRANTIES

- A. The following general conditions and restrictions are applicable to the Project:
- (i) The Project's funds must be spent in accordance with all applicable state laws, regulations, policies, and guidelines, including, but not limited to, the State Procurement Code (or local procurement ordinance, where applicable).
 - (ii) The Project must be implemented in accordance with the New Mexico Public Works Minimum Works Act, Section 13-4-10 through 13-4-17 NMSA 1978, as applicable. Every contract or project in excess of sixty thousand dollars (\$60,000) that the Grantee is a party to for construction, alteration, demolition or repair or any combination of these, including painting and decorating, of public buildings, public works or public roads and that requires or involves the employment of mechanics, laborers or both shall contain a provision stating the minimum wages and fringe benefits to be paid to various classes of laborers and mechanics, shall be based upon the wages and benefits that will be determined by the New Mexico Department of Workforce Solutions to be prevailing for the corresponding classes of laborers and mechanics employed on contract work of a similar nature in the locality. Further, every contract or project shall contain a stipulation that the contractor, subcontractor, employer or a person acting as a contractor shall pay all mechanics and laborers employed on the site of the project, unconditionally and not less often than once a week and without subsequent unlawful deduction or rebate on any account, the full amounts accrued at time of payment computed at wage rates and fringe benefit rates not less than those determined pursuant to Section 13-4-11 (B) NMSA 1978 to be the prevailing wage rates and prevailing fringe benefit rates issued for the project.
 - (iii) The Project may only benefit private entities in accordance with applicable law, including, but not limited to, Article IX, Section 14 of the Constitution of the State of New Mexico, the "Anti-Donation Clause."
 - (iv) The Grantee shall not for a period of 10 years from the date of this agreement convert any property acquired, built, renovated, repaired, designed or developed with the Project's funds to uses other than those specified in the Project Description without the Department's and the Board of Finance's express, advance, written approval, which may include a requirement to reimburse the State for the cost of the project, transfer proceeds from the disposition of property to the State, or otherwise provide consideration to the State.
 - (v) The Grantee shall comply with all federal and state laws, rules and regulations pertaining to equal employment opportunity. In accordance with all such laws, rules and regulations the Grantee agrees to assure that no person shall, on the grounds of race, color, national origin, sex,

sexual preference, age or handicap, be excluded from employment with Grantee, be excluded from participation in the Project, be denied benefits or otherwise be subject to discrimination under, any activity performed under this Agreement. If Grantee is found to be not in compliance with these requirements during the life of this Agreement, Grantee agrees to take appropriate steps to correct any deficiencies. The Grantee's failure to implement such appropriate steps within a reasonable time constitutes grounds for terminating this Agreement.

- B. The Grantee hereby represents and warrants the following:
- (i) The Grantee has the legal authority to receive and expend the Project's funds.
 - (ii) This Agreement has been duly authorized by the Grantee, the person executing this Agreement has authority to do so, and, once executed by the Grantee, this Agreement shall constitute a binding obligation of the Grantee, enforceable according to its terms.
 - (iii) This Agreement and the Grantee's obligations hereunder do not conflict with any law or ordinance or resolution applicable to the Grantee, the Grantee's charter (if applicable), or any judgment or decree to which the Grantee is subject.
 - (iv) The Grantee has independently confirmed that the Project Description, including, but not limited to, the amount and Reversion Date, is consistent with the underlying appropriation in law.
 - (v) The Grantee's governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the person identified as the official representative of the Grantee to sign the Agreement and to sign Requests for Payment.
 - (vi) The Grantee shall abide by New Mexico laws regarding conflicts of interest, governmental conduct and whistleblower protection. The Grantee specifically agrees that no officer or employee of the local jurisdiction or its designees or agents, no member of the governing body, and no other public official of the locality who exercises any function or responsibility with respect to this Grant, during their tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed or goods to be received, pursuant to this Grant. Further, Grantee shall require all of its contractors to incorporate in all subcontracts the language set forth in this paragraph prohibiting conflicts of interest.
 - (vii) No funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of this or any agency or body in connection with the awarding of any Third-Party Obligation and that the Grantee shall require certifying language prohibiting lobbying to be included in the award documents for all sub awards, including subcontracts, loans and cooperative agreements. All subrecipients shall be required to certify accordingly.

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

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

B. For a period of six (6) years following the Project's completion, the Grantee shall maintain all Project related records, including, but not limited to, all financial records, requests for proposals, invitations to bid,

selection and award criteria, contracts and subcontracts, advertisements, minutes of pertinent meetings, as well as records sufficient to fully account for the amount and disposition of the total funds from all sources budgeted for the Project, the purpose for which such funds were used, and such other records as the Department shall prescribe.

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

ARTICLE XII. IMPROPERLY REIMBURSED FUNDS

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

ARTICLE XIII. LIABILITY

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

ARTICLE XIV. SCOPE OF AGREEMENT

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

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

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

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

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

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

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

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

ARTICLE XVII. COMPLIANCE WITH UNIFORM FUNDING CRITERIA.

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

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

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

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

ARTICLE XVIII. SEVERANCE TAX BOND AND GENERAL OBLIGATION BOND PROJECT CLAUSES (Applicable only if the appropriation is funded by Severance Tax Bonds or General Obligations Bonds).

A. Grantee acknowledges and agrees that the underlying appropriation for the Project is a severance tax bond or general obligation bond appropriation, and that the associated bond proceeds are administered by the New Mexico State Board of Finance (SBOF), an entity separate and distinct from the Department. Grantee

acknowledges and agrees that (i) it is Grantee's sole and absolute responsibility to determine through SBOF staff what (if any) conditions are currently imposed on the Project; (ii) the Department's failure to inform Grantee of a SBOF imposed condition does not affect the validity or enforceability of the condition; (iii) the SBOF may in the future impose further or different conditions upon the Project; (iv) all SBOF conditions are effective without amendment of this Agreement; (v) all applicable SBOF conditions must be satisfied before the SBOF will release to the Department funds subject to the condition(s); and (vi) the Department's obligation to reimburse Grantee from the Project is contingent upon the then current SBOF conditions being satisfied.

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

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

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Authorization Page

LOWER RIO GRANDE PWWA HIGH VALLEY WATER SYS IN VADO IMPROVE SAP 22-
G2329-STB

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

GRANTEE

Signature of Official with Authority to Bind Grantee

Lower Rio Grande Public Water Works Authority
Entity Name

By: Esperanza Holguin
(Type or Print Name)

Its: Board Chair
(Type or Print Title)

August 17, 2022
Date

NEW MEXICO ENVIRONMENT DEPARTMENT

Judith L, Kahl, P.E., Bureau Chief, NMED Construction Programs Bureau
Signed pursuant to May 24, 2021 Secretary of Environment Delegation Order

**STATE OF NEW MEXICO
CAPITAL GRANT PROJECT
Request for Payment Form
Exhibit 1**

I. Grantee Information		II. Payment Computation	
A. Grantee: Lower Rio Grande Public Water Works Authority		A. Payment Request No.	
B. Address: P.O. Box 2646 Anthony NM 88021		B. Grant Amount: \$250,000.00	
		C. AIPP Amount (if Applicable): \$0.00	
		D. Funds Requested to Date:	
C. Phone No: 575-233-5742		E. Amount Requested this Payment:	
D. Grant No: SAP 22-G2329-STB		F. Reversion Amount (if Applicable):	
E. Project Title: LOWER RIO GRANDE PWWA HIGH VALLEY WATER SYS IN VADO IMPROVE		G. Grant Balance:	
F. Grant Expiration Date: 6/30/2026		H. __GF __GOB __STB (attach wire if first draw)	
		I. __Final Request for Payment (if Applicable)	
III. Fiscal Year:			
<i>(The State of NM Fiscal Year is July 1, 20XX through June 30 20XX of the following year)</i>			
IV.	<input type="checkbox"/>	Reporting Certification: I hereby certify to the best of my knowledge and belief, that database reporting is up to date; to include the accuracy of expenditures and grant balance, project status, project phase, achievements and milestones; and in compliance with Article VIII of the Capital Outlay Grant Agreement.	
V.	<input type="checkbox"/>	Compliance Certification: Under penalty of law, I hereby certify to the best of my knowledge and belief, the above information is correct; expenditures are properly documented, and are valid expenditures or actual receipts; and that the grant activity is in full compliance with Article IX, Sec. 14 of the New Mexico Constitution known as the "anti donation" clause.	
Grantee Fiscal Officer or Fiscal Agent (if Applicable):		Grantee Representative:	
Printed Name:		Printed Name:	
Date:		Date:	
(State Agency Use Only)			
Vendor Code			
I certify that the State Agency financial and vendor file information agree with the above submitted information.			
Division (SAP PA) Fiscal Officer/ Date:		Division (CPB) Project Manager/Date:	

**SAMPLE NOTICE OF OBLIGATION TO REIMBURSE GRANTEE
EXHIBIT 2**

Notice of Obligation to Reimburse Grantee [# 1]

DATE: [_____]

TO: Department Representative: _Steven Deal

FROM: Grantee: Lower Rio Grande Public Water Works Authority

Grantee Official Representative: [_____]

SUBJECT: Notice of Obligation to Reimburse Grantee

Grant Number: SAP 22-G2329-STB

Grant Termination Date: June 30, 2026

As the designated representative of the Department for Grant Agreement number SAP 22-G2329-STB entered into between Grantee and the Department, I certify that the Grantee has submitted to the Department the following Third-Party obligation executed, in writing, by the Third-Party's authorized representative:

Vendor or Contractor: [_____]

Third-Party Obligation Amount: [_____]

Vendor or Contractor: [_____]

Third-Party Obligation Amount: [_____]

Vendor or Contractor: [_____]

Third-Party Obligation Amount: [_____]

I certify that the State is issuing this Notice of Obligation to Reimburse Grantee for permissible purposes within the scope of the project description, subject to all the terms and conditions of the above referenced Grant Agreement.

Grant Amount (Minus AIPP if applicable): [_____]

The Amount of this Notice of Obligation: [_____]

The Total Amount of all Previously Issued Notices of Obligation: [_____]

The Total Amount of all Notices of Obligation to Date: [_____]

Note: Contract amounts may exceed the total grant amount, but the invoices paid by the grant will not exceed the grant amount.

Department Rep. Approver: [_____]

Title: [_____]

Signature: [_____]

Date: [_____]

¹ Administrative and/or Indirect Cost – generally, the legislation authorizing the issuance of bonds prohibits the use of its proceeds for indirect expenses (e.g. penalty fees or damages other than pay for work performed, attorney fees, and administrative fees). Such use of bond proceeds shall not be allowed unless specifically authorized by statute.

NMED ATTACHMENT A-Optional
NEW MEXICO ENVIRONMENT DEPARTMENT
CONSTRUCTION PROGRAMS BUREAU

PROJECT DESCRIPTION

NAME OF GRANTEE: Lower Rio Grande Public Water Works Authority

PROJECT NO: SAP 22-G2329-STB

The GRANTEE agrees to accomplish the project as described below:

to plan, design, construct, improve and equip a water system in the Vado area for the lower Rio Grande public water works authority in Dona Ana county

August 17, 2022

Signature and Date Grantee Esperana Holguin, Board Chair

Signature and Date CPB Project Manager

ATTACHMENT B
TECHNICAL REQUIREMENTS
NEW MEXICO ENVIRONMENT DEPARTMENT
CAPITAL OUTLAY

ARTICLE 1 **REVIEW**

Upon execution of the grant agreement, the Grantee will follow the procedures listed below unless waived in writing by the New Mexico Environment Department (NMED) (payment may be withheld if any of these procedures are not followed by the Grantee).

- A. The Grantee may submit a more detailed project description to NMED Construction Programs Bureau prior to committing to expenditures from these funds. The detailed description will be provided on the Attachment A form. The Grantee must submit copies to NMED of all executed contracts entered into by the Grantee, that are related to the project, for review and, if appropriate, approval. Only approved eligible expenditures incurred **after** the effective date of the Grant Agreement shall be reimbursed or paid from these funds.
- B. If these grant funds are to be used for engineering and/or other professional services, the hiring process for engineering services and/or other professional services must be performed in compliance with the New Mexico Procurement Code [Sections 13-1-21 et seq. NMSA 1978]. If engineering fees will exceed \$60,000, excluding gross receipt taxes, the Grantee is also required to contact the Professional Technical Advisory Board (PTAB) for assistance in the preparation of the RFP package. (PTAB: phone (505) 888-6161 and e-mail ptab@acecnm.org.)
- C. If these grant funds are to be used for engineering and/or other professional services, the Grantee must submit a copy of any executed engineering agreement and/or other professional services contract so a notice of obligation can be prepared and issued. If the Grantee's staff will be used to prepare the design, a letter certifying that must be submitted to NMED for the project records. The required engineering agreement format is the "Publicly Funded Project" form prepared by NMED and will be supplied upon request. All amendments to the engineering agreement and/or other professional services contract must also be submitted to the NMED.
- D. A preliminary engineering report (PER), technical memorandum, or study by a registered New Mexico Professional Engineer may be required. The Grantee must submit the final PER, technical memorandum, and/or study to NMED for review and approval before preparation of plans and specifications. The purpose of the PER, technical memorandum, and/or study is to analyze and choose the most technically feasible and cost-effective solution for the project. The PER must follow USDA RUS Bulletin 1780-2.
- E. The Grantee agrees not to start the preparation of plans and specifications until NMED approval of the PER, technical memorandum, study, or waiver of the report requirement has been received.
- F. If the grant funds are to be used for engineering design or for construction, the Grantee must submit all plans, specifications, bid documents, and engineer's construction cost estimate, for this project (prepared and sealed by a licensed and registered New Mexico Professional Engineer) to NMED **before** the project is advertised for construction bids, along with a letter from the Grantee stating that they have reviewed and accepted the plans and specifications. If required, the Grantee must also submit the plans and specifications to the appropriate regulatory agency for review and approval and provide a copy of the approval letter from the regulatory agency. Upon receipt of these documents the NMED will issue a letter confirming receipt of the required documents and informing the Grantee to proceed with advertising the project for construction bids.

- G. The Grantee must submit all work related to easements, rights-of-ways, other property rights, and financing provisions associated with the project to NMED for review prior to advertising for construction bids. A site certificate certifying that all necessary easements and/or property upon or through which the project is being constructed have been obtained must be submitted prior to the advertisement for bid of the project. The Site Certificate must be signed by an attorney, engineer, surveyor, or title abstractor.
- H. With the exception of easements (See Article 1.G above), when real property is acquired by the Grantee, either through purchase or donation as a part of this project and within the project period, the Grantee will submit documentation of the acquisition to NMED, including a legal description of the property, the date the property will be acquired, evidence of clear title, and an appraisal report prepared by a qualified appraiser who was selected through applicable procurement procedures.
- I. The Grantee will submit the recommendation of award, bid tabulation, complete bid submittal of the selected contractor, any addenda issued, and funding analysis listing all funds that will pay for construction to NMED for review and concurrence prior to award of the construction contract, along with a letter from the Grantee stating they concur with the recommendation of award to the selected contractor and price and confirming that the Grantee has sufficient funds for construction.
- J. The Grantee will submit the notice of the award, the notice of a pre-construction conference, a copy of the executed construction contract documents (including payment and performance bonds), and the notice to proceed to NMED. NMED will prepare and issue the notice of obligation for the construction cost making the grant funds available for reimbursement. The selected contractor will be required to post a performance and payment bond in accordance with requirements of Section 13-4-18 NMSA 1978.
- K. The selected contractor will submit a construction schedule to the Grantee and NMED if requested at the pre-construction conference. The Grantee will submit all modifications to the project contract by change orders to the NMED.
- L. The Grantee will provide a full-time construction inspector during construction of the project unless NMED determines that part time inspection is adequate for the project. This must be requested and approved by NMED prior to the start of construction. The Grantee will submit the inspector's résumé to NMED for review.
- M. All daily construction inspection reports shall be made available to the NMED upon request.
- N. Notwithstanding the inspections performed by the Grantee and its engineer, NMED will have the right to examine all installations comprising the project, including materials delivered and stored on-site for use on the project. Such examinations will not be considered an inspection for compliance with contract plans but will be a general NMED review as described in Article 2 below.
- O. If applicable, the Grantee (or the system owner) will employ qualified utility operators and will comply with all provisions of the New Mexico Utility Operators Certification Act, Section 61-33-1 et seq. NMSA 1978.
- P. NMED will reimburse the grantee its actual costs when NMED determines, in its sole discretion, that expenditures were appropriate under the terms of the Agreement and that the expenditures were properly documented.

ARTICLE 2 **NMED OVERSIGHT**

NMED inspection, review and oversight is only for purposes of compliance with applicable state grant requirements, procedures, statutes, and regulations. NMED approval will not be interpreted as a warranty or guarantee of any kind. Responsibility for the design of the project will lie solely with the engineer of record. All defects and their correction will be the responsibility of the Grantee and its contractors and engineers or consultants. Any questions raised by NMED during its inspections and reviews shall be resolved exclusively by the Grantee. The Grantee and its contractors and engineers or consultants will remain responsible for the completion and success of the project. No action by NMED shall relieve the owner or engineer of legal responsibilities for the overall integrity of the project, adequacy of the design, safety, or compliance with all applicable regulations.

ARTICLE 3 **CLOSEOUT**

- A. The project will not be considered complete until the work as defined in this agreement has been fully performed, and finally and unconditionally accepted by the Grantee, the engineer of record and NMED.
- B. If the grant funds are to be used for preparation of a PER, technical memorandum, or study, final payment will be made after approval by NMED of the PER, technical memorandum or study.
- C. If grant funds are to be used for preparation of plans and specifications, final payment for plans and specifications shall be made after submission of final signed and sealed documents are submitted by the Grantee or their engineer of record with the letter from the Grantee stating that they have reviewed and accepted the plans and specifications.
- D. If the grant funds are to be used for purchase of equipment, final payment will be made after approval by NMED of receipt of equipment title, as applicable. Appraisal reports are required for the purchase of used equipment.
- E. If the grant funds are to be used for construction, final payment will be made after the final inspection has been conducted by NMED and the following items, unless waived by NMED, have been provided to NMED, and have been reviewed and approved by NMED:
 - i. A certificate of substantial completion including punch list items.
 - ii. A final reimbursement request including the final certified construction pay request prepared by the Grantee's project engineer and approved by the Grantee.
 - iii. A written consent of the surety, if any, to final payment.
 - iv. Complete and legally effective releases or waivers (satisfactory to the Grantee) of all liens arising out of the contract documents and the labor services performed and the materials and equipment furnished there under. In lieu thereof and as approved by the Grantee, contractor(s) may furnish receipts or releases in full; an affidavit of contractor that the releases and receipts include labor, services, materials, and equipment for which a lien could be filed and that all payrolls, material and equipment bills, and other indebtedness connected with the work for which the Grantee or its property might in any way be responsible, have been paid or otherwise satisfied.

- v. Certification letter by the Grantee and contractor that the Labor Standards Contract Provisions have been met.
- vi. Certification letter of project acceptance by the Grantee and the Grantee's project engineer stating that work has been satisfactorily completed and the construction contractor has fulfilled all of the obligations required under the contract documents with the Grantee, or if payment and materials performance bonds are "called", an acceptance close-out settlement to the Grantee and contractors will be submitted to NMED.
- vii. Certification letter from the Grantee confirming receipt and acceptance of the record drawings and operation and maintenance manuals.

NMED Attachment C
NMED Contact Information Sheet
Project Number SAP 22-G2329-STB
Grantee Lower Rio Grande Public Water Works Authority

Project Manager: Steven Deal
Project Manager Address: 2301 Entrada del Sol
Las Cruces, NM 88001
Phone: 505-670-2926
Email: steven.deal@state.nm.us

Project Administration: Paulette Ortiz
Project Admin Address: 1190 St. Francis Drive S-2072
Santa Fe, NM 87502
Phone: 505-670-3583
Email: paulette.ortiz@state.nm.us

For General Assistance, please call 505-827-2806 and ask for “Special Appropriations” or email:
NMENV-cpbsap@state.nm.us

Rev. May 2018	NEW MEXICO ENVIRONMENT DEPARTMENT CONSTRUCTION PROGRAMS BUREAU								
NMED ATTACHMENT D DISBURSEMENT REQUEST SPECIAL APPROPRIATIONS PROGRAM (SAP)									
A. NAME OF ENTITY					C. DISBURSEMENT REQUEST NUMBER				
B. PROJECT NUMBER					D. GRANT AMOUNT				
	PREVIOUS EXPENDITURES			CURRENT EXPENDITURES		CUMULATIVE		FUNDS REMAINING	
	NMED PROGRAM	OTHER FUNDS		NMED PROGRAM	OTHER FUNDS	NMED PROGRAM	OTHER FUNDS	NMED PROGRAM	OTHER FUNDS
Engineer Fees								\$ -	\$ -
Other Professional								\$ -	\$ -
Service Fees								\$ -	\$ -
Inspection Fees								\$ -	\$ -
Property Acquisition								\$ -	\$ -
Construction Cost								\$ -	\$ -
Planning Cost								\$ -	\$ -
Equipment								\$ -	\$ -
Other Costs (specify)								\$ -	\$ -
Contingencies								\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Article IX.A. (iii). By checking this box you are stating that payment has NOT been paid to the vendors associated with this request. Upon receipt of payment from NMED, certification of payment will be sent within 10 days from the date of receiving reimbursement.									
Certification: Under penalty of law, I certify that all the above expenditures are true and correct and are for appropriate purposes in accordance with the terms and conditions of the pertinent Loan/Grant Agreement; that all of the above expenses are properly documented, and are actual invoices; that payment has not been received; and that the grant activity is in full compliance with Article IX, Sec. 14 of the New Mexico Constitution known as the "anti-donation" clause.									
Signature of Authorized Official:			Typed or Printed Name:			Phone:		Date:	
X									

NMED Attachment E
New Mexico Environment Department (NMED)
Capital Appropriations Certification Document
Article IX. A. (ii) and (iii)
Project SAP 22-G2329-STB
Grantee Lower Rio Grande Public Water Works Authority
Payment Request No _____

I certify that payment to all vendors on the above referenced payment request were paid no more than five (5) days after receiving reimbursement from NMED.

Official Representative, Signed Name, Printed Name, Date

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

Resolution Number FY2023-07

Whereas, the Board of Directors / Council / Commission of Community / Utility of County Name County of the State of New Mexico shall enter into a Grant Agreement with the State of New Mexico Environment Department, and

Whereas, the Agreement is identified as Project Number SAP 22-G2329-STB

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

(Name), Mayor/ Chairperson / Director / Officer, or successor is authorized to sign the Grant Agreement for this project, and

(Authorized Officer Name), (Authorized Officer Title), (may have more than one) or successor is the OFFICAL REPRESENTATIVE(S) who is authorized to sign all other documents necessary to fulfill the Grant Agreement and the requirements (Project Description, Disbursements and Notice of Obligations (NOO)) and to act as the project contact, and

(Designated Agent or Employee Name), (Title), or successor is the Capital Projects Monitoring System (CPMS) contact who is designated to update the CPMS database monthly per Article VIII. A. of the Intergovernmental Grant Agreement.

PASSED, APPROVED, AND ADOPTED: _____.

Name, ~~Mayor / Chairperson / Director / Officer, Title, Community / Utility~~
Lower Rio Grande Public Water Works Authority

_____	August 17, 2022
(Signature) Esperanza Holguin	Date

(SEAL)

ATTEST:

~~(Municipal Clerk)~~ Joe Evaro, Secretary

Lower Rio Grande Public

Name of Grantee: Water Works Authority **Project Number:** SAP 22-G2329-STB

Current Authorized Signatures (submit with Signature Resolution; update when necessary)

Authorized to Sign Grant Agreement			
Name	Esperanza Holguin	Name	Furman Smith (if Chair is unavailable)
Title	Board Chair	Title	Vlce-Chair
Signature		Signature	
Address	P.O. Box 2646	Address	P.O. Box 2646
	Anthony, NM 88021		Anthony, NM 88021
Email	espy.holguin@lrgauthority.org	Email	furman.smith@lrgauthority.org
Phone	575-233-5742	Phone	575-233-5742

Official Representatives authorized to sign Disbursement Requests and All Other Documents,			
Name	Martin G. Lopez	Name	Kathi Jackson
Title	General Manager	Title	Finance Manager
Signature		Signature	
Address	P.O. Box 2646	Address	P.O. Box 2646
	Anthony, NM 88021		Anthony, NM 88021
Email	martin.lopez@lrgauthority.org	Email	kathi.jackson@lrgauthority.org
Phone	575-571-3628	Phone	575-640-4330

Alternate Official Representative; To sign Disbursement Requests and All Other Documents, Requirement and Act as the Project Contact			
Name	Karen Nichols	Name	
Title	Projects Manager	Title	
Signature		Signature	
Address	P.O. Box 2646	Address	
	Anthony, NM 88021		
Email	karen.nichols@lrgauthority.org	Email	
Phone	915-203-2057	Phone	

Designated Agent or Employee that will make Monthly CPMS Updates			
Name	Karen Nichols	Name	
Title	Projects Managaer	Title	
Signature	Signature Not Required	Signature	
Address	P.O. Box 2646	Address	
	Anthony NM 88021		
Email	karen.nichols@lrgauthority.org	Email	
Phone	915-203-2057	Phone	

Lower Rio Grande Public

Name of Grantee: Water Works Authority **Project Number:** SAP 22-G2329-STB

Current Authorized Signatures (submit with Signature Resolution; update when necessary)

Authorized to Sign Grant Agreement			
Name	Esperanza Holguin	Name	Furman Smith (if Chair is unavailable)
Title	Board Chair	Title	Vlce-Chair
Signature		Signature	
Address	P.O. Box 2646	Address	P.O. Box 2646
	Anthony, NM 88021		Anthony, NM 88021
Email	espy.holguin@lrgauthority.org	Email	furman.smith@lrgauthority.org
Phone	575-233-5742	Phone	575-233-5742

Official Representatives authorized to sign Disbursement Requests and All Other Documents,			
Name	Martin G. Lopez	Name	Kathi Jackson
Title	General Manager	Title	Finance Manager
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	Anthony, NM 88021		Anthony, NM 88021
Email	martin.lopez@lrgauthority.org	Email	kathi.jackson@lrgauthority.org
Phone	575-571-3628	Phone	575-640-4330

Alternate Official Representative; To sign Disbursement Requests and All Other Documents, Requirement and Act as the Project Contact			
Name	Karen Nichols	Name	
Title	Projects Manager	Title	
Signature		Signature	
Address	P.O. Box 2646	Address	
	Anthony, NM 88021		
Email	karen.nichols@lrgauthority.org	Email	
Phone	915-203-2057	Phone	

Designated Agent or Employee that will make Monthly CPMS Updates			
Name	Karen Nichols	Name	
Title	Projects Managaer	Title	
Signature	Signature Not Required	Signature	
Address	P.O. Box 2646	Address	
	Anthony NM 88021		
Email	karen.nichols@lrgauthority.org	Email	
Phone	915-203-2057	Phone	

**STATE OF NEW MEXICO
DEPARTMENT OF FINANCE AND ADMINISTRATION
FUND 89200 CAPITAL APPROPRIATION PROJECT**

THIS AGREEMENT is made and entered by the Department of Finance and Administration, State of New Mexico, acting through the Local Government Division, Bataan Memorial Building, Room 205, Santa Fe, New Mexico, 87501 hereinafter called the “Department” or abbreviation such as “DFA/LGD”, and **Lower Rio Grande Public Water Works Authority**, hereinafter called the “Grantee”. This Agreement shall be effective as of the date it is executed by the Department.

RECITALS

WHEREAS, in the Laws of 2022, Chapter 53, Section 30, Paragraph 208, the Legislature made an appropriation to the Department, funds from which the Department is making available to the Grantee pursuant to this Agreement; and

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

WHEREAS, pursuant to Sections 9-6-5 and 9-6-5.1 NMSA 1978, the Secretary of the Department of Finance and Administration has the power and the authority to (i) maintain long-range estimates and plans for capital projects and develop standards for measuring the need for, and utility of, proposed projects; (ii) contract for, receive and utilize any grants or other financial assistance made available by the United States government or by any other source, public or private; (iii) provide planning and funding assistance to units of local government, council of government organizations, Indian tribal governments situated within New Mexico, and to nonprofit entities having for their purpose local, regional or community betterment; (iv) incident to any such programs, may enter into contracts and agreements with such units of local government, council of government organizations, Indian tribal governments, nonprofit entities and the federal government; and (v) delegate such authority to the Local Government Division as being necessary and appropriate to such delegation;

AGREEMENT

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

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

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

22-G2820 \$200,000.00 APPROPRIATION REVERSION DATE: 30-JUN-2026
Laws of 2022, Chapter 53, Section 30, Paragraph 208, Two Hundred Thousand Dollars and Zero Cents (\$200,000.00) to plan, design, construct, furnish and equip a central operations facility, including a driveway, landscaping, walkways, site security, communications equipment and information technology, equipment and infrastructure, for the lower Rio Grande public water works authority in Dona Ana County.

The Grantee's total reimbursements shall not exceed Two Hundred Thousand Dollars and Zero Cents (\$200,000.00) to (the "Appropriation Amount") minus the allocation for Art in Public Places ("AIPP amount")¹, if applicable, Zero Dollars (\$0.00) which equals Two Hundred Thousand Dollars and Zero Cents (\$200,000.00) to (the "Adjusted Appropriation Amount").

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

This project is referred to throughout the remainder of this Agreement as the "Project"; the information contained in Article I(A) is referred to collectively throughout the remainder of this Agreement as the "Project Description." The Grantee shall reference the Project's number in all correspondence with and submissions to the Department concerning the Project, including, but not limited to, Requests for Payment and reports.

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

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

- (i) Irrespective of any Notice of Obligation, the Grantee's expenditures shall be made on or before the Reversion Date and, if applicable, an Early Termination Date (i.e., the goods have been delivered and accepted or the title to the goods has been transferred to the Grantee and/or the services have been rendered for the Grantee); and
- (ii) The total amount received by the Grantee shall not exceed the lesser of: (a) the Adjusted Appropriation Amount identified in Article I(A) herein or (b) the total of all amounts stated in the Notice(s) of Obligation evidencing that the Department has received and accepted the Grantee's Third Party Obligation(s), as defined in subparagraph iii of this Article II(A); and
- (iii) The Grantee's expenditures were made pursuant to the State Procurement Code and execution of binding written obligations or purchase orders with third party contractors or vendors for the provision of services, including professional services, or the purchase of tangible personal property and real property for the Project, hereinafter referred to as "Third Party Obligations"; and
- (iv) The Grantee's submittal of timely Requests for Payment in accordance with the procedures set forth in Article IX of this Agreement; and
- (v) In the event that capital assets acquired with Project funds are to be sold, leased, or licensed to or operated by a private entity, the sale, lease, license, or operating agreement:
 - a. must be approved by the applicable oversight entity (if any) in accordance with law; or

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

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

- b. if no oversight entity is required to approve the transaction, the Department must approve the transaction as complying with law.

Prior to the sale, lease, license, or operating agreement being approved pursuant to Articles II(A)(v)(a) and II(A)(v)(b) herein, the Department may, in its sole and absolute discretion and unless inconsistent with State Board of Finance imposed conditions, reimburse the Grantee for necessary expenditures incurred to develop the Project sufficiently to make the sale, lease, license, or operating agreement commercially feasible, such as plan and design expenditures; and

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

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

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

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

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

ARTICLE III. NOTICE PROVISIONS AND GRANTEE AND DEPARTMENT DESIGNATED REPRESENTATIVES

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

The Grantee designates the person(s) listed below, or their successor, as their official representative(s) concerning all matters related to this Agreement:

Grantee: Lower Rio Grande PWWA
Name: Karen Nichols
Title: Project Manager
Address: P.O. Box 2646 Anthony, NM 88021
Email: karen.nichols@lrgauthority.org
Telephone: (575)233-5742 ext. 1018 cell 915-203-2057

The Grantee designates the person(s) listed below, or their successor, as their Fiscal Officer or Fiscal Agent concerning all matters related to this Agreement:

Grantee: Lower Rio Grande PWWA
Name: Karen Nichols
Title: Project Manager
Address: P.O. Box 2646 Anthony, NM 88021
Email: karen.nichols@lrgauthority.org
Telephone: (575)233-5742 ext. 1018 cell 915-203-2057

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

Department: DFA/Local Government Division
Name: Ariana Vigil
Title: Project Manager
Address: Bataan Memorial Bldg. Rm 202, Santa Fe, New Mexico 87501
Email: arianam.vigil@state.nm.us
Telephone: (505)470-7041

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

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

A. As referenced in Article I(A), the applicable law establishes a date by which Project funds must be expended by Grantee, which is referred to throughout the remainder of this Agreement as the "Reversion Date." Upon being duly executed by both parties, this Agreement shall be effective as of the date of execution by the Department. It shall terminate on **June 30, 2026**, the Reversion Date unless Terminated Before Reversion Date ("Early Termination") pursuant to Article V herein.

B. The Project's funds must be expended on or before the Reversion Date and, if applicable, Early Termination Date of this Agreement. For purposes of this Agreement, it is not sufficient for the Grantee to

encumber the Project funds on its books on or before the Project's Reversion Date or Early Termination Date. Funds are expended and an expenditure has occurred as of the date that a particular quantity of goods are delivered to and received by the Grantee or title to the goods is transferred to the Grantee and/or as of the date particular services are rendered for the Grantee. Funds are *not* expended and an expenditure has *not* occurred as of the date they are encumbered by the Grantee pursuant to a contract or purchase order with a third party.

ARTICLE V. EARLY TERMINATION

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

Early Termination includes:

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

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

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

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

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

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

ARTICLE VI. SUSPENSION OF NEW OR FURTHER OBLIGATIONS

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

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

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

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

D. Corrective Action Plan in the Event of Suspension

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

ARTICLE VII. AMENDMENT

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

ARTICLE VIII. REPORTS

A. Database Reporting

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

Monthly reports shall be due on the last day of each month, beginning with the first full month following execution of this Agreement by the Department and ending upon the submission of the final request for reimbursement for the Project.

B. Requests for Additional Information/Project Inspection

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

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

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

ARTICLE IX. REQUEST FOR PAYMENT PROCEDURES AND DEADLINES

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

- (i) The Grantee must submit a Request for Payment; and
- (ii) Each Request for Payment must contain proof of payment by the Grantee or liabilities incurred by the Grantee showing that the expenditures are valid or are liabilities incurred by the Grantee in the form of actual unpaid invoices received by the Grantee for services rendered by a third party or items of tangible personal property received by the Grantee for the implementation of the Project; provided, however, that the Grantee may be reimbursed for unpaid liabilities only if the Department, in its sole and absolute discretion, agrees to do so and in accordance with any special conditions imposed by the Department.
- (iii) In cases where the Grantee is submitting a Request for Payment to the Department based upon invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee, the Grantee shall make payment to those contractors or vendors within five (5) business days from the date of receiving reimbursement from the Department or such shorter period of time as the Department may prescribe in writing. The Grantee is required to certify to the Department proof of payment to the third party contractor or vendor within ten (10) business days from the date of receiving reimbursement from the Department.

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

C. Deadlines

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

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

D. The Grantee's failure to abide by the requirements set forth in Article II and Article IX herein will result in the denial of its Request for Payment or will delay the processing of Requests for Payment. The Department has the right to reject a payment request for the Project unless and until it is satisfied that the expenditures in the Request for Payment are for permissible purposes within the meaning of the Project

Description and that the expenditures and the Grantee are otherwise in compliance with this Agreement, including but not limited to, compliance with the reporting requirements and the requirements set forth in Article II herein to provide Third Party Obligations and the Deadlines set forth in Article IX herein. The Department's ability to reject any Request for Payment is in addition to, and not in lieu of, any other legal or equitable remedy available to the Department due to Grantee's violation of this Agreement.

ARTICLE X. PROJECT CONDITIONS AND RESTRICTIONS; REPRESENTATIONS AND WARRANTIES

- A. The following general conditions and restrictions are applicable to the Project:
- (i) The Project's funds must be spent in accordance with all applicable state laws, regulations, policies, and guidelines, including, but not limited to, the State Procurement Code (or local procurement ordinance, where applicable).
 - (ii) The Project must be implemented in accordance with the New Mexico Public Works Minimum Wage Act, Section 13-4-10 through 13-4-17 NMSA 1978, as applicable. Every contract or project in excess of sixty thousand dollars (\$60,000) that the Grantee is a party to for construction, alteration, demolition or repair or any combination of these, including painting and decorating, of public buildings, public works or public roads and that requires or involves the employment of mechanics, laborers or both shall contain a provision stating the minimum wages and fringe benefits to be paid to various classes of laborers and mechanics, shall be based upon the wages and benefits that will be determined by the New Mexico Department of Workforce Solutions to be prevailing for the corresponding classes of laborers and mechanics employed on contract work of a similar nature in the locality. Further, every contract or project shall contain a stipulation that the contractor, subcontractor, employer or a person acting as a contractor shall pay all mechanics and laborers employed on the site of the project, unconditionally and not less often than once a week and without subsequent unlawful deduction or rebate on any account, the full amounts accrued at time of payment computed at wage rates and fringe benefit rates not less than those determined pursuant to Section 13-4-11 (B) NMSA 1978 to be the prevailing wage rates and prevailing fringe benefit rates issued for the project.
 - (iii) The Project may only benefit private entities in accordance with applicable law, including, but not limited to, Article IX, Section 14 of the Constitution of the State of New Mexico, the "Anti-Donation Clause."
 - (iv) The Grantee shall not for a period of 10 years from the date of this agreement convert any property acquired, built, renovated, repaired, designed or developed with the Project's funds to uses other than those specified in the Project Description without the Department's and the Board of Finance's express, advance, written approval, which may include a requirement to reimburse the State for the cost of the project, transfer proceeds from the disposition of property to the State, or otherwise provide consideration to the State.
 - (v) The Grantee shall comply with all federal and state laws, rules and regulations pertaining to equal employment opportunity. In accordance with all such laws, rules and regulations the Grantee agrees to assure that no person shall, on the grounds of race, color, national origin, sex, sexual preference, age or handicap, be excluded from employment with Grantee, be excluded from participation in the Project, be denied benefits or otherwise be subject to discrimination under, any activity performed under this Agreement. If Grantee is found to be not in compliance with these requirements during the life of this Agreement, Grantee agrees to take appropriate

steps to correct any deficiencies. The Grantee's failure to implement such appropriate steps within a reasonable time constitutes grounds for terminating this Agreement.

- B. The Grantee hereby represents and warrants the following:
- (i) The Grantee has the legal authority to receive and expend the Project's funds.
 - (ii) This Agreement has been duly authorized by the Grantee, the person executing this Agreement has authority to do so, and, once executed by the Grantee, this Agreement shall constitute a binding obligation of the Grantee, enforceable according to its terms.
 - (iii) This Agreement and the Grantee's obligations hereunder do not conflict with any law or ordinance or resolution applicable to the Grantee, the Grantee's charter (if applicable), or any judgment or decree to which the Grantee is subject.
 - (iv) The Grantee has independently confirmed that the Project Description, including, but not limited to, the amount and Reversion Date, is consistent with the underlying appropriation in law.
 - (v) The Grantee's governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the person identified as the official representative of the Grantee to sign the Agreement and to sign Requests for Payment.
 - (vi) The Grantee shall abide by New Mexico laws regarding conflicts of interest, governmental conduct and whistleblower protection. The Grantee specifically agrees that no officer or employee of the local jurisdiction or its designees or agents, no member of the governing body, and no other public official of the locality who exercises any function or responsibility with respect to this Grant, during their tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed or goods to be received, pursuant to this Grant. Further, Grantee shall require all of its contractors to incorporate in all subcontracts the language set forth in this paragraph prohibiting conflicts of interest.
 - (vii) No funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of this or any agency or body in connection with the awarding of any Third Party Obligation and that the Grantee shall require certifying language prohibiting lobbying to be included in the award documents for all subawards, including subcontracts, loans and cooperative agreements. All subrecipients shall be required to certify accordingly.

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

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

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

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

ARTICLE XII. IMPROPERLY REIMBURSED FUNDS

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

ARTICLE XIII. LIABILITY

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

ARTICLE XIV. SCOPE OF AGREEMENT

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

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

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

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

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

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

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

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

XVII. COMPLIANCE WITH UNIFORM FUNDING CRITERIA.

- A. Throughout the term of this Agreement, Grantee shall:
1. submit all reports of annual audits and agreed upon procedures required by Section 12-6-3(A)-(B) NMSA 1978 by the due dates established in 2.2.2 NMAC, reports of which must be a public record pursuant to Section 12-6-5(A) NMSA 1978 within forty-five days of delivery to the State Auditor;
 2. have a duly adopted budget for the current fiscal year approved by its budgetary oversight agency (if any);
 3. timely submit all required financial reports to its budgetary oversight agency (if any); and
 4. have adequate accounting methods and procedures to expend grant funds in accordance with applicable law and account for and safeguard grant funds and assets acquired by grant funds.
- B. In the event Grantee fails to comply with the requirements of Paragraph A of this Article XVII, the Department may take one or more of the following actions:
1. suspend new or further obligations pursuant to Article VI(A) of this Agreement;
 2. require the Grantee to develop and implement a written corrective action plan pursuant to Article VI(D) of this Agreement to remedy the non-compliance;
 3. impose special grant conditions to address the non-compliance by giving the Grantee notice of such special conditions in accordance with Article III of this Agreement; the special conditions shall be binding and effective on the date that notice is deemed to have been given pursuant to Article III; or
 4. terminate this Agreement pursuant to Article V(A) of this Agreement.

ARTICLE XVIII. SEVERANCE TAX BOND AND GENERAL OBLIGATION BOND PROJECT CLAUSES

A. Grantee acknowledges and agrees that the underlying appropriation for the Project is a severance tax bond or general obligation bond appropriation, and that the associated bond proceeds are administered by the New Mexico State Board of Finance (SBOF), an entity separate and distinct from the Department. Grantee acknowledges and agrees that (i) it is Grantee’s sole and absolute responsibility to determine through SBOF

staff what (if any) conditions are currently imposed on the Project; (ii) the Department's failure to inform Grantee of a SBOF imposed condition does not affect the validity or enforceability of the condition; (iii) the SBOF may in the future impose further or different conditions upon the Project; (iv) all SBOF conditions are effective without amendment of this Agreement; (v) all applicable SBOF conditions must be satisfied before the SBOF will release to the Department funds subject to the condition(s); and (vi) the Department's obligation to reimburse Grantee from the Project is contingent upon the then current SBOF conditions being satisfied.

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

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

[THIS SPACE LEFT BLANK INTENTIONALLY]

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

GRANTEE

Signature of Official with Authority to Bind Grantee

Lower Rio Grande Public Water Works Authority

Entity Name

By: Esperanza Holguin

(Type or Print Name)

Its: Board Chair

(Type or Print Title)

August 17, 2022

Date

**DEPARTMENT OF FINANCE AND ADMINISTRATION
LOCAL GOVERNMENT DIVISION**

By:

Its: Division Director

Date

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
East Mesa Water System Improvements RFP Committee Report
Tuesday, August 16, 2022, 1:30 pm by Zoom Online Meeting

Lower Rio Grande PWWA East Mesa Water System Improvements RFP #FY2023-01 Ratings

Offerors	Date Submitted	Time Submitted	6 Copies	8.5x11" bound left side	* 10 Pg. Max.	Format & Sequence	Labeled per instructions	Campaign Disclosure	Non-Disclosure Request?	Sub-Cons. List	Vol. of Wk. not 75%	Resident-Res. Vet. Bus. Cert.	Grand Total Score	Preference Points	TOTAL POINTS	Ranking	Minority Owned Business
Daniel B Stephens & Assoc.	8/11/2022		Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	\$257,625	NA	121.00	0.00	121.00	1	No
Frank X. Spencer & Assoc.	8/11/2022	FedEx	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	\$0	NA	94.20	0.00	94.20	2	Yes
													0.00	0.00	0.00		
													0.00	0.00	0.00		
													0.00	0.00	0.00		
													0.00	0.00	0.00		

* 10 Pg. Max. does not incl. Covers, Cover Letter, Table of Contents, Preference Certifications or Campaign Disclosure Forms

No Preferences allowed due to federal funding

NOTE: Due to federal funds, Resident and Resident Veteran Preferences do NOT apply, and *Criteria #5 Work To Be Done in New Mexico* will NOT receive points.

WAIVER of minor technicality: None

PROCESS: The RFP Committee individually read and scored each proposal and then discussed each of the rating criteria as a group. During the discussion, the committee members were able to make adjustments to their scores based on things coming up that they may not have previously considered. The scores for each of the criteria were then added and averaged, and the committee concurred with the final score for each of the criteria. Below are the committee scores awarded to each proposal and a summary of the discussion:

This RFP was issued because we have been awarded federal funding for the construction of this project, but the initial funding for this project was exclusively from the State of New Mexico, so Resident and Veteran Preferences were required in the original RFP. Daniel B. Stephens & Associates was selected from the original RFP and has completed the design of Phase I and is currently working on the design for Phase II. Contract for the construction of Phase I will be awarded from this RFP.

The Committee would normally provide comments for each of the criteria listed below to explain their scoring, but in this instance will only note that they find no reason to change engineering firms for this project. In fact, changing firms would likely delay the project due to the need for the new firm to gain understanding of the project. The LRGPWWA is familiar with D.B. Stephens & Associates work from previous projects, but not with Frank X. Spencer & Associates. We greatly appreciate the effort that both firms put into their proposals and hope to work with F.X. Spencer & Assoc. in the future on another project.

Planning & Design Phase #1 Scores – Specialized Design & Technical Competence – 25 possible

P&D #2 Scores – Capacity & Capability – 25 possible

P&D #3 Scores – Past Record of Performance – 25 possible

P&D #4 Scores – Familiarity with the Contracting Agency – 20 possible

P&D #5 Scores – Work to be done in New Mexico – 0

P&D #6 Scores — Current Volume of Work with the Contracting Agency Not 75% Complete – 5

CO #1 Scores – Construction Observation Experience – 5 possible

CO #2 Scores - Experience with startup assistance to the Owner of new facilities, if applicable. – 5 possible

CO #3 - Capacity and capability of the consultant to provide strategies to assist in meeting the Owner's construction timeframe. – 5 possible

CO #4 - History of past performance, including the record of bid amount versus final close out contract amount. - 5 possible

CO # - History of legal claims, if applicable, on similar construction projects and their resolution. The consultant should detail their claims avoidance approach and construction observation philosophy. – 5 possible

RECOMMENDATION:

The Committee recommends that the Board of Directors select Daniel B. Stephens & Associates for the East Mesa Water System Improvements Project.

TOTAL SCORES:

Lower Rio Grande PWWA East Mesa Water System Improvements RFP #FY2023-01 Ratings

Offerors	Date Submitted	Time Submitted	6 Copies	8.5x11" bound left side	* 10 Pg. Max.	Format & Sequence	Labeled per instructions	Campaign Disclosure	Non-Disclosure Request?	Sub-Cons. List	Vol. of Wk. not 75%	Resident-Res. Vet. Bus. Cert.	Grand Total Score	Preference Points	TOTAL POINTS	Ranking	Minority Owned Business
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													0.00	0.00	0.00		

* 10 Pg. Max. does not incl. Covers, Cover Letter, Table of Contents, Preference Certifications or Campaign Disclosure Forms

No Preferences allowed due to federal funding



Digitally signed by Karen
Nichols
Date: 2022-08-16
16:15-06:00

Karen Nichols, Projects Manager, Procurement Manager

Martin G. Lopez, General Manager

Mike Lopez, Operations Manager

John Schroder, Finance Manager designee

Patty Charles, Projects Manager Designee

Esperanza Holguin, Board Chair

**AGREEMENTS FOR ENGINEERING SERVICES
(Publicly Funded Project)**

THIS Agreement, made this 17th day of August 2022 (effective date) by and between the Lower Rio Grande Public Water Works Authority hereinafter referred to as the OWNER, and Daniel B. Stephens & Associates hereinafter referred to as the ENGINEER. This contract expires on August 16, 2026.

The OWNER intends to construct a Project consisting of East Mesa Service Area Water System Improvements Phase I Design. Improvements to be designed include:

- Drill and construct replacement Well EM1 at Butterfield Site
- Booster pump station upgrades at Butterfield Park and Mountain View
- SCADA Centralization/Relocation to Butterfield Park
- Replace remainder of aging & undersize pipeline in Organ
- Demolish tanks EM#6 and EM#7 and construct 200,000 gallon tank (EM#10) at 3 Sisters Site

in Doña Ana County, State of New Mexico, which may be paid for in part with financial assistance from the United States of America acting through the United States Department of Agriculture – Rural Development, hereinafter referred to as USDA-RD; and/or through the United States Environmental Protection Agency, hereinafter referred to as EPA; and/or the New Mexico Environment Department, hereinafter referred to as NMED; and/or the New Mexico Finance Authority, hereinafter referred to as NMFA; and/or the New Mexico Department of Finance, hereinafter referred to as DFA; all collectively referred to as the Funding Agency. Neither the United States or the State of New Mexico nor any of its departments, agencies, or employees is or will be a party to this Agreement or any subagreement. The ENGINEER agrees to perform the various professional engineering services for the planning, design, and construction of said Project in accordance with the provisions of this Agreement.

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ATTACHMENTS

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- ☐ Attachment II - Engineering Services During the Planning Phase
Authorization to proceed date: This _____ day of _____, 20_____
Contract Time shall be _____ calendar days from Authorization to proceed date. This phase expires on _____.
- ☐ Attachment III - Engineering Services During the Design Phase
Authorization to proceed date: This _____ day of _____, 20_____
Contract Time shall be _____ calendar days from Authorization to proceed date. This phase expires on _____.

- ☒ Attachment IV - Engineering Services During the Construction Phase
Authorization to proceed date: This _____ day of _____, 20_____
Contract Time shall be 365 calendar days from Authorization to proceed date. This phase expires on _____.
- ☐ Attachment V - Engineering Services During the Operation Phase
Authorization to proceed date: This _____ day of _____, 20_____
Contract Time shall be _____ calendar days from Authorization to proceed date. This phase expires on _____.
- ☐ Attachment VI – Amendments to Agreements for Engineering Services
Authorization to proceed date: This _____ day of _____, 20_____
Contract Time shall be _____ calendar days from Authorization to proceed date. This phase expires on _____.
- ☒ Exhibit A - Electronic File Transfer Clause

SECTION A – GENERAL PROVISIONS

1. General

(a) This Agreement represents the entire and integrated Agreement between the OWNER and the ENGINEER for the Project and supersedes all prior negotiations, representations or agreements, either written or oral. In the event, any provisions of this Agreement or any subsequent amendment shall be held to be invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties. One or more waivers by either party of any provision, term, condition or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party. The General provisions of this Agreement supersede any conflicting SPECIAL PROVISIONS.

(b) The OWNER and the ENGINEER each is bound and the partners, successors, executors, administrators and legal representatives of the OWNER and the ENGINEER are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators and legal representatives of such other party, in respect to all covenants, agreements, and obligations of the Agreement. Neither the OWNER nor the ENGINEER may assign, sublet, or transfer any rights under or interest (including, but without limitation, moneys that are due or may become due) in the Agreement without written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated or restricted by law. Unless specifically stated to the contrary in any written consent of an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Unless expressly provided otherwise in this Agreement:

(1) Nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by the OWNER or the ENGINEER to any Contractor, Contractor's subcontractor, supplier, other individual or entity, or to any surety for or employee of any of them; and

(2) All duties and responsibilities undertaken pursuant to this Agreement will be for sole and exclusive benefit of the OWNER and the ENGINEER and not for the benefit of any other party.

(c) The ENGINEER will work closely with the OWNER to confirm all Funding Agency requirements are met.

(d) The ENGINEER will attend conferences and public hearings with the OWNER, at which representatives of the Funding Agency and interested parties will also be in attendance, and provide assistance in connection with such undertakings as provided for in the scope of work detailed in the Attachments.

2. Approvals

(a) This Agreement shall not become effective until reviewed and approved by the Funding Agency. Such approval shall be evidenced by the signature of a duly authorized representative of the Funding Agency in the space provided in the Attachments to this Agreement. The approval shall in no way commit the Funding Agency to render financial assistance to the OWNER. The Funding Agency is without liability for any payment hereunder, but in the event such assistance is provided, the approval shall signify that the provisions of this Agreement are consistent with the requirements of the Funding Agency.

(b) Review or approval of documents by or for the Funding Agency under this Agreement is

for administrative purposes only and does not relieve the ENGINEER or OWNER of their responsibilities to design, construct and operate the Project as required under law, regulations, permits and good management practices.

3. Responsibilities of the ENGINEER

(a) The ENGINEER shall be responsible for the professional quality, technical accuracy, timely completion, and the coordination of design drawings, specifications, reports, and other services furnished by the ENGINEER under this Agreement. If this Agreement involves environmental measures or data generation, the ENGINEER shall comply with EPA quality assurance requirements that can be found on their website at <http://www.epa.gov/quality/index.html>. The ENGINEER shall keep the OWNER informed of the performance of the ENGINEER'S duties under this Agreement. The ENGINEER shall, promptly and without additional compensation, correct or revise errors or omissions in the design drawings, specifications, reports, and other services provided by ENGINEER under terms of this Agreement.

(b) The ENGINEER shall perform the professional services necessary to accomplish the work specified in this Agreement, in accordance with this Agreement and applicable Funding Agency requirements in effect on the date of execution of any assistance agreement for this Project.

(c) The OWNER or Funding Agency review or approval of design drawings, specifications, reports, and other services furnished hereunder shall not in any way relieve the ENGINEER of responsibility for the technical adequacy of the work. Neither the OWNER nor Funding Agency review, approval or acceptance of, nor payment for any of the services shall be construed as a waiver of action arising out to the performance of this Agreement.

(d) The ENGINEER shall be, and shall remain, liable to the proportionate extent, in accordance with applicable law, for damages to the OWNER caused by the ENGINEER's negligent performance of any of the services furnished under this Agreement, except for errors, omissions or other deficiencies to the extent attributable to the OWNER or OWNER-furnished data. The ENGINEER shall not be responsible for any time delays in the Project caused by circumstances beyond the ENGINEER'S control.

(e) The ENGINEER'S opinions of probable Construction Cost are to be made on the basis of the ENGINEER'S experience and qualifications and represent ENGINEER'S best judgment as an experienced and qualified professional generally familiar with the construction industry. However, since the ENGINEER has no control over the cost of labor, materials, equipment, or services furnished by others, or over Contractor's methods of determining prices, or over competitive bidding or market conditions, the ENGINEER cannot and does not guarantee that proposals, bids, or actual Construction Cost and project schedules will not vary from opinions of probable Construction Cost prepared by the ENGINEER. If the OWNER wishes greater assurance as to probable Construction Cost, the OWNER shall employ an independent cost estimator.

(f) During the Construction Phase, the ENGINEER shall not at any time supervise, direct, or have control over the Contractor's work, nor shall the ENGINEER have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by the Contractor, for security or safety at the Site, for safety precautions and programs incident to the Contractor's work in progress, nor for any failure of the Contractor to

comply with Laws and Regulations applicable to the Contractor's furnishing and performing the Work.

(g) The standard of care of all professional engineering and related services performed or furnished by the ENGINEER under this Agreement will be the care and skill ordinarily used by members of subject profession practicing under similar circumstances at the same time and in the same locality. The ENGINEER makes no warranties, expressed or implied, under this Agreement or otherwise, in connection with the ENGINEER'S services.

(h) The ENGINEER's obligations under this clause are in addition to the ENGINEER's other express or implied assurances under this Agreement or State law and in no way diminish any other rights that the OWNER may have against the ENGINEER for faulty materials, equipment, or work.

4. Responsibilities of the OWNER

(a) The OWNER shall designate in writing a person authorized to act as the OWNER's representative. The OWNER or its representative shall receive and examine documents submitted by the ENGINEER, interpret and define the OWNER's policies and render decisions and authorizations promptly in writing.

(b) The OWNER shall be responsible for, and the ENGINEER may rely upon, the accuracy and completeness of all requirements, programs, instructions, reports, data, and other information furnished by the OWNER to the ENGINEER pursuant to this Agreement. The ENGINEER may use such requirements, programs, instructions, reports, data, and information in performing or furnishing services under this Agreement without responsibility for verifying accuracy of the OWNER furnished data and information.

(c) The OWNER shall provide to the ENGINEER full and free access to enter upon all property required for the performance of the ENGINEER's services under this Agreement.

(d) The OWNER may make and retain copies of documents for information and reference in connection with use on the Project by the OWNER. Such documents are not intended or represented to be suitable for reuse by the OWNER or others on extensions of the Project or on any other project. Any such reuse or modification without written verification or adaptation by the ENGINEER will be at the OWNER's sole risk and without liability or legal exposure to the ENGINEER. Any verification or adaptation as stated above, will entitle the ENGINEER to further compensation at rates to be agreed upon by the OWNER and the ENGINEER.

5. Changes

(a) The OWNER and the ENGINEER may, at any time, with prior approval of the Funding Agency, make changes within the general scope of this Agreement in the services or work to be performed. Any such change must be in writing and approved by both parties to this Agreement. If such changes cause an increase or decrease in the ENGINEER's cost or time required to perform any services under this Agreement, whether or not changed by any order, the OWNER shall make an equitable adjustment and modify this Agreement in writing. The ENGINEER must assert any claim for adjustment under this clause in writing within thirty (30) calendar days from the date it receives the OWNER's notification of change, unless the OWNER grants additional time before the date of final payment.

(b) No services for which the ENGINEER will charge an additional compensation shall be furnished without the written authorization of the OWNER.

(c) All changes to the scope, cost or time of this Agreement and services described in the Attachments must be in writing and documented in Attachment VI – Amendment to Agreements for Engineering Services.

6. Termination of Contract

(a) This Agreement may be terminated in whole or in part by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party. Any termination must be in writing. No such termination may be effected unless the other party is given: 1) not less than fourteen (14) calendar days written notice (delivered by certified mail, return receipt requested) of intent to terminate; and 2) an opportunity to cure the default with the terminating party before termination.

(b) This Agreement may be terminated in whole or in part in writing by the OWNER for its convenience, provided that the ENGINEER is given: 1) not less than fourteen (14) calendar days written notice (delivered by certified, return receipt requested) of intent to terminate; and 2) an opportunity for consultation with the OWNER prior to termination.

(c) If termination for default is effected by the OWNER, an equitable adjustment in the price provided for in this agreement shall be made, but: 1) no amount shall be allowed for anticipated profit on unperformed services or other work; and 2) any payment due to the ENGINEER at the time of termination may be adjusted to cover any additional costs to the OWNER because of the ENGINEER's default. If the ENGINEER effects termination for default, or if the OWNER effects termination for convenience, the equitable adjustment shall include a reasonable profit for services or other work performed. The equitable adjustment for any termination shall provide for payment to the ENGINEER for services rendered and expenses incurred prior to the termination, in addition to termination settlement costs reasonably incurred by the ENGINEER relating to commitments which had become firm prior to the termination.

(d) Upon receipt of a termination action under paragraphs (a) or (b) above, the ENGINEER shall: 1) promptly discontinue all affected work (unless the notice directs otherwise); and 2) deliver or otherwise make available to the OWNER within fourteen (14) calendar days copies of all data, design drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by the ENGINEER in performing this Agreement, whether completed or in process.

(e) Upon termination under paragraphs (a) or (b) above, the OWNER may take over the work and may award another party an Agreement to complete the work under this Agreement.

(f) If, after termination for failure of the ENGINEER to fulfill contractual obligations, it is determined that the ENGINEER had not failed to fulfill contractual obligations, the termination shall be deemed to have been for the convenience of the OWNER. In such event, adjustment of the Agreement price shall be made as provided in paragraph 6(c) of this clause.

7. Payment

(a) The ENGINEER will submit to the OWNER for services rendered an itemized bill showing charges for such services accompanied by any additional documentation requested by the OWNER. Such invoices are limited to no more than one per month. Compensation will be based on the lump sum or standard hourly rate with a maximum method of payment as detailed

in the Attachments.

(b) The OWNER shall pay the ENGINEER applicable gross receipt taxes and reimbursable expenses at the rates set forth in the appropriate Attachment. The amounts payable to the ENGINEER for reimbursable expenses will be the project-related internal expenses, such as reproduction, and all invoiced external reimbursable expenses allocatable to the project, including consultants, multiplied by a factor of 1.1 (1.1 MAXIMUM). Mileage will be reimbursed at the current federally approved IRS rate. Mileage and per diem will not be multiplied by a factor. Reimbursable expenses shall not exceed the estimate in the Attachments without prior written approval of the OWNER, with Funding Agency concurrence. Copies of invoices from consultants, mileage logs, and receipts for which the ENGINEER is requesting reimbursement must accompany the ENGINEER'S invoice.

(c) The OWNER shall notify the ENGINEER of any disputed amounts in the invoices within fourteen (14) calendar days of receipt. If the OWNER contests an invoice, the OWNER may withhold only that portion so contested, and must pay the undisputed portion.

(d) Final Payment under this Agreement, or settlement upon termination of this Agreement, shall not constitute a waiver of the OWNER's claims against the ENGINEER under this Agreement.

(e) If the OWNER fails to make any payment due to the ENGINEER within forty-five (45) calendar days after the OWNER's receipt of the ENGINEER's invoice, the amount due to the ENGINEER shall be increased at the rate of 1.5% per month from said forty-fifth day. Any payment of interest under this contract is not reimbursable from grant or loan funds. In addition, after ten (10) calendar days' prior written notice, the ENGINEER may suspend services under this Agreement until the ENGINEER is paid in full. The OWNER waives any and all claims against the ENGINEER for any such suspension.

8. Time

(a) PROGRESS AND COMPLETION

1. The ENGINEER has prepared and the OWNER has approved a schedule for the performance of the ENGINEER's services. This schedule is reflected in the contract time(s) as detailed in the Attachment(s) and represents reasonable times in which to complete the services. The schedule includes reasonable times required for the OWNER and other applicable parties to the agreement to provide necessary information, provide any applicable services not included in the ENGINEER's Scope of Work and make decisions necessary for completion of the work. The schedule also includes reasonable allowances for review and approval times required by the OWNER and by public authorities having jurisdiction over the Project. The schedule shall be equitably adjusted as the Project progresses, allowing for changes in scope, character or size of the Project requested by the OWNER, or for delays or other causes beyond the ENGINEER's reasonable control.
2. The ENGINEER shall proceed expeditiously, consistent with professional skills, with adequate forces to achieve completion within the Contract Time.
3. The OWNER shall not be liable to the ENGINEER for additional time or money if the ENGINEER submits a progress report expressing an intention to achieve completion of the Work prior to the Contract Time and then is not able to achieve intended accelerated schedule regardless of the reason.

4. If the ENGINEER is delayed at any time in the commencement or progress of the Work by an act or negligence of the OWNER, changes in the Work as agreed upon by the OWNER and the ENGINEER in writing, or other causes beyond the ENGINEER'S control, then the Contract Time may be extended per Section 5 of this Agreement. Extensions of time not associated with modifications or changes to the Work shall not be allowed to increase the Contract amount for overhead or for any other reason and shall strictly apply toward liquidated damages, as found in Subsection (b) of this Section.
5. The ENGINEER shall promptly notify the OWNER in writing of any conditions that may delay delivery of work beyond the Contract Time.
6. The OWNER shall make decisions and carry out its other responsibilities in a timely manner so as not to delay the ENGINEER'S performance of its Services.

(b) CONTRACT TIME AND LIQUIDATED DAMAGES

1. The ENGINEER agrees that the Services being provided under this Agreement will be performed regularly, diligently and without interruption at such rate of progress as will provide for completion within the Contract Time. It is expressly understood and agreed, by and between the ENGINEER and the OWNER, that the Contract Time is a reasonable time for completion of the Services, taking into consideration the usual conditions for performing the Services. The ENGINEER agrees to promptly notify the OWNER of delays in completing the services under this Agreement that are beyond ENGINEER's control and for which a Contract Time extension will be requested. If the ENGINEER neglects, fails, or refuses to complete the Services within the Contract Time, including any time extension granted by the OWNER, then the ENGINEER agrees to pay the OWNER the amount specified in the Attachments, not as a penalty, but as liquidated damages.
2. The parties agree that the amount of the likely damages to the OWNER for such delay is difficult to ascertain at the time of execution of this Agreement, but that a reasonable estimate of such damages may be deducted from any monthly payments due to the ENGINEER, or from other monies being withheld from the ENGINEER, when a reasonable estimate of the expected date of completion can be determined by the OWNER.
3. Final accounting of liquidated damages shall be determined at completion and the ENGINEER shall be liable for any liquidated damages over and above unpaid balances held by the OWNER.
4. The OWNER and the ENGINEER agree that reasonable liquidated damages for delay (but not as a penalty) due from the ENGINEER to the OWNER are \$100 (minimum one-hundred dollars [\$100.00] per day) for each calendar day that expires after the Contract Time specified in the Agreement until the Work is complete and accepted by the OWNER. The OWNER shall have no more than ten (10) calendar days to accept or reject the Work.

9. Project Design

Unless otherwise approved by the OWNER and Funding Agency, the ENGINEER shall specify

materials, equipment, and processes that are readily available through competitive procurement and consistent with State and Federal regulations.

10. Audits and Access to Records

(a) The ENGINEER shall maintain books, records, documents, and other evidence directly pertinent to performance on work under this Agreement in accordance with generally accepted accounting principles and practices consistently applied, and Funding Agency regulations in effect on the date of execution of this Agreement. The ENGINEER shall also maintain the financial information and data used by the ENGINEER in the preparation of the cost submission required under EPA regulations in effect on the date of execution for any negotiated agreement or amendment thereof. and a copy of the cost summary submitted to the OWNER. The Funding Agency, the Comptroller General of the United States, the U.S. Department of Labor, the OWNER, and the State water pollution control agency, or their duly authorized representatives, shall have access to such books, records, documents, and other evidence for inspection, audit, and copying during normal business hours. The ENGINEER will provide proper facilities for such access and inspection.

(b) The ENGINEER agrees to make paragraphs (a) through (f) applicable to agreements it awards in excess of \$10,000, at any tier, and to make paragraphs (a) through (f) of this clause applicable to all amendments directly related to Project performance.

(c) Audits conducted under this provision shall be in accordance with generally accepted auditing standards and established procedures and guidelines of the reviewing or audit agency(ies) and the General Accounting Office.

(d) The ENGINEER agrees to disclose all information and reports resulting from access to records under paragraphs (a) and (b) of this clause to any of the agencies referred to in paragraph (a) upon their request.

(e) Records under paragraphs (a) and (b) above shall be maintained and made available by the ENGINEER during performance of services under this Agreement and for three (3) years from the date of final Federal/State assistance payment to the OWNER for the Project. In addition, those records which relate to any controversy arising under this Agreement, litigation, the settlement of claims arising out of such performance or to costs or items to which an audit exception has been taken shall be maintained and made available by the ENGINEER until three (3) years after the date of resolution of such appeal, litigation, claim or exception.

(f) This right of access clause applies to financial records pertaining to agreements (except formally advertised, competitively awarded, fixed price agreements) and agreement amendments regardless of the type of agreement. In addition, this right of access applies to records pertaining to all agreements and agreement amendments:

1. To the extent the records pertain directly to Agreement performance; or
2. If there is any indication that fraud, gross abuse or corrupt practices may be involved; or
3. If the Agreement is terminated for default or for convenience.

11. Subcontracts

(a) Any subcontractors and outside associates or consultants required by the ENGINEER in

connection with services under this Agreement will be limited to such individuals or firms as were specifically identified and agreed to during negotiations of this Agreement. The OWNER must give prior approval for any substitutions, additions or deletions to such subcontractors, associates, or consultants but will not dictate whom the ENGINEER must hire.

(b) The ENGINEER may not subcontract services to subcontractors or consultants in excess of thirty (30) percent of the total phased compensation due to the ENGINEER and detailed in the Attachments without prior written approval of the OWNER and funding agency.

12. Insurance

The ENGINEER agrees to obtain and maintain, at their expense, such insurance as specified in Attachment I.

13. Environmental Condition of Site

(a) The OWNER has disclosed to the ENGINEER in writing the existence of all known and suspected Asbestos, PCBs, Petroleum, Hazardous Waste, Radioactive Material, hazardous substances, and other Constituents of Concern located at or near the Site, including type, quantity, and location.

(b) The OWNER represents to the ENGINEER that to the best of its knowledge no Constituents of Concern, other than those disclosed in writing to the ENGINEER, exist at the Site.

(c) If the ENGINEER encounters an undisclosed Constituent of Concern, then the ENGINEER shall notify: 1) the OWNER; and 2) appropriate governmental officials if the ENGINEER reasonably concludes that doing so is required by applicable Laws or Regulations.

(d) It is acknowledged by both parties that the ENGINEER'S scope of services does not include any services related to Constituents of Concern. If the ENGINEER or any other party encounters an undisclosed Constituent of Concern, or if investigative or remedial action, or other professional services, are necessary with respect to disclosed or undisclosed Constituents of Concern, then the ENGINEER may, at its option and without liability for consequential or any other damages, suspend performance of services on the portion of the Project affected thereby until the OWNER: 1) retains appropriate specialist consultant(s) or contractor(s) to identify and, as appropriate, abate, remediate, or remove the Constituents of Concern; and 2) warrants that the Site is in full compliance with applicable Laws and Regulations.

(e) If the presence at the Site of undisclosed Constituents of Concern adversely affects the performance of the ENGINEER'S services under this Agreement, then the ENGINEER shall have the option of: 1) accepting an equitable adjustment in its compensation or in the time of completion, or both; or 2) terminating this Agreement for cause on 30 calendar days' notice.

(f) Owner acknowledges that the ENGINEER is performing professional services for the OWNER and that the ENGINEER is not and shall not be required to become an "arranger," "operator," "generator," or "transporter" of hazardous substances, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended, which are or may be encountered at or near the Site in connection with the ENGINEER'S activities under this Agreement.

14. Mutual Waiver

To the fullest extent permitted by law, the OWNER and the ENGINEER waive against each other, and the other's employees, officers, directors, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project.

15. Independent Contractor

The ENGINEER will, at all times during the performance of this Agreement and in connection with the Services, be deemed to be an Independent Contractor. No relationship of employer-employee or agency or other fiduciary capacity is created by this Agreement or by the ENGINEER'S performance of the Services.

16. Equal Employment Opportunity

The ENGINEER shall comply with U.S. Executive Order 11246, entitled "Equal Employment Opportunity", as amended by U.S. Executive Order 11375, and as supplemented in Department of Labor regulations 41 CFR Part 60.

17. Gratuities

(a) If the OWNER find that the ENGINEER or any of the ENGINEER's agents or representatives offered or gave gratuities (in the form of entertainment, gifts, or otherwise), to any official, employee, or agent of the OWNER or the Funding Agency in an attempt to secure this Agreement, or favorable treatment in awarding, amending or making any determinations related to the performance of this Agreement, the OWNER may, by written notice to the ENGINEER, terminate this Agreement. The OWNER may also pursue other rights and remedies that the law or this Agreement provides. However, the existence of the facts on which the OWNER bases such findings shall be in issue and may be reviewed in proceedings under the Remedies clause of this Agreement.

(b) In the event this Agreement is terminated as provided in Subsection (a) of this Section, the OWNER may pursue the same remedies against the ENGINEER as it could pursue in the event of a breach of the Agreement by the ENGINEER. As a penalty, in addition to any other damages to which it may be entitled by law, the OWNER may pursue exemplary damages in an amount (as determined by the OWNER) which shall be not less than three nor more than ten times the costs the ENGINEER incurs in providing any such gratuities to any such officer or employee.

18. Covenant Against Contingent Fees

The ENGINEER represents that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the ENGINEER for the purpose of securing business. For breach or violation of this assurance the OWNER shall have the right to annul this Agreement without liability or, at its discretion, to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fees.

19. Cost and Pricing Data on Federally-funded Projects (delete section if not applicable)

The ENGINEER and its subcontractor(s) confirm that cost and pricing data submitted for

evaluation with respect to negotiation of prices for negotiated agreements, lower tier subagreements, or amendments are based on current, accurate, and complete data supported by their books and records. If the OWNER, or Funding Agency determines that any price (including profit) negotiated in connection with this Agreement, any lower tier subagreement, or any amendment thereunder was increased by any significant sums because the data provided was incomplete, inaccurate, or not current at the time of submission, then such price or cost or profit shall be reduced accordingly; and this Agreement shall be modified in writing to reflect such action. Failure to agree on a reduction shall be subject to the Remedies clause of this Agreement.

20. Remedies

Unless otherwise provided in this Agreement, all claims, counter-claims, disputes, and other matters in question between the OWNER and the ENGINEER arising out of or relating to this Agreement or the breach of it will be decided by non-binding mediation or arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State in which the OWNER is located.

21. Assurance Against Debarment

The ENGINEER confirms that it and its subcontractors have not been suspended or debarred by EPA, USDA, or the State of New Mexico.

SECTION B –ENGINEERING SERVICES

The ENGINEER shall furnish ENGINEERING SERVICES as follows in accordance with the GENERAL PROVISIONS of the Agreement and as authorized by the appropriate Attachment to this Agreement:

1. The ENGINEER shall complete the ENGINEERING SERVICES described in Attachment II – Engineering Services During the Planning Phase within the time specified from the date of written authorization to proceed unless otherwise mutually agreed to in writing by both parties.
2. The ENGINEER shall complete the ENGINEERING SERVICES described in Attachment III – Engineering Services During the Design Phase within the time specified from the date of written authorization to proceed unless otherwise mutually agreed to in writing by both parties.
3. ENGINEER shall complete the ENGINEER SERVICES described in Attachment IV – Engineering Services During the Construction Phase within the time specified from the date of written authorization to proceed unless otherwise mutually agreed to by both parties.
4. The ENGINEER shall complete the ENGINEERING SERVICES described in Attachment V – Engineering Services During the Operation Phase within the time specified from the date of written authorization to proceed unless otherwise mutually agreed to in writing by both parties.

SECTION C – SPECIAL PROVISIONS OR MODIFICATIONS TO THE STANDARD LANGUAGE IN THIS AGREEMENT

(Mark those that apply or describe, attach or indicate “None”)

☒ None

☐ For Planning Grant Funds from NMFA Insert the note: For Preliminary Engineering Reports or other documents paid for using NMFA Planning Grant Funds, the community can only submit one reimbursement request. This request for payment must be based on a final invoice and can only occur after the document is approved by the pertinent reviewing agency. Interim payments to the engineer will be at the discretion of the community as agreed upon in this contract.

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

☐ This contract is funded in whole or in part by funds made available under a NMED Grant Agreement. Should the NMED early terminate the grant agreement, the OWNER may early terminate this contract by providing the ENGINEER written notice of such termination. In the event of termination pursuant to this paragraph, the OWNER’s only liability shall be to pay the ENGINEER or vendor for acceptable goods delivered and services rendered before the termination date.

☐ MODEL CONTRACT CLAUSE FOR ENGINEERING AGREEMENTS
used for Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF) projects.

1. PRIVITY OF CONTRACT

This contract is expected to be funded in part with funds from the U.S. Environmental Protection Agency. Neither the United States nor any of its departments, agencies or employees is, or will be, a party to this contract or any lower tier contract. This contract is subject to the applicable EPA procurement regulations in effect on the date of the assistance award for this project.

2. CHANGES

1. The OWNER may at any time, by written order make changes within the general scope of this contract in the services to be performed. If such changes cause an increase or decrease in the ENGINEER’S cost or time required to perform any services under this contract, whether or

not changed by any order, the OWNER shall make an equitable adjustment and modify this contract in writing. The ENGINEER must assert any claim for adjustment under this clause in writing within 30 days from the date it receives the OWNER'S notification of change, unless the OWNER grants additional time before the date of final payment.

2. No claim by the ENGINEER for an equitable adjustment shall be allowed if made after final payment under this contract.

3. No services for which the ENGINEER will charge an additional compensation shall be furnished without the written authorization of the OWNER.

3. TERMINATION

a. This contract may be terminated in whole or in part in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this contract through no fault of the terminating party, provided that no termination may be effected unless the other party is given (1) not less than ten (10) calendar days written notice (delivered by certified mail, return receipt requested) of intent to terminate, and (2) an opportunity for consultation with the terminating party prior to termination.

b. This contract may be terminated in whole or in part in writing by the OWNER for its convenience, provided that the ENGINEER is given: 1) not less than ten (10) calendar days' written notice (delivered by certified mail, return receipt requested) of intent to terminate, and; 2) an opportunity for consultation with the terminating party prior to termination.

c. If termination for default is effected by the OWNER, an equitable adjustment in the price provided for in this contract shall be made, but: 1) no amount shall be allowed for anticipated profit on unperformed services or other work; and 2) any payment due to the ENGINEER at the time of termination may be adjusted to cover any additional costs to the OWNER because of the ENGINEER'S default. If the ENGINEER effects termination for default, or if the OWNER effects termination for convenience, the equitable adjustment shall include a reasonable profit for services or other work performed. The equitable adjustment for any termination shall provide for payment to the ENGINEER for services rendered and expenses incurred prior to the termination, in addition to termination settlement costs reasonably incurred by the ENGINEER relating to commitments which had become firm prior to the termination.

d. Upon receipt of a termination action under paragraphs (a) or (b) above, the Engineer shall (1) promptly discontinue all affected work (unless the notice directs otherwise), and (2) deliver or otherwise make available to the Owner all data, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by the Engineer in performing this contract, whether completed or in process.

e. Upon termination under paragraphs (a) or (b) above, the Owner may take over the work and may award another party a contract to complete the work under this contract.

f. If, after termination for failure of the Engineer to fulfill contractual obligations, it is determined that the Engineer had not failed to fulfill contractual obligations, the termination shall be deemed to have been for the convenience of the Owner. In such event, adjustment of the sub-agreement price shall be made as provided in paragraph (c) of this clause.

4. REMEDIES

Unless otherwise provided in this contract, all claims, counter-claims, disputes and other matters in question between the OWNER and the ENGINEER arising out of, or relating to, this contract or the breach of it will be decided, if the parties mutually agree, by arbitration, mediation, or other alternative dispute resolution mechanism; or in a court of competent jurisdiction within the State in which the OWNER is located.

5. AUDIT; ACCESS TO RECORDS

a. The ENGINEER shall maintain books, records, documents and other evidence directly pertinent to performance on EPA funded work under this contract in accordance with generally accepted accounting principles and practices consistently applied, and the applicable EPA regulations in effect on the date of execution of this contract. The ENGINEER shall also maintain the financial information and data used in the preparation or support of any cost submission required under applicable regulations for negotiated contracts or change orders and a copy of the cost summary submitted to the OWNER. The United States Environmental Protection Agency, the Comptroller General of the United States, the United States Department of Labor, the OWNER, and [the State] or any of their authorized representatives shall have access to all such books, records, documents and other evidence for the purpose of inspection, audit and copying during normal business hours. The ENGINEER will provide proper facilities for such access and inspection.

b. If this is a fixed price contract awarded through sealed bidding or otherwise on the basis of effective price competition, the ENGINEER agrees to make paragraphs (a) through (f) of this clause applicable to all negotiated change orders and contract amendments affecting the contract price. In the case of all other types of prime contracts, the ENGINEER agrees to make paragraphs (a) through (f) applicable to all contract awards in excess of \$10,000, at any tier, and to make paragraphs (a) through (f) of this clause applicable to all change orders directly related to project performance.

c. Audits conducted under this provision shall be in accordance with generally accepted auditing standards and with established procedures and guidelines of the reviewing or audit agency(ies).

d. The ENGINEER agrees to disclose all information and reports resulting from access to records under paragraphs (a) and (b) of this clause to any of the agencies referred to in paragraph (a).

e. Access to records is not limited to the required retention periods. The authorized representatives designated in paragraph (a) of this clause shall have access to records at any reasonable time for as long as the records are maintained.

f. This right of access clause applies to financial records pertaining to all contracts (except for fixed price contracts awarded through sealed bidding or otherwise on the basis of effective price competition) and all contract change orders regardless of the type of contract, and all contract amendments regardless of the type of contract. In addition, this right of access applies to all records pertaining to all contracts, contract change orders and contract amendments:

1. To the extent the records pertain directly to contract performance;
2. If there is any indication that fraud, gross abuse or corrupt practices may be involved; or

3. If the sub-agreement is terminated for default or for convenience.

6. COVENANT AGAINST CONTINGENT FEES

The ENGINEER assures that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee excepting bona fide employees or bona fide established commercial or selling agencies maintained by the ENGINEER for the purpose of securing business. For breach or violation of this assurance, the OWNER shall have the right to annul this agreement without liability or, at its discretion, to deduct from the contract price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

7. GRATUITIES

a. If the OWNER finds after a notice and hearing that the ENGINEER or any of the ENGINEER'S agents or representatives offered or gave gratuities (in the form of entertainment, gifts or otherwise) to any official, employee or agent of the OWNER, the State or EPA in an attempt to secure a contract or favorable treatment in awarding, amending or making any determinations related to the performance of this contract, the OWNER may, by written notice to the ENGINEER, terminate this contract. The OWNER may also pursue other rights and remedies that the law or this contract provides.

b. In the event this contract is terminated as provided in paragraph (a), the OWNER may pursue the same remedies against the ENGINEER as it could pursue in the event of a breach of the contract by the ENGINEER, and as a penalty, in addition to any other damages to which it may be entitled by law, be entitled to exemplary damages in an amount (as determined by the Owner) which shall be not less than three nor more than ten times the costs the ENGINEER incurs in providing any such gratuities to any such officer or employee.

8. FINAL PAYMENT

Upon satisfactory completion of the work performed under this contract, as a condition before final payment under this contract or as a termination settlement under this contract the ENGINEER shall execute and deliver to the OWNER a release of all claims against the OWNER arising under, or by virtue of, this contract, except claims which are specifically exempted by the ENGINEER to be set forth therein. Unless otherwise provided in this contract, by State law or otherwise expressly agreed to by the parties to this contract, final payment under this contract or settlement upon termination of this contract shall not constitute a waiver of the OWNER'S claims against the ENGINEER under this contract.

9. 40 CFR Part 33

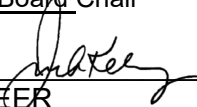
The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in termination of this contract or other legal available remedies.

IN WITNESS THEREOF, the parties hereto have executed, or caused to be executed, by their duly authorized officials, this Agreement on the respective dates indicated below.

The parties further certify by their signatures below that no modifications have been made to the standard language of this Agreement, other than those detailed in Section C.

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

By: _____ Date: August 17, 2022
OWNER
Type Name Esperanza Holguin, Lower Rio Grande Public Water Works Authority
Title Board Chair

By:  _____ Date: 6/30/2022
ENGINEER
Type Name James Kelsey, P.G., Daniel B. Stephens & Associates
Title President
Address 6020 Academy Rd NE
Albuquerque, NM 87109
(505) 822-9400

REVIEWED AND APPROVED: FUNDING AGENCY

AGENCY NAME: _____

By _____

Type Name _____

Date _____

ATTACHMENT I – Insurance

The ENGINEER agrees to obtain and maintain, at the ENGINEER's expense, such insurance as will protect the ENGINEER from claims under the Workman's Compensation Act and such comprehensive general liability and automobile insurance as will protect the OWNER and the ENGINEER from all claims for bodily injury, death, or property damage which may arise from the performance by the ENGINEER, or by the ENGINEER's employees, for the ENGINEER's functions and services required under this Agreement. Such insurance shall be in an amount not less than \$1,000,000 for injury to any one person and \$1,000,000 on account of any one accident and in the amount of not less than \$1,000,000 for property damage. The ENGINEER further agrees to procure and maintain professional liability (errors and omissions) insurance in an amount not less than \$1,000,000 per claim and in the aggregate. Prior to commencement of any work, the ENGINEER shall furnish to the OWNER a certificate that complies with this paragraph. The certificate shall provide that the policy shall not be canceled until at least ten (10) calendar days prior written notice shall have been given to the OWNER. ENGINEER shall provide annual updates of the certificate to demonstrate the policy remains in effect for the duration of this Agreement.

ATTACHMENT IV – Engineering Services During the Construction Phase

1. As set forth in the AGREEMENT FOR ENGINEERING SERVICES dated the 17th day of August, 2022 (effective date) by and between the Lower Rio Grande Public Water Works Authority, the OWNER, and Daniel B. Stephens & Associates, the ENGINEER, the OWNER and ENGINEER agree this 17th day of August, 2022 (authorization to proceed date) that ENGINEER shall furnish ENGINEERING SERVICES During the Construction Phase in accordance with the GENERAL PROVISIONS of the Agreement and OWNER shall compensate the ENGINEER for services described as set forth below:

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

construction observation as described in the attached Cost Proposal 1 dated June 2, 2022

B. Cost Proposal – Include hourly breakdown for each task

see attached Cost Proposal 1 dated June 2, 2022

C. Reimbursable Expense Schedule

see attached Cost Proposal 1 dated June 2, 2022

D. Contract Time shall be 180 calendar days from the date of the OWNERS signature on Attachment IV. Construction phase services shall be completed and accepted by the OWNER by ____ (DATE). If construction phase services have not been completed and accepted by ____ the ENGINEER shall pay the OWNER liquidated damages as outlined in the Agreement.

2. Compensation for ENGINEERING SERVICES During the Construction Phase shall be by the

☐ **LUMP SUM** method of payment. The total amount of compensation for ENGINEERING SERVICES During the Construction Phase, as described, including reimbursable expenses shall not exceed \$____, excluding gross receipt tax.

☒ **STANDARD HOURLY RATE WITH MAXIMUM** method of payment. The total amount of hourly charges, including reimbursables, for ENGINEERING SERVICES During the Construction Phase, as described, shall not exceed \$70,465, excluding gross receipt tax, without prior written approval of the OWNER, with Funding Agency concurrence.

3. The amount of compensation shall not change unless the scope of services to be provided by the ENGINEER changes and this Agreement is formally amended according to Section A-5.

4. Signatures

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

By: _____ Date: August 17, 2022
OWNER
Type Name Esperanza Holguin, Lower Rio Grande Public Water Works Authority
Title Board Chair

By: _____ Date: 6/30/2022
ENGINEER
Type Name James Kelsey, P.G., Daniel B. Stephens & Associates
Title President
Address 6020 Academy Road NE
Albuquerque, NM 87109
(505) 822-9400

REVIEWED AND APPROVED: FUNDING AGENCY

AGENCY NAME: _____

By _____

Type Name _____

Date _____

**ATTACHMENT VI – AMENDMENT TO AGREEMENTS FOR ENGINEERING
SERVICES
Amendment No. 1**

1. As set forth in the AGREEMENT FOR ENGINEERING SERVICES dated the 17th day of August, 2022 (effective date of Agreement) by and between the Lower Rio Grande Public Water Works Authority, the OWNER, and Daniel B. Stephens & Associates, the ENGINEER, the OWNER and ENGINEER agree this 17th day of August 2022 (effective date of Amendment) that ENGINEER shall modify the Agreement and furnish ENGINEERING SERVICES in accordance with the GENERAL PROVISIONS of the Agreement and OWNER shall compensate the ENGINEER for services described as set forth below:

A. Description of Modifications:

construction observation for Water System Improvements Phase 1

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

See attached Cost Proposal 2, dated June 2, 2022

C. Cost Proposal – Include hourly breakdown for each task

See attached Cost Proposal 2, dated June 2, 2022

D. Reimbursable Expense Schedule

See attached Cost Proposal 2, dated June 2, 2022

E. Agreement Summary:

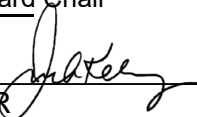
Original agreement amount:	\$ <u>70,465.00</u>
Net change for prior amendments:	\$ <u>0</u>
This amendment amount:	\$ <u>242,219.25</u>
Adjusted Agreement amount:	\$ <u>312,684.25</u>

F. Contract Time shall be 365 calendar days from the date of the OWNERS signature on Attachment VI. The services described in this amendment shall be completed and accepted by the OWNER by 8/17/23 (DATE). If these services have not been completed and accepted by 8/27/23 the ENGINEER shall pay the OWNER liquidated damages as outlined in the contract.

2. Signatures

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

By: _____ Date: August 17, 2022
OWNER
Type Name Esperanza Holguin, Lower Rio Grande Public Water Works Authority
Title Board Chair

By: _____ Date: 6/30/2022
ENGINEER 
Type Name James Kelsey, P.G., Daniel B. Stephens & Associates
Title President
Address 6020 Academy Rd NE
Albuquerque, NM 87109
(505) 822-9400

REVIEWED AND APPROVED: FUNDING AGENCY

AGENCY NAME: _____

By _____

Type Name _____

Date _____

Special Provisions: Electronic File Transfer Clause

This Contract Agreement is amended to include the following provisions between the mentioned parties:

Final submittal of documents shall also be submitted in pdf format that can be transmitted electronically (i.e., files must be small enough to be transmitted by email and to be uploaded). All elements of the final submittal (i.e., AutoCad files, water & wastewater models, GIS/GPS data files, technical specifications, MicroSoft Word files, etc.) shall be submitted in their original electronic working formats. In addition, final project Planning Reports and Preliminary Engineering Reports (PER) shall be provided in their original electronic working formats to facilitate the use of specific excerpts by the Lower Rio Grande Public Water Works Authority (LRGPWWA) for such reports assembled for grant and other funding applications, presentations to Legislative Committees or similar uses as deemed necessary by the LRGPPWA. Final electronic working reports will not be stamped or signed by the Engineer of Record.

The reports, plans, specifications and other engineering products created by Daniel B.Stephens & Associates and its subconsultants, are created specifically for the project and are intended to be used only for this project. The LRGPPWA agrees, to the fullest extent permitted by law, to indemnify and hold Daniel B.Stephens & Associates and its subconsultants harmless from any claim, liability or cost (including reasonable attorney fees and defense costs) arising or allegedly arising out of any reuse or modification to the approved final plans and specifications by the LRGPPWA or any person or entity that acquires the approved final plans and specifications from or through the LRGPPWA.



DBS&A
Daniel B. Stephens & Associates, Inc.
a Geo-Logic Company

COST PROPOSAL 1

June 2, 2022

Ms. Karen Nichols
Projects Manager
Lower Rio Grande Public Water Works Authority
325 Holguin Road
Vado, New Mexico 88072
karen.nichol@lrgauthority.org

Re: Cost Proposal for East Mesa Water System Improvements
Phase 1 Construction Services for Well Drilling

Dear Karen:

Daniel B. Stephens & Associates, Inc. (DBS&A) is pleased to present this cost proposal to provide construction phase services for the well drilling package we designed that is part of Phase 1 improvements to the East Mesa Water System. This letter describes the scope of work and includes the manhour/fee estimate.

Task 1: Project Management

This task includes project invoicing and tracking, as well as internal and external communication.

Task 2: Bid Phase Support

This task includes a pre-proposal conference and site visit at the Butterfield site, making bid documents available to prospective bidders via an electronic plan room, answering questions from bidders during the bid phase, evaluating bids, and making a recommendation of award.

Task 3: Office Engineering

This task includes review of submittals, review of contractor pay applications, responding to requests for information (RFIs), and project invoicing and tracking. For this cost proposal, we have assumed a total of 10 submittals, including resubmittal, and 2 RFIs. A well completion report will be prepared after drilling is completed.

Task 4: On-Site Construction Observation

This task includes on-site construction observation during drilling. We assumed a total of 20 days on-site, 12 hours per day based on drilling of a 1,140-foot well. This task includes weekly status meetings, daily logs, and DBS&A communication with the Contractor and the client regarding critical issues during construction.

Ms. Karen Nichols
June 2, 2022
Page 2

Task 5: Well Completion Report

DB&SA will prepare documentation of the supply well construction, including lithologic logs, geophysical logs, well completion diagram, field notes, and aquifer test results.

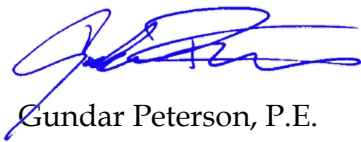
Fee

DBS&A proposes to provide the services outlined in this letter on a time-and-materials lump-sum basis for an amount not to exceed the fees shown in the attached manhour/fee estimate. This estimate represents our best estimate of the level of effort required, but no guarantees are made or implied. If it appears that the budget provided will not be sufficient, we will stop work and contact you immediately to discuss the additional compensation required.

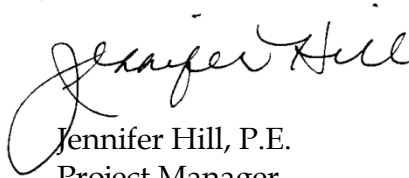
We look forward to working with you on this important project. Please call with any questions.

Sincerely,

DANIEL B. STEPHENS & ASSOCIATES, INC.



Gundar Peterson, P.E.
New Mexico Operations Manager



Jennifer Hill, P.E.
Project Manager

JH/rpf

Attachment

cc: Jeffrey Samson, DBS&A

**Cost Summary For
 Lower Rio Grande Public Water Works Authority
 East Mesa Replacement Well E1 Construction
 June 2, 2022**

Cost Summary by Task

Task No.	Project Description	Cost
1	Project Management	\$ 1,728.25
2	Bid Phase Support	4,255.00
3	Office Engineering During Construction	8,768.00
4	Construction Observation	45,107.75
5	Well Completion Report	10,606.00
Subtotal: \$		70,465.00
New Mexico Gross Receipts Tax @ 7.875%		5,549.12
Total: \$		76,014.12

Client Name: Lower Rio Grande Public Water Works Authority
 Project Name: East Mesa Replacement Well E1 Construction
 Project Number: DB19.1366
 Terms:

Date: June 2, 2022
 Estimator: Jennifer Hill
 Project Manager: Jennifer Hill
 Reviewed by:
 Approved by:

Task 1 Project Management

SERVICES	UNIT	UNIT FEE	QUANTITY	COST
Principal professional I	Hour	235.00	2	470.00
Senior professional I	Hour	190.00	4	760.00
Project assistant II	Hour	105.00	2	210.00
Subtotal:			8	\$ 1,440.00

EXPENSES	MARKUP	UNIT	UNIT FEE	QUANTITY	COST
Mileage - Company Vehicle		Mile	\$ 0.585	450	\$ 263.25
Per Diem		1/2 Day	25.00	1	25.00
Subtotal:					\$ 288.25

Total Direct Cost	1,728.25
Markup on third party services	0.00
TASK 1 SUBTOTAL	\$ 1,728.25
New Mexico Gross Receipts Tax @ 7.875%	136.10
TASK 1 TOTAL	\$ 1,864.35

NOTES:

Client Name: Lower Rio Grande Public Water Works Authority
 Project Name: East Mesa Replacement Well E1 Construction
 Project Number: DB19.1366
 Terms: 0

Date: June 2, 2022
 Estimator: Jennifer Hill
 Project Manager: Jennifer Hill
 Reviewed by: 0
 Approved by: 0

Task 2 Bid Phase Support

SERVICES	UNIT	UNIT FEE	QUANTITY	COST
Senior professional I	Hour	190.00	10	1,900.00
Project professional I	Hour	155.00	8	1,240.00
Staff professional II	Hour	130.00	8	1,040.00
Subtotal:			26	\$ 4,180.00

EXPENSES	MARKUP	UNIT	UNIT FEE	QUANTITY	COST
ABQ Repro - electronic plan room			\$ 75.00	1	\$ 75.00
Subtotal:					\$ 75.00

Total Direct Cost	4,255.00
Markup on third party services	0.00
TASK 2 SUBTOTAL	\$ 4,255.00
New Mexico Gross Receipts Tax @ 7.875%	335.08
TASK 2 TOTAL	\$ 4,590.08

NOTES:

Client Name: Lower Rio Grande Public Water Works Authority
 Project Name: East Mesa Replacement Well E1 Construction
 Project Number: DB19.1366
 Terms: 0

Date: June 2, 2022
 Estimator: Jennifer Hill
 Project Manager: Jennifer Hill
 Reviewed by: 0
 Approved by: 0

Task 3 Office Engineering During Construction

SERVICES	UNIT	UNIT FEE	QUANTITY	COST
Senior professional I	Hour	190.00	8	1,520.00
Project professional I	Hour	155.00	20	3,100.00
Staff professional II	Hour	130.00	20	2,600.00
CADD/GIS/database II	Hour	126.00	8	1,008.00
Senior technical editor	Hour	135.00	4	540.00
Subtotal:			60	\$ 8,768.00

EXPENSES	MARKUP	UNIT	UNIT FEE	QUANTITY	COST
			\$		\$
Subtotal:					\$ 0.00

Total Direct Cost	8,768.00
Markup on third party services	0.00
TASK 3 SUBTOTAL	\$ 8,768.00
New Mexico Gross Receipts Tax @ 7.875%	690.48
TASK 3 TOTAL	\$ 9,458.48

NOTES:

Client Name: Lower Rio Grande Public Water Works Authority
 Project Name: East Mesa Replacement Well E1 Construction
 Project Number: DB19.1366
 Terms: 0

Date: June 2, 2022
 Estimator: Jennifer Hill
 Project Manager: Jennifer Hill
 Reviewed by: 0
 Approved by: 0

Task 4 Construction Observation

SERVICES	UNIT	UNIT FEE	QUANTITY	COST
Senior professional I	Hour	190.00	8	1,520.00
Project professional I	Hour	155.00	252	39,060.00
Project assistant II	Hour	105.00	2	210.00
Subtotal:			262	\$ 40,790.00

EXPENSES	MARKUP	UNIT	UNIT FEE	QUANTITY	COST
Mileage - Company Vehicle		Mile	\$ 0.585	1,350	\$ 789.75
Per Diem (Lodging + meals)		Day	196.00	18	3,528.00
Subtotal:					\$ 4,317.75

Total Direct Cost	45,107.75
Markup on third party services	0.00
TASK 4 SUBTOTAL	\$ 45,107.75
New Mexico Gross Receipts Tax @ 7.875%	3,552.24
TASK 4 TOTAL	\$ 48,659.99

NOTES: Assumes 20X12 hr days, plus travel

Client Name: Lower Rio Grande Public Water Works Authority
 Project Name: East Mesa Replacement Well E1 Construction
 Project Number: DB19.1366
 Terms: 0

Date: #REF!
 Estimator: Jennifer Hill
 Project Manager: Jennifer Hill
 Reviewed by: 0
 Approved by: 0

Task 5 Well Completion Report

SERVICES	UNIT	UNIT FEE	QUANTITY	COST
Senior professional II	Hour	207.00	8	1,656.00
Project professional I	Hour	155.00	40	6,200.00
CADD/GIS/database II	Hour	126.00	20	2,520.00
Technical editor	Hour	115.00	2	230.00
Subtotal:			70	\$ 10,606.00

EXPENSES	MARKUP	UNIT	UNIT FEE	QUANTITY	COST
			\$		\$
Subtotal:					\$ 0.00

Total Direct Cost	10,606.00
Markup on third party services	0.00
TASK 5 SUBTOTAL	\$ 10,606.00
New Mexico Gross Receipts Tax @ 7.875%	835.22
TASK 5 TOTAL	\$ 11,441.22

NOTES:



DBS&A
Daniel B. Stephens & Associates, Inc.
a Geo-Logic Company

COST PROPOSAL 2

June 2, 2022

Ms. Karen Nichols
Projects Manager
Lower Rio Grande Public Water Works Authority
325 Holguin Road
Vado, New Mexico 88072
karen.nichol@lrgauthority.org

Re: Cost Proposal for East Mesa Water System Improvements
Phase 1 Construction Services

Dear Karen:

Daniel B. Stephens & Associates, Inc. (DBS&A) is pleased to present this cost proposal to provide construction phase services for Phase 1 Water System Improvements to the East Mesa Water System. This letter describes the scope of work and includes the manhour/fee estimate.

Task 1: Project Management

This task includes project invoicing and tracking, as well as internal and external communication.

Task 2: Bid Phase Support

This task includes a pre-proposal conference and site visit at the Butterfield site, making bid documents available to prospective bidders via an electronic plan room, answering questions from bidders during the bid phase, evaluating bids, and making a recommendation of award.

Task 3: Office Engineering

This task includes review of submittals, review of contractor pay applications, responding to requests for information (RFIs), and project invoicing and tracking. This scope assumes 30 submittals, including resubmittals, 10 RFIs, 12 pay applications, and 4 change order requests.

Task 4: On-Site Construction Observation

This task includes on-site construction observation during drilling. A total of nine months of construction activity is assumed and DBS&A proposes to be on-site for 3 days per week, for a total of 108 days on-site. Services to be provided include weekly status meetings with the contractor and client, daily logs, contractor and client communication regarding critical

Ms. Karen Nichols
June 2, 2022
Page 2

issues during construction, substantial completion walkthrough and preparation of punchlist, and final completion walkthrough.

Task 5: Record Drawings

DBS&A will prepare record drawings in AutoCAD from contractor-provided redlines. The record drawings will be provided in electronic format both as Adobe PDF and AutoCAD files. We will also provide pipeline alignments in the ESRI shapefile format.

Fee

DBS&A proposes to provide the services outlined in this letter on a time-and-materials lump sum basis for an amount not to exceed the fees shown in the attached manhour/fee estimate. This estimate represents our best estimate of the level of effort required, but no guarantees are made or implied. If it appears that the budget provided will not be sufficient, we will stop work and contact you immediately to discuss the additional compensation required.

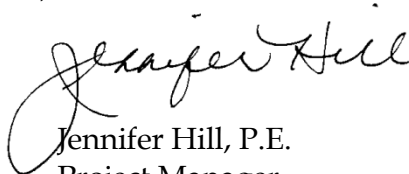
We look forward to working with you on this important project. Please call with any questions.

Sincerely,

DANIEL B. STEPHENS & ASSOCIATES, INC.



Gundar Peterson, P.E.
New Mexico Operations Manager



Jennifer Hill, P.E.
Project Manager

JH/rpf

Attachment

cc: Jeffrey Samson, DBS&A

**Cost Summary For
 Lower Rio Grande Public Water Works Authority
 East Mesa Water System Improvements
 June 2, 2022**

Cost Summary by Task

Task No.	Project Description	Cost
1	Project Management	\$ 8,427.25
2	Bid Phase Support	4,425.00
3	Office Engineering During Construction	29,418.00
4	Construction Observation	186,489.00
5	Record Drawings	13,460.00
Subtotal: \$		242,219.25
New Mexico Gross Receipts Tax @ 7.875%		19,074.78
Total: \$		261,294.03

Client Name: Lower Rio Grande Public Water Works Authority
 Project Name: East Mesa Water System Improvements
 Project Number: DB19.1366
 Terms:

Date: June 2, 2022
 Estimator: Jennifer Hill
 Project Manager: Jennifer Hill
 Reviewed by:
 Approved by:

Task 1 Project Management

SERVICES	UNIT	UNIT FEE	QUANTITY	COST
Principal professional I	Hour	235.00	8	1,880.00
Senior professional II	Hour	207.00	24	4,968.00
Project assistant II	Hour	105.00	12	1,260.00
Subtotal:			44	\$ 8,108.00

EXPENSES	MARKUP	UNIT	UNIT FEE	QUANTITY	COST
Mileage - Company Vehicle		Mile	\$ 0.585	450	\$ 263.25
Per Diem		Day	56.00	1	56.00
Subtotal:					\$ 319.25

Total Direct Cost	8,427.25
Markup on third party services	0.00
TASK 1 SUBTOTAL	\$ 8,427.25
New Mexico Gross Receipts Tax @ 7.875%	663.65
TASK 1 TOTAL	\$ 9,090.90

NOTES:

Client Name: Lower Rio Grande Public Water Works Authority
 Project Name: East Mesa Water System Improvements
 Project Number: DB19.1366
 Terms: 0

Date: June 2, 2022
 Estimator: Jennifer Hill
 Project Manager: Jennifer Hill
 Reviewed by: 0
 Approved by: 0

Task 2 Bid Phase Support

SERVICES	UNIT	UNIT FEE	QUANTITY	COST
Senior professional II	Hour	207.00	10	2,070.00
Project professional I	Hour	155.00	8	1,240.00
Staff professional II	Hour	130.00	8	1,040.00
Subtotal:			26	\$ 4,350.00

EXPENSES	MARKUP	UNIT	UNIT FEE	QUANTITY	COST
ABQ Repro - electronic plan room			\$ 75.00	1	\$ 75.00
Subtotal:					\$ 75.00

Total Direct Cost	4,425.00
Markup on third party services	0.00
TASK 2 SUBTOTAL	\$ 4,425.00
New Mexico Gross Receipts Tax @ 7.875%	348.47
TASK 2 TOTAL	\$ 4,773.47

NOTES:

Client Name: Lower Rio Grande Public Water Works Authority
 Project Name: East Mesa Water System Improvements
 Project Number: DB19.1366
 Terms: 0

Date: June 2, 2022
 Estimator: Jennifer Hill
 Project Manager: Jennifer Hill
 Reviewed by: 0
 Approved by: 0

Task 3 Office Engineering During Construction

SERVICES	UNIT	UNIT FEE	QUANTITY	COST
Senior professional II	Hour	207.00	20	4,140.00
Project professional I	Hour	155.00	16	2,480.00
Staff professional II	Hour	130.00	100	13,000.00
CADD/GIS/database II	Hour	126.00	8	1,008.00
Senior technical editor	Hour	135.00	4	540.00
Subtotal:			148	\$ 21,168.00

EXPENSES	MARKUP	UNIT	UNIT FEE	QUANTITY	COST
Subcontractors	10%	Lump Sum	\$ 7500.00	1	\$ 7,500.00
Subtotal:					\$ 7,500.00

Total Direct Cost	28,668.00
Markup on third party services	750.00
TASK 3 SUBTOTAL	\$ 29,418.00
New Mexico Gross Receipts Tax @ 7.875%	2,316.67
TASK 3 TOTAL	\$ 31,734.67

NOTES:

Client Name: Lower Rio Grande Public Water Works Authority
 Project Name: East Mesa Water System Improvements
 Project Number: DB19.1366
 Terms: 0

Date: June 2, 2022
 Estimator: Jennifer Hill
 Project Manager: Jennifer Hill
 Reviewed by: 0
 Approved by: 0

Task 4 Construction Observation

SERVICES	UNIT	UNIT FEE	QUANTITY	COST
Senior professional II	Hour	207.00	72	14,904.00
Staff professional II	Hour	130.00	540	70,200.00
Staff professional I	Hour	117.00	540	63,180.00
Project assistant II	Hour	105.00	72	7,560.00
Subtotal:			1,224	\$ 155,844.00

EXPENSES	MARKUP	UNIT	UNIT FEE	QUANTITY	COST
Mileage - Company Vehicle		Mile	\$ 0.585	16,200	\$ 9,477.00
Per Diem (Lodging + Meals)		Day	196.00	108	21,168.00
Subtotal:					\$ 30,645.00

Total Direct Cost	186,489.00
Markup on third party services	0.00
TASK 4 SUBTOTAL	\$ 186,489.00
New Mexico Gross Receipts Tax @ 7.875%	14,686.01
TASK 4 TOTAL	\$ 201,175.01

NOTES:

