

New Mexico Colonias Infrastructure Board

2021 Annual Report October 1, 2021



Introduction

The Colonias Infrastructure Board (the “CIB”) was established by the Legislature, in 2011, by the enactment of the Colonias Infrastructure Act (“the Act”), NMSA 1978, Sections 6-30-1 – 6-30-8. In adopting the Act, the Legislature found that colonias lack basic infrastructure, resulting in poor social, health and economic conditions. The purpose of the Act is to address those findings by (i) ensuring adequate financial resources for infrastructure development; (ii) providing for the planning and development of infrastructure in an efficient and cost-effective manner; and (iii) developing infrastructure projects to improve quality of life and encourage economic development for colonia-recognized communities.

The Colonias Infrastructure Board is composed of 12 members, seven (7) voting members and five (5) advisory, non-voting members.

Voting Board Members

Doug Moore, *Chairman*, Minority Leader of the Senate Appointee

Oscar Vasquez Butler, *Vice Chair*, President Pro Tempore of the Senate Appointee
(October 2020 – April 2021)

Mary Kay Papen, *Vice Chair*, President Pro Tempore of the Senate Appointee (April 2021 – present)

Marquita Russel, *Secretary*, New Mexico Finance Authority Chief Executive Officer

Mary Helen Garcia, Minority Leader of the House of Representatives Appointee

Orlando-Antonio Carillo Jimenez, Speaker of the House of Representatives Appointee

James Kenney, Environment Department Cabinet Secretary

Debbie Romero, Department of Finance and Administration Cabinet Secretary

Advisory, Non-Voting Members

Jay Armijo, South Central Council of Governments Executive Director

Dora Batista, Southeastern Economic Development District Executive Director

Isidoro Hernandez, New Mexico Mortgage Finance Authority Executive Director

Steven Kopelman, New Mexico Counties Executive Director

Priscilla Lucero, Southwest Council of Governments Executive Director

The Act charges the CIB with prioritizing projects and recommending projects to the New Mexico Finance Authority (“NMFA”) for financial assistance to be funded by the Colonias Infrastructure Project Fund (the “Fund”). The CIB is empowered to promulgate and has established rules, by-laws, and policies to aid in the effective management of the Colonias Program.

As defined in the Act, a qualified colonia is a rural community with a population of 25,000 or less located within 150 miles of the United States-Mexico border that:

- ❖ Has been designated as a colonia by the county or municipality due to:
 - Lack of potable water;
 - Lack of adequate sewage systems;
 - Lack of decent, safe and sanitary housing; and
- ❖ Has been in existence as a colonia prior to November 1990.

Colonia communities must provide documentation to the CIB that supports the designation by the municipality or county.



Town of Lake Arthur – Wastewater Lagoon and Sewer Lines

Goals of the Colonias Infrastructure Board:

- ✚ Set standards for funding based on need, community impact, and feasibility utilizing sound business practices;
- ✚ Establish criteria for the prioritization of projects based upon health, safety and welfare;
- ✚ Support the public health and economic vitality of colonias in New Mexico through comprehensive planning and investment in infrastructure;
- ✚ Encourage participation in regional efforts to collaborate on long-term solutions with other community water systems; and

- ✚ Work with federal agencies to fund and co-fund multiple colonias projects within those respective jurisdictions as established by federal guidelines.

Colonias Infrastructure Project Fund:

Pursuant to the Act, NMFA may make financial assistance awards from the Fund to qualified entities for qualified projects prioritized and recommended by the CIB on terms and conditions established by NMFA. Pursuant to the Act, a qualified project means a capital outlay project intended to develop colonias infrastructure including:

1. Water systems
2. Wastewater systems
3. Solid waste disposal facilities
4. Flood and drainage control
5. Road infrastructure
6. Housing infrastructure, not including general operation and maintenance, equipment, housing allowance payments, or mortgage subsidies.

The CIB seeks to prioritize and package infrastructure projects that make the best use of local, state, and federal dollars and provide beneficial infrastructure that will have a positive impact on the quality of life for colonias residents.

In previous application cycles, NMFA staff conducted application workshops for the public targeting the southeastern, south central and southwestern areas of the state. Due to the health and safety concerns related to the COVID-19 pandemic, the application workshops were held virtually. These workshops provide an in-depth review and instruction to all entities on the application process, requirements for eligible entities and projects, and financial assistance structures, as well as guidance on the rules, policies, and processes of the program.



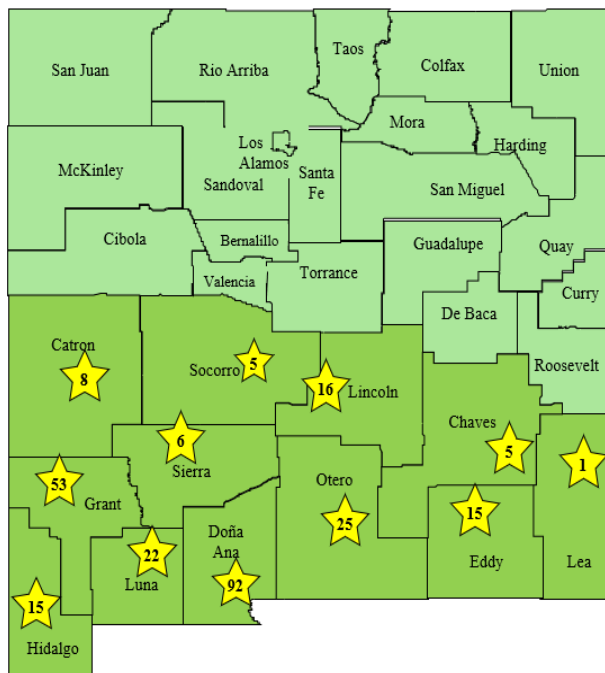
Town of Silver City – Ridge Road Project

Project Activity in FY 2021

In FY 2021, NMFA closed 24 Colonias Infrastructure Board funding agreements and 14 projects were certified as complete. In addition, approximately \$11.2 million of CIF funds were disbursed in FY 2021 for eligible project costs.

Board Activity in FY 2021

Since 2012, 139 designated Colonias have been approved for 263 awards totaling more than \$144.6 million.



County	# of Awards	Amount
Catron	8	\$ 4,121,257
Chaves	5	\$ 3,033,198
Doña Ana	92	\$ 55,294,465
Eddy	15	\$ 8,336,319
Grant	53	\$ 27,385,089
Hidalgo	15	\$ 6,938,903
Lea	1	\$ 320,602
Lincoln	16	\$ 12,134,399
Luna	22	\$ 10,742,750
Otero	25	\$ 10,518,764
Sierra	6	\$ 3,340,000
Socorro	5	\$ 2,439,459
Total	263	\$144,605,205

Prepared by NMFA Staff September 2021

The Colonias Board continues to make improvements to the overall project application and selection process. The CIB directed the Policy Committee to review policies annually to further those improvements.

Focus on Expenditures:

The Board and staff continue to focus on an increased pace of CIF project spending by monitoring project status through quarterly reporting and client outreach.

Current Expenditure Summary								
Colonias					% of Funds		Open	% Projects
Cycle	Awarded	#	Secured	#	Open	Expended	Projects	Completed
2012	\$12,411,965	38	\$12,411,965	38	\$0	100%	0	100%
2013	\$16,887,736	35	\$16,887,736	35	\$0	100%	0	100%
2014	\$12,719,872	37	\$12,719,872	37	\$0	100%	0	100%
2015	\$15,922,643	28	\$15,922,643	28	\$0	100%	0	100%
2016	\$11,460,915	13	\$11,460,915	13	\$0	100%	0	100%
2017	\$4,347,476	10	\$4,347,476	10	\$0	100%	0	100%
2018	\$9,519,823	17	\$9,519,823	17	\$0	100%	0	100%
2019	\$14,671,481	25	\$14,671,481	25	\$5,713,076	61%	17	32%
2020	\$19,996,093	26	\$19,996,093	26	\$16,852,217	15%	25	1%
SUBTOTAL	\$117,938,004	229	\$117,938,004	229	\$22,565,293	86%	42	81%
*2021 cycle was awarded on May 20, 2021; current RTP submission deadline date is October 29, 2021								
2021	\$ 26,667,201	34						

2021 Funding Cycle

Annually, the CIB reviews applications submitted by qualified entities for infrastructure projects and recommends a final list of eligible projects to be funded by NMFA. The 2021 CIF application cycle began on January 4, 2021, with the submittal of Notices of Intent (NOI). New Mexico Finance Authority staff received 48 NOIs with a total requested amount of \$44,808,399.

Due to health and safety concerns, an application workshop was conducted virtually by NMFA staff on February 9, 2021. The 2021 cycle continued with the use of an online application through NMFA's EnABLE system. The online system allows entities to submit applications with attachments, and also permits access to authorized technical staff so they may assist in the completion of the applications.

On March 3, 2021, 47 applications were received, totaling \$40 million. All of the applications were reviewed for eligibility and compliance. One application was deemed ineligible and was removed from consideration. Six applicants that did not meet policy (2) and regulatory (4) compliance submitted waivers for the CIB consideration. The Board did not approve those applicants that did not meet regulatory compliance. The remaining 42 applications were reviewed by the Project Management Team, which includes staff from the Office of the State Engineer, New Mexico Department of Transportation, New Mexico Environment Department Construction Programs Bureau and Drinking Water Bureau, and NMFA. Using established criteria, the applications were evaluated and prioritized for project eligibility, regulatory and policy compliance, health and safety, evidence of matching funds, and project readiness.

The Fund received a distribution equal to 4.5% of the Senior Severance Tax Bond ("STB") capacity, as determined by the State Board of Finance. The available funding for the FY 2021 STB distribution was \$26,630,794. In addition to the STB distribution, the CIB re-awarded funds rescinded from previous year's allocations.

The total amount awarded by the Colonias Infrastructure Board for the 2021 cycle was \$26,667,201.

2021 Colonias Infrastructure Board Awards

Applicant	County	Benefiting Colonias	Project Name/Scope Description	Amount Recommended
Flood Control				
Anthony, City of	Dona Ana	Anthony	S. Anthony Arroyo & Adams park flood control construct	\$ 1,300,000
Dona Ana County	Dona Ana	Dona Ana	Elks Drive pond design	\$ 48,115
Dona Ana County	Dona Ana	Dona Ana	Elks Drive Channel design	\$ 51,380
Dona Ana County	Dona Ana	Dona Ana	Abeyta Pond design/construct	\$ 1,492,727
Hatch, Village of	Dona Ana	Hatch	Hatch Hero's Park multi-purpose flood control design	\$ 400,000
Socorro County	Socorro	San Antonio	San Antonio drainage infrastructure design/construct	\$ 764,818
Roads and Drainage				
Carrizozo, Town of	Lincoln	Carrizozo	Street/Drainage improvements/waterline replacements	\$ 158,657
Columbus, Village of	Luna	Columbus	Main St. Hwy 9 to N. Boundary St/drainage improvements	\$ 1,000,276
Grant County	Grant	Arenas Valley	Old Arenas Valley rd. design	\$ 275,000
Grant County	Grant	North Hurley	North Hurley Road Ph. III design	\$ 150,000
Hidalgo County	Hidalgo	Del Sol Colonias	McCants Dr. & Power Plant Rd/drainage improvement	\$ 858,682
Loving, Village of	Eddy	Loving	2nd St. roadway/drainage improvements construct	\$ 1,541,466
Luna County	Luna	Rockhound	St./drainage improvements on La Paz, Tigua, Paquime design	\$ 115,000
Otero County	Otero	Boles Acres	Suzy Bridge replacement design	\$ 105,000
Otero County	Otero	La Luz	Alamo St. Ph. II construct	\$ 1,500,000
Silver City, Town of	Grant	Silver City	Ridge Rd. Ph. III construct	\$ 1,085,960
Solid Waste				
Deming, City of	Luna	Deming	BTRL Cell 2A Expansion construct	\$ 1,337,000
Southwest Solid Waste Authority	Grant	Multi	Cell 9A construction	\$ 908,697
Wastewater Infrastructure				
Dona Ana County	Dona Ana	Multi	S. Central WWT Plant Aeration design/construct	\$ 2,401,590
Dona Ana County	Dona Ana	Multi	S. Central WWT Plan Effluent design/construct	\$ 1,876,486
Dona Ana MDWCA	Dona Ana	Dona Ana, Ysidro, Hill	Dona Ana Village System rehab construct	\$ 2,921,557
Water Infrastructure				
Anthony WSD	Dona Ana	Anthony	Iron & Manganese Pilot Study	\$ 115,000
Anthony WSD	Dona Ana	Chaparral	Desert Aire Water system improvements design/construct	\$ 1,355,000
Arenas Valley WDA	Grant	Arenas Valley	North Side of US Hwy 180 water system improvements design	\$ 98,100
Deming, City of	Luna	Deming	Encanto Circle waterline replacement ph. II construct	\$ 248,218
Garfield MDWC&MSWA	Dona Ana	Garfield, Placitas, Salem	New well design project	\$ 330,000
La Luz MDWC&MSWA	Otero	La Luz	Well #5 bldg. improvements construct	\$ 525,000
Lake Arthur, Town of	Chaves	Lake Arthur	Water system improvements final design/construct	\$ 1,047,191
Lower Rio Grande PWWA	Dona Ana	Butterfield Park, Organ & Mt View	E. Mesa water system improvements Ph. II design	\$ 337,388
Lower Rio Grande PWWA	Dona Ana	Vado	High Valley Ph. II water system improvements design/construct	\$ 521,083
Luna County	Luna	Keeler Farm	People's Water Coop PER	\$ 88,000
Otis MDWC&SWA	Eddy	Otis	Water system improvements to Gomez Rd. design/construct	\$ 221,613
Silver City, Town of	Grant	Multi	Chloride Flats S. Water storage tank renovation construct	\$ 988,197
Truth or Consequences, City of	Sierra	Truth or Consequences, Williamsburg	TorC water system improvements ph. 2 construct	\$ 500,000

In addition to the funding provided directly from the Colonias Infrastructure Fund, the CIB is instrumental in leveraging funds from other sources to complete colonias projects. Including the funding in FY 2021, the total awarded to date by the CIB is over \$144 million. These awards leveraged an additional \$71.2 million, totaling more than \$215 million in colonias infrastructure projects.

Colonias Cycle	Applications Received		CIB Awards Made		Additional Funds Leveraged	Total Funding Provided
	#	Amount	#	Amount		
2012	75	\$40,360,527	38	\$12,411,965	\$13,141,403	\$25,553,368
2013	59	\$37,736,894	35	\$16,887,736	\$8,357,897	\$25,245,633
2014	77	\$40,351,172	37	\$12,719,872	\$10,437,286	\$23,157,158
2015	54	\$38,154,397	28	\$15,922,643	\$7,916,095	\$23,838,738
2016	36	\$30,842,183	13	\$11,460,915	\$5,366,034	\$16,826,949
2017	32	\$18,176,363	10	\$4,347,476	\$539,568	\$4,887,044
2018	30	\$16,100,000	17	\$9,519,823	\$962,324	\$10,482,147
2019	29	\$17,100,000	25	\$14,671,481	\$16,839,638	\$31,511,119
2020	31	\$25,528,474	26	\$19,996,093	\$4,346,896	\$24,342,989
2021	47	\$40,011,730	34	\$26,667,201	\$3,341,823	\$30,009,024
TOTAL	470	\$304,361,740	263	\$144,605,205	\$71,248,964	\$215,854,169

Looking Forward to Fiscal Year 2022

The Colonias Infrastructure Board, through NMFA staff, continues to communicate with clients on the status of active projects, and reaches out to communities by providing training and information for upcoming application cycles. Because of the continued public health concerns, staff will work on providing various trainings via teleconference for the upcoming cycle.

The CIB is dedicated to reviewing its policies, criteria and processes annually to further improve upon the program and adapt to any changes that may affect either the timeliness of expenditures or the availability of future funding to the Colonias Infrastructure Fund. With the guidance of the current CIB policies and the assistance of NMFA staff, communities are better prepared for project funding.



Town of Carrizozo – Street/Drainage Waterline Replacement

We make a living by what we get, but we make a life by what we give. – Winston Churchill

In Dedication for the Support and Guidance to the Colonias Communities, Board Members and Staff

Douglas L. Moore
Colonias Board Chairman July 2011 – July 2021

RIP – April 19, 1958 – July 30, 2021

