

New Mexico Colonias Infrastructure Board

2020 Annual Report October 1, 2020



City of Lordsburg – Waterline Installation-Street Repair

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

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

Debbie Romero, Department of Finance and Administration Acting Cabinet Secretary

James Kenney, Environment Department 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.



City of Deming – Tulip Landfill-Tire Bales Erosion Control

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.



Casas Adobes MDWCA – Water Tank; Automate System Improvements

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.

Annually, NMFA staff conducts application workshops for the public targeting the southeastern, south central and southwestern areas of the state. 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.

Project Activity in FY 2020

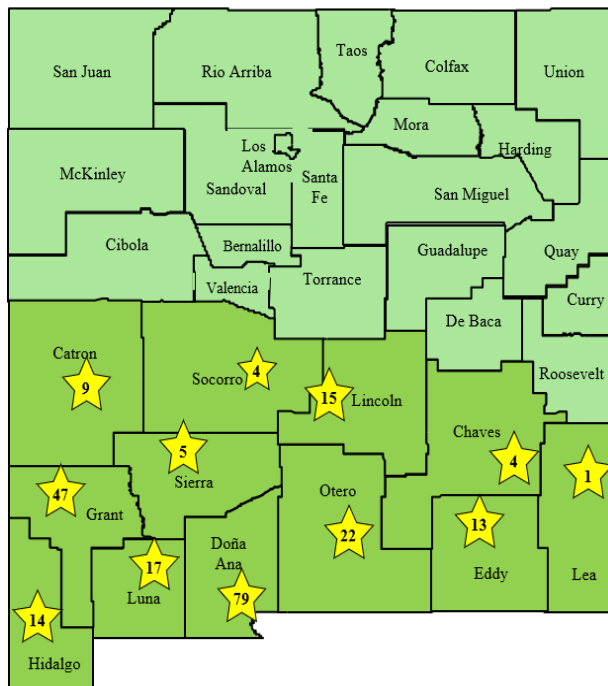
In FY 2020, NMFA closed 25 Colonias Infrastructure Board funding agreements and 16 projects were certified as complete. In addition, approximately \$8.2 million of CIF funds were disbursed in FY 2020 for eligible project costs.



Village of Tularosa – Waterline Project

Board Activity in FY 2020

Since 2012, 136 designated Colonias have been approved for 230 awards totaling more than \$118 million.



County	# of Awards	Amount
Catron	9	\$ 4,194,657
Chaves	4	\$ 1,986,007
Doña Ana	79	\$ 42,276,639
Eddy	13	\$ 6,573,240
Grant	47	\$ 23,879,135
Hidalgo	14	\$ 6,080,221
Lea	1	\$ 320,602
Lincoln	15	\$ 11,975,742
Luna	17	\$ 7,954,256
Otero	22	\$ 8,388,764
Sierra	5	\$ 2,840,000
Socorro	4	\$ 1,674,641
Total	230	\$118,143,904

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. After several months of working with the NM Mortgage Finance Authority, NMFA legal counsel and the CIB Policy Committee, on December 11, 2019, the Board approved expanded language on housing infrastructure.

The expanded language outlines and defines the requirements for housing infrastructure projects and is limited to connections to public systems.

Focus on Expenditures:

The Board and staff continue to focus on 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	#	Pending	#	Secured	#	Open	Expended	Projects	Completed
2012	\$12,801,965	38	\$0	0	\$12,801,965	38	\$0	100%	0	100%
2013	\$16,497,736	36	\$0	0	\$16,497,736	36	\$0	100%	0	100%
2014	\$12,719,872	37	\$0	0	\$12,719,872	37	\$0	100%	0	100%
2015	\$15,922,643	28	\$0	0	\$15,922,643	28	\$0	100%	0	100%
2016	\$11,460,915	13	\$0	0	\$11,460,915	13	\$0	100%	0	100%
2017	\$4,479,976	10	\$0	0	\$4,479,976	10	\$0	100%	0	100%
2018	\$9,519,823	17	\$0	0	\$9,519,823	17	\$2,895,664	70%	9	47%
2019	\$14,744,881	25	\$0	0	\$14,744,881	25	\$10,781,252	27%	22	12%
2020*	\$19,996,093	26	\$19,996,093	26	\$0	0	\$19,996,093	0%	26	0%
SUBTOTAL	\$118,143,904	230	\$19,996,093	26	\$98,147,811	204	\$33,673,009	77%	57	73%

*2020 cycle was awarded on May 20, 2020; current RTP submission deadline date is October 21, 2020

2020 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 2020 CIF application cycle began on December 16, 2019, with the submittal of Notices of Intent (NOI). New Mexico Finance Authority staff received 35 NOIs with a total requested amount of \$26,438,550.

An application workshop was conducted by NMFA staff on January 7, 2020, in Las Cruces with 36 attendees. The 2020 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 February 13, 2020, 37 applications were received, totaling \$30.9 million. All of the applications were reviewed for eligibility and compliance. Two applications that did not meet policy compliance were removed from consideration. The remaining 35

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 FY 2020 STB distribution of \$19,896,635.25 is comprised of the proceeds from the June 2020 Bond sale and a planned Bond sale in October 2020. 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 2020 cycle was \$19,996,093.

2020 Colonias Infrastructure Board Awards

Project No.	Applicant	County	Benefiting Colonias	Project Description/Scope	Amount Recommended
Water Infrastructure					
5160-CIF	Chamberino MDWCA	Dona Ana	Chamberino	Water System Improvements -Construction waterline and water storage tank improvements and acquire water rights.	\$ 1,349,000
5168-CIF	Dona Ana Mutual Domestic Water Consumers Association	Dona Ana	Fairacres	West Mesa water system rehab and expansion -Plan (PER) the upgrade of the existing water system	\$ 93,533
5169-CIF	Garfield MWC&MSWA	Dona Ana	Salem, Placita, Garfield	Well Improvement Project -Design and construction a replacement well and well house.	\$ 657,273
5177-CIF	Hope, Village of	Eddy	Hope	Water System Improvements - design, construct water system improvements including a 100,000 gallon water storage tank, rehabilitate clean existing tank, and install gate valves.	\$ 862,873
5180-CIF	Lordsburg, City of	Hidalgo	Lordsburg	Water Improvements -Design of a reverse osmosis water treatment facility to remove high fluoride concentration and enhance water quality.	\$236,000
5181-CIF	Lordsburg, City of	Hidalgo	Lordsburg	Waterline replacement Project Ph. II -Design of water system improvements to include new distribution lines, service lines, valve hydrants.	\$278,000
5183-CIF	Malaga MDWC & SWA	Eddy	Malaga	Water system improvement -Design and construct including replacing existing waterline and meter loops, water can, water meters, services, valves and fire hydrants	\$ 844,186
5185-CIF	Ruidoso Downs, City of	Lincoln	Ruidoso Downs	Eastward distribution system -Design, EID from NMDOT permit and construct for installation of waterline and associated appurtenances	\$ 1,535,500
5186-CIF	San Antonio MDWCA	Socorro	San Antonio	Water system improvements -Design and construct an exploratory well	\$ 641,777
5187-CIF	Santa Clara, Village of	Grant	Santa Clara	Belim St. Caddel crossing water system improvements - Design, and construction for water main and service line replacement.	\$ 1,036,000
5188-CIF	Silver City, Town of	Grant	Silver City, Tyrone, Pinos altos, Rosedale, Arenas Valley	Chloride flats water storage tank renovations -Construct interior and exterior renovations to 1 million gallon storage tank to include new interior and exterior coatings, access modifications, and installation of new vent.	\$ 901,815
5193-CIF	Vista del Rey Estates MDWCA	Dona Ana	Vado	Water system improvements -Construction replacement of booster pump and distribution lines.	\$ 707,217
Wastewater Infrastructure					
5165-CIF	Dona Ana County	Dona Ana	Chaparral	Chaparral Ph 2C -Design and construct Chaparral Phase 2C wastewater project	\$ 1,296,680
5166-CIF	Dona Ana County	Dona Ana	San Miguel, La Mesa, Mesquite, Chamberino, Berino, Las Palmeras, Montana Vista, Vado/Del Cerro	South Central Wastewater Collection -Design and construct repairs and upgrades to lift stations, manholes, main line replacements and extensions	\$ 2,545,500
5176-CIF	Hatch, Village of	Dona Ana	Hatch, Rodey	Rodey and Chile capital lane lift station improvements -Plan, design and construction of wastewater system improvements to rehabilitate the Rodey lift station and install new lift station on Chili Capital lane.	\$ 720,000
Roads and Drainage Infrastructure					
5161-CIF	Cider Mill Farms MDWCA	Otero	High Rolls	West Cider Mill Farm road reconstruction -Construction of improvements to East Cider Mill Farms Road	\$ 225,000
5172-CIF	Grant County (1)	Grant	Mockingbird Hill	Truck Bypass Road -Engineering design for truck bypass pads reconstruction and culvert replacement	\$ 300,000
5173-CIF	Grant County (3)	Grant	Little Walnut	Little Walnut Road -Engineering design (design analysis/drainage recommendation); ROW roadway construction for almost 3 miles of Little Walnut road to include drainage and widening of roadway for bicycle/pedestrian lane on one side	\$ 271,500
5175-CIF	Grant County (2)	Grant	Silver Acres	Ridge Road Project -Surveying and design engineering services to improve Ridge Road; project begins at the intersection of Lance and Ridge rd. and traverses 2.5 miles south to end of the pavement.	\$ 200,000
5178-CIF	Hurley, Town of	Grant	Hurley	A street and drainage improvements -Construction phase road and drainage improvements to replace 30 year old pavement on A St. (from 1st st - 4th st.)	\$ 573,000
5189-CIF	Silver City, Town of	Grant	Silver City	Ridge Road street and drainage Improvements Ph II -Ridge rd Ph II Construction includes paving, curb & gutter, sidewalks, ADA, drive-pads, drainage, striping and signage.	\$ 1,628,600
5191-CIF	Sunland Park, City of	Dona Ana	Sunland Park	Anapra Phase II -Design, construction for drainage improvements Calle Morraço and Calle Diaz Streets which include pavement, curb gutter, sidewalk, drainage swales, lowering of the intersection.	\$ 1,209,639
5192-CIF	Truth or Consequences, City of	Sierra	Truth or Consequences	Roads/drainage improvements Main street downtown waterlines -Design and reconstruct the full street pavement section following waterline construction (paid by USDA).	\$ 1,000,000
5194-CIF	Williamsburg, Village of	Sierra	Williamsburg	Mona and Doris avenue roadway, drainage and utility -Plan (\$25,000 PER), design and construction of Mona and Doris Ave. including replacement of water and sanitary sewer, new storm drain infrastructure, and roadway reconstruction.	\$ 250,000
Solid Waste Infrastructure					
5190-CIF	Southwest Solid Waste Authority	Grant	Multi	Cell 9 plan, design, construction -Planning and design the construction of Cell 9 for Southwest Solid Waste Authority	\$ 68,000
Housing Infrastructure					
5167-CIF	Dona Ana County	Dona Ana	Chaparral	Chaparral Phase 2C house connections -to construct and install sewer connections from ROW to dwelling.	\$ 565,000

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 2020, the total awarded to date by the CIB is over \$118 million. These awards leveraged an additional \$67.9 million, totaling more than \$186 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	\$12,801,965	\$13,141,403	\$25,943,368
2013	59	\$37,736,894	35	\$16,497,736	\$8,357,897	\$24,855,633
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	11	\$4,479,976	\$539,568	\$5,019,544
2018	30	\$16,100,000	17	\$9,519,823	\$962,324	\$10,482,147
2019	29	\$17,100,000	25	\$14,744,881	\$16,839,638	\$31,584,519
2020	31	\$25,528,474	26	\$19,996,093	\$4,346,896	\$24,342,989
TOTAL	423	\$264,350,010	230	\$118,143,904	\$67,907,141	\$186,051,045

Looking Forward to Fiscal Year 2021

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 current COVID-19 public health emergency, 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.



Village of Santa Clara – Booster Station