

New Mexico Drinking Water State Revolving Fund - Intended Use Plan



**DWSRF Base and (BIL) General Supplemental Funding,
(BIL) Lead Service Line Replacement, & (BIL) Emerging
Contaminants**



**New Mexico Environment Department &
New Mexico Finance Authority**

Drinking Water State Revolving Fund

DWSRF Base and General Supplemental (BIL) Funding

(BIL) Emerging Contaminants and (BIL) Lead Service Line Replacement

Capitalization Grant Intended Use Plan State Fiscal Year 2025 July 1, 2024 – June 30, 2025

Draft Submitted to U.S Environmental Protection Agency (EPA) Region 6: May 2024

Public Comment Period: May 30, 2024, through June 30, 2024

Final Updated:	Accepted by EPA: TBD
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Introduction

1996: The Federal Safe Drinking Water Act (SDWA) Amendment authorizes the Drinking Water State Revolving Fund (DWSRF).

Protects public health by helping states manage and protect their drinking water systems.

Aids communities and non-profit non-community public water systems (PWSs) in financing the cost of repair, replacement, and compliance of their drinking water infrastructure systems.

1997: The State of New Mexico passes the Drinking Water State Revolving Loan Fund Act, creating the self-sustaining revolving loan program.

Consists of the annual Capitalization Grant (Cap Grant) and the 20% state funded match required by the SDWA.

1997: The New Mexico Finance Authority (NMFA) becomes the State's grantee for Capitalization Grants allotted to the state from the Environmental Protection Agency (EPA).

1997: The New Mexico Environment Department (NMED) Drinking Water Bureau (DWB) begins cooperation with NMFA to administer the New Mexico Drinking Water State Revolving Loan Fund program. (DWSRLF)

Each state is required to prepare an Intended Use Plan (IUP) annually, identifying how the funds will be used and how those uses support the goal of protecting public health. This IUP is provided for review and public comment and the Final IUP along with a summary of public comments will be submitted to EPA with the capitalization grant applications.

This IUP includes:

Application process and priority ranking system.

- Including the most recent ranked Project Priority Lists (PPLs) for each grant program (Base & BIL Base Supplement (Base/BIL), BIL Lead Service Line Replacement (BIL Lead), and BIL Emerging Contaminants (BIL EC)). See Appendix A-1, A-2, and A-3 respectively.

Criteria and methods for distribution of funds.

Short-term and long-term goals for the program.

DWSRF set-aside activities.

Disadvantaged community assistance, CWSRF transfer process, cross collateralization process, and amending the IUP process.

- The U.S. Environmental Protection Agency's (EPA) Cap Grant allocates DWSRF budget to individual states.
 - The maximum amount each state can apply for through the annual Cap Grants is determined by Congress and administered by the EPA.
- The SDWA allows each state the discretion to utilize up to 31% of each annual DWSRF Capitalization Grant to fund four different Set-Aside categories, with the remainder of the Capitalization Grant directed to the state's loan funds.
 - Administration (4%)
 - Small Systems Technical Assistance (2%)
 - State Program Management (10%)
 - Local Assistance and other State Programs (15%)
- NMFA, as grantee, is responsible for the administration of DWSRF financing and related functions funded by the Administration Set-Aside of the Capitalization Grant.
- DWB, as the State's primacy agency, is responsible for the oversight and implementation of the Small Systems Technical Assistance, State Program Management, and Local Assistance and Other State Programs Set-Asides.

The State publishes a DWSRF annual project priority list in the IUP (Appendix A-1 through A-3) and two to four supplemental lists depending on project interest and urgency. Each project priority list contains projects to be funded in the current funding cycle (Fundable) and projects to be funded later (Comprehensive). A water system or other qualifying entities must meet managerial, financial, and technical capacity eligibility criteria to move forward in the DWSRF process and be placed on the fundable list.

2025 Proposed Program Changes

With the increase in demand and federal requirements for the DWSRF, The State of New Mexico will continue to choose the projects to fulfill the federal equivalency requirements.

Additionally, the schedule by which the priority lists will be published will remain semi-annual. Lists are produced in December and May with supplemental lists published in September and February if project interest and urgency exist. Criteria for project interest and urgency are included in this IUP to clarify when the supplemental lists will be produced.

Project priority ranking criteria for emerging contaminants were updated to reflect increased value on providing water service to underserved communities or where wells are contaminated by emerging contaminants.

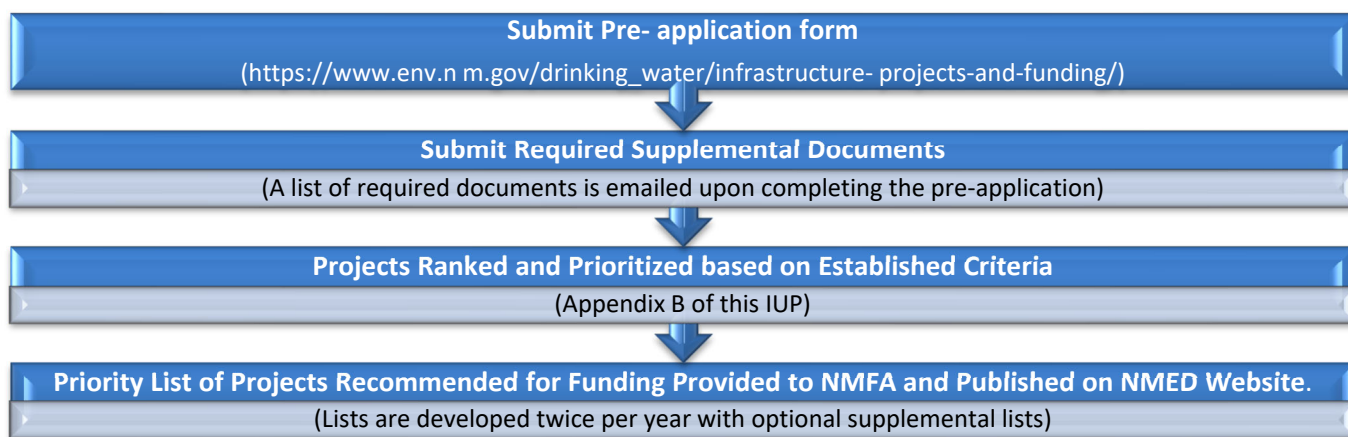
Priority System (40CFR§ 35.3555.c(1))

Appendix B Includes the Priority Ranking Criteria for each funding source and associated point values to correspond with how the system or project meets the criteria.

Criteria for Project Selection

All project applications, except for declared emergencies (Emergency Condition) are required by DWSRF federal regulation to be ranked using a state's priority system and to go through a public review process prior to receiving funding.

Application Process (DWB)

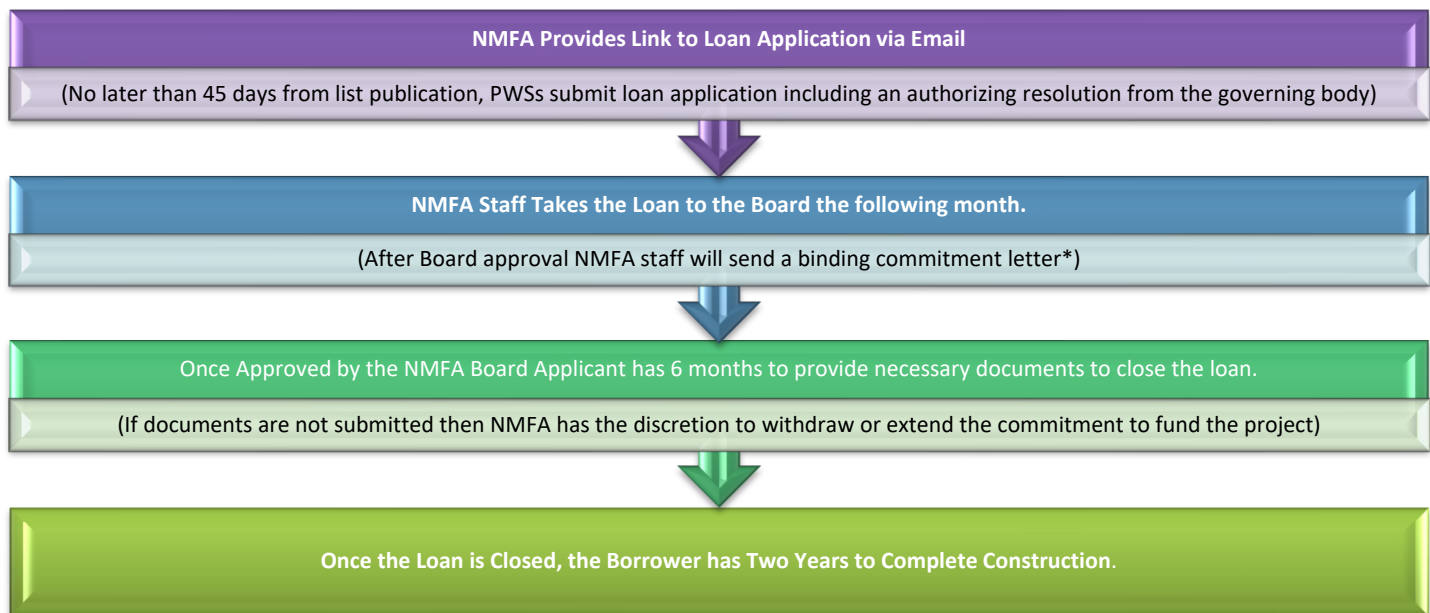


- Pre-applications are accepted and reviewed year-round. Projects are scored, ranked, and prioritized for placement on the priority list semi-annually with optional supplemental lists published if project interest and urgency exist. The state strives to publish the fundable lists on the first Monday in December and the first Monday in July each year. The supplemental lists published in September and February will be produced if more than four projects for that funding source are interested in moving forward or if emergency infrastructure projects are submitted that need funding in advance of the regularly scheduled list. Supplemental lists are produced at the discretion of the department.
- All of the required supplemental documents must be received in order for the project to be scored and placed on the priority list.
- The fundable list is combined with the comprehensive list when updated. PWSs may stay on the comprehensive list for up to 3 years when all DWSRF requirements are met.
- Projects deemed fundable may stay on the fundable list for 12 months. A written request must be made to keep a project on the fundable list for longer than 12 months with an explanation of why the project did not move forward.
- DWB will recommend that NMFA perform a preliminary financial analysis of the PWSs ability to repay the loan on the fundable list prior to publishing. The fundable lists will be published on the NMFA and NMED websites.
- If the dollar amount of the projects submitted does not equal project costs equivalent to the capitalization grant amount, NMED and NMFA may extend the deadlines at the discretion of the two agencies.

Application Deadlines



Application Process (NMFA)



**The binding commitment letter contains ready-to-proceed items for the communities to submit before the loan closing can be initiated. NMFA and communities enter in to binding commitments after the NMFA Board of directors approves the funding terms.*

To be eligible for a loan from the NMFA DWSRLF, public water system projects must:

- Be in the fundable status section of the priority list.
- Submit a loan application to the NMFA and accept a loan.
- Submit a letter of approval for DWSRF debt parity (if applicable) (for example, if the water system has a loan with USDA/NMED, etc. a letter of consent to take on new debt is required); and
- Be found by NMFA to be credit-worthy (40 CFR 35.3555(c)(2)(i))

Applicants not meeting the timeframe, or the eligibility criteria will be removed from the fundable status on the priority list and placed back on the comprehensive section of the priority list.

Systems Unable to Meet Criteria

- Each PWS currently unable to meet the criteria for inclusion on the fundable section of the Priority List, or on the supplemental updates of this list, will receive follow up from the DWB capacity program staff explaining any deficiencies that prevented its inclusion, including recommended steps for addressing such deficiencies.
- DWB uses the set-asides to assist PWSs to meet all eligibility requirements for future DWSRF applications.

List Publication

DWB and NMFA will supplement the priority list at least semi-annually to add/subtract projects in the fundable section of the priority list based on the criteria described below or at the request of the applicant. The State of New Mexico will publish the priority list for the duration of the active period. The Fundable Priority List will be published on both the NMFA and NMED websites at: <https://www.nmfinance.com/water-project-fund/drinking-water-state-revolving-loan-fund/> and https://www.env.nm.gov/drinking_water/infrastructure-projects-and-funding/.

Questions regarding the ranking process or the development of the Fundable Priority List should be directed to the DWB at (505) 372-8098. Questions on financial eligibility or the loan application process should be directed to the NMFA at: (505) 984-1454 or toll free at (877) 275-6632.

Project Prioritization

The priority ranking system of individual projects for funding must,

- Address the most serious risk to human health.
- Ensure compliance with the requirements of the SDWA.
- Assist PWSs most in need on a per household basis according to the state affordability criteria.

The priority lists are consolidated into fundable and comprehensive (as allowed by federal regulations) and are updated at least semi-annually on the schedule discussed in the DWB Application Process section. Projects that are ready-to-proceed are listed on the first part of the lists which is titled fundable, and all other projects are listed in the following section titled comprehensive. Projects on the comprehensive list may remain on the comprehensive list until they are ready-to-proceed with funding, up to 3 years.

Tie Breaking Procedure

When two or more projects score equally under the project priority ranking system, a tie breaking procedure will be used. The project with the smallest number of existing customers served will receive the higher ranking.

Emergency Condition

Unforeseen or unanticipated conditions that impact the source treatment, storage, or distribution of an eligible PWS that will have a direct impact on public health, may constitute an emergency condition. The emergency must be declared by the President of the United States, the Governor of New Mexico, a Cabinet Secretary, or the County. A proposed project must specify any such emergency conditions in its application. Such emergency projects will be identified in the Annual Report.

Priority List of Projects (40CFR§ 35.3555.c(2))

Appendix A contains the priority lists of projects for each funding source. Each funding source includes a fundable list with ranked projects that will move forward and a comprehensive list of projects that have expressed interest but have decided not to move forward or are working on completing the required documentation.

Bypass Procedures

DWB and NMFA expect to fund the projects on the priority list in order of rank but reserve the right to bypass certain projects using the by-pass procedure. The State reserves the right to fund lower priority projects over

higher priority projects, if in the opinion of the DWB or the NMFA, the higher priority project did not submit its application in the allowed 45 days to NMFA. The State further reserves the right to by-pass certain projects if during the period there is no financial impact to the by-passed PWS, i.e., the available subsidy is fully allocated and there are adequate reserves to fund all Fundable status projects on the priority list.

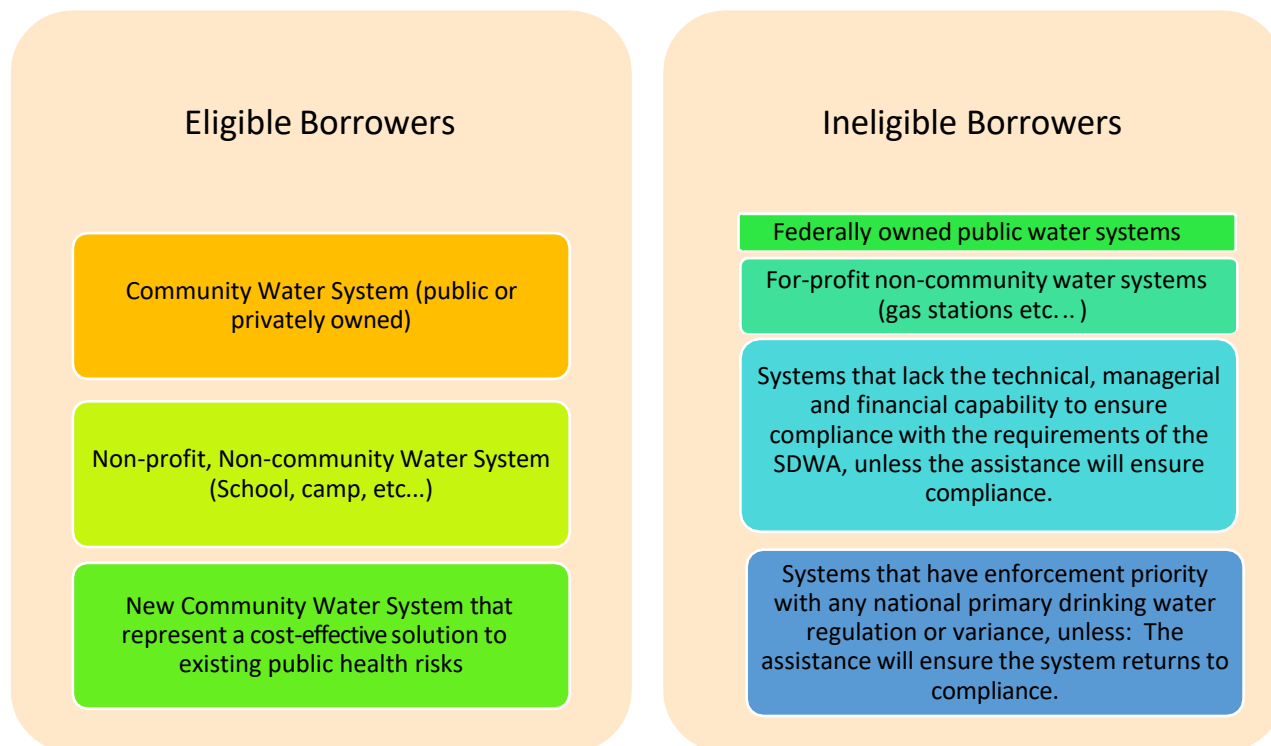
NMFA will fund the DWSRLF projects using the priority system established by the DWB. The State prefers to fund projects on the Fundable Priority List, as updated throughout the year, in rank order, but reserves the right to bypass certain projects using a bypass procedure, as described above. In such an instance, a lower ranked project may be funded over a higher ranked project if the lower ranked project meets the bypass screening criteria. The NMFA will limit the DWSRLF funds so that no single loan comprises more than 25% of the outstanding loan portfolio.

Distribution of Funds (40CFR§ 35.3555.c(3))

Criteria for Project Selection

All project applications (except for declared emergencies Emergency Condition) are required by DWSRF federal regulation to be ranked using a state's priority system and to go through a public review process prior to receiving funding.

To receive DWSRF federal funding the entity must be eligible, and the project must be eligible.



Base/BIL Supplemental- Eligible Water System Projects:

Treatment Projects to install or upgrade facilities to improve drinking water quality to comply with Safe Drinking Water Act (SDWA) regulations	Transmission and distribution Rehabilitation, replacement, or installation of pipes to improve water pressure to safe levels or to prevent contamination caused by leaky or broken pipes	Source Rehabilitation of wells or development of eligible sources to replace contaminated sources
Storage Installation or upgrade of finished water storage tanks to prevent microbiological contamination from entering the distribution system	Consolidation/Regionalization Interconnecting two or more water systems , water system partnerships including emergency interconnections or sharing operators, equipment, and managerial consolidation	Creation of new systems Construct a new system to serve homes with contaminated individual wellsor consolidate existing systems into a new regional water system
Rehabilitation of Dams & Reservoirs (July 14, 2021, national deviation was signed, must connect to the water system, cannot be for growth)	Purchase of Water Rights (December 2019, national deviation was signed, cannot be for growth)	Other Planning and design, water utility audits, leak detection studies, identification of service line materials, optimization studies, drought contingency plans, and other evaluations.*

*Plans or evaluations that might result in a capital project or in a reduction in demand to alleviate the need for additional capital investment.

Funds can also be used to support planning and analysis needed for partnerships that do not involve a physical interconnection such as evaluating and developing a shared billing system. Details on fundable project categories can be found on the EPA website in the DWSRF eligibility handbook:

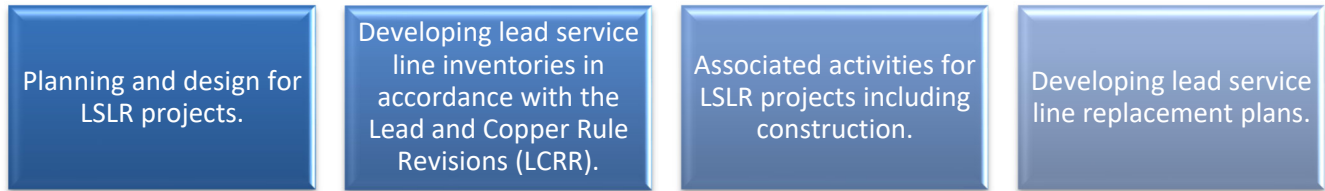
<https://www.epa.gov/dwsrf/drinking-water-state-revolving-fund-eligibility-handbook>.

Base/BIL Supplemental -Ineligible Water System Projects:

Construction or rehabilitation of non-water system of dams or for growth.	Purchase of water rights for growth, unless the water rights are owned by a system to be purchased for consolidation as part of a capacity development strategy	Construction or rehabilitation of reservoirs that are primarily for growth, except finished water reservoirs and those reservoirs that are part of the treatment process and are on the property where the treatment facility is located
Projects needed primarily for fire protection	Projects needed primarily to serve future population growth (prohibited by statute-- see below for further explanation)	Projects that have received assistance from the national set-aside for Indian Tribes and Alaska Native Villages under the SDWA §1452(i) for the same phase (prohibited by statute)

BIL Lead- Eligible Projects

Project eligibility under this appropriation is limited to lead service line replacement (LSLR). A “lead service line” is defined as, “...a service line made of lead, which connects the water main to the building inlet.”



Lead service lines:

- May be owned by the water system, owned by the property owner, or both.
- A galvanized service line is considered a lead service line if it ever was or is currently downstream of any lead service line or service line of unknown material.

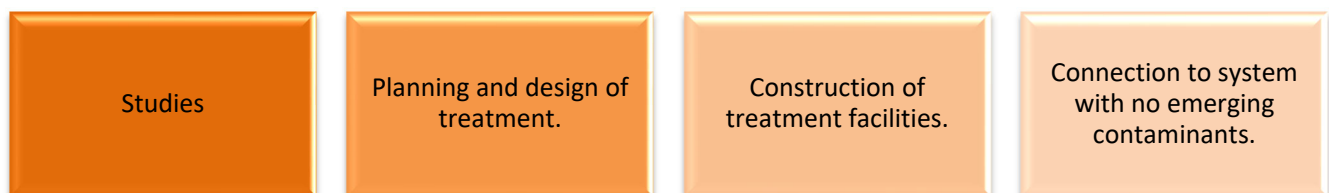
If the only lead piping serving the home or building is a lead gooseneck, pigtail, or connector, and it is not a galvanized service line that is considered an LSL the service line is not a lead service line.

Any project funded under this appropriation involving the replacement of a lead service line must replace the entire lead service line, not just a portion.

This IUP will be used for the FY24 BIL Lead Service Line Replacement grant should project interest increase over the term of this IUP. Additional restrictions on the use of the BIL Lead Service Line Replacement from the allotment memo issued by EPA on May 2, 2024 will be applied. Projects conducted under the FY24 BIL Lead Service Line Replacement include limited eligibility of galvanized lines that may be replaced only if they were downstream of a known lead line.

BIL Emerging Contaminants

Emerging Contaminants funding will be provided to eligible recipients as loans with 100% principal forgiveness. Funds provided shall be to address emerging contaminants including removing manganese in drinking water with a focus on perfluoroalkyl and polyfluoroalkyl substances (substances listed in EPA’s Contaminants Candidate List (CCL)). Projects that can be submitted for BIL EC funding include:



The complete list of emerging contaminants can be found at <https://www.epa.gov/ccl>

Financial Status (40CFR§ 35.3555.c(4))

Sources and Uses

State Match Source

The SDWA requires states to provide a 20% match to Capitalization Grants received from the federal government. The BIL requires states to provide a 20% match to the BIL Supplemental Capitalization Grant. The required State matches are \$932,200 for SFY24 Base, and \$4,597,000 for the SFY24 BIL general supplemental. NMFA will provide the state matches through an appropriation from the Public Project

Revolving Fund to the Drinking Water State Revolving Loan Fund. Appendix C summarizes the sources and uses of funds.

Fee Income

The NMFA charges borrowers a cost-of-issuance fee as permitted by federal regulations to cover legal fees and closing costs of each DWSRLF loan when required by the capitalization grant. This 1% fee is included in the loan as principal and is held in an account outside of the DWSRLF as allowed by EPA policy. NMFA builds into its DWSRLF loan interest rates a 0.25% administrative fee that is assessed on the outstanding principal balance of each loan. For disadvantaged borrowers, whose loans carry a 0% interest rate, the NMFA charges a 0.25% administrative fee, making the effective interest rate of a 0% loan 0.25%. The administrative fees are held outside of the DWSRLF and are used to pay the NMFA's overhead costs and other program administration costs not funded by the 4% Administration Set-Aside. The Administration Set-Aside is used for eligible purposes under 40 CFR §35.3530(b)(2), and cost-of-issuance fees included as principal in loans are assessed and used in accordance with the limitations set forth in 40 CFR §35.3530(b)(3)(i)–(iii).

Transfers from Set-Asides to the Loan Fund

The State reserves the right to make transfers from the set-asides to the loan fund to ensure timely and expeditious spending of federal capitalization grants.

Leveraging

The State of New Mexico does not currently leverage the DWSRLF.

Use of All Funds Available

The source and uses of the DWSRLF is presented in Appendix C. New Mexico anticipates the loan fund to be capitalized from the federal 2024 Capitalization Grant to be \$4,661,000 with 69% going to the loan fund and 31% being used for set-asides, and \$22,985,000 from the BIL Supplemental capitalization grant with 69% going to the loan fund and the remaining 31% being used for set-asides. The loan fund will also be capitalized with the 20% match state funds of \$932,200 and the 20% BIL state match of \$4,597,000.

An estimated loan and interest repayments of \$7,000,000 will be available for a total of \$47,730,200 of new money available to lend and support the set-aside work in SFY 2025 for the DWSRLF Base and BIL General Supplemental.

The FFY 22 Emerging Contaminants program was capitalized with \$7,555,000. The FFY 22 Lead Service Line Remediation program was capitalized with \$28,350,000. No EC or LSLR funds were applied for in FFY 23 due to a slow response from NM communities. NM is intending to apply for the FFY 23 and FFY 24 EC funds in SFY 25. The FFY 25 EC program will be capitalized with the FFY 23 EC of \$7,640,000 and the FFY 24 EC of \$7,640,000.

Annually, Congress has the right to require additional subsidy to help fund federal priorities. NMFA anticipates up to 49% of the 2024 Capitalization Grant, 49% of the BIL supplemental Capitalization Grant and the BIL LSLR from DWSRF funding legislation to be additional subsidy in the form of principal forgiveness. 100% of the EC program is expected to be offered as principal forgiveness. For SFY 2025, the total amount of subsidy available for all projects is \$19,555,190. This subsidy will allow for the pace of recent lending to continue and maintain the financial perpetuity of the revolving loan fund (see Subsidy section regarding the use of subsidy). See chart below for more information.

Funding Category	Federal Portion FFY 23 or 24	Required State Match Percentage	State Match Dollar Amount	Total Capitalization	Required Subsidy	Required Disadvantaged Subsidy	Total Subsidy
DWSRF Base (FFY 24)	\$ 4,661,000	20%	\$ 932,200	\$ 5,593,200	\$ 652,540	\$ 1,631,350	\$ 2,283,890

BIL DWSRF General Supplemental (FFY 24)	\$ 22,985,000	20%	\$ 4,597,000	\$ 27,582,000		\$ 11,262,650	\$ 11,262,650
BIL DWSRF Emerging Contaminants (FFY 23)	\$ 7,555,000	0%		\$ 7,555,000		\$ 7,555,000	\$ 7,555,000
Total Available funding	\$ 35,201,000		\$ 5,529,200	\$ 40,730,200	\$ 652,540	\$ 20,449,000	\$ 21,101,540

Financial Terms of Loans

Section III details the financial terms of DWSRLF loans. All loans are provided to entities at below-market interest rates. The table below provides the interest and terms associated with each type of PWS.. In FY 23, the State of New Mexico lowered the interest rate from 1% to .01% for non-disadvantaged communities. These rates apply to the base, BIL supplemental funding, and the lead remediation programs. The emerging containments loans will be offered 100% principal forgiveness. All loans pay a 0.25% admin fee in addition to the rates listed in the chart below.

Community Economic Status	Interest Rate	Terms
Regular*	0.01%, 3%, 4%	up to 20 years
Disadvantaged	0%	up to 30 years
Severely Disadvantaged	0%	up to 30 years
* Public non-disadvantaged systems receive 0.01%, private non-profit systems receive 3%, and private for-profit systems receive 4%.		

From the date of closing, entities have up to two years to draw the awarded DWSRLF funds on a reimbursement basis. During this time, the entity will pay interest and administration fees only on amounts drawn for incurred costs. Once an amortization schedule is finalized, after the project is certified complete by the engineer and owner, the system will make monthly principal and interest payments on the loan.

Loan Disbursements

As of May 1, 2024, the State of New Mexico has closed on 192 DWSRLF loans totaling over \$325 million. Additionally, twenty-one communities have received board approval and are expected to close in SFY25 totaling an additional \$82 million (includes base/BIL GS, LSLR, and EC approvals). Loans are made in accordance with policies and are prorated between federal and state funds.

Financial Planning

NMFA uses a cash flow model as its financial plan and updates it with triannual reviews as new projects are placed on the Fundable List. The goal of financial planning is to ensure fund perpetuity, and NMFA can confirm the fund's perpetuity. The perpetuity model is included in the Annual Report to the EPA, using historical averages of loan origination.

Cash Draw Proportionality

New Mexico is electing to spend the state match funding first, then the federal capitalization grants. Proportionality will not be used in SFY 25 as a result of recent guidance received from EPA. See Appendix F: Cash Draw Ratio and Grant Payment section for more information.

Short- and Long-Term Goals (40CFR§ 35.3555.c(5))



NMED-DWB

•Short Term Goals

- Provide targeted capacity assistance
- Develop comprehensive outreach and assistance including multiple stakeholders
- Review Priority Ranking Criteria and develop policies that increase benefits to water systems
- Develop and submit quarterly invoices to NMFA
- Fill vacancies in PWSS and SWIG programs
- Collaborate to create innovative and effective pathways for assistance

•Long Term Goals

- Regulate and Assist PWSs
- Provide online and in-person training for TMF capacity
- Encourage and assist PWSs to have a rate structure
- Develop methods for assessing the needs and risk for prioritizing federal and state funds
- Collaborate on sustainable supplies through source water protection program



NMFA

•Short Term Goals

- Provide at least 40% of all loans* in SFY2025 from the FFY 2023 Capitalization Grant and BIL Supplemental Capitalization Grant as low-cost loans to PWSs in Disadvantaged Communities and 20% to small PWSs for eligible projects as allowed by SDWA.
- Execute 100% of binding commitments in SFY 2025*after the submission of required ready to proceed documents.
- Process requisitions in a timely manner and strive to allocate all funding in SFY 25*. Close 100% of loans to communities that meet the ready to proceed deadlines outlined in the binding commitments during SFY 2025*
- Continue to keep EPA current on status of its audit, including during the SFY Annual Program Evaluation Review
- Enter into binding commitments with entities equal to 120% of the federal capitalization grant and BIL supplemental funding in SFY 2025*
- During fiscal year 25, NMFA will review and suggest changes to DWSRF policies for clarification and to benefit borrowers

•Long Term Goals

- Monitor its loan repayments to mitigate any loan defaults
- Ensure that the DWSRLF will be a perpetual funding source with fiscal integrity to support PWSs in the State as shown by the cash flow model



Collaborative

•Short Term Goals

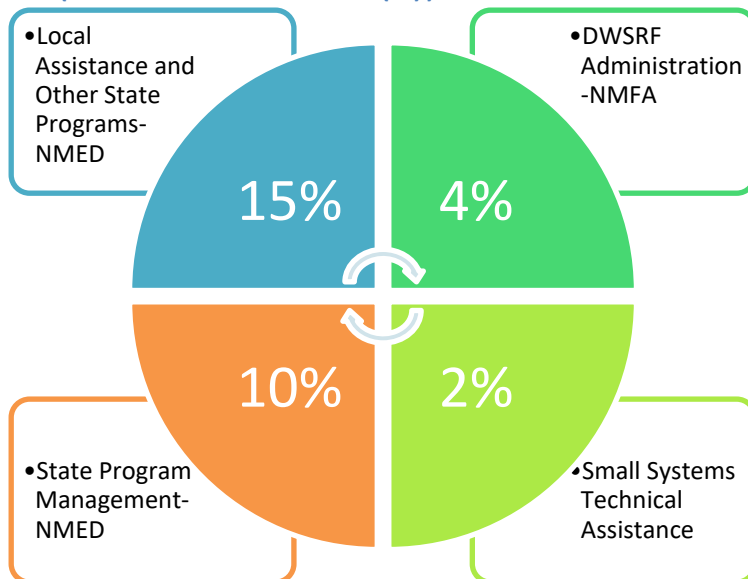
- Expend and process invoices for grant funds in the order awarded
- Comply with all public comment, reporting and all federal and state requirements
- Apply for the FFY 24 Base Capitalization Grant, the FFY 24 BIL General Capitalization Grant; FFY 24 BIL Lead Service Lines Replacement Capitalization Grant; and the FFY 24 BIL Emerging Contaminants Capitalization Grant.

•Long Term Goals

- Strive to complete 100% of all reports accurately and timely, maintain efficient administrative functions, and find innovative ways to utilize the DWSRLF to its full potential.
- Review and recommend updates to the DWSRF Guidance documents including the state DWSRF Act, Memorandum of Understanding (MOU), and the Operating agreement with EPA, dependent on state legislative action on the State DWSRF act.

*Contingent on the Fundable Priority List, communities applying, and community willingness to take on a loan.

Set-aside Activities (40CFR§ 35.3555.c(6))



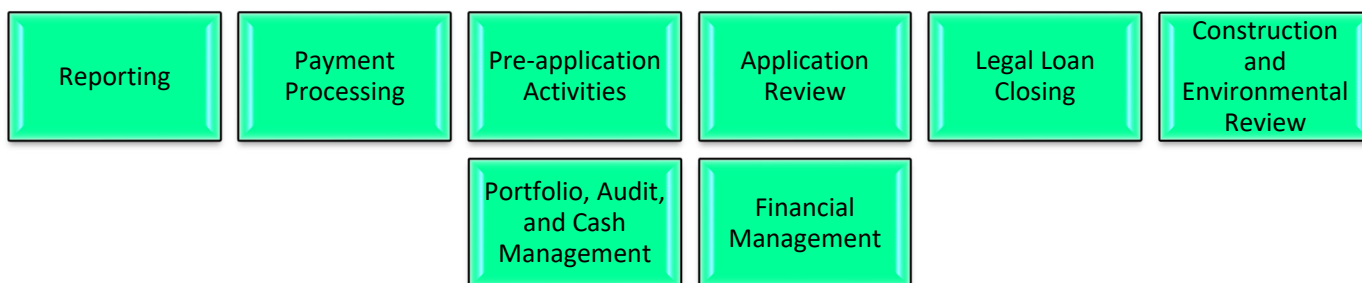
Base DWSRF Funds and BIL Supplemental

DWSRF Administration (4%) -NMFA

The SDWA authorizes the states to utilize funding for DWSRF administration as a set-aside. Administration of the DWSRLF program is delegated by state statute to the NMFA. The NMFA will reserve and specify 4% of the FFY 2024 Capitalization Grant for the Administration set-aside in an amount totaling \$186,440 and from the BIL GS SRF \$919,400; and up to \$302,200 from the BIL EC for a total amount of \$1,408,040.

The administration set-aside will be used to pay for salaries for staff working on the DWSRLF and administering the loan funds and other allowable expenses.

Loan administration includes:



Small Systems Technical Assistance (2%)

The SDWA authorizes states to use this Set-Aside to support a state technical team to provide technical assistance to return systems to compliance with the SDWA. Assistance will be offered through the following activities:

Offer assistance to small water systems upon recommendation by the DWB enforcement coordinator and/or the compliance officer through a Technical Services Request.

DWB will also offer assistance to help small water systems return their outstanding violations to compliance and will prioritize those systems with high ETT* scores.

DWB will work with contract assistance providers to offer water loss assessments for small systems.

**ETT score is a reference to the EPAs Enforcement Targeting Tool scoring.*

State Program Management (10%)

The SDWA authorizes states to use this Set-Aside to address additional program requirements of the Public Water System Supervision Program, Utility Operator Certification Program, and administration for DWSRF Capacity Development and Assistance Programs.

Public Water System Supervision (PWSS) Program

Providing administrative support for the DWB staff.

Conducting sanitary surveys to assess the needs and deficiencies of PWSs.

Implementing new and enforcing existing rules and regulations.

Providing an immediate response to confirmed acute contamination events and PWS problems that may impact public health.

Utility Operator Certification Program (UOCP)

Fund administration activities and support certification of operators through the Utility Operator Certification Program (UOCP).

**NMED has authority to administer the Program pursuant to the SDWA and began to directly manage this program in July 2016, increasing the administrative responsibility.*

DWSRF Set-Aside Administrative Support for Local Assistance Capacity Programs

Developing and managing grant set-aside application documents (including the IUP).

Budgets, workplans, and reporting.

Timekeeping.

Internal program meetings:

- Staff and program management.
- Program planning and other such activities.

Local Assistance and Other State Programs (15%)

The Local Assistance and Other State Programs Set-Aside is used to support multiple DWB assistance program activities within the Sustainable Water Infrastructure Group.

Capacity Development and Assistance (10%)

- Infrastructure Support (engineering plan reviews, DWSRF assistance)
- Capacity Assistance (technical, managerial, financial; emergency response & planning)
- Develop contracts with potential assistance providers to provide direct and specific capacity development assistance for system needs
- Needs & Capacity Assessments (rate surveys, need survey, risk analysis, policy review)
- Regional Planning & Sustainability (regionalization & collaboration projects, climate resilience)
- Utility Operator assistance & training (UOCP outreach. assistance. compliance. trainings)

Source Water Protection (5%)

- Source water assessments & plans
- Special source water & emerging contaminant studies (PFAS)
- Source sampling waiver reviews
- NEPA and Subdivision environmental impact reviews
- Groundwater Under Direct Influence (GWUDI) determinations
- Water reuse studies and collaborative planning
- Develop contracts with potential assistance providers to provide direct and specific source water protection support for public water systems. Support may include, but is not limited to understanding and protection from emerging contaminants.

NMED Drinking Water Bureau's strategy to responsibly and expeditiously reduce and minimize set-aside Unliquidated Obligations (ULOs) for FY25 is included in Appendix G.

BIL Lead Set-Aside Activities

Lead Service Lines Administration (4%)

The SDWA authorizes the states to utilize funding for DWSRF administration as a BIL Lead Service Line Replacement set-aside. Administration of the DWSRLF program is delegated by state statute to NMFA. NMFA will reserve and specify the 4% set aside for the lead remediation BIL capitalization grant (based on eligible projects & eligible expenses).

- **BIL Lead Administration of the Loan fund includes:**

- Promotion of Funds, Marketing, Reporting, Payment Processing, Pre-application activities, Application Review, Project underwriting and financial reviews, Portfolio, Audit, & Cash Management and Financial Management, Engineering, Construction, & Environmental Review, Legal Loan Closing

- **BIL Lead Programmatic Administration includes:**

- Staff Salaries, Contractual technical services for engineering and construction oversight, Environmental reviews, Legal fees associated with closing DWSRLF loans.

BIL Lead Small Systems Technical Assistance (2%)

The SDWA authorizes states to use this BIL Lead Service Line Replacement Set-Aside to support a state technical team to provide technical assistance to return systems to compliance with the SDWA. Assistance will be offered through the following activities:

- DWB will work with contract assistance providers to offer lead service line surveys for small systems.

BIL Lead State Program Management (10%)

The SDWA authorizes states to use this BIL Lead Service Line Replacement Set-Aside to address additional program requirements of the Public Water System Supervision Program, and administration for DWSRF Capacity Development and Assistance Programs.

- **Public Water System Supervision (PWSS) Program**

- Providing administrative support for the DWB staff related to lead service lines and the LCRR
- Conducting necessary reviews of PWSs for compliance with LCRR
- Implementing new and enforcing existing rules and regulations

- **DWSRF Set-Aside Administrative Support for Local Assistance Capacity Programs**

- Developing and managing grant set-aside application documents (including the IUP)
- Budgets, workplans, and reporting
- Timekeeping
- Internal program meetings about lead
- Staff and program management
- Program planning; and other such activities

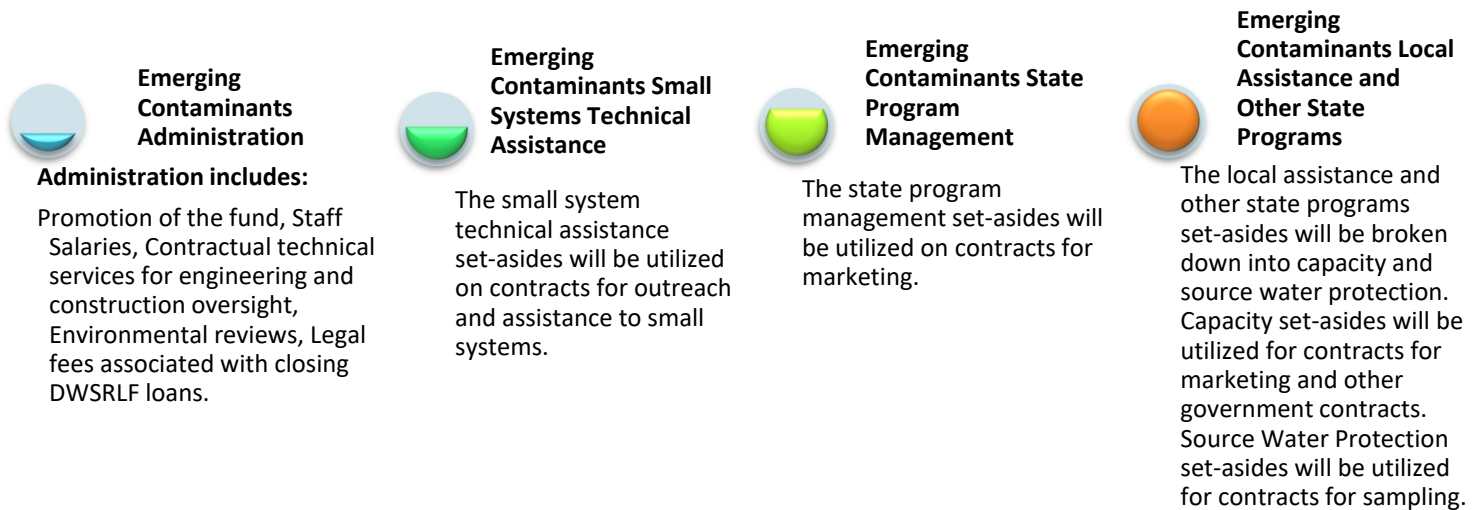
BIL Lead Local Assistance and Other State Programs (10%)

DWB intends to only take 10% of the Local Assistance and Other State Programs set aside and not use the 5% Source Water set-aside. The Local Assistance and Other State Programs BIL Lead Service Line Replacement Set- Aside is used to support multiple DWB assistance program activities within the Sustainable Water Infrastructure Group.

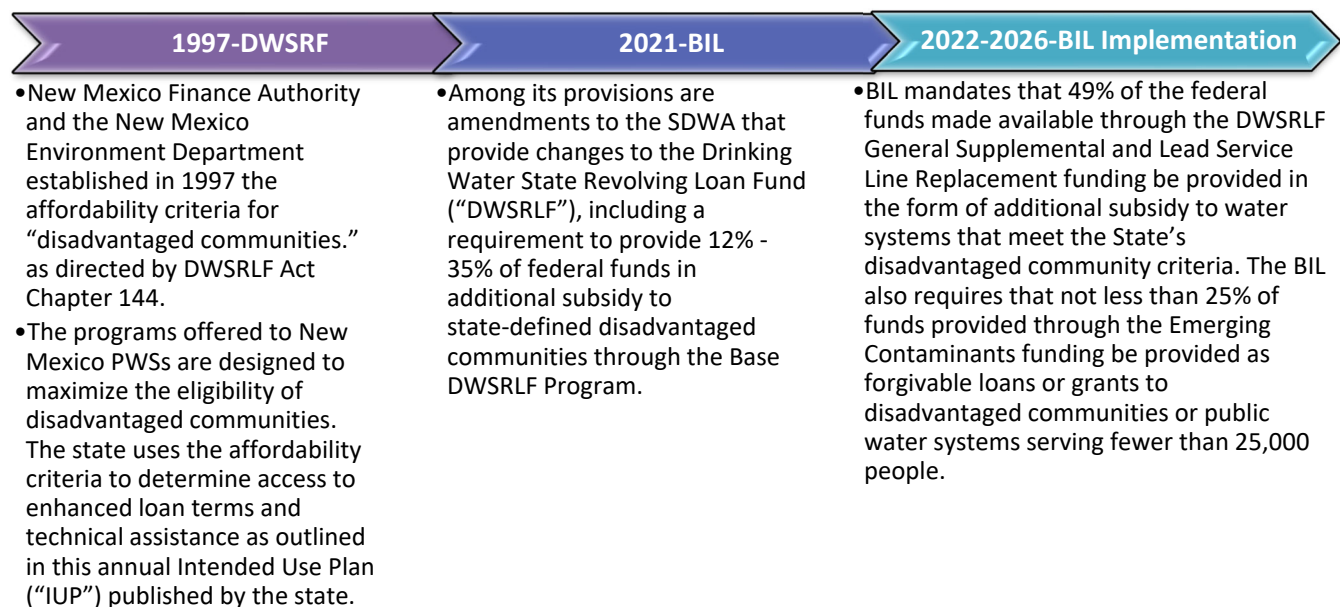
- **Capacity Development and Assistance (10%)**

- Infrastructure Support (engineering reviews, DWSRF BIL Lead assistance)
- Capacity Assistance (technical, managerial and financial)
- Other LCRR assistance to PWSs

BIL Emerging Contaminants Set-Aside Activities

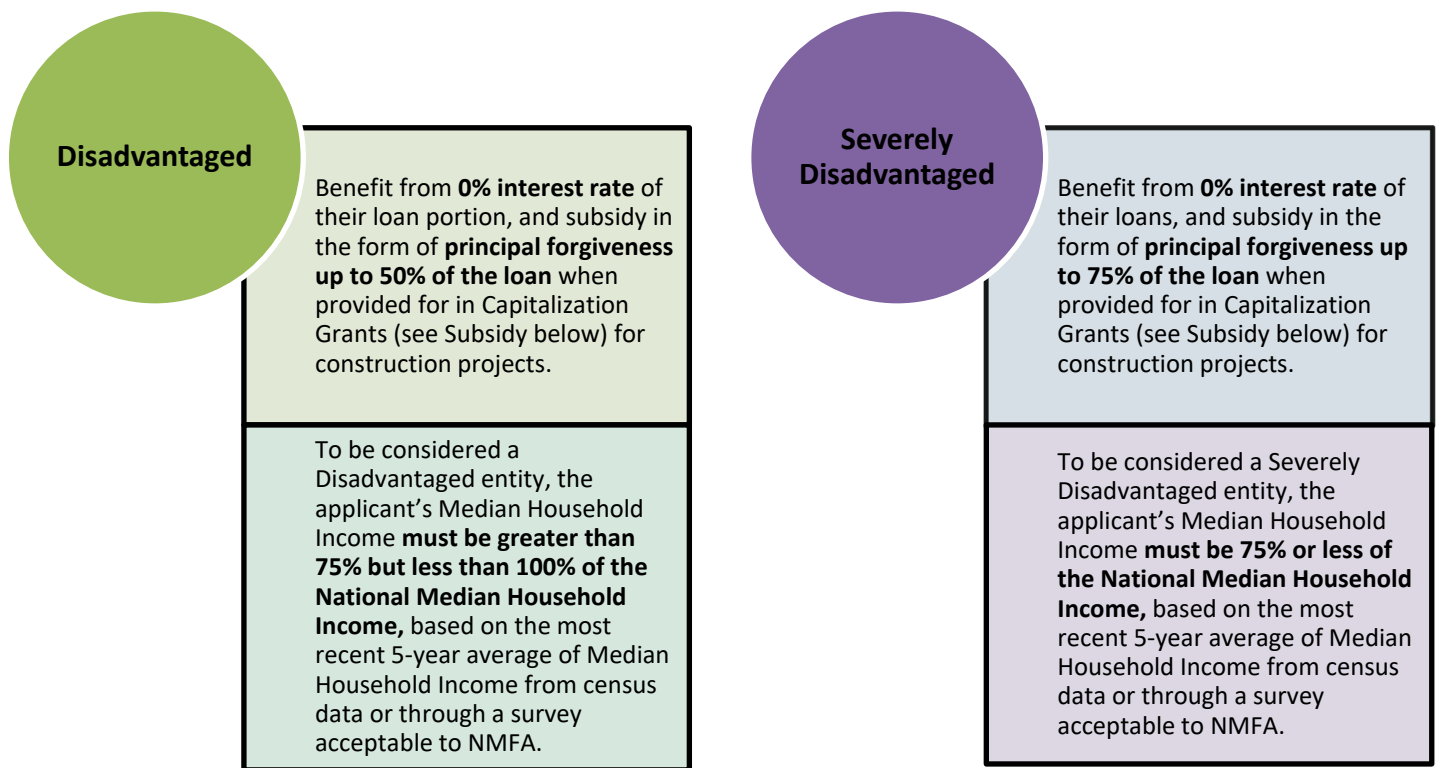


Disadvantaged Community Assistance (40CFR§ 35.3555.c(7))

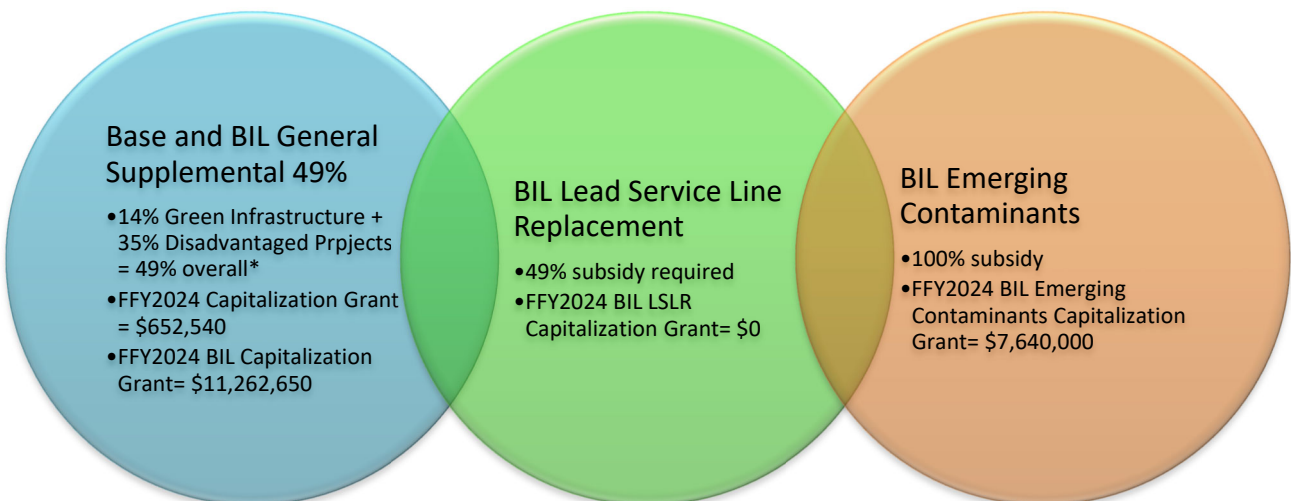


The affordability criteria used to determine disadvantaged entity status considers a community’s Median Household Income (MHI) in comparison to the most recent National 5-year average. The National 5-year average can be found at <https://data.census.gov> and searching for the **table DP103**. This table provide American Community Survey results for 1-year and 5-year estimates of the data profiles.

By policy, NMFA provides two levels of disadvantaged status: Disadvantaged and Severely Disadvantaged. The below information describes the benefits offered to each community:



Subsidy



*New Mexico opts to allocate the maximum of both pools of subsidy, totaling 49% of the FFY 2024 Capitalization Grant.

** NM needs increased demand to apply for the FFY 2023 LSLR Capitalization Grant.

The NMFA provides subsidies to DWSRLF borrowers as part of the EPA's Capitalization Grants (base program and BIL supplemental), and as provided for under SWDA (section 1452 (d)). The FFY 2024 Capitalization Grant requires 14% of the funds available as additional subsidy assistance for projects on the fundable list, and at the state's discretion, for green infrastructure projects. The SDWA (Section 1452(d)) requires not less than 12% and up to 35% of the Capitalization Grant to be used to subsidize Disadvantaged Projects as described in section b. NMFA provides additional subsidy in the form of loans with principal forgiveness, with the percentage of the principal forgiven determined by the NMFA Board at loan approval. The principal not forgiven will be structured and priced as provided otherwise in the Loan Management Policies.

Subsidy

Applies to Base Capitalization, BIL General Supplemental, BIL Lead Service Line Replacement, and BIL Emerging Contaminants grants.

- Available subsidy will be distributed in the ranking order on the Fundable Priority List, subject to the bypass procedure.

- Subsidy that is not awarded, will roll over to the next fundable priority lists.

- Subsidy is based on available amounts, and applicants are not guaranteed subsidy as part of the loan package.

- An applicant ranked below the available subsidy amounts, or not identified as Disadvantaged or Severely Disadvantaged, may not receive subsidy.

- Subsidy will be available to new entities on the current Fundable List if an applicant returns unutilized subsidy at the end of the construction period or fails to close on the loan.

- No single applicant may receive more than 25% of the total additional subsidy available for disadvantaged communities in any given year. Any additional funds required to complete the proposed project will be financed at the terms offered to non-disadvantaged communities.

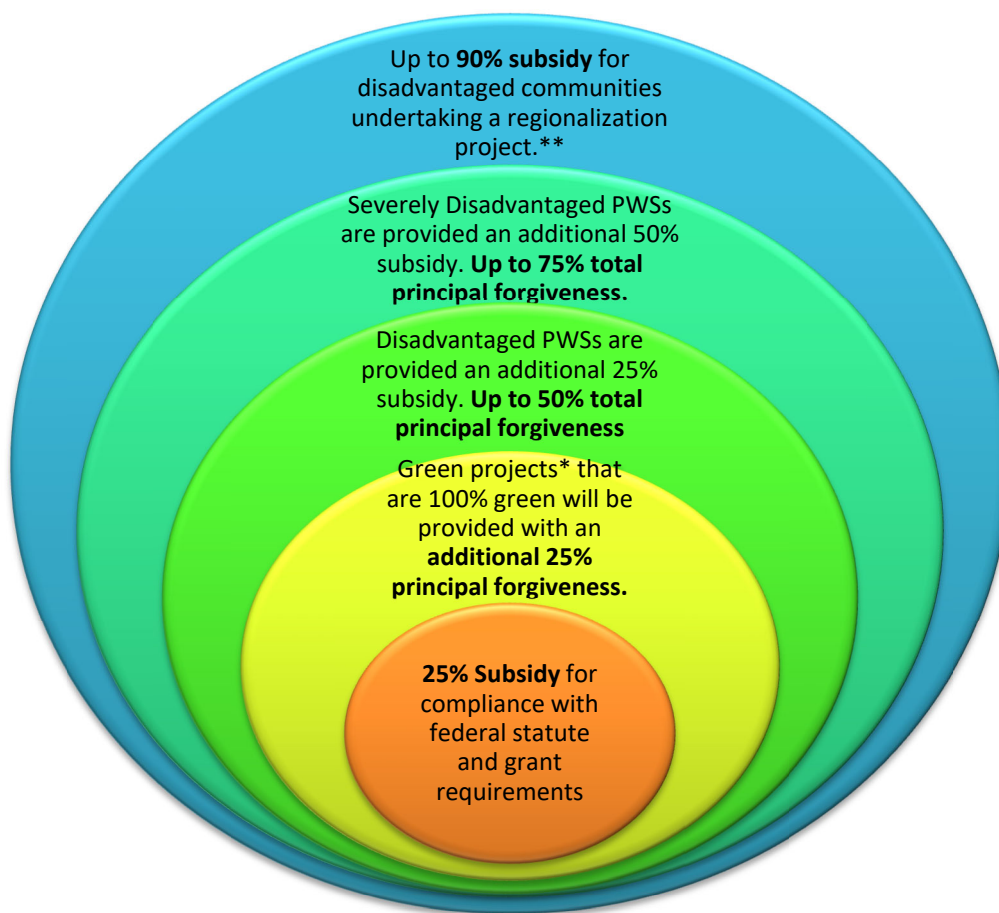
- This limitation may be waived if there is not sufficient demand among disadvantaged communities.

*Current DWSRLF Loan Management Policies can be viewed online at <https://www.nmfinance.com/wp-content/uploads/2022/08/DWSRLF-Loan-Management-Policies-Amended-7.28.22.pdf> and define additional subsidy as principal forgiveness which is the amount of principal that does not require repayment using the following guidelines when funds are available.

Subsidy policy

NMFA will provide the capitalization grant and the disadvantaged subsidy following the same policies. To the extent possible, the NMFA will use subsidy through the Capitalization Grant to help entities that could not otherwise afford a DWSRLF loan, and to help provide incentive to projects that meet other priority EPA goals. NMFA may blend or offer one subsidy type to allow for the highest number of projects to receive subsidy. PWSs that are severely disadvantaged are considered communities that could not otherwise take on a loan. PWS considered Severely Disadvantaged will be given priority in the allocation of disadvantaged subsidy.

The subsidy will go by the Priority ranking on the Fundable List, and by eligible Disadvantaged status. Applicants will receive subsidy, when available, through the following policies:



*“Green projects” include green infrastructure, water conservation, energy efficiency improvements, or other environmentally innovative activities. Green projects that are 100% green will be provided with an additional 25% principal forgiveness. Projects not considered “categorically green” (projects that clearly support the intent of the GPR, such as water meters, rain gardens, green roofs, and alternative energies such as solar panels and other water and energy efficiency infrastructure for new facilities) will require a Business Case Explanation to support the need for the project and to describe how it meets the GPR requirement for water and/or energy efficiency. GPR projects and their Business Cases, where required, are submitted to the NMED and posted on the DWB’s and NMFA’s websites at: https://www.env.nm.gov/drinking_water/funding/ and <http://nmfa.net>, respectively.

**Applications for proposed regionalization projects may continue to use the Median Household Income of the regionalized community to be incorporated into the water system’s service area for purposes of determining disadvantaged entity status. For disadvantaged communities, NMFA will consider loans with 90% principal forgiveness for regionalization projects related to the provision of water to a regionalized community when all assets funded by the loan will be owned and maintained by the borrower.

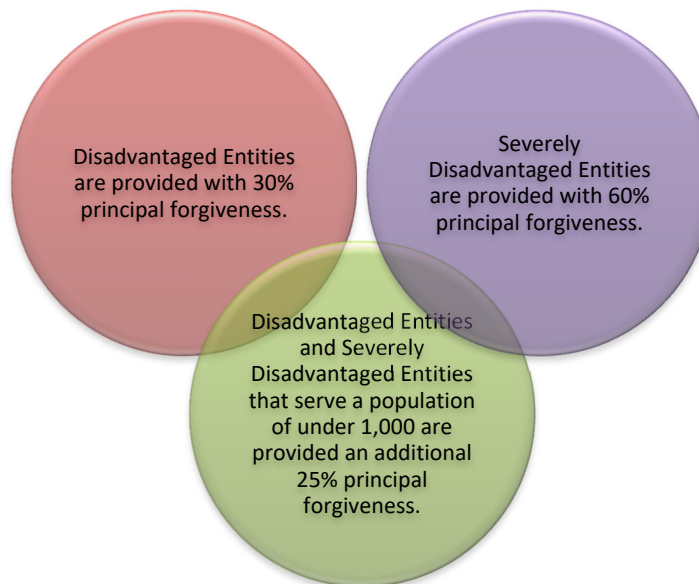
Subsidy Lead Service Line Replacement Non-Construction Loans

BIL LSLR Program for non-construction projects (i.e., lead service line surveys and plan and design projects)

For BIL LSLR Projects, States must provide 49% of the capitalization grant amount as additional subsidization in the form of principal forgiveness or grants. This additional subsidization must be provided to eligible DWSRLF assistance recipients that meet the State’s disadvantaged community criteria as described in SDWA §1452(d). The BIL LSLR program for non-construction projects uses the affordability criteria and disadvantaged community assistance from the base capitalization grant described in previous sections of this IUP.

Determination of additional subsidy. The NMFA will provide additional subsidization in the form of principal forgiveness for projects using the following guidelines, the BIL LSLR Program will also allow for population served

for non-construction projects. NMFA will provide additional subsidy to Disadvantaged Entities who meet affordability criteria based on the MHI of the applicant. NMFA provides two levels of disadvantaged entity status:



Subsidy Emerging Contaminants

BIL EC Program capitalization grant amounts, net of set-asides taken, are provided additional subsidization in the form of principal forgiveness, or grants. Pursuant to the provisions of the SDWA, at least 25% of the funds must be provided to eligible recipients that meet the State's disadvantaged community criteria as described in SDWA §1452(d) or to public water systems serving fewer than 25,000 persons. NMFA will apply the affordability criteria as defined in this IUP to determine disadvantaged entity status for the BIL EC program.

1. The NMFA will offer BIL EC Projects additional subsidization in the form of 100% principal forgiveness in the ranked order of the fundable priority list as provided by the NMED Drinking Water Bureau based on the ranking system in this IUP.
2. BIL EC Projects may be co-funded with Emerging Contaminants funding from NMED. All water systems meeting the definition of a Public Water System as defined by the EPA are eligible for this program in accordance with the SDWA. Public Water Systems may be publicly or privately owned.

Refinancing Existing Loans

Loan Refinancing is an allowable use of the DWSRLF since certain high-cost debt can hinder essential new water improvement projects and limit the long-term financial health and capacity of the water system. Under limited circumstances, and by law, DWSRLF loans are eligible for refinancing. Private entities are not eligible for loan refinancing. Due to restrictions in the SWDA, only plan and design and previous DWSRF loans will be eligible for refinancing.

The NMFA is able to refinance existing loans if:

- The refinancing occurs in connection with a "new money" project.
- The loan proposed for refinancing must have been originated no earlier than 1993.
- The project financed by the original loan must have undergone a public review process consistent with the SERP, including concurrence by all requisite state and federal consulting agencies.
- The environmental effects of the project must have been analyzed and studied in a manner consistent

- with the SERP; and
- The project financed by the original loan must have followed federal and state regulations.

Compliance with Special Grant Conditions

The State of New Mexico complies with all grant conditions set forth in the Capitalization Grant agreements and the 40 CFR parts 9 and 35 including Davis Bacon Wage Act, Federal Crosscutters, Signage, American Iron and Steel, and Buy America Build America (BABA). All financial agreements entered into between the PWSs and NMFA contain language found in Appendix E, which satisfies the grant condition's compliance.

Davis Bacon Wage Act

Recipients of SRF funding are required to comply with 40 CFR Part 31 and the full language of the Federal appropriation contained in the Annual Capitalization Grant, the Davis Bacon Act, and the U.S. Department of Labor's (DOL) implementing regulations. The DOL provides all pertinent information related to compliance with labor standards, including prevailing wage rates and instructions for reporting. Requirements in section 1450(e) of the Safe Drinking Water Act (42 U.S.C. 300j-9(e)) apply to any construction project, carried out in whole or in part, with assistance made available as authorized by section 1452 of that Act (42 U.S.C. 300j-12).

Federal Crosscutters

A number of federal laws, executive orders, and federal policies apply to projects receiving federal financial assistance, regardless of whether the federal laws authorizing the assistance make them applicable. These federal authorities are referred to as crosscutting authorities or crosscutters. Federal Crosscutters apply to projects whose cumulative funding equals the amount of the SRF Capitalization Grants. Projects receiving federal assistance funds must comply with the crosscutter requirements in an amount equivalent to the Capitalization Grant.

Crosscutters are divided into three groups: environmental, social policies, and economic and miscellaneous authorities.

- Environmental crosscutters include federal laws and executive orders that relate to preservation of historical and archaeological sites, endangered species, wetlands, and agricultural land, etc. This crosscutter requirement includes a National Environmental Policy Act compliant environmental review.
- Social policy crosscutters include requirements such as minority and women's business enterprise participation goals, equal opportunity employment goals, and nondiscrimination laws. This crosscutter requirement includes compliance with the Disadvantaged Business Enterprise program, as stated in the loan agreement.
- Economic crosscutters directly regulate the expenditure of federal funds such as the prohibition against entering into contracts with debarred or suspended firms, the American Iron and Steel provision and the Build America Buy America Act (BABA).

A complete list of crosscutting authorities can be found at the EPA website:

<https://www.epa.gov/sites/production/files/2015-08/documents/crosscutterhandbook.pdf>

Signage

The recipient agrees to comply with the SRF Signage Guidelines to enhance public awareness of EPA assistance agreements. See memo, "Guidelines for Enhancing Public Awareness of SRF Assistance Agreements," June 3, 2015, for more information. Recipients receiving BIL funding agree to comply with the Infrastructure

American Iron and Steel

Borrowers shall comply with federal requirements applicable to the loan, including the 2014 Appropriations Act and related SRF Policy Guidelines. All iron and steel products used in the Project will be produced in the United States ("American Iron and Steel Requirement") unless (i) the borrower has requested and obtained a waiver from the Finance Authority or (ii) if the Finance Authority, or its contractor, has otherwise advised the borrower in writing that the American Iron and Steel Requirement is not applicable to the Project. See memo, "AIS final guidance 3-20-14" for more information.

Build America Buy American Act

On November 15, 2021, President Joseph R. Biden Jr. signed into law the Infrastructure Investment and Jobs Act ("IIJA"), Pub. L. No. 117-58, which includes the Build America, Buy America Act ("the Act"). Pub. L. No. 117-58, §§ 70901-52. The Act strengthens Made in America Laws and will bolster America's industrial base, protect national security, and support high-paying jobs. The Act requires that no later than May 14, 2022—180 days after the enactment of the IIJA—the head of each covered Federal agency shall ensure that "none of the funds made available for a Federal financial assistance program for infrastructure, including each deficient program, may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States." (Build America, Buy America (BABA) Act, P.L. 117-58, Secs 70911 - 70917).

Federal Equivalency

For equivalency, the federal requirements are matched to the federal capitalization amounts.

The chart below shows the federal requirements that will be included in the equivalency projects and what will be required for non-equivalency projects.

Equivalency Requirement Name	Equivalency Project Requirements	Non-Equivalency Project Requirements	Resource / Link
Single Audit act	X		Single Audit Act Guidance
Federal Crosscutters (Environmental)	X		Environmental Crosscutters
Federal Crosscutters (Socio Economic)	X		Socioeconomic Cross-Cutting Laws
Disadvantaged Business Enterprise (MBE/WBE)	X		DBE Program Under EPA Assistance Agreements
Signage (Bipartisan Infrastructure Law)	X		Implementing the BIL Signage requirement for SRF programs
Signage (traditional)		X	Traditional Signage Requirements
Federal Funding Accountability and Transparency Act (FFATA) reporting (NMFA responsibility)	X		FFATA Guidance
	X		Clarification of FFATA Requirements
Build America Buy America Act	X		Build America, Buy America (BABA)

Prohibition on Telecom Equipment and Services*	X	X	Guidance Memo
American Iron and Steel	X	X	State Revolving Fund American Iron and Steel Requirements
Super Cross Cutters (civil rights)	X	X	Crosscutter Handbook
Davis Bacon Wages	X	X	EPA Davis Bacon Guidance
Environmental Review	X	X	40 CFR section 35.3580 Environmental Review Requirements
System Award Management active account (sam.gov)	X	X	Federal Acquisition Regulation SAM section 4.11

Footnote

* The Prohibition on Telecom is an equivalency requirement, but the compliance is under the Dept of Defense not EPA. It is recommended that all projects follow this requirement.

The chart below shows the equivalency amounts required from the SFY 24 Capitalization grants (BASE and BIL General Supplemental).

Capitalization Grant	Federal Amount	Less Set Asides	Equivalency Amount
FY 24 BIL GS 4D-02F18903	\$ 22,985,000	\$ 7,125,350	\$ 15,859,650
FY 24 FS99692527	\$ 4,661,000	\$ 1,444,910	\$ 3,216,090
Totals	\$ 27,646,000	\$ 8,570,260	\$ 19,075,740

The projects awarded on the SFY 24 Annual Fundable List totaled \$17 million give or take. Once demand increases, projects will be selected as equivalency projects. The communities will be notified.

Transfer Process (40CFR§ 35.3555.c(8))

The State of New Mexico reserves the authority to transfer up to 33 percent of the DWSRF Capitalization Grant to the CWSRF, or an equivalent amount from the CWSRF to the DWSRF.

Cross-collateralization Process (40CFR§ 35.3555.c(9))

Amending the IUP (40CFR§ 35.3555.d)

Revisions to this plan determined to be insignificant and/or minor revisions required for administrative purposes, shall be made by the NMED and NMFA without notification to the public, and will be reported to EPA in the Annual Report. Any material changes in the IUP shall be made in accordance with procedures provided in the NMFA DWSRLF Regulations.

The priority lists included at Appendix A will be updated on a semi-annual basis with optional supplemental lists as stand-alone documents. All updates to the priority lists will be posted on the NMED website at:

NMED Funding: www.env.nm.gov/funding-opportunities/

And the NMFA website: <https://www.nmfinance.com/water-project-fund/drinking-water-state-revolving-loan-fund/>

Public Participation

To ensure the public has an opportunity to review and provide input on the IUP, a public comment period will be open for 30 days. The draft IUP will be made available to the public through notifications on social media, email listservs, and posting to both the NMED and NMFA websites:

NMED Funding: www.env.nm.gov/funding-opportunities/ and <https://nmed.commentinput.com/comment/search>

NMFA DWSRLF: www.nmfinance.com/water-project-fund/drinking-water-state-revolving-loan-fund/

A summary of the comments received will be included as part of Appendix D in the final version of this IUP. The final IUP updated through the public comment process and approved by EPA will be posted on the NMED and NMFA websites above.

Audits and Reporting

To ensure transparency and accountability, the state agrees to submit an Annual Report and Annual Audit to the EPA Region 6 pertaining to the actual uses of funds, and how the State has met the goals and objectives for the previous fiscal year, as identified in the previous year's IUP. The scope of the Annual Report covers the DWSRLF and all approved Set-aside activities funded by the DWSRLF program. The Annual Audit covers the financial transactions for the DWSRLF and Set-aside drawdowns.

The NMFA will have an annual independent financial compliance audit conducted, including a single audit, as required of its DWSRLF program in accordance with Generally Accepted Government Accounting Standards (GAGAs) issued by the Comptroller General of the United States. The audit report will contain an opinion on the financial statement of the DWSRLF; a report on internal controls; and a report on compliance with the SDWA.

The NMFA requires DWSRLF recipients to maintain project accounts in accordance with Generally Accepted Accounting Principles (GAAPs). This requirement will be implemented through a condition in the financial assistance agreement, signed by both the NMFA and the DWSRLF assistance recipient.

The state agrees to enter data into EPA's Office of Water State Revolving Fund (OWSRF) database. The OWSRF replaces the old DW PBR and DWNIMs systems. The State will act in accordance with EPA Order 5700.7 Environmental Results Under Assistance Agreement. The State agrees to follow the Federal Funding Accountability and Transparency Act requirements (FFATA). The State agrees to comply with the reporting requirements included in the current fiscal year Appropriation.

Appendix A-1: Base/BIL Supplemental Priority List



Drinking Water State Revolving Loan Fund Priority List Annual List FY2025
Projects Recommended to NMFA for Funding

This list will be updated with each funding cycle- Updated 05/14/2024

Rank	Public Water System Name and Number	Score	Population	County	Disadvantaged Status	Project Title	Project	Requested Funding	Terms of Financial Assistance
1	City of Gallup NM3508317	43	21,253	McKinley	Yes	Gallup Water Wells	Gallup Water Wells	\$16,000,000	To be determined by NMFA
2	Santa Fe Water System, NM3505126	37	90,810	Santa Fe	Yes	Flocculation & Sedimentation Improvements	The City of Santa Fe Plans to construct upgrades to the flocculation and sedimentation process at the Canyon Road Water Treatment Plant to continue providing citizen water service with clean drinking water. The elements being improved are nearing the end of their ability to continue functioning as necessary. A 2020 Comprehensive Performance Evaluation and Facility Optimization Evaluation identified flocculation and sedimentation basin upgrades as high priorities and well-suited to be combined into a single project.	\$17,000,000	To be determined by NMFA
3	Ojo Caliente MDWCA, NM3506621	35	226	Taos	No	Water Storage Tank	New Water Storage Tank	\$669,333	To be determined by NMFA
4	City of Gallup NM3508317	24	21,253	McKinley	Yes	Cast Iron Lines Replacement	Cast Iron Lines Replacement	\$30,000,000	To be determined by NMFA
5	Enchanted Forest MDWCA, NM3563814	22	536	Lincoln	Yes, Severely	Infrastructure	*Amendment to existing project to fund all phases of the waterline replacements for the system and additional tank	\$1,250,000	To be determined by NMFA
Total:								\$64,919,333	

Notes:





Comprehensive -Eligible Projects Submitted Not Recommended for Funding at This Time

*Projects on this list have submitted a pre-application for funding but have not been reviewed or ranked for final eligibility

Quarter Submitted	Public Water System Name and Number	Population	County	Project Title	Project Description	Requested Funding
FY22 Q4	Fawn Ridge Mutual Domestic Water Users Association, NM3559014	224	Lincoln	Fawn Ridge Drinking Wtr Well Phase 1	Plan, design, construction management, construction of a new deep community water well and piping for the Fawn Ridge Property Owner's Association	\$150,000
FY22 Q4	Paakweree Village Mutual Domestic Water Consumers Association, NM3501901	126	Bernalillo	Water System Improvements	Water System Improvements	\$750,000
FY22 Q4	Canada de los Alamos Mutual Domestic Water Consumers Association, NM3504026	68	Santa Fe	Water Improvement Project	This water improvement project is to connect Santa Fe County Water via a new booster pump and waterline to the existing Canada de los Alamos MDWCA 50,000-gallon storage tank. Water will be wheeled through the Sunlit Hills Water System from Santa Fe County's Rancho Viejo Storage Tank, and then will be transported through the new waterline from a booster pump at Two Trails Road and Old Las Vegas Hwy through a 3.5 mile waterline to our tank. This project supports the County regionalization goal to connect utilities to its Surface water source thereby preserving Ground water for future use and for those unable to access County water.	\$5,200,000
FY22 Q4	Espanola Water System, NM3501921	12012	Rio Arriba	Prince 2 Municipal Supply Well	The project will include construction of a new municipal water supply well (approximately 460-foot deep) to supplement the City's existing wells. The project also includes construction of approximately 810 linear feet of 6-inch PVC waterline, a new well building, site piping, and electrical and controls. Ancillary work will include an overhead power extension, site grading, fencing, and basecourse. The amount we are requesting for funding is for engineering services during construction (including bid, construction administration, and construction observation), and construction of all improvements.	\$2,466,425
FY22 Q4	Whispering Cedars Domestic Water Association, NM3510517	425	Mckinley	Water well	Water Well	\$80,000
FY22 Q4	Whispering Cedars Domestic Water Association, NM3510518	425	Mckinley	Meter upgrades, sending units, readers and tablet	Up grade meters with new sending units per meter, meter reading tool, tablet to compile readings	\$50,000
FY22 Q4	Canon Mutual Domestic Water Consumers & Sewage Works Association, NM3535223	320	Sandoval	Gilman Extension	Drill a well, build a pumphouse and storage tank with distribution lines to serve approximately 14 families without potable water due to wells drying up. This project will be connected to the existing Canon system to provide a secondary source of water for the current 135 members.	\$1,500,000
FY23 Q1	Village of Capitan, NM3512514	2162	Lincoln	Water Department Building	Construct building to store water department parts and equipment. The engineering has already been completed.	\$600,000



Comprehensive -Eligible Projects Submitted Not Recommended for Funding at This Time

*Projects on this list have submitted a pre-application for funding but have not been reviewed or ranked for final eligibility

Quarter Submitted	Public Water System Name and Number	Population	County	Project Title	Project Description	Requested Funding
FY23 Q1	Albuquerque Water System, NM3510701	659736	Bernalillo	Northwest Capacity Improvement and Expansion Project	This expansion will create approximately 700 new high-paying jobs at Intel and is expected to indirectly create another 2,500 jobs in the local economy. One of the requirements for this expansion is additional water to support production. Intel recently reached out to the Albuquerque Bernalillo County Water Utility Authority (Water Authority) to provide water service. In order to provide this service, substantial infrastructure is required to convey water to Intel, while continuing to provide uninterrupted service to current customers. Intel is required to install a \$31M dedicated non-potable water transmission line and equip two existing high arsenic wells. The drinking water infrastructure in this part of the system was obtained through the acquisition of New Mexico Utilities which lacks water transmission capacity and redundancy. In order to make the requested water available to Intel, the Water Authority requires approximately \$34M in water treatment and transmission improvements, including a new arsenic treatment plant and drinking water pump station improvements, transmission pipelines and reservoir. The Water Authority's water resources strategy (Water 2120) supports full utilization of surface water when available, while storing and preserving groundwater to be used in times of drought. Expanding service to Intel is supportive of multiple Water 2120 policies. Intel will be utilizing high arsenic impaired groundwater. Intel returns over 80 percent of water delivered in the form of wastewater, which serves as a source of supply for reuse water. By providing additional water service to Intel they will not need to acquire native pre-1907 (i.e. agricultural) water rights to expand their process. The arsenic treatment plant will also provide drought resiliency, putting five existing high arsenic wells back in service.	\$20,000,000
FY23 Q1	Albuquerque Water System, NM3510702	659736	Bernalillo	Aquifer Storage and Recovery	Aquifer Storage and Recovery (ASR) is an important water resources management tool that provides the ability store San Juan-Chama water in the aquifer for droughts. ASR is a vital part of the Water Authority's 100-year Water Plan (Water 2120). This request would fund permitting and design for the next phase of the direct injection or an infiltration project on the eastside of Albuquerque.	\$5,000,000
FY23 Q1	Albuquerque Water System, NM3510703	659736	Bernalillo	Carnuel Water and Wastewater Project	The Water System Improvements will provide an extension of the water system that consists of an eight-phase project which could connect about 800 existing households in the Carnuel community. A Preliminary Engineering Report (PER), Environmental Report, and Supplemental Engineering Reports have been completed for all phases of the project. The Wastewater System Improvements will provide the design of a low-pressure sewer system for residents located between NM 333 and I-40. Once completed the new sewer system will include approximately 16,300 linear feet of small diameter sewer lines and serve approximately 139 single family households. A PER was completed in December 2010, received NMED approval in August 2012. The Environment Document was completed in May 2013, received NMED approval in August 2013. An additional Design Analysis Report (DAR) was performed in 2019 to further analyze study area C as identified in the 2010 PER. It was concluded that a low-pressure sewer would be the best option for area C between NM 333 and I-40. Design for the Phase 1 sewer system is currently funded and underway.	\$10,000,000



Comprehensive -Eligible Projects Submitted Not Recommended for Funding at This Time
***Projects on this list have submitted a pre-application for funding but have not been reviewed or ranked for final eligibility**

Quarter Submitted	Public Water System Name and Number	Population	County	Project Title	Project Description	Requested Funding
FY23 Q1	Cottonwood Rural Water Association, NM3555008	1685	Eddy	Cottonwood RWA Water System Improvements	Funds will be used to improve the Association's water system by replacing approximately 7,100 linear feet of existing distribution lines on Compress Road between 13th Street and Pecos Avenue with 8" PVC pipe. The pipe will be upgraded to 6" PVC pipe on Compress Road between Pecos Avenue and Haldeman Road. The existing distribution lines on Bolton Road, Mill Road, and Haldeman Road will be replaced with 6" PVC pipe. Approximately 28,700 linear foot of new 6" PVC pipe will be installed along the project corridor. In addition, installing a tripod mixer at the bottom of the Firehouse Tank.	\$2,220,652
FY23 Q1	Timberon Water and Sanitation District, NM3546419	1502	Otero	Potable Water Tank 3 90,000 Gallon Tank Replacement	Tank 3 was inspected yesterday August 23rd 2022; consequently the tank is too structurally damaged to repair or put back in service without impacting adversely the water system.	\$350,000
FY23 Q1	Catalpa Water Association, Yet to be determined	less than 500	McKinley	New Water Supply	To plan, design, construct, and equip a new waterline system, including essential equipment and materials. The project will entail developing a new waterline that will be connected to the City of Gallup's distribution system. This is based on cost estimates for Alternative #4 of the Catalpa WA Preliminary Engineering Report (PER). The distribution line will be equipped with valves, meters, and fire hydrants to ensure access to safe drinking water and for fire suppression.	\$4,500,000
FY23 Q1	Glorieta Camps, NM3504626	2700	Santa Fe	Well #5 Rehabilitation	Glorieta 2.0 is a Christian outdoor adventure camp that hosts 35,000 guests annually and houses our 60 full-time staff members and their families. Our water system supports our residents, guests, and the Glorieta, New Mexico residents. Our Well #5 was one of our primary wells that could provide drinking water to our entire facility and provide redundancy for our other primary Well #8. Well #5 had a collapse in 2015 that we were able to repair, but the well started producing water with trace amounts of uranium which continued to be a problem for the community. In 2020, the well was taken off the drinking water system per NMDWB and has since been used as an irrigation well. The goal of this project is to rehabilitate Well #5 by repairing the broken casing, plugging the source of uranium, and bringing the well back onto drinking water by itself or via blending with Well #8. This will provide our community with needed drinking water and allow us to not pull from one source which has been an issue during the past years of drought.	\$500,000
FY23 Q1	EVWA-Ilfeld MDWCA, NM3500125	400	San Miguel	Ilfeld Tank Replacement	To Replace the existing 25,000 gallon tank with a 55,000 gallon tank.	\$50,000
FY23 Q1	EMWT Regional Water Association, NM3501230	less than 500	Torrance	EMWT Regional Water - McIntosh Water System	The development of a new public water system to serve the unincorporated community of McIntosh in Torrance County, New Mexico. The project approved PER identifies a new well, storage tank, disinfection system, transmission piping, distribution piping, valves, hydrants, meter, and associated improvements to serve approximately 161 existing developed lots with drinking water and become an initial component in the EMWT regional water system serving the Estancia Basin	\$12,000,000



Comprehensive -Eligible Projects Submitted Not Recommended for Funding at This Time

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Quarter Submitted	Public Water System Name and Number	Population	County	Project Title	Project Description	Requested Funding
FY23 Q1	EMWT Regional Water Association, NM3501230	less than 500	Torrance	EMWT Regional Water - Private Water Systems Acquisition (Sunset Acres Water System and Homestead Estates Water System)	The EMWT Regional water System has been approached by two water systems seeking EMWT to acquire, improve and operate each water system as a component in the EMWT Regional Water System. EMWT is in final negotiations with the Homestead Estates Water System to convey the ownership of the fully functional private water system to EMWT at no cost. EMWT does however intend to make some immediate improvements to the system upon acquisition to improve the system and ensure regulatory compliance. EMWT is in negotiations with the Sunset Acres Water System to purchase the full system with water rights and make improvements to the source wells to insure regulatory compliance. Both systems are in Torrance County, near Moriarty and in very close proximity to each other within the EMWT's approved masterplan service area. Technical memos have been completed for both systems by the association Engineer, Bohannon Huston, Inc.	\$2,000,000
FY23 Q2	Cloudcroft Water System, NM3513519	2865	Otero	Corona Ave. Sugar Pine Waterline Replacement	Replace Approximately 10,000' of old lead pack joints and a mixture of C-900 and P.V.C. Replace approximately 80-3/4" water services new saddles, corpstops, curbstops, meter cans, meter risers, 13- Fire Hydrants, and gate valves.	\$4,000,000
FY23 Q3	Truth or Consequences, NM3514327	7640	Sierra	Emergency Waterline Replacement	Replacement of deteriorated and failing distribution waterlines and associated appurtenances throughout the City to reduce operation and maintenance costs, number of reoccurring leaks, breaks and overall water loss.	\$20,262,864
FY23 Q3	Timberon Water and Sanitation District, NM3546419	1502	Otero	Distribution Line Replacement Project	To design and construct water system improvements. These improvements can be phased to begin to mitigate the 84% potable water losses to the districts potable water distribution system. The metrics used to determine which areas are the best candidates for line replacement are the following: the past 10 years of line leak repair data for the entire distribution system, Historical system flow data from the SCADA (supervisory control and data acquisition), and also utilizing data set conclusions from the Preliminary Engineering Report "Master Water Plan" product produced by Bohannon and Huston Engineering, Inc. The work, materials and equipment required to begin to mitigate the 70-80% water losses will include the following; valves, adapters, fire hydrants, pumps, relief valves, tanks and associated piping connectors in 4" and 6" HDPE piping systems and other water related system improvements. Potable water mass balancing indicates that the rate of water losses are growing due primarily to accelerating rates of water losses in the distribution system overall. Data from 2018-2019 indicated ~70% water losses which have grown to 84% losses in just 3 years. Currently to keep up with maintaining storage tank levels and adequate line pressure due to the accelerating water losses 2 sources of potable water are now required to maintain the required tank levels. Additional Community Information: The water distribution system is nearing full depreciation and beginning to show signs of catastrophic failure as the district has logged over 319 water line distribution system repairs since 2013 records show. This project once completed will allow the district to replace water distribution lines, which will in turn begin to reduce the districts water losses as well as a reduction in operating cost associated with repairing leaks.	\$2,250,000
FY23 Q3	Socorro County Water Hauler, NM3500828	100	Socorro	Water tanker	emergency water source	\$10,000
FY23 Q3	Tyrone Water and Wastewater Association, NM3500309	70	Grant	Water system improvements	The Tyrone domestic water system is over 50 years old and all system components are aging. The fire hydrants are not repairable as parts are not available. The water valves at each intersection are inoperable, and the 4+ miles of buried are transite (asbestos) pipes and are deteriorating. The elevated water tank needs rehabilitation and repairs.	\$8,000,000



Comprehensive -Eligible Projects Submitted Not Recommended for Funding at This Time
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Quarter Submitted	Public Water System Name and Number	Population	County	Project Title	Project Description	Requested Funding
FY23 Q3	Jemez Springs Domestic Water Association, NM3509123	1157	Sandoval	Waterline and system upgrades	We have roughly one mile remaining of a main distribution line we have been replacing. The funding we currently have has allowed us to do the project in phases. We want to finish the last phase of construction of the line. Once the line is finished we want to upgrade the remaining meters on our system to be newer, radio read meters to help us more quickly locate and repair leaks as well as have more reliable and accurate readings, over the last year we have upgraded 70 meters to radio read meters.	\$300,000
FY23 Q3	Ranchos De Placitas Sanitation District, NM3509423	374	Sandoval	Well #2 Well House Renovation	Renovation of Well #2 well house, including new piping, electrical and SCADA upgrades, and well house structure improvements	\$250,000
FY23 Q3	Whispering Cedars Domestic Water Association, NM3510517	425	Mckinley	Upgrade on Meters	Meter upgrades	\$70,000
FY23 Q3	Vallecitos MDWCA, NM3503521	92	Rio Arriba	Vallecitos MDWCA Upgrade	We need to fix valves in our treatment plant to control water flow, automate backwash, add some reporting to operators	\$150,000
FY23 Q3	Miami Domestic Water Users Association, NM3526504	135	Colfax	Water Meter Upgrades	Replacement of water meters that the majority have been online over 50 years and have rolled over a couple of times. All meter would be replaced with radio/remote read meters with associated hardware and software.	\$78,750
FY23 Q3	Nogal MDWCA, NM3513014	94	Lincoln	Back-up Water Well	Drill and equip back-up well	\$50,000



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Quarter Submitted	Public Water System Name and Number	Population	County	Project Title	Project Description	Requested Funding
FY23 Q3	Village of Taos Ski Valley, NM3533329	1025	Taos	Projects are captured in the annual ICIP	recommended upstream and downstream clear distances are satisfied. By installing these new master meters, the distribution waterline between the CS and Green Tank (~4,600 LF) can be isolated. As identified in Section 3.2.2.1, the meter readings from existing mechanical meters indicate an apparent average unaccounted-for water of 80,000 gpd (60% of the total documented unaccounted-for water).5.2.2 PRIORITY NO. 2Install a new master meter at the intersection of Twining Road and Pioneer Glade, prior to the branch line to Pioneer Glade. The installation of this meter along with the installation of the master meter on the Green Tank outlet and customer meters will isolate approximately 3,200 LF of 8-inch ductile iron waterline, 1,600 LF of 6-inch ductile iron waterline, 1,400 LF of 8-inch PVC waterline, and 1,200 LF of 4-inch PVC waterline. All waterlines isolated were installed prior to 2010 and are likely to contribute to unaccounted-for water. It is important to prioritize this segment as it not only provides water to residential lots but is the only water main that provides water from the Green Tank to the Pioneer Glade Tank and the remainder of the Core Village Base Area and Commercial/ Business Base Area.5.2.3 PRIORITY NO. 3 Install four (4) new master meters. One master meter should be installed on the 4-inch inlet to the Pioneer Glade Tank in a separate valve vault. This meter along with customer meters will isolate approximately 400 LF of 8-inch ductile iron waterline and 800 LF of 4-inch ductile iron waterline. All waterlines in this isolated segment were installed after 2010 and are unlikely sources of unaccounted-for water; however, it is necessary to isolate these waterlines in order to evaluate the remainder of the isolated segment.5.2.4 PRIORITY NO. 4Install a new master meter on the 6-inch ductile iron waterline installed in 2017 near the Children’s Center. This meter, along with customer meters, will isolate approximately 750 LF of 6-inch PVC waterline and 2,200 LF of 2-inch PVC waterline. All waterlines isolated in this segment were installed prior to 2010 and are likely to contribute to unaccounted-for water. The primary users for this isolated segment are those located along Firehouse Rd. and VTSV’s wastewater treatment facility. 5.2.5 PRIORITY NO. 5 As noted in Section 3.2.3.1, there are locations within the distribution system where 4-inch water mains are utilized for fire protection. There is approximately 1,200 LF of 4-inch PVC water mains in the segment isolated by the master meters identified in Priority No. 3 and 4,400 LF of 4-inch PVC water mains in the segment isolated by the master meters identified in Priority No. 4 utilized for fire protection. These water mains should be thoroughly evaluated to determine fire protection capabilities. If it is determined that these 4-inch water mains are unable to provide adequate fire protection, these water mains should be immediately replaced with adequately sized water mains to satisfy water protection needs.5.2.6 PRIORITY NO. 6 Based on available mapping, there are approximately 1,200 LF of 2-inch galvanized water lines within the distribution systems. Galvanized waterlines are subject to corrosion	\$3,000,000,000
FY23 Q3	Watrous MDWCA, NM3516719	66	Mora	WMDWCA construction and replacement of tank and address the new lead and copper rule.	WMDWCA existing storage tank was not manufactured for potable water and does not meet AWWA criteria for public water tank. The road to the water tank needs to be repaired. The new water storage tank will resolve the deficiencies identified in the 2018 Sanitary Survey Report. To be compliant with the new lead and copper rule by installing new distribution line upgrades	\$294,200
FY23 Q3	Mosquero Water System, NM3526811	293	Harding	Mosquero Water Project	To plan, design, construct much needed upgrades to current water distribution pipes estimated 2 miles in length, install new water pipes for incoming residential sites, and upgrade water meter system to radio frequency meters to better increase water use efficiency within the village limits.	\$5,000,000
FY23 Q3	National Solar Observatory, NM3564119	26	Otero	Interior coating of 2 ground water storage tanks and interior coating of elevated water tank	blast cleaning of interior tank surfaces and coating of the interiors of the 3 water storage tanks	\$87



Comprehensive -Eligible Projects Submitted Not Recommended for Funding at This Time
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Quarter Submitted	Public Water System Name and Number	Population	County	Project Title	Project Description	Requested Funding
FY23 Q3	Tucumcari, NM3528020	7124	Quay	City of Tucumcari West Rt. 66 water line replacement	Replacement of old 3" AC water lines on the South side of West Rt 66 from Mile Marker 334 to 334 with 6" C-900.	\$1,200,000
FY23 Q3	Elida Water System, NM3528322	419	Roosevelt	Elida Lead and Cooper Project	Upgrade water system, SCADA upgrade, lines within municipal, storage tanks, refurbish wells. end user for regionalized project.	\$2,000,000
FY23 Q3	Madrid Water System, NM3504826	315	Santa Fe	Replace pipes	Replace iron pipes	\$1,000,000
FY23 Q3	Grady Water System, NM3564119	207	Curry	Grady Water Improvements	Planning and designing of additional fire hydrants and lines, replace distribution lines and install updated water meters and rehab our storage tank.	\$500,000
FY23 Q3	Fort Sumner Municipal Water System, NM3527706	1911	De Baca	Grizzle Well, Tank, and Transmission Line	Replace 10" asbestos cement water line with C-900 PVC pipe from the Grizzle Well to the Grizzle storage tank to the Village.	\$10,000,000
FY23 Q4	Aztec Domestic Water System	5960	San Juan	WATER TANK UPGRADE/REPLACEMENT	BLADDER WATER STORAGE TANK COVER EVALUATION AND REPLACEMENT. ALTERNATIVELY, MAY HAVE TO REPLACE WITH NEW TANK	\$2,300,000
FY23 Q4	Tierra Monte Water Users Inc	78	Bernalillo	water meter equipment upgrade, coating of water storage tanks, water line upgrades	Replace existing water meters and re-coat interior of water storage tanks, replace old water lines	\$150,000
FY23 Q4	Pojoaque Terraces Manufactured Housing Community, NM3572126	160	Santa Fe	Pojoaque Terraces Water System	Engineering studies to determine effectiveness of iron and manganese systems, addition of uranium treatment system	\$75,000
FY23 Q4	La Joya Mutual Domestic Water Community Association, NM3552728	246	Socorro	Emergency Tank Replacement	New Tank Install replacement of old tank, and refurbish of old tank as secondary storage,	\$125,000
FY23 Q4	Village of Taos Ski Valley, NM3533329	1025	Taos	Taos Ski Valley Water System Water Loss Redress Project	The Water Master Plan shows up to 85% leakage with an average of 74% water loss, creating serious concerns for residents and visitors to the area.We plan to use NM Drinking Water Funds to provide infrastructure rehabilitation and operational improvements to address water use management and water pressure issues. The proposed project would reduce water loss by replacing brittle and failing distribution lines and providing customer meters that offer accurate readings throughout the year which will notify the Public Works Department of any future leaks. VTSV will need to replace a total of 25,630 linear feet of pipe which have been pinpointed as the sources of leakage within the system, and install 31 gate valves, 25 fire hydrants, and 436 coil pits.	\$3,000,000
FY24 Q1	San Luis-Cabazon MDWCA, NM3501823	200	Sandoval	Loan Refinance	Refinancing Water Improvements Loan from 2007 covering 12 miles of distribution, new booster pumps and a tank	\$323,000



Comprehensive -Eligible Projects Submitted Not Recommended for Funding at This Time

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Quarter Submitted	Public Water System Name and Number	Population	County	Project Title	Project Description	Requested Funding
	Santo Domingo Pueblo, PWS #063500120	>1,000	Sandoval	Santo Domingo Pueblo Transmission Water Line Replacement Project	Santo Domingo Pueblo Transmission Water Line Replacement Project aims to plan, design, construct, and repair drinking water related infrastructure improvements for Santo Domingo Pueblo, NM. The immediate need identified is to replace the transmission waterline with larger diameter pipe and implement flow control measures to resolve the system hydraulic issues. Additional needed improvements include increasing water storage and supply capacity to meet the projected demand and fulfill the system goals to provide clean drinking water to residential community members and meet commercial demands, which are all on the same water line system. PER has been completed. Funding request is for design and construction. Upon award design can start immediately.	\$14,586,000
FY24 Q3	Caballo Lake MDWA, NM3510027	95	Sierra	Galvanized replacement	Analize and replace two-inch lead distribution lines and service lines.	\$75,000.00
FY24 Q3	Tyrone Townsite, NM3500309	740	Grant	Elevated Water Tank Rehabilitation	The 200,000 gallon elevated water tank, constructed in 1967 was last inspected in 2019. Rust was identified in the interior of the tank, considerable sediment was vacuumed out of the floor of the tank, and screening of overflow pipe was recommended. There is some corrosion on the exterior surfaces of the tank and a lead-based sampling of the interior and exterior paint is scheduled for February 2024. The concrete foundations for the four legs are spalling and there is visible rust on the tower legs. The main valves that provide water to the tank and townsite are original and have not been operated for years. The altitude valve that fills the tank failed last month resulting in a flooded vault. The exterior access ladder is not OSHA compliant	\$750,000
FY24 Q3	Timberon Water and Sanitation District, NM3546419	590	Otero	Water Line Replacement/System Improvements	Due to the high rate of water loss in the distribution system (greater than 75%), the proposed project will replace leaking and broken pipes	\$250,000
FY24 Q3	Whiskey Creek Properties	97	Grant	Water System Improvements - Whiskey Creek Mobile Estates	Project will involve getting new water system storage tanks installed, metering all water connections, and improving distribution lines.	\$150,000
FY24 Q3	Cedar Creek Water Cooperative	120	Sandoval	Storage Tank Addition	Adding additional 33,000 gallon water tank storage	\$175,000
FY24Q3	Village of Floyd Water, NM3528422	122	Roosevelt	Auto-Read Water Meters	Replace all meters with auto-read meters so leaks will be detected at an early stage.	\$125,000
FY24 Q4	Sky Country Estates MDWCA, NM3502519	71	Otero	Sky Country Estates MDWCA Water System Improvements Project	this project includes design and construction of a supplemental water supply well, water storage tank, with necessary waterline, disinfection, and appurtenances to meet current and future demands and to address sanitary survey issues with the water storage tank.	\$1,700,000.00
FY24 Q4	Clayton Municipal Water System, NM3527031	3,250	Union	Pump station upgrades	Replace booster pumps, valves and miscellaneous parts. Replace electrical panel, Replace roof	\$400,000.00



Comprehensive -Eligible Projects Submitted Not Recommended for Funding at This Time
***Projects on this list have submitted a pre-application for funding but have not been reviewed or ranked for final eligibility**

Quarter Submitted	Public Water System Name and Number	Population	County	Project Title	Project Description	Requested Funding
FY24 Q4	Pendaries Village MDWCA, NM3574125	592	San Miguel	Water System Improvements	This project includes the construction of new PVC C900 waterline including all appurtenances and disinfection systems. A significant portion of the existing water system comprises aging waterline and substandard piping that has been exacerbated by the recent Hermit's Peak Fire that significantly impacted the Association. This damaged waterline leaks, which not only increases operation and maintenance costs, but results in water losses that, for a water Association, translate to lost revenue. The project will benefit members of the community by ensuring continued and reliable access to potable water. It will also ensure that the Association is not losing water due to system leaks.	\$7,000,000.00
FY24 Q4	Village of Des Moines, NM3527131	218	Union	Des Moines water system upgrade and renovation	plan, design, renovate, construct, purchase and equip Des Moines Water System	\$2,700,000.00
FY24 Q4	Carlsbad Municipal Water System, NM3520608	33,626	Eddy	Double Eagle Waterline Replacement	To plan, design, construct, and replace existing water lines in the Double Eagle water well field in Carlsbad, NM. The lines to be replaced serve as gathering lines and transmission lines from the two well fields. This project is being phased.	\$3,000,000.00
FY24 Q4	Carlsbad Municipal Water System, NM3520609	33,626	Eddy	Double Eagle Waterline Improvements - Connection to Tatum Well Field	To plan (including environmental Studies), design and construct a new water line from the Tatum Wells area to the existing Double Eagle Water System. Also included in this project will be the drilling of up to 21 additional permitted wells in the Tatum Well Field area. Phase 1 includes design and construction of the waterline to connect the two water fields and the drilling and equipping of new wells.	\$8,010,973.00
FY24 Q4	Carlsbad Municipal Water System, NM3520610	33,627	Eddy	East Greene St. Waterline	The project involves repurposing approximately 9,750 LF of existing water line and installing 4,040 LF of new waterline to increase fire flow capacities to the industrial park areas along E. Greene St. The length of line that will be impacted is approximately 13,790 LF (approximately 2.6 miles). The project scope includes planning, design, and construction. Phase 1 of this project has a budgetary cost of \$1,526,000, which includes engineering, construction, 20% contingency, and NMGRT.	\$1,554,000.00
FY24 Q4	Carlsbad Municipal Water System, NM3520611	33,628	Eddy	Sheep's Draw Reservoir #5	To plan, design, and construct a new 5 million gallon reservoir tank in the Sheep's Draw water well field in Carlsbad, NM, Eddy County.	\$6,000,000.00
FY24 Q4	Camino Real Regional Utility Authority, NM3502507	19,766	Dona ana	Replace Wells 2 and 8A	The project consists of replacing Well 8A in Santa Teresa and Well 2 in the Border Region Service Area. Both wells have been out of service for over 5 years and need to be re-drilled and equipped with new well pumps. Replacement of Well 2 will also include a new control building and disinfection system.	\$7,000,000.00
FY24 Q4	Carlsbad Municipal Water System, NM3520611	33,628	Eddy	Water System Improvements	To plan, design and construct improvements to the Municipal Water System including waterline extensions as identified in projects section below, waterline replacement, minor repairs to booster and pressure reducing stations, repairs to reservoirs, fire lines and dead end lines.	\$5,000,000.00
FY24 Q4	Los Alamos Municipal Water System, NM3500115	19,000	Los Alamos	Los Alamos Waterline Replacement Projects	Downtown 14" Transmission Line Replacement Project. Replace 75 year-old steel water transmission line which is located beneath commercial shopping center buildings in Los Alamos. The project will construct 1,800 feet of new 14" waterline.Denver Steels Waterline Replacement Project. Replace 3,300 feet of 70 year-old lead jointed cast iron waterlines and 78 water services in Denver Steels residential neighborhood.	\$2,500,000.00
FY24 Q4	Carlsbad Municipal Water System, NM3520611	33,628	Eddy	Water System Improvements	To plan, design and construct improvements to the Municipal Water System including waterline extensions as identified in projects section below, waterline replacement, minor repairs to booster and pressure reducing stations, repairs to reservoirs, fire lines and dead end lines.	\$5,000,000.00
Total:						\$3,128,825,978

Appendix A-2: BIL Lead Service Line Priority List



Drinking Water State Revolving Loan Fund Priority List Annual FY2025
Projects Recommended to NMFA for BIL Lead Funding

This list will be updated each funding cycle- Updated 05/07/2024

Rank	Public Water System Name and Number	Score	Population	County	Disadvantaged Status	Project title	Project Description	Requested Funding	Terms of Financial Assistance
1	Portales Water System, NM3528522	53	14284	Roosevelt	Yes, Severely	Lead Service Line Inventory and Replacement Project	To conduct the required inventory of our service line to locate any lead service lines and institute a program for their replacement	\$2,500,000	To be determined by NMFA
Total:								\$ 2,500,000	

Notes: This priority list is the fundable list that contains projects expected to receive assistance this quarter



Comprehensive -Eligible BIL Lead Service Line Replacement Funding Projects Submitted Not Recommended for Funding at This Time

***Projects on this list have submitted a pre-application for funding but have not been reviewed or ranked for final eligibility**

Quarter Submitted	Pubic Water System Name and Number	Population	County	Project Title	Project Description	Requested Funding
FY23 Q3	Sierra Vista South Cooperative, NM3511201	128	Bernalillo	Lead Service Line Project	Inventory and Eliminate Lead Service Lines in accordance with regulatory requirements	\$50,000
FY23 Q3	Quemado Lake Water Association, NM3580202	411	Catron	Lead Service Line Project	This application is to assist in the application of the state to the EPA for funding of the Lead Service Line Project	\$100,000
FY23 Q3	Hillsboro HMDWCA, NM3514127	148	Sierra	Lead Line Homeowner Replacement	To replace lead lines on the homeowner side of the system. The System has no lead lines. /	\$250,000
FY23 Q3	Cimarron Water System, NM3526204	969	Colfax	Water System Improvements Project to include replacement of waterlines	To upgrade the meters to auto read and to replace waterlines that could potentially cause a health risk	\$1,200,000
FY23 Q3	Talpa MDWCA, NM3507429	700	Taos	El Tros Road galvanized water line replacement	Replace galvanized antiquated water line approximately 1200 ft	\$500,000
FY23 Q3	Village of Floyd Water System, NM3528422	109	Roosevelt	Lead & Copper Rule Change	EPA Lead & Copper Rule Change	\$70,000
FY23 Q3	Village of Magdalena, NM3523528	1571	Socorro	lead / copper survey	survey of service lines for lead/copper	\$150,000
FY23 Q3	Rancho Grande Water Ass. Inc., NM3523502	215	Catron	Rancho Grande Lead and copper	Needing the lead and copper regulation Replace line if needed	\$500,000
FY23 Q3	Anthony Water & Sanitation District, NM3511207	8956	Dona Ana	AWSD LEAD SERVICE LINE ASSESSMENT	Make an inventory of every serive line connection and assess the mateiral and condition of the service line inside private property.	\$1,750,000
FY23 Q3	Chamberino MDWC&SA, NM3500807	668	Dona Ana	Chamberino MDWC & SA Lead Service Line Project	Complete an inventory of all your service lines and prepare an action plan on how to address any lead service lines that are identified.	\$124,000
FY23 Q3	Village of Floyd Water System, NM3528422	109	Roosevelt	Lead and Copper Rule Change	update all system to meet new EPA guidelines for the new lead rule	\$70,000
FY23 Q3	City of Deming, NM3528616	16236	Luna	City of Deming Lead and Copper service line survey and replacement	Survey the existing service lines and develop an inventory of lead and copper lines followed by construction to remove and replace the lead and copper service lines within City of Deming ROW.	\$3,250,000
FY23 Q3	Raton Water System, NM3526704	9733	Colfax	Lead Service Lines	Lead Service Line Removal/Replacement	\$3,750,000
FY23 Q3	Lower Valley Water Users Cooperative Association, NM3510324	7615	San Juan	Replace Lead service lines	Replace Lead Service Lines	\$200,000



FY23 Q3	Jal Water Supply System, NM3521713	3233	Lea	Jal Lead Service Line Inventory and Replacement Project	Revisions to the Lead & Copper Act require that the City of Jal inventory all water services lines (City and Customer owned) to identify lead piping, or galvanized piping downstream of lead pipes. October 2024 is the deadline to complete the inventory, develop a service replacement line plan, and making this information available to public. Using existing data including field performed by City staff, the goal is to complete 50% of the inventory in-house. Field work to complete the balance of the inventory will likely be performed by a third-party contractor. As lines are exposed, GIS data will need to be obtained as this will make up the layered GIS map that will be made available to the public. Services of consultants will be needed to create the GIS map together with development of the Plan. Funds are also be requested for the replacement of lead and/or galvanized piping downstream of lead pipes when encountered. City of Jal reimbursement of labor & materials \$75,000 (600 service lines @ \$125/line); third-party Contractor \$75,000 (600 service lines @ \$125/line); GIS mapping \$50,000; consultant services \$50,000.; replacement of service lines \$300,000 (estimate 10% of 1200 services = 60 services at \$5,000/service),	\$825,000
FY23 Q3	Triple J MHP, NM3557813	184	Lea	Triple JMHP LLC- lead	lead service line inventories and lead line replacement plans	\$300,000
FY23 Q3	Roswell Water System, NM3520203	54025	Chavez	Service Line Inventory Program	The Lead and Copper Rule Revised requires public water systems to complete a service line inventory that identifies all the service lines of the public water system's distribution, including private and shared service lines. Once this is established, the second step is to determine the materials of all service lines within its entire distribution inventory. 40 CFR 141.80 (a)(3,4)	\$369,779
FY23 Q3	Santa Fe Waldorf School, NM3580726	225	Santa Fe	Lead and Copper Remediation	In accordance with the new regulations, we need to complete an inventory of all our service lines to identify any lead piping. Due to the age of our campus and the lack of documentation of our plumbing systems we will likely need to excavate a number of our lines to complete the inventory. If we find lead pipes, we would also need to replace them.	\$50,000
FY23 Q3	Village of Dora, NM3528222	161	Roosevelt	Dora Water for No Lead	To find lead water lines in Dora and remove them.	\$55,000
FY23 Q3	Village of Logan, NM3526930	2840	Quay	Village of Logan Regional water project	Develop and implement lead and copper rule revision compliance plan. This includes contact with service line holders and identification of testing plan and remediation of lines, valves, and materials that may offer contaminants into the drinking water system.	\$750,000
FY23 Q3	City of Las Vegas, NM3518025	14530	San Miguel	Service Line Inventory & lead line replacement	To inventory all service lines in the City of Las Vegas System in accordance with the Lead and Copper rule and to replace any existing lead lines. Inventory could cost \$1,000,000 and replacing and estimated 20% of our lines could cost over \$4,000,000	\$5,175,000
FY23 Q3	Canon MDWC&SA, NM3535223	320	Sandoval	Lead & Copper Line Inventory	Project will prepare service line inventories and lead service line replacement plans that are required by the Lead Copper Revised Rule (LCRR).	\$100,000
FY23 Q3	Regina MDWCA, NM3509523	713	Sandoval	Regina MDWCA LCRR Service Line Inventory	Prepare an initial service line inventory, lead service line replacement plan, and school and childcare facility monitoring plan to comply with the EPA Lead and Copper Rule Revisions	\$50,000
FY23 Q3	Village of Cuba, NM3509023	2264	Sandoval	Village of Cuba LCRR Service Line Inventory	Prepare an initial service line inventory, lead service line replacement plan, and school and childcare facility monitoring plan to comply with the EPA Lead and Copper Rule Revisions.	\$100,000
FY23 Q3	Belen Water System, NM3524932	8385	Valencia	led service line inventory/ replacement	replacement of led service line	\$1,000,000
FY23 Q3	Alto de Las Flores MDWCA, NM3536907	716	Dona Ana	Alto de Las Flores Lead Service Line Inventory	Lead service line inventory	\$81,250
FY23 Q3	Talavera MDWCA, NM3577407	168	Dona Ana	Talavera Lead Service Line Inventory	Lead service line inventory	\$15,000



FY23 Q3	Eunice Water Supply System, NM3521513	4523	Lea	City of Eunice Lead Service Line Inventory Project	Project is to inventory all service lines (City and Customer owned) on the City of Eunice Water System to comply with revisions to EPA's Lead and Copper Act. In addition to inventorying of service lines for lead and galvanized piping downstream of lead pipes, a lead pipe replacement plan (Plan) is to be developed to provide information obtained to the public. Using existing data from tap cards, construction plans, meter installations, and work orders, the City of Eunice is projecting that 25% of the inventory data can be obtained together with 10% of Customer service line information. The balance of the data required of the service line inventory will need to be obtained through field work, ex: potholing. Should lead or galvanized pipes requiring replacement be found, these lines would be replaced. Basis for funding is as follows: Reimbursement of the City of Eunice for 25% of City service lines (191 service lines @ \$125/line= \$23,875) and 10% of Customer service lines (153 service lines @ \$125/line= \$19,125). Third party consultant services @ \$50,000. Third party contractor for field work (potholing) to identify the remaining City/Customer service lines (1342 service lines @ \$75/line= \$100,650. Replacement of 10% of the lines (153 service lines @ 5,000/line= \$765,000.	\$958,650
FY23 Q3	La Bajada MDWCA, NM3502926	40	Santa Fe	La Bajada MDWCA Lead Service Line Replacement	Lead Service Line Replacement from water gallery approximately 1 mile	\$500,000
FY23 Q3	Watrous MDWCA, NM3516718	66	Mora	Lead and Copper Rule Compliance	Comply with the new lead and copper rule. Construction of the road to the water tank and replacement of the water storage tank. Upgrade to the well houses	\$200,000
FY23 Q3	Yah Ta Hey W&SD, NM3532717	508	McKinley	Lead and Copper Inventory project	Provide labor and equipment to inventory all water services lines to determine if lead is present in the water system to prepare for the lead and copper upgrade rule.	\$59,500
FY23 Q3	Lybrook MDWCA, NM3533021	175	Rio Arriba	Lybrook MDWCA LCRR Service Line Inventory	Prepare an initial service line inventor, lead service line replacement plan, and school and child care facility monitoring plan to comply with the EPA Lead and Copper Rule Revisions	\$50,000
FY23 Q3	Yah Ta Hey W&SD, NM3532717	508	McKinley	Lead Service Line Evaluation and Replacement	To study and evaluate for any potential lead in service lines for the Yahtahey WSD and to move forward with any needed replacements of infrastructure and materials.	\$1,000,000
FY23 Q3	Rio Chiquito MDWCA, NM3504926	122	Santa Fe	LCRR Service Line Inventory	Prepare an initial service line inventory and lead service line replacement plan to comply with the EPA Lead and Copper Rule Revisions.	\$50,000
FY23 Q3	San Pablo MDWCA, NM3500607	570	Dona Ana	Lead Service Lines Inventory	Replace lead service lines - meter material monitoring, documentation, meter reading exercises and inventory.	\$55,000
FY23 Q3	City of Artesia, NM3520308	12843	Eddy	Lead and Copper water Survey	Survey the community for Lead and Coper service line	\$150,000
FY23 Q3	Tucumcari, NM3528020	7124	Quay	City of Tucumcari Lead and Copper replacement	To replace lead and copper lines	\$1,200,000
FY23 Q3	Picacho MDWCA, NM3545907	873	Dona Ana	Lead Service Line Inventory Project	Replace lead service lines and inventory	\$100,000
FY23 Q3	Winterhaven MDWC &SWA, NM3555407	152	Dona Ana	Lead Service Lines Inventory Project	Replace lead service lines and inventory	\$20,000
FY23 Q3	Village of Pecos, NM3518325	2133	San Miguel	Update GIS Mapping of Water & Sewer Lines	The location of all water lines must be updated as water personnel has discovered lines not included in current mapping of water lines	\$100,000
FY23 Q3	La Jara MDWCA, NM3509223	458	Sandoval	La Jara Water Users Association Lead and Cooper Resolution	Service line inventory for public water system and residential; identify lead service line replacements; and replace lead service line.	\$300,000



FY23 Q3	Reserve Water Works, NM3523402	642	Catron	Lead Service Line Inventory and Replacement	Inventory all service lines and replace all utility owned lead service lines and components to compliance with RLCR. Offer replacement to Home Owners for customer owned lines.	\$400,000
FY23 Q4	Santa Fe County South Sector, NM3500826	7000	Santa Fe	Santa Fe County Utilities, South Sector	Santa Fe County Utilities, South Sector Water System, Lead & Copper Rule Revisions, Copper and Lead pipe inventory, Lead Service Line Replacement	\$1,000,000.00
FY23 Q4	SANTA FE COUNTY WEST SECTOR, NM3500926	2690	Santa Fe	Santa Fe County Utilities, West Sector Water System, Lead & Copper Rule Revisions, Copper and Lead pipe inventory, Lead Service Line Replacement	Lead Service Line Replacement, Lead & Copper Rule Revisions, Copper and Lead pipe inventory	\$1,000,000.00
FY23 Q4	HYDE PARK ESTATES WATER USERS ASSOC, NM3544926	178	Santa Fe	Santa Fe County Utilities, Hyde Park Estates Water Users Association, Water System, Lead & Copper Rule Revisions, Copper and Lead pipe inventory, Lead Service Line Replacement	Santa Fe County Utilities, Hyde Park Estates Water Users Association, Water System, Lead & Copper Rule Revisions, Copper and Lead pipe inventory, Lead Service Line Replacement	\$1,000,000.00
FY23 Q4	Arroyo Seco Teen Center, NM3502726	50	Santa Fe	Santa Fe County Utilities, Arroyo Seco Teen Center, Lead & Copper Rule Revisions, Copper & Lead Pipe Inventory, Lead Service Line Replacement	Santa Fe County Utilities, Arroyo Seco Teen Center, Lead & Copper Rule Revisions, Copper & Lead Pipe Inventory, Lead Service Line Replacement	\$1,000,000.00
FY23 Q4	EL RANCHO SENIOR CITIZENS CENTER, NM3590526	45	Santa Fe	Santa Fe County Utilities, El Rancho Senior Center, Water System, Lead & Copper Rule Revisions, Copper and Lead pipe inventory, Lead Service Line Replacement	Santa Fe County Utilities, El Rancho Senior Center, Water System, Lead & Copper Rule Revisions, Copper and Lead pipe inventory, Lead Service Line Replacement	\$1,000,000.00
FY23 Q4	POJOAQUE VALLEY LITTLE LEAGUE FIELD, NM3582626	25	Santa Fe	Copper Rule Revisions, Copper and Lead pipe	Santa Fe County Utilities, Pojoaque Ballfield Water System, Lead & Copper Rule Revisions, Copper and Lead pipe inventory, Lead Service Line Replacement	\$1,000,000.00
FY23 Q4	CAJA DEL ORO ROAD PUBLIC WATER SYSTEM, NM3502226	179	Santa Fe	CAJA DEL ORO ROAD Copper & Lead Pipe Inventory, & Line Replacement	Lead Service Line Replacement, Lead & Copper Rule Revisions, Copper and Lead pipe inventory	\$1,000,000.00



FY23 Q4	Canoncito At Apache Canyon, NM3510026	250	Santa Fe	Santa Fe County Utilities, Canoncito at Apache Canyon, Water System, Lead & Copper Rule Revisions, Copper and Lead pipe inventory, Lead Service Line Replacement	Santa Fe County Utilities, Canoncito at Apache Canyon, Water System, Lead & Copper Rule Revisions, Copper and Lead pipe inventory, Lead Service Line Replacement	\$1,000,000.00
FY23 Q4	SANTA FE COUNTY PUBLIC WORKS/UTILITIES, NM3503126	100	Santa Fe	SFCPW Lead & Copper Inventory	Lead Service Line Replacement, Lead & Copper Rule Revisions, Copper and Lead pipe inventory	\$1,000,000.00
FY23 Q4	CAJA DEL ORO ROAD PUBLIC WATER SYSTEM, NM3502226	179	Santa Fe	CAJA DEL ORO ROAD LEAD & COPPER STUDY	Water System, Lead & Copper Rule Revisions, Copper and Lead pipe inventory, Lead Service Line Replacement	\$1,000,000.00
FY23 Q4	Grants Domestic Water System, NM3526133	8700	Cibola	LEAD & COPPER	LOCATING ALL LEAD AND COPPER WATER LINES	\$1,000,000
FY23 Q4	Dixon MDWCA, NM3501421	500	Rio Arriba	Residential Lead Testing	Residential lead testing to be in compliance with new lead rules and regulations.	\$40,000
FY23 Q4	Village of Hatch, NM3511607	2329	Dona Ana	Lead Service Line Replacement & Emerging Contaminants Program	Inventory and categorize the water service line materials to conform to EPA Lead Service Line and Emerging Contaminants requirements.	\$200,000
FY23 Q4	Sierra Vista MDA, NM3553601	342	Bernalillo	LCRR Service Line Inventory	Prepare an initial service line inventory and lead service line replacement plan to comply with the EPA Lead and Cooper Rule Revisions	\$50,000
FY23 Q4	Trampas MDWCA, NM3507629	132	Taos	LCRR Service Line Inventory	Prepare an initial service line inventory and lead service line replacement plan to comply with the EPA Lead and Copper Rule Revisions	\$50,000
FY24 Q2	Ruidoso Water System, NM3513114	19195	Lincoln	Village of Ruidoso Lead Service Line Inventory	Conduct survey to comply with the lead line inventory requirements.	\$150,000
Bypassed	Lower Rio Grande Public Water Works Authority, NM3512007, NM3513607, NM3502407, NM3513107, NM3512207	14,255	Dona Ana	LRGPWWA Lead Service Line Inventory	Lead service line inventory	\$1,375,000
Declined	Bluewater Water & Sanitation District, NM3525033	736	Cibola	Lead Service Line Inventory	Inventory of service and distribution lines.	\$51,000
FY24 Q2	Encino Water System, NM3523930	185	Torrance	System Lead Inventory and Updates to Lines	The Village of Encino will prepare a complete Lead and Copper Inventory, and based off the findings, incorporate new lines up to residential and commercial properties to ensure compliancy. Entire system will have shut-off valves installed between meter and property tie-in, to protect meter cans from vandalism and misuse.	\$100,000
FY23 Q3	Clayton MDWCA, NM3527031	3250	Union	Town of Clayton LCRR Service Line Inventory	Prepare an initial service line inventor, lead service line replacement plan, and school and child care facility monitoring plan to comply with the EPA Lead and Copper Rule Revisions.	\$60,000
Total:						\$41,614,179

Appendix A-3: BIL Emerging Contaminants Priority List



Drinking Water State Revolving Loan Fund Priority List Annual FY2025
Projects Recommended to NMFA for BIL Emerging Contaminant Funding

This list will be updated each funding cycle- Updated 05/14/2024

Rank	Public Water System Name and Number	Score	Population	County	Disadvantaged Status	Project Title	Project Description	Requested Funding	Subsidy Amount
No fundable projects moving forward at this time.									
Total:								\$ -	
Notes: This priority list is the fundable list that contains projects expected to receive assistance this quarter									



Comprehensive -Eligible BIL Emerging Contamninants Projects Submitted Not Recommended for Funding at This Time
*Projects on this list have submitted a pre-application for funding but have not been reviewed or ranked for final eligibility

Quarter Submitted	Pubic Water System Name and Number	Population	County	Project Title	Project Description	Requested Funding
FY23 Q3	Triple J MHP, NM3557813	184	Lea	Triple JMHP LLC-PFAS	PFAS and other emerging contaminant possibility	\$300,000
FY24 Q2	Cordova MDWCA, NM3501221	325	Rio Arriba	Cordova MDWCA Well 3	Drill and construct a new well adjacent to the tank site. The existing two supply wells have elevated levels of manganese.	\$354,000.00
FY24 Q3	Alto Lakes Water & Sanitation District, NM3558514	3406	Lincoln	Alto Lakes Manganese and Hardness Treatment Plant	Construct a 330 gpm Iron and Manganese removal plant with a 230 gpm softening plant capable of blending flow for a total capacity of 330 gpm. Construct 20 acres of brine disposal ponds and associated facilities.	\$11,000,000.00
FY24 Q4	Valle de la Cieneguilla, Not yet formed	400	Santa Fe	El Valle de la Cieneguilla PWS Formation to Address Emerging Contaminants	El Valle de la Cieneguilla is a non-governmental Spanish Land Grant Association in Santa Fe County. Limited testing ordered by the County of Santa Fe discovered concentrations of PFAS in private drinking wells in the community in 2023. The community wishes to organize a Mutual Domestic water system to make regular testing and treatment of drinking water efficient and standardize water quality for community members. With approximately 400 private wells, the community requires widespread water quality testing, which will be accomplished by Santa Fe County; organizational documents, training and technical assistance to form a public water system; a Preliminary Engineering Report, Environmental Information Document and likely other regulatory and environmental documents; construction of a water system to serve the community; operator training and technical support and O&M development. As the community will be starting from scratch to design and implement this system in response to emerging contaminants, it also requires financial help to purchase and install adequate home filtration systems in the interim, to ensure safe drinking water.	\$6,000,000.00
FY24 Q4	Rio en Medio MDWCA, NM3533426	150	Santa Fe	Study PFAS in the system and remediate	Study PFAS in the system and remediate	\$500,000.00
Total:						\$18,154,000.00

Appendix B-1: DWSRF Base/BIL Supplemental Ranking Criteria

SFY 25 DWSRLF Proposed Priority Ranking System

The DWSRLF program uses a priority system for ranking individual projects for funding prioritization for both the Comprehensive and Fundable Project Lists which:

1. Address the most serious risk to human health.
2. Ensure compliance with the requirements of the SDWA; and
3. Assist PWSs most in need, on a per-household basis, according to National affordability criteria.

The total project score is the sum of the points with respect to six categories listed below to determine their ranking and prioritization for State Fiscal Year 2025 DWSRLF assistance.

1. Source Water Vulnerability
2. Safe Drinking Water Act Compliance
3. Affordability and Project Readiness
4. Regionalization
5. Water and Operational Efficiency
6. Sustainable Infrastructure

SOURCE WATER VULNERABILITY	
<u>Inconsistent Water Supply</u> : Project is for rehabilitation or a new source of raw water for drinking water systems that experience water outages or deficiencies in water production as demonstrated by planning documents or supporting data.	12 Points
<u>Improve water quality in areas not currently served</u> : Project extends water service to existing residences that are not currently served by a centralized water system, or the local groundwater is contaminated.	8 Points
<u>Backup source</u> : Project includes development of a second potable source of water, such as a backup well or surface water intake.	6 Points
<u>Inadequate or decreasing water supply</u> : Project supplies future water production needs.	5 Points
<u>Finished Water storage</u> : Project is for additional finished water storage capacity to ensure adequate supply during emergency situations and planned outages (excluding storage requirements for fire flow). It is recommended that finished water storage should supply the system's demand with water for 2 days of no production. Excess storage capacity where water quality may be impacted should be avoided.	5 Points
<u>Source Water Protection Plan</u> : Water system maintains an active Source Water Protection Plan that has been updated in the last five years.	4 points
SAFE DRINKING WATER ACT COMPLIANCE	

<u>Acute violations</u> : System is in violation of acute treatment technique requirements or an MCL of an acute contaminant, and the proposed project will return the system to compliance.	20 Points
<u>Ground Water Under the Direct Influence of Surface Water (GWUDI) Sources</u> : System has received a formal GWUDI determination requiring the installation of surface water treatment, and the proposed project will meet compliance requirements.	15 Points
<u>Non-acute violations</u> : System is in violation of non-acute treatment technique requirements, significant deficiency or MCL exceedance of non-acute contaminants, and the proposed project will return the system to compliance.	12 Points
<u>Maintains Compliance</u> : System is in compliance with state and federal drinking water regulations.	1 point
AFFORDABILITY AND PROJECT READINESS (Community Water Systems Only)	
<u>Disadvantaged Communities</u> : System serves a population whose MHI is greater than 75% but less than 100% of the National MHI based on the most recent 5-year average.	6 Points
<u>Severely Disadvantaged Communities</u> : System serves a population whose MHI is 75% or less of the National MHI based on the most recent 5-year average.	10 Points
<u>Small System</u> : System serves a population of less than 1,000 people based on the average household size for the county served by system.	5 Points
<u>Very Small System</u> : System serves a population of less than 500 people based on average household size for the county served by system.	3 Points
<u>Project Funded by DWSRLF</u> : This project will fund additional phases of a prior DWSRLF project.	5 points
<u>Final Design Complete</u> : Project Final Design is 100% complete and approved by Drinking Water Bureau.	8 points
REGIONALIZATION	
<u>Regionalization Activities</u> : Project is a regionalization effort among two or more public water systems that results in the consolidation or physical connection of the public water systems that will begin to operate as one system, full time.	5 Points
<u>Regional Water Authority</u> : System has completed the formation of a regional water authority in accordance with the New Mexico Regional Water System Resiliency Act.	5 Points
<u>Formation of a Regional Water Authority</u> : The project will assist in the formation of a regional water system in accordance with the New Mexico Regional Water System Resiliency Act.	10 Points
<u>Provide regulated water service to areas not currently served</u> : Project extends water service to existing homes or businesses not currently served by a centralized water system.	5 Points
<u>Emergency Interconnection</u> : Project addresses the need for an emergency or back up source through an interconnection with another public water system.	5 Points

<u>Regional Resource Coordination</u> : System participates in a regional sharing of resources with other water system(s).	3 Points
WATER AND OPERATIONAL EFFICIENCY	
<u>Metering</u> : Project includes metering an unmetered system. Replacing existing broken/malfunctioning water meters with AMI or smart meters.	8 Points
<u>Real Water Loss Reduction</u> : Project replaces or rehabilitates failing or inadequate distributions lines and real water loss has been identified to be reduced.	5 Points
<u>Water Pressure</u> : Project addresses a water pressure problem.	4 Points
<u>Infrastructure Rehabilitation</u> : Project replaces or rehabilitates failing or inadequate infrastructure or equipment, other than a water source.	4 Points
<u>Operational Improvements</u> : Project streamlines, automates, or improves operations of the system (e.g., radio read meters, looping, SCADA, additional valves).	3 Points
<u>Water Use Management</u> : Water system utilizes drought contingency or water conservation policies to manage customer demand seasonally or as needed in water shortages.	10 points
SUSTAINABLE PROJECTS AND ACTIVITIES	
<u>Asset Management Plan</u> : Systems that have developed or are in the process of developing an asset management plan will receive one point for each core component completed. The core components are asset inventory, level of service, critical asset assessment, life cycle costing, and long-term funding strategy.	5 Points
<u>Asset Management Plan Project</u> : Project is part of a current asset management long term funding strategy.	2 Points
<u>Energy Efficiency</u> : Project implements renewable energy or energy conservation to reduce the amount of energy consumed from the grid to produce, treat, and deliver water.	2 Points
<u>Green Stormwater Infrastructure</u> : Project preserves or restores natural landscape features and establishes policies such as infill and watershed redevelopment to reduce imperviousness. Local green infrastructure practices include bio-retention, green roofs, rainwater harvesting, or grey water use.	2 Points
<u>Environmentally Innovative Projects</u> : Project uses environmentally innovative concepts to produce, treat, store and/or deliver water.	2 Points
<u>Resiliency</u> : Project increases resiliency to long term effects of drought and or extreme weather. (Ex. Single source water system, high treatment cost, or natural disaster mitigation)	10 Points
<u>Education</u> : System Participates in Educational Activities to promote water and energy efficiency.	5 Points
<u>Water Reuse Project</u> : Project increases water efficiency, to increase potable water supply by replacing potable uses with non-potable sources, such as grey water systems and wastewater effluent reuse systems.	3 Points
<u>Water Loss Program</u> : System implements water loss control strategies with the AWWA M36 method by completing annual audits.	5 Points

Appendix B-2: DWSRF Lead Service Line Ranking Criteria

SFY 25 DWSRLF Lead Service Line Proposed Priority Ranking System

The DWSRLF program uses a priority system for ranking individual projects for funding prioritization for the fundable project lists which:

1. Address the most serious risk to human health.
2. Ensure compliance with the requirements of the SDWA; and
3. Assist PWSs most in need, on a per-household basis, according to National affordability criteria.

**Projects on the comprehensive lists are not ranked until they have met the requirements to be fundable and decided to move forward with funding.*

The total project score is listed below to determine their ranking and prioritization for State Fiscal Year 2025 DWSRLF assistance for Lead Service Line Replacement (BIL).

Lead Service Line Replacement Priority Ranking	
Acute violations: System is in violation of acute treatment technique requirements or an MCL of an acute contaminant, and the proposed project will return the system to compliance.	7
Non-acute violations: System is in violation of non-acute treatment technique requirements, significant deficiency or MCL exceedance of non-acute contaminants, and the proposed project will return the system to compliance.	3
Maintains Compliance: System is in compliance with state and federal drinking water regulations.	3
Disadvantaged Communities: System serves a population whose MHI is greater than 75% but less than 100% of the National MHI based on the most recent 5-year average.	25
Severely Disadvantaged Communities: System serves a population whose MHI is 75% or less of the National MHI based on the most recent 5-year average.	50
Small System: System serves a population of less than 1,000 people based on the average household size for the county served by system.	5
Very Small System: System serves a population of less than 500 people based on average household size for the county served by system.	10
Project Funded by DWSRLF: This project will fund additional phases of a prior DWSRLF project.	2

Appendix B-3: DWSRF Emerging Contaminants Ranking Criteria

SFY 24 DWSRLF Emerging Contaminants Proposed Priority Ranking System

The DWSRLF program uses a priority system for ranking individual projects for funding prioritization for the fundable project lists which:

1. Address the most serious risk to human health.
2. Ensure compliance with the requirements of the SDWA; and
3. Assist PWSs most in need, on a per-household basis, according to National affordability criteria.

**Projects on the comprehensive lists are not ranked until they have met the requirements to be fundable and decided to move forward with funding.*

The total project score is the sum of the points listed below to determine their ranking and prioritization for State Fiscal Year 2025 DWSRLF Emerging Contaminant (BIL) assistance.

Emerging Contaminants Priority Ranking	
Contaminant Identification: Project identifies emerging contaminants in all drinking water sources for the public water system.	10
Improve water quality in areas not currently served: Project extends water service to existing residences that are not currently served by a centralized water system, or the local groundwater is contaminated.	15
Planning: Survey or study provides options and solutions for removing or reducing emerging contaminants in the public water system.	5
Water Use Management: Water system has plan for implementing management of potentially contaminated water sources to maintain compliance.	5
Source Water Protection Plan: Water system maintains an active Source Water Protection Plan.	2
Emergency Interconnection: Project addresses the need for an emergency or back up source through an interconnection with another public water system.	3
Acute violations: System is in violation of acute treatment technique requirements or an MCL of an acute contaminant, and the proposed project will return the system to compliance.	10
Non-acute violations: System is in violation of non-acute treatment technique requirements, significant deficiency or MCL exceedance of non-acute contaminants, and the proposed project will return the system to compliance.	7
Maintains Compliance: System is in compliance with state and federal drinking water regulations.	3
Disadvantaged Communities: System serves a population whose MHI is greater than 75% but less than 100% of the National MHI based on the most recent 5-year average.	15
Severely Disadvantaged Communities: System serves a population whose MHI is 75% or less of the National MHI based on the most recent 5-year average.	25
Small System: System serves a population of less than 1,000 people based on the average household size for the county served by system.	10
Very Small System: System serves a population of less than 500 people based on average household size for the county served by system.	15

Appendix C: DWSRLF Sources and Uses

Table 2 DWSRLF SOURCES AND USES SFY 2025

<u>SOURCES</u>	Cumulative Total through 6/30/2024	7/1/2024 - 6/30/2025 (This SFY)	Cumulative Total through 6/30/25
Federal Capitalization Grants (Base)	\$239,125,500	\$4,661,000	\$243,786,500
BIL General Supplemental Capitalization Grant	\$39,047,000	\$22,985,000	\$62,032,000
20% Capitalization Grant Match (Base)	\$47,825,100	\$932,200	\$48,757,300
10% - 20% BIL Supplemental State Match	\$3,904,700	\$4,597,000	\$8,501,700
BIL Lead Service Line Replacement	\$28,350,000	\$0	\$28,350,000
BIL Emerging Contaminates	\$7,555,000	\$7,555,000	\$15,110,000
Investment Interest	\$12,225,438	\$1,500,000	\$13,725,438
Loan Repayments – Principal	\$77,766,564	\$6,350,000	\$84,116,564
Loan Repayments - Interest	\$20,555,923	\$1,379,747	\$21,935,670
Total Sources	\$476,355,225	\$49,959,947	\$526,315,172
<u>Uses of Funds</u>			
<u>Assistance Activity</u>			
<u>Base and BIL General Supplemental</u>			
Large System Commitments	\$261,008,503	\$17,000,000	\$278,008,503
Small System Commitments	\$105,969,798	\$5,000,000	\$110,969,798
<u>BIL Emerging Containments</u>			
Large System Commitments	\$3,000,000	\$10,000,000	\$13,000,000
Small System Commitments	\$0	\$0	\$0
<u>BIL Lead Service Line Replacement</u>			
Large System Commitments	\$8,081,200	\$8,000,000	\$16,081,200
Small System Commitments	\$270,000	\$400,000	\$670,000
Total Assistance	\$378,329,501	\$40,400,000	\$418,729,501
<u>Set-Aside Activity</u>			
Administration	\$12,563,100.00	\$1,408,040.00	\$13,971,140
Small System Technical Assistance	\$6,281,550.00	\$704,020.00	\$6,985,570
State Programs Management	\$31,407,750.00	\$3,520,100.00	\$34,927,850
Local Assistance	\$47,111,625.00	\$5,280,150.00	\$52,391,775
Total Set-Asides	\$97,364,025	\$10,912,310	\$108,276,335
Total Uses	\$475,693,526	\$51,312,310	\$527,005,836
Carryover	\$661,699	(\$1,352,363)	(\$690,664)

Appendix D: Public Outreach

The public notice process is described in the Public Participation section of this document. Sample notification for email listserv and website. Social media posts will be more brief but based on notification and linked to website:

PUBLIC NOTICE

NEW MEXICO ENVIRONMENT DEPARTMENT AND NEW MEXICO FINANCE AUTHORITY NOTICE OF PUBLIC COMMENT AND REVIEW FOR DRINKING WATER STATE REVOLVING FUND 2025 DWSRF PROJECT PRIORITY LIST & INTENDED USE PLAN

The New Mexico Environment Department (NMED) Drinking Water Bureau (DWB) and the New Mexico Finance Authority (NMFA) produce an annual Drinking Water State Revolving Fund (DWSRF) Project Priority List (PPL) and Intended Use Plan (IUP). The IUP identifies the proposed intended uses of the funding amounts available to the DWSRF Program including from the Bipartisan Infrastructure Law. The current PPL identifies eligible projects for DWSRF funding from all sources for State Fiscal Year (SFY) 2025.

NMED DWB is accepting public comment from May 30, 2024, through June 30, 2024, regarding:

- 1) The NMED NMFA DWSRF Program's IUP for SFY 2025
- 2) Projects on the 2025 DWSRF PPLs

A copy of the IUP and PPL may be obtained from

https://www.env.nm.gov/drinking_water/infrastructure-projects-and-funding/ by or by e-mailing NMENV-dwbffunding@state.nm.us. Comments or questions regarding the IUP and PPL may be submitted by accessing the NMED comment portal at <https://nmed.commentinput.com/comment/search>.

Public Comments and Responses

Appendix E: Compliance with Grant Conditions

All DWSRF Loans contain the following language.

COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 7.1 Further Assurances and Corrective Instruments. The Finance Authority and the Governmental Unit agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or of the Pledged Revenues, or for otherwise carrying out the intention hereof. Authorized Officers are authorized to execute, acknowledge and deliver any such supplements and further instruments.

Section 7.2 Finance Authority and Governmental Unit Representatives. Whenever under the provisions hereof the approval of the Finance Authority or the Governmental Unit is required, or the Governmental Unit or the Finance Authority is required to take some action at the request of the other, such approval or such request shall be given for the Finance Authority or for the Governmental Unit by an Authorized Officer of the Finance Authority or the Governmental Unit, as the case may be, and any party hereto shall be authorized to rely and act on any such approval or request.

Section 7.3 Compliance with Court Orders. During the Loan Agreement Term, the Governmental Unit and the Finance Authority shall observe and comply promptly with all current and future orders of all courts having jurisdiction over the parties hereto, the Project or the Pledged Revenues.

Section 7.4 Compliance with Applicable State and Federal Laws. During the Loan Agreement Term, the Governmental Unit shall comply with all applicable State and federal laws, including, without limitation, the following:

(a) For all contracts, the Governmental Unit shall comply with the New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as amended, or its local procurement ordinances and regulations, as applicable.

(b) For all construction contracts awarded in excess of \$10,000, the Governmental Unit shall comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 12, 1967, and as supplemented in Department of Labor regulations (41 C.F.R. chapters 40 and 60). In addition, for all contracts, the Governmental Unit shall comply with all State laws and regulations and all executive orders of the Governor of the State pertaining to equal employment opportunity.



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FINANCE AUTHORITY

(c) For all contracts awarded for construction or repair, the Governmental Unit shall comply with the Copeland “Anti-Kickback” Act (18 U.S.C. § 874) as supplemented in Department of Labor regulations (29 C.F.R. part 3).

(d) For all construction subcontracts, and subgrants of amounts in excess of \$100,000, the Governmental Unit shall comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. § 7606), Section 508 of the Clean Water Act (33 U.S.C. § 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 C.F.R. Part 15). In addition, for all contracts, the Contractor shall comply with all applicable State laws and regulations and with all executive orders of the Governor of the State pertaining to protection of the environment.

(e) For all contracts the Governmental Unit shall comply with the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with section 362 of the Energy Policy and Conservation Act (42 U.S.C. § 6322).

(f) For all contracts in excess of \$2,000 the Governmental Unit shall comply with applicable standards of the Davis-Bacon Wage Act (40 U.S.C. § 3141 et seq.), as amended and supplemented, relating to wages paid to laborers and mechanics employed by contractors and sub-contractors on a Project funded directly by or assisted in whole or in part by and through the Governmental Unit.

(g) For all contracts, the Governmental Unit shall comply with the requirements of the Environmental Protection Agency’s Program for Utilization of Minority and Women’s Business Enterprises set out in Title 40, Chapter I, Subchapter B, Part 33 of the Code of Federal Regulations.

(h) For all contracts, the Governmental Unit shall comply with the requirements of Executive Order 13502 on Use of Project Agreements for Federal Construction Projects.

(i) For all contracts, the Governmental Unit shall comply with the requirements of Executive Order dated September 25, 2012, on Strengthening Protections Against Trafficking in Persons in Federal Contracts.

(j) For all contracts, the Governmental Unit shall comply with all federal requirements applicable to the Loan (including those imposed by P.L. 113-76, 2014 Consolidated Appropriations Act, Section 436 and related SRF Policy Guidelines) which the Governmental Unit understands includes, among other, requirements that all of the iron and steel products used in the Project are to be produced in the United States (“American Iron and Steel Requirement”) unless (i) the Governmental Unit has requested and obtained a waiver from the Finance Authority pertaining to the Project or (ii) the Finance Authority has otherwise advised the Governmental Unit in writing that the American Iron and Steel Requirement is not applicable to the Project.

(k) For all contracts, the Governmental Unit shall comply with all record keeping and reporting requirements under the Clean Water Act/Safe Drinking Water Act, including any reports required by a Federal agency or the Finance Authority such as performance indicators of program deliverables, information on costs and project progress. The Governmental Unit understands that (i) each contract and subcontract related to the Project is subject to audit by appropriate federal and state

entities and (ii) failure to comply with the Clean Water Act/Safe Drinking Water Act and this Loan Agreement may be a default under this Loan Agreement.

(l) For all contracts, the Governmental Unit shall comply with Executive Order 12549 – Debarment and Suspension and all rules, regulations and guidelines issued pursuant to Executive Order 12549, including compliance with the requirement that each prospective participant in transactions related to the Loan execute a written certification that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in transactions related to the Loan.

(m) For all contracts, the Governmental Unit shall comply with the requirements of section 1450(e) of the Safe Drinking Water Act (42 U.S.C.300j-9(e)) in all procurement contracts, and the Governmental Unit and procurement contractors shall include such a term and condition in subcontracts and other lower tiered transactions. All contracts and subcontracts for the Project shall include in any contract in excess of \$2,000 the contract clauses set out in the Environmental Protection Agency publication entitled “Wage Rate Requirements Under the Clean Water Act, Section 513 and the Safe Drinking Water Act Section 1450(e).”

(n) The Governmental Unit shall comply with the requirement of the June 3, 2015 Guidelines for Enhancing Public Awareness of SRF Assistance Agreements issued by the Environmental Protection Agency relating to signage, posters, advertisements, website or press releases indicating that financial assistance was received from the Environmental Protection Agency for the Project.

(o) The Governmental Unit acknowledges that it is subject to the terms of the Environmental Protection Agency Memorandum titled “Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment in the SRF Programs” dated December 11, 2020. The Governmental Unit shall comply with 2 CFR 200.216 and Section 889 of Public Law 115-232 and shall not use Loan or subsidy funds to obtain or enter into a contract to obtain covered telecommunications equipment produced or provided by companies listed in the system for Award Management exclusion list at SAM.gov. The exclusion list includes, but is not limited to, Huawei Technologies Company or ZTE Corporation, or any subsidiary or affiliate of such entities.

(p) The Governmental Unit agrees to comply with all applicable New Mexico State cybersecurity laws and requirements and ensure that any connections between the Governmental Unit’s network or information system and Environmental Protection Agency networks used by the recipient to transfer data under this Loan Agreement, if any, are secure. If a connection does not go through the Environmental Information Exchange Network or Environmental Protection Agency’s Central Data Exchange, the Governmental Unit agrees to contact the Environmental Protection Agency Project Officer and work with the designated Environmental Protection Agency Regional/Headquarters Information Security Officer to ensure that the connections meet Environmental Protection Agency security requirements, including entering into Interconnection Service Agreements as appropriate. This condition does not apply to manual entry of data by the Governmental Unit into systems operated and used by Environmental Protection Agency’s regulatory programs for the submission of reporting and/or compliance data. The Governmental Unit is subject to monitoring as deemed necessary by the Finance Authority or the State of New Mexico under 2 CFR 200.331. In regard to this section a “connection” is defined as a dedicated persistent interface between an Agency IT system and an external IT system for

the purpose of transferring information. Transitory, user-controlled connections such as website browsing are excluded from this definition.

(q) If the Governmental Unit gathers geospatial data, as defined in 43 U.S.C. §2801(2018), during the life of the Project it must be consistent with the Federal Geographic Data Committee endorsed standards.

(r) The Governmental Unit will place a sign and will maintain such sign in good condition throughout the construction period, at a visible location in the construction site identifying that this Project has been funded by President Biden's Bipartisan Infrastructure Law in accordance with the EPA Office of Public Affairs requirements, unless placing such sign results in unreasonable cost, expense or burden to the Governmental Unit.

(s) The Governmental Unit shall comply with Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d, et seq.

(t) The Governmental Unit shall comply with Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, et seq.

The Finance Authority or its designee shall have the right to review all contracts, work orders and other documentation related to the Project that it deems necessary to assure compliance with applicable laws, rules and regulations, and may conduct such review as it deems appropriate prior to disbursing funds for payment of an Approved Requisition.

Section 7.5 First Lien Status. The Loan Agreement Payments constitute an irrevocable first lien (but not necessarily an exclusive first lien) upon the Pledged Revenues. The Governmental Unit covenants that the Loan Agreement Payments and any Parity Obligations herein authorized to be issued and from time to time outstanding shall be equitably and ratably secured by a first lien on the Pledged Revenues and shall not be entitled to any priority one over the other in the application of the Pledged Revenues regardless of the time or times of the issuance of such obligations, it being the intention of the Governmental Unit that there shall be no priority between the Loan Agreement Payments and any such Parity Obligations regardless of the fact that they may be actually issued and delivered at different times.

Section 7.6 Expeditious Completion. The Governmental Unit shall complete the Project with all practical dispatch.

Appendix F: Cash Draw Ratio and Grant Payment Schedule

New Mexico Finance Authority -- FY 2024 Grant Application Draw Projections									
Appropriation \$4,938,000 (Federal)									
Appropriation \$987,600 (State)									
Date	FFY -- QTR	Administrative Set-Aside	Small System Technical Assistance Set Aside	State Program Management Set-Aside	Local Assistance and other State Program Set Aside*	Total Set Aside	Loan Fund Federal	Loan Fund State Match	Total
Oct - Dec 2024	2024- 1st	\$186,440	\$93,220	\$466,100	\$699,150	\$1,444,910	\$3,216,090	\$932,200	\$5,593,200
Jan - Mar 2025	2024 - 2nd								\$0

For Reference						Max set-aside equals	Max loan fund equals	Cash Draw Ratio
Max % - total award		4%	2%	10%	15%	31%	29%	
Max \$ -total federal award		\$186,440	\$93,220	\$466,100	\$699,150	\$1,444,910	\$3,216,090	77.53%
Max \$ -total state award							\$932,200	22.47%
Combined total						\$1,444,910	\$4,148,290	100.00%

New Mexico Finance Authority -- FY 2024 BIL General Supplemental Grant Application Draw Projections									
Appropriation \$22,985,000 (Federal)									
Appropriation \$4,597,000 (State)									
Date	FFY -- QTR	Administrative Set-Aside	Small System Technical Assistance Set Aside	State Program Management Set-Aside	Local Assistance and other State Program Set Aside*	Total Set Aside	Loan Fund Federal	Loan Fund State Match	Total
Jan- Mar 2025	2024-2nd	\$186,440	\$93,220	\$466,100	\$699,150	\$1,444,910	\$21,540,090	\$4,597,000	\$27,582,000
									\$0

For Reference						Max set-aside equals	Max loan fund equals	Cash Draw Ratio
Max % - total award		4%	2%	10%	15%	6%	196%	
Max \$ -total federal award		\$186,440	\$93,220	\$466,100	\$699,150	\$1,444,910	\$21,540,090	82.41%
Max \$ -total state award							\$4,597,000	17.59%
Combined total						\$1,444,910	\$26,137,090	100.00%

NMFA -- FY 2023 BIL Emerging Contaminant Grant Application Draw Projections
Appropriation \$7,640,000 (Federal)
Appropriation \$0 (State)

Date	FFY – QTR	Administrative Set-Aside	Small System Technical Assistance Set Aside	State Program Management Set-Aside	Local Assistance and other State Program Set Aside*	Total Set Aside	Loan Fund Federal	Loan Fund State Match	Total
Oct - Dec 2024	2024 1st	\$0	\$0	\$0	\$0	\$0	\$7,640,000	\$0	\$7,640,000
Jan - Mar 2025	2024 - 2nd								\$0

For Reference						Max set-aside equals	Max loan fund equals	Cash Draw Ratio
Max % - total award		4%	2%	10%	15%	0%	100%	
Max \$ -total federal award		\$0	\$0	\$0	\$0	\$0	\$7,640,000	100.00%
Max \$ -total state award							\$0	0.00%
Combined total						\$0	\$7,640,000	100.00%

NMFA -- FY 2024 BIL Emerging Contaminant Grant Application Draw Projections
Appropriation \$7,555,000 (Federal)
Appropriation \$0 (State)

Date	FFY – QTR	Administrative Set-Aside	Small System Technical Assistance Set Aside	State Program Management Set-Aside	Local Assistance and other State Program Set Aside*	Total Set Aside	Loan Fund Federal	Loan Fund State Match	Total
June -Aug 2025	2024 - 3rd	\$0	\$0	\$0	\$0	\$0	\$3,500,000	\$0	\$3,500,000
Sept- Pct 2025	2024 - 4th	\$201,529	\$100,764	\$503,823	\$755,734	\$1,561,850	\$2,493,150		\$4,055,000

For Reference						Max set-aside equals	Max loan fund equals	Cash Draw Ratio
Max % - total award		4%	2%	10%	15%			
Max \$ -total federal award		\$201,529	\$100,764	\$503,823	\$755,734	\$1,561,850	\$5,993,150	100.00%
Max \$ -total state award							\$0	0.00%
Combined total						\$1,561,850	\$5,993,150	100.00%

New Mexico Finance Authority -- FY 2022 LSLR Grant Application Draw Projections									
Appropriation \$28,350,000 (Federal)									
Appropriation \$0 (State)									
Date	FFY -- QTR	Administrative Set-Aside	System Technical Assistance Set-Aside	State Program Management Set-Aside	Local Assistance and other State Program Set-Aside*	Total Set-Aside	Loan Fund Federal	Loan Fund State Match	Total
July - Sept 2023	2023 - 4th	\$283,500	\$141,750	\$708,750	\$708,750	\$1,842,750	\$1,037,073	\$0	\$2,879,823
Oct - Dec 2023	2024-1st	\$283,500	\$141,750	\$708,750	\$708,750	\$1,842,750	\$1,037,073	\$0	\$2,879,823
Jan - March 2024	2024 - 2nd	\$283,500	\$141,750	\$708,750	\$708,750	\$1,842,750	\$1,037,073	\$0	\$2,879,823
April - June 2024	2024 - 3rd	\$283,500	\$141,750	\$708,750	\$708,750	\$1,842,750	\$1,037,073	\$0	\$2,879,823

						Max set-aside equals	Max loan fund equals	Cash Draw Ratio	
For Reference									
Max % - total award		4%	2%	10%	10%	26%	74%		
Max \$ -total federal award		\$1,134,000	\$567,000	\$2,835,000	\$2,835,000	\$7,371,000	\$20,979,000	100.00%	
Max \$ -total state award							\$0	0.00%	
Combined total						\$7,371,000	\$20,979,000	100.00%	

New Mexico Finance Authority -- FY 2023 LSLR Grant Application Draw Projections									
Appropriation \$28,650,000 (Federal)									
Appropriation \$0 (State)									
Date	FFY -- QTR	Administrative Set-Aside	System Technical Assistance Set-Aside	State Program Management Set-Aside	Local Assistance and other State Program Set-Aside*	Total Set-Aside	Loan Fund Federal	Loan Fund State Match	Total
July - Sept 2022	2024 - 4th	\$1,146,000	\$573,000	\$2,865,000	\$4,297,500	\$8,881,500	\$19,768,500	\$0	\$28,650,000
Oct - Dec 2022	2025 - 1st								\$0

						Max set-aside equals	Max loan fund equals	Cash Draw Ratio	
For Reference									
Max % - total award		4%	2%	10%	15%	31%	69%		
Max \$ -total federal award		\$1,146,000	\$573,000	\$2,865,000	\$4,297,500	\$8,881,500	\$19,768,500	100.00%	
Max \$ -total state award							\$0	0.00%	
Combined total						\$8,881,500	\$19,768,500	100.00%	

Appendix G: Strategy for Responsible & Expeditious Reduction & Minimization of Set-Aside Unliquidated Obligations

UPDATED Timeline and Proposed Actions for Expending Set-Aside Funds During Extension			
Proposed Action	Anticipated Timeline	Current Status	Proposed Funding Source Expended
Hire a Source Water Team Supervisor	May 2023	Completed: Source Water Manager Hired April 2023	Source Water Set Asides
Hire Vacant Source Water Coordinator	Initial Anticipated Timeline - June 2023 Updated Anticipated Timeline - June 2024	In process: NMED conducted multiple attempts to fill this position over the past year. Each attempt failed due to the selected candidate declining the position. NMED is currently in the process of making another offer to a new potential candidate to fill the position.	Source Water Set Asides
Add additional Source Water coordinator position to Source Water program	Initial Anticipated Timeline - June 2023 Updated Anticipated Timeline - June 2024	In process: NMED was successful in creating a new source water coordinator position, however we have been unsuccessful in filling the position. NMED is in the final stages of completing the most recent attempt to hire someone into this position.	Source Water Set Asides
Advertise and Hire New Source Water Coordinator	August 2023	Initial proposal to create this position submitted to NMED Human Resources for Processing	Source Water Set Asides
PFAS Source Water Sampling Project with USGS	July 2023 – June 2024	Ongoing: USGS Currently collecting and analyzing samples. Expected to increase in frequency over the summer months.	Source Water Set Asides
Hire 2 vacant Capacity Assistance Team positions	June – August 2023	Completed: NMED was successful in filling two vacant capacity assistance team positions. NMED hired one position to lead emergency response and emergency planning activities. NMED hired a second position to lead our community water system managerial and financial assistance efforts.	Capacity Development Set-Asides / State Program Set Asides
Hire Vacant Regionalization and Resiliency team position	Initial anticipated timeline - June – August 2023 Updated Anticipated Timeline - June 2024	In process: NMED has advertised this position and has completed its paperwork for hiring the position. We are currently waiting for approval to make an offer to the selected candidate.	Capacity Development Set-Asides / State Program Set Asides

Add additional Infrastructure Funding Coordinator position to Infrastructure Support Team	Initial anticipated timeline - June – August 2023 Updated Anticipated Timeline - August 2024	In process: NMED was successful in creating a new Infrastructure Funding Coordinator position, however we have been unsuccessful in filling the position. NMED has advertised the position multiple times but has been unsuccessful in getting qualified candidates to apply for the position.	Capacity Development Set-Asides / State Program Set Asides
Add additional Lead & Copper Rule Manager to assist with LCRR Implementation	Initial anticipated timeline - June – August 2023 Updated Anticipated Timeline - August 2024	In process: NMED was successful in creating a new Lead & Copper Rule Manager position, and we are in the final stages of being able to fill the position	State Program Set Asides
Add Contract & Grant Coordinator to DWB Program	Initial anticipated timeline - June – September 2023 Updated Anticipated Timeline - July 2024	In process: NMED was successful in creating a new Contract & Grant Coordinator position. The position has been advertised and we anticipate interviewing potential candidates in May 2024.	Multiple DWSRF Set Asides
Additional Actions as Needed	July 2023 – June 2024	DWB will also shift staff time charges as allowed by approved workplan activities	Multiple DWSRF Set Asides