December 28, 2016

Elizabeth Escobar
Rodeo Mutual Domestic Water Consumer & Mutual Sewer Works Association
PO Box 256
Rodeo, NM 88056


Dear Ms. Escobar,

This letter shall serve as official notice to proceed with work, up to $14,000, as indicated in the Rodeo Mutual Domestic Water Consumer and Mutual Sewer Works Association’s Municipal Water Conservation Funding Agreement.

Please make sure that all requests for payment submitted under this Agreement reference purchase order number PO #55000-0000016493.

All deliverables under this agreement will be due to the ISC as stated in the Agreement.

If you have concerns or questions relating to this work order please contact Helen Sobien at 505-827-6160.

Sincerely,

Kim Abeyta-Martinez
Administrative Manager
Interstate Stream Commission

Copy to:
Ali Effati
Marcos Mendiola
Contract File
# State of New Mexico Purchase Order

**Purchase Order**
- **Number:** 55000-0000016493
- **Date:** 12/22/2016
- **Revision:** 1

**Dispatch via Print**

**Payment Terms:** Pay Now
**Freight Terms:** POB
**Ship Via:** Best Way
**Buyer:** STEVEN BAROS
**Ship To:**
- P.O. Box 25102
- Santa Fe NM 87504-5102
- United States

**Bill To:**
- P.O. Box 25102
- Santa Fe NM 87504-5102
- United States

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**Vendor:** 0000128972
**RODEO MDW MSW ASSOC.**
**PO BOX 256**
**RODEO NM 88056-0000**

<table>
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<tr>
<th>Line-Sch</th>
<th>Item/Description</th>
<th>Mfg ID</th>
<th>Quantity UOM</th>
<th>PO Price</th>
<th>Extended Amt</th>
<th>Due Date</th>
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<td>1</td>
<td>FY17, Replacement of 45 existing aging water meters. This is a grant for a local government to be reimbursed by our agency</td>
<td>55000-30810-A150100-547400- - - -91648-50000</td>
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<td>14,000.00</td>
<td>14,000.00</td>
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**Schedule Total**
- **14,000.00**

**Item Total**
- **14,000.00**

**Total PO Amount**
- **14,000.00**

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**Agency Approver:** I certify that the proposed purchase represented by this document is authorized by and is made in accordance with all State (and if applicable Federal) legislation rules and regulations. I further certify that adequate unencumbered cash and budget expenditure authority exists for this proposed purchase and all other outstanding purchase commitments and accounts payable.

**Authorized Signature**

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STATE OF NEW MEXICO
INTERSTATE STREAM COMMISSION
RODEO MUTUAL DOMESTIC WATER CONSUMER AND
MUTUAL SEWER WORKS ASSOCIATION
MUNICIPAL WATER CONSERVATION FUNDING AGREEMENT

THIS AGREEMENT is made and entered into by and between the New Mexico Interstate Stream Commission, 407 Galisteo Street, Santa Fe, New Mexico, 87501, hereinafter called the “ISC” or the “Commission,” and the Rodeo Mutual Domestic Water Consumer and Mutual Sewer Works Association, hereinafter called the “Association.” Collectively, the Commission and the Association are referred to as the “Parties.”

RECITALS

WHEREAS, pursuant to NMSA 1978, Section 72-14-3, the ISC is authorized to investigate water supply, to develop, to conserve, to protect and to do any and all other things necessary to protect, conserve and develop the water and stream systems of this state; and

WHEREAS, in the Arizona Water Settlements Act, Pub. L. 108-451, (“AWSA”) the Congress of the United States appropriated funds to the ISC to finance a New Mexico Unit or other water utilization alternatives to meet water supply demands in the Southwest Water Planning Region of New Mexico, as determined by the ISC; and

WHEREAS, pursuant to the AWSA, those funds are being deposited in yearly installments into the New Mexico Unit Fund, a fund created by the New Mexico Legislature in the New Mexico Treasury for the specific purpose of receiving AWSA money (NMSA 1978, Section 72-14-45); and

WHEREAS, at its November 24, 2014 public meeting, the Commission approved an allocation of $3,000,000.00 from the New Mexico Unit Fund to finance municipal water conservation projects in the region; and

WHEREAS, pursuant to this award, the Commission set up an application process to distribute the municipal conservation funds to local proponents; and

WHEREAS, the Association applied for $14,000.00 to finance in part the Association’s project to replace water meters; and

WHEREAS, at its December 11, 2015 public meeting, the Commission approved an allocation of $14,000.00 from the municipal conservation funds to finance in part the Association’s project to replace aging water meters; and

Page 1 of 18
WHEREAS, in accordance with the Commission’s decision regarding municipal conservation, the ISC will provide funds to the Association, on a reimbursement basis, in accordance with the terms and conditions of this Agreement.

AGREEMENT

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

ARTICLE I. PROJECT DESCRIPTION, AMOUNT OF FUNDING, REVERSION DATE AND PROJECT BUDGET

A. Project Description. The project that is the subject of this Agreement is the purchase of 45 new automated water meters to replace existing, aging water meters, and the purchase of an automated meter reader. The new meters will be equipped with radio transmitters allowing them to be read remotely using an automated meter reader. The meters will be installed in residential homes and businesses. The Association will arrange for the installation of the new meters.

This meter replacement project is referred to throughout the remainder of this Agreement as the “Project,” the information contained in Article I(A), and in the Scope of Work and Budget Form, attached hereto as Exhibit A, is referred to collectively throughout the remainder of this Agreement as the “Project Description.” This Scope of Work is incorporated into, and made a part of, this Agreement. The Association shall not change the Scope of Work and Budget Form without first submitting to the ISC staff for approval a written amendment to the form. The Association shall reference the Project’s number in all correspondence with, and submissions to, the ISC concerning the Project, including but not limited to, Requests for Payment and reports.

B. Amount of Funding. Total reimbursements by the ISC to the Association shall not exceed the amount awarded by the Commission of fourteen thousand dollars ($14,000.00) (the “Municipal Conservation Award”). In addition, pursuant to the ISC’s decision on November 24, 2014, the Association will secure additional funding for the Project from sources other than the New Mexico Unit Fund.

C. Reversion Date. Project funds must be expended by the Association as of June 30, 2020. This date is referred to throughout the remainder of this Agreement as the “Reversion Date.” On the Reversion Date, any part of the Municipal Conservation Award not expended by the Association will revert to the New Mexico Unit Fund and will no longer be available to the Association.
D. Project Budget

(i) Project Budget Generally

(1) The Association will secure any additional funding that may be necessary to complete the Project from sources other than the New Mexico Unit Fund, including a local match in the amount of $43.00 that must be secured by December 11, 2017. The Association will spend local match funds before funds from the Municipal Conservation Award.

(2) The Association will expeditiously initiate and complete the Project.

(3) The Association will prepare a Project Budget ("Project Budget"), which will outline all steps to be completed to pursue and finance the Project, including but not limited to, detail regarding how the Municipal Conservation Award will be spent.

(4) No funds from the New Mexico Unit Fund shall be expended towards the Project until the Project Budget has been approved by the ISC staff.

(5) The Association will not be reimbursed from the New Mexico Unit Fund for any part of any expenditure that is not included in the Project Budget approved by the ISC staff.

(6) The Association will not change the Project Budget without first submitting to the ISC staff for approval a written amendment to the Scope of Work and Budget Form.

(ii) Submitting the Project Budget. Prior to execution of this Agreement by the ISC, the Association shall submit to the ISC a Project Budget on the Scope of Work and Budget Form, attached hereto as Exhibit A. This Project Budget is incorporated into, and made a part of, this Agreement. The Project Budget shall list all the proposed tasks that the Association believes are reasonably necessary to accomplish the Project. Out of that list, the Project Budget shall outline all the tasks for which the Association plans to seek reimbursement from the Municipal Conservation Award and all the tasks from which the Association plans to obtain additional funding from other sources.

ARTICLE II. REIMBURSEMENTS TO THE ASSOCIATION

A. Upon the Effective Date of this Agreement, for permissible purposes within the scope of the Project Description, the ISC will reimburse the Association for certain expenses associated with the Project, as defined in the Project Description, up to the limit of the Municipal Conservation Award. No reimbursement shall be made unless the Association has received a Notice to Proceed ("NTP") from the ISC. This Agreement and the disbursement of any and all amounts of the Municipal Conservation Award are expressly conditioned upon the following:

(i) The Association’s expenditures shall be made on or before the Reversion Date or, if applicable, the Early Termination Date. This means that the goods will have been delivered and accepted, or the title to the goods will have been transferred to
the Association, or the services will have been rendered to the Association before
the Reversion Date or, if applicable, the Early Termination Date.

(ii) The total amount reimbursed by the ISC to the Association or Association’s
contractors shall not exceed the Municipal Conservation Award identified in
Article I(B).

(iii) The Association will commit to obtaining or providing any additional funds
necessary to complete the Project if the Municipal Conservation Award is
insufficient to pay for the entire cost of the Project.

(iv) The Association’s expenditures shall be made in accordance with the New Mexico
Procurement Code, NMSA 1978, Sections 13-1-21 through 13-1-199, and upon
execution of binding written obligations or purchase orders with third party
contractors or vendors for the provision of services, including professional
services, or the purchase of tangible personal property and real property for the
Project.

(v) The Association shall timely submit a form requesting payment (“Request for
Payment”), using the form attached hereto as Exhibit B, in accordance with the
procedures set forth in this Agreement.

(vi) In the event that capital assets acquired with Project funds are to be sold, leased, or
licensed to, or operated by a private entity, the sale, lease, license, or operating
agreement:

   a. Must be approved by the applicable oversight entity (if any) in accordance
      with law;

   b. If no oversight entity is required to approve the transaction, the ISC must
      approve the transaction as complying with the law.

Prior to the sale, lease, license, or operating agreement being approved pursuant
to subparagraph (a) or (b) above, the ISC may, in its discretion, and unless
inconsistent with conditions imposed by the New Mexico State Board of Finance,
reimburse the Association for necessary expenditures incurred to develop the
Project sufficiently to make the sale, lease, license, or operating agreement
commercially feasible, such as plan and design expenditures.

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

C. The Municipal Conservation Award shall not be used for purposes other than those
specified in the Project Description, Scope of Work, and the tasks described in the Project:
Budget. All Project expenditures will conform to the Scope of Work incorporated into this Agreement.

D. The Association shall make all purchases under this Agreement in compliance with the requirements of New Mexico law, including without limitation, the New Mexico Procurement Code, NMSA 1978, Sections 13-1-21 through 13-1-199. Failure to observe the New Mexico Procurement Code is a misdemeanor and may result in criminal and civil penalties.

ARTICLE III. DESIGNATED REPRESENTATIVES

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

The Parties hereby designate the persons listed below as their official representatives concerning all matters related to this Agreement:

RODEO MUTUAL DOMESTIC WATER CONSUMER AND MUTUAL SEWER WORKS ASSOCIATION:

Primary Representative:

Name: Elizabeth Escobar
Title: President
Rodeo Mutual Domestic Water Consumer & Mutual Sewer Works Assoc.
Address: P.O. Box 256
         Rodeo, NM 88056
Email:  izzyjr@vtc.net
Telephone: (575) 557-2372

Alternate Representative:

Name: Nancy Cloudt
Title: Secretary/Treasurer
Rodeo Mutual Domestic Water Consumer & Mutual Sewer Works Assoc.
Address: P.O. Box 256
         Rodeo, NM 88056
Email:  ncloudt@gmail.com
Telephone: (575) 557-2295
Fax: (575) 557-2347
INTERSTATE STREAM COMMISSION:

Primary Representative:

Name: Helen Sobien
Title: Gila Engineer
Address: 407 Galisteo Street (87501)
        P.O. Box 25102
        Santa Fe, NM 87504-5102
Email: Helen.Sobien@state.nm.us
Telephone: (505) 827-6114
Fax: (505) 827-6188

Alternate Representative:

Name: Ali Effati
Title: Gila Basin Manager
Address: 407 Galisteo Street (87501)
        P.O. Box 25102
        Santa Fe, NM 87504-5102
Email: ali.effati@state.nm.us
Telephone: (505) 827-5801
Fax: (505) 827-6188

The Parties shall send all notices related to this Agreement to the above-named persons by regular mail or e-mail. In the case of regular mailings, notices shall be deemed to have been given and received upon the date of the receiving Party’s actual receipt or five calendar days after mailing, whichever occurs first. In the case of e-mail transmissions, the notice shall be deemed to have been given and received on the date reflected on the delivery receipt of the e-mail.

ARTICLE IV. EXPENDITURE OF FUNDS

The Municipal Conservation Award must be expended on or before the Reversion Date, set forth in Article I or, if applicable, the Early Termination Date of this Agreement, discussed in Article V below. For purposes of this Agreement, it is not sufficient for the City to encumber the Municipal Conservation Award on its books on or before the Project’s Reversion Date or Early Termination date. Rather, funds are expended, and an expenditure has occurred, as of the date that a particular quantity of goods are delivered to, and received by, the City, or title to the goods is transferred to the City, or as of the date particular services are rendered to the City. Funds are not expended, and an expenditure has not occurred as of the date the funds are encumbered by the City pursuant to a contract or purchase order with a third party.
ARTICLE V. TERM; EARLY TERMINATION

A. Term

This Agreement shall be effective as of the date of execution by the last signatory (the "Effective Date"). It shall terminate on June 30, 2020, the Reversion Date, unless terminated by either Party before the Reversion Date ("Early Termination") pursuant to this Article V.

B. Circumstances of Early Termination

Early Termination includes:

(i) Termination due to completion of the Project before the Reversion Date;
(ii) Termination due to expenditure of the total Municipal Conservation Award before the Reversion Date;
(iii) Termination for violation of the terms of this Agreement; or
(iv) Termination for suspected mishandling of public funds, including but not limited to, fraud, waste, abuse, conflicts of interest.

Either the ISC or the Association may terminate this Agreement prior to the Reversion Date. Early Termination can be accomplished by providing the other Party with a minimum of fifteen (15) days advance, written notice of Early Termination. The Association hereby waives any rights to assert an impairment of contract claim or a breach of contract claim against the ISC or the State of New Mexico in the event of Early Termination of this Agreement by the ISC pursuant to this Section of the Agreement.

C. Early Termination Due to Non-A appropriation

Although the funds provided under this Agreement were appropriated to the ISC by the U.S. Congress, the New Mexico Legislature may, in its discretion, appropriate or withdraw appropriation of funds for municipal water conservation projects. If the Legislature withdraws appropriation of funds that are earmarked for this Agreement, the ISC shall have the discretion to terminate this Agreement earlier than its Reversion Date, as of the effective date of the law withdrawing an appropriation. The ISC's decision as to whether sufficient appropriations or authorizations are available shall be accepted by the Association and shall be final. The Association hereby waives any rights to assert an impairment of contract claim or a breach of contract claim against the ISC or the State of New Mexico in the event of Early Termination of this Agreement by the ISC pursuant to this section of the Agreement.
D. Limitation on the ISC’s Obligation to Make Disbursements in the Event of Early Termination

In the event of Early Termination of this Agreement by either Party, the ISC’s sole obligation to reimburse the Association is expressly conditioned upon the limitations set forth in this Agreement.

ARTICLE VI. SUSPENSION OF NEW OR FURTHER OBLIGATIONS

A. Suspension

The ISC may choose, in its absolute discretion, to direct the Association to suspend incurring any new or further obligation that would be paid by the ISC pursuant to this Agreement ("Suspension"). The ISC shall provide written notice of the Suspension to the Association in accordance with the provisions of this Agreement.

If a Suspension directive is issued:

(i) Upon the date the Association receives written notice of Suspension from the ISC, the Association shall immediately suspend the incurrence of any new or further written obligation with third parties; and

(ii) The ISC may suspend issuance of any new or further NTP under this Agreement; and

(iii) The ISC may direct the Association to implement a corrective action plan in accordance with this Agreement.

B. Reimbursement

In the event of Suspension of this Agreement, the ISC’s sole obligation to reimburse the Association is expressly conditioned upon the limitations set forth in this Agreement.

C. Lifting of Suspension

A Suspension of new or further obligations under this Agreement shall remain in effect until the date the Association receives written notice from the ISC informing the Association that the Suspension has been lifted or that the Agreement has been terminated early in accordance with Article V herein. If the Suspension is lifted, the ISC will consider further requests for NTPs.
D. Corrective Action Plan in the Event of Suspension

In the event that the ISC, in its sole and absolute discretion, issues a Suspension to the Association under this Agreement, the ISC may, but is not obligated to, require the Association to develop and implement a written corrective action plan to remedy the grounds for the Suspension. Such corrective action plan must be signed by the Association and approved by the ISC. Failure to sign a corrective action plan, or to meet the terms and deadlines set forth in the signed corrective action plan, shall be deemed a violation of the terms of this Agreement for purposes of Early Termination. The corrective action plan is in addition to, and not in lieu of, any other equitable or legal remedy available to the ISC, including, but not limited to, Early Termination.

ARTICLE VII. AMENDMENT

This Agreement can only be amended by a written instrument duly executed by all the Parties hereto.

ARTICLE VIII. REPORTS AND INSPECTION

A. Periodic Reports

In order that the ISC staff may adequately monitor Project activity, the Association shall submit to the ISC Periodic Reports for the Project. The Periodic Report shall be signed by the Project’s utility supervisor who is charged with oversight of the Project. The Report shall be submitted on a form prescribed by the ISC, attached hereto as Exhibit C.

The Periodic Report shall be due each quarter year on the last day of the quarter, beginning with the first full quarter following the Effective Date and ending with the submission of a Final Report for the Project. The ISC may, in its discretion, change the reporting period from time to time by giving the Association a minimum of thirty (30) days advance written notice of any change to the reporting period; provided, however, that in no event shall the reporting period be less than one month.

B. Final Report

The Association shall submit to the ISC a Final Report for the Project. The Final Report shall be signed by the Project’s utility supervisor who is charged with construction oversight of the Project and shall be submitted by the Association to the ISC. The Final Report shall be submitted on a form prescribed by the ISC and identical to the form used for the Periodic Reports (Exhibit C to this Agreement), and shall contain such information as the ISC may require. The ISC shall provide the Association with a minimum of thirty (30) days advance written notice of any change to the Final Report format or content. The Final Report must be submitted within twenty (20) days after completion of the Project or, if the Project is not completed, within twenty (20) days after final expenditure of funds reimbursable from the Water Conservation Award.
C. Requests for Additional Information/Project Inspection

While this Agreement is in effect, and during the period of time during which the Association must maintain records pursuant to this Agreement, the ISC may (i) request such additional information regarding the Project as it deems necessary, and (ii) conduct, at reasonable times and upon reasonable notice, on-site inspections of the Project. The Association shall respond to such requests for additional information within a reasonable time, as established by the ISC. The ISC may inspect Project progress prior to disbursing funds in response to Requests for Payment. Requests made pursuant to this subparagraph are in addition to, and not in lieu of, the periodic and final reporting described in this Article VIII.

D. ISC Oversight

Pursuant to the limitations contained in Article XIV, any inspection, review and approval of the Project itself or the Periodic and Final reports, as described above, are only for purposes of compliance with the terms of the Agreement. ISC inspection, review and approval will not be interpreted as any warranty or guarantee of any kind.

ARTICLE IX. REQUEST FOR PAYMENT

A. Request for Payment

The Association shall request payment for goods or services by submitting a Request for Payment, in the format of the document attached hereto as Exhibit B. Payment requests are subject to the following procedures:

(i) The Association must submit one original and one copy of each Request for Payment.

(ii) Each Request for Payment shall contain proof of payment by the Association, or proof of liabilities incurred by the Association, in the form of copies of invoices and a certification by the Association’s representative as designated in Article III herein. The certification must state that the expenditures are valid, or are liabilities incurred by the Association, for services rendered by a third party or goods received by the Association for the implementation of the Project.

(iii) The initial Request for Payment shall contain proof that the local match funds have previously been exhausted on Project expenditures.

(iv) Each Request for Payment must be certified as approved for payment by the ISC representative who is providing oversight of the project.
(v) When the Association is submitting a Request for Payment to the ISC based upon invoices from a third party contractor or vendor received, but not yet paid by the Association, if the invoices comply with the provisions of this Agreement and are a valid liability of the Association, the Association shall make payment to those contractors or vendors upon the invoice within fifteen (15) calendar days from the date of cashing or depositing the payment from the ISC.

B. Deadlines

Requests for Payments shall be submitted by the Association to the ISC within thirty (30) days of the date each respective invoice is received by the Association from a contractor, or within thirty (30) days from the date this Agreement expires or is terminated. However, due to New Mexico fiscal year deadlines imposed by the New Mexico Department of Finance and Administration, for work completed by June 30 of any given year, the Association must submit all invoices to the ISC by July 15 of that same year in order to be reimbursed. Any invoice covering expenses incurred prior to June 30 but received by the ISC after July 15 will not be reimbursed.

C. Payment Processing

(i) The Association’s failure to abide by the requirements set forth in Article II herein may result in the denial of its Requests for Payment or in delays in processing Requests for Payment. The ISC has the right to reject a Request for Payment for the Project unless and until it is satisfied that the expenditures in the Request for Payment are for permissible purposes within the meaning of the Project Description and that the expenditures, and the Association, are otherwise in compliance with this Agreement. The ISC’s right to reject any Request for Payment is in addition to, and not in lieu of, any other legal or equitable remedy available to the ISC due to any violation of this Agreement by the Association.

(ii) Pursuant to the limitations contained in Article XIV, any approval by the ISC of a Request for Payment, as described above, shall not be interpreted as a warranty or guarantee of any kind.

**ARTICLE X. PROJECT CONDITIONS AND RESTRICTIONS**

A. The following general conditions and restrictions are applicable to the Project:

(i) The Project’s funds must be spent in accordance with all applicable laws, regulations, policies, and guidelines, including, but not limited to, the New Mexico Procurement Code, NMSA 1978, Sections 13-1-28 through 13-1-199, and any applicable local procurement ordinance.
(ii) The construction phase of the Project must be implemented in accordance with the New Mexico Public Works Minimum Works Act, NMSA 1978, Sections 13-4-10 through 13-4-17, if applicable. Every contract or project in excess of sixty thousand dollars ($60,000.00) that the Association is a party to for construction, alteration, demolition, or repair, or any combination of these, including painting and decorating, of public buildings, public works or public roads and that requires or involves the employment of mechanics, laborers, or both shall contain a provision stating the minimum wages and fringe benefits to be paid to various classes of laborers and mechanics, shall be based upon the wages and benefits that will be determined by the New Mexico Department of Workforce Solutions to be prevailing for the corresponding classes of laborers and mechanics employed on contract work of a similar nature in the locality. Further, every contract or project shall contain a stipulation that the contractor, subcontractor, employer or a person acting as a contractor shall pay all mechanics and laborers employed on the site of the project, unconditionally and not less often than once a week and without subsequent unlawful deduction or rebate on any account, the full amounts accrued at time of payment computed at wage rates and fringe benefit rates not less than those determined pursuant to NMSA 1978, Section 13-4-11(B) to be the prevailing wage rates and prevailing fringe benefit rates issued for the project.

(iii) The Project may benefit private entities only in accordance with applicable law, including but not limited to, Article IX, Section 14 of the Constitution of the State of New Mexico, the “Anti-Donation Clause.” There are no third-party beneficiaries to this Agreement.

(iv) The Association shall not, at any time, convert any property acquired or developed with the Municipal Conservation Award to uses other than those specified in the Project Description without the ISC’s express advance written approval.

(v) The Association shall comply with all federal and state laws, rules and regulations pertaining to equal employment opportunity. In accordance with all such laws, rules and regulations the Association agrees to assure that no person shall be excluded from employment with the Association, be excluded from participation in the Project, be denied benefits, or otherwise be subject to discrimination under any activity performed pursuant to this Agreement on the grounds of race, color, national origin, sex, sexual preference, age, or handicap in accordance with all such laws, rules and regulations. If the Association is found not to be in compliance with these requirements during the life of this Agreement, the Association agrees to take appropriate steps to correct any deficiencies. The Association’s failure to implement such appropriate steps within a reasonable time constitutes grounds for terminating this Agreement.
(vi) Contractors of the Project will be required to post a performance bond in accordance with the requirements of NMSA 1978, Section 13-4-18 (1978), and to obtain any necessary easements and all permits required by public entities.

(vii) The Association shall be solely responsible for the construction, maintenance, and operation of all equipment and improvements associated with the Project. The Association agrees that the State of New Mexico and its agencies, including the ISC and its employees, are not in any way responsible for the operation, maintenance, management, replacement, construction, or supervision of any aspect or part of the Project. This provision shall survive termination of this Agreement.

(viii) The Association shall perform all operations and maintenance of the Project for the design life of the Project after completion and acceptance of the work under the construction contract to assure satisfactory operation of the Project and service to the Association. The Association's obligation to maintain the Project will survive Project close out, and last for the Project's design life.

(ix) If the Association elects to have Association members or employees install the meters, when selecting personnel to install the hardware, the Association shall ensure that all requirements of the New Mexico Utility Operators Certification Act, NMSA 1978 Sections 61-33-1 through 61-33-10, have been met. The Association shall also ensure that the installation personnel adhere to all applicable regulations and guidelines adopted by the New Mexico Water Quality Control Commission, the New Mexico Environment Department, and the American Water Works Association regarding drinking water system installation. If the Association hires a Contractor to install the meters, the contractor must possess a valid GF-9 or GF-98 Utility License issued by the Construction Industries Division of the New Mexico Regulation and Licensing Department.

(x) A Party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that Party's right thereafter to demand strict compliance with that or any other provision. No waiver by a Party of any of its rights under this Agreement shall be effective unless express and in writing, and no effective waiver by a Party of any of its rights shall be effective to waive any other rights.

B. The Association hereby represents and warrants the following:

(i) The Association is recognized as a political subdivision of the state pursuant to NMSA 1978, Chapter 3, Article 18, and has the legal authority to receive and expend the Municipal Conservation Award.
(ii) This Agreement has been duly authorized by the Association. The Association's governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the person identified as the official representative of the Association to sign the Agreement and to sign Requests for Payment. Once executed by the Association, this Agreement shall constitute a binding obligation on the Association, enforceable according to its terms.

(iii) This Agreement and the Association's obligations hereunder do not conflict with any federal or state law, ordinance, or resolution applicable to the Association, the Association's charter, if applicable, or any judgment or decree to which the Association is subject.

(iv) The Association shall abide by New Mexico laws regarding conflicts of interest, governmental conduct and whistleblower protection. The Association specifically agrees that no officer or employee of the Association or its designees or agents, no member of the governing body, and no public official of the Association who exercises any function or responsibility with respect to this Municipal Conservation Award, during his or her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed pursuant to this Agreement. Further, the Association shall require all its contractors to incorporate in all subcontracts the language set forth in this paragraph prohibiting conflicts of interest.

(v) The Association certifies that no funds have been paid, or will be paid, by or on behalf of the Association, to spouses, children, parents, brothers, and sisters of members of the Association's governing body otherwise defined as "immediate family members," in accordance with NMSA 1978, Section 13-1-62, a section of the New Mexico Procurement Code.

(vi) The Association certifies that no funds have been paid or will be paid, by or on behalf of the Association, to any person for influencing or attempting to influence an officer or employee of this or any agency or body in connection with the awarding Third Party Obligation. The Association shall require certifying language prohibiting lobbying to be included in the award documents for all sub-awards, including subcontracts, loans and cooperative agreements. All sub-recipients shall be required to certify accordingly.
ARTICLE XI. ACCOUNTING OF RECEIPTS AND DISBURSEMENTS; WATER SAVINGS; PROJECT RECORDS

A. The Association shall be strictly accountable to the ISC for receipts and disbursements relating to the Municipal Conservation Award. The Association shall follow Generally Accepted Accounting Principles and, if feasible, maintain a separate bank account or fund with a separate organizational code for the funds provided pursuant to this Agreement, and ensure separate budgeting and accounting of the funds.

B. For a period of five (5) years after completion of the Project, the Association shall generate records indicating the quantity of water that has been saved each year as a result of the Project.

C. For a period of six (6) years after completion of the Project, the Association shall maintain all Project-related records, including without limitation, all financial records, all records of water savings, requests for proposals, invitations to bid, selection and award criteria, contracts and subcontracts, advertisements, and minutes of pertinent meetings; shall also maintain records sufficient to fully account for the amount and disposition of the total funds from all sources budgeted for the Project, and the purpose for which such funds were used; and shall maintain any such other records as the ISC may prescribe.

D. The Association shall provide to the ISC, upon ISC request, water use data from before project completion, and shall maintain water use data for six (6) years after project completion in a format to be specified by the ISC.

E. The Association shall make all Project records available to the ISC, the Department of Finance and Administration, and the New Mexico State Auditor upon request. With respect to the funds that are the subject of this Agreement, the Municipal Conservation Award, if the State Auditor finds that any or all of these funds were improperly expended, the Association may be required to reimburse the New Mexico Unit Fund of the ISC for any and all amounts found to be improperly expended.

F. The Association shall comply with the terms of the New Mexico Audit Act, NMSA 1978, Sections 12-6-1 through 12-6-14, and any other applicable laws, regulations, policies, and guidelines related to the Audit Act.

ARTICLE XII. IMPROPERLY REIMBURSED FUNDS

If the ISC determines that part or all of the Municipal Conservation Award was improperly reimbursed to the Association, including but not limited to, Project funds reimbursed to the Association based upon fraud, mismanagement, misrepresentation,
misuse, violation of law by the Association, or violation of this Agreement, the Association shall be required to return such funds to the ISC for disposition in accordance with law.

ARTICLE XIII. LIABILITY

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

ARTICLE XIV. LIMITATIONS

A. Any ISC inspection, review, and approval of the Project itself, Project plans or designs, or Periodic and Final reports, or approval of any Payment Requests are only for purposes of compliance with the terms of the Agreement. ISC inspection, review and approval will not be interpreted as a warranty or guarantee of any kind. The Association and its contractors and consultants shall remain responsible for the completion and success of the Project. Inspection, review, or approval by the ISC or ISC staff does not relieve the Association, or any professional engineer hired by the Association, of legal responsibility for the overall integrity of the Project, adequacy of the Project design, safety of the Project, or compliance with all applicable laws and regulations. This provision shall survive termination of this Agreement.

B. The Association shall implement the Project in all respects. The Association shall provide all necessary qualified personnel, material, and facilities to implement the Project. The Association shall finance or provide Project engineering and permitting and shall finance all Project cost overruns. The Project is the Association's sole responsibility and nothing herein is intended to impose upon the ISC any responsibility or liability for any current or future design, construction, or maintenance of the Project.

ARTICLE XV. NON-APPROPRIATIONS CLAUSE IN CONTRACTS FUNDED UNDER THIS AGREEMENT

The Association shall include the following termination clause in all contracts between the Association and other parties that are (i) funded in whole or part by funds made available under this Agreement, and (ii) entered into after the effective date of this Agreement. This non-appropriation clause will state:

"The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico or by the State of New Mexico, and available to the Interstate Stream Commission for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Legislature or by the
State of New Mexico, and available to the Interstate Stream Commission, the Rodeo Mutual Domestic Water Consumer and Mutual Sewer Works Association may immediately terminate this Agreement by giving the Contractor written notice of such termination. The Rodeo Mutual Domestic Water Consumer and Mutual Sewer Works Association’s decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. The Contractor hereby waives any rights to assert an impairment of contract or breach of contract claim against the Rodeo Mutual Domestic Water Consumer and Mutual Sewer Works Association or the Interstate Stream Commission or the State of New Mexico in the event of immediate or early termination of this Agreement by the Association pursuant to lack of Commission funds.”

ARTICLE XVI. TERMINATION CLAUSE IN CONTRACTS FUNDED UNDER THIS AGREEMENT

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

“This contract is funded, in whole or in part, by funds made available under a disbursement from the Interstate Stream Commission. Should the ISC terminate the agreement providing those funds before the scheduled termination date, the Rodeo Mutual Domestic Water Consumer and Mutual Sewer Works Association may terminate this contract earlier than its scheduled termination date by providing the Contractor written notice of such termination. In the event of termination pursuant to this paragraph, the Rodeo Mutual Domestic Water Consumer and Mutual Sewer Works Association’s only liability shall be to pay the Contractor for acceptable goods delivered and services rendered before the termination date.”

ARTICLE XVII. ENTIRE AGREEMENT

This Agreement constitutes the entire and exclusive agreement between the Association and the ISC concerning the subject matter hereof. This Agreement supersedes any and all prior or contemporaneous agreements, understandings, discussions, communications, and representations, written or oral between the Parties hereto with regard to the Municipal Conservation Award from the ISC to the Association.

[THIS SPACE LEFT BLANK INTENTIONALLY]
IN WITNESS WHEREOF, the Parties have duly executed this Agreement, which is in effect as of the date of execution by the last signatory.

RODEO MUTUAL DOMESTIC WATER CONSUMER AND MUTUAL SEWER WORKS ASSOCIATION

Elizabeth Escorcia, President
[NAME]
[DATE]

[TITLE]

NEW MEXICO INTERSTATE STREAM COMMISSION

Deborah Dixon, P.E.
Director

[NAME]

Date

Amy I. Haas
General Counsel

[NAME]

Date

Jeffrey Primm
Program Support Director
Office of the State Engineer

[NAME]

Date

10/25/16
STATE OF NEW MEXICO  
INTERSTATE STREAM COMMISSION  
Arizona Water Settlements Act of 2004  
Non-NM Unit Project  
Scope of Work and Budget Form  
Exhibit A

Name: Rodeo, NM  
Mailing Address: PO Box 256, Rodeo, NM 88056  
Award: $14,000.00  
Local Match: $43.00

Telephone: 575-559-2295  
Contact Name: Nancy Cloud  

Project Description:  
Meter replacement of 45 existing water meters in Rodeo with new, radio read meters

<table>
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<tr>
<th>Task #</th>
<th>Description</th>
<th>Deliverables</th>
<th>Est. Cost ($)</th>
<th>Funding Source (AWSA/Other)</th>
<th>Est. Completion Date</th>
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<tr>
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<td>Request and acquire 3 bids</td>
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<td></td>
<td>1 week ANTP</td>
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<td>Place order</td>
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<td></td>
<td>Receive meters and invoice</td>
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<td>$14,000</td>
<td>AWSA</td>
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<tr>
<td></td>
<td>Audit by NMISC Program manager</td>
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<td>0</td>
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ANTP = After Notice to Proceed
Signatures of members of the governing body:

Chair

Treasurer

Secretary

Date: Sept 6, 2016

ISC Use Only

This Scope of Work and Budget is hereby approved/not approved.

Name

Title GILA ENGINEER

Interstate Stream Commission

Date 9/27/16
The Interstate Stream Commission (ISC) is hereby requested to reimburse the following in accordance with the Funding Agreement:

Payee Name and Contract No.: ________________________________

Request No.: ____________________________________________

Address of Payee:

Wire transfer to (if applicable):

Amount of Payment:

Purpose of Payment and Description of Work: __________________________

Each obligation, item of cost, or expense mentioned herein is for a reimbursement by the ISC to the Payee pursuant to the Funding Agreement between the ISC and the Payee. Each obligation, item of cost, or expense mentioned herein is due and payable, has not been the subject of any previous requisition, and is a proper charge for the aforementioned agreement. All representations in the Funding Agreement and any related documents remain true and correct, and the Payee is not in breach of any covenants contained therein. Supporting material as required by the Funding Agreement is attached.

Payee certifies that it has complied with the terms of the Funding Agreement and with all applicable federal, state, and local laws and regulations, and current orders of courts having jurisdiction over the Payee, including, without limitation, the New Mexico Procurement Code (NMSA 1978, § 13-1-21 et seq.).

Signature of Payee’s Officer

September 17, 2015
PERIODIC REPORT
I hereby certify that the aforementioned AWSA funds are being expended in accordance with all requirements of the Funding Agreement, and in compliance with other applicable requirements.

FINAL REPORT
I hereby certify that the aforementioned AWSA-funded project has been completed, and AWSA funds were expended in accordance with all requirements of the Funding Agreement and in compliance with all other applicable laws and regulations.

________________________________________
Signature of Officer

________________________________________
Date

I hereby certify that this project is being/has been completed in accordance with the design and specifications made by me.

________________________________________
Engineer's Signature

________________________________________
Engineer's seal

________________________________________
Engineer's Signature

________________________________________
Printed name

September 17, 2015
STATE OF NEW MEXICO
INTERSTATE STREAM COMMISSION
Arizona Water Settlements Act of 2004
Non-NM Unit Project
Periodic Report/ Final Report
Exhibit C

PERIODIC REPORT  FINAL REPORT

Reporting Body: Report Period: 

1. PROJECT STATUS

A. Third Party Obligations

Name of Contractor or Vendor: 

Amount of Third Party Obligation: 

Third Party Obligation Termination Date: 

B. Project Phase (provide anticipated date of commencement and completion for each phase)

Plan/Design ☐ 

Bid Documents ☐ 

Construction ☐ 

2. FUNDING STATUS

AWSA Amount: 

Other Amount and Source of Funds: 

Total Amount of all Requests for Reimbursement: 

Total AWSA Amount Expended to Date: 

Total Other Amount Expended to Date: 

AWSA Amount Balance as of this Date: 

September 17, 2015
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<tr>
<th>Chair</th>
<th>Treasurer</th>
<th>Secretary</th>
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<tbody>
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**ISC Use Only**

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<table>
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<tr>
<th>Title</th>
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<tr>
<td>Interstate Stream Commission</td>
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