2004 Arizona Water Settlements Act
Municipal Conservation Proposals

Staff Report
to the
New Mexico Interstate Stream Commission

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BACKGROUND

At its open, public meeting on November 24, 2014, the New Mexico Interstate Stream Commission (ISC) allocated $3,000,000 of the New Mexico Unit Fund for Municipal Conservation Projects, with preference for projects that include public education, public water conservation goals, increasing block rate structures, outdoor water restrictions and leak detection programs. The ISC required that an adequate contracting mechanism be developed and the local match be secured within 24 months; and that all funding must be expended by 2020. Funding is administered by the ISC and provided on a reimbursement basis. Projects must be qualified as valid water conservation projects by the New Mexico Office of the State Engineer (NM OSE) Water Use and Conservation Bureau. Participants must provide and keep data for five years. Funds are to be matched with a 30% local cash contribution, not to include administrative costs.

At its open, public meeting on February 26, 2015, the ISC amended the process to provide for the matching funds to be discretionary, and a preference given to regional conservation plan applications.

On March 26, 2015, ISC staff posted an application on the NMAWSA.org website and sent a message to all persons on the AWSA email list to alert stakeholders and potential applicants in southwest New Mexico. On September 30, 2015, staff sent an announcement to all persons on the AWSA email list that the total funding had not been exhausted and solicited additional proposals. On December 11, 2015, the Commission approved staff’s recommendation to fund projects totaling $2,642,155. Staff began a new round of competition for the remaining $357,845 and set the deadline for new proposals at January 29, 2015.

The following pages summarize the ISC staff and OSE evaluations and scoring of proposals received between December 11, 2015 and January 29, 2016, and staff recommendations. The actual proposals are presented below.
The ISC scoring criteria was presented as shown below in the grant application posted online.

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>POINTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing Block Rate Structure in place or to be included</td>
<td>1 or 0</td>
</tr>
<tr>
<td>Public Water Conservation Education Program in place or to be included</td>
<td>1 or 0</td>
</tr>
<tr>
<td>Outdoor Water Regulations</td>
<td>1 or 0</td>
</tr>
<tr>
<td>Meets Public Goals</td>
<td>1 or 0</td>
</tr>
<tr>
<td>Current Water Audit in place or to be included</td>
<td>1 or 0</td>
</tr>
<tr>
<td>Leak Detection Program in place or to be included</td>
<td>1 or 0</td>
</tr>
<tr>
<td>Regional Project</td>
<td>1 or 0</td>
</tr>
</tbody>
</table>

< $40 = 5, $40 - $60 = 4
< $60 = 3, $60 - $80 = 2
> $80 = 1, > $100 = 0

Cost/AF/Y

30% = 5, > 25% = 4
> 25% = 3, > 15% = 2
> 10% = 1, < 10% = 0

Local cash match (discretionary)

30% = 5, > 25% = 4
> 25% = 3, > 15% = 2
> 10% = 1, < 10% = 0

Outside funding support

30% = 5, > 25% = 4
> 25% = 3, > 15% = 2
> 10% = 1, < 10% = 0

1 Cost per acre foot per year over the expected project life

The highest score possible is 22 points.
APPLICATIONS RECEIVED BETWEEN DECEMBER 11, 2015 and JANUARY 29, 2016

INTRODUCTION

The ISC has received 4 proposals:

<table>
<thead>
<tr>
<th></th>
<th>Total cost of project $</th>
<th>Requested $</th>
<th>Local Match $</th>
<th>Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Bayard / Cobre Schools</td>
<td>$196,145</td>
<td>$ 196,145</td>
<td>0</td>
<td>On behalf of Cobre Consolidated Schools</td>
</tr>
<tr>
<td>Village of Columbus</td>
<td>$95,950</td>
<td>$95,950</td>
<td>0</td>
<td>Water Conservation Plan, Leak detection &amp; repair, toilets</td>
</tr>
<tr>
<td>Town of Hurley</td>
<td>$202,000</td>
<td>$ 202,000</td>
<td>0</td>
<td>Replace 600 water meters</td>
</tr>
<tr>
<td>Town of Silver City</td>
<td>$64,060</td>
<td>$54,560</td>
<td>$9,500</td>
<td>Replace meters at production wells</td>
</tr>
</tbody>
</table>
### SUMMARY OF PROPOSAL SCORES

<table>
<thead>
<tr>
<th>Location</th>
<th>Increasing Block Rate Structure</th>
<th>Public Water Conservation Program</th>
<th>Outdoor Water Regulations</th>
<th>Meets Public Goals</th>
<th>Current Water Audit</th>
<th>Leak Detection Program</th>
<th>Regional Project</th>
<th>Cost/AF/Y</th>
<th>Local Cash Match</th>
<th>Outside Funding Support</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bayard</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Columbus</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Hurley</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Silver City</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>7</td>
</tr>
</tbody>
</table>
SUMMARY OF FUNDING REQUESTS AND RECOMMENDATIONS

<table>
<thead>
<tr>
<th></th>
<th>Requested $</th>
<th>Recommended Funding $</th>
<th>Total Score from previous page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bayard</td>
<td>$196,145</td>
<td>176,295</td>
<td>2</td>
</tr>
<tr>
<td>Hurley</td>
<td>$202,000</td>
<td>181,550</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>398,145</strong></td>
<td><strong>357,845</strong></td>
<td></td>
</tr>
</tbody>
</table>

The available funds were divided between Bayard and Hurley with the requested funds reduced proportionately. Further detail is provided in the proposal descriptions that follow.
CITY OF BAYARD

Bayard has applied for $196,145 to design, construct, and install service line connections, meters, and other appurtenances required to connect Bayard’s effluent reuse distribution system to ten of the Cobre Consolidated Schools sports fields. Cobre Consolidated Schools purchases water from the City of Bayard. Both entities have signed Resolutions supporting this project.

The ISC previously allocated Municipal Conservation funds for the effluent reuse project in Bayard on December 11, 2015. The project proposed in this current request would connect the fields to the pipeline from that project and to the original pipeline constructed with funds from ONRT. This is illustrated in diagrams on pages 15-17 of this document.

Evaluation Summary

<table>
<thead>
<tr>
<th>Total cost: $196,145</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requested funds: $196,145</td>
</tr>
<tr>
<td>Water Savings Estimated by Proponent: 65.8 AF/Y</td>
</tr>
<tr>
<td>Cost per acre foot per year = $196,145 ÷ 65.8 AF/Y ÷ 20 Y = $149 / AF/Y</td>
</tr>
</tbody>
</table>

Twenty years was used as the expected life span of the facilities, following EPA guidelines for water project planning. The 65.8 AF/Y is the amount of potable water used to irrigate sport fields that would be replaced with treated effluent.

As shown in the Code of Ordinances of the City of Bayard, New Mexico, Chapter 40-Utilities, Article III - Rates and Fees, Section 40-56, Bayard does utilize an increasing block rate structure for residential and commercial customers. Also, Bayard has begun efforts toward water conservation education with the distribution of informational leaflets to water customers. There will be no local cash match.

The City is currently developing, but does not yet have in place, its Water Conservation Plan, which would include Public Water Conservation Education, Public Water Conservation Goals, and a Water Audit. It is also preparing for an actual audit. Bayard staff is considering implementing outdoor water restrictions. The City will be addressing leak detection in the near future. While the overall effluent reuse project is regional, the items to be funded with this proposal are not regional.

This information has been summarized in the score sheet below along with the OSE qualification and staff recommendation.
### CRITERIA

<table>
<thead>
<tr>
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<th>SCORE</th>
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<td>Outdoor Water Regulations</td>
<td>1 or 0</td>
<td>0</td>
</tr>
<tr>
<td>Meets Public Goals</td>
<td>1 or 0</td>
<td>0</td>
</tr>
<tr>
<td>Current Water Audit in place or to be included</td>
<td>1 or 0</td>
<td>0</td>
</tr>
<tr>
<td>Leak Detection Program in place or to be included</td>
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<td>Regional Project</td>
<td>1 or 0</td>
<td>0</td>
</tr>
<tr>
<td>Cost/AF/Y</td>
<td>$40 = 5, $60 = 4, $80 = 3, $100 = 2, &gt;$100 = 0</td>
<td>0</td>
</tr>
<tr>
<td>Local cash match (discretionary)</td>
<td>30% = 5, &gt;25% = 4, &gt;20% = 3, &gt;15% = 2, &gt;10% = 1, &lt;10% = 0</td>
<td>0</td>
</tr>
<tr>
<td>Outside funding support</td>
<td>30% = 5, &gt;25% = 4, &gt;20% = 3, &gt;15% = 2, &gt;10% = 1, &lt;10% = 0</td>
<td>0</td>
</tr>
<tr>
<td><strong>BAYARD</strong></td>
<td><strong>Total Score</strong></td>
<td>2</td>
</tr>
</tbody>
</table>

Per the NM OSE Water Use and Conservation Bureau, based on the narrative provided, this proposal qualifies as a water conservation project.

**Staff recommendation:** Enter into contract negotiations for $176,295 to fund the proposed extension of Bayard’s effluent reuse project.
PROPOSAL FROM BAYARD

AWSA MUNICIPAL WATER CONSERVATION PROGRAM
FUNDING APPLICATION
CITY OF BAYARD, NM
EFFLUENT REUSE PROJECT

1. Name of Entity Requesting Funds - City of Bayard, New Mexico / Cobre Consolidated Schools (owner of infrastructure)

2. Water System Location - City of Bayard, Grant County New Mexico.

3. Contact Information - Kristy Ortiz; City Clerk/Treasurer; P.O. Box P.O. Box 728, 800 Central Avenue; Bayard, NM 88023

4. Type of Water System Organization - Applicant (City of Bayard) is a municipal water system organized pursuant to § 3-2-1 et seq. or § 3-3-1 et seq.

5. Number of Service Connections - There are 970 water service connections in the City of Bayard.

6. Water Diversion Data – See Attachment I (well pumping data for Bayard – 2 years)

7. Project description attached. Attachment II

   Increasing Block Rate Structure – See Attachment III

   Public Water Conservation Education – see Water Conservation Plan Attach. IV

   Public Water Conservation Goals / Meets Public Goals - See Water Conservation Plan Attachment IV

   Outdoor Water Regulations – Outdoor water regulations are currently being considered currently by staff. Proposals include time of day watering restrictions during the summer months.

   Current Water Audit - Water Conservation Plan Attachment IV.

   Leak Detection Program - The City will be addressing leak detection in the near future with the replacement of all City water meters with the installation of remote read meters equipped with leak detection technology.

   Regional project y/n – Yes. The City of Bayard wastewater treatment plant is a regional facility serving Bayard, Santa Clara, Hurley, Fort Bayard Medical Center and North Hurley (Grant County). While the project serves facilities within the City of Bayard, the extension of the effluent reuse lines puts the practical use of reuse water more within the reach of the neighboring entities in the region.

   Estimated Cost Per Acre-Feet of Water Saved - The estimated project cost for engineering and construction is $196,145.00. The calculated annual water use for the Cobre High School, Snell Middle School, Bayard Elementary and the Bayard Tee Ball and Little League Fields application areas (17.94 acres) is 65.79 acreft/ year. The cost per acre foot is $2,980.00.

   Outside Non-Local Funds – There are no outside non-local funds available for this project to date.

   Local Match – No match for this grant will be provided by the City of Bayard.
ATTACHMENT II
CITY OF BAYARD, NEW MEXICO
EFLUENT REUSE PROJECT DESCRIPTION
AWSA MUNICIPAL WATER CONSERVATION PROGRAM

Proposed Project
Effluent Reuse project funding, involving the extension of transmission lines and construction of a ground storage tank, was awarded by the Interstate Stream Commission (ISC) in December 2015. This project is currently in the preliminary planning stages. The project which is the subject of this application will include service line connections, meters and other appurtenances required to connect the Cobre Schools application areas and two small City of Bayard application areas to the effluent reuse distribution system constructed under the 2014-15 effluent reuse project.

All expenses incurred for engineering support for the Cobre Schools groundwater discharge permit, and the permit fee itself, have been previously paid by the City of Bayard. The implementation of this project is a joint effort by the City of Bayard and the Cobre Consolidated Schools.

CITY OF BAYARD EFLUENT REUSE COBRE ADDITIONS
ESTIMATED PROJECT COSTS

<table>
<thead>
<tr>
<th>Description</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Quantity</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>3-in. Service Lines - Estimate</td>
<td>if</td>
<td>$10.00</td>
<td>1780</td>
<td>$17,800.00</td>
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<tr>
<td>3-in. Service Lines Trench and Backfill - Estimate</td>
<td>if</td>
<td>$12.00</td>
<td>1780</td>
<td>$21,360.00</td>
</tr>
<tr>
<td>2-in. Service Lines - Estimate</td>
<td>asy</td>
<td>$8.00</td>
<td>123</td>
<td>$984.00</td>
</tr>
<tr>
<td>2-in. Service Lines Trench and Backfill - Estimate</td>
<td>ls</td>
<td>$10.00</td>
<td>123</td>
<td>$1,230.00</td>
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<tr>
<td>Water meter installations at Cobre High School</td>
<td>ea</td>
<td>$9,500.00</td>
<td>4</td>
<td>$38,000.00</td>
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<tr>
<td>Electrical / Instrumentation and Controls</td>
<td>ea</td>
<td>$35,000.00</td>
<td>1</td>
<td>$35,000.00</td>
</tr>
<tr>
<td>8-in PVC Overflow Line at Tank</td>
<td>if</td>
<td>$19.00</td>
<td>938</td>
<td>$17,822.00</td>
</tr>
<tr>
<td>8-in PVC Overflow Line at Tank Trench and Backfill</td>
<td>ea</td>
<td>$20.00</td>
<td>938</td>
<td>$18,760.00</td>
</tr>
</tbody>
</table>

Subtotal                                                 |      |            |          | $166,651.60|
Contingency                                               |      | 10.00%     |          | $15,095.60 |
Subtotal                                                 |      |            |          | $181,747.20|
NMGRT on construction                                     |      | 7.6250%    |          | $12,661.43 |
Total Construction                                        |      |            |          | $197,408.63|

Engineering Basic Services                                |      | 9.10%      |          | $16,262.89 |
NMGRT On Engineering                                      |      | 7.1875%    |          | $1,169.89  |
Subtotal                                                 |      |            |          | $17,432.78 |

Total engineering                                         |      |            |          | $17,432.78 |

TOTAL PROJECT COSTS                                        |      |            |          | $196,144.82|
RESOLUTION NO 4-2016

AUTHORIZING AND APPROVING SUBMISSION OF A COMPLETED APPLICATION FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE NEW MEXICO INTERSTATE STREAM COMMISSION (NMISC) FOR WATER CONSERVATION FUND EFFORTS FOR A COMBINED INITIATIVE BETWEEN THE CITY OF BAYARD AND COBRE CONSOLIDATED SCHOOLS.

WHEREAS, the City of Bayard has initiated projects to promote and enhance water conservation efforts; and

WHEREAS, the City of Bayard and Cobre Consolidated Schools wish to proceed with water conservation efforts in a combined initiative to develop the infrastructure necessary to provide water conservation; and

WHEREAS, the Governing Body of the City of Bayard and Cobre School Board find that there is a significant need for additional funds to complete the water conservation efforts; and

WHEREAS, the Governing Body of the City of Bayard and Cobre School Board hereby authorize the submission of the Water Conservation Funds application prescribed by NMISC for its consideration and review for project funding; and

WHEREAS, the Governing Body of the City of Bayard and Cobre School Board directs and designates the Mayor/Mayor Pro-tem of the City of Bayard as the Chief Executive Officer and Authorized Representative to act in all matters in connection with this application and participation in the Water Conservation Fund Application; and

WHEREAS, the City of Bayard’s officials and staff are directed to conduct any and all acts necessary to carry out the intent of this Resolution.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE City of Bayard:

Section 1. That all action (not consistent with the provision hereof) heretofore taken by the Governing Body and the officers and employees thereof directed toward the Application and the Project, be and the same is hereby ratified, approved and confirmed.
Section 2. That the submission of the application requesting funding from the New Mexico Interstate Stream Fund, be and the same is hereby approved and confirmed.

Section 3. That the officers and employees of the Governing Body are hereby directed and requested to submit the completed Application to the NMISC for its review, and are further authorized to take such other action as may be requested by the NMISC in its consideration and review of the Application and to further proceed with arrangements for financing the Project.

APPROVED AND ADOPTED this 8th day of February, 2016.

Chon S. Ferro
Mayor Pro-tem

Kristina Ortiz, MMC
Clerk Treasurer
RESOLUTION NO 4-2016.c

AUTHORIZING AND APPROVING SUBMISSION OF A COMPLETED APPLICATION FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE NEW MEXICO INTERSTATE STREAM COMMISSION (NMISC) FOR WATER CONSERVATION FUND EFFORTS FOR A COMBINED INITIATIVE BETWEEN THE CITY OF BAYARD AND COBRE CONSOLIDATED SCHOOLS.

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WHEREAS, the Governing Body of the City of Bayard and Cobre School Board hereby authorize the submission of the Water Conservation Funds application prescribed by NMISC for its consideration and review for project funding; and

WHEREAS, the Governing Body of the City of Bayard and Cobre School Board directs and designates the Mayor/Mayor Pro-tem of the City of Bayard as the Chief Executive Officer and Authorized Representative to act in all matters in connection with this application and participation in the Water Conservation Fund Application; and

WHEREAS, the City of Bayard’s officials and staff are directed to conduct any and all acts necessary to carry out the intent of this Resolution.

NOW THEREFORE, BE IT RESOLVED BY THE COBRE SCHOOL BOARD OF Cobre Consolidated Schools:

Section 1. That all action (not consistent with the provision hereof) heretofore taken by the Cobre School Board and the officers and employees thereof directed toward the Application and the Project, be and the same is hereby ratified, approved and confirmed.
PROPOSAL FROM BAYARD

Section 2. That the submission of the application requesting funding from the New Mexico Interstate Stream Fund, be and the same is hereby approved and confirmed.

Section 3. That the officers and employees of the Cobrc School Board are hereby directed and requested to submit the completed Application to the NMISC for its review, and are further authorized to take such other action as may be requested by the NMISC in its consideration and review of the Application and to further proceed with arrangements for financing the Project.

APPROVED AND ADOPTED this 8th day of February, 2016.

Robert Mendoza
Superintendent

ATTEST:

Francesca O. Kelly
Secretary
PROPOSAL FROM BAYARD
SNELL MIDDLE SCHOOL, BAYARD ELEMENTARY AND CITY OF BAYARD SITES

LEGEND

- M → EXISTING REUSE METER

*** NEW CONNECTION TO EXISTING SPRINKLERS; POTABLE WATER CONNECTION REMOVED

- EXISTING REUSE LINE; 8" AND 4"

KEYED NOTES:

1. SNELL PRACTICE FIELD
2. ROMINGER FIELD
3. ELEMENTARY SCHOOL BASEBALL FIELD
4. BAYARD TEE BALL FIELD
5. BAYARD LITTLE LEAGUE FIELD
6. ELEMENTARY SCHOOL SOCCER FIELD

CITY OF BAYARD
EFFLUENT REUSE PROJECT

PROPOSAL FROM BAYARD
TOWN OF HURLEY

The Town of Hurley requests $202,000 to replace 600 water meters that are too old or of inadequate technology to allow the City to locate leaks or bill accurately. Currently, the Town is losing 11% of the water delivered. Hurley purchased 357 acre feet of water from Freeport McMoran in the last two years.

Hurley has been purchasing water from the nearby mine for several decades, even as the mine has changed owners. The current agreement with Freeport McMoran, under which Hurley pays $0.095 per thousand gallons, will expire in 2018. Hurley has been working with the Grant County Water Commission (GCWC) to obtain water from piping from new wells near the Grant County Airport. On February 26, 2015, the ISC voted to fund $2.1M of the new well-field and pipeline project, under a grant application from the GCWC, subject to additional match being secured by GCWC and subject to a more detailed plan being submitted by the GCWC.

In the proposal that is the subject of this document, Hurley states that Silver City has agreed to lease water rights from those wells to Hurley for $1 per year. Documents found online indicate that, on March 8, 2016, the Silver City Town Council voted to sign a Resolution in support of entering an agreement with Hurley that would lease the rights to 270 acre-feet of water per year for 40 years.

Evaluation Summary

| Total cost: $202,000 |
| Requested funds: $202,000 |
| Water Savings Estimated by Proponent: 19.5 AF/Y |
| Cost per acre foot per year = $202,000 ÷ 19.5 AF/Y ÷ 20 Y = $518/ AF/Y |

Twenty years was used as the expected life span of the facilities, following EPA guidelines for water project planning.

In a discussion about Hurley water rates, the 2009 Hurley 40 Year Water Plan, authored by Engineers, Inc., states that Hurley charges a flat rate for up to 3000 gallons per month, with an extra charge for each 1000 gallons beyond 3000. There is no increasing block rate structure. Hurley has no outdoor water use restrictions, water conservation education program or public water conservation goals.

Hurley has designated personnel to be trained in leak detection and intends to initiate a formal program of leak detection and repair upon installation of new meters and completion of training.

ISC staff acknowledges that installing a new meter, in and of itself, will not save water. However, the NM OSE water use and conservation bureau has determined that installation of new water meters is an accepted water conservation mechanism. It is anticipated that this project will save water because better meters will allow the City and
customers to find and repair leaks, and customers will have a more accurate assessment of their water use.

This information has been summarized in the score sheet below, along with the OSE qualification and staff recommendation.

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<td>0</td>
</tr>
<tr>
<td>(^1)Cost/AF/Y</td>
<td>(&lt; $40 = 5, &lt; $60 = 4 &lt; $80 = 3, &lt; $100 = 2 &gt; $100 = 0)</td>
<td>0</td>
</tr>
<tr>
<td>(^2)Local cash match (discretionary)</td>
<td>(30% = 5, &gt;25% = 4 &gt;20% = 3, &gt;15% = 2 &gt;10% = 1, &lt;10% = 0)</td>
<td>0</td>
</tr>
<tr>
<td>(^3)Outside funding support</td>
<td>(30% = 5, &gt;25% = 4 &gt;20% = 3, &gt;15% = 2 &gt;10% = 1, &lt;10% = 0)</td>
<td>0</td>
</tr>
</tbody>
</table>

**HURLEY**

**Total Score**

1

Per the NM OSE Water Use and Conservation Bureau, based on the narrative provided, this proposal qualifies as a water conservation project.

**Staff recommendation:** Enter into contract negotiations for $181,550 to fund Hurley’s water meter replacement project.
PROPOSAL FROM HURLEY

1. Name of entity requesting funds:

   Town of Hurley
   P.O. Box 65
   Hurley, NM 88043
   575.388.1509

2. Name and location, including county, of water system that will benefit from the funds

   Town of Hurley, Grant County, New Mexico

3. Contact information of the person representing the entity above: name, title, US mail address, phone, and email.

   Lori Ortiz, Clerk
   Town of Hurley
   P.O. Box 65
   Hurley, NM 88043
   575.537.2287
   townclerk@townofhurleynm.us

4. Is the applicant a

   The Town of Hurley is a water system of incorporated municipalities organized pursuant to § 3-2-1 et seq. or § 3-3-1 et seq.

5. How many service connections are on this system?

   600 Connections which includes Residential and Commercial

6. How much water is pumped or diverted annually? Please provide 2 years of diversion amounts, in gallons.

   Hurley’s water consumption in the last two years was 116,300 thousand gallons. Freeport McMoRan currently provides water to the Town of Hurley. They have an agreement that will expire in 2018. Hurley is moving towards having their own water source. The Town of Silver City will lease the water rights to Hurley for $1 a year. Town of Silver City has been granted recharge credits for these water rights.
PROPOSAL FROM HURLEY
7. Briefly describe the proposed project(s), in less than 500 words. Regulations and existing plans may be attached separately. Please include:

- public water conservation education program (existing or to be provided)
- public water conservation goals (existing or to be provided)
- increasing block rate structures (existing or to be provided)
- outdoor watering regulations (existing or to be provided)
- current water audit (existing or to be provided)
- leak detection programs (existing or to be provided)
- estimated cost per acre-feet of water saved per year (include calculations)
- what outside, non-local funds will be used to support project
- the local cash match, if any, that will be provided (discretionary)

The Town of Hurley proposes to install 600 electronic read meters and purchase software for an estimated cost of $202,000. This upgrade will improve water efficiency and water meter reading accuracy. Currently, the water meters are read manually and are consistently having issues with the misreading of meters. The meters are 15 years old and have met the life of the meter. The connections are beginning to leak causing water loss and maintenance problems for the Town. After years of use the meters begin to slow down affecting the meter readings leading to a loss of revenue to the Town.

The Town of Hurley is currently devoting 5 employees to reading meters in two and half days and with electronic meters would reduce the meter reading to one person and one day allowing the maintenance employees to devote their time to leak detection and repair within the Town.

The Town of Hurley does not have a formal leak detection program but staff has been designated to receive training in Las Cruces to be able to assess leaks. A leak detection program will be implemented when training is complete and new meters are installed.

In the last two years Freeport McMoRan has charged The Town of Hurley for 116,223,000 gallons of water, but have charged customers for only 103,453,991 gallons of water with a total water loss of 12,769,009 gallons. Which is assumed to be lost to leaks and theft with no idea of where the water is being lost.

A water conservation program has not been implemented but the Town will be providing information to residents by developing a water conservation brochure tailored to the Town. The SWNM Council of Governments will assist with this. This is addressed in the 40 year water plan.

The Town has completed a 40 year water plan, a Comprehensive Plan and a Preliminary Engineering Report on water. The Town of Hurley could reduce the scope of work if necessary depending on the funds available. The Town would replace meters based on age and functionality.
MINUTES OF THE COUNCIL OF THE TOWN OF SILVER CITY
REGULAR COUNCIL MEETING
Grant County Administration Center, 1400 Hwy. 180, Silver City, NM
March 8, 2016, 6:00 p.m.

Present:
Ken Ladner, Mayor
Cynthia Ann Bettison, District 1
Lynda D. Aimun-Smith, District 2
Jose A. Ray, Jr., District 3
Guadalupe Cano, District 4

Also Present:
Alex C. Brown, Town Manager-Finance Director
Ann L. Mackie, Town Clerk
Robert L. Scavron, Town Attorney

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE – Mayor Ladner called the meeting to order at 6:00 p.m. He said the Girl Scouts would present the flag ceremony and lead them in the Pledge of Allegiance.

2. CEREMONIES – None.

3. PROCLAMATIONS – “Girl Scout Week” – March 6-12, 2016. Mayor Ladner said the week of March 6-12 was “Girl Scout Week” and the Town would like to honor the Girl Scouts with a proclamation. He asked former Girl Scouts, Councilor Bettison and Councilor Cano, to help him with the presentation. Mayor Ladner read the proclamation and it was presented to Annette Toney, Membership Manager of the Girl Scouts of the Desert Southwest.

4. PUBLIC INPUT – Bruce Ashburn from PNM commented that the PNM Power Up Grants were ready for this year’s grant cycle and the opportunities that they would offer would support community and neighborhood revitalization projects, promote area improvements and green space development, and create meaningful public spaces. He said for the first time municipalities could apply for them, and he could provide assistance if needed.

5. COUNCIL COMMENTS - The Council commented on the following: complaints from people that were feeling harassed by individuals trying to obtain petition signatures; recently attended events; traffic issues downtown; how the Hudson Bridge work was done and the Silco Theater was open; how there was good data that showed savings in landfill costs as provided by the plastic bag ordinance and there was a dramatic decrease in hideous blowing bags; an emphasis on a local living economy with 3 components: shopping, buying, and being local; upcoming events; congratulations to the new Mayor and to Councilor Aiman-Smith and Councilor Cano on their reelection; and how the traffic light at 14th Street and Silver Heights Boulevard was working and thanks were given to Town staff for working on it. Mayor Ladner thanked the members of the Council for being so helpful to him since the election with lots of good suggestions and things that would help him conduct the meeting. He said he appreciated their input and help.

6. CHANGES TO AGENDA – None.

7. APPROVAL OF MINUTES - Regular Meeting on February 23, 2016 - Councilor Aiman-Smith moved to approve the minutes of the Regular Council Meeting of the Town of Silver City on February 23, 2016. Councilor Bettison seconded. Mayor Ladner asked if there was any discussion, and there was none. He asked for a vote of all those in favor, and all 4 Councilors said aye. He asked if any were opposed, and there were none. Motion carried.

8. REPORTS -
A. Staff Reports. Manager Brown introduced Gary Stailey and said the Town had been working with Mr. Stailey on community projects with the Juvenile and Probation Office, but Mr. Stailey had an Eagle Scout that did a project for the Town of Silver City. Mr. Stailey introduced Michael Good and said he was finishing up on his Eagle Scout project which was a culmination of about 8 years of diligent and focused work. Michael Good said he just completed his Eagle Scout project which consisted of fixing up 5 picnic tables at Lyons Park by the Big Ditch and he described the work.
B. Approval / Disapproval of Resolution No. 2016-11: a Resolution declaring that the execution of a water rights lease between the Town of Silver City and the Town of Hurley is in the best interests of the Town. Mayor Ladner urged the adoption of the Resolution for several reasons. He said the first reason was that the Town of Hurley did not own any water rights; that they currently bought their water rights and would lose that lease in December 2018; and the lease presented would secure a source of water at no cost to Hurley for the next 40 years and would be subject to renewal. He said the second reason was that he believed strongly in and was committed to the regional water system for the benefit of the communities in Grant County; that Silver City was blessed with a plentiful source of water and he said he believed they had a responsibility to share some of that water with other communities in Grant County. He asked Manager Brown to describe the purpose of the lease and what was hoped to be achieved. Manager Brown said they had worked on the project for about 8 years and they were putting together a regional water system which would provide a primary source of water to Hurley because Hurley had no water rights and was currently purchasing water from the Freeport McMoRan Mine. He said the ultimate intent of the regional water system was to be a secondary or supplemental water source to Bayard, Santa Clara, and the water associations between Hurley and Tyrone. He said the Town of Silver City was granted approval for 747 acre feet of recharge credits out at the Grant County Airport at 2 well sites, and they were leasing the recharge credits or 270 acre feet which was the 40 year plan projected for the water needs for the Town of Hurley. He provided further details of the lease agreement. He said the Town was not going to take over any water system, that it was only a well and transmission facility, not a storage distribution system. He said Hurley owned a storage distribution system, but did not have the initial source which was the wells and transmission into the town or the right to pump the water. He said the water rights had very little financial benefit to the Town because it was very expensive to build the infrastructure to get it from the airport to the Town of Silver City, and he provided further information. He said since Silver City was the shopping center for Grant County and the region, it was in the Town's best interest that their neighbors were strong, especially the mining district, because Silver City was where their residents shopped, and gross receipts taxes were the Town's primary source of revenue. He said it was for all of their interests, if they were strong, then the Town of Silver City would be strong, and they could not have additional economic development if there was not a strong infrastructure. There was further discussion. Mayor Ladner thanked Manager Brown for working so hard on it for a lot of years. He said it was a great example of doing the right thing for the right reasons. There was further discussion and Manager Brown said the Town of Hurley voted in favor of the lease agreement the previous day. Mayor Ladner said he also appreciated Attorney Scarbro for using his legal expertise to make it happen in the fashion that it needed to happen for all of it to go forth. Mayor Ladner said he was the sponsor and he moved to approve Resolution No. 2016-11: a Resolution declaring that the execution of a water rights lease between the Town of Silver City and the Town of Hurley is in the best interests of the Town. Councilor Bettison seconded. Mayor Ladner asked if there was further discussion, and there was none. He asked for a roll call vote. Councilor Bettison voted aye; Councilor Aman-Smith voted aye; Councilor Ray voted aye; and Councilor Cano voted aye. Motion carried.
RESOLUTION 2016-11

A RESOLUTION DECLARING THAT THE EXECUTION OF A WATER RIGHTS LEASE BETWEEN THE TOWN OF SILVER CITY AND THE TOWN OF HURLEY IS IN THE BEST INTERESTS OF THE TOWN.

WHEREAS, Silver City is the owner of Permit For Groundwater Credit No. M-2846, dated November 26, 2014, (“Groundwater Credit Permit No. M-2846”) which authorizes the diversion of not more than 747 acre feet per year (“afy”) of water from wells M-2846 and M-2846-S (“Silver City M-2846 Wells”) under certain terms and conditions set forth in Groundwater Credit Permit No. M-2846; and

WHEREAS, the Silver City M-2846 Wells are located in the general vicinity of the Grant County Airport, and the corporate boundaries of the Town of Hurley; and

WHEREAS, Hurley is in need of a municipal water supply to compensate for the termination of a private agreement that previously provided such water; and

WHEREAS, there exists a need for a long-term and dependable source of municipal water for the health, safety and welfare of the inhabitants of the Town of Hurley, and Silver City desires to respond to such need by leasing up to 270 afy of its water rights under Groundwater Credit Permit No. M-2846 to Hurley under the terms and conditions specified herein, which quantity is derived from Hurley’s 40-Year Water Development Plan based upon current use increasing to 270 afy in 40 years; and

WHEREAS, Hurley intends to develop a well field (“Hurley Well Field”) and related infrastructure to convey water from the Hurley Well Field to the Town of Hurley at its own costs; and

Resolution No. 2016-11
PROPOSAL FROM HURLEY Information found online

WHEREAS, the Parties acknowledge the Hurley Well Field and related infrastructure are intended to be the initial phase of the development of a regional water supply and transmission system for the benefit of the municipalities and unincorporated areas of Grant County (“Regional Water System”), and

WHEREAS, the Parties further acknowledge that the development of a Regional Water System is contingent on the receipt of funding from State and Federal agencies to finance the development of the Hurley Well Field and related infrastructure; and

WHEREAS, Silver City desires to lease up to 270 afy of its right to divert water associated with Groundwater Credit Permit No. M-2846 to Hurley, and Hurley desires to lease such water; and

WHEREAS, Hurley will file all appropriate and necessary applications with the Office of the State Engineer (“OSE”) to accomplish the objectives of this Agreement; and

WHEREAS, Chapter 48, Article II. Section 48-24 of the Town of Silver City municipal code permits such lease to a political subdivision of the State after a determination by the Town Council that such lease is in the Town’s best interests; and

WHEREAS, the Town Council of the Town of Silver City after due consideration finds that the aforementioned lease agreement does serve the best interests of the Town of Silver City;

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Silver City that:

The Town Council has determined that the aforementioned Water Rights Lease Agreement between the Town of Silver City and the Town of Hurley is in the best interests of the Town and will further the goals of the Town in being part of a regional water system to benefit itself and the communities of Grant County. The Town Council hereby authorizes the Town Manager to execute said lease and to do any other act required therewith.

PASSED, ADOPTED and APPROVED this 8th day of March, 2016.

Resolution No. 2016-11
VILLAGE OF COLUMBUS

The Village of Columbus applied for funds to develop a water conservation plan, conduct a water rate structure review, initiate a leak-detection and repair program, conduct public water conservation workshops, and purchase and install three hundred (300) low-flow toilets. Columbus has 650 service connections and diverts 207 acre feet of water each year.

The proposal states that funds would be used to hire a consultant to write a water conservation plan. It also states that funds would be used to hire a consultant to identify leaks in the water distribution system and purchase materials to repair any leaks found. The proposal states that funds would be used to hire a consultant to teach workshops to the public, but did not describe the content of the workshops or how they would be managed. It states that funds would be used to purchase and install 300 toilets, but did not describe how the distribution would be managed, or by whom.

Staff attempted to acquire more information about the proposal and found that there does not appear to be full knowledge among Mayor, Village Officers, and the Village Trustees concerning the proposal elements or unanimity on the need for the proposal.

Evaluation Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total cost: $95,950</td>
<td>Requested funds: $95,950 (100% of total cost)</td>
</tr>
<tr>
<td>Water Savings Estimated by Proponent: 31.5 AF/Y</td>
<td></td>
</tr>
<tr>
<td>Cost per acre foot per year = $95,950 ÷ 31.5 AF/Y ÷ 20 Y = $152 / AF/Y</td>
<td></td>
</tr>
</tbody>
</table>

Twenty years was used as the expected life span of the facilities, following EPA guidelines for water project planning.

The 2004 Village of Columbus 40-Year Water Plan, authored by Bohannon Huston, states that the following water conservation measures were in place:

- Use of an inclining block rate schedule (this rate structure is currently in place).
- Water Users Agreement with members for allocation of water in the event of a shortage
- Use of monthly newsletter to promote conservation and request voluntary compliance with seasonal odd/even watering schedule
- Sending out leak notices in the monthly water bills to those customers who have unusual usage or where the operator noticed water running or evidence of a leak on the customers side of the meter
- Providing many items of free literature in CWS office on xeriscaping and other conservation measures
• Responding to customer requests for determining whether they have a leak at no cost (this measure is currently in place).

This project would produce a water conservation plan which would establish public goals. It would also initiate a leak-detection and repair program. The proposal mentions that the Village has already received funds from the New Mexico Finance Authority to pay for a Preliminary Engineering Report on its water system that is not related to these projects.

This information has been summarized in the score sheet below along with the OSE qualification and staff recommendation.

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>POINTS</th>
<th>SCORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing Block Rate Structure in place or to be included</td>
<td>1 or 0</td>
<td>1</td>
</tr>
<tr>
<td>Public Water Conservation Education Program in place or to be included</td>
<td>1 or 0</td>
<td>1</td>
</tr>
<tr>
<td>Outdoor Water Regulations</td>
<td>1 or 0</td>
<td>0</td>
</tr>
<tr>
<td>Meets Public Goals</td>
<td>1 or 0</td>
<td>0</td>
</tr>
<tr>
<td>Current Water Audit in place or to be included</td>
<td>1 or 0</td>
<td>1</td>
</tr>
<tr>
<td>Leak Detection Program in place or to be included</td>
<td>1 or 0</td>
<td>1</td>
</tr>
<tr>
<td>Regional Project</td>
<td>1 or 0</td>
<td>0</td>
</tr>
<tr>
<td>Cost/AF/Y</td>
<td>&lt; $40 = 5, &lt; $60 = 4 &lt; $80 = 3, &lt; $100 = 2 &gt; $100 = 0</td>
<td>0</td>
</tr>
<tr>
<td>Local cash match (discretionary)</td>
<td>30% = 5, &gt;25% = 4 &gt;20% = 3, &gt;15% = 2 &gt;10% = 1, &lt;10% = 0</td>
<td>0</td>
</tr>
<tr>
<td>Outside funding support</td>
<td>30% = 5, &gt;25% = 4 &gt;20% = 3, &gt;15% = 2 &gt;10% = 1, &lt;10% = 0</td>
<td>0</td>
</tr>
<tr>
<td>COLUMBUS</td>
<td>Total Score</td>
<td>4</td>
</tr>
</tbody>
</table>

Per the NM OSE Water Use and Conservation Bureau, based on the narrative provided, this proposal qualifies as a water conservation project.

**Staff recommendation**: The ISC should not enter contract negotiations with Columbus at this time.
PROPOSAL FROM COLUMBUS

AWSA MUNICIPAL WATER CONSERVATION PROGRAM

VILLAGE OF COLUMBUS PROPOSAL TO
NEW MEXICO INTERSTATE STREAM COMMISSION
January 26, 2016

Name of entity requesting funds: Village of Columbus, NM

Name and location, including county, of water system that will benefit from the funds
Village of Columbus Water Utility
Luna County
214 W. Broadway/PO Box 350
Columbus, NM 88029

Contact information of the person representing the entity above: name, title, US mail address, phone, and email.
Tammy P. Zumwalt, Treasurer and Procurement Officer
Village of Columbus
P.O. Box 350
Columbus, NM 88029
Office: (575) 531-2663
Fax: (575) 531-2633
Treasurer@vtc.net

4. The applicant qualifies for funding as:
Water system of incorporated municipalities organized pursuant to § 3-2-1 et seq. or § 3-3-1 et seq.
Village of Columbus is a Public Water System – PWS#NM35-230-16

How many service connections are on this system?
Active water meters as of January 22, 2016
Residential 633
Commercial 17
TOTAL 650

How much water is pumped or diverted annually? Please provide 2 years of diversion amounts, in gallons.

2014 – 68,641,000 gallons
2015 – 66,596,800 gallons
PROPOSAL FROM COLUMBUS

Briefly describe the proposed project(s), in less than 500 words. Regulations and existing plans may be attached separately. Please include:

The Village of Columbus requests $95,950 in funding from the AWSA Municipal Water Conservation Program to conduct the following water conservation activities as supported by the Village of Columbus Comprehensive Plan 2012 Update.

Develop a Water Conservation Plan for the Village of Columbus—A Water Conservation Plan will be developed according to the methodologies outlined in the NM Office of the State Engineer’s “New Mexico Water Conservation Planning Guide for Public Water Suppliers.” A first step will be to conduct a water audit to evaluate “non-revenue water” to identify and estimate water losses, theft, meter inaccuracies, and non-billed authorized consumption internally, along with a rate assessment. The water audit will provide the Village with the data to identify the most effective water conservation measures for implementation. An RFP will be issued for a Consultant to develop a Water Conservation Plan. The funds of $20,000 will be attributed to advertising for RFP: $500-$1000, and the remaining $19,000 will be for the consultant. The Water Conservation Plan will evaluate the range of water conservation measures appropriate for implementation based on the results of the water audit. Since the Village has a reverse osmosis (RO) plant to treat its well water, the drinking water distributed to Village residents is expensive. Any non-revenue water therefore represents a significant impact to the Village budget. Columbus is a low-income community with the U.S. Census Bureau reporting 47.8% of residents living below the federal poverty level.

Conduct a Water Rate Structure Review – A review of the Village water rate structure will be carried out as part of the proposed Water Conservation Plan. The Village utility currently uses a high base-rate structure that is billed universally across all accounts with incremental increases in rates as usage increases. Because of the large percentage of low-income households in the service area, the existing base rate has resulted in a number of service disconnections for failure to pay. The Village seeks recommendations for an updated block- or tiered-rate schedule, optimized to promote water conservation while taking into account household income and size.

Initiate Leak Detection and Repair Program – The Village of Columbus estimates that 32% of water diverted is non-revenue water loss. Although part of this water loss is due to the reverse osmosis water treatment system, a recent water line break emptied water storage tanks, forcing the Village to resupply the tanks with new RO water. This was non-revenue water as it was not billed to water users. This proposal will provide funding to initiate a Leak Detection and Repair Program to identify leaks on a regular basis (one to two times per year) and fix leaking infrastructure. An RFP will be issued for a consultant to detect leaks for $6,960. The remaining funds will be spent on materials for Village Staff to repair the leaks.
PROPOSAL FROM COLUMBUS

Water Conservation Education for Residential Sector- An RFP will be issued for a Consultant to conduct Water Conservation Education for the public. We estimate that $5,000.00 will be spent for the Consultant. We will print educational materials for $1,050. Because of high water rates, Columbus residents are interested in learning about water conservation measures that can be implemented in the home. Past water conservation programs in Columbus conducted through the US Environmental Protection Agency’s US-Mexico Border Program in 2010-2011 resulted in an average water savings of 3,672 gallons/household/year. The Village will build upon this program, providing a school-based water conservation contest for students and two water conservation workshops for adults. Workshop participants and contest winners will receive water-efficient, replacement toilets for their homes. This effort builds on information from the report, “Evaluation and Cost-Benefit Analysis of Municipal Conservation Programs” (Water Conservation Alliance of Southern Arizona), which identifies toilet distribution programs as showing the greatest water savings per participant and the lowest cost per acre-foot ($181/acre-foot in saved water).¹ The toilets will be purchased for $50,400.00. Then an RFP will be issued for a Contractor to install the toilets at a cost of $5,040.00. Monitoring will be performed by Village Staff.

This application addresses the following priorities of the AWSA Municipal Water Conservation Program:

• public water conservation education program (existing or to be provided)
A previous water conservation program was successfully conducted in 2010 – 2011. The project will develop a water education program as part of the Water Conservation Plan.

• public water conservation goals (existing or to be provided)
The Water Conservation Plan will identify and outline specific goals. The 2012 Columbus Comprehensive Plan identifies water conservation ordinances, RO water reuse, and rate structure review as objectives for the Village to achieve.

• increasing block rate structures (existing or to be provided)
A water rate structure review will be conducted as part of this project and an increasing block rate structure will be evaluated.

• outdoor watering regulations (existing or to be provided)
Outdoor watering ordinances will be evaluated as part of the Water Conservation Plan.

• current water audit (existing or to be provided)
A water audit will be conducted as part of the Water Conservation Plan.

• leak detection programs (existing or to be provided)
A leak detection program will be developed and initiated as part of this project.

¹Water saved is defined as the reduction in net depletions in the regional water resources.
PROPOSAL FROM COLUMBUS

- estimated cost per acre-feet of water saved$^{2}$ per year (include calculations)  
  (See Data in Estimated Budget)

- what outside, non-local funds will be used to support project  
  Not applicable.

- the local cash match, if any, that will be provided (discretionary)  
  $25,000 in funding from NM Finance Authority for Preliminary Engineering Report for Village of Columbus Water and Wastewater Infrastructure ($50,000 total grant amount)

BUDGET ESTIMATE

<table>
<thead>
<tr>
<th>Services</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water audit, rate assessment, water conservation plan Consultant</td>
<td>20,000</td>
</tr>
<tr>
<td>Leak detection</td>
<td>6,960</td>
</tr>
<tr>
<td>Plumbing services (Contractor)</td>
<td>5,040</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Equipment/Supplies</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Leak repair, installations Contractor</td>
<td>12,500</td>
</tr>
<tr>
<td>Water-efficient toilets, 300</td>
<td>50,400</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other costs</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Copying, printing, water conservation workshops by Consultant</td>
<td>6,050</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TOTAL COST FROM FUNDING PROGRAM</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>100,950</td>
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<table>
<thead>
<tr>
<th>Outside non-local funding</th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>25,000</td>
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</table>

<table>
<thead>
<tr>
<th>TOTAL PROJECT COST</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>125,950</td>
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</tbody>
</table>

A contracting mechanism with the Interstate Stream Commission (ISC) will be entered into by December 31, 2016.
## BUDGET AND WATER SAVINGS CALCULATION

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<thead>
<tr>
<th>Task</th>
<th>Quantity</th>
<th>Cost/Unit</th>
<th>Total Cost</th>
<th>Water Saved</th>
<th>Total Water Saved</th>
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<tr>
<td>Water Conservation Plan</td>
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<tr>
<td>Water Audit</td>
<td>1</td>
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<tr>
<td>Rate Structure</td>
<td>1</td>
<td></td>
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<tr>
<td>Consultant</td>
<td>1</td>
<td>20,000</td>
<td></td>
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<tr>
<td>Leak Detection Program</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Leak Detection (Consultant)</td>
<td>6 days</td>
<td>$1,160/day</td>
<td>6,960</td>
<td>TBD</td>
<td>TBD</td>
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<tr>
<td>Leak Repair estimate – Materials</td>
<td>10 leaks</td>
<td>$1,250/leak</td>
<td>12,500</td>
<td>~2,000,000</td>
<td>6.7</td>
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<td>Water Conservation Education</td>
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<tr>
<td>Consultant</td>
<td></td>
<td>5,000</td>
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<tr>
<td>Education materials</td>
<td>600 copies</td>
<td>$1.75</td>
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<tr>
<td>Water-efficient toilets</td>
<td>300</td>
<td>$168</td>
<td>50,400</td>
<td>26,890</td>
<td>8,067,000</td>
</tr>
<tr>
<td>Plumbing services</td>
<td>56 hours</td>
<td>$90</td>
<td>5,040</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL COST FROM PROGRAM</td>
<td></td>
<td>$100,950</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outside, non-local funding</td>
<td></td>
<td>25,000</td>
<td></td>
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</tr>
</tbody>
</table>
PROPOSAL FROM COLUMBUS

Village of Columbus
Special Council Meeting Minutes
January 27, 2016 at 5:00 pm
HeId at the Columbus Community Center
500 W. North Boundary Avenue

1. Call to Order, Pledge and Salute: Mayor Skinner to commence meeting (At this time please silence your cell phones and any other electronic devices)

2. Roll Call:
   Mayor Philip H. Skinner - present
   Mayor Pro-Tem & Trustee William Johnson - present
   Trustee Xavier Munoz - present
   Trustee Esequiel “Bruce” Salas - present
   12 Village residents

3. Approval of the agenda. The mayor asked that we remove item 6 from the agenda until next meeting since the presenter was unavailable for this meeting. Trustee Johnson made the motion to approve the agenda with the 4 change, 2nd by Trustee Salas, motion carried.

4. Approval of the minutes of Council Meeting. Wednesday, January 20, 2016 Trustee Johnson made a motion to accept the minutes of the January 20, 2016 meeting, 2nd by Trustee Munoz. Motion carried.

5. Approval of grant application to the New Mexico Interstate Stream Commission for funding to support activities that promote water conservation and improvements in water utility planning and management. Trustee Salas went into some details regarding the grant application and its benefits to the community. Motion to approve the grant application was made by Trustee Salas, 2nd by Trustee Munoz, motion carried.

6. Approval of contracts for construction of old school renovations. The contracts will be executed with ESA: General Building Contractor and Progressive Roofing: Roof Contractor. Tabled until February meeting.

7. Diane Cook discussed the litter problem in and around Columbus and lack of enforcement of ordinance already in effect. Diane has come up with a plan which was discussed. She is willing to put together a committee to get the litter problem under control. She suggests we put up signs on the highways as well as at the transfer station, start charging a fine. We need to get organized and get the trash cleaned up, we have the Cabalgata coming up and we need to present a clean environment.

8. Trustee Comment: None this evening.

9. Public Comment: Daniel Garcia and Wilson Moore wrote a letter addressing their perceived issues against the village trustees and the lack of forward movement.
10. The next regularly scheduled meeting will be February 17, 2016.
11. Motion to adjourn made by Trustee Salas, 2nd by Trustee Munoz at 5:45 pm.

Passed, approved and adopted this 17th day of February, 2016

Philip H. Skinner, Mayor
Village of Columbus

Cynthia Varnhagen, Municipal Clerk
Village of Columbus
The Town of Silver City applied for $54,560 to replace large meters at the production wells. This proposal was withdrawn, per the email below.

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From: Silver City Town Manager [TownManager@silvercitynm.gov]
Sent: Friday, March 18, 2016 3:50 PM
To: Sobien, Helen, OSE
Subject: Meters for wells

Ms. Sobien, due to unforeseen circumstances, please withdraw the Town of Silver City's application reference the meters for the wells. Thank you for your assistance and time in this matter.

Respectfully,

Alex C. Brown

Town of Silver City
Town Manager / Finance Director
101 W Broadway
Silver City, NM 88061
Office: (575) 334-6390
Cell: (575) 389-7519
PROPOSAL FROM SILVER CITY

1. **Name of entity requesting funds:** Town of Silver City, New Mexico

2. **Name and location, including county, of water system that will benefit from the funds**
   Town of Silver City, Grant County, New Mexico

3. **Contact information of the person representing the entity above: name, title, US mail address, phone, and email.**
   Alex Brown, Town Manager
   Town of Silver City
   P.O. Box 1188
   Silver City, NM 88062
   Phone: 575-388-7519
   Email: townmanager@silvercitynm.gov

4. **What type of water system does the applicant have?**
   Water system of incorporated municipalities organized pursuant to § 3-2-1 et seq. or § 3-3-1 et seq.

5. **How many service connections are on this system?**
   There are 6,500 total service connections on the Town of Silver City water system, including residential and commercial.

6. **How much water is pumped or diverted annually? Please provide 2 years of diversion amounts, in gallons.**

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (gallons)</td>
<td>823,500,000</td>
<td>780,673,600</td>
<td>747,363,700</td>
<td>697,278,500</td>
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<tr>
<td>Acre-Ft/Yr</td>
<td>2,527</td>
<td>2,396</td>
<td>2,293</td>
<td>2,139.73</td>
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<tr>
<td>% Rights Used</td>
<td>55.34%</td>
<td>52.47%</td>
<td>50.22%</td>
<td>46.86%</td>
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</table>

7. **Briefly describe the proposed project(s), in less than 500 words. Regulations and existing plans may be attached separately. Please include:**
   The Town is requesting funding to replace the bodies of eight 6-inch and one 8-inch production meters at two of the Town well fields (the heads were replaced approximately 5 years ago with the installation of the SCADA system). It is recommended that these meters be replaced every 5-7 years, and Woodward Well meters 2-6 and Franks Well meters 5-7 are older than the recommended replacement age. The Town will provide cost share by paying for the replacement of a twelve-inch master meter at the Woodward Booster Station.
   Source and service metering are key components to a successful water use efficiency program and the 2013 Water Conservation Plan (WCP), provided recommendations for improvements to the entire system. As recommended, the Town is in the process of updating the service meters to radio-read meters, but the source meters are currently in need of replacement. The Woodward 20-inch master meter will be replaced by the Town in Feb. 2016.
PROPOSAL FROM SILVER CITY

The Town conducts production meter accuracy testing annually. After testing, each production meter is calibrated to 100 percent. Meter accuracy has deviated by as much as 16.5 percent.

Cost estimate:

<table>
<thead>
<tr>
<th>Item</th>
<th>QTY</th>
<th>Unit Cost</th>
<th>Total</th>
<th>ISC request</th>
<th>In-kind</th>
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<tbody>
<tr>
<td>6&quot; meter</td>
<td>8</td>
<td>$3,500</td>
<td>$28,000</td>
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<tr>
<td>8&quot; meter</td>
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<td>$5,000</td>
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<tr>
<td>12&quot; meter</td>
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<td>Engineering</td>
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<tr>
<td>Installation 6&quot;</td>
<td>8</td>
<td>$1,200</td>
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<tr>
<td>Installation 8&quot;</td>
<td>1</td>
<td>$3,500</td>
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<tr>
<td>Labor, parts</td>
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<td>$2,500</td>
<td>$2,500</td>
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<tr>
<td><strong>Subtotal</strong></td>
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<td><strong>$59,100</strong></td>
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<td><strong>10% contingency</strong></td>
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<td>$4,960</td>
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<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>$64,060</strong></td>
<td><strong>$54,560</strong></td>
<td><strong>$9,500</strong></td>
<td></td>
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</table>

Construction: 2016  
Duration: 6 months

**Public water conservation education.** Section 6.5 of the WCP, is designed to increase public awareness and encourage conservation.

**Public water conservation goals.** Section 5 of the WCP, focus on reducing outdoor water use, reducing waste, reducing peak summer demands, and reducing pumping and treatment costs.

The current inverted water rate structure has three tiers, with the price increasing as water use increases (Resolution 2014-19).

**Outdoor watering regulations** are outlined in the Water Shortage Response Plan, which establishes water supply shortage actions and procedures with a focus on restricting outdoor water use. The current water audit can be found in Appendix A of the WCP, and the methodology used in the audit is described in Section 2.7 and Section 2.8 of the WCP.

System-wide leak detection is conducted biannually by a qualified contractor. Fixing identified problems over the years has led to substantial decreases in wasted water.

**Estimate of water saved** by replacing source water meters is impossible to calculate. The increased accuracy of the meters will make for greater accuracy in reporting to the OSE. With new source and service meters the town will conserve water by being able to more accurately determine unaccounted water. Better accuracy in future water auditing will help the Town optimize any needed adaptations to its conservation program and help minimize non-revenue water.

No outside funds will be used for this project.