

# WATER PROJECT FUND

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**UNDERSTANDING THE  
WATER TRUST BOARD  
APPLICATION PROCESS**

**JUNE 5, 2025**



Petroglyph Consulting, LLC

# ● Introduction



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# ● Webinar Agenda



- Water Trust Board Creation/Philosophy
- Eligibility Requirements
- Application Timeline & Process
- Eligible Project Types
- Documentation Requirements
- Scoring Criteria & How to Maximize Points
- Technical Assistance Program





# Water Project Finance Act (WPFA)



The purpose of the Water Project Finance Act is to provide for:

- Water use efficiency,
- Resource conservation and
- Protection and **fair distribution** and allocation of New Mexico's scarce water resources.



# WPFA Funding Limitations



Qualifying Entities shall:

- Operate and maintain the project for its full design life
- Provide legal assurance of property rights (title, easements, ROW)
- Demonstrate financial capacity to maintain and repay the project
- Maintain financial records in compliance with applicable laws



# Water Trust Board



Created by the WPFA, duties include:

- Adopt rules governing terms and conditions of grants or loans.
- Prioritize projects that:
  - have been identified by the board as being urgent to address public health and safety issues
  - have matching contributions from federal or local funding sources
  - have obtained all requisite state and federal permits



# ○ Eligible Entities



- State Agencies
- County Governments
- Political Subdivisions
  - Municipalities/Local Governments
  - MDWCAs; Water & Sanitation Districts
  - Acequia and Soil & Water Conservation Districts
  - Regional/Local Authorities
  - Special Districts
- Tribes/Pueblos



# ○ Eligible Items (WPFA)



- To match federal and local cost shares;
- Engineering feasibility reports;
- Contracted engineering design;
- Inspection of construction;
- Special engineering services;
- Environmental or archaeological surveys;
- Construction;
- Land acquisition;
- Easements and rights of way; and
- Legal costs.



# ● Application Ranking Timeline



- Notice of Intent (7/15 - 7/31/24)\*
  - \*NOI's will be accepted until 9/16/24.
- On-line Project Application (8/15 - 9/16/24)
- Deadline for preliminary spend down, and/or submittal of Waiver Request (9/16/24)
- Application Evaluations (9/17 - 10/18/24)
- Consideration of Waiver Requests (10/3/24)
- WTB Recommendation to the Legislature: (10/29/24)





# Readiness Application Timeline



- On-line Readiness Application (12/11/24 - 1/23/25)
- Notice of Regulatory Compliance (1/23/25)
- Deadline for project drawdown or submission of project continuation waiver (1/23/25)
- Regulatory Compliance Deadline (3/14/25)
- Final WTB funding recommendations (4/22/25)
- Final Approval of WTB Awards (5/22/25)
- RTP Deadline (9/30/25)



# Notice of Intent



<b>APPLICANT PRIMARY CONTACT</b> <b>(Authorized to Submit Application and Request Access for EnABLE users)</b>		
Name:	Title:	
Mailing Address:		
City:	State:	Zip:
Email:	Phone:	

<b>APPLICANT SECONDARY CONTACT</b> <b>(Authorized to Access EnABLE Application System)</b>		
Name:	Title:	
Mailing Address:		
City:	State:	Zip:
*Email:	Phone:	

*\*email must not duplicate primary*



# Notice of Intent



**Project Name:**

**Amount Requested:** \$ \_\_\_\_\_

*Note: Per WTB policy, Applicants may not receive more than 15% of the available funds in any year. The available funding for the 2025 cycle is estimated to be \$125.1 million (\$18.7 million 15% CAP); requests exceeding the 15% will need to be revised at time of application submittal.*

#### **Project Type – Check One That Applies**

- Water Storage, Conveyance and Delivery
- Watershed Restoration and Management
- Endangered Species Act Collaborative
- Flood Prevention
- Water Conservation or Treatment, Recycling or Reuse

#### **III. PROJECT DESCRIPTION**

**Please provide the Project Location, the Scope of Work to be completed with the requested funding, the Phase or phases to be funded, and a brief description of the Project Goal.**

**Project Location:**

**Scope of work:**  Planning    Design    Construction (Check all that apply)

**Phase or Phases to be Funded:**

**Project Goal (35 words or less):**



# EnABLE Application Form



## WTB STAFF ONLY

Project Number:

Status Date:

Comment:

Project Funding Source:

Status:

Status Date:

Type:

Amount:

**DO NOT TYPE IN SHADED AREAS (Please  
Follow Instructions Below) Contact staff at  
WTBAdmin@nmfa.net if you have any questions or  
need clarification.**



DESCRIPTION:	WTB Funds	Local Funds	State Funds	Federal Funds	Total
Feasibility/Planning Document					\$0
Design & Specifications					\$0
Construction Inspection					\$0
Environmental Surveys					\$0
Archaeological Surveys					\$0
Construction					\$0
Land Acquisition					\$0
Easements & ROW					\$0
Project Management					\$0
Legal Costs					\$0
Total:	\$0	\$0	\$0	\$0	\$0



# ○ EnABLE Application Form



## B. Additional Documents (optional)

Attach below any additional information you believe would be helpful to evaluating your project.

1. Document description:

Attachment:

 Add Attachment. [?](#)

2. Document description:

Attachment:

 Add Attachment. [?](#)

3. Document description:

Attachment:

 Add Attachment. [?](#)



# EnABLE Application Form



First    Previous    Next

Section 8 of 9

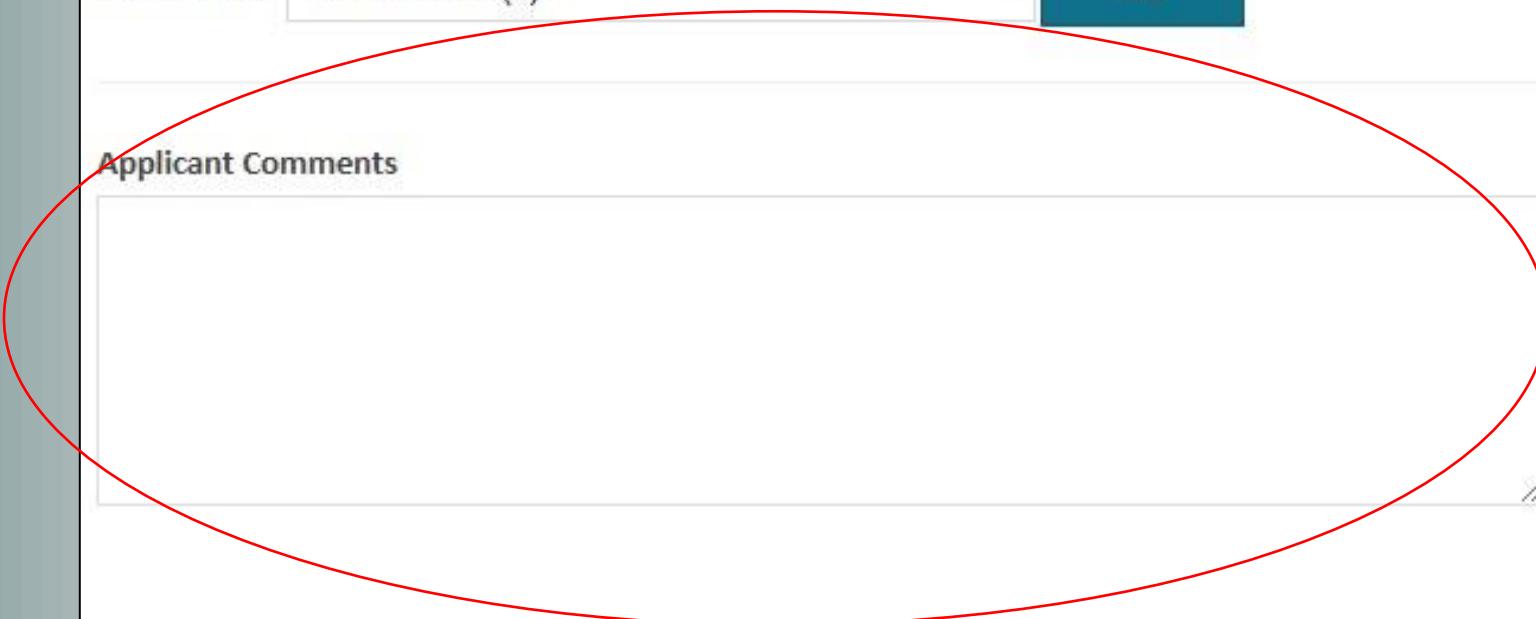
Go to Section  ▼ Go

Applicant Comments

Current Step:

Validate Save Cancel Form Print

\* Required field





# Loan Requirements



- The WTB may require a loan “match” of between 10-40% for projects supported by a rate-paying constituency.
  - Based upon historic capacity of the applicant’s system revenues and existing debt.
- Loan repayment terms - 20 years for infrastructure projects and 10 years for non-infrastructure projects.
- A Loan Waiver is available
  - Serve < 500 connections, OR
  - Consolidating with another system.



# Match Requirements



Project Type	Scale of Request	Match Required (Based Upon MHI)		
		Category I	Category II	Category III
Water Storage	\$2.5M+	20%	15%	10%
Water Storage	\$1.0 - 2.49M	15%	10%	5%
Water Storage	< \$1M	10%	5%	0%
Water Conservation	\$1.5M+	20%	15%	10%
Water Conservation	\$750K - 1.49M	15%	10%	5%
Water Conservation	<\$750K	10%	5%	0%
Watershed Management	\$500K+	15%	10%	5%
Watershed Management	<\$500K	10%	5%	0%
Endangered Species Act	\$500K+	15%	10%	5%
Endangered Species Act	<\$500K	10%	5%	0%
Flood Prevention	\$500K+	15%	10%	5%
Flood Prevention	<\$500K	10%	5%	0%

Category I = MHI equal to or greater than the State MHI.

Category II = MHI equal to or greater than 75% of the State MHI, but less than the State's MHI.

Category III = MHI less than 75% of the State's MHI.



# ○ Flexible Funding Structure - Match vs. Loan Options



- Match/Loan Substitution:
  - Additional match can reduce or eliminate loan
  - Larger loan can replace required match if needed
- Benefits:
  - Adaptable to applicant financial situation
  - Reduce debt or preserve local cash
  - Makes funding accessible to more communities



# ○ Eligible Project Types



## **Category**

- Water Storage
- Water Conservation
- Watershed Management
- Endangered Species Act of 1973
- Flood Prevention
- Waste Water

## **Policy Target**

- 50-75%
- 15-30%
- 10-20%
- 0-5%
- 0-10%
- ??



# ● Water Storage



- Storage, conveyance or delivery of water to end users.
- System wide improvements, including new and rehabilitated pipeline and distribution, wells, pump stations, tanks (including SCADA), and storage reservoirs and dams undertaken by water systems and acequias.
- Ineligible: Dry Dams; Water Meters





# Water Conservation



- Water conservation or recycling, treatment, or reuse of water.
- System wide improvements that include the treatment of wastewater effluent to bring it to NMED reuse standards specifically for a reuse project, water meters and conservation projects.
- Ineligible: Wastewater treatment or processing with no re-use; maintenance and replacement of meters with no conservation.



# ● Watershed Management



- Restoration and management of watersheds.
- Forest thinning and riparian restoration projects to consideration of soil and substrate conditions. Projects that address long-term maintenance and overarching watershed restoration will be considered.
- Ineligible: Expenses related to non-infrastructure activities such as advocacy, awareness, and public relations.





# Endangered Species Act of 1973



- Implementation of federal Endangered Species Act of 1973.
- Projects directly related to habitat restoration.
- Ineligible: Projects where the funds are primarily intended for recreational purposes, such as a walking path.



# ● Flood Prevention



- Flood Protection Dams (often referred to as 'dry dams') or Projects built to protect human safety and property from flooding.
- Ineligible: Dams constructed primarily for the storage of water, regardless of their potential for breaches; Projects where flood prevention is not the primary purpose, such as bridge replacement.





# Documentation Requirements



- Authorizing Resolution
- Planning Documents
- Preliminary Engineering Report (PER)
  - Technical Memorandum
- Water Rights
- Asset Management Plan
- Right of Way Documentation
- Maps





# Regulatory Compliance



- The applicant must demonstrate compliance with relevant agency regulations pertaining to the project.
  - Safe Drinking Water Act; Water Conservation Plan
- DFA Approved Budget
- Three most recent years of audits or other financial statements compliant with the State Audit Rule.
- Up-to-date articles, by-laws and other governance documents.



# ● Connection to Past Awards



- Applicants requesting funds must have expended at least 70% of prior awards that have not yet been certified as complete.
  - Funds awarded in the most recent application cycle are excluded from this expenditure calculation
- Applicants moving to the Readiness Phase must have expended at least 95% of prior awards that have not yet been certified as complete.
  - Applications that will cure a condition considered Urgent may be excepted from these limitations



# ● Connection to Past Awards



- Waiver Requirements:
  - Submit written request with explanation
  - Detail progress and timeline for completion
  - Reviewed by NMFA and Water Trust Board
- Best Practices:
  - Close out awards before reapplying
  - Communicate early with NMFA on delays
  - Keep thorough project records



# ● Scoring Criteria Overview (100 Points)



<b>Category</b>	<b>Points</b>
• Urgent Project	5
• Local Contribution	15
• Readiness	10
• Regionalization	10
• Health & Safety	25
• Planning/Design	10
• Other (Category Specific)	25



# Ranking Phase Results



Flood Prevention																	
										NMFA-local Contribution 15 pts	OSE-Regional Water Plan 5 pts	Readiness 10 pts	Regionalization 10 Pts	Health & Safety 25 pts	Plan & Design 10 pts	Economic Protection/Benefit 25 pts	TOTAL
WPF-6619	Sunland Park, City of	Dona Ana	Carlos Aguirre flood control	Construct flood control to capture upstream runoff	\$ 3,500,000	3	5	10	10	15	10	16	69				
WPF-6562	Dona Ana County	Dona Ana	Dragonfly Channel Ph. 4	Construct channel	\$ 6,000,000	3	0	10	10	18	10	15	66				
WPF-6555	Columbus, Village of	Luna	NE Channel Ph. II	Construct of Channel Ph. II	\$ 1,000,000	4	5	6	10	18	6	15	64				
WPF-6589	McKinley County	McKinley	CR32B Purty Rock drainage improvements	Construction of new arch pipe/concrete culvert	\$ 2,563,638	4	5	7	10	16	6	15	63				
WPF-6606	Ruidoso, Village of	Lincoln	Alto Lake Dam Spillway	Design Alto Lake Dam spillway and flood routing analysis.	\$ 237,500	4	0	2	10	20	2	20	58				
WPF-6618	Sunland Park, City of	Dona Ana	Edgemont subdivision flood control	Design flood control pond	\$ 500,000	4	5	7	7	15	5	15	58				
WPF-6616	Southern Sandoval County Arroyo Flood Control Authority	Sandoval	Sportsplex Dam outlet rehabilitation	Design and construct improvements to the outlet works as Sportsplex dam.	\$ 500,000	4	0	10	4	16	5	15	54				
WPF-6621	Truth or Consequences, City of	Sierra	Cantrell Dam breach & watershed drainage	Construct flood control improvements including breach and storm drain	\$ 8,090,000	4	0	10	2	15	8	15	54				
WPF-6543	Albuquerque, City of	Bernalillo	John St. pond/drainage improvements	Design/construct John St. pump station and gravity pond, diversion of Williams st. 72" storm drain and Broadway Blvd. 66" SD and upsizing SD in Barelas Ditch to 30" pipe.	\$ 6,160,000	4	0	8	2	16	5	15	50				
WPF-6552	Cibola County	Cibola	CR7 & 8 drainage improvements	Design drainage improvements to repair existing erosion and scour of the channel side slope	\$ 450,000	4	0	6	9	10	5	15	49				
WPF-6622	Upper Rio Grande WD	Rio Arriba	SMBM Dam Site #1	Plan, design and construct sediment removal to Sebastian Martin Black Mesa dam site 1	\$ 350,000	4	5	6	2	10	3	15	45				
WPF-6558	Deming, City of	Luna	Milo Neighborhood flood prevention and drainage imp.	Plan and design flood prevention improvements	\$ 214,000	3	0	3	2	15	3	15	41				
WPF-6587	Luna County	Luna	Yuma/Maverick flood prevention	Plan and design flood mitigation	\$ 450,000	4	0	3	2	10	3	10	32				
			13		\$ 30,015,138								AVERAGE 53.75				



# ○ Urgent Project (5 pts)



- Public Health Threat
- Safe Drinking Water Act Compliance
- Wildfire Public Safety
- Dam Safety
- Other (Governor/Cabinet Declared Emergency)
- **\*\*Need to attach evidence of the associated issue.**



# ○ Local Contribution (15 pts)



- Contributes hard match more than minimum required by greater than 300%.
- Match Range - (0% - 20%)
- Contribute as much Match as possible
  - Non-WTB loans
  - Federal funds
  - Local cash contributions
  - The cost of a preliminary engineering report
  - An appraised value of land



# ● Project Readiness (10 pts)



- Project is ready to proceed (other funding secured and all permits, licenses and authorizations are in place)
- Project has secured all other funding and has identified, but not secured, all permits, licenses, and authorizations
- Project has not secured all other funding and has not yet identified all permits, licenses and authorizations
- **\*Records management and upload is crucial.**



# ○ Regionalization (10 pts)



- Project provides "regionalization" of several smaller water systems and/or provides regional service which replaces individual well-septic systems.
- Project incorporates an area >80% of the population within an area.
- Project mitigates flood damage to an area that represents >80% of the population



# ○ Health & Safety (25 pts)



- Project specifically addresses identified threat(s) to human health and safety relative to water borne disease, Safe Drinking Water Act violations.
- Project specifically addresses identified threat(s) to human health and safety relative to water quantity where only a single source of water is available for drinking water.
- The project specifically addresses imminent or existing catastrophic floods and threats to human health and safety.



# ● Planning & Design (10 pts)



- Project design concept is substantively complete, sets forth clear methodology for project selection and design, sets forth a clear description of how the project will improve the existing conditions and provides measurable results.
- Project design concept is significantly complete.
- Project is well planned, but design is not yet complete.
- Project is not planned



# ● Other (25 pts)



- Emergency (Storage/Conservation)
  - Project specifically addresses imminent or existing catastrophic conditions
- Attention to Wildlife and Environmental Compatibility (Watershed)
- Water Quality Improvement (Watershed)
- Habitat Recovery (ESA)
- Economic Protection and/or Benefit (Flood)



# ○ Technical Assistance Program



- Services Provided
  - Engineering, Technical, or Hydrological Services
  - Geospatial Mapping Services
  - Accounting, Legal, or Facilitator Services
- Focus on facilitating regionalization and individual system planning.
- Application is on the NMFA website.
- Application requires a Resolution by the Governing Body.





# Questions

## ???

