

RURAL INFRASTRUCTURE NEEDS STUDY | SUMMARY

Presentation to the REOTF

October 7; Chaparral, NM

Pivotal New Mexico

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PROJECT OVERVIEW

FINAL PROJECT SCOPE OF WORK

The Final Report will contain six chapters, covering project scope of work areas as follows:

1. Demographic information relating to infrastructure needs in New Mexico: Tables and maps will show the needs at the county level, with census tract-level information on highest-need rural areas, including basic demographic profiles.
2. Policies and best practices that have succeeded in improving infrastructure: Through research and interviews with state and industry leaders, this chapter will illustrate models and best practices on how other states are closing their infrastructure gaps using creative partnership models and innovative funding. It will consist of three areas of information: 1. Initiatives for infrastructure development undertaken by other states; 2. Strategies and practices employed by other states and their successes and failures; and 3. Qualitative data obtained through interviews of policymakers and administrators.
3. Estimated costs to achieve basic infrastructure: Because each community has its unique needs, this chapter will include various scenarios and estimated cost ranges.
4. Cataloguing financial opportunities: A preview of funding resources is contained in this Interim Report, with a more robust database of public and private loans and contracts, loans, and other funding mechanisms to come in the Final Report.
5. Affordability analysis of infrastructure investments and impact on costs to consumers: The corollary to building new infrastructure is ensuring that residents can afford the service. The final report will analyze existing programs that New Mexico could utilize more widely to decrease utilities costs, as well as recommendations on other ways to help consumers.
6. Recommendations and action steps: To tie together all research and findings, the Final Report will offer strategies for being more effective at fully infrastructure projects and related policy recommendations to help close the state's infrastructure gaps by 2030.

RURAL INFRASTRUCTURE STUDY REMAINING TIMELINE

Remaining meeting and reporting milestones are as follows:

- October 7-8, Chaparral: Presentation to the REOTF
- November 8, Santa Fe: Presentation to the REOTF
- **December 15: Final Report due to the Legislative Council Services**

Summary of Project Team Partners and Roles	
	<ul style="list-style-type: none"> • Planning, project oversight; • Contractually obligate funds, track and report on budget expenditures; • Schedule and conduct interviews; • Oversee and conduct research, and supplement partner work as needed; • Lead data collections; keep team on task and on schedule; • Support funding research and recommendations; • Provide insights on braiding funding streams for initial project construction, and resources of supporting long-term affordability; • Lead development of recommendations and action steps to achieve 2030 infrastructure goals; and • Prepare deliverables to be shared with the legislature, to include interim report, technical memos, presentations, final report, and additional products as requested.
	<ul style="list-style-type: none"> • Oversee demographic data collection and analysis; • Weigh in on policy considerations as needed; and • Assemble data tables, explanatory text and annotations, and any additional context as required.
	<ul style="list-style-type: none"> • Oversee infrastructure cost estimate development; • Share relevant information from project experience on funding considerations, infrastructure systems design/implementation, and life cycle and maintenance costs; • Provide insight on project feasibility from an engineer's perspective; and • Provide graphic design and mapping support.
	<ul style="list-style-type: none"> • Conduct prospect research on available funding sources for infrastructure construction, and to support long-term affordability; • Create tables and overviews of findings, organized by funder type (public, private, debt instrument, etc.); and • Offer recommendations on which funding sources to prioritize.

PROGRESS REPORT

INTERVIEWS/RESEARCH

- Ongoing interviews with public and private stakeholders including at the local, regional, and state levels have been extremely informative and robust. Fifty-five points of contact identified, representing communities; national, state, and local government; researchers, and industry.
- Gathering and synthesizing existing and emerging reports produced by New Mexico, other states, researchers, and organization
- We are in active contact with researchers on related recent and ongoing studies.
- We have completed initial funding research, but this is a fluid process as new opportunities are emerging weekly as part of the American Rescue Plan Act.

DATA

- Data analyses are ongoing by Bohannon Huston, Bureau of Business and Economic Research, Pivotal NM, and the Grant Plant. This includes census-level data profiles of rural community access to broadband, water, and sewer. This data will be included in maps and regional demographic profiles of who is lacking access to resources.
- Electrical data has been difficult to compile at the county level. The final report will lay out the data we do have and outline data gaps where they exist.

COST ANALYSIS

- Developing a consistent approach to cost analysis across highly diverse regions of the state has been a challenge but we are working closely with Bohannon Huston to develop methodologies and different models to help understand approximate costs for infrastructure upgrades.
- To determine estimated costs, the final product will include a combination of the following:
 - Average unit (customer) costs for a range of infrastructure systems
 - Case studies in each infrastructure area for regions statewide to illustrate costs, opportunities, and challenges

WHAT CAN BE DONE NOW?

SUPPORT COMMUNITY READINESS

Based on feedback from previous REOTF meetings and early findings from reports, the following suggestions and resources may help communities to plan for and find funding for infrastructure projects.

IMMEDIATELY

- Encourage communities to tap into the training and resources available in communities, the state, and federally via federal, state and non-governmental partners.
- To access increased federal funding in broadband, water and wastewater, engineering reports, surveys, and designs must be in-hand. Planning funding and technical assistance are essential.
- The State of New Mexico can act as a clearinghouse for immediate project needs and help prioritize those to engage incoming federal funds.
- When emergency issues arise, make the community aware of emergency federal and state resources and help coordinate a response.

Where to get help
<u>General support, fiscal sponsorship, funding (public sector)</u>
All Pueblo Council of Governors: (https://www.apcg.org/our-council/) <ul style="list-style-type: none"> • Executive Director <ul style="list-style-type: none"> ○ Amber Carrillo, acarrillo@indianpueblo.org
Councils of Governments (check websites for best current point of contact) <ul style="list-style-type: none"> • Eastern Plains Council of Governments: https://www.epcog.org/meet-our-team • Mid-Region Council of Governments: https://www.mrcog-nm.gov/31/Programs • North Central New Mexico Economic Development District: https://www.ncnmedd.com/staff • North West New Mexico Council of Governments: http://www.nwnmcog.com/staff.html • South Central Council of Governments: https://www.sccog-nm.com/contact • Southeastern New Mexico Council of Governments: https://www.snmedd.com/meet-our-staff-2/ • Southwest New Mexico Council of Governments: https://swnmcog.org/planning-and-technical-assistance
New Mexico Department of Finance and Administration (https://www.nmdfa.state.nm.us/) <ul style="list-style-type: none"> • Division Director <ul style="list-style-type: none"> ○ Col. Donnie Quintana, Donnie.Quintana@state.nm.us, 505-490-5788 • Capital Outlay Bureau Chief: <ul style="list-style-type: none"> ○ Wesley Billingsley, Wesley.Billingsley@state.nm.us, 505-827-3884 • Community Development Bureau Chief <ul style="list-style-type: none"> ○ Carmen Morin, CarmenB.Morin@state.nm.us, (505) 470-8979, • Community Planning Bureau Chief <ul style="list-style-type: none"> ○ Scott Wright, ScottH.Wright@state.nm.us, 505-469-2940

New Mexico Economic Development Department Community, Business & Rural Development
(<https://gonm.biz/>)

(Includes FundIt, LEDA, New Mexico Main Street, and Frontier & Native American Communities Initiative)

- Division Director
 - Mark Roper, Mark.Roper@state.nm.us, 505.827.0323
- FundIt Program Manager and Finance Development Specialist
 - Johanna Nelson, Johanna.Nelson@state.nm.us, 505-827-0264

New Mexico Indian Affairs Department (<https://www.iad.state.nm.us/>)

- Cabinet Secretary
 - Lynn A. Trujillo, lynn.trujillo@state.nm.us, 505-476-1618
- Capital Outlay and Tribal Infrastructure Fund Administrator
 - Lawrence John, Lawrence.John@state.nm.us, 505-690-2997

New Mexico Indian Health Services (<https://www.ihs.gov/>)

- Director, Division of Sanitation Facilities Construction
 - Gretchen Tsosie, gretchen.tsosie@ihs.gov, 505-256-6786

US Army Corps of Engineers, Albuquerque District (<https://www.spa.usace.army.mil/>)

- Civil Works: 505.342.3340
- Engineering and Construction: 505.342.3434
- Planning, Project and Program Management: 505.342.3430
- Water Management: 505.342.3385
- Tribal Nations Technical Center of Expertise (TNTCX)
 - Ron Kneebone, Ronald.R.Kneebone@USACE.army.mil, 505-238-4676

USDA Rural Development (<https://www.rd.usda.gov/>)

- Acting State Director
 - Eric Vigil, eric.vigil@nm.usda.gov, 505-761-4950

General support, technical assistance, funding (private sector)

Amerind Critical Infrastructure

- Director of Critical Infrastructure
Irene Flannery, IFlannery@amerind.com

Southwest Environmental Finance Center

- Director
 - Heather Himmelberger, heatherh@unm.edu, (505) 681-7437

Utton Transboundary Resource Center

- Director
 - Adrian Oglesby, oglesby@law.unm.edu, 505 277-1767

Broadband and Electric

Department of Information Technology Technical Assistance (<https://www.doit.state.nm.us/>)

- Geospatial Information Officer
 - Gar Clarke, george.clarke@state.nm.us
- Project Manager
 - Rand Tilton, rand.tilton@state.nm.us

New Mexico Rural Electric Cooperative Association

- Chief Executive Officer
 - Keven J. Groenewold, kgroenewold@nmelectric.coop

Water
New Mexico Environment Department <ul style="list-style-type: none"> • Drinking Water Board, Sustainable Water Infrastructure Group Manager <ul style="list-style-type: none"> ○ Jill Turner, jill.turner@state.nm.us, 505-205-6964 • Drinking Water Board, Community Services Program Manager <ul style="list-style-type: none"> ○ Karen Torres, karenm.torres@state.nm.us, (505) 827-0027
New Mexico Rural Water Association <ul style="list-style-type: none"> • Source Water Protection Program <ul style="list-style-type: none"> ○ Martha Graham, martha@nmrwa.org, 505-977-5733 • Wastewater Specialist <ul style="list-style-type: none"> ○ Fred Black, fred@nmrwa.org, 505-977-1902
Rural Community Assistance Corporation (RCAC) <ul style="list-style-type: none"> • Assistant Director for New Mexico <ul style="list-style-type: none"> ○ Olga Morales, OMorales@rcac.org, (575) 382-6992

MID-TERM

- Utilize FundIt-style approach to funding dilemmas, looking at all available funding simultaneously to ensure that more projects are matched with applicable funding resources and fully funded quickly.
- Encourage collaboration across communities to address common issues. Coordinated efforts that leverage existing resources are more likely to be successful.
- Make sure communities are communicating with regional entities (such as the COG's) and local governments to be included in larger planning efforts.
- Technical assistance providers can help applicants understand the level of debt burden they can take on; a mix of grants and loans, where feasible, is more likely to fully fund projects.
- Utilize non-governmental resources for technical assistance, such as the Rural Water Association, Rural Community Assistance Corporation and others.
- Revise the anti-donation clause and procurement code to make public-private partnerships on infrastructure projects more feasible

LONGER-TERM

- Engage experts at state-level agencies such as the Department of Information Technology and the New Mexico Environment Department to understand where opportunities exist for planning and sustainability assistance for community infrastructure projects.
- State agencies can help distribute information on state and federal programs that clear up confusion about the roles of different programs.

