



Grant County Regional Water Project

NEW MEXICO FINANCE AUTHORITY
LEGISLATIVE INTERIM COMMITTEE
PRESENTATION

SEPTEMBER 2, 2026



GRANT COUNTY REGIONAL WATER PROJECT



BENEFICIARIES

- Arenas Valley Water Association
- City of Bayard
- Grant County
- Hanover MDWCA
- North Hurley MDWCA
- Pinos Altos MDWCA
- Rosedale MDWCA
- Town of Hurley
- Town of Silver City
- Tyrone MDWCA
- Tyrone WWA
- Village of Santa Clara



KEY PROJECT HIGHLIGHTS

- JPA was formed in 2006 and revised in 2023
- Silver City recharge credits of **747-acre ft** of water
- Silver City **193-acre ft** of water rights
- Approximately, **\$19,000,000** of initial investment in water infrastructure
- An additional **\$10,000,000** recently invested
- Freeport-McMoRan is donating **200-acre ft** of water to the Town of Hurley and **250-acre ft** of water/well for the Village of Santa Clara

TOTAL - 1,390-acre ft of water



GOALS OF REGIONAL WATER PROJECT



Primary source of water for **Hurley**



Secondary source of water for
Bayard



Secondary source of water for
Santa Clara and **Hanover** merger



Allows Silver City to provide
secondary water source to **Arenas
Valley MDWCA and Rosedale
MDWCA**

The Project originally focused solely on ensuring water resiliency for Grant County, but as it was developed, it became clear it was far more than that.



Water Resiliency



Long-term sustainability



Housing



Quality of Life



JPA VS. LEGISLATIVELY INCORPORATED



JPA

PRO

- Allows participants to work together
- Issue debt and apply for grants
- Spreads fixed costs among the entire 10,157 municipal and MDWCA accounts.



CON

- Participants can leave group and take their assets at any time; leaving the rest of the participants responsible to cover costs.



LEGISLATIVELY INCORPORATED

PRO

- Same as JPA
- Guarantees lenders, granting agencies, and all partners that economies of scale will always remain
- Guarantees all participants will share cost and assets until everyone chooses to disband



CON

- All parties have to participate until everyone chooses to disband





GRANT COUNTY WATER COMMISSION



What the GCWC is (simple)

- Basically, a water extraction and delivery system



What GCWC is not (complex)

- Water authority that will manage or take over any of the water systems in Grant County



HOW EACH COMMUNITY BENEFITS



HURLEY



Primary source of water



Increased infrastructure capacity:



For business recruitment & expansion



For housing development



Increased GRT and Property Tax



BAYARD



Supplemental source of water



Increased infrastructure capacity:



For business recruitment and expansion



For infrastructure growth:



675-acres Foy estate acquisition



Housing, economic & quality of life



Increased GRT and Property Tax



HOW EACH COMMUNITY BENEFITS



SANTA CLARA



Supplemental source of water



Increased infrastructure capacity

- For business recruitment and expansion
- For infrastructure growth
 - Ft Bayard development
 - Industrial Park development
 - Housing development
 - Economic development
 - Quality of life improvements
 - Increased GRT and property tax



Hanover merger



SILVER CITY



Silver City currently has the capacity to transport 80% of its water rights from its well fields.



In 2014, it was estimated it would cost \$20 million to increase that capacity to 100%, with all costs borne by the Silver City system.



This would allow Silver City flexibility to require water associations to use GCWC water.

- Arenas Valley MDWCA
- Rosedale MDWCA



As the business center of Grant County, Silver City benefits the most from the county's economic and housing growth through GRT.



HOW EACH COMMUNITY BENEFITS



GRANT COUNTY



Supplemental water source for water associations



Increased infrastructure capacity

- For business retention and expansion
- For infrastructure expansion
 - Housing
 - Economic development
 - Quality of life infrastructure
- Increased GRT and Property tax



FUNDING

\$200,000 Congressional Direct Spending +
\$50,000 match from the Town of Silver City

\$300,000 Town of Silver City

\$3.3 million 2023 Colonias Grant

\$1.3 million ISC Reallocation

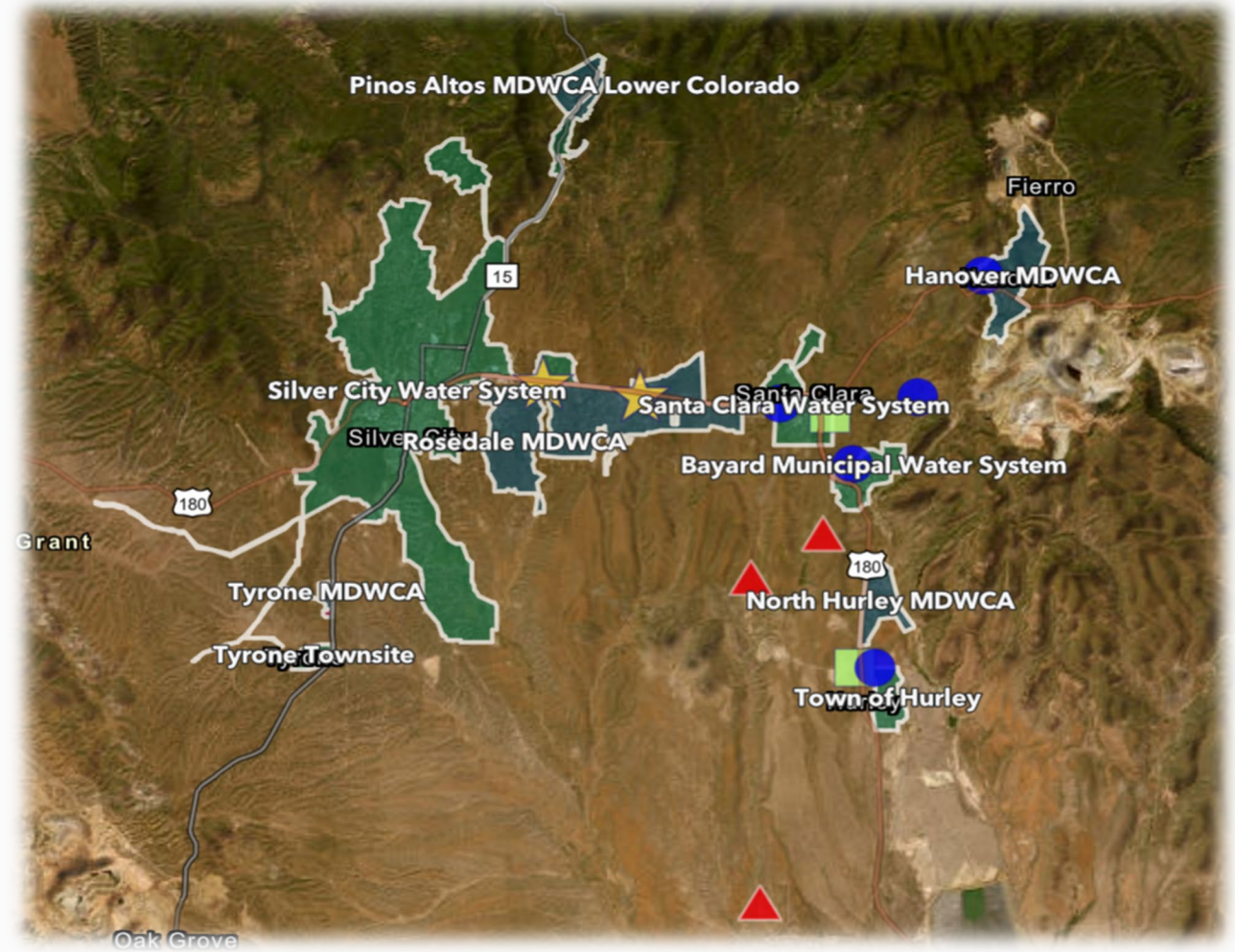
\$1.5 million 2025 Hurley Capital Outlay Funds

\$1.9 million Silver City for Santa Clara 2025
Colonias Infrastructure Fund

\$100,000 Hanover Capital Outlay

\$115,000 Hanover RIP grant/loan

\$75,000 Freeport-McMoRan for audit and loan
pay-off





FUNDING CONTINUED

\$50,000 2008 Hanover Capital Outlay

\$176,206 2013 Hanover CIF

\$50,000 Hanover PER Colonias Initiative

\$211,772 USDA

\$64,500 WTB

\$100,000 2014 Capital Outlay (well)

\$732,055 Water Project Fund

\$1,726,459 USDA

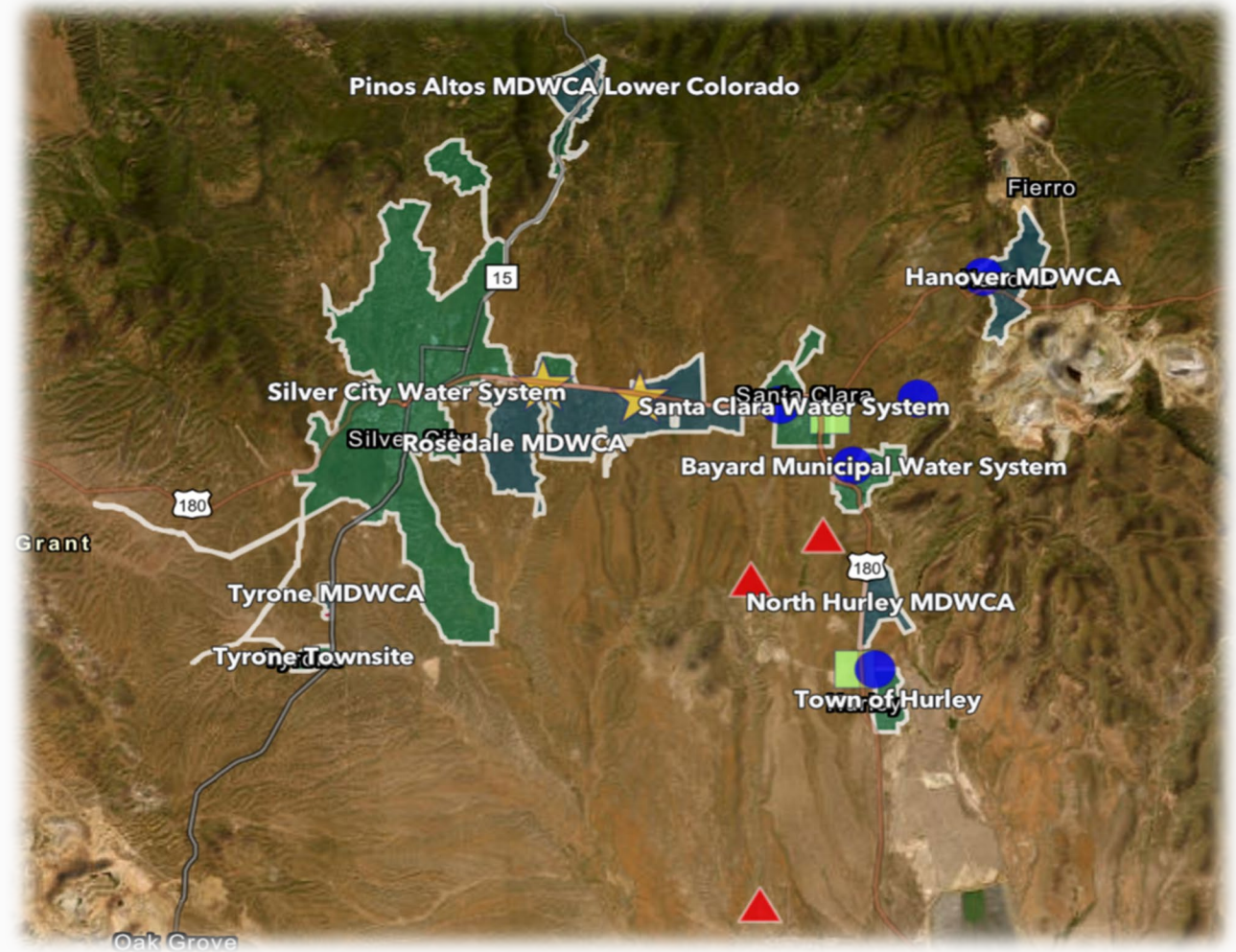
\$906,515 Asset Management Plan for Silver City

\$223,210 Asset Management Plan for Bayard

\$228,936 Asset Management Plan for Hurley

\$100,000 Capital Outlay Hanover

Total Awards: \$10,043,653





NEW MEXICO FINANCE AUTHORITY TECHNICAL ASSISTANCE PROGRAM



Forty-year Water Plans for Hurley, Bayard, and Santa Clara

- Scope of work completed—
awaiting grant agreements



Legal Assistance for Regionalization

- Draft legislation has been
completed





NEXT STEPS



DESIGN/CONSTRUCTION

- Complete design from Hanover to Santa Clara **90% complete**
 - Under review by the Environment Dept.
- Commence Test Well on Freeport property (Apache Tejo)



FUNDING NEEDED/REQUESTED

- Remaining **40% design**
 - Approximate estimate at **\$1 million**
 - Rural Infrastructure Program 2026
 - \$500k increments or Water Trust Board





FUNDING NEEDED CONTINUED



SANTA CLARA TO HANOVER

Construct pipelines, tanks and other appurtenances

Approximate estimate at **\$14 million**

- NM Unit Funds - 2026
- \$1 million Capital Outlay Request - 2026



HURLEY TO BAYARD – CONSTRUCT PIPELINE

Approximate estimate at **\$25 million**

- Capital Development Fund – 2026
- Water Trust Board – Fall of 2026
- Colonias Infrastructure Fund – February 2027
- NM Unit Fund – 2027



HURLEY – DRILL AND EQUIP WELLS

- Freeport water rights donation
- Remainder of test well funding & drill and equip wells

- Colonias Infrastructure Fund 2027 and/or
- Water Trust Board 2026



BAYARD TO SANTA CLARA

Approximate estimate at **\$25 million**

- Capital Development Fund 2026
- Water Trust Board – Fall 2026
- Colonias Infrastructure fund – February 2027
- NM Unit Fund 2027



PUBLIC-PRIVATE PARTNERSHIP

WATER IS ESSENTIAL



Providing primary and secondary water resources to ensure a sustainable future for our communities

BUILDING STRONGER COMMUNITIES



Enhancing quality of life, community resiliency, and long-term sustainability for future generations.

COMMITTED TO GRANT COUNTY



Freeport-McMoRan is proud to invest in the communities that make Grant County thrive.



FREEPORT-McMoRAN



450
ACRE-FEET

OF WATER WILL BE
DONATED BY
FREEPORT-MCMORAN



200
ACRE-FEET
PLUS A WELL LOCATION
TO THE TOWN
OF HURLEY



250
ACRE-FEET
PLUS A WELL
TO THE VILLAGE
OF SANTA CLARA



A PARTNERSHIP THAT BUILDS
STRONGER, MORE RESILIENT
COMMUNITIES TOGETHER.



THANK YOU!

Priscilla Lucero

SWNM Council of Governments

Alex Brown

Volunteer Advocate

Laura Phelps

Freeport McMoRan
