

Presentation to the
New Mexico Finance Authority
Legislative Oversight Committee

Water Trust Board
Overview of 2016 Application Cycle

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WTB / NMFA LOC Timelines

- ▶ October 2012: NMFA staff presented to the NMFA Oversight Committee the form of proposed legislation for 2013 Water Project Fund authorizations. The Committee expressed concern about when it be able to review the list of projects eligible for funding from the WTB.
- ▶ May 2013: Staff from the Office of the State Engineer presented proposed revisions to Water Trust Board's application and funding processes to “maximize efficiency and efficacy.” The Oversight Committee was presented with a comparison of the timing and criteria of the 2013 and proposed 2014 funding cycles and an example of a funding eligibility list. While no significant concern was raised, it became clear during the 2014 legislative session that members of the Oversight Committee did not fully understand that the process would result in the recommendation of a comprehensive list of projects rather than a more vetted list as had been presented in the past.



WTB / NMFA LOC Timelines

- ▶ September 2014: NMFA staff outlined changes implemented by the by the Water Trust Board that would allow for the collection of more information from the 2015 applicants than was collected in the previous year. The WTB Chair noted that the rules and timelines that did not allow the WTB to fully conform to the Oversight's request for a vetted list of projects. The rules requiring the Water Trust Board to present a comprehensive list were changed effective April 30, 2015. Changes to policy and criteria are currently underway.
- ▶ Objectives of policy and criteria amendments are to:
 - streamline and simplify the application process (including agency review)
 - aggregate all policies and criteria into one document
 - add transparency to application requirements
 - recommend a fully evaluated list of projects to the Legislature while maintaining a comprehensive compliance process



Public Comments on WTB Policies

In 2013 the WTB solicited public comment on the proposed changes to its policies and process and then sought public comment again after one year. The current policy revision address the major areas of concern:

Asset Management Plan

Commenters noted that the 2013 requirement that applicants develop and maintain Asset Management Plans on a two year timeline were:

- ▶ Overly burdensome and unnecessary
- ▶ Should be broadened to allow other models
- ▶ Not appropriate for non-water systems
- ▶ Not enough time for small systems
- ▶ Technical assistance is needed if small systems are to comply

Additional Project Governance Requirements

Commenters noted that the certain new requirements added into the WTB policies in September 2013 were overly burdensome and sought the elimination of the following:

- ▶ Written staff and contractor job descriptions
- ▶ Written operating procedures
- ▶ Written and implemented cross-connection control program
- ▶ Approved and implemented source water protection plan



Public Comments on WTB Policies

Planning Documents:

In 2013, the WTB changed its policy to require that applications be accompanied by a Preliminary Engineering Report or other planning document that has been completed within the last five years and accepted by the New Mexico Environment Department or other regulatory or funding agency.

- ▶ Non-engineered watershed projects should be allowed to submit a watershed-based plan.
- ▶ Complete PERs are not always necessary

Leveraging and Project Scoping

- ▶ Reduce maximum loan requirement
- ▶ Local Match Requirement: Reduce, eliminate or allow legislative appropriations to be used to satisfy match requirement.
- ▶ Fund projects with longer scopes of time
- ▶ Include regional associations and other similar regionalization efforts as a state sponsored regional projects



Overview of Application Timing

Year	Date Application Opened	Date Apps Submitted	Date of WTB Recommendation to Legislature	Date Awarded by NMFA Board
2003	8/1/2002	9/15/2002	2/6/2003	6/26/2003
2004	8/5/2003	9/15/2003	1/7/2004	5/20/2004
2005	7/7/2004	8/9/2004	1/5/2005	6/30/2005
2006	8/5/2005	9/16/2005	12/12/2005	5/26/2006
2007	7/14/2006	8/24/2006	11/2/2006	6/28/2007
2008	9/5/2007	10/17/2007	1/9/2008	5/28/2008
2009	9/28/2008	11/2/2008	1/15/2009	6/25/2009
2010	9/28/2009	11/2/2009	1/13/2010	8/26/2010
2011	9/10/2010	10/15/2010	12/13/2010	8/11/2011
2012	10/3/2011	11/4/2011	1/11/2012	6/22/2012
2013	10/1/2012	11/2/2012	1/9/2013	6/26/2013
2014	8/19/2013	9/27/2013 & 4/2/2014	10/30/2013	6/26/2014
2015	7/24/2014	9/24/2014 & 4/13/2015	10/21/2014 & 11/21/2014	7/23/2015
2016*	<i>10/15/2015 & 1/7/2016</i>	<i>11/18/2015 & 2/5/2016</i>	<i>1/7/2016</i>	<i>5/11/2016</i>

* estimated, subject to change



Overview of Application Timing



