
Meeting Date: September 17, 2025
Staff Contact: Mark Kelly, Water Resources Manager

TITLE: **R-25-38 – Authorizing the Albuquerque Bernalillo County Water Utility Authority to Submit an Application for Match Funds through the New Mexico Department of Finance and Administration for the Chama Peak Land Alliance Watershed Protection Project and Authorizing the Executive Director to Execute a Memorandum of Understanding with Chama Peak Land Alliance for the Project**

ACTION: **Recommend Approval**

SUMMARY:

This Resolution authorizes the Albuquerque Bernalillo County Water Utility Authority (Water Authority) to submit an application in the amount of \$1,666,666.67 to the New Mexico Department of Finance and Administration (NM DFA) Infrastructure Planning and Development Division for match funding for the Cross-Boundary Watershed Protection in the San Juan-Chama Region Project which was already approved for a U.S. Bureau of Reclamation, Department of Interior, WaterSMART Environmental Water Resources Projects (EWRP) grant (ALN: 15.507). If the match funding is awarded, the Water Authority will execute a Memorandum of Understanding with the Chama Peak Land Alliance to provide the match funding for the Project.

The “Cross-Boundary Watershed Protection in the San Juan-Chama Region” undertakes an effort to mitigate and reduce the risk of severe wildfire and protect crucial watersheds by implementing 3500 acres of hazardous fuels reduction in the San Juan-Chama Region of Southern Colorado and Northern New Mexico. These watersheds supply Lake Heron and El Vado Reservoir, which in turn supply approximately 75% of Albuquerque’s drinking water, 50% of Santa Fe’s drinking water, at least ten Tribes and Pueblos, and many rural communities, acequia parciales and agricultural producers in New Mexico. Forests in these watersheds are at risk of severe wildfire and deterioration of watershed function. This project directly leverages existing federal and non-federal investments to increase the scale of ecologically based forest treatments that will reduce the threat of severe wildfire in these extraordinarily important watersheds.

FISCAL IMPACT:

None. The Water Authority will enter into an agreement with the Chama Peak Land Alliance as a pass-through entity.

BILL NO. R-25-38

1 Project. CPLA applied as a Category B applicant in partnership with the Water Authority
2 as a Category A partner.

3

4 BE IT RESOLVED BY THE WATER AUTHORITY:

5 Section 1. That a grant application for match funding for the Cross-Boundary
6 Watershed Protection in the San Juan-Chama Region Project, be submitted to the NM
7 DFA by the Water Authority.

8 Section 2. That if the match funds application is approved, the Executive
9 Director shall have the authority to execute an MOU to define and support expenditure
10 by the Chama Peak Land Alliance of the match funding.

11 Section 3. That the Executive Director will work with the NM DFA to meet grant
12 requirements and established deadlines.

Memorandum of Understanding
Between the Chama Peak Land Alliance and the Albuquerque Bernalillo County
Water Utility Authority

This Memorandum of Understanding (“MOU”), effective as of the date of the last signature hereto, is entered into by and between the Chama Peak Land Alliance, a 501C3 New Mexico non-profit corporation (“CPLA”) and the Albuquerque Bernalillo County Water Utility Authority, a political subdivision of the State of New Mexico (“Water Authority”) or together as the “Parties” or individually as a “Party”.

RECITALS

WHEREAS, in a project entitled “Cross-Boundary Watershed Protection in the San Juan-Chama Region” (“Project”), CPLA plans to undertake an effort to mitigate and reduce the risk of severe wildfire and protect crucial watersheds by implementing 3500 acres of hazardous fuels reduction in the San Juan-Chama Region of Southern Colorado and Northern New Mexico;

WHEREAS, the Water Authority receives water from the San Juan-Chama region and understands the importance of reducing the risk of severe wildfire in the source watersheds of the San Juan-Chama Project and the Rio Grande Basin.

WHEREAS, CPLA is the lead agency for the Project and shall undertake and be responsible for all aspects of planning, designing, implementing and otherwise undertaking the Project;

WHEREAS, the Project is planned for the amount of \$6,666,667 with \$5,000,000 in federal funds with \$1,666,667 in matching non-federal funds made available for use by CPLA to complete the Project;

WHEREAS, to initiate the Project, CPLA has applied to the U.S. Bureau of Reclamation, Department of Interior, WaterSMART Environmental Water Resources Projects (EWRP) program (ALN: 15.507) for the amount of \$5,000,000. CPLA applied as a Category B applicant in partnership with the Water Authority as a Category A partner. CPLA has received notice that the Project was selected for funding and the fully executed Notice of Award is pending. The period of performance is anticipated to be July 1, 2025 – July 1, 2028;

WHEREAS, in support of the Project, the Water Authority has applied to the New Mexico Department of Finance and Administration’s New Mexico Match Fund for the amount of \$1,666,667. The New Mexico Match Fund was designed to amplify funding opportunities for critical projects that will benefit New Mexico. As a political subdivision of the State of New Mexico providing water and sanitary service in Bernalillo County, New Mexico, the Water Authority is a Category A partner to CPLA’s EWRP grant and is eligible to apply to the New Mexico Match Fund to help meet non-federal match requirements;

WHEREAS, upon full funding of these two awards and in accord with any grant restrictions which may apply, the Water Authority will appropriate the New Mexico Match funds to CPLA for the purpose of implementing the Project and meeting non-federal match requirements.

WHEREAS, each Party has the requisite legal authority to enter into this Agreement through the signatures of their respective Executive Directors. The Water Authority's governing body will duly adopt a resolution authorizing the Water Authority Executive Director to enter this Agreement; and

WHEREAS, CPLA unreservedly agrees to comply with all grant requirements imposed by Federal and New Mexico statutes, regulations, and the terms and conditions of each award as delineated by the awarding agency.

NOW, THEREFORE, it is agreed between the Parties as follows:

TERMS AND CONDITIONS

A. **Recitals.** The Recitals hereinabove are intended to be contractual understandings and are incorporated by reference.

B. **Water Authority Deliverables.** The Water Authority agrees to the following:

- 1) Provide matching funding: Upon full funding through US Bureau of Reclamation and New Mexico Match Fund, the Water Authority will provide, by the process detailed herein, \$1,666,667 in matching funds to CPLA for the implementation of fuel reduction treatments to help reach the full target of 3,500 treated acres to mitigate impacts of severe wildfire.
- 2) Process CPLA invoices for reimbursement: The Water Authority Project Manager will review invoices submitted by CPLA and will approve requested reimbursements for payment. Review of invoices will include determination that all expenses are compliant with the terms and conditions of the grant agreement.

C. **CPLA Deliverables.** CPLA agrees to the following:

1. Use of all funding: CPLA will use the US Bureau of Reclamation and New Mexico Match Fund grants solely to plan, design, implement, and otherwise undertake the Project of ecological forest thinning on approximately 3,500 acres of forest. The Project work will be focused in the San Juan-Chama Region, including the watershed that supplies Heron Reservoir. Forest treatments will include light crown thinning, understory thinning, and ground fuels reduction depending on observed conditions and available access. Project accomplishments will be documented in performance reports containing pre- and post-treatment monitoring results, including acreage of treated areas in the reporting period, as well as work planned for the following reporting period.
2. Grant Compliance: CPLA will comply with all grant requirements imposed by Federal and New Mexico statutes, regulations, and the terms and conditions of each award as delineated by the awarding agency.
3. CPLA will provide the Water Authority with performance and financial reports every three (3) months. The report schedule will align with CPLA bi-annual reporting schedule with

Commented [LC1]: Caleb, please provide a detailed scope of work to add to this section.

Commented [DA2R1]: I took a pass at adding more project description - it would be good to run this past Caleb.

Commented [LC3R1]: I think we can add the Chama Peak Land Alliance SOW as an exhibit to give more information to the project description and add the Budget Narrative as a record.

Commented [KCW4R1]: I think the Project description as now written in the MOU is sufficient, the SOW and Budget Narrative are good information for the staff report but I think they are unnecessary for exhibits. Alternatively, we could make reference the full Grant Proposal document in the *Whereas* clauses, as that is where those portions came from, right?.

Commented [DA5]: I think we want the performance reports more frequently than 6 months. These reports are the best way to review and approve invoices from CPLA so it would be good to either get them concurrent with invoices or by the end of the calendar month.

Commented [LC6R5]: I provide quarterly reports to NM Match Fund and other entities we have agreements with.

Commented [KCW7R5]: I went with quarterly, is that acceptable?

BoR. CPLA financial reports will track income and expense by grant and will distinguish the different funds in the accounting records included in the financial report. ||

Commented [LC8]: The award will be a lump sum agreement, but I have reached out to Marta so se can let us know what language we would need to add to be audit compliant.

- D. **Term.** This Agreement shall become effective when fully executed by the Parties and shall remain in full force and effect until the funds for the Project are expended for the Project, but in no event later than December 31, 2028. Should additional time for auditing this project be required, this Agreement shall be deemed extended until such time as the said audit shall be completed.
- E. **Indemnity and Liability.** As between the Parties, each Party shall be responsible for any claim or liability arising from the actions or omissions of its officials, employees, agents, and contractors in performance of this MOU. The CPLA shall hold harmless and indemnify the Water Authority from any claim or liability related to the planning, design, and implementation of the Project. This Section is intended only to define the liabilities between the Water Authority and the CPLA and it is not intended to modify in any way liabilities, limitations or immunities as governed by common law or the New Mexico Tort Claims Act, Sections 41-4-1, et seq., NMSA 1978, (as amended). The Water Authority and its "public employees" as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense and/or do not waive any limitation of liability pursuant to law. None of the provisions contained within this MOU are intended to create in the public or any member thereof a third party beneficiary or to authorize anyone not a Party to this MOU to maintain a suit(s) for wrongful death(s), bodily and/or personal injury(ies) to person(s), damage(s) to property(ies), and/or any other claim(s) whatsoever, pursuant to the provisions of this MOU.
- F. **Entire Agreement.** This MOU contains the entire agreement of the Parties concerning the Project and supersedes any and all other agreements or understandings, oral or written, whether previous to the execution hereof or contemporaneous herewith. The terms and conditions of this MOU shall not be altered, modified, or amended except by an instrument in writing and executed by the Parties hereto.
- G. **Termination.** The Water Authority may terminate this MOU upon 30 days written notice to the CPLA.

IN WITNESS WHEREOF, the undersigned have caused this Memorandum of Agreement to be executed on the dates indicated below.

Albuquerque Bernalillo County Water Utility Authority

Approved as to form:

Approved:

Chris Melendrez,
General Counsel

Mark S. Sanchez,
Executive Director

Date:_____

Date:_____

Chama Peak Land Alliance

Caleb Stotts,
Executive Director

Date:_____

Approved as to form:

City Attorney

Date:_____

Approved:

Chief Administrative Officer

Date:_____