

1 HOUSE BILL 195

2 **55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021**

3 INTRODUCED BY

4 Raymundo Lara

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9  
10 AN ACT

11 RELATING TO SPECIAL DISTRICTS; CREATING THE CAMINO REAL  
12 REGIONAL UTILITY AUTHORITY; PROVIDING POWERS AND DUTIES;  
13 PROVIDING FOR THE ISSUANCE OF REVENUE BONDS.

14  
15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

16 SECTION 1. A new section of Chapter 73 NMSA 1978 is  
17 enacted to read:

18 "[NEW MATERIAL] CAMINO REAL REGIONAL UTILITY AUTHORITY--  
19 CREATED--MEMBERSHIP--ADMINISTRATION OF UTILITY.--

20 A. The "Camino Real regional utility authority" is  
21 created. The board of directors of the authority consists of  
22 seven members:

23 (1) two municipal members who shall be city  
24 councilors appointed by the Sunland Park city council;

25 (2) two county members who shall be county

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1 commissioners appointed by the Dona Ana county board of county  
2 commissioners;

3 (3) one public member appointed by the  
4 municipal and county members; and

5 (4) two public members appointed by the board  
6 from nominations by the state senator or the state  
7 representative whose district includes the authority service  
8 area; provided that if after a decennial redistricting, the  
9 service area includes two or more senate districts or includes  
10 two or more house of representatives districts, the senator or  
11 representative elected from the district that includes the  
12 largest geographical area of the service area shall nominate;  
13 and provided further that if the board rejects a nomination, it  
14 shall request the senator or representative to submit the name  
15 of another candidate.

16 B. Terms of municipal and county members shall be  
17 for one year, and they may be reappointed at the discretion of  
18 the appointing body. The terms of the three public members  
19 shall be three years, and the public members may be reappointed  
20 at the discretion of the board.

21 C. A municipal member shall designate another city  
22 councilor to serve in the member's absence, and a county member  
23 shall designate another county commissioner to serve in the  
24 member's absence.

25 D. The authority is a public body politic and

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1 corporate, separate and apart from the city of Sunland Park and  
2 Dona Ana county. The authority is a special district and  
3 political subdivision of the state. The authority is not  
4 subject to the jurisdiction of or approval from the public  
5 regulation commission and is not subject to the provisions of  
6 the Public Utility Act. The authority is granted a water use  
7 planning period not to exceed forty years as set forth in  
8 Section 72-1-9 NMSA 1978.

9 E. The authority created pursuant to this section  
10 shall replace the entity of the same name previously created by  
11 a joint powers agreement between the city of Sunland Park and  
12 Dona Ana county, and this authority shall succeed to all of the  
13 entity's assets and liabilities and its service area, and the  
14 authority shall provide water and wastewater services within  
15 the entity's service area, as it may be modified or expanded by  
16 the authority.

17 F. The board of directors of the authority:

18 (1) is granted all powers necessary and  
19 appropriate to carry out the purposes of this section,  
20 including the power to adopt resolutions and rules necessary to  
21 carry out the authority's powers and duties;

22 (2) shall set policy and regulate, supervise  
23 and administer the provision of water and wastewater within the  
24 authority's service area, including the determination and  
25 imposition of rates for services; and

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1 (3) may enter into contracts, including  
2 contracts with the city of Sunland Park or Dona Ana county for  
3 procurement services.

4 G. The authority may acquire, maintain, contract  
5 for, condemn and protect water and wastewater facilities. In  
6 carrying out its power pursuant to this subsection, the  
7 authority may:

8 (1) condemn private property for the  
9 construction, maintenance and operation of water and wastewater  
10 facilities; and

11 (2) acquire, maintain, contract for or condemn  
12 for use as part of the authority privately owned water and  
13 wastewater facilities used for the collection, treatment and  
14 disposal of wastewater.

15 H. The authority is subject to:

16 (1) the provisions of the Procurement Code;  
17 (2) the provisions of the Eminent Domain Code;  
18 (3) the limitations imposed by Section 72-1-9  
19 NMSA 1978 regarding water rights obtained or water rights  
20 condemned pursuant to a water development plan; and

21 (4) the provisions of Chapter 72 NMSA 1978  
22 regarding any change to the point of diversion or the place or  
23 purpose of use of any water right to any place selected by the  
24 authority in order to make the water available to the  
25 authority.

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1 I. The authority may issue "utility system revenue  
2 bonds" and obligations for acquiring real and personal property  
3 needed for the regional utility system and for extending,  
4 enlarging, renovating, repairing or otherwise improving water  
5 facilities and wastewater facilities or for any combination of  
6 these purposes. The authority may issue revenue anticipation  
7 notes with maturities not exceeding thirteen months upon terms  
8 approved by the board of directors. The authority shall  
9 irrevocably pledge net revenues from the operation of the  
10 regional utility system for payment of the principal, premiums  
11 and interest on the revenue bonds or other obligations. It is  
12 unlawful to divert, use or expend money received from the  
13 issuance of utility system revenue bonds for any purpose other  
14 than the purpose for which the utility system revenue bonds  
15 were issued. Utility system revenue bonds:

16 (1) may have interest, appreciated principal  
17 value or any part of interest or appreciated principal value  
18 payable at intervals or at maturity as the authority  
19 determines;

20 (2) may be subject to prior redemption at the  
21 authority's option at such time and upon such terms and  
22 conditions with or without the payment of a premium as  
23 determined by the authority;

24 (3) may mature at any time not exceeding fifty  
25 years after the date of issuance;

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1 (4) may be serial in form and maturity or may  
2 consist of one bond payable at one time or in installments or  
3 may be in another form as determined by the authority;

4 (5) shall be sold for cash at, above or below  
5 par and at a price that results in a net effective interest  
6 rate that does not exceed the maximum permitted by the Public  
7 Securities Act; and

8 (6) may be sold at a public or negotiated  
9 sale.

10 J. The bonds authorized by the authority and their  
11 income shall be exempt from all taxation by the state or its  
12 political subdivisions.

13 K. The members of the board of directors of the  
14 authority may adopt a resolution declaring the necessity for  
15 the issuance of utility system revenue bonds or other  
16 obligations and may authorize the issuance of utility system  
17 revenue bonds or other obligations by an affirmative vote of a  
18 majority of all members of the board of directors of the  
19 authority.

20 L. Except for the purpose of refunding previous  
21 utility system revenue bond issues, the authority shall not  
22 sell utility system revenue bonds payable from pledged revenues  
23 after the expiration of three years from the date of the  
24 resolution authorizing their issuance. Any period of time  
25 during which a utility system revenue bond is in litigation

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shall not count toward the determination of the expiration date  
of that issue."