



**NORTH AMERICAN DEVELOPMENT BANK
TECHNICAL ASSISTANCE REPORT
DECEMBER 2011**

The North American Development Bank (NADB) uses a portion of its retained earnings to offer technical assistance and training to project sponsors for the purpose of strengthening their financial performance and ensuring the long-term sustainability of their infrastructure. This assistance is provided through two programs: the Technical Assistance Program (TAP) and the Utility Management Institute (UMI).

Technical Assistance Program (TAP). This program provides assistance for studies related to the design and implementation of environmental infrastructure projects, as well as for capacity-building measures aimed at achieving the effective and efficient operation of public services. To date, NADB has authorized grant assistance for a total of 222 institutional strengthening and project development studies benefiting 111 border communities: 209 studies have been completed and 13 studies are in progress—either under way, being bid or under final formulation. The total committed amount of TAP funds for projects to date is \$22.6 million. A breakdown of all technical assistance by state is provided in the table. The status of studies currently in progress or completed during the current year is provided in the attached chart.

In October, NADB agreed to provide a US\$300,000 TAP grant for the design, development, training, oversight, planning, and implementation services for a pilot solar energy project in the city of Chihuahua, CHIH. This project, which consists of installing a 250 kW solar plant to supply electricity to a new children's hospital, is expected to serve as a guide for more renewable energy projects of this type in the state. Moreover, the *Universidad Tecnológica de Chihuahua* will operate the solar facility through its renewable energy certification program and use it to conduct research studies that will provide much-needed information on the state's solar resources.

Utility Management Institute (UMI). Established in March 1998, this training program offers an annual series of seminars aimed at providing practical instruction in the financial administration and planning of water utilities. The basic program is presented to U.S. and Mexican utility professionals at the University

**NORTH AMERICAN DEVELOPMENT BANK
TECHNICAL ASSISTANCE BY STATE
As of December 31, 2011
(U.S. Dollars)**

State	Communities Benefiting	Total Studies	Total Funding Committed
UNITED STATES			
Arizona	11	23	\$1,503,468
California	11	15	\$730,987
New Mexico	1	4	\$187,327
Texas	39	49	\$3,015,797
U.S. Subtotal	62	91	\$5,437,579
MEXICO			
Baja California	4	18	\$2,287,624
Chihuahua	7	24	\$2,427,473
Coahuila	3	7	\$689,868
Nuevo Leon	6	7	\$1,429,214
Sonora	15	32	\$2,565,451
Tamaulipas	14	17	\$3,331,472
Other*		21	\$4,134,933
Mexico Subtotal	49	126	\$16,866,035
TOTAL **	111	217	\$22,303,614

* This category consists of border-wide, agency and other non-state specific studies, including regional water conservation studies.

** Figures do not include 5 NADB studies totaling US\$295,004.

of the Incarnate Word in San Antonio, TX, as well as on site to regional groups. In addition, UMI offers ongoing educational opportunities through intensive seminars to UMI graduates who have attended all four modules of the basic program. More recently, under the auspices of UMI, NADB has also been promoting other types of environmental infrastructure projects with state and local officials through one-day seminars focused on developing and financing projects in areas such as energy efficiency in public lighting and air quality improvement through street paving.

UMI concluded its twelfth year of seminars in 2011. Since its inception, training has been provided to a total of 1,910 utility professionals, representing 188 border communities in Mexico and the U.S., in either San Antonio or in local on-site modules. Of those participants, 819 have attended all four modules of the basic program, hence earning a certificate from the University of the Incarnate Word in San Antonio.

In October, in collaboration with the Sonora state water agency, Comision Estatal de Agua (CEA), the intensive seminar “How to Plan and Manage a Project” was presented in Hermosillo, Sonora, to 35 participants from 15 communities. In addition, in November, the El Paso Water Utility (EPWU) co-sponsored the intensive seminar “What’s Sustainable in Uncertain Times,” which addresses such topics as sustainable planning for water resources and infrastructure, multi-agency and regional project development models, and other financial and management challenges affecting the long-term stability of water systems. The seminar was held in El Paso and attended by 41 utility professionals from southwest Texas communities.

Publications. As part of its technical assistance and training programs, NADB also develops and publishes informational manuals in its ongoing efforts to support project sponsors and utilities in the development of their projects, as well as enhance their financial and administrative capacities. The following manuals are available on the Bank’s website (www.nadb.org):

- *Manual for Drafters of Interlocal Agreements for Utilities and Other Services.* Available only in English, this manual provides guidelines for determining the feasibility of regional facilities that serve two or more communities, as well as for negotiating and implementing the corresponding agreement based on U.S. laws.
- *Local and Financial Aspects of Urban Water Management for Six Cities at the U.S.-Mexico Border.* This study examines and compares local, financial and quality management of the water utilities in three pairs of sister cities along the Texas border with Mexico: Del Río and Ciudad Acuña, Coahuila; Laredo and Nuevo Laredo, Tamaulipas; and McAllen and Reynosa, Tamaulipas. This report is available in both Spanish and English.
- *Mejores prácticas de Servicios de Agua y Drenaje de Monterrey (SADM).* Available only in Spanish, this manual documents various successful practices in proper water management used by the Monterrey water utility, SADM, that can serve as a guide for solving problems commonly found in other communities and help improve operational and administrative practices.
- *Análisis comparativo de costos y tarifas de agua potable entre organismos operadores de servicios de agua y drenaje en la frontera México-EUA.* Available only in Spanish, this manual presents a comparative analysis of costs and rates using quantitative criteria to identify opportunities for improving the costs of water utilities located in the Mexican border states by correcting operational inefficiencies.
- *Propuesta de estructura tarifaria de agua potable para los organismos operadores de los servicios de agua y drenaje en la frontera México-EUA.* This document is a sequel to the comparative cost and rate analysis above and proposes a methodology for structuring more effective water rates for Mexican utilities in the border region. This manual is also only available in Spanish.

- *Mejores prácticas de operaciones municipales de agua potable: Experiencias del Premio Gobierno y Gestión Local!* This report presents various cases of good water management in urban areas of Mexico deriving from actions aimed at strengthening the financial, operational and technical capacities of the utilities. Each experience illustrates the improvements that can be achieved with programs based on the principles of good management. This manual is also only available in Spanish.
- *Indicadores de desempeño y el enfoque empresarial para una mejor gestión de los organismos de agua: El caso de Saltillo.* This study, which is available only in Spanish, examines the local, national and international indicators used in evaluating the performance and objectives of water utilities, and offers a recommendation for a system of indicators for water utilities in Mexico.
- *Principios Gerenciales y Eficiencia Operativa de los Servicios del Agua: Los Casos de Saltillo, Tijuana y Monterrey.* This study identifies the management models used by three successful water utilities in Mexico, analyzes their organizational principles and values, and proposes a series of recommendations for the creation of a successful organizational model to enhance the daily performance of utilities. The report is only available in Spanish.

NORTH AMERICAN DEVELOPMENT BANK
TECHNICAL ASSISTANCE PROGRAM

Active Projects
DECEMBER 31, 2011

COMMUNITY	PROJECT NO.	AUTH DATE	TYPE*	ACTIVITY	STATUS		
					IN BIDDING	IN PROGRESS	COMPLETED

MEXICO

BORDER

Comisión Nacional del Agua (CONAGUA)	IDP-2100908	Sep-08	WC	Study to transfer water usage rights from clean water to treated wastewater in the Juarez Valley		X	
Subtotal Border					0	1	0

BAJA CALIFORNIA

Mexicali	TAP-091211	Dec-11	W, WW	Water and wastewater rate study	X		
Subtotal Chihuahua					1	0	0

CHIHUAHUA

Juárez	TAP-040411	Apr-11	AQ	Credit rating for the city	X		
State of Chihuahua	TAP-071011	Oct-11	ENE	Pilot solar energy capacity building project		X	
Subtotal Chihuahua					1	1	0

COAHUILA

Piedras Negras	TAP-101211	Dec-11	W	Credit rating for the utility	X		
Subtotal Chihuahua					1	0	0

NUEVO LEON

Monterrey	PDP-230905	Sep-05	WW	User registry study of commercial and industrial wastewater hookups			X
	TAP-050411	Apr-11	ENE	Development studies for rehabilitation and upgrades to the biogas power generating facility of 2 wastewater treatment plants	X		
Subtotal Nuevo Leon					1	0	1

COMMUNITY	PROJECT NO.	AUTH DATE	TYPE*	ACTIVITY	STATUS		
					IN BIDDING	IN PROGRESS	COMPLETED

SONORA

Agua Prieta	TAP-030411	Apr-11	AQ	Credit rating for the city	X		
Subtotal Sonora					1	0	0

TAMAULIPAS

Nuevo Laredo	TAP-020810	Aug-10	AQ	Final design of paving works	X		
State of Tamaulipas	PDP-460807	Aug-07	W	Preliminary design and financial feasibility of the Falcón-Matamoros Aqueduct	X		
Subtotal Tamaulipas					2	0	0

TOTAL MÉXICO					7	2	1
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UNITED STATES

TEXAS

Del Rio	IDP-2060208	Feb-08	W, WW	Water system modeling, leak study and water/wastewater rate study			X
Eagle Pass	PDP-390607	Jun-07	WW	Damage evaluation of sewer system, inventory and cost analysis		X	
La Feria	IDP-1741204	Dec-04	W, WW	Billing and collection study		X	
Uvalde County	PDP-551008	Oct-08	SW	Final designs for two regional transfer stations	X		
Subtotal Texas					1	2	1

TOTAL UNITED STATES					1	2	1
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NADB

NADB	TAP-060411	Apr-11	OTHER	Financial advisory service for municipal planning projects			X
	TAP-081011	Oct-11	OTHER	Express and ready lanes traffic and revenue study	X		
Subtotal BDAN					1	0	1

TOTAL TA PROJECTS					9	4	3
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*AQ = Air quality ENE = Clean energy SD = Storm drainage SW = Solid waste W = Water WC = Water conservation WW = Wastewater