The North American Development Bank (NADBank) provides financing and other support for infrastructure projects that enhance the environmental condition of the U.S.-Mexico border region. NADBank works closely with border communities, state agencies and other entities to develop and finance affordable, self-sustaining projects with broad community support. Each project must pass through a public participation and certification process to be eligible for financing from NADBank.

During the third quarter of 2022, NADBank had 37 active projects in various stages of project implementation. A total of US$440.6 million in loans and grants has been contracted to help finance those projects, and approximately 50% of those funds have already been disbursed to project sponsors. One project completed construction and/or financing activity during the period, leaving 36 active projects at the end of the quarter. A breakdown of NADBank financing by program for the active projects is shown in the table below.

<table>
<thead>
<tr>
<th>Funding Programs</th>
<th>Active Projects per Program*</th>
<th>Financing Contracted for Active Projects</th>
<th>Pending Disbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Program</td>
<td>14</td>
<td>$375,639,403</td>
<td>$181,372,893</td>
</tr>
<tr>
<td>Community Assistance Program (CAP)**</td>
<td>7</td>
<td>3,197,646</td>
<td>1,014,620</td>
</tr>
<tr>
<td>Border Environment Infrastructure Fund (BEIF)**</td>
<td>16</td>
<td>61,806,285</td>
<td>38,107,495</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>$440,643,334</strong></td>
<td><strong>$220,495,008</strong></td>
</tr>
</tbody>
</table>

* Some projects have both a loan and a grant. Likewise, a loan or grant may cover more than one project.
** This program offers grant financing for the implementation of critical environmental infrastructure projects in low-income communities.
*** This program funded by EPA and administered by NADBank offers grant financing for the implementation of municipal drinking water and wastewater infrastructure projects.

To date, NADBank has contracted a cumulative total of more than US$3.6 billion in loans and grants to help finance 294 certified projects estimated to cost a total of US$10.8 billion to implement. Of the financing contracted, 94% has been disbursed to project sponsors for the implementation of 285 projects. Of the 294 projects financed by the Bank, 257 have completed construction and financing activity (except for the amortization of loans) and/or have otherwise been closed.

The implementation status of NADBank-funded active projects is presented in the following pages.
<table>
<thead>
<tr>
<th>PROJECT</th>
<th>DESCRIPTION</th>
<th>NADBANK PARTICIPATION</th>
<th>IMPLEMENTATION STATUS</th>
</tr>
</thead>
</table>
| **Agua Prieta, Sonora, Mexico**  
Replacement of the Main Outfall in the Wastewater Collection System | Rehabilitation of a section of the main outfall.  
**Community Benefits**  
Improved system reliability by reducing the risk of line breaks that could cause sewage spills onto local streets and into the Agua Prieta River. Specifically, the project will help protect public health and the environment by preventing approximately 5.4 million gallons a day (mgd) of wastewater discharges. | The Bank is a source of grant funds through the Community Assistance Program (CAP) to complement Mexican federal funding and capital investments from the local water utility (OOMAPAS-Agua Prieta). On November 12, 2020, the Bank approved a CAP grant for up to US$500,000 for project implementation. The corresponding grant agreement was signed on February 23, 2021. The initial disbursement was made in September 2021. | Project construction activities were divided into two sections. The North section (3,838 ft) was completed with Mexican funding in December 2020. Construction of the South section (4,127 ft) funded by the Bank began in July 2021 and was completed in May 2022. |
| **Camargo, Chihuahua, Mexico**  
Wastewater Collection System Expansion | Construction of a wastewater collection system for Miguel Angel Niño subdivision, including installation of 131 residential connections.  
**Community Benefits**  
Provision of first-time wastewater collection and treatment services for 131 homes and decommissioning of their on-site wastewater disposal systems, reducing the potential for groundwater contamination and human health risks associated with waterborne diseases. Specifically, the project is expected to collect and treat approximately 21,871 gallons per day (gpd) of wastewater. | The Bank is a source of grant funds through the CAP to complement capital investments by the local water utility (JMAS-Camargo). On May 13, 2021, the Bank approved a CAP grant for up to US$500,000 for project implementation. The corresponding grant agreement was signed on July 22, 2021. The first disbursement occurred in March 2022. | Construction to extend the wastewater collection system to the Miguel Angel Niño subdivision began in April 2022 and is approximately 52% complete. |
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Camargo, Tamaulipas, Mexico</td>
<td>Construction of a wastewater treatment plant (WWTP) with a capacity of 0.57 mgd; replacement of a lift station, collector and sewer main; and expansion of the wastewater collection system to unserved areas of La Misión and El Sauz subdivisions, including the installation of residential connections and decommissioning of on-site disposal systems.</td>
<td>The Bank is a source of grant funds through the BEIF, to complement federal, state and local funding. On June 21, 2018, EPA approved the Bank’s recommendation to provide US$2.53 million in BEIF funds for construction of the project. The corresponding grant agreement was signed on February 27, 2019. On September 1, 2021, EPA approved US$150,000 in additional funds to cover increased construction costs, bringing total BEIF participation in this project to US$2.68 million.</td>
<td>Construction of the sewer main, the lift station and force main in La Misión and the sewer systems in El Sauz and La Misión subdivisions, along with 186 residential connections in El Sauz, was completed with Mexican funding between April 2012 and February 2017. Construction of the BEIF-funded components, including construction of the WWTP, replacement of a lift station and force main and installation of hookups in the La Misión subdivision, began in June 2019 and was completed in September 2021, thus completing the entire certified project.</td>
</tr>
</tbody>
</table>

**Wastewater Collection and Treatment Project**

**Type:** Wastewater  
**Total Cost:** US $3,578,333  
**Total NADB Funding:** US $2,681,363  
**Certification Date:** 6 / 19 / 18  
**Residents to Benefit:** 8,819

**Community Benefits**

Provision of first-time access to wastewater collection services to 347 homes, thus reducing the potential for groundwater contamination associated with the use of inadequate on-site disposal systems. Improved treatment facilities will produce better quality effluent that complies with federal standards for agricultural use.
Chihuahua, Chihuahua, Mexico
Rehabilitation and Upgrade of the North and South Wastewater Treatment Plants

Type: Wastewater
Total Cost: US $14,693,467
Total NADBank Funding: US $11,226,131
Certification Date: 11 / 14 / 19
Residents to Benefit: 809,232

Rehabilitation and upgrade of the North and South Wastewater Treatment Plants (WWTPs), as well as designing, installing and operating a cogeneration facility in the South WWTP.

Community Benefits
Improvements to the treatment processes will help ensure that the WWTPs continue to comply with federal standards, as well as produce 33% less sludge, reducing the volume from approximately 85,932 yds3/ year to approximately 57,288 yds3/ year. The quality of the effluent produced by the plants will also be more consistent and reliable, which will support increased demand for treated water for reuse for irrigation and industrial purposes. By using the biogas from the sludge to generate electricity, the utility expects to supply close to 71% of the electricity required to operate the South WWTP, which will offset energy consumed from the public grid and thus help prevent the emission of 9,583 metric tons/year of carbon dioxide (CO₂), among other pollutants. Additionally, replacing the disinfection systems in both plants will eliminate the risk associated with handling chlorine gas.

The Bank is a direct lender to complement equity contributions from Aguas de Reúso y Energía Renovable, S.A. de C.V. (ARERSA), the private concessionaire under a build-operate-transfer (BOT) agreement. On November 14, 2019, the Bank approved a peso-denominated, market-rate loan for US$11.26 million to cover approximately 76% of the project costs. The corresponding loan agreement was signed with ARERSA on December 16, 2019. Loan disbursements began in November 2020.

The project was constructed under a BOT agreement. Construction began in March 2020 but was suspended due to the COVID-19 pandemic. Work was reinitiated in September 2020. Rehabilitation of both WWTPs was completed at the end of October 2021, and operations began in November 2021. The cogeneration facility was completed in March 2022, thus completing the entire certified project.

Ciudad Acuña, Coahuila, Mexico
Storm Water Infrastructure Improvements

Type: Stormwater
Total Cost: US $496,680
Total NADBank Funding: US $447,646
Certification Date: 11 / 14 / 19
Residents to Benefit: 8,120

Improvements to the Santa Martha and La Misión stormwater channels.

Community Benefits
Improved capacity of the stormwater channels to withstand storm events with a 100-year and 200-year return periods, respectively, reducing the risk of flooding and stagnant water, thus protecting the environment and human health in the community and surrounding areas. The project will also protect a critical sewer force main, which due to erosion in both channels, is vulnerable to collapse, thereby reducing the risk of direct discharges of approximately 11.4 million gallons a day of untreated wastewater into the Rio Grande River.

The Bank is a source of grant funds through the CAP, which complements funding from the Municipality of Acuña. On November 14, 2019, the Bank approved a CAP grant for up to US$500,000 to support project implementation. The corresponding grant agreement was signed on April 22, 2020, and disbursements began in October of the same year. The final disbursement occurred on June 2, 2022, leaving an unused balance of US$52,354. On July 21, 2022, the unused funds were deobligated, reducing the CAP grant for this project to US$447,646.

Construction of the stormwater infrastructure improvements began in March 2021 and was completed in January 2022.
Ciudad Juárez, Chihuahua, Mexico

Wastewater Collection System Improvements

**Type:** Wastewater  
**Total Cost:** US $26,900,000  
**Total NADB Funding:** US $26,900,000  
**Certification Date:** 06 / 06 / 22  
**Residents to Benefit:** 246,860

**Description:** Rehabilitation of four major sewer mains: Las Viboras, El Mimbre, Nadadores and Norzagaray.

**Community Benefits:** Reduction of human health risks associated with waterborne diseases caused by exposure to untreated wastewater and elimination of potential surface and groundwater contamination. Specifically, the project will prevent the potential discharge of up to 22.8 mgd of untreated wastewater that could impact the Rio Grande River.

The Bank is a source of grant funds through the BEIF, as well as a potential direct lender, to complement federal, state and municipal funding. On April 14, 2022, EPA approved the Bank’s recommendation to provide US$11.5 million in BEIF funding for the construction of the project. On June 6, 2022, the Bank approved a market-rate loan for up to US$15.4 million, sufficient to cover the rest of the cost of the project, if necessary, as the local water utility JMAS is expected to fund part of the project with debt financing. The BEIF grant agreement was signed on July 29, 2022.

Bidding for the supply of the pipe for the Norzagaray sewer main began in September 2022, with contract award expected in November 2022. Bidding for construction of the sewer main is scheduled to begin in the first quarter of 2023.

Doña Ana County, New Mexico, USA

Wastewater Collection System Extension and Improvements

**Type:** Wastewater  
**Total Cost:** US $4,470,000  
**Total NADB Funding:** US $2,150,000  
**Certification Date:** 5 / 13 / 21  
**Residents to Benefit:** 330

**Description:** Construction of a wastewater collection system for the community of Sleepy Farms and upgrades to Lift Station No. 7.

**Community Benefits:** Reduced risk of groundwater contamination and waterborne diseases by providing first-time wastewater services for 30 homes in the Sleepy Farms area and eliminating substandard and failing septic systems. The new system will collect an estimated 9,400 gallons per day (gpd) of wastewater. Improvements to the lift station will increase efficiency and service reliability for an additional 2,050 connections, as well as prevent the risk of up to approximately 400,000 gpd of wastewater spills.

The Bank is a source of grant funds through the BEIF to complement funding from the New Mexico Environment Department. On May 7, 2021, EPA approved the Bank's recommendation to provide US$2.15 million in BEIF construction assistance for the project. The corresponding grant agreement was signed on November 17, 2021.

A contract for construction of the wastewater collection system and lift station upgrades was awarded in April 2022. Construction start-up was delayed due to supply chain issues. Construction of the sewer lines began in September when the materials were delivered. Rehabilitation of Lift Station #7 is still pending delivery of some components.
### El Paso County, Texas, USA

#### Drinking Water Distribution System for the Hillcrest Subdivision

**Type:** Water

**Total Cost:** US $3,280,000

**Total NADB Funding:** US $1,600,000

**Certification Date:** 5 / 13 / 21

**Residents to Benefit:** 330

**Description:**
Construction of a water distribution system for the Hillcrest subdivision, including 107 service connections.

**Community Benefits**
First-time access to safe and reliable water service for 107 homes, thus eliminating the risks of contamination and waterborne diseases associated with hauling water and the use of on-site storage tanks. Additionally, residents in the area will receive curbside solid waste collection services, which will be billed with the water service.

#### Lower Valley Water District Water and Wastewater Project

**Type:** Water and wastewater

**Total Cost:** US $23,045,000

**Total NADB Funding:** US $23,045,000

**Certification Date:** 6 / 29 / 21

**Residents to Benefit:** 9,000

**Description:**
Expanding and improving the water distribution system, replacing and expanding the wastewater collection system and increasing wastewater treatment capacity for several unincorporated communities in El Paso County, TX.

**Community Benefits**
Provision of first-time access to wastewater collection and treatment services for 810 homes, thereby eliminating approximately 0.17 mgd of untreated wastewater. Improvements to the water distribution system will increase service reliability and sustainability for approximately 3,000 existing residential connections, as well as provide first-time access to 175 homes. The project will also help improve water resource management and conservation by protecting surface and groundwater from inadequately treated sewage discharges.

### NADB Participation

The Bank is a source of grant funds through the BEIF to complement funding from the U.S. Department of Agriculture Rural Development. On May 7, 2021, EPA approved the Bank's recommendation to provide US$1.6 million in BEIF construction assistance for the project. The corresponding grant agreement was signed on October 15, 2021.

The Bank is a direct lender to the Lower Valley Water District (LVWD). On June 29, 2019, the Bank approved a market-rate loan for up to US$23.05 million to support the project. The loan was made in the form of unlimited tax bonds, which were executed on August 4, 2021.

### Implementation Status

Bidding for construction of the water system began in June 2022, with contract award expected in October 2022.

Construction work on the wastewater collection systems for the Lourdes Estates and El Conquistador subdivisions began in July 2021 and was completed in February 2022. However, LVWD decided to incorporate a lift station and force main for these systems, which are currently under construction and expected to be completed by the end of the year.

Construction work on the wastewater collection system for Panorama Village was completed in September 2022. Construction work on the water project in Varela Road will begin in October 2022.
<table>
<thead>
<tr>
<th>PROJECT</th>
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<th>NADBANK PARTICIPATION</th>
<th>IMPLEMENTATION STATUS</th>
</tr>
</thead>
</table>
| Gustavo Diaz Ordaz, Tamaulipas, Mexico  
Wastewater Collection and Treatment Project | Expansion and rehabilitation of the wastewater collection and treatment system, including construction of a wastewater treatment plant (WWTP) and decommissioning of the existing lagoon treatment system and residential on-site wastewater disposal systems.  
**Community Benefits**  
System improvements and provision of first-time wastewater collection services to 2,644 homes will reduce the potential for groundwater contamination and the risk of waterborne diseases. Specifically, the project will eliminate an estimated 570,672 gallons per day of wastewater. | The Bank is a source of grant funds through the BEIF, to complement federal, state and local funding. On May 29, 2019, EPA approved the Bank's recommendation to provide up to US$4.51 million in BEIF funding for construction and construction management services. The corresponding grant agreement was signed on December 12, 2019. BEIF disbursements began in May 2020. | Work to expand the wastewater system with Mexican funds began in 2017 and is approximately 50% complete. Construction of the Bank-funded components, including the WWTP, a force main and lift station began in July 2020 and is approximately 89% complete. |
| Hermosillo, Sonora, Mexico  
Refinancing of Existing Debt for Agua de Hermosillo | Refinancing of $290.28 million pesos (US$14.2 million) in existing debt for the local water utility, Agua de Hermosillo.  
**Community Benefits**  
Reduced debt service obligations with a cumulative net present value of approximately $100.4 million pesos (US$4.91 million) over the first five years of the loan, which will increase available cash flows for the operation and maintenance of existing infrastructure, lessen the possible need to raise rates and help the Utility to continue providing critical water and wastewater services for the benefit of its customers. | The Bank is participating as a direct lender through the Umbrella Program for the Refinancing of Existing Public Debt certified by the Board in November 2020 under the COVID-19 Recovery Program (ProRec). On March 15, 2022, the Bank approved a market-rate loan for up to US$290.28 million pesos. On April 21, 2022, the utility published a request for proposals to refinance a total of $290.28 million pesos in existing debt. The Bank, through its Mexican subsidiary COFIDAN, participated in the competitive process and won the bid on May 24, 2022. The loan agreement between Agua de Hermosillo and COFIDAN was signed on June 29, 2022. | Agua de Hermosillo is in the process of registering the loan with the federal, state and municipal authorities. |
<table>
<thead>
<tr>
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<th>IMPLEMENTATION STATUS</th>
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</thead>
<tbody>
<tr>
<td>Jim Hogg County, Texas, USA</td>
<td>Construction of a reverse osmosis water plant with the capacity to treat up to 1 mgd and replacement of 1,813 water meters. <strong>Community Benefits</strong> Increased water treatment capacity, from 0.73 to 1.73 mgd, thus providing the necessary flows to meet peak demand and comply with state requirements regarding minimum capacity and redundancy, as well as ensuring adequate water quality and reducing human health risks associated with waterborne diseases, especially those related to excess arsenic and total dissolved solids. Better operational efficiency by providing a more energy efficient treatment process and better water supply control through improved metering. Improved metering will also ensure proper water billing while reducing unaccounted water losses.</td>
<td>The Bank is a direct lender to Jim Hogg County Water Control Improvement District No. 2 (JHCWCD2). On November 12, 2020, the Bank approved a market-rate loan for up to US$4.26 million to be made in the form of municipal revenue bonds. On December 17, 2020, the Bank purchased an initial US$4.05 million in revenue bonds. With project construction almost complete, the Bank cancelled the unsigned portion of its loan commitment for this project, which totaled US$215,000, reducing its participation in the project to US$4.05 million.</td>
<td>The replacement of the water meters began in April 2021 and was completed in November 2021. Construction of the water treatment plant began in November 2021 and is expected to be completed in November 2022.</td>
</tr>
<tr>
<td>Kinney County, Texas, USA</td>
<td>Construction of 160- megawatt alternating current (MWac) solar park using bifacial monocrystalline photovoltaic modules mounted on single-axis tracking arrays and a 40-MWac battery energy storage system (BESS) on private land located about 6 miles west of Brackettville. <strong>Community Benefits</strong> Reduced demand for traditional fossil-fuel based energy generation resulting in less greenhouse gas emissions, thus improving air quality, while providing a safe and reliable energy alternative. Specifically, the project is expected to help prevent the emission of an estimated 186,398 metric tons/year of carbon dioxide (CO2). The BESS will also support a more reliable power grid by minimizing power disruptions and reducing energy losses resulting from mismatches in supply and demand.</td>
<td>The Bank is a direct lender to the project company, Zier Solar, LLC, which will sell the energy to a private company under an energy hedge agreement and/or on the wholesale electricity market. On June 8, 2022, the Bank approved a market-rate loan for up to US$65.70 million for construction of the project. A loan agreement for US$46.87 million was contracted on August 12, 2022.</td>
<td>Construction began in September 2022.</td>
</tr>
</tbody>
</table>
**Magdalena de Kino, Sonora, Mexico**

**Drinking Water System Improvements**

**Type:** Water  
**Total Cost:** US $3,203,844  
**Total NADBank Funding:** US $500,000  
**Certification Date:** 11 / 14 / 19  
**Residents to Benefit:** 12,187

**PROJECT DESCRIPTION**

Creation of three hydrometric sectors in the areas known as San Isidro, Fátima and El Polvorín, including construction of three transmission lines, replacement of distribution lines and connections and installation of meters.

**Community Benefits**

Elimination of leaks in the distribution system and more reliable water service by regulating pressure and introducing redundancy in the system. These improvements are expected to reduce water losses, saving approximately 264 million gallons per year, as well as help prevent the risk of cross-contamination from leaks and stagnant water in the lines, thereby improving health conditions for residents in the San Isidro, Fátima and El Polvorín sectors of the city.

**NADBank PARTICIPATION**

The Bank is a source of grant funds through the CAP, which complements federal and state grants. On November 14, 2019, the Bank approved a CAP grant for up to US$500,000 to support project implementation. The corresponding grant agreement was signed on April 15, 2020. Disbursements began in October 2021.

**IMPLEMENTATION STATUS**

Construction was divided into two phases. Construction of phase 1 components financed with Mexican funds, including the replacement of distribution lines and connections in all three sectors, as well as installation of a portion of the residential meters, began in September 2019 and was completed in May 2020. Under the second phase, construction of the transmission lines to the three elevated storage tanks was completed in October 2020. A contract for the purchase of equipment and the installation of master meters, residential meters and telemetry systems and sectorization funded by the Bank was awarded in August 2021. Work began October 2021 and was completed in June 2022.

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**Mexicali, Baja California, Mexico**

**Wastewater Collection System (Phase I) and Lift Station Improvements**

**Type:** Wastewater  
**Total Cost:** US $7,456,540  
**Total NADBank Funding:** US $4,067,467  
**Certification Date:** 5 / 21 / 20  
**Residents to Benefit:** 557,000

**PROJECT DESCRIPTION**

Replacement of approximately 7.3 miles of pipeline in the wastewater collection system and rehabilitation of Lift Stations No. 2, 4 and 5.

**Community Benefits**

Reduced risk of pipeline failures that can cause sewage overflows onto local streets and into the New River, which flows northward into the United States. Specifically, the project will help protect public health and the environment by preventing approximately 33.1 mgd of wastewater discharges.

**NADBank PARTICIPATION**

The Bank is a source of grant funds through the BEIF to complement Mexican federal, state and municipal funding. On May 19, 2020, EPA approved the Bank's recommendation to provide US$3.39 million in BEIF construction assistance for the project. The corresponding grant agreement was signed on October 8, 2020. Disbursements began in May 2021. On August 12, 2021, EPA approved an additional US$680,000 in BEIF funds to cover increased construction costs, bringing total BEIF participation in this project to US$4.07 million. The grant agreement was amended to include the additional funding and was signed on August 25, 2021.

**IMPLEMENTATION STATUS**

Construction began in December 2019 with Mexican funds. At the end of 2020, rehabilitation of Lift Station No. 2 (phase 2) and of 0.4 miles of wastewater lines in three subdivisions had been completed. Construction of 2.6 miles of wastewater lines in the San Marcos, Centro Cívico and Santa Clara subdivisions financed with Mexican funds was completed in October 2021. Construction of 4.8 miles of wastewater lines financed with Bank and Mexican funds in the Las Fuentes, Los Pinos, Residencias, Almendros, Justo Sierra BC, Pueblo Nuevo, Industrial, Las Flores, Libertad, Wisteria, Primera Sección and Colonia Nueva subdivisions was completed in March 2022.

Construction of improvements to Lift Station 4 funded by the Bank began in June 2021 and is approximately 83% complete. Rehabilitation of Lift Station 2 (phase 3) is approximately 55% complete and Lift Station 5 (phase 2) is approximately 32% complete.
**Project:** Rehabilitation of Small Lift Stations

- **Location:** Mexicali, Baja California, Mexico
- **Type:** Wastewater
- **Total Cost:** US $4,762,272
- **Total NADB Funding:** US $2,705,770
- **Certification Date:** 8/21/20
- **Residents to Benefit:** 146,000

**Description:** Rehabilitation of 12 small lift stations: Aurora, Calle G, Campestre, Centro Cívico, Cipresito, Esperanza Agrícola, Hidalgo, Jardines del Lago, Nueva Esperanza, Zacatecas, San Marcos and Coronado.

**Community Benefits**
Provision of adequate infrastructure to safely convey wastewater flows to the existing treatment plants. Reduced risk of pump failures, preventing sewage overflows onto local streets and into the New River, which flows northward into the United States. Specifically, the project will help protect public health and the environment by preventing approximately 8.7 mgd of wastewater discharges.

**NADB Participation**
The Bank is a source of grant funds through the BEIF to complement Mexican federal, state and municipal funding. On August 21, 2020, EPA approved the Bank’s recommendation to provide US$2.06 million in BEIF construction assistance to support rehabilitation of five of the lift stations. The corresponding grant agreement was signed on December 18, 2020. The initial disbursement occurred in July 2021. On March 17, 2022, EPA approved an additional US$650,000 in BEIF funds to cover increased construction costs, bringing total BEIF participation in this project to US$2.71 million. The grant agreement was amended to include the additional funding and was signed on May 13, 2022.

**Implementation Status**
Rehabilitation of the Centro Cívico Lift Station financed with Mexican funds was completed in December 2021. Rehabilitation of the Calle G Lift Station financed with Mexican funds began in February 2021 and was completed in February 2022.

**Mexican Border Region**

- **Type:** Public transportation
- **Total Cost:** US $13,546,264
- **Total NADB Funding:** US $16,294,421
- **Certification Date:** 6/24/14

**Description:** Financing program to support the purchase or lease of low-emission buses manufactured by DINA Camiones, S.A. de C.V. (Dina) within the 300-km border region in Mexico, in which the Bank operates.

**Community Benefits**
Use of new diesel buses that at a minimum comply with EPA 2004 standards will lower nitrogen oxides (NOx) and hydrocarbons (HC) emissions by approx. 50% and will achieve nearly 24% lower carbon dioxide (CO2) emissions. The reduction in criteria pollutant emissions is even higher for compressed natural gas-fueled vehicles that comply with EPA 2013 emission standards.

**NADB Participation**
The Bank is participating as a direct lender to Mercader Financial, S.A., SOFOM, E.R., a captive finance company and affiliate of Dina. On June 24, 2014, the Bank approved a market-rate loan in the form of a revolving line of credit for up to $120 million pesos to cover approximately 80% of the financing costs. The corresponding loan agreement was signed on September 30, 2014, and the first disbursement occurred in October 2015. The initial $120.0 million pesos were fully disbursed as of April 2016, for the equivalent of US$7.04 million. However, due to the revolving nature of the line of credit, Mercader can make monthly payments and have those funds available for draw down again when certain conditions are met during the disbursement period, which ends in October 2025. To date, a total of US$10.91 million has been disbursed through the credit line.

**Implementation Status**
During the last quarter of 2015, a total of 33 buses were financed through the program by two public transportation companies. A company in Hermosillo, Sonora obtained 30 diesel buses to replace part of its existing fleet, while another company in Tijuana, Baja California, purchased three diesel buses to expand its fleet. In April 2016, a company in Ciudad Juarez, Chihuahua obtained 25 buses fueled by compressed natural gas (CNG) to replace part of its existing fleet. In November 2017, two companies in Guadalupe, Nuevo Leon obtained 10 CNG buses and 8 diesel buses. In August 2018, a total of 21 diesel buses were financed by a public transportation company in Guadalupe, N.L. In March 2019, a total of 10 diesel buses were financed by two public transportation companies in two municipalities in the metropolitan area of Monterrey, N.L. To date, a total of 107 buses have been financed through the program.
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<thead>
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</table>
| Mexican Border Region  
Border-wide Program for the Purchase of Low-Emission Vehicles in Mexico | Financing program to support the purchase or lease of low-emission buses manufactured by DINA Camiones, S.A. de C.V. within the 300-km border region in Mexico, in which the Bank operates.  
Community Benefits: Improved air quality as the new vehicles produce less greenhouse gases than older models. Under the amended loan agreement, diesel vehicles shall comply with the emission limits established under Mexican Standard NOM-044-SEMARNAT-2017, specifically those identified as 1AA (equivalent to EPA 2007 standards) for buses financed through the end of 2019 and 1B (equivalent to EPA 2010 standards) for buses financed beginning in January 2020; and CNG-fueled vehicles shall comply with emission limits equivalent to EPA 2016 standards. Diesel vehicles that comply with the EPA 2007 emission limits can reduce nitrogen oxides (NOx) by 70%, hydrocarbons (HC) by 70% and particulate matter (PM$_{2.5}$) by 77%, compared to EPA-1998 diesel technologies. | The Bank is participating as a direct lender to Mercader Financial, S.A., SOFOM, E.R., a captive finance company and affiliate of Dina. On September 13, 2016, the Bank approved a market-rate loan in the form of a revolving line of credit for up to $500 million pesos to cover approximately 80% of the cost of new vehicles. The corresponding loan agreement was signed on September 22, 2016, and the first disbursement occurred the same month. The initial $500.0 million pesos were fully disbursed as of November 2016, for the equivalent of US$25.80 million. On November 5, 2018, the Bank approved a loan increase for $380 million pesos (estimated at US$20.13 million). An amended loan agreement was signed on November 15, 2018. Due to the revolving nature of the line of credit, Mercader can make monthly payments and have those funds available for draw down again when certain conditions are met during the disbursement period, which ends in November 2028. To date, a total of US$58.78 million has been disbursed through the credit line. | In 2016, a total of 285 buses (178 diesel and 107 compressed natural gas (CNG) were financed by 12 public transportation companies to replace or expand their existing fleets in Ciudad Juarez, CHIH; Hermosillo, SON; Tijuana, B.C.; and five municipalities in the metropolitan area of Monterrey, N.L. In 2017, a total of 41 buses (39 diesel and 2 CNG) were financed by four public transportation companies in Ciudad Juarez, CHIH and four municipalities in the metropolitan area of Monterrey, N.L. In 2018, a total of 142 buses (59 diesel and 83 CNG) were financed by six public transportation companies in five municipalities in the metropolitan area of Monterrey, N.L. In 2019, a total of 147 buses (77 diesel and 70 CNG) were financed by five public transportation companies in four municipalities in the metropolitan area of Monterrey, N.L. To date, a total of 615 buses have been financed through the program. |
| Mexican Border Region  
Value Arrendadora Border-wide Vehicle Program for Public Transportation in Mexico | Program to lease or finance up to 223 vehicles with cleaner technologies for public and private personnel transportation services within the Mexican border region.  
Community Benefits: Improved public transportation systems by providing access to new vehicles that offer a comfortable, safe and rapid transportation option. Improved air quality as the new vehicles produce less greenhouse gases than older models. Specifically, the use of 223 new vehicles is expected to lower NOx emissions by approximately 48 metric tons/year; carbon dioxide (CO$_2$) emissions by 1,756 metric tons/year; and particulate matter with a diameter of 2.5 micrometers or less (PM$_{2.5}$) by 0.6 metric tons/year. | The Bank is participating as a direct lender to Value Arrendadora, S.A. de C.V., SOFOM, E.R., Value Grupo Financiero, a Mexican multipurpose financial institution. On June 26, 2020, the Bank approved a market-rate loan for up to $521.3 million pesos to cover approximately 85% of the cost of the new vehicles. A loan agreement for $155.4 million pesos (US$6.95 million) was signed on July 16, 2020 for the first phase of the program, and the loan proceeds were fully disbursed the same month. | The program will offer vehicles in two phases. The first phase was implemented in July 2020, with Value leasing 63 natural gas vehicles to the State Government of Nuevo Leon to be used for public transportation in the metropolitan area of Monterrey. |
### Mission, Texas, USA
**Anzalduas Land Port of Entry Expansion Project**

**Type:** Air quality - border crossing  
**Total Cost:** US $89,100,000  
**Total NADBank Funding:** US $63,000,000  
**Certification Date:** 06 / 08 / 22  
**Residents to Benefit:** 999,260

**PROJECT DESCRIPTION**

Construction of commercial inspection facilities on the U.S. side of the Anzalduas land port of entry to support the processing of loaded southbound and northbound commercial vehicles.

**Community Benefits**

Diverting part of the commercial traffic from another bridge in the region will reduce net crossing times at both bridges, resulting in a net reduction in the emission of greenhouse gases and criteria pollutants, including an estimated 19,563 metric tons of carbon dioxide (CO₂) in its first year of operation.

**NADBank PARTICIPATION**

The Bank is a direct lender to complement state and federal funding. On June 8, 2022, the Bank approved a market-rate loan for up to US$63.0 million for construction of the project. On August 22, 2022, the Bank executed a US$63.0 million loan in the form of junior lien international toll bridge system revenue bonds with the project sponsor, the City of McAllen, Texas. The Loan was fully disbursed on September 22, 2022.

**IMPLEMENTATION STATUS**

Construction of the facilities is scheduled to begin in October 2022.

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### Nogales, Arizona, USA
**Improvements to the International Outfall Interceptor: Relocation of Lateral Connections and Erosion Protection**

**Type:** Wastewater  
**Total Cost:** US $2,810,000  
**Total NADBank Funding:** US $2,810,000  
**Certification Date:** 11 / 26 / 21  
**Residents to Benefit:** 19,770

**PROJECT DESCRIPTION**

Abandonment of five substandard lateral connections to the International Outfall Interceptor (IOI), three of which will be relocated to the nearest manhole on the IOI, as well as erosion protection for vulnerable segments of the IOI within the Nogales Wash.

**Community Benefits**

Reduced risk of pipeline failures in the IOI, thereby preventing the potential discharge of up to 15.2 mgd of wastewater to the Nogales Wash, a tributary of the Santa Cruz River. Bank and erosion protection in the Nogales Wash consistent with the 100-year flood standard for vulnerable segments of the IOI and other municipal infrastructure.

**NADBank PARTICIPATION**

The Bank is a source of grant funds through the BEIF. On October 29, 2021, EPA approved the Bank's recommendation to provide US$2.81 million in BEIF funds for the construction of the project. The corresponding grant agreement was signed on January 3, 2022, and disbursements began in March 2022.

**IMPLEMENTATION STATUS**

Work to close five lateral connections and relocate three of them to the nearest manhole began in November 2021 and was completed in January 2022.

A contract for installation of erosion protection was awarded in September 2022, and construction is scheduled to begin in October, depending on the summer monsoon season.
## Nogales, Sonora, Mexico

**Expansion of the Water and Wastewater Systems to the Southwest Area of Nogales, Sonora**

<table>
<thead>
<tr>
<th>Type</th>
<th>Water / wastewater</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost:</td>
<td>US $10,483,888</td>
</tr>
<tr>
<td>Total NADBank Funding:</td>
<td>US $5,259,444</td>
</tr>
<tr>
<td>Certification Date:</td>
<td>11 / 17 / 16</td>
</tr>
<tr>
<td>Residents to Benefit:</td>
<td>16,701</td>
</tr>
</tbody>
</table>

**Description**

Expansion of the water distribution and wastewater collection systems to unserved areas of the Flores Magón, Las Torres, Luis D. Colosio, El Rastro, Las Primaveras, and Jardines de la Montaña subdivisions, including installation of residential connections.

**Community Benefits**

Provision of first-time wastewater collection and treatment services, reducing the potential for groundwater and surface water contamination by eliminating the use of cesspools and direct discharges of untreated sewage into yards and streets, thus providing a cleaner, healthier environment for local residents. Specifically, an estimated 0.93 million gallons a day of wastewater will be collected and treated. Provision of drinking water service for households currently not connected to the distribution system.

**NADBank Participation**

The Bank is a source of grant funds through the BEIF to complement federal, state and municipal funding. On November 9, 2016, EPA approved the Bank’s recommendation to provide US$5.26 million in BEIF funds for the construction of the project, and the corresponding grant agreement was signed on July 10, 2017. The initial disbursement was made in February 2018.

**Implementation Status**

Phase 1 wastewater lines were completed with Mexican funding in December 2016. Construction of the Collector Tecnológico funded by the Bank was completed in August 2018. Phase 2 and 3 wastewater lines were completed in April 2020. Installation of remaining Phase 2 & 3 residential connections began in June 2020 and was completed in February 2021; however, the contract was extended to connect four laterals to the new Collector Tecnológico, which was completed in August 2021. Construction of Phase 4 wastewater lines and residential connections began in July 2020 and was also completed in August 2021.

Construction of the civil works and grit removal system to improve the Estadio Lift Station began in February 2022 and is expected to be completed in December 2022. Installation of the electrical and control components of the lift station will begin in October 2022.

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## Nueva Ciudad Guerrero, Tamaulipas, Mexico

**Wastewater Collection and Treatment System Improvements**

<table>
<thead>
<tr>
<th>Type</th>
<th>Wastewater</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost:</td>
<td>US $4,332,000</td>
</tr>
<tr>
<td>Total NADBank Funding:</td>
<td>US $2,056,000</td>
</tr>
<tr>
<td>Certification Date:</td>
<td>3 / 20 / 20</td>
</tr>
<tr>
<td>Residents to Benefit:</td>
<td>5,209</td>
</tr>
</tbody>
</table>

**Description**

Expansion and rehabilitation of the wastewater collection and treatment system, including construction of a wastewater treatment plant (WWTP) with capacity of 270,000 gallons a day.

**Community Benefits**

First-time access to wastewater services for 244 homes in unserved areas of the city, as well as improved service for the rest of the community. Wastewater treatment coverage for 100% of the community and higher quality effluent, which will reduce water pollution and the risk of waterborne diseases. The new plant will also have a methane capture and conversion system to reduce the effects of greenhouse gas emissions.

**NADBank Participation**

The Bank is a source of grant funds through the BEIF to complement federal, state and municipal funding. On January 27, 2020, EPA approved the Bank’s recommendation to provide US$2.06 million in BEIF funds for the construction of the project, and the corresponding grant agreement was signed on September 15, 2020. The initial disbursement was made in September 2021.

**Implementation Status**

The gravity sewer main connecting the sewer system to the site of the WWTP was installed in 2017 with Mexican funds. Works financed with Mexican funds to rehabilitate and expand the wastewater system in the eastern and western zones of the city began in October 2021 and are 50% complete. Construction of the Bank-funded components, including construction of the WWTP, the West sewer main and wastewater collection lines in the Maquiladora area of the city, began in December 2021 and is 45% complete.
<table>
<thead>
<tr>
<th>PROJECT</th>
<th>DESCRIPTION</th>
<th>NADB PARTICIPATION</th>
<th>IMPLEMENTATION STATUS</th>
</tr>
</thead>
</table>
| **Ojinaga, Chihuahua, Mexico**  
Wastewater Collection System Improvements | Replacement of sewer lines and rehabilitation of the service connections to 1,700 residences.  
**Community Benefits**  
Improved wastewater collection services for 1,700 residential connections and reduced risk of pipeline failures and sewage spills, which will help prevent contamination of the West Texas Bolson Aquifer that supplies drinking water to Ojinaga and to Presidio, Texas. Specifically, the project will prevent approximately 281,000 gallons per day of wastewater discharges. | The Bank is a source of grant funds through the BEIF to complement Mexican federal, state and municipal funding. On November 12, 2020, EPA approved the Bank's recommendation to provide US$1.02 million in BEIF funds for project construction and supervision. The corresponding grant agreement was signed on August 2, 2021. On June 2, 2022, EPA approved an additional US$770,950 in BEIF funds to cover increased construction costs, bringing total BEIF participation in this project to US$1.79 million. The grant agreement was amended to include the additional funding and signed on August 1, 2022. | Project construction was initiated with Mexican funding in 2020 with contracts completed in March 2021 and March 2022, representing approximately 43% of the total investment. Bidding for project components to be funded by the Bank began in September 2022, with contract award expected in November 2022. |
| **Palmview, Texas, USA**  
Agua SUD Wastewater Collection and Treatment (East) Project | Construction of wastewater collection and conveyance infrastructure for the City of Palmview and adjoining areas, including installation of sewer hookups and decommissioning of septic tanks.  
**Community Benefits**  
Provision of first-time wastewater collection and treatment services to the community of Palmview and the surrounding area, reducing environmental and health hazards associated with the inadequate disposal of wastewater, thus providing a cleaner and healthier environment for local residents. Specifically, an estimated 900,000 gallons per day of wastewater will be collected and treated. | The Bank is a source of grant funds through the BEIF to complement a state loan and grant. On March 18, 2020, EPA approved the Bank's recommendation to provide US$6.0 million in BEIF funds for the installation of sewer hookups and decommissioning of septic tanks. The corresponding grant agreement was signed on May 18, 2020. The initial BEIF disbursement occurred in September 2020. | The wastewater collection system, five lift stations and the pressure main to connect the system to the Mission Wastewater Treatment Plant have been completed with state funds. Construction to install 1,847 residential hookups and decommission septic tanks funded by the Bank began in July 2020 and is approximately 85% complete. |
| **Patagonia, Arizona, USA**  
Wastewater Treatment Plant Improvements | Improvements to the wastewater treatment system and infrastructure.  
**Community Benefits**  
Elimination of the risk of plant failure that could result in approximately 45,000 gallons per day (gpd) of wastewater discharges to Sonoita Creek, a tributary of Patagonia Lake. Upgrading the equipment and treatment process will ensure full compliance with applicable discharge regulations, as well as increase the operational efficiency of the plant by reducing energy costs and maintenance requirements. | The Bank is a source of grant funds through the CAP to complement the capital investments of the Town of Patagonia, AZ. On November 3, 2021, the Bank approved a CAP grant for up to US$500,000 for project implementation, and the corresponding grant agreement was signed on December 17, 2021. | Improvements to the sludge belt press system were completed by the original manufacturer in January 2022. Construction of the remaining treatment plant improvements began in September 2022 and is expected to take 11 months to complete. |
### Reynosa, Tamaulipas, Mexico

**Wastewater Collection and Treatment Project**

**Type:** Wastewater  
**Total Cost:** US $15,908,735  
**Total NADB Bank Funding:** US $7,330,512  
**Certification Date:** 5 / 6 / 16  
**Residents to Benefit:** 266,853

**Description:** Expansion of the Wastewater Treatment Plant (WWTP) No. 2, to increase capacity from 5.7 mgd to 17.1 mgd, as well as construction of Lift Station No. 278, rehabilitation of Lift Station No. 1 and decommissioning of three lift stations.

**Community Benefits**

Expansion of wastewater treatment coverage, preventing untreated sewage discharges from entering the Rio Grande River, which will reduce environmental pollution and the risk of waterborne diseases, thus providing a safer and healthier source of water for the city, as well as for downstream users. Specifically, an estimated 9.0 mgd of wastewater will be collected and treated.

**NADB Bank Participation**

The Bank is a source of grant funds through the BEIF, to complement federal funding provided through the Mexican federal water agency, CONAGUA. On March 23, 2016, EPA approved the Bank's recommendation to provide US$7.08 million in BEIF funding for the construction of this project. The corresponding grant agreement was signed on June 16, 2016. The initial disbursement occurred in May 2017. On September 2, 2020, EPA approved an additional US$250,000 in BEIF funds to cover increased construction costs, bringing total BEIF participation in this project to US$7.33 million. The grant agreement was amended to include the additional funding and was signed on November 10, 2020.

**Implementation Status**

Construction of Lift Stations 1 and 278 funded by the Bank began in May 2017. Work on Lift Station 1 was completed in May 2020; however, during the final inspection, equipment at the lift station was not functioning properly and required replacement by the contractor. The replacement pumps are expected be installed and operating in first quarter of 2023.

Construction of Lift Station 278 was temporarily suspended in order to replace the contractor. Work was reinitiated in February 2019 and completed in February 2021.

Construction to expand WWTP 2 began in 2014 with Mexican funds and is expected to be completed in the fourth quarter of 2022.

### Riverside and Imperial Counties, California, USA

**Wildcat Energy Storage Project**

**Type:** Energy storage  
**Total Cost:** Reserved  
**Total NADB Bank Funding:** US $4,410,889  
**Certification Date:** 5 / 13 / 21  
**Residents to Benefit:** 283

**Description:** Design, construction and operation of the first phase of a 3.0-megawatt alternating current (MWAC) energy storage system on vacant and undeveloped land in Palm Springs, CA.

**Community Benefits**

Increased energy storage will reduce the use of ramp-up/ramp-down fossil-fuel power plants to meet electricity demand, as well as facilitate the integration of intermittent renewable energy sources, such as solar and wind. With the capacity to store and deliver up to 1,796 megawatt-hours (MWh) of energy a year, the project will displace approximately 819 metric tons/year of CO₂. Increased operational efficiency and reliability of power grid by minimizing power disruptions and reducing energy losses resulting from mismatches in supply and demand.

**NADB Bank Participation**

The Bank is a direct lender to esFaraday, LLC, a subsidiary of the project sponsor esVolta, LP, which has signed an energy storage agreement with Southern California Edison (SCE). The Wildcat project is part of a portfolio of storage facilities being developed by esVolta. On March 2, 2020, the Bank approved a market-rate loan for up to US$6.8 million for the Don Lee Energy Storage Project, and a US$5.0 million loan agreement was signed on March 20, 2020. Prior to year-end, the sponsor decided to cancel the Don Lee project due to unforeseen circumstances. On May 13, 2021, the Bank certified the Wildcat project and approved using up to US$4.73 million of the aforesaid loan to finance the first phase of the Wildcat project. In December 2021, the loan was reduced to US$4.41 million based on project completion. The loan is in disbursement.

**Implementation Status**

The first phase of the Wildcat facility, financed by the Bank, achieved substantial completion and began commercial operations on November 21, 2021. The last of the construction work was completed in December 2021.
San Diego, California, USA
EnerSmart Energy Storage Portfolio

**Type:** Energy storage  
**Total Cost:** Reserved  
**Total NADB Funding:** US $70,000,000  
**Certification Date:** 11 / 3 / 21  
**Residents to Benefit:** 250,000

**PROJECT DESCRIPTION**

Design, construction, and operation of a portfolio of 55 battery energy storage systems (BESS) with a combined capacity of 165 megawatts of alternating current (MWAC) at nine different project sites in San Diego County, CA.

**Community Benefits**

- Increased energy storage will reduce the use of ramp-up/ramp-down fossil-fuel power plants to meet electricity demand, as well as facilitate the integration of intermittent renewable energy sources, such as solar and wind. With the capacity to store and deliver up to 100,000 megawatt-hours (MWh) of energy a year, the project will displace approximately 35,480 metric tons/year of CO₂.
- Increased operational efficiency and reliability of power grid by minimizing power disruptions and reducing energy losses resulting from mismatches in supply and demand.

**NADBANK PARTICIPATION**

The Bank is a direct lender to EnerSmart Storage OPCO II, LLC, a special-purpose vehicle that will sell energy and other services through the wholesale markets of the California Independent System Operator (CAISO) and possibly resource adequacy agreements. On November 3, 2021, the Bank approved a market-rate loan for up to US$70 million for project implementation, and a US$39.1 million loan agreement was signed on May 10, 2022. Disbursements began the same month.

**IMPLEMENTATION STATUS**

Construction on the Chula Vista facilities (6 MWAC) began in May 2022 and is expected to be completed in December of the same year. Permitting and equipment procurement for the Murray facilities (21 MWAC) began in August 2022 and construction is expected to begin in the first quarter of 2023.

San Quintín, Baja California, Mexico
Desalination Plant

**Type:** Water  
**Total Cost:** US $ 48,202,093  
**Total NADB Funding:** US $ 36,610,000  
**Certification Date:** 3 / 8 / 18  
**Residents to Benefit:** 86,414

**PROJECT DESCRIPTION**

Construction of a seawater desalination facility with the capacity to produce 5.7 mgd of drinking water for the San Quintin Valley in the municipality of Ensenada, B.C.

**Community Benefits**

- Development of an additional water supply source to ensure sustainable and reliable drinking water services for residents of San Quintin Valley, contributing to the preservation of groundwater resources and human health.

**NADBANK PARTICIPATION**

The Bank is a direct lender to complement equity contributions from the private concessionaire, Desaladora Kenton, S.A. de C.V., through a public-private partnership (PPP) with the state water agency. On March 8, 2018, the Bank approved a market-rate loan for up to US$36.61 million to cover approximately 76% of the project costs. The corresponding loan agreement was signed on March 28, 2018; and the condition precedent for loan commitment was met on September 30, 2018.

**IMPLEMENTATION STATUS**

Construction was put on hold due to change in state and municipal administrations.
<table>
<thead>
<tr>
<th>PROJECT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Socorro, Texas, USA</strong></td>
</tr>
<tr>
<td>Residential Wastewater Connections in the Rosa Azul Subdivision</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installation of up to 278 yard-line connections to the new sewer system and decommissioning of all on-site septic systems.</td>
</tr>
</tbody>
</table>

**Community Benefits**
First-time wastewater collection and treatment services for the Rosa Azul subdivision, thus eliminating the environmental and health risks associated with the inadequate disposal of wastewater. Specifically, an estimated 100,000 gallons per day of wastewater will be collected and treated.

<table>
<thead>
<tr>
<th>NADBank Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Bank is a source of grant funds through the CAP to complement funding provided by the Lower Valley Water District (LVWD). On November 12, 2020, the Bank approved a CAP grant for up to US$500,000 for project implementation. The corresponding grant agreement was signed on February 25, 2021, and disbursements began in December of the same year.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Implementation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction for installation of Phase 1 and 2 residential wastewater connections began in September 2020 and was completed in November 2021.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type</th>
<th>Total Cost</th>
<th>Total NADBank Funding</th>
<th>Certification Date</th>
<th>Residents to Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wastewater</td>
<td>US $590,750</td>
<td>US $500,000</td>
<td>11 / 12 / 20</td>
<td>996</td>
</tr>
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</table>

<table>
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<tr>
<th>PROJECT</th>
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</thead>
<tbody>
<tr>
<td><strong>Soto la Marina, Tamaulipas, Mexico</strong></td>
</tr>
<tr>
<td>Drinking Water System for José Silva Sánchez</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction of a drinking water system, including the installation of a water transmission line, storage tank and distribution system, as well as equipping an existing well with a new power connection, pumping equipment and disinfection system.</td>
</tr>
</tbody>
</table>

**Community Benefits**
Provision of first-time access to safe and reliable drinking water service for 33 homes, eliminating the health risks associated with hauling water for residential use.

<table>
<thead>
<tr>
<th>NADBank Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Bank is a source of grant funds through the CAP to complement funding provided by the local water utility and state water agency. On June 19, 2018, the Bank approved a CAP grant for up to US$250,000 to cover up to 90% of the project costs, including possible fluctuations in the exchange rate and construction contingencies. The corresponding grant agreement was signed on March 7, 2019. Disbursements began in September 2020.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Implementation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction of the water system began in September 2020 and is expected to be completed in the fourth quarter of 2022.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type</th>
<th>Total Cost</th>
<th>Total NADBank Funding</th>
<th>Certification Date</th>
<th>Residents to Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>US $260,000</td>
<td>US $250,000</td>
<td>6 / 19 / 18</td>
<td>135</td>
</tr>
</tbody>
</table>
**Tijuana and Playas de Rosarito, Baja California, Mexico**

**Expansion of the Water and Wastewater Systems**

<table>
<thead>
<tr>
<th>Type:</th>
<th>Water / wastewater</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost:</td>
<td>US $48,420,000</td>
</tr>
<tr>
<td>Total NADB Funding:</td>
<td>US $29,457,459</td>
</tr>
<tr>
<td>Certification Date:</td>
<td>7 / 21 / 09</td>
</tr>
<tr>
<td>Residents to Benefit:</td>
<td>1,111,891</td>
</tr>
</tbody>
</table>

**PROJECT**

- Expansion of the water distribution and wastewater collection systems in Tijuana, expansion of the wastewater collection system in Playas de Rosarito, upgrades to the Rosarito I Wastewater Treatment Plant (WWTP) and completion of the La Morita WWTP and the Tecolote-La Gloria WWTP.

**DESCRIPTION**

- Reduction of environmental and health hazards associated with inadequate sewage disposal, thus providing a cleaner, healthier environment for local residents. An estimated 3 mgd of wastewater will be collected and treated prior to being discharged into the Pacific Ocean. Provision of first-time water services to currently unserved areas.

**NADB BANK PARTICIPATION**

- The Bank is a direct lender to complement funding from the local water utility, CESPT. In addition, several components of this project are expected to receive BEIF grants, along with matching Mexican grants. On July 21, 2009, the Bank approved a market-rate loan for up to US$27.96 million for the project. On July 17, 2009, EPA approved the Bank’s recommendation to provide a total of US$22.08 million in BEIF funds as follows: US$1.36 million for the Rosarito I WWTP and US$845,682 for the Aztlan, Independencia and Lomas de Rosarito sewer systems. The three sewer systems were completed with Mexican funds, so all of the BEIF funds will be used to fund the Rosarito I WWTP. On September 18, 2009, a US$22.08 million loan agreement was signed for the first tranche of the loan and disbursements began in December of the same year. The utility determined that the remainder of the loan was unnecessary and decided not to contract the second tranche. As a result, on August 6, 2010, the unsigned portion of the loan was cancelled, reducing the Bank’s participation in this project to US$24.28 million. On February 1, 2011, two additional components were certified for funding under this loan: the La Morita WWTP and the Tecolote-La Gloria WWTP. On February 16, 2011, EPA approved the Bank’s recommendation to provide a US$1.5 million BEIF grant for expansion of the Ejido Plan Libertador sewer system in Playas de Rosarito and a US$430,567 BEIF grant for expansion of the Alcatraces sewer system in Tijuana. As a result, total Bank participation in this project comes to US$26.21 million. On October 26, 2012, three additional components were certified for funding under this loan: the La Cuesta sewer system, the Farallon Collector and the SEDUE-SAAS force main. On December 3, 2014, additional sewer rehabilitation works in Tijuana were certified for partial funding under this loan, along with US$3 million in BEIF funds, bringing Bank participation to US$29.20 million. As of December 31, 2019, a total of US$1.48 million in BEIF funds has been deobligated from four projects, reducing Bank participation to US$29.46 million.

**IMPLEMENTATION STATUS**

- Five water storage tanks totaling 11,000 m³, two pump stations, and waterlines in four subdivisions have been completed, as well as two wastewater force mains. Construction of the 9-km Matanuco collector was completed in July 2010. The La Morita plant has also been completed and began operations in August 2010. The La Cuesta sewer system in Tijuana was completed in January 2013. Rehabilitation of the SEDUE-SAAS force main was completed in April 2013. Expansion of the Rosarito I WWTP was completed in September 2013. Rehabilitation of the Farallón collector was completed in February 2014. The sewer lines in Ejido Plan Libertador in Playas de Rosarito and in Col. Alcatraces in Tijuana, were completed in December 2013. Additional sewer connections related to these two projects were completed in September 2014. Rehabilitation of four wastewater collectors was completed in December 2015. Construction on the fourth phase of the Sanchez Taboada collector was completed in February 2016. Rehabilitation of two sections of the same collector funded by the Bank began in July 2015 and was completed in February 2016. Two contracts for residential hookups in Tijuana were completed in September 2016. The rehabilitation of three collectors began in September 2016, and the work was completed in May 2017. Rehabilitation of the wastewater collection system that discharges to the Las Americas Collector began in August 2017 and was completed in October 2018.

The Tecolote-La Gloria plant is approximately 55% complete; but construction is currently on hold due to a contractor dispute.
<table>
<thead>
<tr>
<th>PROJECT</th>
<th>DESCRIPTION</th>
<th>NADBANK PARTICIPATION</th>
<th>IMPLEMENTATION STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tijuana, Baja California, Mexico</td>
<td>Construction of the 8.7 mgd Tecolote-La Gloria Wastewater Treatment Plant. <strong>Community Benefits</strong> Reduction of environmental and health hazards associated with untreated sewage discharges that affect local residents, as well as other communities along the Pacific coast, including California.</td>
<td>The Bank is providing loan funds to complete the financing for this project, which also includes funding from the local water utility, CESPT, as well as Mexican federal grants and a loan from the Japan Bank of International Cooperation (JBIC). On September 18, 2009, NADBank and CESPT signed a US$22.08 million loan agreement to finance several water and wastewater works. Approximately US$4.13 million of that loan is allocated to the implementation of this project, but disbursement has been delayed since the project was put on hold.</td>
<td>The Tecolote-La Gloria plant is approximately 55% complete with Mexican funding. Construction is currently on hold due to a contractor dispute.</td>
</tr>
<tr>
<td>Tijuana, Baja California, Mexico</td>
<td>Rehabilitation of the Buena Vista section of the sewer main known as the Collector Oriente. <strong>Community Benefits</strong> Reduced risk of line breaks and leaks, thereby preventing the potential contamination of surface and groundwater sources. Specifically, the project will prevent the potential discharge of approximately 7.1 mgd of untreated wastewater that could affect the Tijuana River, a transboundary water body.</td>
<td>The Bank is a source of grant funds through the BEIF, to complement federal, state and local funding. On August 5, 2020, EPA approved the Bank's recommendation to provide US$895,129 in BEIF funds for the construction of the project. The corresponding grant agreement was signed on April 8, 2021. The first disbursement was made in February 2022. On July, 19, 2022, EPA approved an additional US$100,000 in BEIF funds to cover increased construction costs, bringing total BEIF participation in this project to US$995,129. The grant agreement was amended to include the additional funding and signed on September 12, 2022.</td>
<td>Construction of 855 m of the sewer main financed with Mexican funds began in July 2020 and was completed in December 2020. A contract for construction of the remaining 491 m to be funded by the Bank was awarded in August 2021 and signed in December 2021; however, due to pandemic-related increases in the cost of pipes, the construction cost was reviewed by the contractor and utility. As a result, the supply of the pipe was removed from the construction contract and purchased at a lower cost by the utility. An amended construction contract was signed in August 2022, and work began the same month.</td>
</tr>
</tbody>
</table>

**Tijuana, Baja California, Mexico**

**Construction of the Tecolote-La Gloria Wastewater Treatment Plant**

**Type:** Wastewater  
**Total Cost:** US $8,228,555  
**Total NADBank Funding:** US $4,129,079  
**Certification Date:** 2 / 1 / 11  
**Residents to Benefit:** 187,036

**Rehabilitation of Collector Oriente**

**Type:** Wastewater  
**Total Cost:** US $1,985,598  
**Total NADBank Funding:** US $995,129  
**Certification Date:** 8 / 21 / 20  
**Residents to Benefit:** 154,000
Vinton, Texas, USA
Wastewater Collection System

- **Type:** Wastewater
- **Total Cost:** US $19,731,500
- **Total NADBank Funding:** US $3,000,000
- **Certification Date:** 11/14/19
- **Residents to Benefit:** 2,043

**Description:**
Construction of a wastewater collection system, including a lift station and 503 residential connections for the Village of Vinton, located about 25 miles north of downtown El Paso.

**Community Benefits**
First-time access to wastewater collection and treatment services for 90% of the community, reducing the human health risks associated with waterborne diseases. Specifically, an estimated 275,000 gallons per day of wastewater will be collected and treated.

**NADB Participation**
The Bank is a source of grant funds through the BEIF, to complement a loan and grant from the Texas Water Development Board (TWDB). On November 7, 2019, EPA approved the Bank’s recommendation to provide US$3.00 million in BEIF funds for the construction of the project. The corresponding grant agreement was signed on January 8, 2021.

**Implementation Status**
Construction of Phase 1 of the new wastewater collection system (south of Vinton Road and Vinton Lift Station) funded by TWDB began in September 2020 and was completed in May 2022; however, the installation of residential connections is pending completion of the interconnection with the El Paso wastewater system.

Construction of Phase 2 of the system (north of Vinton Road), also funded by TWDB, began in February 2022 and is approximately 55% complete. Bidding for the installation of residential connections and the decommissioning of septic systems for both phases funded by the Bank is expected to begin at the end of November 2022.

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Vinton, Texas, USA
Drinking Water Distribution System

- **Type:** Water
- **Total Cost:** US $10,618,500
- **Total NADBank Funding:** US $3,500,000
- **Certification Date:** 2/24/20
- **Residents to Benefit:** 1,480

**Description:**

**Community Benefits**
Access to safe and reliable drinking water services for 367 households, thus reducing the human health risks associated with waterborne diseases. In particular, the project will eliminate exposure to arsenic and pathogenic organisms present in the current water supply.

**NADB Participation**
The Bank is a source of grant funds through the BEIF, to complement a loan and grant from the U.S. Department of Agriculture (USDA). On January 27, 2020, EPA approved the Bank’s recommendation to provide US$3.50 million in BEIF funds for the construction of the project. The corresponding grant agreement was signed on January 8, 2021. The first disbursement occurred in March 2022.

**Implementation Status**
Construction of Phase 1 of the water distribution system (south of Vinton Road) funded by USDA began in April 2020 and is substantially complete, pending the installation of meters.

Construction of Phase 2 of the system (north of Vinton Road) funded by the Bank began in February 2022 with the purchase of materials. Construction is being implemented in sequence with the wastewater project to avoid conflicts and to disturb roadway infrastructure only once. Work to install the distribution system began in September 2022.