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From the San Antonio Business Journal:
<https://www.bizjournals.com/sanantonio/news/2017/11/14/nadbank-approves-millions-in-loans-for-water.html>

NADBank approves millions in loans for water projects as cities clamor for natural gas

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Leaders at the North American Development Bank in San Antonio approved \$17.4 million in financing for environmental projects along the U.S.-Mexico border at its recent board meeting, while representatives of border cities urged the bank to consider alternative ways to foster economic development.

The largest funding approved during NADBank's Nov. 9 board meeting is for an expanded water and wastewater treatment system in San Luis Rio Colorado, a city in the Mexican state of Sonora.

About \$10 million of the project's \$12.5 million cost is being financed by a loan from the binational bank.

The capacity of the plant is expected to be 3.1 million gallons per day. Another \$3 million would fund the replacement of a collector main in Tijuana, Mexico, and an additional \$1.55 million will go toward replacing the main trunk line for a wastewater treatment plant in Marathon, Texas. The board also approved \$1.74 million for a new sewer system in Loma Blanca in Juarez.

During the public comment period, leaders of border cities spoke about the potential for



GABE HERNANDEZ | SABJ
North American Development Bank acting Managing Director Alex Hinojosa, center, talks about merging with the Border Environment Cooperation Commission during a meeting of the bank's board on Nov. 9 in San Antonio.

natural gas projects. Officials from Presidio, Texas, mentioned that the Trans-Pecos Pipeline, created by San Antonio-based Energy Transfer Partners LP, supplies natural gas to an industrial park for the Biad Chili plant.

The city of San Luis, Arizona, requested several hundred thousand dollars from the bank for a feasibility study to evaluate the potential for its own high-pressure gas line.

"We've done all we can as far as clean energy," San Luis Vice Mayor Matias Rosales told the NADBank board of directors. "The demand for companies that want to move into the area just continues."

Likewise, Mario Juarez-Infante — an engineer representing the Village of Columbus in New Mexico across the border from Puerto Palomas, Mexico — stumped for funds too.

"If we want to be able to provide to companies looking to build cold storage, we've got to give them natural gas," Juarez-Infante said.

A bill filed jointly by U.S. Reps. Will Hurd, R-Helotes, and Henry Cuellar, D-Laredo, sought to expand NADBank's purview to include the nonrenewable energy. It did not pass.

NADBank has underwritten \$273 million in loans from January through September. Only about \$65 million of those loans have been disbursed to date across seven projects.

The bank had \$2.3 million in callable capital available as of the third quarter, and its net income was \$25 million. It recently completed a long merger process with the Juarez-based Border Environment Cooperation Commission. The former general manager of that organization, Maria Elena Giner, stepped down this summer, and NADBank hired Salvador Lopez-Cordova as its chief environmental officer in her place. The new organization has about 140 employees between its two offices.

To read the full status report, [click here](#).

Projects financed by NADBank must be no more than 62 miles north or 186 miles south of the U.S.-Mexico border. The majority of projects in the U.S. have been funded for development in Texas and with loans featuring below-market interest rates.

The Trump administration, which continues to renegotiate the North American Free Trade Agreement, has three executives on NADBank's board, including the EPA administrator and the secretary of state.

Alex Hinojosa, NADBank's acting managing director, was hopeful about the new version of NAFTA.

"This is an area that is very important to both governments, infrastructure and the environment. We don't know what's going to be negotiated, but the future looks good," Hinojosa told the Business Journal.

The local executive, whose term expires in December, said NADBank plans to stick close to its roots and fund environmentally friendly projects in the future.

Kristen Mosbrucker

Reporter

San Antonio Business Journal

