



## State of New Mexico Office of the State Auditor

August 19, 2024

**Sent via Electronic Mail Only:**

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*Re: OSA Response to NMELC's Letter to Investigate CRRUA*

Dear Mss. Hovden, Locke, and McCartney:

This letter is the Office of the State Auditor's ("OSA" or "the Agency") response to the request by the New Mexico Environmental Law Center ("NMELC"), on behalf of Santa Teresa and Sunland Park community members ("Community"), to investigate the Camino Real Regional Utility Authority ("CRRUA") for violations of state laws, including but not limited to environmental and consumer protection laws, and for waste, fraud, or abuse of state and federal funds.

The OSA thanks the NMELC and Community for bringing this issue to its attention along with all the documentation you have compiled. The OSA already has initiated an investigation of CRRUA regarding the concerns of fraud, waste, and abuse brought to the OSA previously by the New Mexico Environment Department ("NMED"). Regarding the alleged violations of state laws,

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including potential violations of environmental and consumer protection laws as well as governmental transparency laws, the OSA requires all independent public accountants (“IPAs”) performing audits on behalf of the OSA to test for state law compliance (*see*, 2.2.2.10 (J) NMAC). (Please find attached CRRUA’s FY 2023 Audit Report.) The OSA will refer these allegations of state law violations for compliance testing during this year’s annual comprehensive audit, as well as combining them into the OSA’s own independent investigation into the matter.

Regarding the NMELC’s and the Community’s specific items of requested relief, the OSA as noted above already is in process of its own independent investigation, and the OSA also is in regular communication with NMED and the New Mexico Department of Justice (“NMDOJ”) regarding those entities’ inquiries into the matter. The OSA defers to the NMED’s ongoing efforts to engage CRRUA and the Community directly but will consider the request for a public listening session and an opportunity to submit public comments on the matter. It would be beyond the remit of any agency other than a court to require CRRUA to provide equitable relief, but the OSA will make every effort to audit CRRUA’s compliance with all applicable laws and regulations.

Sincerely,



Joseph M. Maestas, P.E., CFE  
New Mexico State Auditor