

New Mexico Finance Authority  
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Minutes of the Colonias Infrastructure Board Meeting  
Tuesday, July 12, 2016  
Cloudcroft Village Council Chambers  
201 Burro Ave, Cloudcroft, New Mexico

**Present – Voting Members:**

Doug Moore, Chair	Senate Minority Leader Appointee
Oscar Vasquez Butler, Vice Chair	Senate President Pro Tempore Appointee
Jim Chiasson	New Mexico Environment Department Designee
Mary Helen Garcia	House of Representatives Minority Leader Appointee
Keith Riddle	Speaker of the House of Representatives Appointee
Jimmy Rodriguez	NM Dept. of Finance & Administration Designee (via telephone)

**Present – Non-Voting Members:**

Jay Armijo	South Central Council of Governments (via telephone)
Priscilla Lucero	Southwest New Mexico Council of Governments
Hubert Quintana	Southeastern New Mexico Economic Development District

**Absent**

Robert Coalter	New Mexico Finance Authority
Jay Czar	New Mexico Mortgage Finance Authority
Steve Kopelman	New Mexico Association of Counties Designee

**Finance Authority Staff:**

Angela Quintana, Senior Program Administrator  
Bryan Otero, Assistant General Counsel  
Charlotte Larragoite, Senior Administrative Assistant  
Zach Thomas, Senior Water Resources Administrator

**Guests:**

Charlene Webb, Grant County	Lilla Reid, Souder Miller Associates
Edward Lueras, La Luz MDWCA&MSWA	Marty Howell, Souder Miller Associates
Jennifer Horton, Doña Ana MDWCA	Martin G. Lopez, Lower Rio Grande PWWA
Karen Nichols, Lower Rio Grande PWWA	Mary Lynn Quintana

1. **Call to Order and Roll Call.** Chairman Moore called the Colonias Infrastructure Board meeting to order at 10:00 a.m. Roll call was taken and a quorum was established.

The Chairman recognized Village of Cloudcroft Mayor Dave Venable. Mayor Venable welcomed the Board and guests to the Village.

2. **Approval of Agenda.** Mr. Riddle made a motion to approve the agenda as presented, seconded by Ms. Garcia. The motion passed unanimously on voice vote.
3. **Approval of April 26, 2016, Board Minutes.** Mr. Vasquez Butler made a motion, seconded by Ms. Garcia, to approve the minutes of the April 26, 2016 meeting as presented. The motion passed unanimously on voice vote.
4. **Chairman's Report.** No report.
5. **Report from Nominating Committee.** Hubert Quintana, Chairman of the Nominating Committee, reported the following officer recommendations: Doug Moore, Chairman; Oscar Vasquez Butler, Vice Chairman; and Keith Riddle, Secretary.
6. **Election of Officers.** Ms. Garcia made a motion to accept the Nominating Committee's report, seconded by Mr. Riddle. The motion passed unanimously on voice vote.
7. **Appointment of Committee Members and Board Confirmation.** Chairman Moore asked the members to email staff with their committee preferences and he will appoint committees at the next Board meeting.
8. **Consideration of Grant County request for match waiver, Project No. 3352-CIF-15.** Angela Quintana, Senior Program Administrator, presented information from Grant County ("County") for a request of a match waiver for Colonias Infrastructure funding award 3352-CIF15.

The County secured funding on January 15, 2016 for a roads/drainage project in an amount not to exceed \$101,770 (90% grant/10% loan). The approved project was for design of ADA compliance of sidewalks in the Colonias of Tyrone. The initial request from the County was for design and construction funds to complete the project. The County had identified an in-kind match for the construction phase including excavation, subgrade preparation, removal of structures and obstruction, traffic control management and control devices.

Based on the readiness of the project, the award to the County was for the design portion only. The County has no other source of match identified for this project. Because the match committed to the project is for the construction portion of the project, the County is requesting a match waiver for the design portion.

Staff recommends approval of the County's request for a match waiver for the design of ADA compliance of sidewalks in the Colonias of Tyrone, Project No. 3352-CIF15. The Project Review Committee has reviewed this request and it concurs with staff recommendation.

Mr. Vasquez Butler asked about the County's ADA compliance projects and how the County uses its road funds. Charlene Webb, Grant County Manager, explained the County's road funds include CAPS, which it uses primarily for chip sealing; School Bus funds for school bus routes; and co-op projects for base course roads. The County has seen a decrease in state road funding in recent years.



Ms. Lucero told the Board that NMDOT requires any County with 55 or more employees to do its own preliminary roadwork for its projects.

Mr. Vasquez Butler said he would like to see counties use Capital Outlay and other funds for ADA projects.

**Mr. Riddle made a motion, seconded by Chairman Moore, to approve staff recommendation to approve Grant County's request for waiver of the match requirement for the design of ADA compliance of sidewalks in the Colonias of Tyrone, Project No. 3352-CIF15. The motion passed on a voice vote with Mr. Vasquez Butler voting "no".**

9. **Consideration of La Luz MDWCA request for RTP Time Extension, Project No. 3356-CIF-15.**  
Angela Quintana, Senior Program Administrator presented a request from the La Luz MDWCA (Association) for a 3-month extension, until July 29, 2016, for the submittal of readiness-to-proceed (RTP) items necessary to secure the funding for Colonias Infrastructure project award 3356-CIF15. The Association previously received approval for an 8-month extension, from September 30, 2015, to May 1, 2016, to submit RTP items for this project, due to the delay in receiving USDA consent of additional debt obligation.

The Association has submitted several RTP items in advance of the May 1, 2016 deadline. However, it is currently awaiting final approval from NMED-DWB. The Association's engineer has addressed the conditions requested from NMED-DWB and the Association anticipates final approval from NMED by July 28, 2016. The Association anticipates completion of project by April 2017.

Per Section 1.5A-Project Continuations Policy of the CIB Project Management Policies, the Colonias Infrastructure Board requires applicants that have received prior Colonias funding awards to certify completion of all projects prior to approval of the new award for funding unless otherwise determined. The request for a time extension to secure the funding agreement for 3356-CIF15, does not waive this policy for any future funding cycles.

Staff recommends approval of a 3-month time extension from the date of the current deadline May 1, 2016, to July 29, 2016, to submit the required readiness-to-proceed items for Colonias Infrastructure funding award 3356-CIF15. If the Board approves this request, staff will move forward on assisting the Association with securing the funding agreement with the contingency that no disbursement of construction dollars will occur until final approval from NMED-DWB is secured.

Chairman Moore asked for the status of the design and drawdowns. Mr. Chiasson asked when the plans were submitted to the Drinking Water Bureau (April 2016). Mr. Riddle asked if July 29 would be enough time. Chairman Moore said that the extension should be at least 30 days past the date requested to allow for unforeseen circumstances, including events beyond the applicant's control.

The Board also discussed the Association's outstanding 2014 funds and the possibility of the Association having to request a waiver if they apply for 2017 funding.

**Mr. Chiasson made a motion to approve a time extension for La Luz MDWCA to submit RTP items for Project No. 3356-CIF-15, until September 1, 2016. Mr. Vasquez Butler seconded the motion. The motion passed unanimously on a voice vote.**

10. **Review of Colonias Policy Proposed Revisions.** Zach Thomas, Senior Water Resources Administrator provided the Board with an update on Policy Committee general discussion and staff recommendations for proposed changes to the Colonias Infrastructure Board Colonias Infrastructure Project Fund Project Selection and Management Policies and Project Selection Criteria.

The Policy Committee reviewed the proposed amendments during its May 25 and June 21 meetings. The Committee recommended the Board consider all proposed amendments to the Policies and Criteria with the exception of the following:

- The proposed amendment to the Criteria providing a minimum score for projects where regionalization is not feasible but the project still addresses an urgent public health need.
- The proposed amendment to the Criteria providing a minimum score for projects that score low on the cost/benefit criteria but address an urgent public health need.

NMFA staff recommends that the Board review the proposed amendments recommended by the Policy Committee. Staff further recommends that the proposed amendments to the Policies and Criteria be subject to a 30-day public review period from July 25 - August 24. Upon conclusion of the public review period, staff will summarize the comments received and make final recommendations of Policies and Criteria amendments to the Policy Committee on September 27. At this time, it is expected the Board will consider final adoption of amendments to the Policies and Criteria at its October 6 Board Meeting.

The Board consensus was to review the policy revisions outside of the meeting and comment at the October meeting.

Ms. Garcia asked if public comments were not submitted through email would they be considered. She is also concerned about the online application submittal being a problem for some of the smaller communities with unreliable internet access. Other Board members also asked about electronic submission issues.

Ms. Quintana said there would be trainings, and that NMFA staff will be available to assist all of the communities. Mr. Thomas explained that the process would allow for designation of another entity, such as the COGs or engineering firms, to complete and upload required attachments.

Chairman Moore expressed concern about issues with the system crashing when too many people try to access at the last minute, and asked about the server, firewall, etc. Ms. Lucero also asked about technical capacity for uploading documents, and if the application will save as you go in case of outages or timing out. Ms. Quintana said there will be a back-up plan and that no one will be excluded from the application process due to technical issues with the online application process.

Chairman Moore brought the discussion back to the policy revisions.



**Ms. Garcia made a motion, seconded by Mr. Vasquez Butler, to approve the revisions as proposed for purposes of discussion and soliciting public comment. The motion passed unanimously on a voice vote.**

11. **Approval of 2017 Colonias Infrastructure Fund Application Timeline.** Angela Quintana, Senior Program Administrator, and Zach Thomas, Senior Water Resources Administrator, presented an overview of the proposed timeline for the 2017 Colonias Infrastructure Fund (“CIF”) application cycle, including an outline of the tasks and timeline for the 2017 CIF application cycle.

In the previous application cycles, the Board identified issues that prevented timely drawdowns and securing of funds, as well as timely completion and submittal of project readiness items. With direction from the Board, NMFA staff proposed changes to CIF policies and criteria, and standard internal processes to address these issues. For the 2016 application cycle, the Board established deadlines for policy compliance and waiver requests. The Board also allowed applicants to present information on their projects at a public meeting.

The Board continues to review current systems for improvements. In the 2017 cycle, proposed changes to the policies include clarifying inconsistencies between the current evaluation criteria and the project management policies, which will further assist in the overall selection process and project readiness.

Items new to the application cycle include the 30-day review and comment period for proposed changes to the policies and criteria, and requirement for applicants to submit a Notice of Intent to apply. Dates are subject to change if meeting quorums cannot be established. The Notice of Intent serves the purpose of registering applicants for the new online application system. The Notice of Intent is not a preclusive requirement; if an entity does not submit a Notice, they may still request access to submit an application. There will be training in October through December. The application will open December 1, 2016, and close January 13, 2017.

Chairman Moore said he would like the September committee meetings to be telephone conferences if possible, and would prefer that the waiver requests go directly to the full Board and not have a Project Review Committee meeting in March. Mr. Thomas said the September Policy Committee meeting would be to review public comments on the policy revisions. Ms. Quintana said staff would like to hold the March date in case there are other project matters for the PRC to review.

Comments and questions from the Board included legal review of the policy revisions, application review by members of the project management team, and composition of the team. Chairman Moore asked if the public would be able to make comments online. Mr. Thomas said the policy would be available for review online; however, there is not capacity to submit comments through the NMFA website.

**Mr. Riddle made a motion to approve the 2017 Colonias Infrastructure Fund Application Timeline as presented, seconded by Mr. Chiasson. The motion passed unanimously on a voice vote.**

12. **Briefing on Colonias Infrastructure Board Committee Charters.** Bryan Otero, Assistant General Counsel, provided the Board with a briefing to seek the Board's concurrence that each of its committees adopts a formal charter, consistent with best business practices as recommended by the NMFA Office of General Counsel. The charters will provide that the Board may assess the committees' structure and performance to determine whether the committees equipped with the requisite power and authority. According to Mr. Otero, some of the most ignored governing documents for any governing board are the committee charters.

Mr. Otero's briefing stated that, at a minimum, the various charters would specify the purpose and scope of the committee's power to review and make recommendations to the Board. The charters also discuss the committee's composition; specify the duties and responsibilities specific to each respective committee; and require annual performance evaluations and reporting to the Board. Each existing committee will receive a draft charter that the New Mexico Finance Authority Office of General Counsel has prepared for discussion and will bring back to the Board for formal approval.

The Board expressed concern about the need and purpose of the charters. Members asked if the intent is to evaluate the performance of individual Board members, and if the evaluation would be a public document.

Chairman Moore said he believes the charters to be additional paperwork, and he asked that Mr. Otero use existing language from the Colonias Bylaws, streamline the document to minimal language, and reduce it to one page. He also asked Mr. Otero to email both draft charters to all of the Board members for review.

13. **Public Comment.** Chairman Moore called for public comment.

Edward Lueras from La Luz MDWCA&MSWA expressed gratitude to the Board for approving the Association's extension request and to NMFA staff for their assistance.

Karen Nichols, Project Manager for the Lower Rio Grande Public Water Works Authority asked when the public comment period begins, who is receiving comments and how are comments being received. Mr. Thomas said the policy marked as "strike/add" would be posted on the NMFA website beginning July 25, concluding August 24. Hard copies were also provided today to members of the audience. Chairman Moore asked that the revisions include line numbering for ease of reference. Ms. Garcia asked that the COGS also make the information available to their constituents.

14. **Next Meeting.**

The Project Review Committee and Policy Committee are scheduled to meet on September 27, 2016, either by telephone conference or in Socorro, to be determined. The full Board will meet October 6, 2016 in Lordsburg.

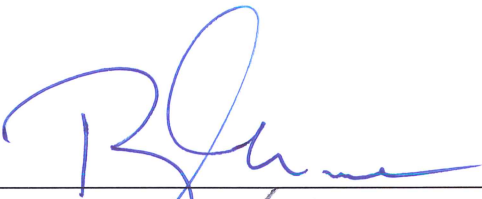
15. **Adjournment.**

**Ms. Garcia made a motion to adjourn, seconded by Mr. Vasquez Butler. The motion passed unanimously on voice vote.**

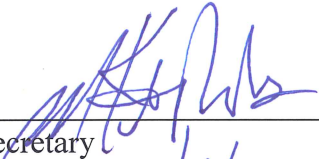
The meeting adjourned at 11:47 a.m.



Chairman  
Date:

  
10/6/16

Secretary  
Date:

  
10/6/16