

**New Mexico Finance Authority
207 Shelby St.
Santa Fe, NM 87501
(505) 984-1454**

**Minutes of Board Meeting
December 11, 2014
Second Floor Conference Room
207 Shelby Street
Santa Fe, New Mexico**

Present:

John McDermott, Chair	McDermott Advisory Services, LLC
Katherine Ulibarri, Treasurer (<i>telephonically</i>)	V/P for Finance/Operations, Central NMCC
Ryan Flynn (<i>telephonically</i>)	Secretary, NM Environment Dept.
Brett Woods (<i>telephonically</i>)	Secretary Designee, NM Energy & Minerals
Tom Clifford	Secretary, Dept. of Finance & Admin.
Santiago Chavez	Designee, NMAC
Blake Curtis (<i>telephonically</i>)	CEO, Curtis & Curtis, Inc.
Antoinette Vigil (<i>telephonically</i>)	Secretary Designee, Economic Development Dept.
Terry White (<i>telephonically</i>)	CEO, Sunwest Trust, Inc.

Absent:

William Fulginiti, Vice-Chair	Executive Director, NMML
Jerry Jones	CEO, Stolar Research Corporation

Finance Authority Staff:

Bryan Otero	Connie Marquez-Valencia
Dan Opperman	Michael Zavelle
Robert Brannon	Theresa Garcia
Robert Coalter	

Guests:

Brad Patterson (<i>telephonically</i>)	Ballard Spahr
Suzanne Bruckner	Sutin, Thayer & Browne
Tracy Hofmann	Sutin, Thayer & Browne
Marcos Trujillo	NMDOT
Helen Atkeson	Hogan Lovells

1. Call to Order and Roll Call.

Chair John McDermott called the meeting to order at 9:03 p.m. A roll call vote established a quorum.

2. Approval of Agenda.

Secretary Tom Clifford moved, seconded by Mr. Blake Curtis, for approval of the agenda. The motion passed 9 – 0.

3. Consideration for Approval of New Mexico Finance Authority State Transportation Refunding Revenue Bonds, Series 2014B Sale Resolution, Final Official Statement, Nineteenth Supplemental Indenture, Twentieth Supplemental Indenture, Bond Purchase Agreement, and Related Documents Staff recommends approval of the Resolution and related documents.

Mr. Paul Cassidy, RBC Capital Markets, and Mr. Michael Zavelle reported on the very successful bond sale which took place yesterday. Mr. Marcos Trujillo, NMDOT, reported an 11.5% savings equating to \$10M.

Sale of the Series 2014B Bonds occurred on December 10, 2014, within the parameters set by the State Transportation Commission in its authorizing resolution, and the Board is now being requested to adopt this Resolution approving and establishing the final amount of the Series 2014B Bonds, the final determination of the Refunded Bonds, the sale price and interest rates for the Series 2014B Bonds, and authorizing the signing of the Bond Purchase Agreement, the Nineteenth and Twentieth Series Indentures of Trust, the Escrow Agreement and other bond documents with respect to the Series 2014B Bonds. The Board is also being asked to approve the use and distribution of an Official Statement for the Series 2014B Bonds. The Official Statement is in substantially the form of the Preliminary Official Statement previously authorized by the Board, with the addition of the pricing and interest rate information being approved in this Resolution. Approval of this Resolution will allow the use of the Official Statement, and will confirm the terms of the Series 2014B Bonds, allowing the closing of the Series 2014B Bonds to proceed on December 23, 2014.

Secretary Tom Clifford asked if any thought was given to restructuring the bond to help reduce the balloon payment in year 2027. Mr. Marcos Trujillo explained that NMDOT did look into the savings; however, did not find it to be beneficial. The payments would have only been reduced a minimal amount. Mr. Zavelle noted that this transaction is federally reimbursed so the reimbursement would only apply to the federal portion of the debt.

Secretary Tom Clifford asked about the forecast for federal revenue. Mr. Marcos Trujillo noted that the federal revenue will remain flat.

Mr. Santiago Chavez moved, seconded by Secretary Tom Clifford, for approval of New Mexico Finance Authority State Transportation Refunding Revenue Bonds, Series 2014B Sale Resolution, Final Official Statement, Nineteenth Supplemental Indenture, Twentieth Supplemental Indenture, Bond Purchase Agreement, and related documents. The motion passed 9 – 0.

4. Consideration for Approval of New Mexico Spaceport Authority Request for Extension of Time to Spend Proceeds. The New Mexico Spaceport Authority (NMSA) requests a one-year extension to expend the proceeds of PPRF loan #2527-PP.

Public Project Revolving Fund (PPRF) loan 2527-PP for NMSA closed on December 10, 2010 to finance the second phase of planning, engineering, and construction of the Spaceport America facilities. The approved loan amount was \$20,560,000, with an 18-year term. The pledged revenue source was the County Regional Spaceport GRT, with an interest rate of 3.733%.

The PPRF loan agreement allows a three-year period to expend the loan funds. NMSA previously received one extension, and currently seeks a second one-year period. There is \$3,573,507 of remaining funds at this time. NMSA requests this extension to use the unspent proceeds to purchase maintenance equipment and complete the infrastructure extending utilities to the vertical launch area from the completed terminal/hanger facility. NMSA plans to expend the funds entirely by December 10, 2015.

Ballard Spahr has reviewed the extension information and provided a legal opinion on the tax-exempt status of the bonds. The one-year extension will not compromise the status.

Chairman John McDermott asked if Spaceport Authority plans on utilizing the funds are credible. Mr. Dan Opperman noted that the plans are credible and have been thoroughly reviewed by Ballard Spahr. Mr. Zach Dillenback added that the New Mexico Spaceport Authority continues to make draws for project needs.

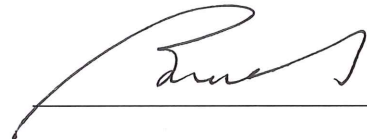
Secretary Tom Clifford moved, seconded by Mr. Santiago Chavez, for approval of New Mexico Spaceport Authority request for extension of time to spend proceeds. The motion passed 9 – 0.

5. Next Board Meeting

Thursday, December 18, 2014 – 9:00 a.m.
State Capitol – Room 311
Santa Fe, NM

6. Adjournment

The meeting adjourned at 1:35 p.m.



Secretary

12.18.14

Date