

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

**Minutes of the Colonias Infrastructure Board Meeting**

May 20, 2020

Teleconference/Zoom Meeting

**Voting Members Present:**

Doug Moore, Chairman	Senate Minority Leader Appointee
Oscar Vasquez Butler, Vice Chair	Senate President Pro Tempore Appointee
Dora C de Baca, Secretary Designee	New Mexico Finance Authority
Orlando Antonio Jimenez	Minority Leader of the House of Representatives
Steven Deal, Designee	New Mexico Environment Department
Wesley Billingsley, Designee	New Mexico Dept. of Finance and Administration

**Voting Members Absent:**

Mary Helen Garcia	House of Representatives Minority Leader Appointee
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**Non-Voting Members Present:**

Jay Armijo	South Central Council of Governments
Hubert Quintana	Southeastern NM Economic Development District Designee
Priscilla Lucero	Southwest NM Council of Governments Executive Director

**Non-Voting Members Absent:**

Izzy Hernandez	NM Mortgage Finance Authority
Steve Kopelman	NM Counties

**New Mexico Finance Authority Staff:**

Bryan Otero, Legal and Compliance Counsel  
Angela Quintana, Senior Program Administrator  
Michael Vonderheide, Managing Director, Program Administration  
Anthony Silva, Information Technology  
Joe Maldonado, Administrative Assistant II

1. **Call to Order and Roll Call:** Chairman Doug Moore called the Colonias Infrastructure Board ("CIB") meeting to order at 10:08 a.m. Roll call was taken, and a quorum was established.
2. **Approval of Agenda:** Member Jimenez made a motion to approve the agenda as presented, seconded by Member Vasquez-Butler. The motion passed unanimously by a 6-0 roll call vote.

3. **Approval of April 21, 2020, Board Minutes:** Member Vasquez-Butler made a motion, seconded by Member Deal, to approve the minutes of the April 21, 2020 meeting as presented. The motion passed unanimously by a 6 -0 roll call vote.
4. **Consideration and Recommendation of Request for Time Extension:** Town of Lake Arthur, Project No. 4638-CIF18, presented by Ms. Angela Quintana, NMFA Sr. Program Administrator.

The Town secured funding on October 12, 2018 for a Water Infrastructure project in an amount not to exceed \$819,162 (80% grant/ 20% loan). The approved scope of work is for design and construction of water improvements, including electrical work, new pumps, new transmission lines, upgrading storage tank and automated meters and readers. The remaining balance is \$683,075.

To date, the rehabilitation of the wells and electrical upgrades is complete. The bid for the installation of a 300,000-gallon water storage tank and yard piping was halted because of the price increase on water tanks. The Town recognized that they may not have adequate funding for the proposed tank size. The Town's engineer modified the existing plans and specs to include the option of a smaller 200,000-gallon tank. The modified plans/specs are currently being reviewed by NMED-Construction Programs Bureau. The Town is requesting an eight-month extension from the current expiration date of October 12, 2020, until June 12, 2021, to complete the awarded project.

Pursuant to Section 1.3-Project Continuation Policy of the Colonias Project Management Policies, the Board requires applicants that have received prior awards to certify completion of all projects prior to approval of a new award, subject to certain limitations. The request for this time extension does not waive this policy for any current or future funding cycles. The Project Review Committee has reviewed this request and concurs with staff's recommendation.

Staff recommends approval of an extension from October 12, 2020 to June 12, 2021, to complete Project No. 4638-CIF18.

**Member Jimenez made a motion, seconded by Member Deal, to approve staff's recommendation for an extension from October 12, 2020 to June 12, 2021. The motion passed unanimously by a 6-0 roll call vote.**

5. **Consideration and Recommendation of Request for Scope Change:** City of Deming Project No. 4907-CIF19 presented by Ms. Angela Quintana, NMFA Sr. Program Administrator.

The City secured funding on November 22, 2019, for a Solid Waste Infrastructure project in an amount not to exceed \$347,494 (90% grant/ 10% loan). The approved scope of work is for



construction of the Tulip Landfill Tire Bale Erosion Control project to increase bank stabilization and mitigate site contamination into Mimbres River.

The design was completed at time of application and the construction phase has gone out to bid with anticipated completion by the ending of June 2020. The City awarded the low bid which came in just under \$135,000. To fully utilize the remaining balance, the City is requesting the expansion of the current scope to include the continuation of mitigating site contamination. The City proposes to construct/install a soil cap by moving native soil to the existing Tulip Landfill site in preparation of eventually revitalizing the area for potential recreational uses. The expanded proposed scope would begin shortly after the completion of the initial scope and be completed within the current two-year project timeline.

Pursuant to Section 1.3-Project Continuation Policy of the Colonias Project Management Policies, the Board requires applicants that have received prior awards to certify completion of all projects prior to approval of a new award, subject to certain limitations. The request does not waive this policy for any current or future funding cycles.

The Project Review Committee has reviewed this request and concurs with staff's recommendation.

Staff recommends approval of a scope change to include construction/installation of a soil cap over the existing Tulip Landfill site for Project No. 4907-CIF19

**Member Deal made a motion, seconded by Member Jimenez, to approve staff's recommendation for a scope change for City of Deming, Project No. 4907-CIF19. The motion passed unanimously by a 6-0 roll call vote.**

**6. Consideration and Approval of 2020 Colonias Infrastructure Fund Awards:** Presented by Ms. Angela Quintana, NMFA Senior Program Administrator.

The Colonias Infrastructure Board ("CIB") annually reviews applications submitted by qualified entities for Colonias Infrastructure projects and recommends a final list of eligible projects to be funded by the New Mexico Finance Authority ("NMFA").

The 2020 Colonias Infrastructure Fund ("CIF") application cycle began on December 16, 2019, with the submittals of Notices of Intent (NOI). NMFA staff received 35 NOI's with a total requested amount of \$26,438,550. The 2020 on-line application was open from January 13 through February 13, 2020. Thirty-seven (37) applications requesting more than \$30.9 million were submitted.

All applications were reviewed for eligibility and compliance. Two applicants: Grant County and La Luz MDWCA were deemed ineligible. The remaining Applicants moved forward for regulatory and policy compliance. Those that did not meet policy compliance were notified and given until March 12, 2020 to a.) correct identified issue by the March 12, 2020

deadline, b.) remove their application and correct compliance issues in preparation of the next funding cycle, or c.) request a waiver from the CIB.

On April 21, 2020, the CIB considered and acted on the following waiver requests:

- \* City of Bayard – Project Continuation – not approved; and
- \* City of Deming – Project Continuation – not approved

The remaining projects were reviewed and scored using the current established criteria by the technical team comprised of staff from NMDOT, NMED, OSE and NMFA. One project, Village of Cloudcroft, removed their application for funding consideration.

Thirty-one projects with a requested amount of \$25,528,474 are being considered. Per Section 2.4D of the CIF project management policies, “no single project may receive more than 15% of the available funds in any given funding cycle.” The current estimate amount available for funding is:

2020 Severance Tax Bond estimate (4.5%)	\$ 19,900,000
2017 rescinded funds balance (City of Anthony)	<u>\$ 132,500</u>
	<b>\$ 20,032,500</b>
	<b><u>15% CAP</u> \$3,004,875</b>

The established criterion evaluates and prioritizes projects based on the following factors:

- Project Urgency (30%)
- Project Readiness (20%)
- Leverage of other funds (10%)
- Regionalization (10%)
- Cost/Benefit (10%)
- Long Term Community Benefit (10%); and
- Long-Term Sustainability, Maintenance and Operations (10%)

The applications are separated by project type and listed in order of scoring from highest to lowest. The first breakdown is determined by scores. Lines are drawn on average scores between project types. The initial recommendations based on the average scores are as follows:

	# of Projects	Recommended Amounts
Water Infrastructure Projects	5	\$5,135,309
Solid Waste Projects	0	\$0.00
Wastewater Infrastructure Projects	3	\$4,562,180
Roads/Drainage Projects	8	\$4,448,100
Housing Infrastructure	1	\$565,000
<b>Total Amount</b>	<b>17</b>	<b>\$14,710,589</b>

Staff expanded the recommendations on projects that were below the average scores with the remaining available funds.

	# of Projects	Recommended Amounts
Water Infrastructure Projects	7	\$4,007,865
Solid Waste Projects	1	\$68,000
Wastewater Infrastructure Projects	1	\$36,407
Roads/Drainage Projects	1	\$1,209,639
<b>Total Amount</b>	<b>10</b>	<b>\$5,321,911</b>

Below is the final breakout and amounts for the 2020 CIF funding considerations:

12	Water Infrastructure Projects	\$9,143,174
1	Solid Waste Projects	\$68,000
4	Wastewater Infrastructure Projects	\$4,598,587
9	Roads/Drainage Projects	\$5,657,739
1	Housing Infrastructure Project	\$565,000
<b>27</b>	<b>Total Recommended Amount</b>	<b>\$20,032,500</b>

The following projects were phased:

Applicant	Requested Amount	Recommended Amounts	Recommended Scope
5177-CIF Hope	\$1,316,297	\$862,873	Design and Construct
5180-CIF Lordsburg	\$1,810,000	\$236,000	Design
5181-CIF Lordsburg	\$1,200,000	\$278,000	Design
5168-CIF DAMDWCA	\$718,729	\$93,533	Planning only
5170-CIF Grant County	\$555,000	\$36,407	Planning only
5191-CIF Sunland Park	\$1,600,000	\$1,209,639	Design and Construct

Chairman Moore expressed concern over projects that have multiple scopes (e.g. design and construction) on whether funds could be expended within the two-year timeline.

**Member Deal made a motion, seconded by Member Vasquez-Butler, to approve staff's recommendation of approval of the 2020 Colonias Infrastructure Fund Awards as presented. The motion passed unanimously by a 6-0 roll call vote.**



7. **Consideration and Approval of Certification of Re-Allocated Severance Tax Revenue Bond Proceeds to Alternative Qualified Project(s)** Ms. Angela Quintana, NMFA Senior Program Administrator, presented a Resolution for Certification of Re-Allocated 2017 Severance Tax Revenue Bond Proceeds to an Alternative Qualified Project(s).

Member Vasquez-Butler made a motion, seconded by Member Jimenez to approve the Certification of Re-Allocated Severance Tax Revenue Bond Proceeds to Alternative Qualified Projects, specifically the 2017 City of Anthony Project for \$132,500 to the 2020 (CIB) Funding Cycle. The motion passed unanimously by a 6-0 roll call vote.

8. **Consideration and Approval of Resolution, Notification and Certification of Need for Issuance of Severance Tax Revenue Bonds for Qualified Projects** Ms. Angela Quintana, NMFA Senior Program Administrator, presented a Resolution for Consideration and Approval of Resolution, Notification and Certification of need for issuance of Severance Tax Revenue Bonds for Qualified Projects.

Member Jimenez made a motion, seconded by Member Deal to approve the Resolution Consideration and Approval of Resolution, Notification and Certification of Need for Issuance of Severance Tax Revenue Bonds for Qualified Projects. The motion passed unanimously by a 6-0 roll call vote.

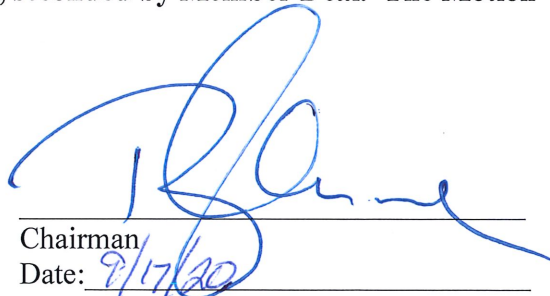
9. **Public Comment:** No public comments.

10. **Next Meetings:** August or September. TBD

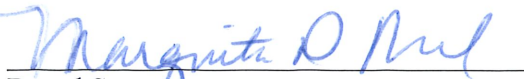
11. **Adjournment:**

Member Jimenez made a motion to adjourn, seconded by Member Deal. The Motion passed unanimously by a 6-0 roll call vote.

The meeting adjourned at 10:50 a.m.

  
Chairman  
Date: 9/17/20

Attest:

  
Board Secretary  
Date: 9.21.2020