

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

Minutes of the Colonias Infrastructure Board Meeting  
December 15, 2020  
Teleconference/Zoom Meeting

**Voting Members Present:**

Oscar Vasquez-Butler, Vice Chair	Senate President Pro Tempore Appointee
Marquita Russel, Secretary	New Mexico Finance Authority
Wesley Billingsley	Department of Finance and Administration, Designee
Steven Deal	New Mexico Environment Department, Designee

**Voting Members Absent:**

Doug Moore, Chairman	Minority Leader of the Senate Appointee
Mary Helen Garcia	Minority Leader of the House of Representatives Appointee
Orlando Antonio Carrillo-Jimenez	Speaker of the House of Representatives Appointee

**Non-Voting Members Present:**

Jay Armijo	South Central Council of Governments Executive Director
Hubert Quintana	Southeastern NM Economic Development District, Designee
Donna Maestas-De Vries	New Mexico Mortgage Finance Authority, Designee
Leandro Cordova	NM Counties, Designee

**Non-Voting Members Absent:**

Priscilla Lucero	Southwest Council of Governments Executive Director
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**New Mexico Finance Authority Staff:**

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

**Guests:**

Patty Charles  
Gary Bierner-Dennis Engineering Co.  
Richard Ruynon-Dennis Engineering Co.  
Karen Nichols  
Marty Howell

1. **Call to Order and Roll Call:** Vice Chairman Oscar Vasquez-Butler 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 Russel made a motion to approve the agenda, seconded by Vice Chairman Vasquez-Butler. The motion passed unanimously by a 4-0 roll call vote.
3. **Approval of Minutes of the September 17, 2020, Meeting:** Member Russel made a motion, seconded by Member Deal to approve the minutes of the September 17, 2020 meeting as presented. The motion passed unanimously by a 4-0 roll call vote.
4. **Chairman’s Report:** Chairman Doug Moore was not in attendance, no report given at this meeting.
5. **Consideration and Recommendation of Request for Change of Scope and Time Extension:** Socorro County Project No. 4629-CIF18 – Angela Quintana, Sr. Program Administrator

Socorro County (“County”) is requesting a change of scope and time extension for Colonias Infrastructure Fund award 4629-CIF18.

The County secured funding on December 7, 2018, for a Roads and Drainage Infrastructure project in an amount not to exceed \$928,864 (90% grant/ 10% loan). The approved scope of work is for design of seven drainage projects for flood mitigation and construction of a storm water detention pond. The current balance is \$567,493.42.

The construction/engineering documents for all seven projects have been reviewed by NMED- Construction Programs Bureau. Phase I includes the construction of a storm water detention pond. The County has been working with the Bureau of Land Management (“BLM”) for a lease/access to BLM lands for the San Antonio Detention Pond. In October 2020, the County and BLM agreed to move forward with the Direct Purchase process in order to secure lands to construct the detention pond. The Direct Purchase process can take up to two (2) years to complete. The County is therefore requesting the removal of the construction of the detention pond and is requesting a change of scope for the following:

- Phase II – installation of 24” and 30” storm drains, median drop inlets, manholes, structural concrete, erosion protection from the intersection of existing stormwater channel to Pino Street south within County ROW;
- Phase V – reconstruction of Pargas Street from Montoya Street to Middle Rio Grande Conservancy District irrigation channel, including unclassified excavation, subgrade prep/base course/chip seal, 72” concrete valley gutter;
- Phase VI - reconstruction of 5<sup>th</sup> Street from private property to the east of NMSR1, unclassified excavation, subgrade prep/base course/chip seal, 48” concrete valley gutter.

financial assistance awards.

Pursuant to the Colonias Infrastructure Act (the “Act”), the Colonias Infrastructure Board (“CIB”) adopts rules that are necessary to govern the acceptance, evaluation and prioritization of applications submitted by qualified entities for financial assistance. Pursuant to the Act, the NMFA makes Colonias Infrastructure Project Fund grants and loans to qualifying entities for qualifying projects recommended by the CIB.

Staff proposes the following modifications for consideration:

**2.91.2.11 QUALIFIED PROJECT FINANCING:** The authority may recommend structured financial assistance packages that include loans, grants and any other type of assistance authorized by the authority ~~and the board~~. The structure, terms and conditions of the financial assistance will be determined by the authority in accordance with the policies jointly established by the board and the authority. Any variance from the policies in connection with financial assistance for any qualified project shall be approved by the authority ~~and the board~~. Financial assistance for qualified projects may be pooled, at the sole discretion of the authority, under policies jointly established by the board and authority.

**2.91.2.14 FINANCIAL ASSISTANCE AGREEMENT:**

**A.** The ~~board and~~ authority and the qualified entity will enter into an agreement to establish the terms and conditions of financial assistance from the board. The agreement will include the terms of repayment and remedies available to ~~the board and~~ the authority in the event of a default. ~~The board, or the authority, on behalf of the board,~~ will monitor the terms of the agreement and enforce or cause to be enforced all terms and conditions thereof, including prompt notice and collection.

**B.** The interest rate on any financial assistance extended shall be determined by the authority based on the cost of funds and ability of a qualified entity to repay a loan, and in accordance with the policies jointly established by the board and the authority. The interest rate shall not change during the term of the financial assistance unless refinanced or unless the financial assistance is structured as a variable rate obligation.

**C.** The agreement will contain provisions which require financial assistance recipients to comply with all applicable federal, state and local laws and regulations.

**D.** In the event of default under a financial assistance agreement by a qualified entity, ~~the board, or the authority, on behalf of the board,~~ may enforce its rights by suit or mandamus and may utilize all other available remedies under state and applicable federal law.

Staff recommends that the CIB revise the rules to clarify that the structure and terms of the financial assistance awards are determined by the NMFA. The current language creates confusion as to which board makes the determination regarding the structure of the financial assistance awards. Under the Act, the NMFA is the entity that holds the Colonias Infrastructure Project Fund and makes grants and loans recommended by the CIB. As a result, the contract is between the NMFA and the qualifying entity.

The Policy Committee has reviewed these proposed changes and concurs with staff's recommendations.

Staff recommends that the CIB consider the suggested Rule changes. Should the CIB wish to change its rules, the process would begin with adopting a resolution authorizing the initiation of the Rulemaking process which will be accompanied by the final proposed language changes, a schedule for public comment and a timeline for the Rulemaking process.

Mr. Bryan Otero, Legal and Compliance Counsel answered additional questions on the minor changes of the roles to the Colonias Board.

**Mr. Otero advised the Board that a motion and vote would not be necessary on item 6.**

**7. Consideration and Approval of Authorization to Initiate Rulemaking Procedure to Amend 2.91.2 NMAC et seq:** NMFA Staff

Adoption of Resolution directing the initiation of changes to the Colonias Infrastructure Board's Review and Selection of Colonias Infrastructure Projects (2.91.2 NMAC) (the "Rules").

Pursuant to Sec. 6-30-5, NMSA, the New Mexico Colonias Infrastructure Board "shall adopt rules governing the acceptance, evaluation and prioritization of applications by qualified entities for financial assistance from the colonias infrastructure project fund; authorizes the board to prioritize the qualified projects for financial assistance; and authorizes the board to recommend the prioritized qualified projects to the New Mexico finance authority for financial assistance.

The proposed changes provide for clarity on the roles of the Colonias Infrastructure Board and the New Mexico Finance Authority Board relative to determining the final grant and loan structures.

The Colonias Infrastructure Board establishes its rules through the New Mexico Administrative Code ("NMAC"). The attached resolution directs the initiation of the rulemaking process as well as a timeline of activities that must be followed pursuant to NMAC.

Staff recommends adoption of the attached resolution directing the initiation of the rulemaking process pursuant to NMAC.

**Member Deal made a motion, seconded by Member Russel to approve the Resolution as presented with minor modification changes as described by Mr. Otero, specifically in section 3, (notifications should include publication through the southern part of the state of New Mexico). The motion passed unanimously by a 4-0 roll call vote.**

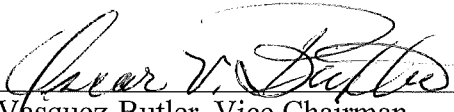
8. Next Meetings:

- Policy Committee – March 2021 (TBD)
- Project Review Committee – April 20, 2021 10:00 a.m.
- **Colonias Infrastructure Board – April 27, 2021 10:00 a.m.**
- Project Review Committee – May 11, 2021 10:00 a.m.
- **Colonias Infrastructure Board – May 20, 2021 10:00 a.m.**
- Project Review Committee – September 2021 (TBD)
- **Colonias Infrastructure Board – September 2021 (TBD)**

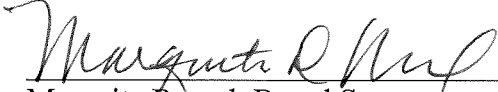
9. Adjournment:

**Member Deal made a motion to adjourn, seconded by Vice Chairman Vasquez-Butler. The Motion passed unanimously by a 4-0 roll call vote.**

The meeting adjourned at 11:05 a.m.

  
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Oscar Vasquez-Butler, Vice Chairman  
Date: March 16, 2021

Attest:

  
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Marquita Russel, Board Secretary  
Date: 3.23.2021