

New Mexico Finance Authority
207 Shelby St.
Santa Fe, NM 87501 (505) 984-1454
Minutes of Board Meeting
September 22, 2022
Via Zoom
Santa Fe, New Mexico

Present:

| | |
|-------------------------|------------------------------------|
| Katherine Miller, Chair | Public Member, Santa Fe, NM |
| Andrew J. Burke | Public Member, Las Cruces, NM |
| Alison Nichols | Designee, Executive Director, NMML |
| Cleve McDaniel | NM Tech |
| Steve Kopelman | Executive Director, NM Counties |
| Judi Kahl | Designee for Secretary, NMED |
| Marcos Trujillo | Designee for Secretary, DFA |
| Jon Clark | Designee for Secretary, NMEDD. |
| Matthew Lovato | Designee for Secretary, NMENRD |

Absent:

| | |
|--------------------------------|----------------------------------|
| Ronald Lovato | Public Member, Ohkay Owingeh, NM |
| Martin Abran Suazo, Vice Chair | Public Member, Las Vegas, NM |

Finance Authority Staff:

| | |
|----------------------|------------------|
| Aaron Kayser | Adam Johnson |
| Austin Anaya | Brad Fluetsch |
| Bryan Otero | Carmela Manzari |
| Charlotte Larragoite | Cherise Martinez |
| Connie Marquez | Dan Opperman |
| Delanne Reichard | Dora Cde Baca |
| Joanne Johnson | Joe Maldonado |
| John Brooks | Jolin Anaya |
| Kryshana Madrid | Lana Brown |
| Leslie Medina | Mark Lovato |
| Martin Ortega | Marquita Russel |
| Michael Vonderheide | Norman Vuylsteke |
| Oscar Rodriguez | Paul Romero |
| Ron Cruz | Ryan Decker |
| Susan Pittard | Susan Rodriguez |

Guests:

| | |
|-----------------|-------------------------------|
| Pusthi Leva | IN, LLC |
| Stephanie Finch | City of Rio Communities |
| Martin Moore | City of Rio Communities |
| Steve Maldonado | Grants/Cibola School District |
| Suzanne Brucker | Sutin Thayer |
| Daniel Carranco | City of Sunland Park |
| Javier Perea | City of Sunland Park |

1. **CALL TO ORDER AND ROLL CALL.** Chair Katherine Miller called the meeting to order at 9:02 a.m. A roll call confirmed a quorum.
2. **APPROVAL OF AGENDA.** Member Trujillo moved, seconded by Member McDaniel, to approve the agenda. The motion passed 9 – 0.

3. **APPROVAL OF BOARD MINUTES.**

- 3.1 **Approval of the August 25, 2022 Board Minutes.** Member Burke moved, seconded by Member Clark, for approval of the August 25, 2022 Board minutes. The motion passed 9 – 0.

4. **REPORT FROM THE CEO.**

- 4.1 **Report from the CEO.** Ms. Russel reported staff returned to their offices a minimum of three days beginning September 12. Mr. Brad Fluetsch is making great progress in taking over the PPRF data need for issuing bonds given Mr. Michael Zavelle’s planned retirement after the next bond issue later this fall. The Bond Team moved under the Accounting Department now called the Finance Department. The Opportunity Enterprise Review Board will meet on September 21 increasing the volume and complexity of administrative support required for the various boards and committee. To this end, a board administration team has been formed to provide consistent practices for the boards and committees. Ryan Decker has moved into the policy position leaving a vacancy for a Credit Manager. John Brooks will provide interim support for the credit team with Adam Johnson continuing development of the credit department.

At the August Oversight Committee meetings, Senator Ivey-Soto offered to sponsor a comprehensive NMFA bill to provide operating efficiency adjustments. Staff also presented at the Investment and Pension Oversight Committee on the Venture Capital and Opportunity Enterprise programs, and provided a status report on the Recovery programs. The Public-School Capital Outlay Task Force committee invited NMFA to present on the Charter School Loan Fund at their meeting this coming month. Also scheduled is the annual presentation on NMFA activities to the Legislative Finance committee

On behalf of the Board and staff, Ms. Russel acknowledged Member Kopelman with an engraved Nambe plaque in recognition of his years of service to New Mexico. Board members thanked Member Kopelman for his contributions.

5. **PUBLIC LENDING COMMITTEE REPORT.** *(Committee members are Mr. A.J. Forte, Chair, Secretary Debbie Romero (Mr. Marcos Trujillo), Secretary James Kenney (Ms. Judi Kahl), Mr. Steve Kopelman (Mr. Richard Garcia/Ms. Joy Esparsen), Mr. Ron Lovato.*

- 5.1 **Update on Activities.** The Public Lending Committee met on September 14, 2022, via Zoom teleconference. Attending were Members AJ Forte, Chair, Marcos Trujillo, Judi Kahl, Ron Lovato, and Richard Garcia. Staff reviewed and recommended one application each from the Planning Grant Fund, Water Trust Board and Drinking Water State Revolving Loan Fund, and three from the Public Project Revolving Fund.

6. **CONSENT AGENDA**

6.1 Enchanted Forest Mutual Domestic Water Consumers (Lincoln County) PG-5917 - \$50,000. Enchanted Forest Mutual Domestic Water Consumers Association (“Association”) applied to the Local Government Planning Fund (“LGPF”) for \$50,000 to prepare a Preliminary Engineering Report (“PER”) to address critical water supply shortages.

6.2 La Cueva MDWCA (San Miguel County) – WPF-5425 - \$105,100. Approval of an additional 100% grant for La Cueva Mutual Domestic Water Consumers Association (“Association”) for Project #5425-WPF21.

On May 27, 2021, the NMFA awarded the Association a Water Trust Board (“WTB”) funding via a 12% loan and 88% grant for the construction of a supplemental water supply well including a pumphouse and booster station. The Association is requesting \$105,100 of additional funds to complete the project.

6.3 City of Rio Communities (Valencia County) PPRF-5912 – \$186,909. The City of Rio Communities (“City”) applied to the Public Project Revolving Fund (“PPRF”) for \$189,910 to purchase three new police vehicles and respective equipment.

The City will pledge the \$45,000 received from Law Enforcement Protection Funds as the revenue source for the loan.

6.4 Valencia County Fire Department PPRF-5915 - \$415,000. Valencia County (“County”), on behalf of El Cerro Fire Department (“El Cerro”), applied to the Public Project Revolving Fund (“PPRF”) for \$415,000 to purchase a fire truck and relevant equipment.

The County will pledge \$84,279 of State Fire Protection Funds as the revenue source for the loan.

Member McDaniel moved, seconded by Member Trujillo, for approval of agenda items 6.1 – 6.4. The motion passed 8 – 0 with Member Matthew Lovato absent for the vote.

7. REGULAR AGENDA

7.1 Grants-Cibola County School District PPRF-5913 - \$3,000,000. Grants Cibola County School District (“District”) applied to the Public Project Revolving Fund (“PPRF”) for \$3,000,000 to finance infrastructure projects within the District.

In November 2019, the District received voter approval of \$10,000,000 for school projects valid for four years. The District will issue General Obligation Bonds for \$3,000,000 which NMFA will purchase with the PPRF.

7.2 City of Las Vegas (San Miguel County) – DW-5355-5864 – \$2,000,000. The City of Las Vegas (“City”) applied to the Drinking Water State Revolving Loan Fund (“DWSRLF”) for \$2,000,000 to finance the cost of a supervisory control and data acquisition (“SCADA”) system for the existing water treatment facility that provides the primary source of drinking water for the City.

Approved on September 24, 2020 with the loan closing on June 18, 2021 for a total project amount of \$500,000 the City has not drawn down on the DWSRLF loan funds. The project completed the Request for Proposal’s process on May 18, 2022, the lowest bid coming in at \$1,701,306.08.

Impacted by the Hermit Peak Fire and increased costs to the SCADA system, the City applied for increased funding to complete the project.

Member Kahl moved, seconded by Member Trujillo, for approval of agenda items 7.1 – 7.2. The motion passed 8 – 0 with Member Matthew Lovato absent for the vote.

- 8. ECONOMIC DEVELOPMENT COMMITTEE REPORT.** *(Committee members: Secretary Alicia Keyes (Mr. Jon Clark), Chair, Secretary Sarah Cottrell Propst (Mr. Matthew Lovato), and Secretary James Kenney (Ms. Judi Kahl), Secretary Debbie Romero (Mr. Marcos Trujillo), Mr. Ron Lovato.)*

8.1 Update on Activities. The Economic Development Committee met on Tuesday, September 13, 2022, via Zoom. Member Jon Clark chaired the meeting with Members Matthew Lovato, Ron Lovato, Marcos Trujillo, and Judi Kahl in attendance. Staff reviewed the Economic Development Portfolio, and a Small Loan Pool application for IN, LLC.

- 9. SMALL LOAN POOL (SLP)**

9.1 IN, LLC (Doña Ana County) SLP-5914 \$3,500,000. Independent Nation, LLC (“IN, LLC”) applied to the Small Loan Pool for \$3,500,000 to support the construction of the newly developed entertainment destination located in Sunland Park, New Mexico.

The \$3,500,000 loan to IN, LLC will be made by Finance New Mexico-Investor Series XXXVI, LLC with capital provided by US Bancorp CDC (expected) and Finance New Mexico Service Company. This loan will carry the personal guarantees of David Bingham and Amit Bijlani, owners of IN, LLC., and a guarantee from IN Event, LLC.

The loan will be secured by the property located at 530 Sunland Park Drive, the location of the Independent Nation project, and a 1st Mortgage filing on the Independent Nation project property. In addition, the lease payments between IN, LLC and IN Event, LLC will be secured through Lease Agreement through a UCC Filing.

Member Clark moved, seconded by Member Trujillo, for approval of agenda item 10.1. The motion passed 8 – 0 with Member Matthew Lovato absent for the vote.

- 10. FINANCE & DISCLOSURE COMMITTEE REPORT.** *(Committee members: Mr. Martin Suazo, Chair, Mr. A.J. Forte (Ms. Alison Nichols), Mr. Steve Kopelman (Richard Garcia) and Secretary Debbie Romero (Mr. Marcos Trujillo).)*

10.1 Update on Activities. The Finance & Disclosure Committee met on September 14, 2022, via Zoom with Member Suazo chairing the meeting and Members Forte, Trujillo, and Garcia in attendance. Presentations included the Investment Report, Memorandum of Agreement with NMED and Procurement Notifications.

- 11. AUDIT COMMITTEE REPORT.** *(Committee members: Mr. Andrew Burke, Chair, Mr. Martin Suazo, Secretary Sarah Cottrell Propst (Mr. Matthew Lovato), and Mr. Steve Kopelman (Mr. Richard Garcia/Ms. Joy Esparsen).)*

11.1 Update on Activities. A quorum of the Audit Committee met on September 14, 2022, via

Zoom. Member Andrew Burke chaired the meeting with Members Matthew Lovato and Cleve McDaniel in attendance. Agenda items included an update on Finance NM LLC for period ending June 30, 2022, a status report by Moss Adams on the NMFA FY 2022 audit, review of the budget cost drivers, review of the financial statements, and an update on the new building project.

12. EXECUTIVE SESSION

12.1 Executive Session - Closed session to hold the Exit Conference for the FY2022 Audit, as Protected by the Confidentiality Provisions of the State Audit Act, Section 12-6-5, and Allowed by NMSA 1978, Section 10-15-1(H) and to discuss matters pertaining to the purchase, acquisition, or disposal of real property, as allowed by NMSA 1978, Section 10-15-1(H)(8)

Member McDaniel moved, seconded by Member Kopelman, to move into Executive Session to hold the Exit Conference for the FY2022 Audit, as Protected by the Confidentiality Provisions of the State Audit Act, Section 12-6-5, and allowed by NMSA 1978, Section 10-15-1(H) and to discuss matters pertaining to the purchase, acquisition, or disposal of real property, as allowed by NMSA 1978, Section 10-15-1(H)(8). The motion passed 9 – 0 via roll call vote.

Chair Miller moved, seconded by Member Kopelman, to reconvene in open session, stating that no action was taken during the closed meeting and the only items discussed were the Exit Conference for the FY2022 Audit, as Protected by the Confidentiality Provisions of the State Audit Act, Section 12-6-5, and allowed by NMSA 1978, Section 10-15-1(H) and to discuss matters pertaining to the purchase, acquisition, or disposal of real property, as allowed by NMSA 1978, Section 10-15-1(H)(8). The motion passed 9 – 0 on a voice vote.

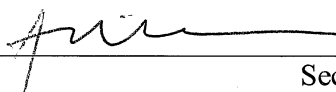
13. NEXT BOARD MEETING.

13.1 October 27, 2022 – 9:00 a.m. Via Zoom

14. ADJOURNMENT.

Member Clark moved, seconded by Member Burke to adjourn the meeting. The motion passed 9 – 0 on a voice vote.

The meeting adjourned at 10:15 a.m.



Secretary

10-31-22

Date