

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

Minutes of the Colonias Infrastructure Board Meeting
April 25 and 26, 2023
Cloudercroft Village Hall
201 Burro Avenue, Cloudercroft, NM 88317

Voting Members Present:

Mary Kay Papan, Chair	Appointee, President Pro Tempore of the Senate
Janice Baca-Argabright, Vice-Chair	Appointee, Minority Leader of the Senate
Marquita Russel, Secretary	CEO, New Mexico Finance Authority
Rebecca Dow	Appointee, Minority Leader of the House of Representatives
Wesley Billingsley	Designee, New Mexico Dept. of Finance & Administration
Steven Deal	Designee, New Mexico Environment Department

Non-Voting Member Present:

Priscilla Lucero	Southwest NM Council of Governments
Jay Armijo	South Central Council of Governments
Hubert Quintana	Designee, Southeastern NM Economic Development District
Richard Garcia	Designee, New Mexico Counties
Donna Maestas DeVries	Designee, New Mexico Mortgage Finance Authority

Voting Member Absent:

Orlando Antonio Jimenez	Appointee, Speaker of the House of Representatives
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Finance Authority Staff:

Angela Quintana	Senior Program Administrator
Joe Maldonado	Senior Administrative Assistant
Michael Vonderheide	Managing Director, Public Programs

Guests:

John Mascaro, City Elephant Butte	Gabriel Villanueva, Wilson & Co.
Nancy Ketchum, Casas Adobes MDWCA	Johnny Coburn, Casas Adobes MDWCA
Raymond De La Vega, Stantec	Gloria Ramirez, City of Anthony
Richard Runyon, Dennis Eng.	Tyler Hopkin, BHI
David Shields, BHI	Randy Hernandez, Grant County
Diana Gomez, BHI	Marty Howell, Souder Miller
Aaron Ramsey, Wilson & Co.	Michael Paez, City of Bayard
Marlena Valenzuela, City of Bayard	Kevin Kennedy, Village of Capitan
George Esqueda, Stantec	Alex Brown, Town of Silver City
Robert Esqueda, Town of Silver City	Peter Pena, Town of Silver City

Rafael Leos, SCSWA
Jennifer Horton, Dona Ana MDWCA
Jonathan Macias, Dona Ana County
Matt White, City of Jal
Isaela Wendler, San Pablo MDWCA
Stephan Parker, Stantec
Tom Phillips, Leasburg MDWCA
Karen Nichols, LRGPPWA
Filiberto Castorena, HDR Engineering
Mark Harding, Timberon WSD
Paul Candelaria, Stantec
Hector Rangel, Sunland Park

Richard Maynes, Stantec
Shelby Morales, Dona Ana MDWCA
Stephen Parker, Stantec
Lisa Campbell, Stantec
Ramses Ortega, Stantec
Theresa Gonzalez, Leasburg MDWCA
Vern Casados Leasburg MDWCA
Mercy Roybal, Finm Consulting
Martin Lopez, LRGPPWA
Matt Thompson, BHI
Wesley Hall, Stantec
Mario Juarez-Infante, Sunland Park

1. **Call to Order and Roll Call.** Chair Mary Kay Papen called the Colonias Infrastructure Board (“CIB”) meeting to order at 10:00 a.m. Roll call was taken, and a quorum was established.

Chair Papen thanked Mayor William Denney for hosting the Colonias Infrastructure Board in his beautiful mountain village. Mayor Denney welcomed attendees to Cloudcroft and thanked the Colonias Board for their continued support.

2. **Approval of Agenda.** Member Steven Deal made a motion to approve the agenda as presented, seconded by Member Marquita Russel. The motion passed unanimously by a voice vote.
3. **Approval of March 16, 2023, Board Minutes.** Member Deal made a motion, seconded by Member Russel to approve the March 16, 2023, Board Minutes as presented. The motion passed unanimously by a voice vote.
4. **Appointment of Nominating Committee.** Chair Papen
Chair Papen appointed Members Hubert Quintana, Jay Armijo, and Priscilla Lucero to the Nominating Committee.
5. **Consideration and Recommendation of the 2023 Colonias Infrastructure Fund Waiver Requests.** –
presented by Ms. Angela Quintana, Sr. Program Administrator

Consideration of requests from 2023 Colonias Infrastructure Fund (CIF) applicants for waivers to CIF policies.

On September 15, 2022, the Colonias Infrastructure Board (CIB) approved the timeline for the 2023 application cycle. The timeline provided target dates for policy and regulatory compliance to applicants. The compliance deadline date was March 31, 2023.

The policies require that applicants evidence compliance with all relevant regulations and CIB policies prior to receiving awards from the CIB. Applicants who had compliance issues were notified of all outstanding issues and were given an opportunity to: 1) become compliant by March 31, 2023; 2) remove their application and correct compliance issues in preparation for the next funding cycle; or 3) request a waiver from the Colonias Infrastructure Board.

Staff received eight Project Continuation policy waiver requests and two State Audit Rule/EO-Compliance requests. Section 1.3 Project Continuation requires applicants that have received prior awards to certify completion of all projects prior to the approval of a new award for funding unless the new project will cure a condition considered Urgent. The Policies require that the remaining sum of any prior award(s) not certified as complete must be less than 50% of the awarded total for all awards from prior years. Awards from the most recent application cycle (2022) are excluded from this calculation.

Section 5 Compliance requires entities to substantiate their compliance with all applicable federal and state laws and regulations including Executive Order 2013-006 and the State Audit Rule.

Below are the applicants with their requested waivers and staff's recommendations:

- a. City of Anthony (6101-CIF, 6102-CIF) Roads/Drainage Infrastructure and Solid Waste Projects (Project Continuation)

Waiver Request: Project Continuation

Recommendation: NMFA staff recommends approval.

Justification: The City has a 2021 CIF award-\$1,300,000 (0% expended) that does not meet the 50% expenditure requirement for Project Continuation. The City sought and acquired additional funds to fund the full project buildout. The project did not move forward until all the funding sources were awarded. The City anticipates expenditure of the Colonias funds by November 2023 and project completion by January 2024.

The Project Review Committee defers recommendation pending updates from the City on their 2021 project #CIF-5509.

The City provided an update to the Board. The request moved forward with staff's recommendation to approve the waiver.

- b. Anthony WSD (6103-CIF) Water Infrastructure Project (Project Continuation)

Waiver Request: Project Continuation

Recommendation: NMFA staff does not recommend approval of the request.

Justification: The District has two 2021 awards-\$1,470,000 *combined* (0% expended) that do not meet the 50% expenditure requirement for Project Continuation. The District has not submitted any requisitions on either project to date or submitted any quarterly reports since June 2022. The District anticipates meeting the 50% expenditure requirement by April 2024. With the current timeline, the District can complete the 2021 projects and may be prepared to apply in the next funding cycle.

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

- c. Village of Columbus (6110-CIF) Water Infrastructure Project (Project Continuation)

Waiver Request: Project Continuation

Recommendation: NMFA staff recommends approval of the request.

Justification: The Village has 2019 and 2021 awards-\$1,900,276 *combined* (44% expended-combined) that do not meet the 50% expenditure requirement for Project Continuation. The 2019 project required a scope change and extensions due to changes in engineering firms. The design will be completed by July 2023. The 2021 project will have substantial completion by May 2023.

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

- d. Dona Ana County (6113-CIF, 6114-CIF, 6115-CIF, 6116-CIF & 6117-CIF) Wastewater Infrastructure and Flood Prevention Projects (Project Continuation)

Waiver Request: Project Continuation

Recommendation: NMFA staff does not recommend approval of the request.

Justification: The County has three 2020-\$4,407,180 *combined* and five 2021-\$5,870,298 *combined* awards (15% expended-combined) that do not meet the 50% expenditure requirement for Project Continuation. The County requested and was approved for time extensions on their 2020 awards. 2020 projects were delayed due to review/approval timelines and material lead times. All three 2020 projects are anticipated to be completed by December 2023. Three of the five 2021 projects are anticipated to be substantially complete by April 2024. The funding for the 2021 projects expires on November 5, 2023. Three of the five will require an extension for project completion. With the current timelines, the County can complete the 2020 and 2021 projects and may be prepared to apply in the next funding cycle.

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

Dona Ana County spoke on behalf of their waiver request.

- e. Dona Ana MDWCA (6118-CIF, 6119-CIF & 6120-CIF) Water and Wastewater Infrastructure Projects (Project Continuation)

Waiver Request: Project Continuation

Recommendation: NMFA staff recommends approval of the request.

Justification: The Association has a 2021 award-\$2,921,557 (44% expended) that does not meet the 50% expenditure requirement for Project Continuation. The Association's contractor requested a construction start delay and time extension due to critical materials with long lead times. The Association anticipated substantial completion of the 2021 project by September 2023 with final close-out and completion by October 2023.

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

- f. Garfield MDWCA (6123-CIF) Water Infrastructure Project (Project Continuation)

Waiver Request: Project Continuation

Recommendation: NMFA staff recommends approval of the request.

Justification: The Association has 2020 and 2021 awards - \$987,273 *combined* (10% expended) that do not meet the 50% expenditure requirement for Project Continuation. The 2020 project design was completed in June 2022. To complete the construction portion of the project, the Association requested and was approved for an extension till July 2023. The 2020 project is scheduled to be completed by July 2023. The 2021 design project is underway with an anticipated completion date of August 2023.

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

- g. Grant County (6124-CIF, 6125-CIF & 6126-CIF) Roads/Drainage Infrastructure Projects (Project Continuation)

Waiver Request: Project Continuation

Recommendation: NMFA staff recommends approval of the request.

Justification: The County has a 2021 project - \$275,000 (12% expended) that does not meet the 50% expenditure requirement for Project Continuation. The 2021 project is approximately 20% complete with anticipated project completion by September 2023.

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

- h. Town of Silver City (6141-CIF, 6142-CIF & 6143-CIF) Water, Wastewater, and Roads/Drainage Infrastructure Projects (Project Continuation)

Waiver Request: Project Continuation

Recommendation: NMFA staff recommends approval of the request.

Justification: The Town has a 2021 award - \$988,197 (41% expended) that does not meet the 50% expenditure requirement for Project Continuation. The Town received funding from 2020 and 2021 for the Chloride Flats Tank Site. The West and South tanks have both been completed under budget and the remaining North tank's design is pending final review from NMED-CPB and DWB. The construction bid process will begin on the final tank in August with an anticipated completion date by December 2023.

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

- i. Village of Capitan (6105-CIF) Water Infrastructure Project (State Audit Rule/EO-Compliance)

Waiver Request: EO-Compliance

Recommendation: NMFA staff recommends approval of the request.

Justification: The Village is behind on its FY2021 audit. The Village has been working with its auditor and the Office of the State Auditor (OSA) to address disclaimers on the FY2020 audit. Once the FY2021 audit is complete, the Village will commence on the FY2022 audit. The Village anticipates the completion of both audits by June 2023.

The Project Review Committee defers the recommendation of the request pending staff outreach to the Village on the timeline for audit compliance. The Colonias Board will certify funding and approve awards on May 24, 2023, prior to the Village submitting the audits.

Village of Capitan spoke on behalf of their waiver.

- j. City of Deming (6111-CIF) Wastewater Infrastructure Project (State Audit Rule/EO-Compliance)

Waiver Request: EO-Compliance

Recommendation: NMFA staff recommends approval of the request.

Justification: The City has been working with its Auditor to address the audit findings from the FY21 audit, some of which required field work. The City anticipates submission of their FY22 audit by June 2023.

The Project Review Committee defers the recommendation of the request pending staff outreach to the City on the timeline for audit compliance. The Colonias Board will certify funding and approve awards on May 24, 2023, prior to the City submitting its FY2022 audit.

(NMFA staff recommendations are reflected above).

Member Russel made a motion, seconded by Member Wesley Billingsley to concur with Staff's recommendations with the exception of Dona Ana County. The Board recommended approval of Dona Ana County's waiver request. Motion passed by a roll-call vote, 5-0, with one abstention.

(The Board recessed for a break at 11:16 a.m. and reconvened at 11:31 a.m.)

6. 2023 Colonias Infrastructure Fund Application Presentation – Part 1 – Presented by Angela Quintana, Sr. Program Administrator

App. #	Applicant	Project Name	Amount Requested
6101-CIF	City of Anthony (Gloria Ramirez, Mario Juarez-Infante)	Lee Ave. roadway/drainage	\$1,500,000
6102-CIF	City of Anthony (Rafael Leos, Mario Juarez-Infante)	Solid Waste transfer station	\$800,000
6103-CIF	Anthony WSD (<i>waiver denied will not present</i>)	Meter replacement	\$2,160,000
6110-CIF	Village of Columbus (George Esqueda)	Northside tank/water distribution	\$1,339,500
6113-CIF	Dona Ana County (Tyler Hopkins, Diane Gomez, Michael Garza,	Chaparral Ph. 2-C pkg.	\$8,909,090
6114-CIF		Rincon and Salem WWTP	\$3,856,859
6115-CIF		Chaparral WWTB Effluent	\$1,058,390
6116-CIF		Abeyta Pond	\$1,500,000
6117-CIF		La Union Drainage	\$2,000,000
6118-CIF	Dona Ana MDWCA (Jennifer Horton)	West Mesa Water rehab	\$1,930,637
6119-CIF	Dona Ana MDWCA (Jennifer Horton)	Dona Ana Village lift station	\$500,000
6120-CIF	Dona Ana MDWCA (Jennifer Horton)	Southeast Collection system	\$6,000,000

6123-CIF	Garfield MDWCA (Marty Howell)	North Arrey well	\$1,961,601
6124-CIF	Grant County (Randy Hernandez,	North Hurley Road Ph. II	\$4,943,203
6125-CIF	Grant County (Randy Hernandez)	Crum Road improvements	\$350,000
<i>(Chair Papen left at 12:55 p.m., Vice-Chair Baca-Argabright resumed the role of Chair)</i>			
6126-CIF	Grant County (Randy Hernandez)	Franks rd. improvements	\$135,000
6141-CIF	Town of Silver City (Alex Brown)	Grant Co. Regional water	\$3,300,000
6142-CIF	Town of Silver City (Robert Esqueda)	Mill Road Sewer bypass	\$140,000
6143-CIF	Town of Silver City (Peter Pena)	Little Walnut Rd.	\$1,559,000
6105-CIF	Village of Capitan (Kevin Kennedy)	Mt. Capitan waterline replacement	\$1,978,982
6104-CIF	City of Bayard (Michael Paez, Marlana Valenzuela, George Esqueda)	Wellfield water distribution	\$462,900
6106-CIF	Casas Adobes MDWCA (Nancy Ketchum, Johnny Coburn)	Water system improvements	\$2,562,800
6107-CIF	Catron County (Loren Kirshner, George Esqueda)	Menges Lane Rd	\$98,182
6108-CIF	Catron County (Loren Kirshner, George Esqueda)	Rowe Grade Road	\$245,280
6109-CIF	Village of Cloudcroft (Mayor Bill Denney, Stephen Parker)	Mountaintop subdivision water/sewer	\$2,608,123
6121-CIF	City of Elephant Butte (John Mescaro, David Shields)	Water system improvements	\$871,452
6122-CIF	City of Elephant Butte (John Mescaro, David Shields)	Wastewater collection/treatment	\$4,160,601

Vice-Chair Baca-Argabright recessed the board meeting for the day at 2:15 p.m.

April 26, 2023

Chair Papen called the Colonias Infrastructure Board ("CIB") meeting to order at 9:06 a.m. Roll call was taken, and a quorum was established.

2023 Colonias Infrastructure Fund Application Presentations – (Continued)

App. #	Applicant	Project Name	Amount Requested
6128-CIF	Town of Hurley (George Esqueda, Ramses Ortega)	Wellfield water system improve.	\$720,000
6129-CIF	City of Jal (Mike White, Lisa Campbell)	New wastewater treatment plant	\$10,120,000
6130-CIF	Leasburg MDWCA (Tom Phillips, Vern Casados)	Water system improvements	\$500,000
<i>(Member Deal arrived at 9:30 a.m.)</i>			
6132-CIF	City of Lordsburg (George Esqueda, Ramses Ortega)	Northside water system Ph. I	\$2,179,000

6133-CIF	City of Lordsburg (George Esqueda, Ramses Ortega)	Northside water system Ph. II	\$2,410,000
6134-CIF	City of Lordsburg	Wastewater/lift station improve.	\$1,014,000
6136-CIF	Lower Rio Grande PWWA (Karen Nichols, Martin Lopez, Matt Thompson)	Rincon Water system improve.	\$517,000
6137-CIF	Luna County (David Bailey, Stephen Parker)	Keeler water system improve.	\$503,619
6138-CIF	Luna County (David Bailey, Stephen Parker)	Keeler Farm Road/drainage	\$316,818
6139-CIF	Malaga MDWC&SWA (Paul Candelaria)	Water system improvements	\$1,582,368
6140-CIF	San Pablo MDWCA (Iseala Wendler, Matt Thompson)	Vacuum system improvements	\$2,588,418
6144-CIF	City of Sunland Park (Mario Juarez-Infante, Hector Rangel)	Riverside Phase I	\$2,500,000
6145-CIF	Timberon WSD (Mark Harding, Matt Thompson)	Water system improvements	\$681,818
6147-CIF	Village of Tularosa (David Shields, Matt Thompson)	Water system improvements	\$2,848,578
6148-CIF	Tyrone W&WA (George Esqueda)	Water storage tank	\$115,000

7. Next Meetings.

- May 16, 2023, 10:00 a.m. Colonias Project Review Committee – Teleconference
- May 24, 2023, 10:00 a.m. Colonias Board Meeting (2023 CIB Award Determinations) Town of Silver City
- September 2023 TBD

8. Public Comment.

Matt Thompson from BHI and Karen Nichols from Lower Rio Grande PWWA made public comments and a lengthy discussion ensued.

9. Adjournment.

The meeting adjourned at 11:37 a.m.

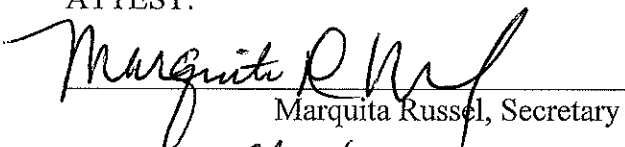


Mary Kay Papen, Chair

5/25/23

Date

ATTEST:


 Marquita Russel, Secretary

5/24/2023

Date