



Water Trust Board Meeting Minutes
April 21, 2026

Members Present:

AJ Forte, Vice-Chair
Micheal Sloane, Secretary
Mark Thompson
Marquita Russel
Jesse Guillen
Ben Bajema
Priscilla Lucero *virtual*
Tim McGinn, *virtual*
Max Henkels, *virtual*
Joy Esparsen
Sara Rhoton
Brent Van Dyke *virtual*

NM Municipal League
Director, Department of Game & Fish
NM Indian Affairs Department
CEO, NM Finance Authority
Designee, NM Department of Finance & Admin.
Designee, NM Energy, Minerals and Natural Resources Dept.
Environmental Community Representative
Designee, Conservancy District Ground Water Rep.
Designee, NM Department of Agriculture
NM Association of Counties
Designee, NM Environment Department
Soil & Water Conservation Districts Representative

Members Absent:

Elizabeth Anderson, Chair
Buu Nygren
Greg Alpers

NM State Engineer
Navajo Nation
Irrigation/Conservancy District Ground Surface Rep.

1. **Call to Order and Roll Call.** Vice-Chair Forte called the meeting to order at 10:12 a.m. A quorum was established.
2. **Approval of Agenda.** Member Russel moved, seconded by Member Sloane, to approve the agenda. The motion passed 12-0.
3. **Approval of Board Minutes.** Member Russel moved, seconded by Member Thompson for approval of the April 2, 2026, minutes. The motion passed 12-0.
4. **Water Project Fund - Technical Assistance Program ("TAP").** The TAP, authorized through 2024 Legislature's HB 211, enables NMFA to use Water Project Funds to hire contractors to provide financial, administrative, and technical support to water and wastewater systems. The program focuses on two primary service areas: facilitating regionalization efforts to help systems consolidate and to collaborate and support individual systems with planning and capacity development. A Request for Proposals was issued in January 2025, covering professional engineering, GIS and geo-spatial mapping, accounting, legal services, and facilitation. Twelve professional service agreements are now in place to deliver these on-call services.

Participation began in June 2025 with 51 systems—including mutual domestics, water associations, municipal and county utilities, water and sanitation districts, and regional authorities. TAP is leveraging \$8 million and is actively partnering with 90 entities to advance regional solutions and long-term system sustainability.

Informational Only.

5. New Mexico Unit Fund

5.1 NM Unit Fund Pilot Cycle II Policy. The New Mexico Interstate Stream Commission (“Commission” or “NMISC”) administers the New Mexico Unit Fund, which finances water-utilization projects in the southwest planning region, with recommendations from the WTB. The Commission developed the Pilot Cycle II Policy to incorporate lessons learned, expand eligibility to include construction projects, refine applicant requirements, and update evaluation criteria. In March 2026, the Commission approved the Pilot Cycle II Policy, capping total awards at \$26 million, or 20% of the Unit Fund balance. NMFA staff, on behalf of the WTB and in consultation with NMISC staff, will evaluate applications using the updated scoring criteria. Staff recommends that the WTB adopt the Pilot Cycle II Policy.

Member Russel moved, seconded by Member Lucero for approval of item 5.1. The motion passed 12-0.

6. Water Trust Board Amended Rules.

6.1 Approval of Resolution to Initiate Amendment to Rules. Staff requests approval to begin the formal rulemaking process to amend 19.25.10 NMAC in response to changes enacted through HB 109 during the 2026 Legislative Session. HB 109 updates statutory provisions governing the review and eligibility of proposed water projects, requiring corresponding revisions to the WTB’s administrative rules. Under the New Mexico Administrative Code, initiating rulemaking requires a Board resolution to proceed in compliance with the State Rules Act and related procedures. A draft resolution has been prepared to initiate this process and incorporate statutorily required amendments to the Rules. The Policy Committee has reviewed the proposed action and supports staff’s recommendation to begin rulemaking through adoption of the presented resolution.

Member Lucero moved, seconded by Member Esparsen for approval of item 6.1. The motion passed 12-0.

7. Recommendation on Returned/Unawarded Funds.

7.1 Recommendation on Returned/Unawarded Funds. Staff presented the set-aside balances from canceled or unawarded funds to address construction cost overruns in prior cycles. In 2024, SB275 provided an additional \$18 million for the 2023 and older WTB cycles to address construction cost overrun needs. The initial set-aside balances from 2021-2023 prior to SB275 inception are currently available for award.

Staff recommends the proposed balance of unawarded and returned funds set aside for construction cost overruns in the amount of \$13,079,379, be added to the current cycle's funds to be awarded to 2026 projects.

Member Russel moved, seconded by Member Lucero for approval of item 7.1 as presented. The motion passed 12-0.

8. 2026 Water Project Fund Awards.

8.1 Consideration and Recommendation of 2026 WPF Awards. For the 2026 cycle, a total of \$378.5 million is available for funding. The application process resulted in 113 applications being recommended for legislative authorization. Staff recommends 84 projects be awarded the specific scope and amounts as presented for funding from the 2026 recommending Cycle.

Member Russel moved, seconded by Member Sloane for approval of all projects as presented. The motion passed 12-0.

9. Certification of Re-Allocated Severance Tax Revenue Bond Proceeds.

9.1 Approval of Certification of Re-Allocated Severance Tax Revenue Bond Proceeds to an Alternative Qualified Project(s)/Funding Cycle. General Counsel presented a certification regarding the reallocation of unused 2022 and 2023 severance tax revenue bond proceeds to qualified 2026 Water Trust Board projects. SB 275 provided \$18 million specifically to cover overruns for 2023 and older awards, eliminating the need to retain the earlier unused proceeds set-aside for that purpose. The remaining unawarded funds from the 2022 and 2023 cycles are now available to be redirected to eligible 2026 applications. The attached resolution accomplishes this reallocation and formally notifies the State Board of Finance of the change.

Member Russel moved, seconded by Member Lucero for approval of item 9.1 as presented. The motion passed 12-0.

10. Certification of Need for Issuance of Severance Tax Revenue Bonds. General Counsel presented the annual resolution which certifies to the State Board of Finance the WTB's need for \$185,864,000 in severance tax bond proceeds to fund water projects in the upcoming year. The certification enables the State Board of Finance to issue the necessary severance tax revenue bonds to support legislatively authorized 2026 WPF awards.

Member Russel moved, seconded by Member Lucero for approval of item 10.1 as presented. The motion passed 12-0.

11. Next Board Meeting.

- June/July 2026, Water Trust Board Meeting TBD
- August/September 2026, Water Trust Board Meeting TBD

12. Adjournment. The meeting adjourned at 11:24 am.



Secretary

08 / 13 / 2026

Date

Title	Water Trust Board Minutes - 4/21/26
File name	4.21.26_WTB_minutes_final.pdf
Document ID	a8949e00be7fcb20531e49a5ea6d9f78e68e8310
Audit trail date format	MM / DD / YYYY
Status	● Signed

Document History



SENT

08 / 13 / 2026

16:23:12 UTC

Sent for signature to Michael Sloane
(michael.sloane@dgf.nm.gov) from ebalance@nmfa.net
IP: 64.226.133.22



VIEWED

08 / 13 / 2026

16:28:55 UTC

Viewed by Michael Sloane (michael.sloane@dgf.nm.gov)
IP: 174.238.224.225



SIGNED

08 / 13 / 2026

16:29:16 UTC

Signed by Michael Sloane (michael.sloane@dgf.nm.gov)
IP: 174.238.224.225



COMPLETED

08 / 13 / 2026

16:29:16 UTC

The document has been completed.