



Colonias Infrastructure Board Meeting Minutes
May 14, 2026
Village of Cloudcroft Council Chambers
Cloudcroft, New Mexico

Voting Members Present:

Janice Baca-Argabright, Chair, <i>virtual</i>	Appointee, Minority Leader of the Senate
Jose Luis Segura, Vice-Chair	Appointee, Speaker of the House of Representatives
Mary Kay Papen	Appointee, President Pro Tempore of the Senate
Marquita Russel, <i>virtual</i>	CEO, NM Finance Authority
Jesse Guillen, <i>virtual</i>	Designee, NM Dept. of Finance and Administration
Steven Deal	Designee, NM Environment Dept.

Non-Voting Members Present:

Richard Garcia, <i>virtual</i>	Designee, NM Counties
Jay Armijo	Director, South Central Council of Governments
Dora Batista	Director, Southeastern NMED District
Priscilla Lucero	Director, Southwest NM Council of Governments
Donna Maestas DeVries, <i>virtual</i>	Designee, NM Mortgage Finance Authority

Non-Voting Members Absent:

Voting Members Absent:

VACANT	Appointee, Minority Leader House of Representatives
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1. **Call to Order and Roll Call.** Chair Baca-Argabright called the meeting to order at 10:01 a.m. A quorum was established.
2. **Approval of Agenda.** Member Russel moved, seconded by Member Deal, to approve the agenda. The motion passed 6-0.
3. **Approval of Board Minutes.**
 - 3.1 **Member Papen moved, seconded by Member Guillen, to approve the April 28-29, 2026, meeting minutes.** The motion passed 6-0.
4. **Returned/Unawarded Funds.**
 - 4.1 **Recommendation on Returned/Unawarded Funds.** Staff presented balances of returned and unawarded funds previously set aside to cover possible cost overruns for projects awarded in the 2021 and 2022 application cycles. The balances are now available for reallocation. Pursuant to policy, reallocated funds may be utilized for the most recent cycle or held to be awarded at the next upcoming cycle. The Project Review Committee concurred with staff's recommendation.

Staff recommends that the proposed balance of unawarded and returned funds including the set asides for construction cost overruns in the amount of \$3,848,778, be added to the current cycle of funds to be awarded to 2026 projects.

Member Deal moved, seconded by Member Segura, to approve items 4.1. The motion passed 6-0.

5. 2026 Colonias Infrastructure Fund Awards.

5.1 Consideration of 2026 Colonias Infrastructure Fund Awards. Staff presented funding recommendations for the 2026 Colonias Infrastructure cycle. On March 5, 2026, the NMFA received forty-two applications with more than \$124 million in financing requested. Two applications were deemed ineligible. The remaining applications were reviewed and scored using the established criteria by the Project Management Team comprised of staff from NMDOT, NMED, OSE and NMFA. Funding recommendations are based on eligibility, compliance, and evaluation criterion.

State Audit Rule and Executive Order 2013-006 require all recipients of state funding to be audit-compliant at the time funds are certified, which will occur on May 14, 2026. In the 2025 Legislative Session, House Bill 493-Public Finance Accountability Act established funding criteria for a grantee to be eligible for state appropriations (CIB Funding set-aside) in the event that the grantee is unable to meet the current year's audit/reporting requirements. If awarded, identified applicants may require a fiscal administrator.

The CIF receives a 4.5% earmark of the Senior Severance Tax Bonds ("STBs"). 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 estimated available funding is:

2026 STB Available Funds*	\$92,932,000
2021 and 2022 unawarded funds	\$3,848,778
15% CAP* on 2026 STB funds	\$13,939,800
Total Available Funds for 2026	\$96,780,778

The projects presented are separated by project type and listed in order of scoring from highest to lowest. The initial recommendations were based on the average scores. Staff expanded the recommendations on projects that were below the average scores with the remaining available funds. These recommendations also consider the limit on allocations by county and project readiness. The following applications are recommended for a phased amount based on their submitted project budgets:

Applicant	Project	Requested Amount	Recommended Scope	Recommended Amount
City of Elephant Butte	WW Collection Ph. 4C	\$5,681,550	Design Only	\$410,298
Lea County	Water System Improvements	\$9,106,894	Design Only	\$1,534,530

Staff propose the 40 projects presented be awarded the specific scope and amounts for funding from the 2026 CIB Funding Cycle. The recommended list provides funding to projects in the order in which they are prioritized and is based on available funding, compliance requirements and project readiness.

Member Segura moved, seconded by Member Russel, to approve items 5.1. The motion passed 6-0.

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

6.1 Approval of Certification of Re-Allocated Severance Tax Revenue Bond Proceeds to an Alternative Qualified Project(s)/Funding Cycle. NMFA General Counsel presented the Certification of Re-Allocated Severance Tax Revenue Bond Proceeds to an Alternative Qualified Project(s)/Funding Cycle.

Member Russel moved, seconded by Member Deal, to approve items 6.1. The motion passed 6-0.

7. Certification of Need for Issuance of Severance Tax Revenue Bonds.

7.1 Approval of Resolution, Notification and Certification of Need for Issuance of Severance Tax Revenue Bonds for Qualified Projects. NMFA General Counsel presented the Resolution, Notification and Certification of Need for Issuance of Severance Tax Revenue Bonds for Qualified Projects, which is required for the purposes of allocating Severance Tax Bond proceeds.

Member Russel moved, seconded by Member Papen, to approve items 7.1. The motion passed 6-0.

8. Next Meetings. September 2026, (TBD).

9. Public Comment. A representative from Timberon expressed her gratitude for funding the project.

10. Adjournment. The meeting adjourned at 10:53 a.m.



09 / 18 / 2026

Secretary

Date

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