
Meeting Date: June 28, 2023
Staff Contact: Stan Allred, Chief Financial Officer

TITLE: R-23-15 – Authorizing and Approving Submission of an Application for Financial Assistance to the New Mexico Finance Authority; and Making Certain Findings in Connection Therewith

ACTION: Recommend Approval

Summary:

The Albuquerque Bernalillo County Water Utility Authority (the “Water Authority”) is a qualified entity under the New Mexico Finance Authority Act, Sections 6-21-1 through 6-21-31, NMSA 1978 (the “Act”), and the governing body of the Water Authority (the “Governing Body”) is authorized to borrow funds and/or issue bonds for financing public projects for the benefit of the Water Authority; as well the New Mexico Finance Authority (the “NMFA”) has instituted a program for financing public projects from the public project revolving fund created under the Act and has developed an application procedure whereby the Governing Body may submit an application (the “Application”) for financial assistance to the NMFA for public projects.

The Water Authority has a need for the construction of improvements to the Water Authority’s Joint Water and Sewer System (the “System”) for the benefit of the public served by the Water Authority, and the Water Authority seeks to finance such capital improvements via the issuance of bonds to be purchased by the NMFA or by entering into a loan agreement with the NMFA.

The Application has been completed and submitted to the Governing Body and this resolution approving submission of the completed Application to the NMFA for its consideration and review is required as part of the Application, and is determined that public notice of the time, place, and purpose of said meeting was given, all as required by the Laws of the State of New Mexico.

FISCAL IMPACT:

Total proceeds of \$121,000,000 will be used for the following projects. \$56,000,000 for the Basic Rehab Program (12-year note), \$28,000,000 for Grit Removal from the Surface Water Ponds, \$24,000,000 Rehabilitation of Force Main, and Lift Station, \$10,000,000 for CIP Project Market Adjustments and \$3,000,000 Grading Vulcan Site. A senior lien of the Net Revenues of the System is pledged as security for this loan.

COMMENTS:

Approval of the Application is required to give the Authority authorization to enter an agreement with NMFA for financial assistance. All borrowing fees are also waived as part of the agreement to borrow through the NMFA. All proceeds will be used in the Authority's Capital Implementation Program.

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BE IT RESOLVED BY THE WATER AUTHORITY:

1. That all prior action taken by the Water Authority, the Governing Body and the officers and employees thereof in connection with the Application and the Project (defined below), is hereby ratified, approved and confirmed.
2. The Application is hereby approved and authorized to be submitted to the NMFA seeking financial assistance to provide for the financing of the costs of improvements to the System, including acquiring, constructing, installing, and equipping additions, repairs, rehabilitation, extensions and/or improvements to the System and paying related professional fees in connection with such improvements and the financing thereof (the "Project").
3. That the Chair of the Board, the Executive Director and/or the Chief Financial Officer of the Authority are hereby designated the authorized representatives of the Water Authority (each an "Authorized Officer") for the purpose of furnishing such information and executing such documents as may be required or necessary in connection with the preparing and filing of the Application.
4. Each Authorized Officer is authorized, empowered and directed to take or cause to be taken all such acts and to execute and deliver all such documents as may be necessary to carry out and comply with the provisions of this Resolution, including the execution and submission of the Application and the undertaking of any and all additional actions necessary or required to facilitate a financing transaction with the NMFA; provided however that the authorization and approval of any bonds or other debt obligations by the Water Authority will be undertaken in accordance with the Water Authority's customary practices and procedures relating to the issuance of bonds or other debt obligations.
5. This resolution shall take effect immediately upon its adoption.

[EXECUTION PAGE FOLLOWS]

1 PASSED AND ADOPTED THIS _____, 2023.

2 BY A VOTE OF ___ FOR AND ___ AGAINST.

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Chair

7 ATTEST:

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10 _____ Secretary

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