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Meeting Date: June 18, 2025

Staff Contact: Marta J. Ortiz, Chief Financial Officer

**TITLE: R-25-22 – 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 (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”). The Water Authority’s Governing Body is authorized to borrow funds and issue bonds to finance public projects for its benefit. Additionally, the New Mexico Finance Authority (the “NMFA”) has established a program for financing public projects through its public project revolving fund and has developed an application process allowing the Governing Body to seek financial assistance from NMFA for such projects.

The Water Authority requires improvements to its Joint Water and Sewer System (the “System”) to better serve the public and intends to finance these capital improvements through either a bond issuance purchased by the NMFA or a loan agreement with the NMFA. Moreover, the Water Authority has identified a public need to refund, refinance, and defease certain outstanding System indebtedness to further benefit its service area.

The Application has been completed and submitted to the Governing Body. This resolution approves submission of the completed Application to the NMFA for consideration and review. It has been determined that public notice regarding the time, place, and purpose of this meeting was given in accordance with New Mexico state laws.

**FISCAL IMPACT:**

Total proceeds of \$180,885,000 will be allocated as follows:

- \$60,000,000 for the Basic Rehab Program
- \$10,000,000 for reservoir improvements
- \$20,000,000 for new buildings at the Southside Water Reclamation Plant (SWRP)

Maturities achieving at least 3% present value savings at the time of pricing will ultimately be refunded. A senior lien of the Net Revenues of the System is pledged as security for this loan.

**COMMENTS:**

Approval of the Application is necessary for the Water Authority to enter into a financial assistance agreement with NMFA. As part of this agreement, all borrowing fees are waived. All proceeds will support the Water Authority's Capital Implementation Program.

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**ALBUQUERQUE BERNALILLO COUNTY  
WATER UTILITY AUTHORITY**

**BILL NO.    R-25-22**

**RESOLUTION**

**AUTHORIZING AND APPROVING SUBMISSION OF AN APPLICATION FOR  
FINANCIAL ASSISTANCE TO THE NEW MEXICO FINANCE AUTHORITY; AND  
MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH**

WHEREAS, 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 and refinancing public projects for the benefit of the Water Authority; and

WHEREAS, 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; and

WHEREAS, the Water Authority hereby finds and determines that there is a public 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

WHEREAS, the Water Authority hereby finds and determines that there is a public need for the refunding, refinancing and defeasing of certain of the Water Authority’s outstanding System indebtedness for the benefit of the public served by the Water Authority; and

WHEREAS, the Water Authority seeks to finance such capital improvements and to refund, refinance and defease certain outstanding System indebtedness via the issuance of bonds to be purchased by the NMFA or by entering into a loan agreement with the NMFA; and

33 WHEREAS, the Application has been completed and submitted to the  
34 Governing Body and this resolution approving submission of the completed  
35 Application to the NMFA for its consideration and review is required as part of the  
36 Application; and

37 WHEREAS, it is hereby officially found and determined that public notice of  
38 the time, place, and purpose of said meeting was given, all as required by the Laws  
39 of the State of New Mexico.

40 NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF WATER  
41 AUTHORITY:

42 1. That all prior action taken by the Water Authority, the Governing Body  
43 and the officers and employees thereof in connection with the Application and the  
44 Project (defined below), is hereby ratified, approved and confirmed.

45 2. The Application is hereby approved and authorized to be submitted to  
46 the NMFA seeking financial assistance to provide for (i) the financing of the costs of  
47 improvements to the System, including acquiring, constructing, installing, and  
48 equipping additions, repairs, rehabilitation, extensions and/or improvements to the  
49 System, (ii) the refunding, refinancing and defeasing of certain outstanding System  
50 indebtedness and (iii) paying related professional fees in connection with such  
51 improvements and the financing and refinancing thereof (the "Project").

52 3. That the Chair of the Board, the Executive Director and/or the Chief  
53 Financial Officer of the Authority are hereby designated the authorized  
54 representatives of the Water Authority (each an "Authorized Officer") for the purpose  
55 of furnishing such information and executing such documents as may be required or  
56 necessary in connection with the preparing and filing of the Application.

57 4. Each Authorized Officer is authorized, empowered and directed to take  
58 or cause to be taken all such acts and to execute and deliver all such documents as  
59 may be necessary to carry out and comply with the provisions of this Resolution,  
60 including the execution and submission of the Application and the undertaking of any  
61 and all additional actions necessary or required to facilitate a financing transaction  
62 with the NMFA; provided however that the authorization and approval of any bonds  
63 or other debt obligations by the Water Authority will be undertaken in accordance

64 with the Water Authority's customary practices and procedures relating to the  
65 issuance of bonds or other debt obligations.

66 5. This resolution shall take effect immediately upon its adoption.

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68 [EXECUTION PAGE FOLLOWS]

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PASSED AND ADOPTED THIS \_\_\_\_\_, 2025.  
BY A VOTE OF \_\_\_\_ FOR AND \_\_\_\_ AGAINST.

\_\_\_\_\_  
Chair

ATTEST:

\_\_\_\_\_  
Secretary