NEW MEXICO STATE BOARD OF FINANCE

REGULAR MEETING

Santa Fe, New Mexico

September 18, 2018

A regular meeting of the New Mexico State Board of Finance was called to order on this date at 9:07 a.m. in the Governor’s Cabinet Room, Fourth Floor, State Capitol Building, Santa Fe, New Mexico.

1. ROLL CALL -- QUORUM PRESENT

Members Present:
The Hon. John A. Sanchez, Lt. Governor [leaving at 11:05 a.m.]
Mr. Robert J. Aragon, Public Member
The Hon. Tim Eichenberg, State Treasurer
Mr. Adelmo Archuleta, Public Member
Mr. Michael Brasher, Public Member, Secretary
Mr. John Kormanik, Public Member

Members Excused:
The Hon. Susana Martinez, President

Staff Present:
Ms. Donna Maestas, Acting Director
Ms. Duffy Rodriguez, Secretary of Finance and Administration

Legal Counsel Present:
Ms. Sally Malavé, Attorney General’s Office

Others Present:
[See sign-in sheets.]

2. APPROVAL OF AGENDA
ANNOUNCEMENT: NEXT REGULAR MEETING – TUESDAY, OCTOBER 16, 2018

Mr. Aragon moved for approval of the agenda, as published. Mr. Brasher seconded the motion, which passed 6-0.

CONSENT AGENDA (Items 3-10)
Presenter: Donna Maestas, Acting Director
3. Approval of Minutes: July 17, 2018 (Regular Meeting)

Submitted by: Mary Jenke, General Counsel, Alamogordo Public Schools

4. Alamogordo Public Schools – Requests Approval of the Trade of Real Property Known as Lot 162, Mission Hills, Unit 2 in Alamogordo in Exchange for Property Designated as a Portion of 13th Street between North Florida Avenue and Alaska Avenue in Alamogordo with the City of Alamogordo (no consideration)

* Contingent upon Director’s receipt and counsel review of (1) revised quitclaim deed, and (2) land trade agreement (revise legal description)

Submitted by: Dianna Miglio, Right of Way Manager, Bernalillo County

5. Bernalillo County – Requests Approval of the Donation of Real Property Located at 1009 and 1015 Isleta SE in Albuquerque to Albuquerque Public Schools (no consideration)

* Contingent upon Director’s receipt and counsel review of fully executed revised donation agreement.

Submitted by: Kenney Rayroux, Assistant County Manager; Susan Crocker, County Commission Chairman; Stella Davis, County Commission Vice Chair, Eddy County

6. Eddy County – Requests Approval of the Sale of Real Property Consisting of Approximately 20.99 Acres of Land on the Northeast Side of Commerce Drive in Carlsbad to Occidental Petroleum, Inc. ($1,520,715)

* Contingent upon Director’s receipt and counsel review of (1) fully executed revised purchase agreement (make amendments subject to SBOF approval, remove “warranties” and “covenants,” remove indemnification language); (2) letter from appraiser confirming the property description and (3) favorable TRD review of appraisal report.

Submitted by: Peter Barrington, Bureau Chief, Asset Management Bureau, General Services Division

7. General Services Department, Facilities Management Division – Requests Approval of the Acquisition of Real Property Totaling 2.18 Acres in Artesia for the Energy, Mineral and Natural Resources Department from Stonegate Crestline, LLC ($285,000 plus closing costs)

* Contingent upon Director’s receipt of favorable TRD review of report.

Submitted by: Sam W. Minner, Attorney, Cuddy & McCarthy
8. Loving Municipal School District No. 10 – Requests Approval of the Lease of Gas, Oil and Mineral Rights in the Village of Loving to BC Operating, Inc. and Acceptance of Alternative Evidence of Fair Market Value ($10,100 per net mineral acre payment and 25% of royalties for oil, sales, other liquid hydrocarbons, and gas)

Submitted by: Scotty Holloman, General Counsel, New Mexico Junior College

9. New Mexico Junior College – Requests Approval of the Sale of Real Property known as the Del Norte Center, Located at 1503 W. Calle Sur in Hobbs to Jaw Yue ($255,000)

* Contingent upon Director’s receipt and counsel review of fully executed (1) revised purchase agreement (make amendments subject to SBOF approval, remove “warranties” and “covenants”), and (2) quitclaim deed.

Submitted by: Scotty Holloman, General Counsel, New Mexico Junior College

10. New Mexico Junior College – Requests Approval of the Donation of Real Property Located at 1710 Avenue J in Eunice to Public Schools (no consideration)

* Contingent upon Director’s receipt and counsel review of fully executed (1) donation agreement, and (2) quitclaim deed.

Mr. Eichenberg moved approval of the Consent Agenda, as presented. Mr. Archuleta seconded the motion, which passed 6-0.

EMERGENCY FUND BALANCES
Presenter: Donna Maestas, Acting Director

11. Emergency Balances – September 18, 2018

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Reserve Fund</td>
<td>$1,941,495.00</td>
</tr>
<tr>
<td>Emergency Water Fund</td>
<td>$ 104,800.00</td>
</tr>
</tbody>
</table>

Ms. Maestas reported these balances.

Lt. Governor Sanchez noted that, earlier this year, the Secretary of State’s Office requested emergency funding from the board to cover the cost of litigation. Board members expressed concern during the meeting about the appropriate use of monies from the emergency fund, and denied the request. He said it was his understanding that the Secretary of State’s Office was able to find the requested funds within their budget, and that they settled the lawsuit and paid their legal costs. He commented that this was a testament to the very disciplined action of this board in prioritizing the proper use of those particular funds when faced with emergency requests.
PROPERTY DISPOSITIONS AND ACQUISITIONS

Presenter: Rebecca L. Avitia, Executive Director, National Hispanic Cultural Center; Jennifer Salazar, General Counsel, Department of Cultural Affairs

12. **Department of Cultural Affairs, The National Hispanic Cultural Center – Requests Approval of the Lease of Real Property Located at 1701 4th Street in Albuquerque to the National Hispanic Cultural Center Foundation ($2,286 per month to include services in lieu of cash)**

Ms. Salazar stated that the National Hispanic Cultural Center (NHCC), a division of the Department of Cultural Affairs, was requesting approval of a lease agreement with the National Hispanic Cultural Center Foundation (NHCCF) of 1,617 square feet of office and storage space to the NHCCF for its operations. She explained that there is a critical collaboration between the NHCC and the Foundation staff in having the staff in close proximity, which maximizes staff time. In addition, it increases the delivery of programming and fundraising efforts, and increases the visitor experience in having both entities together in one location.

Ms. Salazar stated that the space would be used as follows: 1,283 square feet of office space located in the NHCC Pete V. Domenici Education Center and 334 square feet of space located in the NHCC Roy E. Disney Center for Performing Arts Building for office and storage use. The monthly rent will be paid in cash and in-kind services that include hotel rooms and airline tickets for guest speakers, and advertising and marketing of the NHCC programs.

Mr. Archuleta said his concern was that, if the NHCCF were subject to an audit, the audit trail would be complete and that the market value would be defensible.

Ms. Avitia responded that the NHCCF is subject to an audit every year, and all of the in-kind that they receive is included in the audit. She said they receive a substantial amount of additional support from the Foundation, far beyond what is documented in Exhibit E, and they do ensure that they are meeting the minimum requirements as well as limiting the carryover balance, as has been required in the past. She said they receive confirmation on the airline vouchers and hotel room nights that are used, and for the marketing, they request a copy of the invoice. In terms of the valuation of the hotel nights and airline vouchers, they value it over a period of time. For instance, Southwest Airlines and Heritage Hotels look at the value of all of the hotel nights used over the year, and provide an average.

Mr. Aragon moved for approval. Mr. Archuleta seconded the motion, which passed 6-0.

Presenter: Lynn Gallagher, Cabinet Secretary, Department of Health; Anna Silva, Acting Division Director; Roy McDonald, ASD Director, Department of Health;
Peter Franklin, Bond Counsel, Modrall Sperling Law Firm; George Morgan, Deputy ASD Director, Department of Health

13. **Department of Health – Requests Approval of the Purchase of Real Property known as the Fort Bayard Medical Center in Fort Bayard, New Mexico from Grant County ($63,242,238)**

Ms. Gallagher stated that the New Mexico Department of Health (DOH) is requesting approval to purchase the Fort Bayard Medical Center, a 24/7 long-term care facility with 200 duly certified beds, meaning they accept Medicare and Medicaid. Fort Bayard provides nursing and medical care, social services, recreational, physical and occupational speech therapy, and the primary services are skilled rehabilitation and extended care (70 beds), dementia care, and the veterans unit. In 1966, the state took ownership of the old VA Hospital in Silver City, and in 2007, the state entered into a lease-purchase agreement with the Grant County to build a new long-term care facility. In 2010, construction was completed, and the old facility was permanently closed.

Ms. Gallagher said the current lease-purchase agreement gives DOH the authority to defease the bonds and also gives it the option to purchase the project from Grant County for an amount equal to the value of the unimproved land in addition to the amount needed to defease the bonds, of which $50,255,000 is outstanding after the July 1, 2018 debt service payment was made. An appraisal has been completed. Both DOH and GSD will fund the purchase of the facility and redeem the 2008 bonds through a loan from the New Mexico Finance Authority.

Ms. Gallagher stated that defeasing the bonds will result in a lower interest rate, and the transaction will afford DOH an opportunity to make needed repairs to the infrastructure and buildings. In addition, DOH is currently purchasing water from the Village of Santa Clara, which is hard water and is resulting in additional maintenance costs. With this purchase, it would be able to repair the water infrastructure and have access to clean artesian spring water.

Mr. Archuleta asked if a geo-hydraulic study has been done to determine the quality and sustainability of the spring water. Ms. Gallagher responded that DOH has been working with the State Engineer Office and others to make sure that the level of the artesian spring remains high, but they have not done testing.

Mr. Morgan said an engineering study was done in 2007-2008, and they are using that study to develop their estimates. He said there are 19 spring boxes, which have existed since the early 1900s. He said 15 or 16 of them are active, but flow rates are down because of root infiltration and also because they aren’t being utilized. There is a tower tank and ground tank, both of which are operable, and they are supplying 40 acre-feet of water to the federal cemetery in the vicinity. He commented that GSD plans to update the engineering study using funds from the purchase.
Responding to Mr. Kormanik, Ms. Gallagher stated that the refinancing is expected to save over $1 million over 20 years. In addition, the lower debt service payments will allow them to do infrastructure improvements.

Zach Dillenback, Chief Lending Officer with the New Mexico Finance Authority, said the NMFA reviewed and unanimously approved this transaction. The bond sale will take place in early November, with the closing on November 28. He commented that the refunding is “incredibly attractive” with tremendous savings. He said this transaction is a win-win.

Secretary Rodriguez agreed that this was a win-win, and would provide the facility with more cash to make the necessary improvements.

Ms. Maestas requested that approval be contingent upon closing of the NMFA loan.

Mr. Archuleta moved for approval, with the contingency. Mr. Aragon seconded the motion, which passed 6-0.

**FINANCING APPROVALS**

Presenters: Terry Dole, Transportation Director; Larry Horan, General Counsel, Rio Metro Regional Transit District; Evan Kist, CFA, RBC Capital Markets; Laura Sanchez-Rivet, Partner, Bond Counsel, Cuddy & McCarthy, LLP

15. Rio Metro Regional Transit District – Requests Approval of Financing for Rio Metro Regional Transit Positive Train Control Project Financing ($11,700,000)

Mr. Dole stated that the Rio Metro Regional Transit District (RMRTD) is under a federal mandate to install Positive Train Control (PTC), a metering and controlling system that works by slowing and stopping trains that are cruising above posted speed limits. RMRTD has worked diligently with the federal government and the New Mexico Department of Transportation on ways they might continue operating the Rail Runner at its current level of service without having to install this expensive system. The Federal Railroad Administration (FRA) denied their first request, but they did grant an extension, and the installation deadline is now at the end of 2020 instead of 2018.

Mr. Dole said RMRTD issued an RFP in January 2018, and is now in contract negotiations with the vendor to install PTC on the New Mexico Rail Runner Express. Their bid price for the base bid was $55 million, not including gross receipts tax, and they have been working on a financial package. The plan of finance before the board today contemplates an $11,700,000 State Infrastructure Bank Loan (SIB Loan), a $20,920,000 FY 2018 CRISI PTC System Grant, and $25,480,000 of 5337 State of Good Repair Funds, for a total project cost of $58 million. The SIB Loan has been approved by the NMDOT Commission contingent upon RMRTD’s ability to secure 80 percent of the funding through federal sources in the form of grants or financings secured by federal
The SIB Loan will be paid from and secured by Regional Transit Gross Receipts Tax Revenues collected in Bernalillo, Sandoval and Valencia counties.

Responding to Mr. Archuleta, Mr. Dole said the legislation that was drafted exempts some railroads from installing the PTC provided they meet certain conditions. While they did meet some conditions, they did not meet all of them.

Responding to Mr. Brasher, Mr. Dole said the Rail Runner is averaging 2,600 boardings a day, and ridership for the year is about 800,000. Revenues are $2.5 million. He commented that the Rail Runner will never cover its expenses, nor does any other public transportation.

Mr. Dole said failure to install the PTC would result in a daily fine of $47,000.

Ms. Maestas requested that approval of this request be contingent upon closing of the SIB Loan.

Mr. Kormanik moved for approval, with the contingency. Mr. Archuleta seconded the motion, which passed 5-1, with Mr. Aragon voting against the motion.

Presenters: Paula Garcia, Chair, Mora County Commission; Luis Campos, Statewide Facilities Manager, Administrative Office of the Courts; Evan Kist, RBC Capital Markets; Daniel Alsup, Bond Counsel, Modrall Sperling Law Firm; Carl Brooks, Deputy Director, Administrative Office of the Courts

14. **Mora County – Requests Approval of Amended Lease of Real Property Located at #10 Courtyard Drive in Mora to the Administrative Office of the Courts ($10,000 per month)**

Ms. Garcia requested approval of an updated lease agreement between Mora County and the New Mexico Administrative Office of the Courts (AOC) for a magistrate court. Since approval of the original lease agreement by the board in December 2017, Mora County has obtained approval from the New Mexico Finance Authority (NMFA) Board for a loan with an interest rate of 3.41 percent to construct the magistrate court facility. The debt service due on the NMFA loan would be $3,891,145, a savings of $343,894 over the original lease agreement.

Ms. Garcia reported that the county office space has a substantial completion date of October 15, 2018, and the design for the magistrate court is complete. With board approval today, construction of the magistrate court would be substantially completed in January 2019.

Ms. Garcia said Mora County is proceeding with legal action against three defendants who designed and built the shell phase prior to 2011: Franken Construction, Ortega & Associates Architects, and Hands Engineering. The lawsuit is focused on defective design.
and construction of the complex, and is in the discovery stage, with Hands and Franken responding. The county is seeking a default judgment against the Ortega firm, which has not responded.

Mr. Aragon commended Ms. Garcia and the Mora County Commission for taking legal action. He said he has seen the facility and found it “shocking, and frankly criminal.”

Responding to Mr. Brasher, Mr. Campos said AOC had no participation in any of the design that went forward at the beginning, and Mora County sought no input from AOC, which was unaware of the design or any of the construction that was taking place.

Secretary Rodriguez further explained that the legislature made the appropriations directly to Mora County, which was the fiscal agent for the project. The AOC became involved after the legislature asked AOC to step in, which was only recently.

Ms. Garcia said Mora County had been operating without any oversight and was receiving funds directly from the legislature before she became a county commissioner. She said part of the problem was that Mora County was operating without good communication with the stakeholders in the project.

Lt. Governor Sanchez commented that people are “dancing around the issue, but let’s be clear about it: This was a politically motivated decision that was made, and we’re now dealing with it. And we see this happen throughout all of state government.” He said this situation would continue until there is a change to the political process of how capital outlay monies are allocated to local projects.

Secretary Rodriguez said DFA struggles with capital outlay recommendations. On the state agency side, five-year plans and planning documents are required, including hearings with agencies coming forward with their lists of requests; however, none of this happens with local projects, and this is where the process falls through the cracks. She said DFA works closely with AOC, particularly because of what happened with the Mora County project, and AOC now works diligently with DFA to make sure that their standards and their needs are put in place in the programming of any new facility.

Lt. Governor Sanchez asked if the planning process involving AOC has been codified in statute or in a rule. He expressed concern that all of this could change with the incoming administration.

Secretary Rodriguez responded that it is essentially just administrative cooperation between AOC and DFA, and anyone else who may be involved in the process.

Mr. Campos stated that AOC is asking for capital outlay this year to put together a standards manual for both district court and magistrate court to set up minimum
standards on what court sizes should be. After the AOC approves this, they will begin work on a five-year master plan for all of the magistrate courts.

Lt. Governor Sanchez responded that this was commendable, but unless this is codified, there is no guarantee that there will be follow-through.

Ms. Maestas requested that approval be contingent upon the NMFA loan closing.

Mr. Eichenberg moved for approval, with the contingency. Mr. Brasher seconded the motion, which passed 6-0.

Mr. Brasher asked Ms. Garcia to convey the board’s concerns about safety problems in connection with the current magistrate court, which is housed in a single wide trailer.

STATE PERSONNEL OFFICE
Presenter: Justin Najaka, Director, State Personnel Office; Elena Tercero, ASD Director, Children, Youth and Families Department

16. State Personnel Office – Requests Approval of a Temporary Transfer of 23 Human Resources Employees and 3 Vacant Positions to the State Personnel Office from Children, Youth and Families Department (pursuant to NMSA 1978, § 10-7-1)

Mr. Najaka asked for approval to temporarily transfer to the State Personnel Office (SPO) 23 Human Resources employees, three vacant positions, and all accompanying resources from the Children, Youth and Families Department (CYFD). As the board may recall, on February 22, 2017, Governor Martinez issued Executive Order 2017-002, intended to centralize and consolidate the state’s human resource functions under SPO for classified employees. The request before the board today is consistent with that, and complies with the State Personnel Act.

Mr. Najaka said this would be the 38th agency that is part of the consolidation. Through SPO’s consolidation efforts, if it includes CYFD in this count, it has reduced the number of employees performing HR services in these 38 agencies from 253 FTE to 108 FTE. He said CYFD is the first non-general fund agency to join the consolidated model.

Ms. Tercero discussed the federal reimbursement formula and funding issues. She said the Program Support Division receives 2 percent of federal funding for all of its functions, but upon further investigation, they discovered that the 26 employees in CYFD only request a 6 percent reimbursement of the federal dollars, so it started out as $566,000 and it ended up being $114,000 for the fiscal year, including benefits. In this first quarter, they will have about a $26,000 difference of federal funding that they will not receive, but they are already working on their class allocation plan to be able to bring in the additional funding. From a programmatic perspective, they are looking at a $3 million increase in their allowable federal funding.
Mr. Eichenberg asked how this will impact CYFD’s recruitment of qualified social workers, and what SPO is doing to step up its efforts to see they are properly staffed. Mr. Najaka responded that they have been working with the 26 individuals and decided which Center of Excellence they would go to, and will leave two people at the agency whose sole job will be recruitment of social workers and caseworkers, so there will be no decrease in service. In addition, four or five HR generalists will be slotted into the Talent Acquisition Center of Excellence for recruitment. He added that they are two and a half times faster in getting a job from the request for posting stage to the posted stage for consolidated agencies than non-consolidated agencies.

Responding to Mr. Eichenberg’s concerns about recruitment of critically needed social workers and caseworkers, Ms. Tercero said the CYFD FTE count is about 4,000, and the two recruitment positions mentioned by Mr. Najaka will be focused on recruiting for the two most critical divisions, Child Protective Services and Early Childhood Services.

Secretary Rodriguez noted that Secretary Jacobson reported yesterday that the CYFD vacancy rate has dropped from 25 percent to about 12.5 percent, thanks to job fairs, rapid hires and double-filling positions.

Mr. Brasher moved for approval. Mr. Aragon seconded the motion, which passed 6-0.

[ Lt. Governor Sanchez excused himself from the meeting. ]

STATE TREASURER’S OFFICE
Presenter: Charmaine Cook, AAP, State Cash Manager

17. Monthly Investment Reports for Months-Ended June 30, 2018 and July 31, 2018

18. Quarterly Investment Report for Month-Ended June 30, 2018

Ms. Cook presented these reports, noting that the STO Investment Division earned $40 million for the general fund in FY 2018, compared to $25 million in FY 2017.


Ms. Cook stated that, historically, STO has created a new broker-dealer list on an annual basis. She presented a list of broker-dealers with whom STO can conduct business. She commented that the amount of paperwork and time involved in doing the compliance reviews for these entities and their entities is a manual process that takes six or seven months. An analysis conducted by STO looked at how consistent the list is,
and there is a great deal of continuity from one year to the next, and the primary broker-dealers that STO deals with tend to be the same year to year.

Ms. Cook noted that there is nothing in statute dictating how frequently the broker-dealer list must be reviewed and approved. Therefore, STO has extended the list that was approved by the Board of Finance for FY 2018 through the end of FY 2019. A full compliance review was conducted in August 2018, and no broker-dealers were added to the list. She said all of them meet statutory and investment policy qualifications.

Ms. Cook said STO anticipates that, at the end of FY 2019, they will do the full application process and create a new list to present to the Board of Finance on an ongoing basis.

Mr. Archuleta moved for approval. Mr. Aragon seconded the motion, which passed 5-0.

20. Appointment of Public Member to the State Treasurer’s Investment Committee (STIC)

Ms. Cook reported that the State Treasurer has appointed Mark Pike as a Public Member for the STIC committee. Mr. Pike has been involved in state government finances and investments for many years, and has agreed to serve another two-year term. She asked for board approval.

Mr. Archuleta moved for approval. Mr. Eichenberg seconded the motion, which passed 5-0.

GENERAL SERVICES DEPARTMENT
Presenter: Donna Maestas, Acting Director


22. Facilities Management Division – Legislative Capital Projects Financial Status Report for Months-Ended July 31, 2018 and August 31, 2018

Ms. Maestas presented these reports.

STAFF ITEMS
Presenter: Sally Malavé, Board Counsel

23. Resolution Memorializing July 17, 2018 Board Action Regarding Dedication of a Portion of State Gross Receipts Tax Increment for Lower Petroglyphs Tax Increment Development District
Ms. Malavé reviewed a draft resolution she had prepared incorporating the many motions and amendments made at the July meeting, when the board took action on this item. In preparing the resolution, she also reviewed Justin Horwitz’s draft resolution that was submitted with the application for the Lower Petroglyphs Tax Increment Development District. In addition, she asked board staff to provide samples of prior resolutions, and also reviewed the minutes from the July meeting, which included a verbatim transcript of the relevant portion of the discussion.

Mr. Kormanik said the $51 million mentioned in Section 2 is expressed in 2018 dollars. He asked if he understood correctly that this amount would be increased to match the inflation rate in the coming years as the project reaches the completion stage, and that there would also be an inflation factor if and when the bonds are issued. Ms. Malavé said that was correct.

Mr. Archuleta stated that Section 7 stipulates that the $51 million is only for the interchanges and the frontage roads associated with the interchanges. He suggested that this stipulation be included in Section 2 and any other place in the resolution where that amount is referenced.

Mr. Archuleta commented that he thought the medical facility he had in mind could easily be built in two years, but thought it reasonable to give the developers three to four years. He said he did not want to see this turn into a lot of smaller projects equaling $250 million. He said the language should be clear in referring to it as a Comprehensive Medical Care Facility built as a unit or set of units within a four-year period.

Ms. Malavé cautioned that any material changes to the resolution would require a deferral and vote at next month’s meeting.

Ms. Malavé stated that she, Ms. Maestas and Clinton Nicley went over the terms included in the resolution in a phone call with Justin Horwitz last week, and all agreed that this represents what the board voted on at the July meeting.

Mr. Horwitz said he was impressed at Ms. Malavé’s capture of the terms as discussed at the meeting. He and his client are comfortable with the resolution.

Responding to a request of Mr. Kormanik, Ms. Malavé said she would add language to Section 2 referring to NMSA § 5-15-1, which is the legislative approval provision and the Tax Increment Development Plan.

Mr. Archuleta requested another “Whereas” be added stating that it is understood that the Consumer Price Index or other appropriate indexing would be applied.
Mr. Horwitz said he has seen the ENR (Engineering News Record) index typically used in district projects.

Mr. Aragon asked Secretary Brasher, who was chairing this meeting, to make the following ruling:

a) The clear intent of the board at the July meeting was that it would be using current day dollars; and

b) That adding a second “Whereas” to include language about the index would not go beyond the scope of what today’s notice was.

Ms. Maestas stated that, in the past, the Board of Finance’s practice has been to use the U.S. CPI Index with prior TIDDDs.

Responding to Secretary Brasher, Ms. Malavé stated that, based on the discussion at the July meeting, the intent was clear that it was 2018 dollars and that is how that would be calculated going forward. She said she had no issue having a conversation with Mr. Horwitz and agreeing on language that would include the CPI index, which is the more universal of the indices used.

Secretary Brasher said he agreed with the ruling.

Presenter: Donna Maestas, Acting Director

24. **August 30, 2018 Letter from Bernalillo County Manager Regarding Dedication of a Portion of the County’s Gross Receipts Tax Increment to Lower Petroglyphs Tax Increment Development District**

Ms. Maestas stated that page 3027 of the electronic agenda contains a letter from Bernalillo County Manager Julie Morgas Baca, who is discussing the county’s current GRT increment allocations. As the letter states, the developer has not formally applied for an increment, therefore the letter is an informational item.

25. **Fiscal Agent/Custodial Bank Fees**

Ms. Maestas reported that the amounts reported are consistent with historical monthly amounts.

26. **Joint Powers Agreements for Months-Ended July 31, 2018 and August 31, 2018**

Ms. Maestas reported that there were 11 new joint powers agreements for the month of August.
ADJOURNMENT

The meeting was adjourned at 12:05 p.m.

Susana Martinez, President

October 24, 2018

Date

Michael Brasher, Secretary

10/26/18

Date