

November Newsletter

Welcome to the November Edition of our Division Newsletter!

As we head into the final stretch of the calendar year, we're pleased to share our division updates, funding opportunities, spotlight stories, and highlights from the 2025 New Mexico Infrastructure Finance Conference. We hope this month's newsletter provides valuable information and keeps you connected to the ongoing work throughout our state.

NEW MEXICO Infrastructure Finance Conference



28th Annual New Mexico Infrastructure Finance Conference Concludes Successfully

The New Mexico Infrastructure Finance Conference (NMIFC) wrapped up its five-day event with impressive attendance, bringing together over 700 local,

tribal, and state leaders, engineers, planners, and community advocates from across New Mexico.

The conference featured keynote addresses from Lt. Gov. Howie Morales and former U.S. Deputy Secretary of Agriculture Xochitl Torres Small, alongside presentations from 137 speakers representing state and local government and important infrastructure stakeholders. Attendees participated in more than 50 breakout sessions, three professional development workshops, and three infrastructure field trips, gaining valuable insights into funding opportunities, sustainable planning, and collaborative strategies for building resilient communities.





The conference concluded with the announcement of this year's award winners, recognizing outstanding infrastructure projects across the state:

- Best Project Over \$1 Million: Shiprock Incident Command Center (Shiprock)
- **Tribal Award:** Hemish Path to Wellness (Jemez Pueblo)
- **Broadband Award:** Jemez Pueblo Tribal Network (Jemez Pueblo)
- **Emergency Management Award:** Ruidoso Emergency Operations Center and Intermittent Response Program (Ruidoso)
- **Housing Award:** Housing New Mexico Innovation Program (Albuquerque)
- Planning Award: Taos Pueblo Spider Rock Housing Subdivision (Taos Pueblo)
- **Transportation Award:** Mescalero Apache Tribe M6 White Mountain Drive (Mescalero)
- Finance Award: Zuni Fair Building (Zuni, McKinley County)
- **Economic Development Award**: Indian Pueblo Entrepreneur Complex (Albuquerque)
- Catalina Muniz Award: City of Roswell Wastewater Collection Line Emergency Response (Roswell)
- Joe Guillen Award: Rhonda Holderman

We're excited to announce the 2026 NMIFC will take place in Farmington, from November 16–20. We hope you will join us next year!





Spotlight



Welcoming Our Newest Team Members

We have welcomed two new members to the IPDD team over the last month.

Domenica Cimino has joined IPDD as a CDBG Project Manager. In this role, Domenica will manage and oversee Community Development Block Grant (CDBG) projects and will partner with

applicants and grantees to navigate Federal CDBG compliance obligations. Domenica previously worked in higher education negotiating contracts and implementing compliance requirements for medical research projects and clinical trials.

Jesse Guillen has joined as the Bureau Chief for Capital Planning and Policy, where he will oversee the ICIP, quarterly reporting for capital projects, continued system improvements to CAPS, and the Community Development Program Fund grant. Jesse has extensive experience in legislative affairs, capital planning, and policy development. Prior to being named Bureau Chief he served as Infrastructure Policy Coordinator for IPDD and before as



Deputy Director of Boards and Commissions and Legislative Liaison in the Office of the Governor, where he oversaw over \$1 billion in annual capital outlay requests and advised on statewide policy initiatives. His earlier work with the City of Santa Fe included leading legislative modernization efforts, managing policy research teams, and improving transparency through digital governance systems. Jesse holds a MA in International Relations from the University of Kent – Brussels School of International Studies and a BA in Political Science from Lawrence University. He

graduated from Santa Fe High School. In his personal time, Jesse enjoys playing and coaching soccer, traveling, and cleaning up after three kids.



DFA Awards \$24 Million in Capital Development Program Fund Grants

DFA is pleased to announce the inaugural grants have been chosen for the 2025 Capital Development Program Fund (CDPF), which was created by HB 253 and signed into law in 2024.

The State Fund could provide as much as \$325M annually by 2050, providing a more stable and reliable source of capital funding to meet community needs. The 2025 awards were specifically for project completion grants, allowing those awarded to secure the final amount of funding necessary to complete their projects. These grants will help clear the backlog of pending or ongoing projects that have resulted in an unprecedented amount of unspent capital funding. Congratulations to the grant recipients! DFA looks forward to working with each entity to complete their projects.

Number of awards – 40 Counties impacted - 18 Range of grant amounts - \$30,000 - \$1,000,000



USDA NRCS Highlights New Mexico Farmers and Acequias

The United States Department of Agriculture's Natural Resources Conservation Service (USDA NRCS) showcased New Mexico farmers and acequias in their video series, "Dishin' the Dirt". In the <u>video</u> Chief Aubrey Bettencourt visits Ground Stone Farm, a small family farm in NM. The video highlights how the NRCS helped implement precision irrigation and high tunnel tools to increase yields for market crops. The NRCS also explores the long history of acequias in New Mexico. Click below to watch the 2-minute video.



Farmers, ranchers, and forest landowners can contact their area **NRCS** Service Center for more information, and **subscribe to NRCS emails**.

New Mexico's state legislature has also made funding available to local governments or individual farmers, ranchers, or forest landowners through the <u>Healthy Soil Program grants</u>. The New Mexico Department of Agriculture (NMDA) encourages potential applicants to begin working on their project idea now for the next funding cycle.

Applications open January 16 and close noon March 20, 2026. Visit NMDA's Healthy Soil Program website to learn more about the support NMDA provides for planning and projects.

Legislative Updates

Legislative Finance Committee Update-October 2025

Capital Outlay, Accountability & Report Card Highlights

The Legislative Finance Committee (LFC) presented on New Mexico's capital outlay and



accountability systems on October 16, 2025, focusing on funding frameworks, inefficiencies, and program outcomes.

Capital Outlay Review

The LFC outlined how state and higher education projects are prioritized through a funding framework that shapes the annual capital bill. A committee substitute bill, prepared by the Legislative Council Service, merges statewide priorities with individual legislative and executive projects. However, high demand continues—44% of nearly 1,400 projects received less than half their requested funding last year.

Roughly \$7.2 billion of \$15 billion in appropriations remains unspent, due to fragmented oversight and partial funding. The new Capital Projects System (CAPS) aims to streamline coordination and improve project execution.

Accountability and Report Cards

LFC report cards track agency performance quarterly using a **green-yellow-red** rating scale.

- Medicaid: Enrollment dropped 20% since FY2023, yet costs rose nearly \$2B. Despite major investments, access and quality remain stagnant.
- Early Childhood: Access has expanded, but program quality and oversight lag.
- Public Education: Literacy remains low (61% below basic); workforce and implementation challenges persist, though best practices have emerged in high-performing schools.
- Legislative Finance Committee Briefing, October 2025

Capital Planning and Policy Bureau Updates



State Agency ICIP Hearing Recap

The 2027–2031 Infrastructure Capital Improvement Plan public hearings concluded in October, featuring 35 presentations over three days from

various state agencies proposing essential projects. This marks a critical step in establishing the state's five-year infrastructure priorities.

The proposed projects are now under review to assess their readiness, alignment with state plans, and overall community need. This review will determine which projects advance in the process for potential legislative funding.

Following the review phase, the Department of Finance and Administration (DFA) will compile a list of recommended projects and meet with the Legislative Finance Committee (LFC). The LFC and DFA collaborate closely to formulate the Executive Capital Budget, which

determines funding recommendations and the final allocation amounts for each project.

A finalized list of recommended projects will then be presented during the 2026 Legislative Session for appropriation. If approved by the Legislature and the Governor, capital outlay funds will become available in July 2026, marking the beginning of the execution phase for these vital infrastructure improvements.

For questions related to the state agency ICIP process, please contact Ryan Serrano at ryans.serrano@dfa.nm.gov.

Capital Navigation and Funding Bureau Updates



Capacity Training Series II Wrap-up Outreach for New Systems

The Infrastructure Planning and Development Division (IPDD) wrapped up its second series of trainings centered on introducing the Capital Project Systems (CAPS) and Project Accountability Reporting System (PARS) at five in-person community sessions. Trainings were held on September 29th in Espanola, September 30th in Albuquerque, followed by Farmington on October 2nd, Roswell on October 7th, and concluded in Sunland Park on October 9th. While the session centered on the rollout of the new online systems by the New Mexico Department of Finance and Administration, they were also complimented by core trainings organizations need to carry out daily operations.

In-person training included the following subjects: Open Meetings Act (OMA); Inspection of Public Record Act (IPRA) provided by New Mexico Department of Justice (NMDOJ); CAPS training led by Deputy Directors Hallie Brown and Scott Wright; bonding overview provided by the State Board of Finance (SBOF) and PARS provided by Local Government Division (LGD) lead by Carmen Morin and team. This collaboration helped make the training a success, reaching approximately 250

attendees. Based on post-survey data, attendees found the step-by-step walkthroughs, live demonstrations, and clear visuals of the CAPS/PARS systems especially valuable. They appreciated the presenters' knowledge, the ability to ask questions in real time, and the helpful clarifications on new processes, reporting requirements, and system features—particularly because many are still learning how to use these updated platforms.

Special thanks to all the attendees, the agencies that helped provide training, the learning institutions that allowed us to use their facilities, local government entities, and the Council of Governments (COGs) for helping make the trainings a success.

Additional in-person trainings are planned for the Spring of 2026. Topics will be based on the feedback gathered and locations will be planned throughout the state with supplemental webinars available year-round.

For more information, click below to visit the IPDD webpage.

IPDD Website

Updates for Grant Administrators



Internal Controls in Grant Management

Internal controls in grant management are the guiding principles that support an effective grant from the signed grant agreement to the grant close-out process. These

controls, when integrated into a cohesive framework, provide reasonable assurance that grant funds are used efficiently, for authorized purposes, and in compliance with all applicable laws and regulations. The U.S. Government Accountability Office has published a comprehensive guide, commonly referred to as **The Green Book**

This is part one of five explaining each component of internal controls. The first internal control is the *Control Environment*: This is the foundation for an internal control system, which ensures that the agency or subrecipient has clear goals, objectives, and a clear management system. The *control environment* has a commitment to integrity and ethical values and independent oversight. There are structures, reporting lines, and a priority to develop and retain competent people. All who are involved in any aspect of managing the grant are held responsible to strong internal controls.



Don't Leave Federal Dollars on the Table

When organizations receive federal grant funding, it's important to understand how much can be recovered for everyday operating expenses. Federal regulations under 2 CFR §200.414(f) allow eligible entities—those that have never had a negotiated indirect cost rate—to use a 15% *de minimis* indirect cost rate applied to Modified Total Direct Costs (MTDC).

Indirect costs cover the behind-the-scenes expenses that keep programs running, such as office space, utilities, administrative staff, and technology systems. These costs are essential for delivering federally funded projects but are not always easy to assign to one specific activity. By electing the 15% *de minimis* rate, organizations can recover a fair portion of these overhead costs without going through the lengthy process of negotiating a formal indirect cost rate with the federal government.

Using the *de minimis* rate can be especially beneficial for small local governments, nonprofits, and tribal entities. It reduces administrative burden, ensures compliance, and provides predictable funding to support core operations.

The 15% *de minimis* rate under **2 CFR Part 200** is a practical tool to strengthen financial sustainability and make federal funding more accessible, equitable, and impactful for communities.

The slide deck and worksheet from the Federal Grant Bureau's IDC workshop can be found on our website -

https://www.nmdfa.state.nm.us/infrastructure-planning-and-development-division/federal-grants-bureau/ - under Sample Federal Grant Documents.

Funding Opportunities

Governor's Capital Outlay Portal is Open for Online Applications

During the 2025 Legislative Session, Governor Michelle Lujan Grisham announced the launch of an online application form for Capital Outlay requests. Entities seeking funding are encouraged to review the **Governor's letter**, which outlines key requirements and

funding priorities.

Applications must first be submitted through the Legislative Council Service (LCS) portal before requesting funding from the Governor's Office. The LCS portal will remain open through **December 12**, **2025**, and the Governor's Office will accept applications through **December 15**, **2025**.

The total amount of available funding will not be finalized until the conclusion of the legislative session. Applicants should also be aware that potential federal funding shortfalls may impact the overall availability of capital funding. The administration continues to emphasize the completion of existing projects and reducing the current backlog of incomplete projects across the state.

Helpful links:

LCS Capital Outlay Application Portal
Governor's Capital Outlay Application Portal
Governor's Letter on Capital Outlay Priorities



Infrastructure Planning and Development Division

NM Match Fund Project Implementation Grant

The Infrastructure Planning and Development Division (IPDD) recently hosted a state-wide webinar presenting the Project Implementation Grant, a funding opportunity available to entities that have already received a Matching Grant and their associated federal funds. The session walked participants through the purpose of the grant, eligible uses of funding, and the application process. The Project Implementation Grant is

focused on building the administrative and management capacity needed to successfully deliver, track, and report on federally funded projects, rather than supporting the physical aspects of the project. Qualifying entities that have been awarded a Matching Grant will receive an email from Jayden Weist, NM Match Fund Coordinator with information on how to apply for the Project Implementation Grant.

Attendees also received guidance on reporting expectations and heard insights from previous grantees who have successfully used this support to strengthen internal systems and staffing.

If you were unable to join, the full webinar recording is available on the NM Match Fund webpage at: https://www.nmdfa.state.nm.us/nmmatchfund/

Additional details, including the current Grant Programs Management Policy, are also available on the website.

NM Match Fund Website



Program: 2026 Tribal Transportation Program Safety Fund

Agency: Department of Transportation, Federal Highway Administration

Deadline: 1/15/26 Funding: No limits

Overview: This grant supports transportation-safety projects on public roads within Tribal lands. The

goal is to help federally-recognized Tribes develop and implement strategic safety plans, correct

hazardous roadway conditions or features, and address highway safety risks.







Program: Community

Development Block Grant

Program for Indian Tribes

and Alaska Native Villages

Agency: Department of Housing and Urban Development

Deadline: 11/24/25 **Funding:** \$500,000 to

\$2,000,000

Overview: Funding is available for the development of decent housing, suitable living environments, and economic opportunities primarily for persons of low-and moderate-incomes in viable Indian and Alaska Native communities. The creation of decent housing, suitable living environments, and economic opportunities primarily for persons of low-and

Program: FY26 Farm to School Grant Program

Agency: U.S. Department of Agriculture (USDA), Food and Nutrition Service

Deadline: 12/5/25

Funding

Available: \$100,000-\$500,000

Overview: The FY 2026 Farm to School Grant Program supports

School Grant Program supports efforts to improve access to local foods in Child Nutrition Program (CNP) sites through farm-to-CNP initiatives that combine local sourcing with agricultural education. Projects may incorporate locally grown foods into meals, expand infrastructure and distribution capacity, strengthen producer readiness, and create educational opportunities such as school

Program: EPA's Solid
Waste Infrastructure
for Recycling
(SWIFR) Grant
Program

Agency: Environmental

Protection Agency **Deadline:** 12/25/25

Funding

Available: \$100,000-

\$1,500,000

Overview: The Solid
Waste Infrastructure for
Recycling (SWIFR) Tribal
Grant Program provides
funding to Tribes and
Intertribal consortia to
improve recycling, reuse, and
waste management
systems. Projects strengthen
collection, processing, and
end-markets while

moderate-incomes.

gardens, farmers markets, and curriculum integration._ The goal is to connect students with healthy, locally sourced foods while fostering agricultural knowledge, supporting regional producers, and encouraging healthy eating habits.

supporting sustainable infrastructure, reducing environmental impacts, and building long-term community capacity for effective materials management and circular economies.



Program: <u>Technical</u>
<u>Assistance and Training</u>
<u>Grant Program</u>

Agency: Department of Agriculture, Rural Utilities Service

Deadline: 12/31/25 **Funding:** No limits

Overview: Qualified private non-profit organizations will receive TAT grant funds to identify and evaluate solutions to water and waste disposal problems in rural areas, assist applicants in preparing applications for water and waste grants made at the State level offices, and improve operation and maintenance of existing

Program: Solid Waste
Management Grant
Program

Agency: Department of Agriculture, Rural Utilities Service

Deadline: 12/31/25

Eligible Entities: Public bodies, Nonprofits, Federally recognized tribes, Academic institutions

Funding: \$1,000,000

Overview: This program reduces or eliminates pollution of water resources by providing funding for organizations that provide technical assistance or training to improve the planning and management of solid waste sites.

Program: Rural

Decentralized Water System Grant Program

Agency: Department of Agriculture, Rural Utilities

Service

Deadline: 12/1/25 Funding: No limits

Overview: This program provides grant funding to create a revolving loan fund or to award sub-grants to homeowners for supporting access to individually owned water and wastewater services in eligible rural areas.

Disclaimer

water and waste disposal

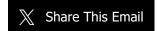
facilities in rural areas.

We recommend that all funding opportunities be reviewed with internal or local legal counsel prior to final approval to ensure compliance with applicable laws, regulations, and organizational policies.



Infrastructure Planning and Development Division







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