

NEW MEXICO SPACEPORT AUTHORITY

Special Meeting

June 9, 2009 2:00PM

Las Cruces, NM

The meeting was called to order by acting Chairman Ben Woods. Roll call was taken with eight members present. Quorum confirmed. Officials and guests present included: Steve Landeene, NMSA, Aaron Prescott, Spaceport America, Lou Gomez, NMSA, Belinda Lucero, NMSA, Steve Amland, NMSA, Matthew Jaramillo, NMFA, Richard Virtrue, NMFA, James Webb, DACC, Dave Vanecek, and Diana Alba, Las Cruces Sun News.

Members Present:

Daniela Glick (conference call)
Brent Westmoreland
Eric Vasquez (Designee) (conference call)
Jim Manatt (conference call)
Ben Woods
Toots Green (conference call)
William Loomis (conference call)
Richard D. Holdridge

Members Not Present:

NA

Approval of Agenda:

Toots Green moved to approve the agenda. Brent Westmoreland seconded on the motion. Motion carried.

Public Comment:

NA

Jim Manatt remained on the call but abstained from voting on any NMFA related issues due to the fact that his daughter is employed by New Mexico Finance Authority (NMFA).

Review & Discussion of State of Finance Memo:

Matthew Jaramillo with NMFA reviewed all sections of the State of Finance Memo. The Debt Management section states that the issue will be \$58M with a 1.28 coverage ratio. The five year history and forecast contains the gross receipts tax analysis. He advised that future revenue from Dona Ana and Sierra County is looking positive which will benefit Spaceport America. Debt structure term is a 20 year bond issue as pursuant to the Spaceport Act. He advised that NMFA forward funds a debt service reserve which is equivalent to a one year debt service and any funds not used will be used to pay for year 19 and 20 which

will decrease the loan one year. Estimated interest is 4.853 but is subject to change, the final rates will be available on June 25, 2009. Mr. Jaramillo advised that the estimated average life of the bonds is 11.51. He also reviewed the estimated semi-annual principle and interest payments and total debt payments. Mr. Jaramillo advised that the NMFA uses a 10 year call, in which all bonds can be recalled at year 10 if there is an influx of GRT funds. He also stated that NMFA does not require insurance due to their strong rating. Mr. Jaramillo advised that an intercept agreement was just approved with Dona Ana County so that GRT collections will be held at the NMFA. Funds will be expended in a period of 12-18 months for most construction projects which will follow New Mexico State Procurement Code. Mr. Jaramillo explained that NMFA retains legal and financial advisory counsel which can act as Spaceport America counsel if the need arises. He advised that the sale of bonds will be a negotiated sale. Richard Virtue reviewed the legal documents. He stated that the Spaceport District passed an intercept resolution in which pledged gross receipts tax revenues will be intercepted by the NMFA to pay the bonds. Mr. Virtue stated that the two main financing documents are the bond resolution and the sale resolution which will finalize the terms and conditions of the bonds.

Review & Approval of Bond Resolution Authorizing the Issuance and Sale of GRT Bonds Series 2009 to NMFA:

Richard Virtue reviewed each section of the Bond Resolution which is required for the bonding process.