

**Board of Director's Meeting  
January 8, 2021  
Virtual Meeting  
Minutes**

1. Call to Order

The quarterly meeting of the Board of Directors of the Southeastern New Mexico Economic Development District/COG was called to order virtually by Board President James Williams at 10:00 a.m. Mr. Williams called for a moment of silence for Bill Mershon, Otero Private Sector member who passed away October 21, 2020. Mr. Mershon was a dedicated Board Member for many years. Mr. Williams also asked for a moment of silence for those who have lost loved ones due to the COVID-19 virus.

2. Pledge of Allegiance

3. Roll Call and Introduction of Guests

The following Member Governments were represented by Directors or Alternates:

MEMBER GOVERNMENTS-PRESENT

Chaves County—Dara Dana, Commissioner  
Eddy County—Fred Beard, Commissioner  
Lea County—Mike Gallagher, County Manager  
Otero County—Sylvia Tilbrook  
Alamogordo—Nadia Sikes, Commissioner  
Artesia—Raye Miller, Mayor  
Capitan—Ron Lowrance, Mayor  
Dexter—Ruby Parks, Clerk/Treasurer  
Hagerman—Tony Garcia, Mayor  
Hope—Rudy Sales, Public Works Director  
Jal—Matt White, City Manager  
Lake Arthur—Debbie Sallee, Clerk/Treasurer  
Lovington—James Williams, City Manager  
Roswell—Judy Stubbs, Councilor  
Ruidoso—Lynn Crawford, Mayor  
Tatum—Marilyn Burns, Mayor

MEMBER GOVERNMENTS-NOT PRESENT

Lynn Willard, Commissioner  
Carlsbad—Lisa Anaya-Flores, Councilor  
Carrizozo—Cynthia Johnson, Trustee  
Cloudcroft—William Denney, Mayor  
Corona—Sam Seely, Mayor  
Eunice—Jordan Yutzy, City Manager  
Hobbs—Todd Randall, City Engineer  
Loving—Pete Estrada, Mayor  
Ruidoso Downs—Dean Holman, Mayor  
Tularosa—Robert Sainz, Trustee

NON-GOVERNMENT MEMBERS-PRESENT

Chaves County—Jon Hitchcock  
Lea County—Robbie Roberts  
Lincoln County—Coda Omness

NON-GOVERNMENT MEMBERS-NOT PRESENT

Eddy County—John Waters  
Otero County—Vacant

A quorum was present with 16 of the 26 Member Governments represented. Three of the five Non-Government Members were also present.

GUESTS AND VISITORS PRESENT

Debi Lee, EDA CARES ACT Consultant  
Trisha Korbass, EDA  
Lisa Dunlap, Roswell Daily Record

SNMEDD/COG STAFF PRESENT

Dora Batista, Executive Director  
Mary Ann Burr, SERPTO Program Manager  
Pansy Moffitt, Office/Finance Administrator  
Hubert Quintana, Consultant  
Debi Lee, EDA CARES ACT Consultant

4. Approve Virtual Meeting Agenda for January 8, 2021:

Mike Gallagher made a motion to approve the agenda and Tony Garcia seconded. Motion carried.

5. Approve Minutes of October 9, 2020:

Mike Gallagher approved minutes seconded by Nadia Sikes. Motion carried.

6. New Mexico Municipal League Legislative Priorities—Judy Stubbs, NMML Treasurer

NMML divided the priorities into four sections:

- (1) Taxation and Revenue deals with State and Local Tax Reform where the New Mexico Municipal League (NMML) will continue to participate in the Tax Policy Advisor Committee (TPAC) to develop a tax reform plan for the state of New Mexico Resolution 2020-18). The NMML will continue to try to improve relationships between the Department and municipalities (Resolution 2020-19). The NMML continues to support legislation for the Hold Harmless gross receipts tax distributions (Resolution 2020-20). The NMML is seeking legislation to create a safety net for local governments to obtain revenue replacement for municipalities (Resolution 2020-22).
- (2) Public Safety concerns with legislation to provide funding and legislative statutory support for mental health resources and mandated Regional Crisis Intervention Teams (Resolution 2020-31). Also with the public safety in schools, NMML proposes to amend the PERA conditions for retirement to allow retired law enforcement officers to be employed in public schools without affecting their PERA benefits, to fund technology to enhance school safety and further increase penalties regarding school shooting threats to a felony. The legislation is also to include monitoring and follow-up on threats made by social media and to help control bullying. It is also intended to provide training through a School Safety Omnibus bill to respond to active shooters (Resolution 2020-33).

The Public Safety legislation priority is also intended to development and adopt guidelines and restrictions regarding Inspection of Public Records Act requesting the release of certain body-worn camera footage (Resolution 2020-34).

Resolution 2020-35 supports legislation that will ensure that funding is appropriated in the best interest of the Fire Protection Fund and its beneficiaries.

A request is to be made to the Governor via the creation of a Police Reform Committee (Resolution 2020-37) to be made up of police executives, elected officials, community members, and other stakeholders to identify and set the goals for police reform. The State Legislature should also consider a well-reasoned approach to obtain an effective police reform.

- (3) The Community & Economic Development priority is for State Grants for Libraries to endorse the passing of legislation to increase the appropriation to the library division of the Cultural Affairs Department to provide grants-in-aid for local library services and operations (Resolution 2020-5). Resolution 2020-11 is for job creation incentives in rural low income areas to provide funding and legislative support for a Rural Job Creation Incentive Program. An amendment to Article 10 Local Economic Development 5-10-3 is proposed to define M. Retail Business and to support Retail Business; setting a percentage of Municipal Economic Development Act Funds for municipalities with populations over 35,000; setting a Sunset Date (Resolution 2020-13). Thus seeking legislation to amend the language contained in Article 10 dealing with Local Economic Development retail businesses.
- (4) Environment deals with Water Conservation Fee urging the legislature to support NMED sampling and analysis efforts through the appropriation of funds to ensure an adequate balance in the Water Conservation Fund. Also modify the Act requiring the Taxation and Revenue Department to collaborate with NMED to identify water systems on the status of water conservation fund payments. The consideration of any increase in the Fund should be sufficient enough to cover all sampling and analytical requirements of the Federal Safe Drinking Water Act (Resolution 2020-17).

The New Mexico Counties 2021 Legislative Issues Priority is that NMC opposes unfunded mandates imposed on county government and opposes legislation that has a significant negative impact on revenue, budgets, and liabilities.

It supports revisions to SB8-Law Enforcement Body Cameras, disposition of personal property for counties, allow non-profits to receive capital outlay funds directly from the state, and amend Solar Energy Improvement Special Assessment for commercial real estate only.

The NMC opposition is that legislation that would created new civil rights cause of action under the NM Constitution and legislation that would create a new special valuation or classification concerning leased residential solar taxed as personal property.

#### 7. Review and Accept Financial Report and Budget Adjustments:

Dora presented the financial report. At the end of our second quarter we are at 54% of our income and 47% of our expenses. Our communications line item is at 58% and this is due to the hard wiring we had to do in order to get set up to handle virtual meetings.

Matt White made a motion to approve the Financial Report and Ron Lowrance seconded. Motion carried.

#### 8. Report on 2018-2019 Audit Exit Interview December 1, 2020—James Williams.

Mr. Williams gave the report on the Audit Exit Interview with Axiom. No findings were present. The District

received an unqualified audit which is the best rating we can get  
This is the last year we are able to use Axiom.

9. Report from Nominating Committee:

The SNMEDD Nominating Committee brought forth the following nominees for the 2021 Slate of Officers:

President—James Williams  
Vice President—Raye Miller  
Treasurer—Tony Garcia  
Secretary—Dora Batista, Staff Executive Director continues in this role

10. Election of New Officers for 2021 Calendar Year.

President—James Williams  
Vice President—Raye Miller  
Treasurer—Tony Garcia  
Secretary—Dora Batista, Staff Executive Director continues in this role

Jon Hitchcock made a motion to approve the 2021 Slate of Officers. Nadia Sikes seconded. Motion carried.

11. Appoint new members to the Executive Committee:

The new members appointed to the Executive Committee are as follows:

Chaves County—Tony Garcia  
Eddy County—Raye Miller  
Lea County—James Williams  
Lincoln County—Sam Seely  
Otero County—Nadia Sikes

The motion was made by Mike Gallagher to accept the members of the Executive Committee. Matt White seconded. Motion carried.

12. Disposal of 2011 Dodge Nitro.

The disposal of the 2011 Dodge Nitro was brought before the Board. Mike Gallagher suggested that the Nitro be auctioned off. Dora said she would contact the County to find out the procedure.

13. Approve Reappointment and Appointment of Private Sector Members:

The approval of the Private Sector Members is as follows:

Chaves County—Jon Hitchcock  
Eddy County—John Waters  
Lea County—Robbie Roberts  
Lincoln County—Coda Omness  
Otero County—Vacant due to the passing of Bill Mershon.

Ms. Batista mentioned that Otero County Manager, Pamela Heltner had approached Sid Gordon to serve as Private Sector. Mr. Gordon was getting it approved through his employment. It was moved by Nadia Sikes to approve the Private Sector Members and seconded by Ron Lowrance. Motion carried.

14. Program and Activity Reports:

- Dora Batista—District Activity Report
- Mary Ann Burr—SERTPO
- Hubert Quintana—Consultant Report
- Debi Lee—EDA CARES ACT Update

Dora Batista— District Activity:

Ms. Batista announced that DFA is looking at mid February for CDBG applications.

A discussion was done to finalize some dates and a memo was sent out encouraging municipalities to go ahead and start hearings and to start working on it since they are running behind due to the pandemic. They were talking about a date of August fourth to turn in the applications. Last year and the year before the applications were always due at the end of June, because of the pandemic they are running about 60 days behind. The hearings will be virtual, and if assistance is needed, she can help with that.

Those of you who have a current CDBG project that is near completion, the date that was mentioned January 7, 2021 was April 16th or threshold Compliance. So that means you would have to have your current CDBG project closed out by then. If, for some reason, you are close, get with Ms. Batista so that she can request a waiver.

Last year they started a new thing where you have to have two pre-selection hearings and one post. Ms. Batista is trying to get them to do away with that because there is a lot of thought planning when you are prioritizing your ICIP projects. Credit should be allowed for that instead of having to do two pre-selection hearings. They want to see two meetings prior to the council meeting and passing a resolution to apply, and they want them in that order and then a post meeting letting everybody know what the council selected.

Be looking for a letter, a memo, telling you to go ahead and start working on your hearings sometime in February. Please contact Ms. Batista so that she can help with this.

Our Colonias Entities the Notice of Intent period began this week. The Colonias Board requires that you file a Notice of Intent. They are asking for an estimate for the amount being requested, the type of project, and a brief description of the Scope of Work. These are due January 19<sup>th</sup> by e-mail. Mr. Quintana sent out the forms January 8, 2021 and Ms. Batista sent them out earlier.

You must file a Notice of Intent. The application opens January 28, 2021 and closes March 3, 2021. It is all online, so if you need assistance, please contact our office.

If you have a current colonias project, right now, you have to be at least 50% spent down on it,

Ms. Batista received the WIA report from Tiffany Roth at the close of business January 7, 2021. It was e-mailed to the Directors

The seven offices in the Eastern area board remain closed, but they're still providing phone service and support service.

The Eastern Board has about one point one million dollars to spend on training for different occupations.

Ms. Roth had an update sheet that says a staff member will be contacting each CEO individually to sign a new CEL agreement and appointment to the Eastern area of workforce board.

She had an update sheet that says a staff member will be contacting each CEO individually to sign a new CEL agreement and appointment to the Eastern area of workforce board.

I have offered to Tiffany Wroth, Operations Manager, that when she has those contracts, and fiscal agent agreements and things that need CEO approval, that she is welcome to bring them here to the Board at our board meetings to get them passed.

On EDA, we continue to perform the work that's outlined in our cares Act funding. This quarter, we ramped up our technology capabilities by fixing up our conference room with new cabling to hardwire and Internet. We purchased a nice big screen, a camera, and a laptop so that we are able to host virtual meetings from our office. This being the first Board Meeting we were able to host from our office. Our thanks go out to James Williams for hosting our last two Board Meetings from his office.

We also held our capital outlay hearings for our five counties in our office. They were successful and were well attended by our legislators.

Ms. Batista announced that Christine Sisneros from our office submitted her resignation this week. She is retiring. We wish her well and appreciate the work she has done for the District. We do have the position is advertized in the Roswell Daily Record. Hopefully we'll have a new employee to introduce to you at our next board meeting.

Mary Ann Burr—SERTPO:

Ms. Burr stated there are six CDBG Comprehensive Development Planning Grants that are ongoing. She stated that we are receiving pay requests on a regular basis although they are little slow during the holidays. Percentages of completion were provided on the written report. She added that two grants expire in July and the remaining four grants expire in December.

SERTPO held a virtual meeting on November 12, 2020 and conducted the public transit prioritization. Scoring results were submitted to NMDOT Transit & Rail on November 17, 2020. Election of officers was also held with Louis Najar (Roswell) elected as the new Policy Vice-Chair and Joey Jarvis (Ruidoso Downs) elected as the new Technical Vice-Chair.

The RTP update work is continuing. Results from the survey have been distributed to subcommittee members, and crash maps for the region were recently received for review.

The updated SNMEDD Economic Impact Evaluation Report, prepared by Debi Lee, has been posted on the website this date along with the dates of the New Mexico Counties Virtual Legislative Conference that takes place next week.

SERTPO's next meeting is planned for February 11, 2021. A presentation by NMDOT staff is planned on the upcoming TAP/RTP/CMAQ Programs. The call for projects is tentatively set for May 2021. Ms. Burr reminded the Board that TAP is the Transportation Alternatives Program, RTP is the Recreational Trails Program and the CMAQ is the Congestion Mitigation Air Quality Program. These programs are on a two-year cycle and are federal reimbursement programs. The programs are 85.44% federal funding and 14.56% local match. According to the last Guide, from two years ago, the maximum for a project was two million and the minimum was seventy-five thousand. She recommended that members be considering potential projects for the programs.

Hubert Quintana—Consultant Update:

We submitted several applications under the Economic Development Adjustment Assistance Program. From our region, we had one project funded. It was the city of Roswell for \$2 million. This was to do improvements on the tarmac and to do an expansion to one of the hangars for one of the companies in the avionics cluster that we have at the airport.

We also had Leaco join in with the city of Jal on their application. Leaco is going to be the entity that owns and operates the system. Although that project did not get funded, it did reach revenues called carry forward hold status. We were advised by EDA that we should keep them in mind and work with them and continue to refine their application under the regular Public Works Program, in the near future for them, to seek to develop broadband. The broadband system would go from Hobbs to Eunice to Jal. Once it is in Jal, it will be distributed throughout the community to provide good broadband service in the City of Jal.

There were several other projects, another broadband project that was discussed this past week with the Town of Carrizozo also. They received information on the statewide broadband plan and some changes that were being made to that plan. We wanted to make sure that what we had envisioned, in doing with the Town of Carrizozo, would still be within the confines of the new State plan. This would enable them to move forward with getting them the money needed. That money would come directly from our operation money that we got from COVID Money Care's Project.

Under the EDA, we had several monies set aside for the Care's Project to help with consultants with different, economic development organizations, chambers and Main Street Programs that are working with Debi. So hopefully that project will get off the ground here in very near future, and we can get moving with it.

We've worked on the Colonias and Capital Outlay Projects preparing everybody for the new funding cycle.

The NOI (Notice of Intent) is due 19th of January on the Colonias Program.

Then the application is open from January 28th, to March the third. We encourage the colonias communities to work with us and get their applications turned in as quickly as possible.

We continue to work with the USDA Department of Development funded the New Mexico Department of Tourism, an EDA and regional office in Austin and with Trish Korbas.

Thanks to Ms. Batista and Mary Ms. Burr that made it possible for the five counties to hold Legislative Capital Outlay projects that we held hearings for. We had great participation with a majority of the legislators in each county participate and every community that had submitted a request. We will be working with the communities that we have under capital outlay to make sure that we will move forward with those.

The capital outlay process is going to be a little different this year. Everything is electronic based and requests will be submitted online. Booklets were put together to send to the legislators either by e-mail or regular mail.

There were several questions from legislators regarding capital outlay and House Bill 2 projects. They were funded in the last session. Our legislators were concerned that money was not being spent. We reminded our legislators that the state has been real slow in getting information and grant agreement out to our local governments resulting in not being able to spend any money prior to the middle of December. Once the grant agreements are released, the money should be spent fairly quickly.

There are a lot of questions from legislators regarding capital outlay and House Bill 2 Junior projects. It had been funded in the last session, and we had to remind them that the state had been real slow in getting information out and contracts out to our local governments so that many of them had not been able to spend any money prior to middle of December, so that the legislators should not be concerned that the money was not being spent, or wouldn't be spent, eventually. The money would get out there real quick once, once we've got the contracts, and everything was there, too.

Mr. Quintana has worked with the community ditch communities. They're there for the first time as a longtime, asking for funds to do work on their projects. Along with several other not for profits, he is interested in seeing how they're going to do the non for-profit undercapitalized, maybe because it may be a violation of the donation laws. We are waiting to see if the legislators are willing to make changes to the Anti Donation Clause so that the funding can go directly to the nonprofit's without going through local governments.

We've participated in several trainings by Via Zoom, with the Environment Department, Department of Development, and others, to keep up with what's going on around the country.

Ms. Lee, Ms. Batista and Mr. Quintana met to discuss how they are going to proceed with doing our Annual Report to EDA in the wisdom of the government. In an effort to save paper, we went from a two page report to a 26 page report. They sat down and looked at



some of the things he had gone through and made some suggestions on how we would respond to those to the report and some of the information that they wanted. Mr. Quintana gave the report to Ms. Batista and Ms. Lee to review and make comments about things that should change or maybe some things that should add to give EDA a greater understanding of what the District has been doing with their planning money and their Care's money since the beginning of the year.

Debi Lee—EDA CARES ACT Update:

An outline was sent out to the Board Members in the last quarter to give them kind of a broad overview of how we're going to manage this. One of the steps was to create an Economic Recovery team.

The Economic Recovery team met for the first time on October 21st. Some of the participants are not familiar with Council of Governments and what their mission is.

Ms. Batista and Ms. Lee put together a little presentation they did a great job explaining the purpose of the COG and all of the things they do, focusing on the planning of major capital projects after carrying state federal money for overall improvements and capacity building. Those were the three primary areas.

A discussion was done about the purpose of the Coronavirus Cares Act. given an overview on that, and went through all of the applications. Mr. Quintana has worked hard preparing all the applications for the various entities that wanted to submit funding requests. There was a discussion in the first meeting about what their purpose was as an economic recovery team and they were invited to participate in various areas, and to identify what their particular area of interest might be. It was decided that the individuals would be put in groups where they would be assigned tasks and activities that they will be working on going forward.

We also went through the first economic impact analysis that I did, where in the first four months, there was \$14 million lost revenue just on gross receipts tax. So the first one that you got for last quarter you looked at gross receipts, tax lodger's tax.

The items of interest were aviation and tourism. It's just amazing how the cities and counties are continuing to operate and taking the shortfall in the revenue source, through gross receipts, tax and other general fund revenues, and other revenues as a whole. Fourteen million nine hundred ten dollars was reported in the very first few months of March through June. This was included in the report for Lea County, Hobbs, JAL, Lovington, Eunice, Eddy County and Artesia. These communities were hit hard with the decline in oil and gas. The City of Hobbs reported 65% decrease, which was about \$6,451,000 overall to the General Fund. All of the cities are very responsible in their financial management and they have reserves, but those reserves are only going to last so long and it appears that the impact from COVID19 is going on for a much longer period of time that we really and hoped for.

Unfortunately, there is not much good news as far as the end of the COVID19. Ms. Lee will continue to monitor the impact not only for the oil and gas industry, but also the retail, food, and accommodations.

Communities like Ruidoso Downs 57% of their revenue comes from retail, 42% in Alamogordo are dependent on that kind of revenue and retail gross receipts tax.

A long spreadsheet is available on request for anyone who would like to have it. The spreadsheet shows every month and every single industry by month by category.

This information is available on the New Mexico Finance Authority or New Mexico Department of Finance website under the Gross Receipts, under the local government tab.

Scott Stark, Roswell Air Center Director did a report on aviation. Mr. Stark has reported that there's an aviation company called Assent Aviation, that is bringing their business to the Roswell Air Center. The plan is to increase the air center's storage that will create a lot jobs immediately and then 360 over the next five years. It translates into about \$25 million and project construction for a hanger that will be the size to home a Boeing 777.

James Williams is working with Lovington's Main Street people and helping to get outdoor dining, and New Mexico seems to have almost all outdoor dining. People are getting creative and how they can continue to survive financially in this very difficult period of time.

The Economic Recovery Committee and the Main Street organizations have worked on retail surveys getting the surveys out to businesses in their communities and we've discussed how we may want to expand that and get it in other areas. We will be doing a survey for the business side that seeks to identify what they're doing, how they're surviving, what creative ideas they're coming up with. We are looking for the components that will help to be part of a recovery plan. This recovery plan needs to be a sustainable, long term plan, not just an immediate fix.

There was also a discussion about sending the surveys out to the local governments. We will be contacting you, the board members, and asking you to fill out the survey once we get it completed. We will really invite and encourage your involvement and your ideas. It's going to be important that we have representation from every single entity, so that we can best represent you in the recovery plan, and that will then help you with funding requests as well.

Ms. Lee updated the Economic Impact Evaluation, and Ms. Burr put it up on the website [www.snmedd.com](http://www.snmedd.com) that was also included in your board packet.

This is a really strong indicator that we've got some real, creative planning and collaboration and leveraging that needs to happen, we can help each other, and we can help develop a plan that's going to be beneficial going forward. So, I won't go into all those details, but you can turn to the page that represents you.

The Small Business Recovery Act is going to allocate an additional 400 million to assist communities and local governments and help them to survive this pandemic and to find ways to come out of this better than before.

The one good thing that has happened is that this relationship building that has happened, and leveraging of resources has people coming together.

Trish Korbas—NM Economic Development Representative:

Ms. Korbas covers New Mexico and West Texas. She has been with EDA for about 18 years; she may have met some people maybe a decade ago when she was civil engineer for construction projects.

EDA worked on some projects for Jal, Lovington, Alamogordo, and Carlsbad. She was engineer for those projects. Ms. Korbas likes to participate on the COG's Board Meetings at least once or twice a year to keep her informed on the happenings in the area and how EDA can help this year with the Cares Act money awarded by EDA.

SNMEDD worked hard in submitting applications for the Cares Act dollars.

Ms. Korbas stated that she thought this region was top or tied for top, with as far as word of mouth and getting applications in.

Ms. Korbas stated that she wanted to let everyone know that while only one project at this time was successful, EDA had about \$163 million dollars to work with as far as the Cares Act money. The Austin Regional Office covers five states, New Mexico, Oklahoma, Arkansas, New Mexico, Oklahoma, Arkansas, Louisiana, and Texas. They had \$163 million to provide for five states.

One big difference about this CARES ACT money and our regular money is that with CARES ACT money is the entire country was eligible. Under EDA's regular programs, you have to actually be eligible under certain distress criteria for the CARES ACT money.

There were projects coming in from every county, every small town, every big city, and received approximately four times of the request that actually had available.

The process was long, and there were a lot of tough decisions to make as far as cutting projects and that were declined.

Ms. Korbas has been working with Mr. Quintana in getting some applications submitted for EDA's regular funding and trying to make those projects as competitive as possible in the hopes that more regular funds will be available this coming fiscal year.

16. Adjourn: The meeting was moved by Mike Gallagher to adjourn and seconded by Robbie Roberts. Meeting adjourned at 11:30 am.

APPROVED:

Raye Millet 4/26/21  
Raye Millet, President Date

ATTESTED BY:

Dora Batista 4/26/21  
Dora Batista, Secretary Date