

Board of Director's Meeting
January 13, 2023
Annual 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 by Board President, Mike Gallagher at 10:00 a.m.

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
Lea County—Mike Gallagher, County Manager
Otero County—Pamela Heltner, County Manager
Lincoln County—Al Cavazos, Capitan Clerk/Treasurer
Capitan—Kevin Kennedy, Project Manager
Corona—Sam Seely, Mayor
Dexter—Ron Chambers, Councilor
Hagerman—Tony Garcia, Mayor (via phone)
Hobbs—Todd Randall, City Engineer (via phone)
Hope—Rudy Sales, Public Works Director
Jal—Matt White, City Manager
Lovington—Robbie Roberts, Mayor
Roswell—Jeanine Corn Best, Councilor
Ruidoso Downs—Joe Jarvis, Public Works Director
Tatum—Amy Gutierrez, Mayor

NON-GOVERNMENT REPRESENTATIVES-PRESENT

Lea County—Robbie Roberts
Lincoln County—Coda Omness

MEMBER GOVERNMENTS-NOT PRESENT

Eddy County—Fred Beard, Commissioner
Alamogordo—Susan Payne, Mayor
Artesia—Jon Henry, Mayor
Carlsbad—Lisa Anaya Flores, Councilor
Carrizozo—Ray Dean, Mayor
Cloudcroft—William Denney, Mayor
Eunice—Billy Hobbs, Mayor
Lake Arthur—Ysidro Salazar, Mayor
Loving—Pete Estrada, Mayor
Mescalero Apache Tribe—Gabe Aguilar, President
Ruidoso—Tim Coughlin, Councilor
Tularosa—Patrick Garcia, Trustee

NON-GOVERNMENT REPRESENTATIVES-NOT PRESENT

Chaves County—Jon Hitchcock
Eddy County—John Waters
Otero County—Sid Gordon

A quorum was present with 15 of the 26 Member Governments represented. Two Non-Government Representatives were also present.

GUESTS AND VISITORS PRESENT

Carolyn Arias, Office Manager SBDC
Lisa Dunlap, Roswell Daily Record
Sylvia Tidwell, Otero County Executive Assistant
Theresa Laredo Garcia, Guest Speaker
Susan Sedillo
Hess Yntema, Roswell City Attorney

SNMEDD/COG STAFF PRESENT

Dora Batista, Executive Director
Mary Ann Burr, SERPTO Program Manager
Paul Pappas, Project Coordinator
Kristina Casaus, Administrative Assistant
Pansy Moffitt, Office/Finance Administrator
Hubert Quintana, Consultant
Debi Lee, Consultant

4. **Program: Theresa Laredo-Garcia, Program Development Manager, Mortgage Finance Authority:** Restoring our Communities (ROC) program was developed to meet New Mexico's need for single family affordable housing while assisting communities by reducing vacant and abandoned properties that reduce the values within the community. This is pilot program and has \$4,000,000 available. It is only available for single family homes at this time. If this program takes off, it has the possibility to extend to multi-family homes. It will provide funding for acquisition, rehabilitation, and the resale of the single-family homes with the goal being to increase homeownership opportunities for low to moderate income households.

The program objectives are to provide funding for acquisition and rehabilitation of vacant or abandoned properties in New Mexico communities. It was also developed to create and preserve affordable housing opportunities for low-moderate-middle income homebuyers.

The acquisition/rehabilitation activity will require the applicants to identify abandoned, vacant, and/or foreclosed properties throughout New Mexico. Also, it is to obtain appraisals for the properties, purchase, rehab and resell the property for low- middle to medium income homebuyers. The Mortgage Finance Authority will ensure long term affordability through the use of a Land Use Restriction Agreement (LURA).

The applicants that will be eligible include, but are not limited to non-profit organizations, for-profit organizations, governmental housing agencies/authorities, regional housing authorities, governmental entities, governmental instrumentalities, tribal governments, tribal housing agencies, developers, builders, corporations, limited liability companies, partnerships, joint ventures, syndicates, associations, or other entities that can assume contractual liability and legal responsibility by executing one or more written agreements with MFA.

The final detail of the program has a potential release date in the first quarter of 2023.

5. **ACTION ITEMS:**

- a. Approve Meeting Agenda for January 13, 2023.
Motion made by Sam Seely to approve the agenda and seconded by Matt White. Motion carried.
- b. Approve Minutes of October 14, 2022.
Motion made by Matt White to approve minutes and seconded by Amy Gutierrez. Motion carried.

c. Review and Accept Financial Report.

Dora presented the Financial Report and stated that we are at 50% of our budget with DFA appropriations; the EDA money is at 50%; Grant Administration is at 9% for grant funding but they do not come on each quarter, they come in as project progresses. We are in the process of closing out 3 grants and will draw down on the legislative grant. Dora stated that SNMEDD did receive a grant writing/technical capacity for \$125,000 but it is not reflected on the report. This grant has been executed on our end, but not on the state's end at this time. Dora stated that the expenses we are at 35% which is a little high on communications but that is because we have been having some wiring done and other technical assistance that is needed.

Motion to approve Financial Report and Budget Adjustments was approved by Robbie Roberts and seconded by Sam Seely. Motion carried.

d. Approve Draft of CEDS (Comprehensive Economic Development Strategy).

Hubert Quintana presented the draft of CEDS. He stated that this is to look at the strengths and weaknesses of the District along with opportunities and threats which sets up regional goals for our District. Hubert stated that the focus groups met by County when developing the Regional Economic Recovery Resilience Plan and discussed strengths and weaknesses, opportunities, and goals. Also Dr. Michael Patrick an economist at NMSU brought in the Purdue University Regional Center for Development and the Cluster Analysis that was used in the draft CEDS. The drill down analysis developed by Purdue University did recognize the importance of agri-business, oil and gas industry, retail, and tourism. Also, it identified where the jobs are and the expanding of education opportunities.

A motion was made to approve the CEDS draft by Pamela Heltner and seconded by Matt White.

6. Report on 2021-2022 Audit Exit Interview, November 30, 2022:

Treasurer Tony Garcia and Finance Administrator Pansy Moffitt met virtually with Axiom accountants, Jaime Rumboa and Yasmeen Jalil and reviewed the 2021-2022 audit. Dora Batista participated telephonically. The 2021-2022 reports that there were no significant findings. The Board congratulated Dora and Pansy for the good audit.

7. Report from Nominating Committee:

The Nominating Committee presented the slate of officers for the 2023 year.

Michael Gallagher, President; Sam Seely, Vice President; Tony Garcia, Treasurer; and Dora Batista as Secretary.

The Executive Committee consist of the SNMEDD Officers if elected:

Tony Garcia, Chaves County; Rudy Sales, Eddy County; Mike Gallagher, Lea County; Sam Seely, Lincoln County, and Susan Payne, Otero County.

The Private Sector Members would be Jon Hitchcock, Chaves County; John Waters, Eddy County; Robbie Roberts, Lea County; Coda Omness, Lincoln County; and Sid Gordon, Otero County.

8. Election and Re-election of Officers for 2023 Calendar Year:

The slate of officers was discussed and with out any nominations from the floor a motion wa made that the nominations be accepted as presented:

Michael Gallagher--President

Sam Seely—Vice President

Tony Garcia—Treasurer

Dora Batista—Secretary

Matt White moved that the nominations be accepted, Robbie Roberts seconded. Motion Carried.

9. Appoint Members to the Executive Committee:

The Executive Committee consists of a Board Member from each county and is as follows:

Chaves County—Tony Garcia
Eddy County—Rudy Sales
Lea County—Michael Gallagher
Lincoln County—Sam Seely
Otero County—Susan Payne

It was moved by Robbie Roberts that the Executive Committee be accepted as presented.
Seconded by Matt White. Motion Carried

10. Approve Reappointment and Appointment of Private Sector:

The Private Sector appointments are presented as the same as the previous year. They are:

Chaves County—Jon Hitchcock
Eddy County—John Waters
Lea County—Robbie Roberts
Lincoln County—Coda Omness
Otero County—Sid Gordon

It was moved by Pamela Heltner that the Private Sector Members remain as previous year.
Seconded by Amy Gutierrez. Motion carried.

11. Program and Activity Reports:

- Dora Batista—SNMEDD District Activity and Program Updates
Dora's report was included in the Board Packet.

DFA solicited requests for applicants for three different grants.

1. Capacity Building Grant for \$1,500,000, 32 participants were awarded. Our District was awarded the largest amount being \$125,000 with a condition that the money must be spent by June 30, 2023. SNMEDD will be assisting communities with grant writing and grant management.
2. Matching Fund Grant for \$1,000,000. The only one awarded in our District was the City of Carlsbad in the amount of \$275,000. SNMEDD submitted 5 applications for municipalities.
3. Regional Recreation Center Quality of Life Grant. Our region received 6 awards: Carlsbad—\$3,324,000, Hagerman—90,000, Jal—\$1,215,00, Ruidoso—\$63,923 and \$72,327, and Tularosa—\$924,866.

The CDBG 2022 hearing was held in December 2022. The state had \$10,448,316 available and our District got 50% of that money. Everyone that applied received funding.

The Colonias Grant, Notice of Intent to apply was due January 19, 2023 and the State received \$67,500,000 to allocate. The maximum amount to apply for is \$10,000,000 and we will assisting be our communities with applications.

Dora stated that we have helped our rural communities obtain grants to update their Comprehensive Plans and are working on applications for Asset Management Plans which the State and funding agencies are pushing.

Dora stated that SNMEDD has received a DFA Grant in the amount of \$125,000 for technical support, technical capacity, and grant writing and will be using these funds to help the smaller towns apply for NM Transportation Funding through SERTPO as well as other grants. She stated that the smaller towns have not taken advantage of NMDOT funding and we will hold a workshop to inform communities what types of NMDOT fundings are available and how to apply for it. Our goal is to help the small communities get transportation funding for their projects.

Dora received an e-mail from the Senate Finance Committee regarding Capital Outlay and that during the first 3 weeks they will be looking at the Capital Outlay projects that are not moving forward to re-coup that unspent money. Hubert has been working with our communities' and their projects to ensure that they are progressing or justification as to why they are not.

- Mary Ann Burr—SERTPO

The SERTPO met in October 2022 and approved its Public Participation Plan, Regional Transportation Plan, and Title VI Plan. They also reviewed and discussed the Transportation Project Fund (TPF) Program. In November, SERTPO conducted public transit prioritization, and the results were sent to NMDOT Transit and Rail (Santa Fe).

Additionally, in November, members approved a timeline for the Transportation Alternatives Program (TAP), Recreational Trails Program (RTP) and the Carbon Reduction Program (CRP). Project Feasibility Forms (PFFs) were due January 5, 2023. Three PFFs were received; two from Mescalero and one from Portales.

Feasibility reviews are scheduled the week of January 6, 2023. Following the reviews, applicants will package their final applications which are due February 15, 2023 and will be uploaded to NMDOT by March 10, 2023.

Regarding the Transportation Project Fund (TPF), SERTPO is updating program policies/criteria. A subcommittee recently met (1/12/23) and is sending its recommendations for SERTPO review and approval during its February meeting.

Regarding Comp Plans, the Village of Hope is in the process of selecting their Planner, and, for the Town of Dexter, the Planner is anticipating a completed draft Plan in January. The Town of Hagerman received their award letter for an Asset Management Plan in late December and received their Grant Agreement in January. Asset Management Plans for the Town of Lake Arthur and the City of Ruidoso Downs are still pending, awaiting awards.

- Paul Pappas—Program Coordinator

Paul Pappas gave an update on the CDBG projects and stated that he is in the process of closing the following three CDBG Projects: the Carlsbad Senior Center, Cloudcroft's Senior Center expansion and Loving's wastewater improvement project. The final closeout paperwork has been received for Carlsbad and Loving and we are getting the final pay requests processed so that those projects can be officially closed. It is expected that we will be able to close out Cloudcroft within 60 days.

Paul stated that there four other projects that are approaching their construction phase. They are: 1) Dexter water system improvement project; 2) Carrizozo street and drainage improvement project; 3) Otero County's phase 3 of the CHINS building renovation, and 4) Eddy County's wastewater project in Artesia.

The 2022 CDBG hearings were held on November 10, 2022, and awards were approved on December 7, 2022. All seven of our applicants were awarded:

- Hagerman—Wastewater Improvements new lift station.
- Artesia—ADA Sidewalk Compliance.
- Chaves County—New Health Center.
- Hope—Water System Improvements.
- Tatum—Water System Improvements.
- Ruidoso Downs—Water System Improvements.
- Tularosa—Wastewater Improvements, renovation to influent lift station.

- Hubert Quintana—Consultant

Hubert reported that he has conducted Capital Outlay Legislative Hearings for five counties: Chaves, Eddy, Lea, Lincoln, and Otero. The hearings were both virtual and in person over five days. There was a total of eighty-three people attending their respective hearing. Also, twelve legislators participated either virtual, in person, or telephonically. Not only were there requests from local governments, but also from non-for-profit organizations requesting funding through HB2 Jr. Approximately 150 requests were made ranging from \$50,000 to \$11,000,000.

Hubert met with the City of Roswell to discuss modification to their Capital Outlay requests. There will be another meeting to complete the modifications. He reported that they also discussed the possibility of the city and the district asking EDA for the ability to reauthorize the use of their CARES Funding Award. EDA has been notified and future discussions of the reauthorization are in progress.

Technical assistance for Capital Outlay reauthorizations for Lovington, Tularosa, Loving, Timberon, Cloudcroft, Malaga, and Alamogordo were provided.

Hubert attended the Colonias Infrastructure Projects Review Meetings and the Colonias Infrastructure Board Meetings in Las Cruces. This being the first time the Board met in person in two years due to the COVID19. The Village of Cloudcroft reverted their funding for streets because they were going to need to do some additional infrastructure work along the roads and were not ready to proceed at this time.

Hubert attended two Southeastern New Mexico Community Action Corporation Board of Directors meetings via zoom.

Provided technical assistance to the following public entities and local governments: City of Jal, Hondo Public Schools, Lincoln County, Village of Ruidoso, Town of Tatum, City of Lovington, San Patricio Community Ditch, Enchanted Forest MDWCA, Cedar Creek MDWCA, Chippeway MDWCA, Capped Inc, City of Roswell, City of Alamogordo, Region IX Educational Cooperative, Malaga MDWCA, and Otis MDWCA.

Assisted the Roswell Symphony, CASA, Eunice, Malaga, Otis, Other County, Boys and Girls Clubs of Lincoln and Chaves County and Cloudcroft with HB2Jr requests.

Participated in weekly ECA-COG call -ins held each Monday. These included several federal agencies (EDA, USDA, SVA), state agencies and departments (DFA, Tourism, Economic Development, Environment Department) and all seven councils of governments.

Hubert attended a NewMarc meeting in Albuquerque.

Paul Pappas and Hubert participated in a meeting in Ruidoso for the Lincoln County Village of Ruidoso Disaster Emergency Recovery Meeting that was hosted by EDA. In attendance were representatives from FEMA, NMDOT, USDA, NMDFA, NM Emergency Assistance Office, Lincoln County and the Village of Ruidoso.

Hubert worked on the District's CEDS (Comprehensive Economic Development Strategy) plan. This is a requirement by EDA for funding every 5 years.

He participated in a meeting with Dora Batista, Debi Lee, and Dr. Michael Patrick on the EDA grant for disaster assistance to Ruidoso and Lincoln County after the wildfire and ensuing floods.

- Debi Lee—Consultant

Ms. Lee's report was included in the Board Packet.

Debi reported that the economic evaluation shows that New Mexico is on the road to recovery from COVID-19 and that business activity has increased throughout the state.

She reported that Lea and Eddy County made up 25% of the New Mexico budget due to the Oil and Gas Industry which results in New Mexico's economy being on the upswing. Economically the State of New Mexico is doing quite well. She stated that Southeast New Mexico reported a strong fourth quarter for economic growth and increased revenues and that data shows that the economy is healthy, businesses are expanding, and the economy is growing.

Debi reported that the five leading industries in the Southeastern part of New Mexico continue to be Oil and Gas, Retail, Tourism, Agri-Business, and Defense.

She stated the Regional Economic Recovery and Resilience Plan cluster analysis identified jobs, national trends, regional trends, regional performance, actual growth, economic growth, and industry growth. The purpose of this is to support our Economic Development organizations and communities look for economic opportunities and grow their communities. She stated that she and Dora are talking with Dr. Patrick about updating the drill down analysis to reflect the newest details and proving this information in planned meetings.

Debi stated that she provided several graphs in her report to show each community's gross receipt tax collections demonstrating the recovery from COVID-19.

Ms. Lee and Dr. Michael Patrick held several meetings, and she developed an outlined and a list of activities that will be scheduled over the upcoming months. The first one being a meeting with Economic Development Directors and community leaders to discuss the SNMEDD Regional Recovery Resilience Plan Highlights to determine their economic goals and planned activities and how they will align with the Regional Recovery Resilience Plan. They are also hoping to talk with the smaller communities, Main Street Directors,

and industry leaders and offer technical assistance and help identify resources or grants to accomplish their goals. This will be a great benefit in driving new economic activities and to create resilience for southeast New Mexico. A copy of the SNMEDD Regional and Recovery Resilience Plan Highlights was included with her report.

Debi stated that she prepares a weekly list of grants and resources along with webinars and meetings and sends it in an e-mail to SNMEDD members and others that have requested it. She stated that if you want to receive this information, let her know and she will add you to the distribution list Debi thanked the Board for the opportunity to work with SNMEDD and the southeast communities.

12. ANNOUNCEMENTS AND INFORMATION SHARING:

13. ADJOURN:

Adjourned at 11:50 am.

APPROVED:

Sam Saly *Vice* 4/14/2023
Mike Gallagher, President Date

Sam Seeloy
ATTESTED BY:

Dora Batista 4-14-23
Dora Batista, Secretary Date