

Board of Director's Meeting

**April 14, 2023
Quarterly 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 Vice President, Sam Seely at 10:00 am.

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—Vidal Martinez

Lincoln County—Kevin Kennedy

Otero County—Gail McCoy

Artesia—Hayley Klein

Capitan—Al Cavazos, Clerk/Treasurer

Carlsbad—Lisa Anaya Flores, Councilor

Carrizozo—Ray Dean, Mayor

Cloudcroft—Grover Sterling, Trustee

Corona—Sam Seely, Mayor

Hagerman—Tony Garcia, Mayor

Jal—Stephen Aldridge, Mayor

Lovington—Liz White

Roswell—Juliana Halvorson, Councilor

Ruidoso—Gary Jackson, Councilor

Ruidoso Downs—Israel Chavez, Assistant Public Works Director

NON-GOVERNMENT REPRESENTATIVES-PRESENT

Chaves County—Jon Hitchcock

Lea County—Robbie Roberts

MEMBER GOVERNMENTS-NOT PRESENT

Eddy County—Ernie Carlson, Commissioner

Lea County—Mike Gallagher, County Manager

Alamogordo—Susan Payne, Mayor

Dexter—Ron Chambers, Councilor

Eunice—Billy Hobbs, Mayor

Hobbs—Todd Randall, City Engineer

Hope—Rudy Sales, Public Works Director

Lake Arthur—Ysidro Salazar, Mayor

Loving—Rick Fuentes, Mayor

Tatum—Amy Gutierrez, Mayor

Tularosa—Patrick Garcia, Trustee

NON-GOVERNMENT REPRESENTATIVES-NOT PRESENT

Eddy County—John Waters

Lincoln County—Coda Omness

Otero County—Sid Gordon

A quorum was present with 16 of the 26 Member Governments represented. Two Non-Government Representatives were also present.

GUESTS AND VISITORS PRESENT

Representative James Townsend
Representative Greg Nibert
Representative Randall Pettigrew
Representative Harlan Vincent
Representative Jimmy Mason
Carolyn Arias, Office Manager SBDC
Lisa Dunlap, Roswell Daily Record
Rhonda Vincent
Rifle Salas, Councilor, Ruidoso
Tim Jennings, Mayor, Roswell

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: Legislative Review by Area Legislators**

Area legislators were invited to update the Board of Directors on the 2023 Legislative session and the following attended: Representative James Townsend, Representative Greg Nibert, Representative Randall Pettigrew, Representative Harlan Vincent, and Representative Jimmy Mason.

Each Legislator spoke on how the public schools and local governments need to prepare for the new laws dealing with gender related care, identification and human rights. They all agreed that it was a difficult long session.

Representative Pettigrew's opinion was that much of the legislation and fiscal decisions were there were attempts to pre-empt the rights and choices of individuals and local governments for the state agencies and bureaucracies to make determinations about gender rights, abortion, gun control, taxation, election laws, climate change and pretty much any other right that one would consider important from the 1st Amendment to the 14th Amendment.

Representative Nibert recommended that schools, local governments, and other public bodies prepare to deal with the implications of House Bill 7 and House Bill 207 which takes effect on June 16. House Bill 7 allows public entities up to \$5,000 fine per violation. He suggested that employee manuals be updated and that personnel are instructed on how to deal with some of the issues. The Bills specifically provide that the public entity will be held accountable in the event of a lawsuit for the discriminatory acts under the bills. House Bill 7, the Reproductive and Gender-Affirming Health Care Freedom Act prohibits a public body or someone acting on its behalf to interfere or prohibit another person regarding their choices related to reproduction, reproductive care or gender-affirming care. It also prohibits discrimination regarding a person's choices or actions. According to the Governor it is needed to give people autonomy and allow them to make safe choices regarding things like pregnancy, birth control, abortions, miscarriages, menopause and transgender care. One of the sponsors of the bill thought the law would make sure transgender and non-binary New Mexicans will be able to succeed in school, establish healthy relationships with their friends and family, and live authentically as themselves.

Representative Vincent, Pettigrew and Townsend felt that House Bill 7 could also mean that public school teachers will be barred from telling parents about their children's choices or concerns. A teacher could be sued or fined and possibly lose their job if they inform the parent about what they know the child is going through.

House Bill 7 indicates that only the public entity and not an individual can be held legally responsible. The proponents stressed the intent is to safeguard personal and family privacy and to prohibit discrimination and the blocking of health care decisions.

House Bill 207 relates to the Human Rights Act where more governmental agencies are specified as being prohibited from discriminating against people based on many characteristics such as disabilities, age, sex, race, pregnancy status, religion, and nationality. Several terms have been redefined while adding the word "gender" to the Act. It defines gender as "an individual or societal expectation or perception of a person as masculine or feminine based on appearance, behavior, or physical characteristics."

The Representatives discussed some of their successes in the 60 day session. They blocked most of the gun laws that were introduced; passed a bill to reduce allowable medical malpractice claims characterized by Representative Nibert as "fixing a problem the legislature previously made". A shoplifting and organized retail crime bill was also passed. Also stated was the amount of money available to survivors of firefighters killed while on duty where the amount was raised to \$1,000,000. The "Red Flag Law" was created barring prescribed fires when red-flag weather warnings were issued. The Inspection of Public Records Act (IPRA) was changed to provide additional exemptions about the release of personal and medical information, visual images of deceased and injured people, and of video and audio recordings regarding death notifications. The Representatives also indicated that Senate Bill 7 which created the Rural Health Care Delivery Fund should help the local area by providing grants to eligible rural health care providers and facilities.

Representatives also expressed that they had hoped for more bills aimed at reducing crime, more conservative fiscal decisions such as more capital outlay and the Junior Bill funding given to the legislators instead of the Governor, and the passage of a return-to-work bill that would have allowed retired or former public employees, including correction and law enforcement officers be hired again without affecting their retirement benefits. Hopefully these items will be reintroduced and passed in the future.

5. ACTION ITEMS:

- a. Approve Meeting Agenda for April 14, 2023.

Motion made by Tony Garcia to approve the agenda and seconded by Jon Hitchcock. Motion carried.

- b. Approve Minutes of January 13, 2023.

Motion made by Kevin Kennedy to approve minutes and seconded by Tony Garcia. Motion carried.

- c. Review and Adopt 2022-2023 Audit Report—Axiom Certified Accountants.

The audit was submitted December 1, 2022, and released February 13, 2023. A copy of the audit was distributed to the Board Members prior to the meeting. The District received an unmodified opinion or a "clean" opinion with no findings. Axiom stated that the District selected and applied significant accounting policies appropriately and consistent with the policies of the previous year. There were no significant difficulties encountered during the audit. No uncorrected audit adjustments were found and there were no disagreements with the District.

Dora Batista asked for a motion to accept the Audit Report. Robbie Roberts moved that the audit be accepted as presented, and Lisa Flores seconded the motion. Motion carried.

- d. Review and Accept Financial Report.

Dora Batista presented the Financial Report and stated there were three adjustments. She stated that the District received three grants; DFA Capacity Grant for grant writing in the amount of \$125,000

reflected in income with corresponding expenses; Legislative grant for technical assistance and an EDA Disaster Recovery Grant. Dora stated staff tracks expenses against grants and the DFA grant shows \$0 on the income side shows and \$0 spent legislative grant 0 income because we have to pay up front and request reimbursement.

She stated that the EDA Disaster Recovery grant report \$100,000 drawn down with \$50,000 still available. This grant is earmarked for specific projects.

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

e. Review and Approve 2023-2024 Membership Dues.

Dora Batista stated that the dues have been the same since 2016 and at this point, we have been able to sustain with EDA and DFA funding along with revenue from grant administration. She said that the dues enable the District to operate and account for a quarter of our budget, which allows us to provide the services we do, especially to the smaller communities.

A motion was made by Ray Dean to approve the Membership Dues and seconded by Lisa Flores. Motion carried.

f. Approve New Bank Signature Authorization Cards

Dora stated that the Board needed to approve new signature cards allowing new officers to sign checks and other financial documents on our bank accounts. This is a result of the new officers elected for this year. Dora stated that our policy requires two signatures: the Director-Dora Batista and either Board President-Mike Gallagher, Vice President-Sam Seely, or Treasurer-Tony Garcia.

A motion was made by Al Cavazos to approve New Signature Cards and seconded by Dara Dana. Motion carried.

g. Review and Approve Annual Work Plan.

The Annual Work Plan is a requirement by the Department of Finance and Administration. Dora stated that the Work Plan includes the District's activities and functions along with our quarterly report. She said they also require the Board minutes showing that the Work Plan was approved.

A motion was made by Tony Garcia to approve the Work Plan and seconded by Robbie Roberts. Motion carried.

h. Review and Approve Contracts and Amendments.

Dora reported that there are two contracts and one Amendment needing consideration and approval. She suggested separate motions for each contract and amendment.

1). Stafford Act Disaster Recovery Services. Dora explained that she has been working with the Village of Ruidoso and Lincoln County, through the EDA Disaster Recovery grant. She stated that in the last quarter, she advertised for a full-time position as a disaster recovery coordinator on Indeed.com; the Albuquerque Journal; Roswell Daily Record; Las Cruces News Sun; and Municipal League. A list of candidates was chosen, and interviews were held. One candidate chose to interview in person. The other two candidates lived in other states and were interviewed virtually. After coming to Ruidoso and meeting with the Village and County, the in person candidate withdrew his name for consideration. The other two candidates that were interviewed virtually did not satisfy the panel. The Village and County decided to consider contracting with a consulting firm with disaster recovery experience. As a result, we advertised an RFP and had 13 requests for the RFP and 6 responses. After reviewing the proposals, the County and Village

selected one consulting firm and interviewed them via zoom. Representatives from Stafford Disaster and Recovery Services flew down two days later and introduced themselves. It was agreed that this would be the firm to choose. Dora stated that they were very knowledgeable, and the Village and County believe they can help push the FEMA process along. A significant amount of money has not been reimbursed from FEMA to the Village and County as far back as the 2008 Hurricane Dolly flood damage.

Dora stated that this contract will be managed by approved tasks prior to billing to ensure there is adequate grant funding to support their services. Their first task is to come down for a week, visit with the staff and evaluate what has been submitted to FEMA and what is needed to secure reimbursement. The first task is \$14,000 plus expenses which will be paid out of the EDA Grant.

A motion was made by Stephen Aldridge to approve the contract with Stafford Act Disaster and Recovery Services, seconded by Robbie Roberts. Motion carried.

2). The second contract is Tierra Grande Grant Writing. EDA will soon announce that they have received Disaster Recovery Funds for disasters nationwide. The Austin Regional Office serves five states including New Mexico and they intend to assign a large portion of those funds to the areas affected by last year's fires.

The District has grant writing money to spend before June 30, 2023, and we have found a grant writing firm to commit to working on EDA grants for the Village of Ruidoso and Lincoln County. Our EDA representative wants them to submit approximately three each. Dora stated that we tried to get quotes from two other firms, and they declined as they were booked. One of the firms, the Grant Plant said we would be put on a waiting list. She stated that because we only have the funds until June 30, 2023, we had to make a quick decision. Tierra Grande has done grant writing for some of the other COGS with the same grant. They bill by the hour and understand we only have available funds until June 30th when the contract runs out. Dora stated that their fee is \$75.00 per hour for their team and research and their costs will come out of the Grant Writing Grant. This contract is below \$60,000 for Professional Services.

A motion was made by Stephen Aldridge to accept the contract and seconded by Tony Garcia. Motion carried.

3). DLee Coordinator & Associates (Amendment). Debi Lee has been a valuable asset to the District. With the Technical Services Grant money, Debi has assisted us with the Colonias Grant applications, Transportation Grant Project applications; upgrading our Personnel Policy that has not been upgraded since 2008 and our Purchasing Policy that has not been upgraded since 2006. She continues to work with our EDA Recovery Plan goals and will be visiting our counties in the upcoming months. This amendment increases her current contract by \$5,870.00 for additional hours she has worked on various grant applications and policies. The increase will be expended from the Technical Services Capacity Grant that must be spent by June 30, 2023.

A motion was made by Jon Hitchcock to approve the amendment and seconded by Ray Dean. Motion carried.

6. PROGRAM AND ACTIVITY REPORTS;

Dora Batista—SNMEDD District Activity and Program Updates

Dora's report was included in the Board Packet. Dora, Mary Ann Burr, Debi Lee and Jason Burns, SERTPO President evaluated the last three years of transportation funding application and identified those municipalities in our district that have not received transportation funds or applied for funding. It was determined that one of the reasons was

that many didn't understand the process and did not have staffing to apply. As a result, a workshop was planned, and organized to help communities apply for the funds. A power point was put together that identified Transportation funding and included a matrix with all the program details. Dora explained that engineering assistance was offered along with grant writing assistance to support the required mapping /cost estimates and application submission. Approximately a dozen new applications for funding were submitted as a result of our efforts.

The Village of Ruidoso and Lincoln County assisted in selecting a consulting service for Disaster Recovery utilizing the EDA grant the District received. Part of our grant writing grant was also dedicated to Lincoln County and the Village of Ruidoso with the hope that we can assist them in their recovery process due to the latest fire disaster.

Dora reported that we continue to work with Dr. Michael Patrick, a Professor with NMSU's Economic Department to implement the goals from our Economic Recovery and Resilience Plan. The first step was to commission updated reports such as a current drill down analysis for the regional and for each County; Economic growth reports; and a workforce analysis. After we receive all the information, we will visit each county's economic and industry leaders and provide them with the data.

Dora reported that our presence was maintained throughout the Legislative Session to assist our legislators with any questions they may have concerning our communities and the capital outlay. Our five-county region did very well as we received approximately \$71,553,887 in capital outlay and \$8,420,000 in HB2 Jr. funds. The District will receive \$175,000 for technical assistance and capacity building if it is not vetoed by the Governor.

Dora reported that we continue to assist our LMI (Low to Moderate Communities) in applying for CDBG planning funds to update their comprehensive plans. After this is completed, we will move on to Asset Management Plans for communities that need them.

Dora stated that the District acts as a fiscal agent for the municipalities that need assistance in order to receive their legislative funds and for those communities who had audit findings. We continue to administer CDBG grants and at this time, we have 55 legislative grants to support.

Dora stated that we continue to assist and build our relationships with the County Economic Development Organizations, Main Street Programs, State Agencies, Funding Sources, and other related agencies as part of our Economic Recovery Plan as well as the Regional Transportation Planning Organization, EDA, NMED, NMEDD, Colonias Infrastructure, Water Trust Board, USDA, and DFA in order to maximize information, opportunity, funding opportunities, and planning for our municipalities and counties in our District.

Dora stated that in this quarter the District's focus was on applying for funding opportunities for the District and our municipalities and we also closed out several comprehensive plans and CDBG projects.

Mary Ann Burr—SERTPO

The SERTPO Transportation Project Fund (TPF) Program received 44 applications, one application withdrew, 8 capital requests, 12 design and 23 maintenance applications. Virtual Project Feasibility Form (PFF) reviews were held the last week of March. Final application packets are due April 19, 2023, and the SERTPO rating meeting is anticipated to be a longer

meeting scheduled on May 8, 2023, at the Roswell Convention Center. Priority results will be completed/submitted, and awards will be announced either late August or early September.

The Regional Transportation Planning Organizations (RTPOs) will be meeting next week for its quarterly meeting.

The status of the planning grants are as follows: Dexter has completed its Comprehensive Plan and close-out documents have been submitted; Hagerman is in the selection of a Planner phase for its Asset Management Plan; Hope has selected its Planner (Architectural Research Consultants (ARC)), and their Comprehensive Plan is underway; and Ruidoso Downs received an award letter this week for its Asset Management Plan, with the Agreement phase about to begin.

Paul Pappas—Program Coordinator

Paperwork was submitted on three of the older CDBG files, Cloudcroft, Loving and Carlsbad.

Dexter's CDBG water line project is under construction. We have either gone out to bid or are in the process of bidding on Eddy County, Otero County and Lake Arthur. The Carrizozo project has been slowed down due to having to get an archeological assessment at the site. It has since been cleared and we are able to move forward.

Grant agreements have been received and signed on the majority of the seven 2022 CDBG projects, Hagerman, Artesia, Chaves County, Hope, Tatum, Ruidoso Downs, and Tularosa. SHPO clearance has been obtained on all but Artesia, which should be soon. We are in the process of obtaining the release of grant funds on these projects also.

Typically, the deadline for applications is normally in August. As soon as we know for sure you will be informed. If you are thinking of applying for 2023 CDBG, you need to start thinking about potential projects. Public hearings are required before applying. The hearings are to allow the public to have input on potential projects or submit projects for consideration. To maximize points in the application scoring there should be 3 to 4 hearings before the application deadline. We prefer to do three preselection hearings and one final post selection hearing after the project has been agreed on. We would be more than happy to assist with the strategic plan for your project and if we can include any of your existing grants with it.

Hubert Quintana—Consultant

Hubert was in Santa Fe for the majority of the Legislative Session. He included in the packet the list of Capital projects that got funded, with the yellow highlighted projects as being fully funded. The other ones may have been funded but not fully. Our District brought in \$71,679,887 which was a record-breaking amount for the five-county region. The House Bill 2 JR allocations are set up by county. HB2 JR money is different from Capital Outlay in that it can be used by local government entities, non-profit organizations and programs for operational programs and projects. It cannot be used for capital projects. HB2 JR is funded by general funds so there will not be a need to sell bonds. The money should be available in July or August. HB money needs to be spent in one year.

In the Colonias program there is \$67,000,000 available. The funding will be awarded in mid-May of this year.

Debi Lee—Consultant

The economy in New Mexico is looking good and has recovered 98.8% of the jobs lost during the pandemic. Must is due to the oil and gas industry thriving in eastern New Mexico as the largest industries by revenue in New Mexico are Oil Drilling & Gas Extraction, Scientific Research & Development and Hospitals, which generated \$11.0b, \$9.1b and \$8.5b in 2022. Tourism generated

\$6.7b while supermarkets & grocery stores generated \$4.2b. The largest companies by employment in New Mexico are State of New Mexico, Walmart Inc. and Honeywell International Inc., which employed 18,350 in 2021 and 12,206 people in 2022. The Mining, Real Estate and Rental and Leasing and Professional, Scientific and Technical Services sectors contributed the most to New Mexico's GDP in 2022, representing a combined 43.9% of state GDP.

In this last quarter, our region experienced an upward trend and was the largest contributor to the quarterly MTGR. Out of the five counties, two saw a decrease in this quarter in gross receipts; those being Chaves County and Otero County but most all industries throughout the region reported a year-over-year increase reflecting a slight upward trend over the last 8 quarters. The Retail industry continues to be the largest followed by Construction and Mining.

Debi Lee reported that a weekly (Tuesday) e-mail providing funding opportunities and resources is sent out to approximately 65 people in the region. Because of the volume of information, the e-mail is listed in categories to make it easier to look for funding for specific projects. She informed the Board that if they are not receiving this e-mail and want to be added, please let her know.

Debi Lee reported that she has been providing technical services and grant writing at Dora's direction. As a result, she prepared the power point for the Bootcamp Training Workshop on Transportation funding and prepared seven TPF applications. She is also assisting the communities with their presentations to the SERTPO Committee requesting funding. She also stated that she worked with Dora to submit eight Colonias applications and is anxious to hear what projects were awarded. She also reported that she is working on updating the SNMEDD Personnel Policy and Purchasing Policy to be presented to the SNMEDD Board for consideration and approval.

Debi Lee reported on the activities associated with EDA-AUS-TA-AURO-2021-2006848 Grant to implement the Regional Economic Recovery and Resilience Plan. We have hosted one workshop with Chaves County which is the first of five meetings that will be held to discuss economic goals and progress within the County and communities so to align strategies and recommendations of the Regional Recovery Resilience Plan. To support our discussions, we have commissioned Purdue University to update the Industry Cluster Drill-Down analysis for each county and the Region. She also reported that Purdue is in the process of developing a workforce analysis report which will provide an up-to-date detailed analysis of the workforce and labor market for our region and individual infographics for each of the five counties. The report will be based on supply and demand factors with specific sections: top industries, occupations, job postings analysis, hard to fill jobs, gap analysis, CIP (classification of instructional programs) analysis, compatibility of occupations, and automation. She stated that NMSU has updated the Job Creation and Income Growth Opportunities Report which shows the direct, indirect and induced impact with a total for employment and labor income. This is all exceptional information that we want to get to our economic development professionals and community leaders to support their efforts of growing their communities.

12. ANNOUNCEMENTS AND INFORMATION SHARING:

13. ADJOURN: Adjourned at 12:15 pm.

APPROVED: Sam Seely 7/20/2023
Sam Seely, Vice President Date

ATTESTED BY: Dora Batista 7-20-23
Dora Batista, Secretary Date