

**Board of Director's Meeting
July 11, 2025
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 President, Sam Seely 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—Julianna Halvorson, Councilor
Eddy County—Melissa Sales
Lea County—Sandra Brito
Artesia—Summer Valverde, Clerk/Treasurer
Capitan—Minerva Davalos, Mayor
Carrizozo—Robert Hemphill, Mayor
Cloudcroft—Timothy King, Mayor
Corona—Sam Seely, Mayor
Hope—Rudy Sales
Lovington—Liz White, Commissioner
Roswell—Tim Jennings, Mayor
Ruidoso Downs—Maria Gonzales
Tatum—Marilyn Burns, Mayor
Tularosa—Manuel Brusuelas, Trustee

NON-GOVERNMENT MEMBERS-PRESENT

Lea County—Robbie Roberts
Lincoln County—Peggy Wilson
Otero County—Rolando Hernandez

MEMBER GOVERNMENTS-NOT PRESENT

Lincoln County—Samantha Serna, Commissioner
Otero County—Pamela Heltner, County Manager
Alamogordo—Susan Payne, Mayor
Carlsbad—Lisa Anaya Flores, Councilor
Dexter—Ron Chambers, Councilor
Eunice—Billy Hobbs, Mayor
Hagerman—Tony Garcia, Mayor
Hobbs—Todd Randall, City Engineer
Jal—Stephen Aldridge, Mayor
Lake Arthur—Lewis Wesson, Mayor
Loving—Rick Fuentes, Mayor
Ruidoso—Gary Jackson, Councilor
Mescalero—Duane Duffy, Vice President

NON-GOVERNMENT MEMBERS-NOT PRESENT

Chaves County—Jon Hitchcock
Eddy County—Vacant

A quorum was present with 14 of the 27 Member Governments represented. Three Non-Government Members were also present. Thirteen Member Governments were absent. One Non-Government Member was absent, and one position is vacant.

GUESTS AND VISITORS PRESENT

Jennifer Myers, New Mexico Economic Development Department

Kevin Wilson, New Mexico Economic Development Department

Donna Maestas-DeVries, Housing NMFA

SNMEDD/COG STAFF PRESENT

Dora Batista, Executive Director

Mary Ann Burr, SERPTO Program Manager

Paul Pappas, Project Coordinator

Pansy Moffitt, Office/Finance Administrator

Kristina Casaus, Administrative Assistant

Juan Fuentes, Consultant

Debi Lee, Consultant

4. PROGRAM—Jennifer Myers—Business & Rural Development Team Leader, NM Economic Development Department—New Mexico’s Community, Business, and Rural Development Initiatives:

Jennifer Myers spoke about how Economic Development Department’s mission is to improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive.

The Economic Division Department consists of Business and Rural Development (Regional Reps), Job Training Incentive Program, New Mexico MainStreet, Food/Hunger and Agriculture, Office of International Trade. There are divisions within that department which consists of Outdoor Recreation Division, Technology and Innovation Division, New Mexico Film Office, and Creative Industries Division.

There are ways the Economic Development Department can help businesses with a range of programs. A few premiere incentives they listed are LEDA, JTIP, CAP, State Tax Credits, FUNDIT, Business Retention and Expansion Program, Potential Recruitment Opportunities, State Regulations and more EDD Programs. For example, the Job Training Incentive Program (JTIP) reimburses up to 90% of trainee wages for newly created jobs. From January 1, 2019, to currently, there have been 523 projects, awarded 65.1 million dollars, the average wage an hour is \$24, and a total of 2,806 veterans.

The Local Economic Development Act is a legislation that allows entities to provide public support for private businesses that are economic based and are creating jobs and investing in New Mexico. The reimbursement costs for land, buildings, and infrastructure.

The Creative Industries Division is for advancing creative industry-based in economic development. The division was created in 2023, and in 2023 there were 18 grants awarded with a total of \$1.8 million to communities. This provided capacity for 82 partnerships with other agencies, educational institutions, industry associations, and community organizations. The fiscal year 2026, there was \$4 million funded in grants.

Senate Bill 169 established a Strategic Economic Development Site Readiness Act which designates strategic economic development sites through survey’s that “assess the suitability of a proposed economic development site for development by a public partner or private partner.” In FY25, \$500,000 was received from the legislature to do a site readiness study. The Global Location Strategies was engaged by the New Mexico Economic Development Department to perform a site readiness effort throughout the state for public

industrial parks. Twenty-eight sites were evaluated ranging from eight acres to over 4500 acres across the six New Mexico Regions. GLS has provided insights on each site's suitability for development, assessed existing infrastructure and capacities, and outlined recommendations to move the sites toward site readiness.

There are types of projects that the site readiness board can get funded such as public infrastructure, public utilities availability, environmental limitations, physical site characteristics, workforce availability, housing availability, site ownership, neighboring land uses, and other relevant site characteristics.

House Bill 19 created a Trade Port Development Act establishing designated zones across New Mexico and primarily focuses on rural, tribal, and underserved areas. This encourages local governments to establish distribution and manufacturing centers. There is \$50 million for infrastructure and public-private partnerships.

5. ACTION ITEMS:

a. Approve Meeting Agenda for July 11, 2025.

A motion was made by Robert Hemphill to approve the agenda for July 11, 2025; it was seconded by Robbie Roberts. All voted aye, motion carried.

b. Approve Minutes of April 11, 2025.

A motion was made by Manuel Brusuelas to approve the minutes of April 11, 2025; and seconded by Robert Hemphill. All voted aye, motion carried.

c. Review and Accept Financial Report.

Dora presented the Financial Report. Dora stated that the COG received 72% of the income that they projected. The income that wasn't received is from EDA. EDA has been behind on payments, usually every quarter we receive \$17,500 and we have yet to receive the last 2 quarters of payments from last year. They are also behind on their Disaster Recovery and have had quite the staff turnover. Without receiving that money, it has made the COG a little lower on reaching our income goals. PED asked to budget \$648,000 for their program and they only spent \$432,000 because PED thought they were going to add a couple more employees. Overall, the COG did very well on their income. On the expenses, we came up to only 55% and a large portion of that is the travel for PED. They budgeted \$160,000 for travel and only spent \$40,000. The COG had to get a new copy machine and new phones, but nothing significant. Dora states that no line items were overspent or short and the COG will have a good budget moving forward.

A motion was made by Liz White to approve the Financial Report; it was seconded by Robbie Roberts. All voted aye, motion carried.

d. Review and Approve 2025-2026 Operating Budget.

The Operating Budget is about \$875,000 less, but if you recall we received a onetime payment of \$800,000 administration money for the GRO Program to use over a two-year period. There was \$100,000 put into EDA Disaster Recovery line item because EDA is behind and that grant ends September 30th so it will be received next fiscal year. You will see in the Budget that there is \$428,571 for capacity funds. There was \$3,000,000 allocated under HB 2 for the COG's to provide capacity and technical assistance to their municipalities. PED provided a budget of \$600,000 and \$48,000 for travel.

Expense wise, expenses are about the same as last year. Dora would like to give the staff a 5% increase with the cost of living, and they are all hard workers as well. The budget will be about the same as last year.

A motion was made by Minerva Davalos to approve the 2025-2026 Operating Budget; it was seconded by Robert Hemphill. All voted aye, motion carried.

e. Review and Approve SNMEDD & SERTPO Annual Asset Inventory Resolution 25-02.

Every year the COG must review and approve their Annual Asset Inventory and must pass a Resolution. There wasn't anything purchased other than a few laptops. This year, the COG received \$100,000 in legislative funding for two new vehicles. We are planning to keep one of the used automobiles, the 2020 GMC Terrain. The 2018 Chevrolet Equinox will possibly be put up for auction. Next year, there will be two new vehicles listed on the inventory list. SERTPO also has their assets listed.

A motion was made by Manuel Brusuelas to approve SNMEDD & SERTPO Annual Asset Inventory Resolution 25-02; it was seconded by Timothy King. All voted aye, motion carried.

f. Review and Approve DFA NM State Grant in Aid Application.

Every year, the Department of Finance and Administration gives the COG \$99,000 divided by four quarters to help our municipalities and they provide us with a contract which the executive director and the board president have signed.

A motion was made by Robbie Roberts to approve DFA NM State Grant in Aid Application, it was seconded by Robert Hemphill. All voted aye, motion carried.

g. Professional Service Contracts.

There are three Professional Service Contracts that need to be approved. Devin Varnado is a grad researcher at UNM and is assisting with the CEDS. Devin is comparing the plans we have online as well as researching to make sure all resources have been looked at. DLee Coordinator & Associates and LGO Consulting have been a huge help with the COG. Debi is the Economic Coordinator but also provides information about grants to all the entities, Capital Outlay and our CEDS. Juan manages the NM GRO projects and assists with fiscal agent contracts.

A motion was made by Robert Hemphill to approve Professional Service Contracts, it was seconded by Timothy King. All voted aye, motion carried.

6. PROGRAM AND ACTIVITY REPORTS

Dora Batista—District Activity Report:

Dora reminded the board members of the ICIP deadline which was on July 11th. The DFA sponsored Capacity Building Session is on July 23rd and registration is required.

The Capital Outlay portal date has not been released. When they set that date, capital outlay hearings should be shortly after the opening date. The October board meeting will focus on capital outlay training, a legislator's perspective, and other tips to prepare for the 2026 Capital Outlay Session. They could possibly be getting rid of reauthorizations next year. Currently you can reauthorize a project twice. They want to cut that down to one year, one reauthorization.

There's a lot of talk about capital outlay reform and reauthorizations as almost 6 billion dollars of unspent money is sitting idle. The Senate Finance Committee is planning to meet this summer and try to make changes in the process. Some of the ideas being proposed are all local capital outlay applicants shall apply for capital outlay under four categories: equipment, building repair and renewal, planning/design phase for major renovation and new construction, construction phase for major renovation and new construction.

All drinking water and wastewater related projects shall first apply to existing state mechanisms (ie: Water Trust Board, Drinking Water Revolving Fund, Clean Water State Revolving Fund) before applying for Capital Outlay. Evidence of denial of funding or documentation supporting the need for

additional grant funding to complete the project must be included with the request for capital outlay funding beginning next year. This documentation shall be provided to the legislators and verified by the appropriate agencies.

There are \$3,000,000 for all 7 cogs to use as capacity building money in their region. It is unsure if that will be split equally amongst all 7 cogs or if an application will have to be submitted. Once there's an allocation, municipalities and counties in our District will be notified and the capacity building and technical assistance activities will be discussed with the entities. Currently, there are capacity building funds through the NMGRO fund but are limited to Representative Cathryn Brown's District. The eligible applicants have been notified and are currently working with.

Last year in HB 2, there was \$1,000,000 for technical assistance and capacity building for municipalities and counties. The State divided these funds by the 7 COGS and awarded each COG \$142,857.14. The funds have been completed, and the final payments were submitted in early June.

The EDA Disaster Recovery Plan for Lincoln County and Ruidoso was a three-year grant, and the grant will end September 30, 2025. These funds were used to pay for FEMA experts, grant writers, estimators to assist the Village of Ruidoso and Lincoln County. Those were the only areas that were allowed to spend these funds. These were the only areas we were allowed to spend these funds in. There will be a new Disaster Recovery funding cycle open soon, and we are hoping to assist the City of Roswell and the Town of Dexter with an application to receive funding.

We continue to act as fiscal agent for those municipalities/counties that have had significant deficiencies on their audit. We currently have about 90 legislative grants we are acting as fiscal agent for. This entails reviewing the procurement process before they obligate funds, reviewing and signing off on pay requests before they are submitted to DFA for payment. If there is any difficulty getting legislative appropriations or other grants due to significant deficiencies in your audit, possibly they would allow a fiscal agent to intervene. This would require a contract between SNMEDD and the municipality.

NMSU Cooperative Extension is working with us by providing assistance with our Comprehensive Economic Development Strategy plan that is due to EDA by October 30, 2025, and that was with a requested extension. Our Purdue data was recently updated, and Purdue is working with EDA to deliver updated 2024 data to each economic development district.

The contract we have with the NMED Public Education Department was amended to add travel and a fourth employee last fiscal year. We are receiving a monthly 8% admin fee when we seek reimbursement. After conducting an estimation of our expenditures for the last quarter, it appeared that our contract had over \$140,000 left. PED made an amendment to move those unused funds to areas that were over budgeted throughout the state.

Dora recognized Lincoln County for the Star of the Southwest award. This award is given by the Southwest Regional Economic Development Association which consists of the states Louisiana, Arkansas, Texas, Oklahoma, and New Mexico. Each year, we receive emails asking to nominate an EDA project and Dora chose to nominate the Lincoln County Rodeo Arena project. On May 7-9, Dora and a Lincoln County Commissioner will be presenting a PowerPoint at the regional conference in Las Cruces, NM.

Mary Ann Burr—SERTPO:

Ms. Burr congratulated the City of Carlsbad for their federal award under the Recreational Trails Program (RTP) for Sunset Area Trail (\$547,879). The City of Clovis also received an award for their Liebelt Channel Trail with federal funds under the Transportation Alternatives Program (TAP).

Regarding state funding, SERTPO held its TPF May meeting, and SERTPO recommendations were sent to NMDOT District 2. The awards announcement is being awaited with the State Transportation Commission approval likely in August.

The regional trails mapping project has been completed. Bohannon Huston, Inc. prepared packets and posters for each local government. Updates to the regional trails will be pursued in the future, a one- or two-year timeframe. Mapping packets and posters were distributed to Board members. The Tularosa CDBG Comprehensive Plan is nearly complete, with the final Plan to be approved soon by their Village Trustees.

The next SERTPO meeting will be held in Lovington on Wednesday, August 6, 2025, at the Nor Lea Annex. Presentations planned are the NMGo! Vanpool program, the New Mexico Match Fund and Capacity Grants. Juan Fuentes will be presenting for SNMEDD.

Paul Pappas—Project Coordinator:

Mr. Pappas announced that there were 10 active CDBG Projects:

- 1) City of Carlsbad—Alejandro Ruiz Senior Center, remodel some existing rooms, construct additional bathrooms, and a vestibule to the front. Project is still currently in the design phase. The design should be completed this quarter and advertise for construction by the end of September.
- 2) Village of Loving—This project will install gravity feed sewer lines along with a lift station. Design has begun and the preliminary design is approximately 60% complete and should be in final design the end of August. Could possibly go out to bid by September.
- 3) City of Lovington—Construct ADA sidewalks on 2nd street between the intersections of Avenue D and Central St. Preliminary design is almost completed and final design expected to begin in mid July. Final design is expected to be completed no later than September and have received SHPO clearance.
- 4) Chaves County—The Chaves County Health Center building: This is an approximate 10K square foot new building that will provide health services. It houses the WIC (women-infant-children), Family Planning and Education, harm reduction/syringe exchange services, and vital records. Waide Construction is the contractor, and there are over 12 subcontractors on the project. All exterior steel framing/roofing has been completed and inspected. Interior walls and doors are being installed.
- 5) City of Ruidoso Downs—Street and water line project on Valley View Dr. in Ruidoso Downs. We applied for supplemental CDBG funding and were awarded an additional \$482,000. Project design is complete, and construction bid opening was held on November 21st. At this time all main line and waterline are completed and being pressure tested. Road work is about to begin and should be completed at the end of July.
- 6) City of Artesia—ADA Sidewalk Project: Went out to bid in late May, and only one bid was received and was substantially over budget. Artesia applied for the 2024 supplemental funds and was awarded an additional \$561,384. Project went out for rebid in February, and the city has awarded the project to Constructors Inc. Construction should begin in July.

- 7) Town of Hagerman—Lift station project; final design is complete, and project is set to go out to bid in July. If bid is awarded, construction should be expected by September.
- 8) Village of Hope—Water System Improvements Project; the design is complete. The project went out to bid twice. The second bid was recently held on July 1st and was also over budget. Currently, we are working with the Village of Hope and DFA in trying to potentially negotiate the bid to award.
- 9) Town of Tatum—Water System Improvements project, involves looping water lines and additional fire hydrants. The project went out to bid in May and the lowest bid was over budget. We were able to apply for supplemental funds and were awarded an additional \$58,428. Given the supplemental funds, Tatum was able to award the project to J&H Services. Construction contract is being executed and construction to hopefully begins in early August.
- 10) Village of Tularosa—Rehabilitation of their lift station. RFP for design was advertised and sent out in late February. The Village has been awarded the professional services contract to Bohannon and Huston and the design is in process.

DFA recently announced that there was approximately \$1.5 million dollars left in the 2024 CDBG funding. Current CDBG projects are allowed to apply for this funding if they have a documented need. We intend to immediately apply for this funding if any of our project's construction bids come in over budget.

Five new grants will be applying for the 2025 CDBG applications. The applicants include:

- City of Roswell: They will be applying for an ADA sidewalk project. This project is to install new sidewalks on 6th, 7th, and 8th streets between Railroad and Garden. The survey methodology was completed and was approved to apply. Two public hearings have been held for the city.
- Town of Lake Arthur: The wastewater improvement project, Lake Arthur is wanting to reline their sewage ponds. The survey methodology was approved, and the Town of Lake Arthur has completed their LMI surveys. The Town should qualify as the surveys showed LMI greater than 51 %. Two public hearings have been held.
- Town of Carrizozo: This is a street and drainage project. They will be rehabbing Drexel Road and upgrading some waterline. The survey methodology has been completed and the Town automatically qualified as they are greater than 51 % LMI. They have held two public hearings.
- Lincoln County: The County is going to install an elevator at the County Administration office. This project qualifies as a limited clientele project since it benefits disabled people. There has been one public hearing.
- Village of Cloudcroft: This is a wastewater/waterline replacement project. This will replace aging sewer and water lines in the middle of the Village. An existing Colonias grant will help fund the project. Survey methodology was submitted and approved. A public hearing is currently being scheduled.

Applications are due on August 19th, and the application hearings are set for September 30th, 2025. Given that there is no cap on the amount that you can apply for this year, we are hoping that several applications are funded. As always, we will write quality applications giving our applicants that best chance of being awarded.

Juan Fuentes—NM GRO:

Mr. Fuentes announced that \$2,829,438 (48%) of total GRO Funds have been spent of which \$3,090,562 (52%) is the remaining balance to be spent in the Fiscal Year Ending 2026.

There is a total of 46 GRO Agreements that are currently being administered. Fifteen total agreements have spent over 75% of their funds, with 13 of those fully closed out. There are 12 more agreements that have been spent between 26% and 75%, while the remaining 19 agreements are less than 25% of funds expended.

Listed are Entities with GRO Funds Expended:

- Chaves County
 - City of Roswell
 - City of Clovis
 - Texico FFA
 - Roswell High School FFA
 - Goddard High School FFA
 - Eddy County
 - City of Portales
-
- Chaves County has one remaining GRO allocation for the Pecos Valley Regional Communication Center project.
 - FFA funds covered registration, housing, and meals, and supported travel.
 - Eddy County is progressing with traffic signal project.
 - Otero County encumbered funds to upfit three previously purchased vehicles.
 - Funds supported organizations providing critical services, including outreach and victim support (Option Inc.), legal assistance (The Phoenix House), and volunteer advocacy for abused and neglected children (Eddy County CASA)

Debi Lee—Regional Economic Coordinator:

Debi Lee reported that 22 out of New Mexico's 33 counties experienced positive year-over-year economic growth in FY25 compared to FY24, with a statewide increase of 5.3%. The growth was reflected in key indicators such as employment, wages, and the number of business establishments. Retail trade emerged as the leading contributor, accounting for 21% of the growth and identified by MTGR as the state's largest industry. Construction, along with mining, quarrying, and oil and gas extraction, ranked as the second and third largest sectors, respectively.

Mrs. Lee also presented a series of detailed graphs showing the economic trends and performance across all five counties in the region.

The Comprehensive Economic Development Strategy (CEDS) serves as a regional blueprint for fostering economic growth across all jurisdictions and stakeholders in southeastern New Mexico. Debi Lee stated that SNMEDD is one of seven Regional Councils offering planning, coordination, and technical support to communities, with the CEDS serving as a guide for economic growth and sustainability. The CEDS plays a critical role in strengthening regional capacity by supporting both physical infrastructure and collaborative systems, guided by locally driven strategies aimed at enhancing economic performance and overall quality of life. The document is required by the U.S. Economic Development Administration (EDA) and must be updated every five years to maintain eligibility for federal grant funding. It is our intent to present the final SNMEDD CEDS to board members at the next regular board meeting.

Debi Lee continues to distribute the SNMEDD Newsletter on a biweekly basis, providing timely updates on funding opportunities, programs, and key dates for conferences, events, webinars, and technical training sessions. The newsletter sources come from a range of agencies, including Federal Grants Advisory, grants.gov., NM Department of Finance, NM Environment, NM Finance Authority,

Economic Development Administration, NM Economic Development Department, Rural Development, and other state and federal agencies. Mrs. Lee's goal is to forward this information to individuals that find it useful within the organizations that can apply for funding or benefit from the information provided.

Building Community Capacity for Sustainable Growth – Strengthening community capacity continues to be a core objective in advancing long-term, sustainable development throughout the region. Key focus areas include:

- Empowering local leadership and enhancing decision-making capabilities
- Expanding access to funding, technical assistance, and other vital resources
- Fostering public participation and encouraging civic engagement
- Developing responsive policies and programs that reflect local needs and priorities
- Increasing resilience to natural disasters and economic disruptions

By strengthening these foundational capacities, local government entities are better positioned to identify opportunities, establish strategic priorities, and successfully pursue their development goals.

The requests that have been received this quarter:

- Town of Hagerman has 43 lot housing subdivision in progress. They are requesting technical assistance in finding funding to complete infrastructure improvements, specifically paving and curb & Gutter for the housing development.
- The Roswell-Chaves County Economic Development Corporation requested a wage survey for the Chaves County workforce to support their efforts in recruiting commercial development in preparation for the planned Roswell Air Races.
- The City of Roswell's Mayor and City Manager requested to meet with the financial advisor, Mark Valenzuela, to discuss funding options for capital projects.
- NM Tourism requested an update to their database regarding our southeastern region's priorities for outdoor recreation projects and infrastructure improvements that support tourism. They present this list to Legislators and have it available on the website as well.
- The City of Artesia has requested support in facilitating two workshops with council members to discuss the responsibilities of the City Manager and to evaluate the potential advantages for the governing body.
- The Mayor of Capitan Village has requested details concerning the methods for annexing property into the village boundaries to evaluate potential opportunities for housing development.
- Juan Fuentes, Debi Lee, along with financial consultants for Cloudcroft, convened with staff and Trustees from the Village of Cloudcroft to review financial challenges and provide guidance in preparing and submitting a preliminary operating budget.
- Representative Sarah Silva asked for assistance to help secure funding for a regional Preliminary Engineering Report for the Community of Chaparral. The report will also identify the requirements for establishing Chaparral as a municipality in either Doña Ana or Otero County.

7. ANNOUNCEMENTS AND INFORMATION SHARING:

Donna Maestas from the Housing NMFA announced that it's their 50-year anniversary and they have helped over 506,000 families. They are having their housing summit its September 17-19 in Albuquerque at Hotel Albuquerque to speak about all issues of housing.

8. ADJOURN:

Adjourned at 12:00 pm.

APPROVED:

Sam Seely

10/15/2025

Sam Seely, President

Date

ATTESTED BY:

Dora Batista

10-15-25

Dora Batista, Secretary

Date