

**Board of Director's Meeting  
January 9, 2026  
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—Dara Dana, Commissioner  
Eddy County—Haley Klein  
Lea County—Chip Lowe  
Lincoln County—Jason Burns, County Manager  
Alamogordo—Deborah Osbourne  
Capitan—Minerva Davalos, Mayor  
Carlsbad—Patrick McManus  
Carrizozo—Leann Weihbrecht, Clerk/Treasurer  
Corona—Sam Seely, Mayor  
Dexter—Ron Chambers, Councilor  
Hope—Rudy Sales  
Lovington—David Miranda, City Manager  
Roswell—Tim Jennings, Mayor  
Ruidoso Downs—Carroll Scott, Mayor  
Tatum—Mary Giron, Councilor  
Tularosa—Manuel Brusuelas, Trustee

**NON-GOVERNMENT MEMBERS-PRESENT**

Chaves County—Jon Hitchcock  
Lea County—Robbie Roberts  
Otero County—Lorrie Black

**MEMBER GOVERNMENTS-NOT PRESENT**

Otero County—Pamela Heltner, County Manager  
Artesia—Summer Valverde, Clerk/Treasurer  
Cloudcroft—Timothy King, Mayor  
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**

Eddy County—Vacant  
Lincoln County—Coda Omness

A quorum was present with 16 of the 27 Member Governments represented. Three Non-Government Members were also present. Eleven Member Governments were absent. One Non-Government Member was absent, and one position is vacant.

#### **GUESTS AND VISITORS PRESENT**

Cody Morrow, Senate Leadership  
Randall Pettigrew, Representative  
Peggy Wilson, Village of Capitan  
Sue Ashe, City of Alamogordo  
Todd Verciglio, City of Roswell  
Lisa Maue, Town of Carrizozo  
Israel Chavez, City of Ruidoso Downs  
Will Cavin, City of Roswell  
Jarrod Foster, Randall Pettigrew's Legislative Aide  
Leona Wylie, Town of Tatum  
Julianna Halvorson, City of Roswell-Councilor

#### **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—Cody Morrow—Special Projects/Capital Outlay Director—Proposed Capital Outlay Reform Package:**

Cody Morrow, Director of Special Projects and Capital Outlay for the Senate Minority Office, provided an overview of proposed capital outlay legislation and expectations for the upcoming legislative session. He reported that a draft bill endorsed by the Legislative Finance Committee (LFC) is nearing finalization and is intended to strengthen oversight and improve efficiency in the capital outlay process.

The proposed legislation focuses on reducing long-standing backlogs of stalled projects and improving accountability for approximately \$7.2 billion currently tied up in inactive capital outlay projects. Key proposed changes include limiting capital outlay reauthorizations to one occurrence for no more than two years, with at least 10% of the original appropriation required to be encumbered by January 1<sup>st</sup> of the reauthorization year. Projects failing to demonstrate progress may be subject to funding reversion. Reauthorizations will be restricted to technical corrections only, and purpose changes to projects will no longer be allowed.

Additional reforms include improved coordination among DFA, LFC, and Legislative Council Service systems through planned IT integration funding to allow real-time project tracking and reduce administrative delays. Planning and construction funding will continue to be separated for projects exceeding \$100,000 to ensure projects are shovel-ready prior to receiving construction funding.

Reverted capital outlay funds will no longer return to the general fund but instead will be redirected back into the severance tax bond fund for future capital outlay use. Encumbrance will apply only to direct project costs, excluding administrative fees. Agencies will also be required to certify project needs and complete documentation within specified timelines to prevent delays in grant agreements and funding distribution.

The legislation also proposes shifting many water infrastructure projects away from capital outlay funding toward the Water Trust Board and New Mexico Finance Authority, where technical expertise can better evaluate project feasibility and improve long-term outcomes. Existing water projects requiring reauthorization must meet a January 1, 2027 deadline.

Mr. Morrow emphasized that the overall goal of the bill is to streamline the capital outlay process, ensure public funds are actively used, and reduce administrative barriers that delay project implementation for local governments.

Regarding the upcoming legislative session, Mr. Morrow noted significant differences between the Governor's proposed budget and the legislative budget, though both reflect approximately a 3.5% spending increase, representing a more conservative fiscal approach compared to recent years. Universal childcare funding was identified as a major budget discussion point and a key area of disagreement.

Additional major policy issues anticipated during the 30-day session include medical malpractice and healthcare access, criminal justice reform, behavioral health, education performance, and Children, Youth and Families Department (CYFD) concerns. Workforce and education challenges were noted as contributing factors to broader economic and healthcare issues statewide.

Mr. Morrow also discussed ongoing wildfire policy work aimed at limiting utility liability exposure related to wildfire damage, though competing legislative priorities may limit attention to the issue this session.

Overall, Cody Morrow emphasized increased fiscal accountability, improved project execution, and anticipated legislative challenges for the upcoming session.

## 5. ACTION ITEMS:

### a. **Approve Meeting Agenda for January 9, 2026.**

A motion was made by Haley Klein to approve the agenda for January 9, 2026; it was seconded by David Miranda. All voted aye, motion carried.

### b. **Approve Minutes of October 10, 2025.**

A motion was made by Robbie Roberts to approve the minutes of October 10, 2025; and seconded by Jon Hitchcock. All voted aye, motion carried.

### c. **Review and Accept Financial Reports.**

Dora Batista presented the SNMEDD Financial Report. Dora stated that the COG's budget is 35% for the second quarter of the 2026 fiscal year. In the income section, the contracts and fiscal agent fees are almost 50%. The income the COG receives from grants is about \$300,000 out but will be received soon. The member dues are lacking 1 municipality but should also be received making the budget 100%. On expenses, the COG is at 41% for the second quarter of the fiscal year. The SERTPO and NM GRO Financial Report were included in the board packet.

A motion was made by Chip Low to approve the Financial Reports; it was seconded by Robbie Roberts. All voted aye, motion carried.

### d. **Report from Nominating Committee.**

Dora Batista reported that the executive committee served as the nominating committee this year. The bylaws state that the officer's term is for 1 year but can serve 2 consecutive years in the same capacity except for the treasurer and secretary they can serve at the pleasure of the board with unlimited terms. At

the last board meeting, the COG asked for volunteer nominations to serve and received volunteers. The executive committee would like to put forth the following slate of officers:

David Miranda, President  
Samantha Serna, Vice President  
Dara Dana, Treasurer  
Dora Batista, Secretary

**e. Election of New Officers for 2026 Calendar Year.**

Dora Batista presented the slate of officers that was presented to the Board and was moved to approve the following new slate of officers in office as follows:

David Miranda, President  
Samantha Serna, Vice President  
Dara Dana, Treasurer  
Dora Batista, Secretary

A motion was made by Jason Burns to approve the Election of New Officers for 2026 Calendar Year; it was seconded by Rudy Sales. All voted aye, motion carried.

**f. Appoint New Members to the Executive Committee.**

Dora Batista stated that the members of the Executive Committee consist of Board Officers and the counties they represent. With the new slate of officers being approved, we will now need Eddy and Otero County being represented by a member from those two counties. Currently, the COG has Rudy Sales from the Village of Hope and Manuel Brusuelas from the Village of Tularosa and would like them to remain the two other members.

The Executive Committee is as follows:

Chaves County, Dara Dana  
Eddy County, Rudy Sales  
Lea County, David Miranda  
Lincoln County, Samantha Serna  
Otero County, Manuel Brusuelas

A motion was made to approve the New Member to the Executive Committee by Minerva Davalos and seconded by Jon Hitchcock. The vote was unanimous. Motion carried.

**g. Approve Re-Appoint and Appointment of Private Sector Members.**

Dora Batista states the members of the Private Sector consist of a representative from each county appointed by the County Manager. The COG would like to retain the following Private Sectors Members:

Chaves County, Jon Hitchcock  
Eddy County, Vacant  
Lea County, Robbie Roberts  
Lincoln County, Coda Omness  
Otero County, Lorrie Black

A motion was made to approve Re-Appointment of Private Sector Members by Minerva Davalos and seconded by Manuel Brusuelas. The vote was unanimous. Motion carried.

## 6. PROGRAM AND ACTIVITY REPORTS –

### **Dora Batista—District Activity Report:**

Dora presented that the 2026 Legislative Session begins January 20, 2026, and ends February 19, 2026, at noon. The COG's team that will be assisting the legislators in Santa Fe with Capital Outlay Reauthorizations, and GRO funds will be Debi Lee, Paul Pappas, Juan Fuentes and Dora Batista.

Dora presented the total Capital Outlay requests per county excluding the Governor's Requests:

Chaves	\$82,942,242
Lea	\$30,952,616
Eddy	\$41,675,647
Otero	\$36,791,875
Lincoln	\$18,580,000

Reauthorization are due February 1, 2026, and assistance is available for obtaining legislator signatures and for submittal.

Under 2024 HB2 Appropriation, \$3 million was allocated statewide for capacity building among the seven COGs, with this district receiving \$428,571. Funds have supported wage compensation plans, personnel policy updates, engineering cost estimates, GIS mapping, grant writing assistance, FEMA documentation, financial capacity-building reports, and other municipal support activities.

The Colonias Infrastructure Fund designated approximately \$20 million in reverted and unspent balances for emergency and disaster-related flooding projects, capped at \$4 million per application. Six applications totaling \$16,971,543 were received. Our region was awarded \$10,900,659 (64% of total awards), benefiting Lincoln County, the Village of Ruidoso, and the City of Ruidoso Downs for roadway, drainage, and culvert improvement projects.

Regarding NM GRO funding, progress continues under this pilot program, with quarterly updates provided to the Senate Finance Committee. Funds are allocated during 30-day sessions, and approximately 50% of expenditure has been completed. All recipients must expend funds by June 30, 2026. Capacity-building funds are currently limited to Representative Cathryn Brown's district, and eligible entities are being actively supported.

EDA Disaster Recovery Funding remains available for areas with declared disasters. Applications have been submitted for the City of Roswell, and assistance is ongoing for Lincoln County and the Village of Ruidoso. Capacity funding has enabled the hiring of a grant writer and engineer to support these efforts.

SNMEDD continues serving as fiscal agent for municipalities and counties with significant audit deficiencies. The responsibilities include procurement review and approval of payment requests prior to DFA submission. Municipalities experiencing funding delays due to audit findings may enter into fiscal agent agreements to facilitate grant access.

The Comprehensive Economic Development Strategy (CEDS) update is approximately 80% complete. The five-year update includes new EDA-required data categories and will serve as a resource for economic development and grant efforts. The final document is expected to be posted within 60 days.

Additional activities included the COG staff presented at the NM Municipal League Clerk Conference in October. Debi Lee and Paul Pappas presented at the NM Infrastructure Conference in early November. Mary Ann Burr is scheduled to present at the NM Association of Counties meeting in February.

**Mary Ann Burr—SERTPO:**

Ms. Burr reported on recent SERTPO Committee meetings during the quarter. The October 22, 2025 SERTPO meeting was hosted by the City of Carlsbad at the Pecos River Village Conference Center. The December 3, 2025 SERTPO meeting was hosted by Chaves County at the Eastern New Mexico State Fairgrounds in Roswell. The December meeting focused on public transit prioritization (rating): the Transportation Project Fund (TPF) timeline for the upcoming 2026 application cycle was approved: and the revised TPF evaluation and prioritization procedures were approved. The next SERTPO meeting is scheduled for March 4, 2026, in Clovis. Ms. Burr reminded the Board that SERTPO's region includes the northern counties of Curry, Roosevelt, and DeBaca (and Vaughn).

Ms. Burr commented that the Local Government Road Fund Solicitation for projects is running at the same time, with District 2's deadline falling on March 15, 2026. LGRF funds maintenance projects.

The New Mexico Counties Legislative Conference is being held on January 19-22, 2026 in Santa Fe. Joe West (Chaves County), representing the Public Works Affiliate, requested a presentation on RTPOs/COGs. Ms. Burr and Julie Surina (EPCOG) will be making presentation at the conference.

NMDOT is currently collecting public input for its Active Transportation Plan through January 15, 2026, and survey information (to include a QR code) has been shared in handouts.

**Paul Pappas—Project Coordinator:**

Mr. Pappas announced the 2025 CDBG Applications that were awarded:

There were five new CDBG applications submitted on October 20, 2025, the CDBG Allocation Hearing was held to award the 2025 CDBG applications. The CDC Council only awarded 6 projects and the COG was awarded 3 of the 6 projects.

The 3 applications that were awarded are:

- Town of Carrizozo—Street and Drainage project. This is a .32-mile project that extended from Ave D to the Town cemetery. It replaces water lines and adds fire hydrants. The total amount requested was \$1,484,682.69 and Mayor Robert Hemphill presented.
- Town of Lake Arthur—Re-line their damaged lagoons at their wastewater treatment center. This project is important for the town because they currently have an emergency declaration and are under a corrective action plan with the NM Environment Dept. The total amount requested is \$1,945,447.78 and the Clerk/Treasurer Debra Sallee presented.
- Village of Cloudcroft—Water line replacement project. The water lines in this area are deteriorating and undersized. This project will replace the existing water line and add fire hydrants. The total cost is \$2,126,087.74 and Lauren Groesbeck with Cloudcroft presented.

Mr. Pappas also announced that there are 10 active CDBG Projects:

- 1) City of Carlsbad—Alejandro Ruiz Senior Center, remodel existing rooms, construct additional bathrooms, and a vestibule to the front. Project recently went out to bid, but all the bids were significantly over budget. Supplemental funds were applied for from the Federal Offset Grant and are pending a response.

- 2) Village of Loving—This project will install gravity feed sewer lines along with a lift station. Project is currently in final design and is expecting to go out to bid in January.
- 3) City of Lovington—Construct ADA sidewalks on 2<sup>nd</sup> street between the intersections of Avenue D and Central St. Design is finalized and at this time the bid documents are being reviewed by DFA and are hopeful that it will be advertised in January for construction bids.
- 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 is complete and currently, the interior finish carpentry is being completed.
- 5) City of Ruidoso Downs—Street and water line project on Valley View Dr. in Ruidoso Downs. Construction is completed and currently gathering the closing documents in order to close out the project.
- 6) City of Artesia—ADA Sidewalk Project: This project is a second phase of installing ADA Ramps at all intersections in Artesia. This phase is to install an additional 80+ ramps. Currently, they are approximately 75% complete.
- 7) Town of Hagerman—Lift station project: Project went out to bid on September 25. Lowest bidder was substantially over bid (\$386,425). Supplemental funds were received and at this time, the COG is in the process of officially getting the project awarded and contracts signed. Construction is expected to begin possibly late January.
- 8) Village of Hope—Water System Improvements Project. This project involves the installation of several fire hydrants and valves as well as installation of a backup generator. Construction is underway and at this time, all fire hydrants have been installed and the contractor is working on getting valves installed as well as the pad for generator has been poured. Generator is on back order and is not expected for several months.
- 9) Town of Tatum—Water System Improvements project, involves looping water lines and additional fire hydrants. Construction is now complete and we are gathering the closing documents. Contractor on the job was J&H and was completed ahead of schedule.
- 10) Village of Tularosa—Rehabilitation of their lift station. Design is complete and currently DFA is reviewing the bid docs. The COG is expecting to be able to advertise project for construction in January.

**Juan Fuentes—NM GRO:**

Mr. Fuentes reported that SNMEDD continues administering 46 active NM GRO agreements throughout Southeastern New Mexico, providing fiscal agent oversight, technical assistance, and compliance support to assist local governments and nonprofit partners with project implementation. As of the second quarter of fiscal year 2026, overall program expenditures have reached approximately 64%, reflecting steady progress toward project completion prior to the June 30, 2026 expenditure deadline.

Nearly one-third of projects have expended more than 75% of their allocations, while approximately 40% fall within the 26–75% expenditure range, indicating active implementation. Ten projects remain below 25% expenditure, and SNMEDD is providing direct assistance to accelerate progress. Total expenditures as of the second quarter is \$3,763,999, with a remaining balance of \$2,156,001 still to be spent.

SNMEDD continues providing significant fiscal agent and technical assistance services, including reimbursement processing, PARS reporting system support, compliance documentation, and participation in weekly state-led coordination meetings. Staff also assisted grantees with eligibility clarification, documentation corrections, and responses to DFA inquiries, particularly for entities with limited administrative capacity.

NM GRO activities included continued progress across several service areas. Domestic violence and victim service organizations expanded outreach, client support services, and facility improvements, with positive outcomes reported for participant stability and safety planning.

Public safety initiatives advanced, including expansion of the Eddy County K-9 unit and near completion of the Pecos Valley Regional Communications Center project, which is approximately 90% complete and expected to finalize equipment installation in early 2026.

Community and technical assistance efforts remain ongoing through SNMEDD fiscal agent activities supporting compliance, reimbursements, and legislative capital assistance. Veteran and first responder programming through Healing America's Heroes successfully completed multiple therapeutic sessions and continues planning future programming despite minor participation and travel challenges.

**Debi Lee—Regional Economic Coordinator:**

Debi Lee presented a Regional Economic update highlighting demographic trends, economic performance indicators, and ongoing regional development activities. The report noted New Mexico's diverse population and rural characteristics, with southeastern New Mexico's strength rooted in its cultural diversity and majority Hispanic population across the five-county region.

State economic indicators show continued growth, with matched taxable gross receipts (MTGR) increasing 2.7% from the previous quarter and a year-over-year increase of approximately 7%. Retail trade remains the largest contributing industry statewide, followed by construction and oil and gas extraction. Employment increased modestly year over year, and average weekly wages rose to \$1,203.

County-level economic data reflected positive trends across the region. Chaves, Eddy, Lea, Otero, and Lincoln counties all experienced MTGR growth during the fourth quarter for fiscal year 2025, supported largely by retail activity, construction, and energy production. Gross Receipts Tax collections also showed steady increases, indicating continued economic recovery and stable local government revenue performance.

Southeast New Mexico's economic trends over the past five years demonstrate strong post-pandemic recovery driven by energy production, construction expansion, and growth in service sectors. Retail and hospitality industries have rebounded, while renewable energy investments and diversification into manufacturing, logistics, agriculture, and outdoor recreation continue to emerge. Key ongoing challenges include workforce shortages, housing supply constraints, and difficulty filling skilled positions.

Ms. Lee spoke about the progress that continues on the Comprehensive Economic Development Strategy (CEDS), which is being updated for submission to the Economic Development Administration. The five-year update will guide regional economic priorities, strengthen eligibility for federal funding, and support strategic investment, resilience planning, and regional collaboration.

The final document will include financial and economic data for each member entity and will be presented to the Board upon completion.

The SNMEDD Funding Opportunities Newsletter continues to be distributed to more than 180 recipients, providing information on grants, programs, training opportunities, and funding resources. The newsletter has generated increased requests for assistance with identifying and applying for funding opportunities.

The Capital Outlay hearings were successfully completed across all five counties, allowing local governments and organizations to present priority infrastructure and community projects. Staff are finalizing a consolidated project list to assist legislators during the 2026 Legislative Session. Assistance with capital outlay reauthorizations remains available, with a submission deadline of February 1, 2026.

The Community Capacity Building efforts remained a major focus during the quarter. The COG supported multiple communities through leadership guidance, grant assistance, budgeting and compliance support, and project coordination. Activities included housing subdivision planning in Hagerman, disaster recovery coordination and advocacy for the City of Roswell, presentation of regional recovery projects at the NM Infrastructure Finance Conference, assistance to Artesia with a fire station funding application, ongoing administrative and operational support to the Village of Cloudcroft, and coordination with Chaves County on development of a Regional Housing Plan.

**7. ANNOUNCEMENTS AND INFORMATION SHARING:**

**8. ADJOURN:**

Adjourned at 12:00 pm.

APPROVED:

  
\_\_\_\_\_  
~~Secretary~~ President ~~DAVID MIRANDA~~ Date ~~4/10/26~~

ATTESTED BY:

  
\_\_\_\_\_  
Dora Batista, Secretary Date 4-10-26