

Board of Director's Meeting
July 13, 2018
ENMU-Roswell
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 Gary Williams 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

Eddy County—Larry Wood
Lincoln County—Dallas Draper, Commissioner
Alamogordo—Nadia Sikes
Artesia—Raye Miller, Mayor
Capitan—Laura McInnes, Clerk/Treasurer
Carlsbad—Lisa Anaya-Flores, Councilor
Carrizozo—Jim Boswell, Trustee
Cloudcroft—Dave Venable, Mayor
Corona—Sam Seely, Trustee
Dexter—Ruby Parks, Clerk/Treasurer
Hope—Rudy Sales, Public Works Director
Jal—Mauricio Valeriano, Police Chief
Lovington—Wyatt Duncan, Public Works Director
Roswell—Bill Morris, Community Development Director
Ruidoso—Lynn Crawford
Ruidoso Downs—Gary Williams, Mayor

MEMBER GOVERNMENTS-NOT PRESENT

Chaves County—Robert Corn, Commissioner
Lea County—Mike Gallagher
Otero County—Pamela Heltner
Dexter-Mitch Daubert, Mayor
Eunice—Billy Hobbs, Mayor
Hagerman—Tony Garcia, Mayor
Hobbs-Todd Randall, City Engineer
Jal-Stephen Aldridge, Mayor
Lake Arthur-Ysidro Salazar, Mayor
Loving—Pete Estrada, Mayor
Tatum—Marilyn Burns, Mayor
Tularosa—Margaret Trujillo, Mayor

NON-GOVERNMENT MEMBERS-PRESENT

Chaves County Private Sector—Jon Hitchcock
Eddy County Private Sector—Jim Grantner
Otero County Private Sector—Bill Mershon

NON-GOVERNMENT MEMBERS-NOT PRESENT

Lea County Private Sector—Lisa Hardison
Lincoln County Private Sector—Becky Brooks

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

GUESTS AND VISITORS PRESENT

Laurie Anderson, Business Development Director— Otero County Economic Development Council. Inc.
Gloria Salas, Congressman Steve Pearce Field Representative
Carolyn Arias, Coordinator SBDC
Scott Bucher, Director SBDC
John Mulcahy, Director, Roswell-Chaves County Economic Development Corporation
Amanda King, Project Manager, Roswell-Chaves County Economic Development Corporation
John Waters, Executive Director, Carlsbad Department of Development

SNMEDD/COG STAFF PRESENT

Dora Batista, Executive Director
Mary Ann Burr, SERPTO Program Manager
Christine Sisneros, Programs Assistant
Pansy Moffitt, Office Administrator

4. Approve Meeting Agenda for July 13, 2018:

Raye Miller made a motion to approve the agenda and Jim Boswell seconded. Motion carried.

5. Approve Minutes of Meeting on April 13, 2018 Meeting:

It was pointed out the Minutes of April 13, 2018 needs a correction stating the name of the person seconding the motion to adjourn should be "Marty Moore" not Monty Moore.
Dave Venable made a motion to approve the minutes and Sam Seely seconded. Motion carried.

6. Review and Accept Financial Report and Budget Adjustments:

Dora presented the report on financial and budget adjustments. Budget adjustments in line item Contract and Fees Income and Unbudgeted Revenue resulting in \$10.00 per hour for the District were due to Hubert Quintana acting as Interim City Manager of Jal. An adjustment in Contract Services was also necessary. Another adjustment not related to the City of Jal was in line item Salary and Wages. An adjustment was made for actual expense in Salary and Wages. The adjustment was taken from Program Operations to make up the difference. Bill Mershon made a motion to approve and Jon Hitchcock seconded. Motion carried.

7. Review and Approve the 2018-2019 SNMEDD Operating Budget:

2018-2019 Budget remains the same as the previous year. Raye Miller made a motion to approve the operating budget and Wyatt Duncan seconded. Motion carried

8. Review and Adopt SNMEDD Annual Capital Asset Inventory and Resolution 18-01:

This is required from the auditor on a yearly basis. A Master Inventory list was provided in the board packets. The only addition was the 2018 Equinox. Raye Miller made a motion to approve and adopt the Annual Capital Asset Inventory Resolution 18-01 Dave Venable seconded. Motion carried

9. Review and Adopt Resolution 18-02: SERTPO FFY19-20 Budget approval

The SERTPO budget for FFY19-20 was presented to the Board. Ms. Burr discussed the budget process and commented on key changes. Raye Miller made a motion to approve and adopt the SERTPO Annual Budget Resolution 18-02. Dave Venable seconded. Motion carried.

10. Review and Approve for Submittal of the FY 2018-2019 New Mexico State-Grant-in-Aid Application:

Dora reported that we are scheduled to receive \$84,714.29 from the Department of Finance Administration this year which remains the same as last year. The Certifications and Approval form needs to be approved by the Board before being submitted to the state. The form certifies that we are an officially recognized regional planning council; that our Board of Directors has officially adopted a budget; that we will obtain federal matching funds or services equal to the amount of state funds requested; we will comply with our annual work plan; and other compliance requirements. Bill Morris made a motion to approve and adopt the New Mexico State-Grant-in-Aid Application. Bill Mershon seconded. Motion carried.

11. Discussion of reducing Capital Outlay Applications Workshops:

The Workshops are held to train communities to properly fill out Capital Outlay requests. In the past few years the attendance was very low. It was suggested to possibly combine some of the counties in order to have a better attendance. We will send out a survey to see how many from each county will attend the workshops before a decision is made to combine the workshops. Jim Grantner suggested that a questionnaire be handed out at each workshop for the input of those in attendance.

12. Program and Activity Reports:

Dora Batista— District Activity

Our District turned in 8 of 25 of the CDBG applications state wide. Requests totaled about 4.8 million dollars out of 9 million available. The City of Ruidoso Downs, Town of Carrizozo, and the Town of Lake Arthur will receive a total of 2.4 million dollars Colonias 2018 money combined. The ICIP's are due for counties and municipalities on September 4, 2108. They have requested that you list only projects that are shovel ready.

The SET Region of Eddy, Chaves, Lea, Roosevelt, and Curry completed their year long process of the SET project. This process consists of meeting monthly with representatives of each County and from different industries working together to compile a regional economic development plan that would benefit the region not just the individual county. It received a "High Quality Plan" scoring. We have now begun to meet to plan the implementation of some of the goals that are listed in the plan. You can find it on our website snmedd.com.

There are several handouts regarding funding opportunities and webinars that will be taking place. In the interest of time, I won't be going over all of these but please take a look at them and see if maybe one of them could benefit your municipality. Also one of the handouts in your pile was our quarterly activity report. We changed the format up a bit to better correlate with the Work Plan we have to follow for DFA. It might look a little different than before.

Scott Bucher—SBDC Programs

This report includes activity for all of the Small Business Development Center in the SNMEDD/COG region: Alamogordo, Carlsbad, Hobbs and Roswell. For the quarter ending June 30, 2018 there were 85 new businesses bought or started; 77 new businesses created; 292 jobs created (full and part-time); and 37 jobs retained. There were 6 SBA loans for a total of \$1,019,300.00 and Non-SBA Loans totaled 27 for the amount of \$8,484,194. The number of clients counseled was 564 with 351 number of new clients counseled. Total training events were 24 with 220 in attendance.

Mary Ann Burr—SERTPO

Ms. Burr named the thirteen (13) entities (and projects) that turned in an application to the TAP-RTP-CMAQ Programs by the July 2, 2018 deadline. Feasibility reviews with the entities will be held on July 23-25, 2018. Final applications are due to SERTPO by November 1, 2018, and following SERTPO review, final applications will be uploaded to NMDOT by the November 30, 2018 deadline. Awards will be announced in March 2019.

The traffic count equipment has been loaned to Eastern Plains Council of Governments (EPCOG) in Clovis, New Mexico. Ms. Burr described how data is submitted to SNMEDD, who, in turn, generates and sends reports to EPCOG.

The next SERTPO meeting will be held on September 13, 2018 in Roswell, New Mexico. Items to be covered include the approval of the Public Participation Plan (PPP), which must be posted online prior to the meeting. The Central Federal Lands Highway Division of Federal Highway Administration (FHWA) will have a speaker at the meeting to discuss *Federal Lands Planning and Funding Opportunities*. Although not confirmed, the New Mexico LTAP Center (UNM) may make a presentation on LTAP. LTAP provides technical assistance and training to local governments.

Christine Sisneros—Staff Update

Filed all incoming paper work for CDBG, Colonias and Fiscal Agent Agreements; reviewed payrolls and conducted employee interviews for the Village of Hope Fire Station Expansion; e-mailed CDBG policies to communities needing to renew Resolutions and Plans and mailed copies of policies to project managers.

Assisted with the assembling of (7) 2018 CDBG Applications for Cloudcroft, Corona, Chaves County, Hope, Lincoln County, Roswell and Tatum. Applications were submitted to NMDFA/Local Government Division on June 22, 2018.

Attended Award Training for Colonias and Water Trust Board, on July 11, 2018 in Albuquerque, for the projects that were awarded in the 2018 Application Cycle.

Pansy Moffitt—Staff Update

Participated in Grants-On-Line webinar May 10, 2018.

Prepared Dues Packets to be sent out July 1, 2018.

Assisted in Pre-Audit June 18-21, 2018.

Assisted in set up of ICIP Workshop 06/21/2018.

Delivered CDBG Applications for Dora to DFA in Santa Fe 6/22/2018.

Prepared Proposed Budget for Fiscal Year 2018-2019 to present to Executive Director and SNMEDD Board.

13. Program: Guest Speakers: Individual County Economic Development Organizations Activities in Respected Counties:

Dora began by stating that one of the goals she has had is to create a strong working relationship with our County Economic Development Corporations. These groups work very hard on your behalf. Although we both have economic development in our names, our duties vary. We focus on you as a County or Municipality

helping you to comply with state requirements, funding and maintain your infrastructure, keeping you abreast of issues that might affect you as a County or Municipality. These organizations work hard to attract and recruit new industry and business into your areas and help with the expansion of new businesses and a lot more. We invited all five of our counties' economic groups to speak to us today and let us know what is going on in their respective county.

Steve Vierk from Lea County had to cancel due to a death in his family. We send our deepest sympathies to him and will invite him to speak at another time.

Dallas Draper—Lincoln County—Number 1 priority for the Village of Ruidoso is water conservation, followed by affordable workforce housing, regional workforce and public transportation—Ruidoso, Ruidoso Downs, and Lincoln County are participating in a contract to possibly take over the Mountain Transportation or work with Zia Trans to better assist the people that need public transportation to help them get to work and to help the elderly get to their doctor's appointments and shopping. Also on the top ten list is tourism recreation, increased high speed broadband, Mid-Town Association-Economic Revitalization and Promotion, Agriculture, Forest and Wood Products and Energy Production—in November there will be a wood products seminar with information of what can be done with wood products. Ruidoso Downs Racetrack is under new ownership.

Another one of the priorities is infrastructure improvements; 36m sewer line and 15m bridges.

Lincoln County has similar economic development activities. Again number 1 priority is water management and conservation. The wind energy development in the northern part of county has resulted in PILT (Payments in Lieu of Taxes) numbers increase. Because of this increase they were able to improve the Corona School District and the possibility of hiring a County Sheriff Deputy full time in Corona.

A 38 million dollar new hospital is being built and they will be able to build it without raising taxes. This will attract new doctors and their families. Another attraction is that Lincoln County has the lowest tax rate of 5.5% in the state.

The county and the Village are pursuing the different ways to use wood products.

There is a big push to support agriculture along with protecting grazing permits.

The county is in the process to secure funding for Extension Service

Distribution of Lodgers Tax amounts to approximately \$80,000 per year.

The last priority is to continue to fight for the County in Santa Fe.

Laurie Anderson—Otero County—There are two F16 squadrons which are temporarily housed at HAFB. Alamogordo/Otero County are making huge efforts to bed down the two F16 squadrons to permanent status.

A call center has been located at the White Sands Mall staffing 240 positions. Two home grown businesses will be expanding in the mall as well as the rumor of the possibility of two chain stores. There is a focus on business retention and expansion.

The film industry is becoming really big in Alamogordo and White Sands.

The hospital is looking to expand their services as well as bring in new doctors and nurses.

A feasibility study is in the process to bring in commercial flights again.

John Mulcahy—Chaves County –Focus is on the Air Center and the creation of an Air Port Authority consisting of local group of business people dedicated to the operation of the air center and the task of creating jobs .

The air service to Dallas and Phoenix is now around 80% capacity of ridership.

The film industry is active in Roswell.

Spring River Class A apartment complex is filling up quick with only 8 apartments available. Phase II is starting to double the size of the complex.

USA Beef is the only meat packing plant in the state selling beef, bison and expanding into selling dog food.

There are no apprentice programs in Roswell. The Roswell/Chaves County Economic Development Corporation and various local industries, along with the local school district are trying to implement some apprentice programs in the area for those who are not college material, but prefer hands on.

Engaged with the federal government to hire parolees.

Working on an affordable housing project.

Create and strengthen a pilot training program. The Chinese are definitely interested in the program.

The Roswell/Chaves County Economic Development Corporation is partnering with Xcel Energy to create and market certified sites. "A certified site is a site having met some or all of the criteria for development can be referred to by a number of different terms including "certified" or "shovel-ready". Regardless of the name however, these sites are parcels of land (or in some cases, a building) that has met specific criteria developed by the body administering the program or a consultant hired to develop this criteria. The definition of a certified site therefore, varies as there are no national or international standards." The first one has been established on South Main in Roswell, NM.

Support the Right –to– Work legislation.

Roswell Next is made up of young professionals sponsored by local businesses to determine if they really want to live here.

Searching for potential buyers for the old NOVA Bus Company Hangar. One of the projects being pursued is an electric bus company.

Leprino Cheese Company is in the process of a \$24 million expansion program.

John Waters—Eddy County The oil and gas industry is still increasing, the number of rigs in the Delaware Basin are at their highest level since 2005 despite the fact that drilling is down in other basins in the nation and the Permian Basin.

This has resulted in direct jobs totaling 21 per rig and 124 indirect jobs. In 2017, Eddy County ranked 3rd in oil production and 1st in natural gas production. There are numerous office expansions and regional office complexes being built in Eddy County. Almost every major national company is represented in the field with the anticipation that these offices will employ an additional 100-500 employees each.

Navajo is one of the largest employers in Eddy County. Three processing and refining companies are building a \$250-900 million cryogenic gas processing facilities near Loving.

The potash mining in Eddy County is still leading the USA. The nuclear storage plant WIPP is at its highest employment rate in years having resumed shipment in 2016. Holtec, International is working with Carlsbad, Hobbs, Lea & Eddy Counties to build and license a private consolidated interim storage facility between Carlsbad and Hobbs.

We are in the process in pursuing new manufacturing companies and strengthening the existing ones particularly in the defense and aviation fields.

The results of the above mentioned items are record gross receipts tax revenues in Carlsbad and Loving along with record lodger's tax revenue in Carlsbad. Carlsbad's building permits are the highest on record.

The biggest challenge is the housing shortage. Carlsbad is over 6,000 units short with most of that being workforce housing. Secondly the next problem is the roads and infrastructure with approximately 3 fatalities per month on the highways and roads in the patch.

Eddy County has the lowest unemployment in the state of 2.8%. This is the lowest since December 2007 and the lowest unemployment in history. There are 2,700 open positions in Eddy County.

14. Comments/Announcements and Information Sharing:

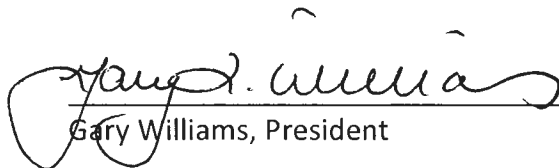
No comments.

15. Adjourn:

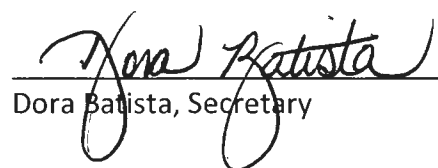
Sam Seely made a motion to adjourn and Raye Miller seconded. Motion carried. Meeting was adjourned at 12:25 pm.

LUNCH

APPROVED:

 10-12-18
Gary Williams, President Date

ATTESTED BY:

 10-12-18
Dora Batista, Secretary Date