

**SOUTHEASTERN NEW MEXICO ECONOMIC DEVELOPMENT DISTRICT, INC. /COG
QUARTERLY BOARD OF DIRECTORS MEETING**

**July 11, 2008
ENMU-Roswell**

MINUTES

I. 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 Matt White at 10:08 a.m.

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL AND INTRODUCTIONS

The following member governments were represented by directors, alternates or proxies:

MEMBER GOVERNMENTS

Chaves County – Michael Trujillo, Commissioner
Eddy County – Guy Lutman, Commissioner
Lea County – Eva Sanchez
Lincoln County -- Eileen Lovelace
Otero County – Michael Nivison, Commissioner
Alamogordo – Steve Brockett, Mayor
Artesia – Phil Burch, Mayor
Capitan – Sam Hammons, Mayor
Carlsbad – John Beasley, Director
Carrizozo – Dennis Vega, Trustee
Corona – Sam Seely, Trustee
Dexter – John Reid, Mayor
Eunice – Matt White, Mayor
Hagerman – Connie Andrews
Hobbs – Joe Dearing, City Planner
Hope – Lora Crumrine, Clerk/Treasurer
Jal – P.J. Parker, Grant Administrator
Loving – Pete Estrada, Mayor
Lovington – Leticia Kanmore, Executive Director
Roswell – Floyd Lard, Support Services Admin.
Ruidoso – Jim Stoddard, Councilor
Ruidoso Downs – Gary Williams, Councilor
Tatum – Betty Rickman
Tularosa – Ray Cordova, Mayor

NON-GOVERNMENT MEMBERS

Bill Mershon, Otero County Private Sector
Gregg Fulfer, Lea County Private Sector

A quorum was present with 24 of the 26 member governments represented.

Visitors and Guests present:

Zack Dillenback, Financial Advisor—NMFA
Tim Smith, Otero County Manager
Mike Espiritu, OCEDC Director
Steve Massey, Eddy County Manager
John Gallegos, LGD Bureau Chief, DFA
Rick Gutierrez, Tularosa Project Coordinator
Lynn Ditto, Senator Bingaman
Sonia Raftery, Senator Bingaman
Trisha Zendel, Clerk/Treasurer, Village of Cloudcroft

SNMEDD/COG Staff Present:

Hubert Quintana, Executive Director
Dora Batista, Planning & Development
Beth Pappas, Office/Finance Manager
Pansy Moffitt, Office Assistant
Mike Byrnes, Director, SBDC

IV. APPROVE MEETING AGENDA FOR JULY 11, 2008

The agenda for the meeting was included in the board packets mailed to each Director for their review. Betty Rickman made a motion for approval of the agenda. John Reid seconded the motion. Motion carried.

V. APPROVE MINUTES OF APRIL 11, 2008

The minutes of the April 11, 2008 quarterly meeting were included in the packets mailed to each Director for their review. A motion was made by John Reid and seconded by Connie Andrews to approve the minutes as written. Motion carried.

VI. REVIEW AND ADOPT FINANCIAL REPORT & BUDGET ADJUSTMENTS

Hubert Quintana presented the financial report, budget adjustments and RPO budget which were included in the packets mailed to each Director prior to the meeting.

Local Government dues shows a slight increase as a result of dues increase at the last Board meeting. EDA and State remained the same as last year.

We also carried over the RPO incurred expenditures for money already spent in anticipation of reimbursement from the state.

We received \$10,000 from Representative Candy Spence-Ezzell to be used for scholarship training for Board and Staff members, for conferences and the Mayor's Summits.

Joe Dearing asked why the money was not spent for equipment. Hubert replied that we decided to hold off and have it purchased through Capital Outlay rather than use our own money.

Phil Burch made a motion to accept the financial report, year-end budget adjustments, and RPO budget. Betty Rickman seconded the motion. Motion carried.

VII. REVIEW AND ADOPT SNMEDD/COG OPERATING BUDGET

Hubert Quintana presented the proposed operating budget for fiscal year 2008-2009 which was included in the packets mailed to each Director prior to the meeting. He also stated that he didn't see a need to continue having Corporate Sponsors. He stated that at one time EDA required us to have representation from the different industry groups in the private sector. Since the Board is made up of voluntary elected officials, their status already represents industry, education, and economic development employment and affiliation to meet the EDA compliance needs of the District.

Under salary recommendations, Hubert stated he would like to ask for a 5% salary increase for each of the employees.

Hubert also asked to be allowed to purchase a new vehicle for the District. The vehicle Dora is currently driving is getting older and has quite a few miles on it.

David Venable made a motion to accept the Operating Budget, Ray Cordova seconded it. Motion carried.

VIII. REVIEW AND ADOPT 2008-2009 ANNUAL WORK PROGRAM

Hubert explained that he had tried to contact DFA to review the Work Program, but because of a personnel shortage at DFA, he was unable to reach someone to finalize the program. Hubert presented the Work Program for 2008-2009. It is basically the same as the previous year with changes in section 2 to include "Administer no fewer than 3 CDBG grants upon the successful funding of 3 or more applications in the District if the recipients request our administrative assistance".

Section 3 - Conduct Mayors' Summit to provide training to local elected and appointed officials on programs, services and current issues of interest twice annually-- in the fall of 2008 and spring of 2009.

Section 5 - Provide scholarships for local government staff and elected officials to attend capacity building state, regional and national workshops, seminars, and conferences prior to June 15, 2009.

Motion to accept the Work Program was made by PJ Parker and seconded by Ray Cordova. Motion carried.

IX. REVIEW AND ADOPT SNMEDD/COG PERSONNEL POLICY REVISION

The SNMEDD Personnel Policy was reviewed; Joe Dearing recommended that the Policy be adopted. Eileen Lovelace moved that the policy be accepted and it was seconded by Betty Rickman. Motion carried.

X. BOARD MEMBER SCHOLARSHIP TO ATTEND NADO ANNUAL CONFERENCE IN ANCHORAGE, ALASKA OCTOBER 3-8, 2008

Hubert announced there will be a NADO Conference in Anchorage, Alaska October 3-8, 2008. He presented the opportunity for one Board Member to attend and asked that they please let him know as soon as possible.

XI. FIVE BOARD MEMBER SCHOLARSHIPS TO ATTEND NEW MEXICO FINANCE INFRASTRUCTURE CONFERENCE IN ALBUQUERQUE, OCTOBER 28-30 2008

Hubert announced that there were five openings for the New Mexico Finance Infrastructure Conference to be held in Albuquerque, New Mexico on October 28-30-2008. He asked for volunteers to attend and to let him know as soon as possible.

XII. THREE BOARD MEMBER SCHOLARSHIPS TO ATTEND SOUTHWEST REGION EXECUTIVE DIRECTOR'S ASSOCIATION CONFERENCE IN OKLAHOMA CITY OCTOBER 20-22, 2008

Hubert announced that there were three openings for the Southwest Region Executive Director's Association Conference to be held in Oklahoma City, October 20-22, 2008. He asked for volunteers to attend and to let him know as soon as possible.

XIII. PROGRAM AND ACTIVITY REPORTS:

CDBG/PLANNING/WIA – Dora Batista

The July 15, 2008 CDC meeting to adopt regulations has been changed to August 26th. Most of the proposed changes were in the language with minor changes in the evaluation/scoring process. When the regulations become final the changes will be outlined for you.

If there are any plans to apply for the 2008 CDBG funding cycle, the Public hearings need to be held now. Three public hearings are recommended. Our office will be happy to conduct them for you.

The CDBG Application Workshop will be held August 21st and 22nd in Santa Fe. A notice will be sent to all municipalities with the location and agenda. They are still finalizing the details. Dora is available to write or assist you in writing the application. The applications require quite a bit of documentation, and need to be started as soon as possible especially if a survey is required.

If a local government has a current CDBG grant and wishes to apply for 2009 funding, the current grant must be closed before November 14th in order to meet threshold compliance. This means the project has to be complete with close out documents and the project manager from DFA has come down to close the project.

The 2009 application deadline is December 19, 2008.

Under Planning.....

For those entities applying for 2009 CDBG funding ensure the CDBG project is listed on the ICIP as a top priority. Planning grant applications for Tularosa and Tatum are currently being worked on. Funds are limited so if a comprehensive plan (especially if it is five years or older) needs to be updated Dora should be notified and she will help to work on obtaining funds.

Planning grants can be obtained for Asset Management Plans if the comprehensive plan is up to date. These plans involve taking inventory of the systems, the life of parts and water/sewer lines and determine when they will need replacement.

A reminder that the state is looking at water/sewer rates, audit compliance, required quarterly and monthly financial reports; current budgets, etc. as the overall picture when it comes to applying and receiving funding. Please contact this office if help is needed in any of these areas SNMEDD will either help or direct you to someone who can.

Under WIA

In order to conserve funds the Eastern Area Workforce Board will meet the second Tuesday of every other month like they have been but beginning in August committee meetings will be held the day before. Currently one month the committee meets and the next month is a board meeting. The next meeting will be August 12th at 8:00 a.m. in Portales at ENMU.

The minutes from the last meeting are also in the handouts with information about new one stop locations and operator and youth contracts.

SERPO – Mary Ann Burr – Request for reimbursement was submitted to NMDOT (Santa Fe) for the quarter ending 3/31/08 on April 17, 2008, in the amount of \$1,408.56 and \$17,746.52. Payment was received in full on May 12, 2008 (dated 5/08/08). Request for reimbursement for the quarter ending June 30, 2008 will be submitted in July 2008 along with quarterly reporting.

Submitted annual budget to NMDOT for the newest increment of funding in April 2008.

Coordinated and made preparations for SERPO Policy & Technical Committee meeting on April 10, 2008. Distributed packets to RPO membership which included copies of 1st Year Roadway and Scenic Byways applications. Meeting agenda covered:

Policy and Technical Committee Review of 1st Year Roadway Applications

Policy Committee Rating and Prioritization of Scenic Byways Applications

Annual Work Program.

Coordinated the ADA Training held on April 10, 2008 in Roswell (following the SERPO meeting).

Coordinated LTAP-sponsored Work Zone Traffic Control for Maintenance Operations Training which was held on April 21, 2008 in Artesia, New Mexico.

Submitted the annual confirmation of RPO membership appointments to chief, elected officials.

Participated with the District 2 Open House on May 13, 2008 (booth).

Coordinated the quarterly RPO Roundtable meeting in Roswell which SNMEDD hosted this quarter (May 20, 2008). Many thanks to Eugene Simmons for scheduling the aviation tour; Paul Sorenson and the City of Roswell for providing transportation (Pecos Trails Transit); Robert Donnell and Jessica Armendariz with Chaves County Development Foundation for contributing aviation-related promotional items; and to Travis Dunlap with the NMDOT Training Academy for arranging a Driving Simulation demonstration.

Modified Transportation Page on the SNMEDD Website to include description of the Safe Routes to School (SRTS) Program; new format for list of RPO membership; County Roadway Functional Classification Maps for Chaves, Eddy, Lea, Lincoln and Otero Counties; and posting of the SERPO Regional Long Range Transportation Plan.

Provided presentation on the RPO processes to Commissioners/Councilors as follows:

City of Alamogordo - June 10, 2008

Lincoln County - June 17, 2008

City of Ruidoso Downs - June 23, 2008

Disseminating information and encouraging participation for the upcoming Transportation Finance Town Hall at the Tamaya Resort (Santa Ana Pueblo) on August 7-9, 2008.

Coordinating an Exhibitor's booth with other RPO Planners for the upcoming New Mexico Municipal League Annual Conference (Clovis, New Mexico) on August 13-15, 2008.

Coordinating the next SERPO meeting to be held on August 28, 2008 at the Roswell Public Library.

ICIP – Beth Pappas – ICIP's need to be submitted to DFA by September 30, 2008.

The ICIP website may be accessed at www.nmdfa.state.nm.us under "Local Government Division" and "Community Planning Information".

An ICIP training workshop was hosted by the District on April 29, 2008 at Eastern New Mexico

University-Roswell. Jessica Lawrence, DFA/LGD ICIP Coordinator conducted the workshop. The New Mexico Environmental Finance Center also gave a presentation on cost estimating. There were 20 people in attendance. Workshop agendas and registration forms were sent out to all of our local governments and to all water associations in our District.

The ICIP web-page has two new features this year that should be very helpful. One new feature is a detail print button which allows you to print all of your projects at one time rather than having to print them one at a time. The other new feature is a capital project search page where you can search for and filter current and past capital projects and appropriations.

SBDC PROGRAMS – Mike Byrnes – In the first quarter of 2008 the SBDC worked with 80 clients and sponsored three SBA-qualified seminars. Capital formation of \$1,806,446 was reported and represents four businesses assisted with one new business opened and 26 jobs retained.

Second quarter activities included hosting the three-day quarterly meeting of the New Mexico Small Business Development Centers. The state director, Roy Miller, and his staff, along with representatives from all 20 centers attended. The 45 attendees participated in training sessions about tools for strategic planning, and were entertained while they were in Roswell by visits to the Roswell Museum and Art Center, the planetarium, the bowling center, local restaurants and local merchants – some of whom have been SBDC clients. The quarterly meeting was partly supported by donations from local lenders and the Roswell Chamber of Commerce and with gifts from the Chaves County Development Foundation and ENMU-Roswell.

This quarter, a major project was completed successfully when the Lincoln County Transit Authority was approved by the county and other local participants. The SBDC helped with the grant application and prepared the business plan for the project. The Lincoln County Transit is a county-wide effort to provide affordable public transportation to all residents in the county. The first phase of the project is being funded by a \$340,000 grant from the state and \$75,000 of local funds.

The Roswell SBDC underwent a day-long site review performed by Bill Kent, of Carson Enterprises. Mr. Kent has been visiting all of the SBDCs in the state. The Roswell center passed with “flying colors” according to unofficial feedback from the Santa Fe Lead Center.

In April, Carolyn Arias, office manager, spoke to Leadership ENMU-Roswell, an employee group that gives university personnel an opportunity to learn about the many resources provided on campus. Carolyn gave an overview of SBDC services, examples of assistance offered to the community and information about special interest projects, such as the youth entrepreneurship program.

The latest youth entrepreneurship program was offered as part of the Dexter Schools' summer enrichment program. A small but very motivated group of sixth and seventh graders learned a bit about different kinds of businesses, how to calculate costs and profits with Excel, how to write a check and keep a check register, and how to identify a market. Since the project this year was a “print shop,” they also had an opportunity to learn digital photography and photo editing with Photoshop Express. The students each received \$100 from grant funds provided by the US Forest Service, Lincoln National Forest. Bank of the Southwest provided personalized business checkbooks, from which they were able to write (non-negotiable) checks to buy their materials.

Some of the posters and cards the students created were outstanding. Their work will be on display at Bank of the Southwest.

Miscellaneous other activity to be reported this quarter includes:

April 3: Gene Simmons attended the Renew New Mexico renewable energy conference in Tucumcari.

April 22 - 24: Gene Simmons attended the 2008 NM Rural Economic Development Forum, which had a theme this year of *"New Frontiers: Preparing for Tomorrow's Economic Development Opportunities."*

April 24: Carolyn Arias attended lender training for the B&I Guaranteed Loan Program.

April 29: Gene Simmons assisted in a presentation to the Village of Ruidoso about the proposed Lincoln County Transit.

May 15: Gene Simmons, who serves as an advisor in the development of a New Mexico Science and Technology plan, met with the committee in Santa Fe.

May 19: Gene Simmons attended a meeting at the Roswell Regional Hospital, where methods of attracting more doctors to Roswell were discussed.

June 4: Gene Simmons traveled to Santa Fe Community College to attend a meeting with Los Alamos personnel and others about the Los Alamos National Labs' new technology transfer grant project.

June 26: Mike Byrnes, Lincoln County counselor, attended a NAFTA meeting at Sunland Park in El Paso.

Ongoing: Gene Simmons continues to serve as president of the regional board of Big Brothers Big Sisters.

Upcoming: In mid-August, Gene Simmons will be attending the Mid-America Lenders' Conference in San Antonio, Texas.

DISTRICT ACTIVITY – Hubert Quintana – Last quarter activities are included in the District's Quarterly Report that was distributed to all members.

XIV. PROGRAM: MR. JOHN GALLEGOS, NMDFA—CHIEF, FINANCE MANAGEMENT BUREAU

Mr. John Gallegos, NMDFA, Chief, Finance Management Bureau was the guest speaker. He distributed packets explaining "Local Government Division: Powers and Duties".

The local government division requires each local public body to furnish and file a proposed budget for the next fiscal year on or before June 1 of each year.

They examine each proposed budget and approve and certify each local public body an operating budget for use pending final budget approval on or before July 1 of each year.

They hold public hearings on proposed budgets.

So that the proposed budgets meet the necessary requirements of the law, they make corrections, revision and amendments to the proposed budgets.

They certify a final budget for each local public body to the appropriate governing body before the first Monday in September of each year. When the budgets are approved they are binding upon all tax officials of the state.

Periodic financial reports are required quarterly from local public bodies. They shall contain necessary details regarding applications for federal money or federal grants-in-aid or regarding federal money or federal grants-in-aid received. These should include details of programs, matching funds, personnel requirements, salary provisions and program numbers, as indicated in the catalog of federal domestic assistance.

They can authorize the transfer of funds from one budget item to another when the transfer is requested and a need exists meriting the transfer and it is not prohibited by law upon approval of the secretary of the finance and administration. With approval of the secretary of finance and administration the budget may be revised to authorize the expenditures if there is a need for the expenditure for an item not provided for in the budget.

In the event a local public body undertakes an activity, service, project or construction program that was not contemplated at the time the final budget was adopted and approved which activity, service, project or construction program will produce sufficient revenue to cover the increase in the budget or the local public body has surplus funds on hand not needed to meet the expenditures provided for in the budget which to cover the increase in the budget may be done with written approval of the secretary of finance and administration. The attorney general shall review legal questions identified by the secretary in reference to such budget increases.

They supervise the disbursement of funds so that expenditures will not be made in excess of budgeted items or for items not budgeted and so that there will be no illegal expenditures.

Make rules relating to budgets, records, reports, handling and disbursement of public funds or in any manner relating to the financial affairs of the local public bodies with the approval of the secretary of finance and administration.

XV. CORPORATE SPONSOR ANNOUNCEMENTS AND COMMENTS

There were no Corporate Sponsor comments.

XVI. COMMENTS AND ANNOUNCEMENTS

Mike Nivison spoke on proposed rule changes. The Water Trust Board is considering changes concerning how protests and water applications are handled. It seems to be a good idea, but deeper study opens the door to allow 3rd party entities to file lawsuits to stop the program.

XVII. ADJOURN

There being no further business or discussion the meeting adjourned at 12:15 p.m.

Respectfully submitted, Approved this _____ day of _____, 2008

Hubert H. Quintana, Secretary

Matt White, President