

**EASTERN PLAINS COUNCIL OF GOVERNMENTS
BOARD OF DIRECTORS MEETING
August 10, 2022
418 Main Street, Clovis, NM**

Chairman Roman Garcia, called the meeting to order at 10:00 a.m. and thanked all for attending.

INTRODUCTIONS:

Everyone in attendance introduced themselves, the board members, guests, followed by the EPCOG staff.

Pledge of Allegiance and Salute to the New Mexico Flag

MEMBERS PRESENT:

Roman Garcia, Vaughn; Robert Thornton, Curry County; Helen Casaus, Clovis; Leona Powell, Grady; Meadow Forget, Melrose; Amanda Lucero, De Baca County; Robert Serano, III, Guadalupe County; Ruth Ann Litchfield, Tucumcari; Scott Parnell, Logan; Cynthia Lee, San Jon; Tina Dixon, Roosevelt County; Beverly Creighton, Elida; Clay Kiesling, Union County; Wade Holdeman, Fort Sumner Irrigation District.

STAFF PRESENT:

Sandy Chancey, Vincent Soule, Raymond Mondragon, Raul Rodriquez, Kyleigh Knight.

GUEST PRESENT:

Jason Espinoza, KW Consulting
Eric Montgomery, KW Consulting

APPROVAL OF AGENDA:

THAT the August 10, 2022, Board of Directors' agenda be approved as submitted.

MOTION: Tina Dixon
SECOND: Cynthia Lee

ROLL CALL

MOTION CARRIED

APPROVAL OF June 8, 2022 MINUTES:

Sandy commented under Cry From the Wilderness Award we need to correct last year's recipient to Justin Bennett and this year's recipient is Kim Summers.

THAT the June 8, 2022, minutes be approved with the above-mentioned amendments.

MOTION: Helen Casaus

SECOND: Leona Powell

ROLL CALL

MOTION CARRIED

APPROVAL OF FINANCIAL REPORTS:

Financials and Year End Budget Adjustments:

Kyleigh commented overall the income came in right around budget. The New Mexico DOT was the only thing that came in a little under budget. As far as individual items on the financial statement that may stand out is office supplies ended up being way over budget. This is because of the CARES grant and being able to purchase items we couldn't purchase in the past.

Another item is the utilities. This is something that is uncontrollable with utilities increasing this past year. Health insurance has increased but property and liability insurance decreased a little.

You will notice payroll came in over budget and this will show in the budget adjustments. This was mainly due to compensated absences which have not been used and were carried over. These have gone to the balance sheet as a liability.

Overall compared to the original budget income was down a little and expenses are also down going into the new year.

The CARES grant ended July 15th but the EDA grant and DOT grant go through to the first of the year.

Kyleigh commented for the income items, the only thing that was pretty much under budget was the DOT grant which we have until October. All three of our major funding sources run on a different fiscal year.

As far as expenses, we are looking for approval to have the budget adjustments match the end of the year actual, so we don't have to use a carryover. The biggest adjustment is for the compensated absences, which is about almost \$20,000. But those have not been paid out so that is just a liability.

Sandy commented that EPCOG had not been reporting it that way previously.

Kyleigh stated this is the proper way to show this adjustment for the audit. This does not affect the overall cash budget. The compensated absences are earned vacation time that haven't been used.

The professional services that ended up coming in about \$22,000 under budget. So those were the two biggest items. The other adjustments are so we don't have a carryover into this current fiscal year.

THAT the August 2022 financials and end of the year budget adjustments be approved as submitted.

MOTION: Leona Powell

SECOND: Cynthia Lee

ROLL CALL

MOTION CARRIED

NEW BUSINESS:

Approval of FY 23 Fee Schedule.

Vincent commented that EPCOG has received a lot of requests for fee services. This would be services that are outside of the scope of your membership agreement. To make things a bit easier whenever we are asked how much we would charge to do some sort of AV we have put together a draft fee schedule that will give an idea of fees and services. It will still be unique to each project. We wanted to have some sort of starting point in place, and this is not definite, they are just examples because with each entity there are situations that require willingness to negotiate a price.

This document is what type of service we can offer, the description of it, and the fee amount that would be associated with the service. Comprehensive plans can be up to sixty thousand, CDBG we are bound to the 1 to 3% of the grant amount.

Sandy commented CDBG is 1 to 3% of the grant amount. One thing we didn't list on your fiscal agent services. We have been charging 1% of the grant amount. If we need to devote more time to a grant, then we would need to charge a little more. As Vincent said we have been getting requests as to EPCOG assisting with different types of planning and asking how much we charge.

Vincent commented we have administrative contracts we have helped with. Ray and Sandy have done City Administration for Santa Rosa and that was a contract. If we assisted a larger entity such as the City of Clovis that would be much more than the City of Santa Rosa. Our communities have different needs and unique situations. All the fees are flexible, and this is just giving you a good starting point.

EPCOG has been helping with policy development a lot lately. We can expect about \$5,000 for creating a policy. Vincent did a lot of research in the private sector to see how much it would cost if we were to actually have a contract with someone and tried to make it feasible for our members. We will work with our members and your budget to set a fee for services. Working also with our skill level as there may be some things outside of our capacity.

THAT the FY 23 Fee Schedule be approved as submitted.

MOTION: Clay Kiesling

SECOND: Tina Dixon

ROLL CALL

MOTION CARRIED

Approval of CEDS:

Jason Espinoza commented he and his team has had the pleasure of working with EPCOG on updating and enhancing the current comprehensive economic development strategy for twenty twenty-two. Raymond has taken the lead in past years in updating the plan. It has been about four years since the plan has been updated. KW Consulting was contacted to update the document. It is a forty-four (44) page document, so he didn't go through the CEDS page by page.

One of the goals that the staff specifically wanted is for this document to be useful and so it is designed in a way so communities can reference certain sections and pull-out certain sections and use them. If you just scroll down the table of contents, you will see it includes a summary background which includes a lot of data. What is the CEDS? Why is it important? Why is economic development important?

As an explainer to the community, we go through several economic influencers in the EPCOG region. Raymond did a great job in the last version of having sort of a condensed SWAT analysis. What we did this year is broaden that into a longer narrative going through some of influences and causes related to some of the opportunities and threats in the region. Eric's going to go deeper into some of these. At this point we just want to give a broad overview to the strategic direction and plan. We do have some specific recommendations in the plan. One of the things we did which is the next item on the agenda is the Covid19 Recovery Plan.

The real work over the last two (2) years on economic recovery, speaking with communities, looking at data on the impact of COVID-19 and the pandemic, the closures of communities, and the workforce development issues. All of that work informed and was sort of rolled up into the CEDS document as a whole. So, you'll see components that we are going to go through next, on the agenda item are all rolled up into this document as it really did inform the work of the document.

One of the other things is we added an economic resilience section which was something the EDA has been really pressing and wants included in the CEDS updated documents. Given the pandemic and the focus on resiliency and the bouncing back from the pandemic. That section was primarily informed by the economic recovery work.

We also included in a separate section county profile which includes the communities

within each county. We did those as a separate section basically as a one-to-two-page document so as communities are working with site selectors or others in the economic development field it can be a page that you specifically pull out to talk about your community, the benefits, positives, attractions, and history of the community. Raymond did a great job of including all of this in the last CEDS. We just sort of reformatted it so you can use those as pull outs.

We also worked with the staff to make sure to include higher education profiles given the number of higher education institutions in the EPCOG region to really have a profile detailing that so that prospective companies or employers can have that data and you can have it at your fingertips as well as K-12 education.

Jason turned the meeting over to Eric to talk a little bit about some of the workforce analysis they did which was very interesting and covers the economic recovery work.

Eric commented when looking at the workforce components it is one of the economic development strategies. Usually there are three main components to recruitment. Do you have the right location for business and to conduct business? Once determined. Do you have the right workforce components?

Looking at workforce was a critical component for both economic recovery as well as general economic development plan going forward. One of the things they wanted to do was incorporate ways and benchmarks that individual communities can examine but also develop strategies working in conjunction with higher education and with the school system to give a perspective as to the oftentimes hard to address gap between what is needed in the workforce and what is present in the workforce.

There are some good data tools that were discussed within the CEDS of how they got the information, how they are doing the analysis, how they are examining components, and even some of that went into influencing items on the strategic direction and plan. Looking at the job postings and specifically identifying what the most needed positions are, what's available and what programs are offered within the area community colleges, and other areas of educational institutions. Also coupling with that are some of the soft skilled development items that are listed within those jobs and are posted online. To view what is present within the workforce and other information is available on the New Mexico Workforce Solutions webpage. You will have to filter through several different aspects to be able to find the information. They wanted specific direction moving forward for the next five years.

Jason commented the CEDS is a long document, and he believes it had been sent to the board prior to the meeting to go through. Mr. Chair and I and Sandy, if there are specific items you would like we are happy to go through and answer any questions.

Question: During preparing the Comprehensive Economic Development Strategy Plan did you look at the quarterly economic summary reports from Economic Development Department from the state? Did you compare taxable gross receipts? The increase and decrease by fiscal year for the quarters for each county?

Response: Jason replied, we did include that information. If you go to page four, label number four, but page six of the .pdf. Just some general information taken from there if you look to the left that is specific to New Mexico. In the specific economic recovery work, which is next on the agenda, it goes annually and quarterly through the data through COVID to look at some of the changes in terms of GRT.

Question: Did you get that information on Guadalupe County?

Response: Jason commented, I believe we do, I have another printout from the state. If you look at page twenty-six of the document but starting on page twenty-five are some of the data we looked at and again, this was sort of informed by COVID. Looking at percent change in number of small businesses open through chart one and chart two. Those are New Mexico because it did have data going further but when you look at three and four that data was before as we were trying to look at pre-pandemic and then going into the pandemic. Looking at 20 and 21 everything forward gets altered because of the pandemic.

Some discussion took place.

It was brought to the attention of Jason that the Village of Melrose had the Village of Grady's information. Jason said he would get that corrected before the CEDS goes to print.

THAT the Comprehensive Economic Development Strategy (CEDS) be approved with the correction to Village of Melrose.

MOTION: Clay Kiesling

SECOND: Meadow Forget

ROLL CALL

MOTION CARRIED

The Chairman has a previous engagement, so he turned the meeting over to Vice-Chair Cynthia Lee.

Approval COVID-19 Recovery Plan:

Community Interviews:

Jason commented the components of the COVID-19 Plan are all in the CEDS just in a more condensed form. One of the things that Raymond asked them to do relative to economic recovery work was to not provide a lengthy report that is going to sit on the shelf. So, what they did was create four different reports of three-to-five-page briefs on the work done, some data, then some recommendations that EPCOG and the members can use as they look towards economic recovery and resiliency.

The first one in the document is a brief three-page brief on the community conversation analysis. As you may or may not remember since we started this project two years ago,

they were having community conversations with many of you. Setting up interviews, really looking and talking about three distinct areas, pre-covid pandemic economic trends, during and after COVID economic trends, and then looking at post-covid economic recovery goals for each community highlighting some of the outcomes and themes.

One of the things in the conversations they had at the time was to have a key takeaway that COVID-19 and the pandemic with public health orders did create short-term obstacles to economic development and health at the time. But really it was the mid and long-term challenges to economic development, workforce, transportation, and other that you have already identified that were magnified and accelerated by the pandemic. So, it was the existing issues that we are looking at.

One of the things that took KW Consulting in a different direction than looking at specific items out of COVID was how to look at those mid and long-term challenges that were accelerated because now we know we need to deal with and address those in an accelerated fashion.

Question: Why wasn't Guadalupe County participating within this recovery brief?

Response: Within this specific one, we did send out invitations. I believe to the entire EPCOG membership. These were the ones that responded within the time frame. We did interviews with them. I believe it was a week of each other, so those were just the original ones. We had contact with other counties and municipalities, but it was that condensed week of interviews that informed this specific brief.

Pandemic Impact Analysis:

Looking at some of the data in the Pandemic Impact Analysis is also rolled up into the CEDS document. Really wanting to look through data analysis. What was the impact of COVID both in New Mexico and then more specifically in the EPCOG region. Once again looking at that similar data percent of small businesses open which is still a lingering issue across the state of New Mexico. A change in net revenue for New Mexico small businesses. You can see one thing that is interesting and is pointed out in the narrative, you can see little bumps where certain things happen. Where the closures happened and when the Federal Economic Stimulus came in. You can see a little bump in terms of revenue and businesses were back, but overall, you can see the impact.

One of the interesting things too, on page three, relative to the number of small business applications. This was looking specifically just at New Mexico because there wasn't regional data on this. You can see when the pandemic hit, the number of small business applications in New Mexico went down. There was a big economic event happening, not a lot of opportunity or positive outlook but then you can see later in the year between week 30 week 38 there was actually more small business applications than there was in 2019 the previous year. One of the things in looking at the data at the start there is a less positive outlook, but then businesses had to pivot during the pandemic. There were new opportunities because of that pivot and different ways of doing business. The entrepreneurial spirit in New Mexico you see some of those small business applications

and with the assumption based on the data they will fill some gaps and pivots giving a new dynamic in the economy.

Talks about the percent change in GRT 2019 to 2020, then just did some quick PPP loan analysis to looking in terms that this data is on small loans under \$150,000 specific to the different counties in the region, then comparing the amounts per each loan to New Mexico. Compared to some regions EPCOG region was a little below the New Mexico average and Bernalillo County was a little higher so we just wanted to make those comparisons on the amount of money coming in because as we know that was helping to keep the economy from dipping any further.

This data can also be used to benchmark recovery efforts in moving forward in terms of comparing it to this data.

Workforce Impact Analysis:

Eric commented when talking about the CEDS process workforce was a critical conversation during the onset of the pandemic. There were a lot of concerns about unemployment. We saw incredibly historic high rate of unemployment at the onset of the pandemic and so one of the first initial questions we had to answer was is this unemployment attributable to the pandemic or is the unemployment levels seen by the county something different.

This document set out an analysis to look at standard deviation. We looked at historical trends of unemployment levels throughout the EPCOG region doing county by county and that's what you will see in this document. What were the unemployment trends in March of 2021 as compared to the last 30 years of available data. So, there's a little bit of a problem or issue doing month by month analysis to annual analysis. But you work with the data that you have.

The interesting component to this extends off a conversation with the communities because several were saying we have these concerns, but they weren't concerns that existed within a single year. They were concerns that seemed to be ongoing trends or concerns about the economy in general. Concerns of needing to focus more on the younger population or concerns of having trouble with one particular retail or restaurant parcel that has turned over three or four times and not having a lot of success with that. These concerns triggered some deeper research into this and found there wasn't enough statistical proof in the majority of the counties in the EPCOG region to verify that COVID-19 was causing an uptick in unemployment. In fact, in most of the counties, outside of the urban centers for New Mexico trend or urban centers for the EPCOG region. They found there wasn't a standard significance, when you look at standard deviation, over a period of time if you go above or below one deviation unit, which is a mathematical calculation, then it tells you something is happening. This is outside the normal and if it falls in on standard deviation above or below your average then you are within your normal range. They found this to be the case with a lot of the counties.

That told them that rather than a resilience from COVID-19 conversation, this was a

conversation about resiliency of the economy over an extended period of time and how do we talk about future planning. That is where some of the conversation turned to and some of the analysis turned to. What are the available jobs that are open now? What are the skill sets that are being advertised and where are some of those gaps?

This document was the start of doing that by county. The counties would be able to go back and with the communities within the counties to see how they want to partner and address these issues. There are some jobs that span the region especially in the medical field so how can the region as a whole start to address the job needs for those positions.

Another interesting component that was put more into the CEDS side but statistics to think about. From 2015 to 2019 the number of firms or business within the United States grew by about 3.85%, but in New Mexico the total number of firms grew by only eleven, so an increase of .03%. There was still growth, but throughout the EPCOG region the number of businesses shrunk by one hundred and three which represents a decrease of about five and a half percent. Within the EPCOG region there was some focus on existing businesses and what needed to happen for growth. It wasn't just about the employment trends.

For this document they looked at existing businesses not future new industries.

Early Warning System:

Eric commented this was a culmination of developing some strategies, not only for COVID-19 relief but ways that communities can benchmark and start looking at how to prepare and how to forecast whether we are running into issues. Traditionally we look at things in the state, one is using GRT. If you look at LFC analysis, every single year at the quarterly reports on how revenues are going and use that for budgeting benchmarking.

They want to expand the toolbox for local communities to talk about what is happening in their own backyard because often the problem with business data, especially when you get it from the Bureau of Labor Statistics or even some state sources, they can be up to eighteen months to two years behind. So, you are applying what is happening right now in a pandemic to things that happened two years prior when we may have been seeing a tremendous uptick. It is very difficult to make a comparison, so one of the ways to get a better forecast is to have better local data that is updated on a regular basis.

Not every county or community have the same needs but there are some things that will benefit the region. One of those is obviously business licensing. So, in New Mexico local communities whether they are counties or municipalities depending on, what Eric termed as final jurisdiction. There are business licensing entities who have authority to provide permits for businesses to operate. Not all states operate this way, but New Mexico is one of those. So, in addition to simply collecting information on the address of the business and who to contact about the business, phone numbers, mailing address, the business licensing process could actually be expended quite a bit.

Eric talked about how the City of Las Cruces had great software for business licenses with questions that help show trends on certain types of businesses, license renewals, and a

section for natural disasters, etc.

THAT the COVID-19 Recovery Plan be approved as presented.

MOTION: Tina Dixon

SECOND: Clay Kiesling

ROLL CALL

MOTION CARRIED

Approval of Executive Director's out of state travel:

Sandy stated per our policies her out of state travel needs to be approved by the board or the Chairman. Sandy approves the employees' out of state travel. The Ports to Plains Conference is September 13th-16th in Big Springs, Texas and the NADO Annual Training Conference October 16th-19th in Pittsburg, PA.

THAT the Executive Director's out of state travel be approved as presented.

MOTION: Clay Kiesling

SECOND: Meadow Forget

ROLL CALL

MOTION CARRIED

EXECUTIVE DIRECTOR & STAFF REPORT:

Programs are combined into a PowerPoint reviewed by the Executive Director. The PowerPoint is filed in the board minutes folder.

Executive Summary:

- Capital outlay for security upgrades to begin
- Strategic and marketing plan in development
- CARES funding has ended (\$200k/yr ended)
- Presented to Rural Economic Opportunity Task Force
- We have GIS and AutoCAD software
- Awaiting HRSA Opioid Response/Mental Health grant announcement
- We welcome requests for services
- We are at 100% membership activity! Ports to Plains.

Economic Development:

- Ports to Plains Conference September 13-16 in Big Springs, TX
- Statewide Economic Conference September 26-27 in ABQ, NM

- Writing Outdoor Recreation Grant application (Village of Logan)
- Assisting Curry County with Outdoor Recreation Grant
- Completed Floyd water project assistance
- Coordinating Oberon Fuel project
- VISTA has been chosen
- Intend to apply for organization accreditation by IEDC

Community Development:

- CDBG administration is ongoing (Vaughn, Curry, Ft. Sumner)
- Grady Park project is ongoing
- Assisting Santa Rosa on CDBG
- Des Moines policy development ongoing
- Continuing grant search and research

Planning and Technical Services:

- Plan to apply for RPIC grant for regional placemaking plan
- Transportation Project Fund awards to be announced/confirmed Aug 18
- SERTPO bylaws have been updated
- RTP in final stages (SE/NE RTPOs)
- The freight plan updates are ongoing
- BIL opportunities still open (ask for assistance)

COMMENTS: Public comment for which no action will be taken.

Some discussion took place concerning Workforce.

ADJOURNMENT:

Since there is no further business to come before the board the meeting adjourned at 11:53 a.m.

THAT the board meeting be adjourned at 11:53 a.m.

MOTION: Leona Powell

SECOND: Clay Kiesling

ROLL CALL

MOTION CARRIED


Roman Garcia, Chairman

***A copy of financials, PowerPoint, resolutions, and any handouts are part of the meeting**

records filed in the Board of Directors' meeting folder.