



NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS

MINUTES

BOARD OF DIRECTORS

FALL MEETING

OCTOBER 20, 2021

Hybrid Meeting – McKinley County Training Center, Gallup, NM
Held via ZOOM | Streamed & Recorded to [Facebook](#)

I. PRELIMINARY BUSINESS

A. CALL TO ORDER/INTRODUCTIONS/QUORUM.

Chairman *Billy Moore* (McKinley County) convened the meeting of the Board of Directors at 10:11AM. Roll call proceeded and in attendance were 15 Board Representatives/Alternatives, representing a quorum 8 of the 9 voting entities of the Board (89%), along with COG staff, guests, and their CPA.

BOARD MEMBERS IN ATTENDANCE:

CIBOLA COUNTY: Judy Horacek; Martha Garcia [*excused*]; Dr. Christine Lowery
MCKINLEY COUNTY: Billy Moore; Anthony Dimas, Jr.; Robert Baca
SAN JUAN COUNTY: Jim Cox
CITY OF AZTEC: Michael Padilla Sr. [*excused*]; Paul Eckert
CITY OF BLOOMFIELD: Jason Thomas
CITY OF FARMINGTON: Julie Baird
CITY OF GALLUP: Fran Palochak; Louie Bonaguidi; Michael Schaaf;
CITY OF GRANTS: Erik Garcia [*excused*]; Vanessa Chavez [*excused*]
VILLAGE OF MILAN: Roseanne Lopez; Linda Cooke
Jeff Kiely, Board Emeritus

PRESENTERS & GUESTS IN ATTENDANCE:

Armando Sanchez, CPA
Warren Unsicker, CECD, City of Farmington

STAFF IN ATTENDANCE:

EXECUTIVE DIRECTOR: Evan Williams
ADMINISTRATIVE ASSISTANT: Martina Whitmore
PLANNING TEAM: Michael Sage, Brandon Howe, Martina Whitmore, Robert Kuipers; Angelina Grey

B. AGENDA & MINUTES ADOPTION.

Chairman *Moore* provided an overview of the day's agenda topics. Chairman *Moore* reviewed the minutes of July 28, 2021 for review and approval. Staff updated attendance of Board Emeritus.

ACTION: *Michael Schaaf* (Gallup) moved and *Fran Palochak* (Gallup) seconded adoption of the agenda and minutes. Motion carried by acclamation.

C. ICIP RESOLUTION 2021-05.

The Infrastructure Capital Improvement Plan (ICIP) is an annual requirement by the State of New Mexico. The Council of Governments submitted its ICIP on time, which included two priorities: (1) Building Improvements and (2) Vehicle. Based on due date, staff is asking the

Board to ratify and approve the resolution required by Local Government Division.

ACTION: *Anthony Dimas, Jr.* (McKinley Count) moved and *Michael Schaaf* (Gallup) seconded to ratify and approve the resolution. Motion carried by acclamation.

D. HOLIDAY CALENDAR.

Staff presented the annual holiday calendar for approval including 12 holidays. There was a discussion about how each entity was handling recent Federal designation of holidays, e.g. Juneteenth. Based on discussion, Mr. Williams was directed to poll staff on these holidays.

ACTION: *Fran Palochak* (Gallup) moved and *Michael Schaaf* (Gallup) seconded to approve the holiday as presented with up to 12 holidays, but leave to management to determine if holidays are warranted to be substituted. Motion carried by acclamation.

II. SPECIAL PRESENTATIONS

All presentations are available as part of the agenda packet that is up on our website: <http://www.nwnmcog.com/board.html>

Due to the absence of the presenters, Evan Williams covered them as follows:

Erica Velarde, TRANE, provided a shortened presentation of how communities can benefit from Energy Efficiency Performance Contracting.

Trisha Korbas, EDA, *What's Cooking at EDA?* Evan Williams reviewed with the Board what COG and partners have done in positioning the region for investment including the Build Back Better grant submission and other pots of funding available at: <https://www.eda.gov/ARPA/>

Federal Infrastructure Package was postponed as a final bill is being negotiated in Congress.

Comments:

- One comment was about the reference to Jim Hooper being with Pueblo of Laguna. COG staff will provide information regarding interactions on economic development projects.
- Another was about providing information and looking at the unintended consequences of Hydrogen and other energy sector to avoid environmental and social issues that were left behind from other energy booms. COG offered to add this topic to future agendas and mentioned that November 10, 2021, the bi-county authority will be arranging a very detailed meeting of presentations on these issues that all Board members are invited to. A supplemental comment was made that this meeting should just be on the economic benefits but also have good science from those without a stake and balance the presentations to provide a triple-E perspective of Energy, Economy, and the Environment.

III. EXECUTIVE/STAFF REPORT

A. Staff Summary Report: Executive Director *Williams* provided a summary of the past quarter's key activities and issues by referencing the latest [Connecting the Dots publication](#).

B. Work Program. Mr. Williams said he would reserve his comments on this for the Strategic Session but as presented in July the following representation that provides a visual of the draft

update, which does not change base programs and member services, but does add (in italics) so new spaces the COG feels it needs to expand into, such as, broadband planning, water development, and creating a non-profit organization for the region.

NWNMCOG				
MISSION SUPPORT		CORE MISSION		
MS-1 Regional Leadership & Partnerships	MS-2 Operational Innovation	CM-1 All-Level Planning, Implementation & Integration	CM-2 Projecteering Strategic Infrastructure	CM-3 Center for Regional Innovation
MS-1 .1 Memberships, Partnerships & Strategic Networking	MS-2.1 Technology Deployment	CM-1.1 Member Services & Work Programs		
MS-1.2 Enterprise Loan Fund	MS-2.2 Building & Asset Management	CM-2.1 Economic Development Planning & Implementation	CM-3.1 Infrastructure Planning & Prioritization	CM4.1 Water System Regionalization & Support
MS-1.3 Americorps *VISTA Program & Internships	MS-2.3 Marketing & Branding	CM-2.2 Transportation Planning & Development	CM-3.2 Projecteering Training & Workshops	CM-4.2 Energy Efficiency & Conservation
MS-1 .4 Economic Transition & Recovery Teams	MS-2.4 Data Management & Dissemination	CM-2.3 Water Planning & Development	CM-3.3 Projecteering Action Plans & Financing Strategies	CM-4.3 Trails Planning, Design, & QA/QC
MS-1.5 Shovel-Ready Site Coordination	MS-2.5 Board & Staffing Support and Training	CM-2.4 Broadband Planning	CM-3.4 Investment Attraction & Grantsmanship	CM-4.4 Brownfields
MS-1.6 Four Corners Commission Revitalization	MS-2.6 Fiscal & Financial Management	CM-2.5 Local Strategic, Comprehensive, and Land Use Planning	CM-3.5 Legislative Technical Assistance	CM-4.5 Regional Tourism, Arts, & Outdoor Recreation
	MS-2.7 <i>Regional NPO Strategy</i>		CM-3.6 FUNDIT	CM-4.6 Special Fee-for-Service Projects & Services

C. Building Report: Mr. Williams provided the following Building Report:

BACKGROUND. At the May 15, 2019, COG Board of Directors meeting a Building Committee was approved and selected to support the Executive Director and his staff in prioritizing, procuring, and executing improvements. This Committee is made up of Maryann Ustick, Mayor Modey Hicks, and Darrell Jimson.

ACTIONS TO DATE. August 7, 2019: The Committee met in Gallup including C.B. Strain, Gallup Planning Department to discuss current needs, plans, and problems. After the discussion, the Committee decided to the following priorities:

- (1) Fixing the roofs and drainage on both buildings;
- (2) Preparing the back building for a funded mural project by GallupARTS and MainStreet;
- (3) Utility upgrades, including the electrical issue in basement tagged by the Gallup Fire Department in their inspection report and other utility upgrades and tie-ins to the Alleyway Project.

They decided to contract these and complete them, then see how much funding would remain before deciding on other priorities.

WORK TO DATE [September 2019 – June 2021]:

Improvement Type	Summary	Budget	Funding Source	Status
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Main Roof	Utilized CES to contract Commercial Roofing, LLC. McKinley County managed final walk-through.	\$90,000	\$75,000 Capital Outlay (2019) \$15,000 COG Funds	Completed June 2020
Back Building Roof	Utilized CES to contract Commercial Roofing, LLC. McKinley County managed final walk-through.	\$134,222	\$124,740 Capital Outlay (2020) \$9,482 COG Funds	Completed June 2021
Fiber Project	Due to timing of the alleyway improvement, the COG did engage Sacred Wind on upgrading the COG building with fiber. Executive Director did authorize the connection and upgrade of this service as it will significant upsides in terms of capacity. The upgrade includes re-wiring inside building and new phone units. We are hoping for completion, transition, and switching billing over by February 1, 2020.	\$5,000	\$5,000 COG Funds	Completed February 2020
Mural Project	COG staff primed and painted the building in coordination with the Mural Project.	\$2,500	\$2,500 COG Funds \$10,000 Mural/GMACD	Completed
Garden Project	COG designed and created a garden on front of building to beautify and model growing practices.	\$2,500	\$2,500 COG Funds \$500 Annually	Completed

WORK ANTICIPATED:

Improvement Type	Summary	Budget	Funding Source	Status
Utility and Electrical Wiring	To upgrade to three-phase power and correct electrical wiring in the basement		\$150,000 Capital Outlay (2021) APRA Funding	
Windows Replacement				
Interior Finishes and Upgrades				
Interior Office Remodeling & Upgrade	Working with McKinley County on upgraded the COG office to function as part of their Continuity Plan.			In Design
Gates	To secure building.	\$5,000	COG Funds	City to Manufacture (in-kind)

The COG thanks all Legislators who have provided capital outlay over the past three (3) years, especially Senator Shannon Pinto (\$125,000) and Representative Harry Garcia (\$25,000) that provided funds in 2021 as this information is now publicly available and disclosed.

D. Revolving Loan Fund (RLF) Program Revisions: Jim Cox, RLF Loan Committee Chair provide the following overview:

BACKGROUND. In February 2021, the Northwest New Mexico Council of Governments was awarded \$900,000 by the US Economic Development to capitalize a revolving loan fund to address the economic development needs of small businesses and entrepreneurs impacted by the COVID-19 pandemic in Cibola, McKinley and San Juan counties. The project aims to create 100 jobs and retain 100 jobs.

ACTIONS TO DATE. The Northwest New Mexico Council of Governments (NWNMCOG) has worked extensively to ready for relaunch the Enterprise Loan Fund (ELF).

In August 2021, the NWNMCOG Board of Directors approved policies and procedures for the ELF. In addition, the NWNMCOG Board of Directors took action to appoint Jim Cox, CPA, COG Board member for San Juan County, as the Loan Committee Chair for the ELF.

With adoption of policies and procedures, the NWNMCOG is ready to move as loan are closed \$900,000 from US EDA coffers into a local bank account.

WORK TO DATE [February – October 2021]:

Through a professional services contract, the National Development Council (NDC) has been retained to provide the NWNMCOG with program and technical assistance.

Weekly calls between NWNMCOG and NDC on program development have centered on finalizing the following components:

- Policies & Procedures
- Loan Intake & Analysis
- Loan Approval & Closing
- Portfolio Management & Reporting
- Federal Program Compliance
- Federal Program Reporting
- Program Marketing
- Loan Committee

As part of NDC's technical assistance, NWNMCOG is currently participating in ED 201 – Business Credit Analysis, a financial analysis course which is part of NDC's Economic Development Professional (EDFP) certification program.

Since his appointment, Mr. Jim Cox has been participating in weekly calls between the NWNMCOG and the National Development Council (NDC) regarding program development in anticipation of program launch.

WORK ANTICIPATED:

NWNMCOG is moving toward program launch. Items remaining include:

1. Finalize Loan Approval & Closing Documents
2. Complete Legal Review of All Program Documents
3. Recruit Loan Committee Members
4. Assemble & Convene Loan Committee

Upon a final notice to proceed, the Enterprise Loan Fund anticipates begin taking loan applications no later than January 2022.

RECOMMENDATION

The NWNMCOG Board of Directors to empower the Executive Committee to approve ELF Loan Committee members and revise the RLF Policy accordingly. Approve the preliminary list to pitch serving as members:

Name	Type	County
Jim Cox, Deputy County Manager	Loan Committee Chair	San Juan County
Doug Decker, Attorney	Legal	McKinley County
Brett Newberry, Newberry & Associates	CPA	McKinley County
<i>Recommendation Needed</i>	Real Estate	Cibola County
Mac Juarez, Continental Divide Electric Coop	Utilities	Cibola County
Alvin Thompson, Thompson Store	Micro-business	Tribal
Darryl Tsabetsaye, Major Market	Micro-business	Tribal
Ken Hare, Blanco Basin Land and Cattle	Developer	San Juan County
<i>Quality Center for Business, Director</i>	Incubator	San Juan County
John Faverino, 3e Energy Services	General Contractor	San Juan County
Mark Horn, Pinnacle Bank	Banking	McKinley County
Joshua Bollacker, Four Corners Community Bank	Banking	San Juan County

ACTION: *Fran Palochak* (Gallup) moved and *Michael Schaaf* (Gallup) seconded the motion to approve the initial and proposed members above and empower the Executive Committee to review and approve any other needed members recommended by Jim Cox and Evan Williams. Motion carried by acclamation.

IV. FINANCIAL REPORT

- A. First Quarter, FY2022 Financial Reports:** Armando Sanchez, CPA provided a brief overview of the first quarter financial reports provided in the Board packet. He discussed the major shift of collecting the member dues annually at the beginning of the Fiscal Year rather than quarterly as major benefit for COG cashflow, which historically has been an issue for the COG.

ACTION: *Jim Cox* (San Juan County) moved and *Louie Bonaguidi* (Gallup) seconded, to accept the FY2021 Financial Report, Quarter #1 as presented. Motion carried by acclamation.

- B. FY2022 Budget, Revision #1:** Mr. Williams presented this budget revision from FY2021 that included several new projects and funds.

ACTION: *Fran Palochak* (Gallup) moved and *Robert Baca* (McKinley County) seconded, to accept the FY2021 Budget, Revision #5 as presented. Motion carried by acclamation.

- C. Audit Status:** Mr. Sanchez provided the Board an update on the FY2021 audit and that

everything appears good and we are expected to deliver on time.

V. ANNOUNCEMENTS; OTHER BUSINESS

- A. **Partner Spotlights:** Axie Navas, Director, Outdoor Recreation Division, provided a quick report on grant funding awards and new opportunities coming from the Division.
- B. **2022 Board Meeting Calendar.** Mr. Williams reviewed the approved COG Board Calendar. Next meeting will be January 19, 2021, which will be held as a hybrid in San Juan County. COG staff was directed to change the date due to Legislative Session conflicts and poll the Board on an alternate date.
- C. **Announcements & General Comments:** No announcements to report.

VI. ADJOURNMENT

ACTION: *Michael Schaaf* (Gallup) moved and *Fran Palochak* (Gallup) seconded, to adjourn. Motion carried. Chairman Moore again thanked the City of Grants for hosting and assisting with Annual Luncheon and adjourned the meeting of the Board of Directors at 11:59AM. Motion carried by acclamation.

NOTE: There was a strategic session with the Board after the meeting that lasted two hours and no actions were taken.

Respectfully submitted,

Evan J. Williams
Board Secretary and Executive Director

ATTEST: _____
Billy W. Moore
Board Chair