

# NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS



## BOARD OF DIRECTORS REGULAR BUSINESS MEETING January 15, 2020

at the El Morro Events Center  
210 South 2<sup>nd</sup> Street \*\*\* Gallup, NM 87301

### AGENDA

TIME	TOPIC	PRESENTER
10:00 am	<b>I. PRELIMINARY BUSINESS</b> A. Call to Order/Introductions: <b>ESTABLISH QUORUM</b> B. Agenda: <b>APPROVAL</b> C. Minutes of October 16, 2019: <b>APPROVAL</b> D. Open Meetings Act Resolution: <b>APPROVAL</b>	Billy Moore Chair
10:20 am	<b>II. SPECIAL PRESENTATION</b> <b>Navajo Gallup Water Supply Project</b> A presentation on the project, current status, and beyond...	Dennis Romero Executive Director, City of Gallup Water & Sanitation Department
10:45 am	<b>III. EXECUTIVE/STAFF REPORT</b> A. Staff Summary Report, 2 <sup>nd</sup> Quarter (October – December 2019) <b>FYI</b> B. Legislative Pre-Session Overview C. Special Requests: <b>APPROVAL</b> <ol style="list-style-type: none"> <li>Membership: McKinley Soil &amp; Water Conservation District</li> <li>Trail of the Ancients Byway – Federal Byway Designation</li> </ol> D. Work Program Priorities E. Building Committee Report F. Enterprise Loan Fund Report	Evan Williams Executive Director
11:20 am	<b>IV. FINANCIAL REPORT</b> A. FY 2020 Financial Report, Q2: <b>REVIEW &amp; APPROVAL</b> B. FY 2020 Budget Revision #2: <b>REVIEW &amp; APPROVAL</b> C. FY 2019 Audit: <b>FYI</b>	Evan Williams Armando Sanchez CPA, Loftis Group
11:40 am	<b>V. ANNOUNCEMENTS; OTHER BUSINESS</b> A. FY2020 Board Meeting Calendar: <b>April 15<sup>th</sup>   San Juan County Area</b> B. Announcements & General Comments by Board Members	Evan Williams
12:00 pm	<b>VI. ADJOURNMENT</b>	Chair
<b>LUNCH PROVIDED ONSITE BY GRANDMA JO'S BAKERY, LAGUNA PUEBLO</b>		

01/15/20

El Morro Events Center

Winter Board Mtg

# Preliminary Business





# NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS

## MINUTES

### BOARD OF DIRECTORS REGULAR BUSINESS MEETING

October 16, 2019

at the NMDOT District 6 Headquarters  
1919 Pinon Drive \*\*\* Milan, NM

#### I. **PRELIMINARY BUSINESS**

##### A. CALL TO ORDER/INTRODUCTIONS/QUORUM.

Chairman *Billy Moore* [McKinley County] convened the meeting of the Board of Directors at 10:04 am. Roll call proceeded in the form of introductions around the table. In attendance were 13 Board Representatives, representing a quorum 9 of the 9 voting entities of the Board (100%), along with 5 COG staff.

##### BOARD MEMBERS IN ATTENDANCE:

CIBOLA COUNTY: Judy Horacek  
MCKINLEY COUNTY: Billy Moore; Anthony Dimas, Jr.; Doug Decker  
SAN JUAN COUNTY: GloJean Todacheene; Fran Fillerup  
CITY OF AZTEC: Steve Mueller  
CITY OF BLOOMFIELD: Jason Thomas  
CITY OF FARMINGTON: Julie Baird  
CITY OF GALLUP: Fran Palochak; Louie Bonaguidi  
CITY OF GRANTS: Mayor Martin "Modey" Hicks  
VILLAGE OF MILAN: Helen Dayan; Ellen Baca

##### GUESTS IN ATTENDANCE:

Shannon Pinto, Senator, District 3;  
Fred Shephard, Regional Representative, NMEDD;  
Trisha Korbas, Economic Development Representative, EDA;  
Jorge Ayala, EDA Regional Director, Austin Office;  
Bill McCamley, Cabinet Secretary, NMDWS;  
John Largo, Navajo Nation Eastern Agency RBDO  
Eileen Yarborough, Executive Director, CCEDF  
Armando Sanchez, CPA, Loftis Group, LLC.

##### STAFF IN ATTENDANCE:

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

##### B. AGENDA ADOPTION.

Executive Director *Williams* provided an overview of the day's agenda topics.

**ACTION:** *Modey Hicks* (Grants) moved and *Doug Decker* (McKinley County) seconded adoption of the agenda. Motion carried.

##### C. MINUTES OF MARCH 27, 2019.

Mr. Williams introduced the minutes of July 17, 2019 for review and approval.

**ACTION:** *Helen Dayan (Milan) moved and Fran Palochak (Gallup) seconded, to approve the Minutes of July 17, 2019 as presented. Motion carried.*

## II. SPECIAL ADDRESSES

- A. **Senator Shannon Pinto, District 3.** Executive Director Evan Williams introduced Senator Shannon Pinto and provide time for her to introduce herself to the COG Board. She discussed her priorities for District 3 in terms of transportation, safety, and growing our own human capital. Senator Pinto fielded several questions from COG Board members including gun control, transportation and bridge issues, and several others.
- B. **Energy Transition Act (ETA).** Secretary Bill McCamley provided an overview on the legislation and next steps in terms of grassroots planning with the effected communities to build a plan and diversifying the regional economy. This plan would help identify the playing field and direct investments into workforce training, re-tooling, and pipelining the demand for new industries. The first Energy Transition Act (ETA) Committee meeting will be held Tuesday, October 29, 2019 at San Juan College. Secretary provided an agenda for that event, which includes a presentation from the COG based on our Highland Economics report on the "Economic Assessment & Strategy for Coal Impacted Communities in the Four Corners region". The COG is also represented on the Committee by GloJean Todacheene as the tribal member and official convener along with Former Farmington City Councilor Jason Sandel and Former State Representative Tom Taylor.
- C. **Greater Gallup Industrial Workforce Pilot Program.** Michael Sage, Greater Gallup Economic Development Corporation (GGEDC), provided an overview of this workforce program that was developed by the GGEDC as an outgrowth of their Business Retention & Expansion program. It is geared toward experiential training that fits with what base job employers need in entry level positions. This program has an apprenticeship component that feeds into those positions and industry-specific training. The GGEDC has launched its first cohort
- D. **EDA Presentation.** Executive Director Evan Williams introduced Jorge Ayala, Regional Director, Austin Regional Office of the Economic Development Administration to the COG Board. Jorge Ayala, Regional Director, Austin Regional Office of the Economic Development Administration provided a presentation of the nearly \$5M of investments that have been made in Northwest New Mexico to assist with diversification and workforce re-training efforts. Mr. Williams then re-capped and expanded on how the recent \$988,400 award will be used in conjunction with \$540,000 of State funding to develop rail-served industrial parks in Prewitt and Milan with a spec-building program and in terms of standing up and building on the Greater Gallup Industrial Workforce Pilot Program.

## III. EXECUTIVE/STAFF REPORT

After a short break to re-configure the room into a Board meeting, Executive Director Williams provided a summary of the past quarter's key activities and issues. Mr. Williams highlighted some of the big news, including the award of \$500,000 from the US Environmental Protection Agency for the COG and State's Brownfield Coalition. No questions were voiced by Committee members.

- A. **STAFF SUMMARY REPORT.** Mr. Williams did provide this report to the Board for their review and understanding. He highlighted one new success, which was the City of Grants was awarded a prestigious technical assistance grant to assist with an action plan from EPA's Recreation Economies in Rural Communities" program.

**B. WORK PROGRAM PRIORITIES.** Mr. Williams provided updates on several high priority items.

- **Financial Stewardship:** continuing to make improvements with Loftis Group, including internal controls and procedures. This should be fully integrated in the next quarter.
- **Staffing:** hired Michael Sage as the Regional Economic Development Program Manager and Brandon Howe as a Planner. Now the focus will be to staff up the Farmington MPO office.
- **Contractual Commitments:** continuing to manage large contractual projects and delivering quality products to clients.
  - *Zuni Mountains Trail Project* Design & QA/QC is on track.
  - *McKinley County Comprehensive Plan* is finished but COG is still adding some bells and whistles as this will be a model for other communities to use.
  - *Farmington MPO* sat down with City of Farmington and COG will work on hiring and standing up this program by December or determine how to shift it back to the City of Farmington.
- **Economic Development Focus:**
  - **Brownfields Award:** COG as part of a coalition between NM Environment Department (NMED) and Southwest NM Council of Governments received \$500,000 for brownfield environmental site assessments.
  - **Building Resilient Communities Initiative:** The COG and its partners were awarded \$988,400 from EDA to perform site development work at Prewitt and Milan Industrial Park and an industrial driven workforce development and apprenticeship pilot.

**C. BUILDING COMMITTEE REPORT.** On August 7, 2019, the Committee met in Gallup to discuss current needs, plans, and problems. After the discussion, the Committee decided to the following priorities:

- Fixing the roofs and drainage on both building;
- Preparing the back building for a funded mural project by GallupARTS and MainStreet;
- 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.

The Building Committee decided to contract these and complete them, then see how much funding would remain before deciding on other priorities. The COG has been working with Darrell Jimson on estimates, scopes-of-work, contracting, and executing the work.

**D. ENTERPRISE LOAN FUND (ELF) REPORT.** Based on a conference call with La Donna Barbee, EDA Revolving Loan Fund Program Analyst with EDA, the COG will need to produce several annual reports from 2016-2019 and provide the COG audit for each year. This should suffice in terms of information needed for a program audit.

**E. INFRASTRUCTURE CAPITAL IMPROVEMENT PLAN (ICIP).** The COG is required to submit an annual ICIP to the State of New Mexico. The COG has two main priorities in terms of building improvements and a replacement vehicle. The COG did submit this to the State on time, and is asking the Board to ratify our resolution.

**ACTION:** *Modey Hicks* (Grants) moved and *Helen Dayan* (Milan) seconded, to ratify the ICIP resolution (#2019-001. Motion carried.

**F. BOARD MEMBER SURVEY.** Mr. Williams circulated an online survey to gauge the preferences of the Board on communication methods, preferences, funding strategies, and other key items.



Half of the Board members or 9 members participated in the survey and at this meeting will reviewed the results. *A readable copy will be sent out to all Board members.*

#### IV. FINANCIAL REPORT

- A. **FY2020 Financial Report, Quarter 1:** Mr. Armando Sanchez, CPA, is under contract with the COG to provide financial management services, and he provided the financial reports including the balance sheet and income statement. Mr. Sanchez mentioned that his goal is work through pension liabilities and remove this from the balance sheet.

**ACTION:** *Modey Hicks (Grants) moved and Fran Palochak (Gallup) seconded, to approve the first quarter financial report as presented. Motion carried*

- B. **FY2019 Audit:** Mr. Williams informed the COG Board that an entrance conference was held with Martha Garcia and Louie Bonaguidi representing the Board. The audit is on pace to be completed ahead of the December 1, 2019 deadline.

- C. **FY2020 Budget Amendment #1.** Mr. Williams presented the budget amendment. The only change to the budget was the new EDA award and posting that to the contractual services line-item.

**ACTION:** *Fran Palochak (Gallup) moved and Modey Hicks (Grants) seconded, to accept the FY2020 budget amendment #1 as presented. Motion carried.*

#### V. ANNOUNCEMENTS; OTHER BUSINESS

- A. **2020 Board Meeting Calendar.** Mr. Williams presented the COG Board 12-month Master Calendar. Next meeting will be January 15, 2019 in McKinley County. Mr. Williams will work with City of Gallup on securing the El Morro Events Center. This meeting will be focused on the upcoming Legislative Session.

- B. **Holiday Calendar 2020.** Mr. Williams presented the Holiday Calendar for approval.

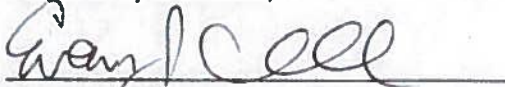
**ACTION:** *Modey Hicks (Grants) moved and Helen Dayan (Milan) seconded, to accept the holiday calendar as presented. Motion carried*

- C. **Announcements & General Comments:** No announcements or comments.

#### VI. ADJOURNMENT

**ACTION:** *Doug Decker (McKinley County) moved and Modey Hicks (Grants) seconded, to adjourn. Motion carried.* Chairman Moore again thanked the NMDOT District 6 and Village of Milan for their hospitality for this meeting and adjourned the meeting of the Board of Directors at 12:35PM.

Respectfully submitted,



Evan J. Williams  
Board Secretary and Executive Director

ATTEST:



Billy W. Moore  
Board Chair



## RESOLUTION #2020-001

### ADOPTING AN OPEN MEETINGS ACT RESOLUTION AND PROTOCOL FOR THE NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS

**WHEREAS**, it is the desire of the Board of the Northwest New Mexico Council of Governments (COG) that the meetings of said Council be held in accordance with the terms and spirit of the New Mexico Open Meetings Act (NMSA 10-15-4 and according to procedures adopted by the Board of Directors); and

**WHEREAS**, such meetings should be publicized to the fullest extent in order to encourage the best participation of the citizens of the area;

**WHEREAS**, Section 10-15-1(B) of the *Open Meetings Act* (1978, Sections 10-15-1 to 10-15-4 NMSA 1978) states that, except as may be otherwise provided in the *Constitution* or the provisions of the *Open Meetings Act*, all meetings of a quorum of members of any board, council, commission, administrative adjudicatory body or other policymaking body of any state or local public agency held for the purpose of formulating public policy, discussing public business, or for the purpose of taking any action within the authority of such body, are declared to be public meetings open to the public at all times; and

**WHEREAS**, any meetings held by COG at which the discussion or adoption of any proposed resolution, rule, regulation, or formal motion occurs will be held only after reasonable notice to the public; and

**WHEREAS**, the COG will determine annually what constitutes reasonable notice of the public in accordance with its Bylaws;

#### **NOW, THEREFORE, BE IT RESOLVED THAT:**

1. All meetings of the Board of Directors of the COG shall be held in accordance with our Bylaws as duly adopted and with the *Open Meetings Act* as applicable.
2. The agenda for each regular meeting shall be made available by COG staff at least seven days prior to the meeting by email and by request in a hard copy form. The agenda will also be available to the public at least twenty-four hours before a special meeting is held.
3. The COG staff shall notify the public by newspaper advertisement of the time and place of Regular meetings at least ten days in advance, Special meetings three days in advance, and Emergency meetings as far in advance as possible. Emergency meetings will be called only under unforeseen circumstances that demand immediate action to protect the health, safety and property of citizens or to protect the public body from substantial financial loss. Emergency and Special meetings may be called by the Chairperson or a majority of the voting members. Local government entities shall post public notices for special or emergency meetings within

their communities at their respective municipal and county offices. Meeting information will also be made available on the COG website.

4. COG voting members may close a meeting to the public only if the subject matter of such discussion or motion is exempted from the open meeting requirement under Section 10-15-1(H) of the *Open Meetings Act*.
5. COG staff shall keep written minutes of all open meetings. The minutes shall include the date, time and place of the meeting, names of the members in attendance and those absent, the substance of proposals or actions considered and a record of any decisions and votes taken. Draft minutes shall be prepared at least 7 days in advance of the next regular meeting and shall be approved, amended or disapproved at the next meeting where a quorum of COG voting members are present. Draft Minutes from special or emergency meetings shall be prepared within 10 days following such meetings for COG Member review. Minutes shall not become official until approved by the COG voting members. Recordings of open meetings may be made by COG staff but only for the purpose of preparing the official minutes. COG meeting minutes shall be made available to the public on the COG website and upon written request.

**PASSED, APPROVED AND ADOPTED** by the Board of Directors of the Northwest New Mexico Council of Governments at a duly called regular meeting of the Board held at El Morro Event Center in Gallup, New Mexico on January 15, 2020.

**SIGNED:**

\_\_\_\_\_  
Billy W. Moore, Chairman  
Northwest NM Council of Governments

**ATTEST:**

\_\_\_\_\_  
Evan Williams, Executive Director  
Northwest New Mexico Council of Governments



# Special Presentation

“Navajo Gallup Water Supply Project”

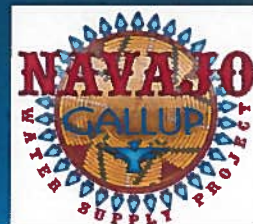


# Navajo – Gallup Water Supply Project

Northwest New Mexico Council of Governments

Board Meeting

January 15, 2020



1



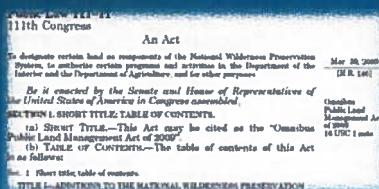
## Navajo – Gallup Water Supply Project

- Background/Need/Purpose
- Project Complexities
- Status of Project
- Potential for Regionalization

2

## Background/Need/Purpose

- Project has evolved over four decades
- Nation and State signed Settlement Agreement in 2005
- Authorized for construction in March 2009 with passage of PL 111-11
- Cornerstone of Navajo San Juan River in New Mexico Water Rights Settlement



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## Background/Need/Purpose

1. Key component to the San Juan Water Rights Settlement Agreement
2. Must be completed no later than December 31, 2024. We can't go past this date – if we do, we'll turn into a pumpkin, as all federal funding could go away....
3. Hefty price tag that gets adjusted once a year, and as of last October, it has a price tag of a bit over one billion dollars
4. Permitting and reviews have been accelerated for this project, so we are all moving forward fairly quickly



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# Background/Need/Purpose

- Provides major infrastructure to secure and convey a long-term reliable water supply for:
  - Eastern portions of the Navajo Reservation
  - Southwest portion of Jicarilla Apache Reservation
  - City of Gallup
- Project will divert 37,376 acre-feet of water annually from the San Juan River Basin
  - Convey it via approximately 280 miles of pipeline, several pumping plants, and two water treatment plants.



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# Background

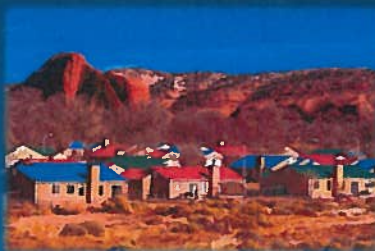
- Indian Water Rights Settlements are designed to settle tribal claims to meet both current and future needs



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## Background

- Future needs are based on:
  - Population projections that assume increased growth rates as result of availability of water
  - Anticipated Economic Development



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## Background/Need/Purpose

### Water Supply

Entity	Water Allocation (Acre-Feet)
Navajo Nation	27,193
Jicarilla Apache Nation	1,200
City of Gallup	7,500



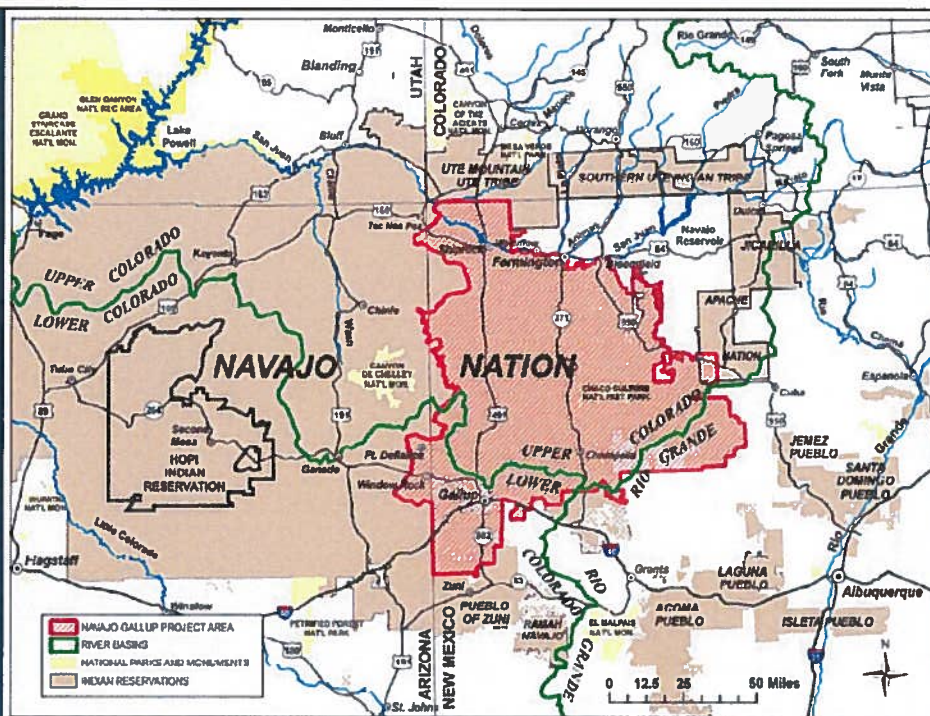
8



## Project Cost Breakdown

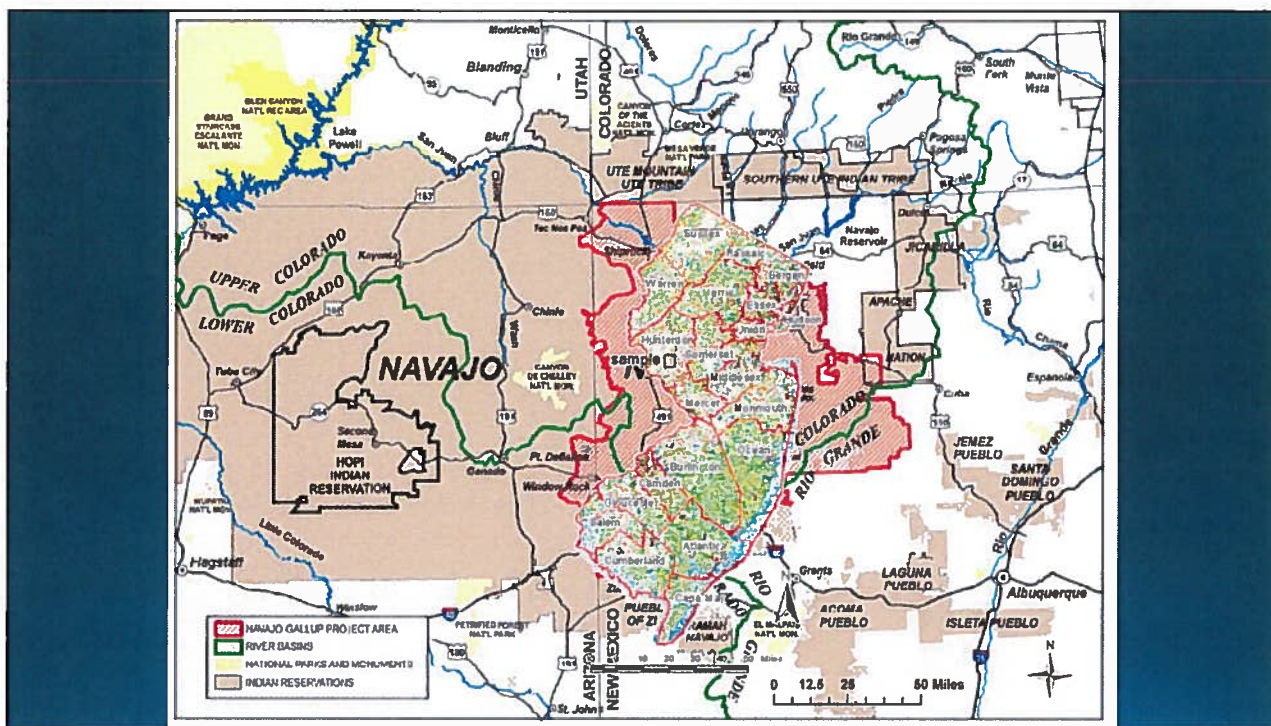
Item	Cost	Comment
NGWSP Total Project	\$1.135 Billion	October 2017 Update
San Juan Lateral	\$924,235,000	Reaches 1 through 12
Gallup Rural Navajo Water Supply Project (Gallup Regional Sys)	\$73,300,000 adjusted to \$61,216,826	Reaches 13 and 27 Cost adjusted for State of NM Payment/Credit
City of Gallup Cost Share	\$64,205,121	City required to pay 35% of allocated costs (Both Gallup Regional System and portions of San Juan Lateral and Water Treatment Plant)

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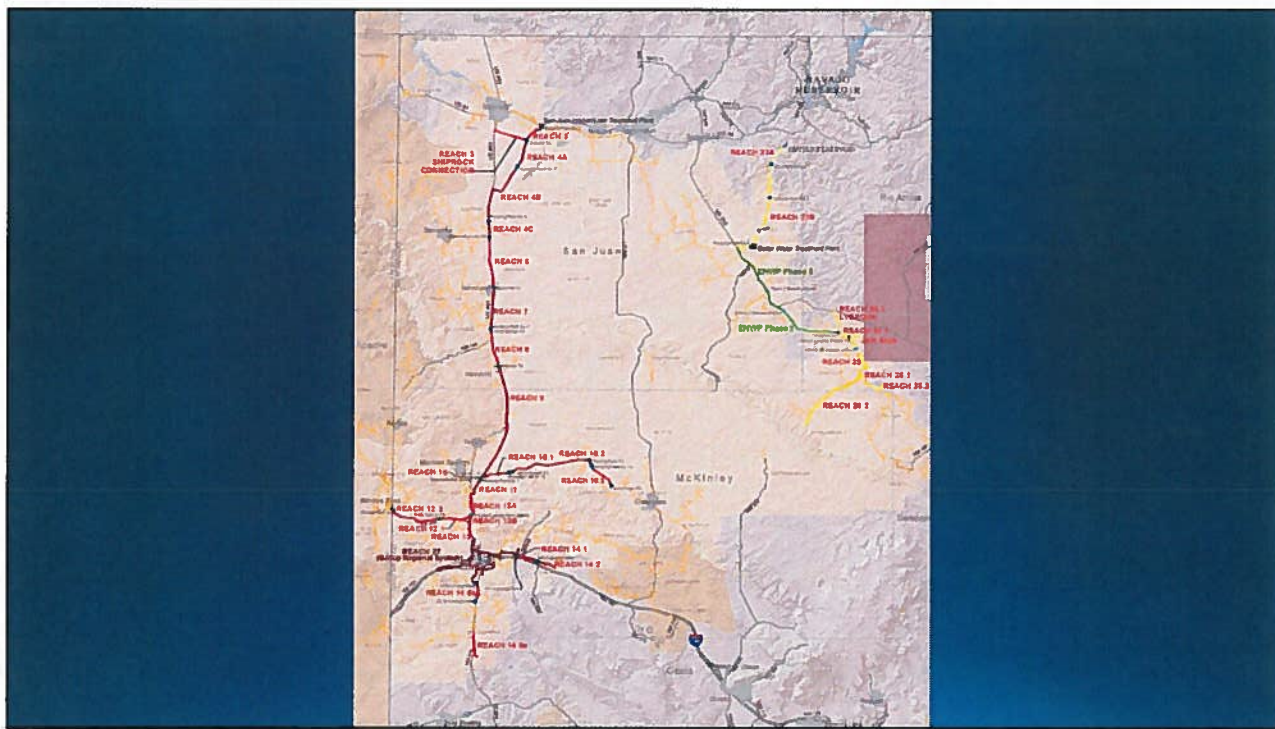


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## Project Complexities

- Project features sized for future, projected demands
  - Storage (reservoirs, tanks)
  - Pumping Plants
  - Water Treatment Plants
  - Pipelines
- Operation and Maintenance
  - Demand = Customers = Revenue \$\$
  - Water quality
  - Switching from a GW to a SW Source
- Connection Plans



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## Project Complexities - Funding

- Authorization Ceiling = \$870M (at 2007 price level)
- Latest Indexed Estimate = \$1.135B (at Oct 2017 price level)
- Sources of Funding
  - Discretionary (Appropriated) Funding
  - Mandatory Funding (PL 111-291)
  - NM Cost-Share (\$50M)
  - City of Gallup Cost Share (\$64M)



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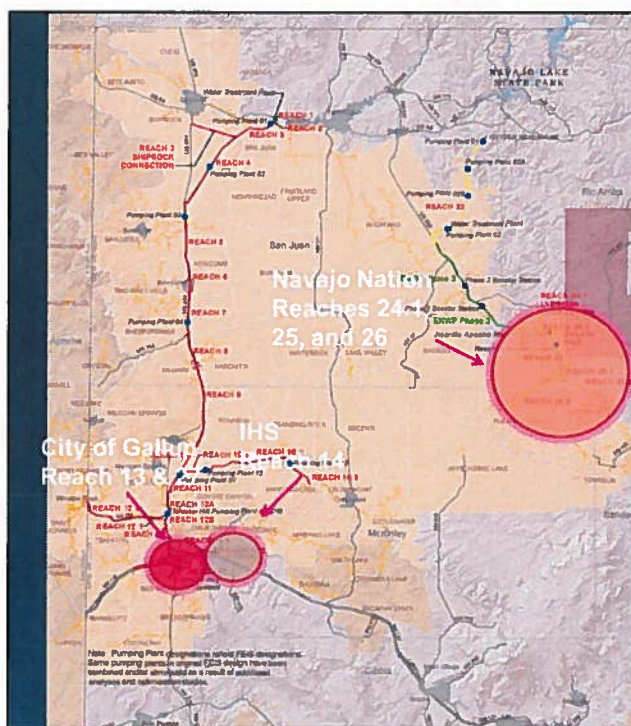


# Project Complexities

- Facilities designed/constructed by others with Reclamation \$ through Financial Assistance Agreements (FAA's)
  - Navajo Nation
  - City of Gallup
  - Indian Health Service
  - Western Area Power Administration



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Ongoing Design and Construction Via Financial Assistance Agreements (FAAs) with USBR Partners



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# Construction Update

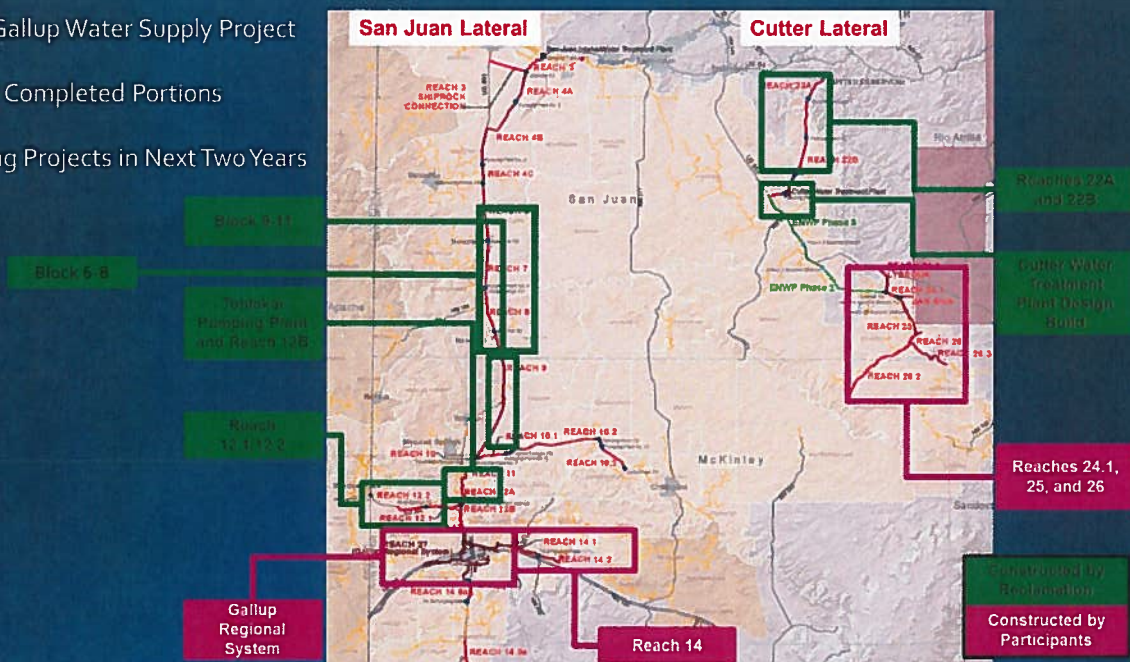


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Navajo-Gallup Water Supply Project

Recently Completed Portions

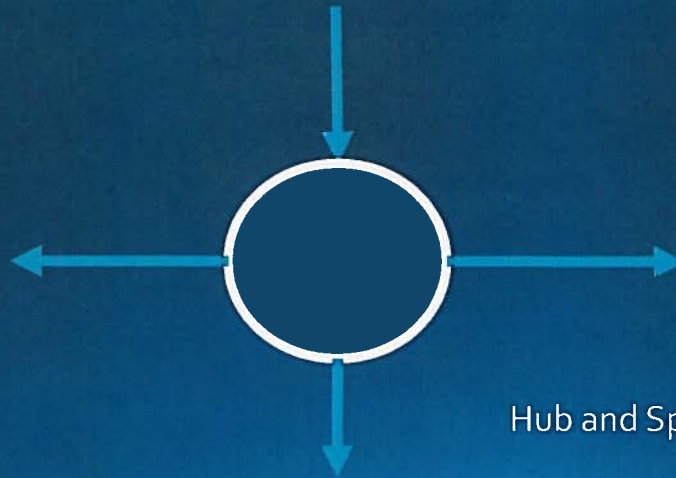
Upcoming Projects in Next Two Years



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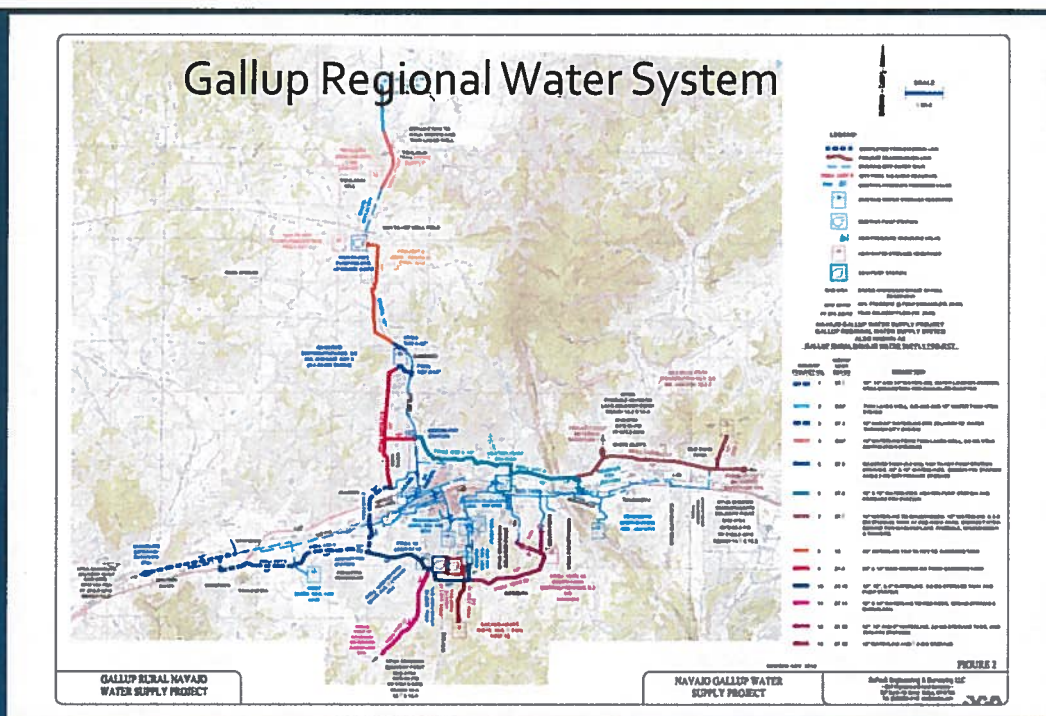


# Gallup Regional Water System



Hub and Spoke Concept

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### Gallup Regional System Completed Projects

Reach	Award Date	Final Field Cost
27.1	January 2008	\$3,128,207
27.3	January 2010	\$2,262,237
27.5	September 2013	\$6,872,399
27.6	April 2018	\$7,638,362
27.7A	September 2017	\$3,216,912
27.13	September 2017	\$3,327,983
13	July 2014	\$5,836,694
Totals		\$32,282,794

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## Construction Progress Photos

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## Block 9-11

3/8" pipe embedment material placement.  
Material is placed up to 7/10th of pipe O.D (48-inch pipe).

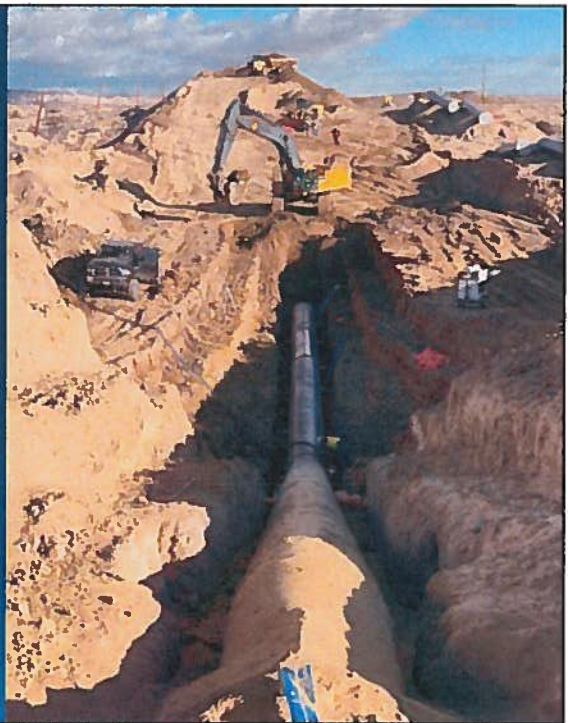
5/6/2019



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Block 9-11  
View of overall  
pipe construction  
(48-inch pipe)

3/12/2019



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Block 9-11

Contractor applying  
wax-based cure  
at Sta 91188+00.

5/2/2019

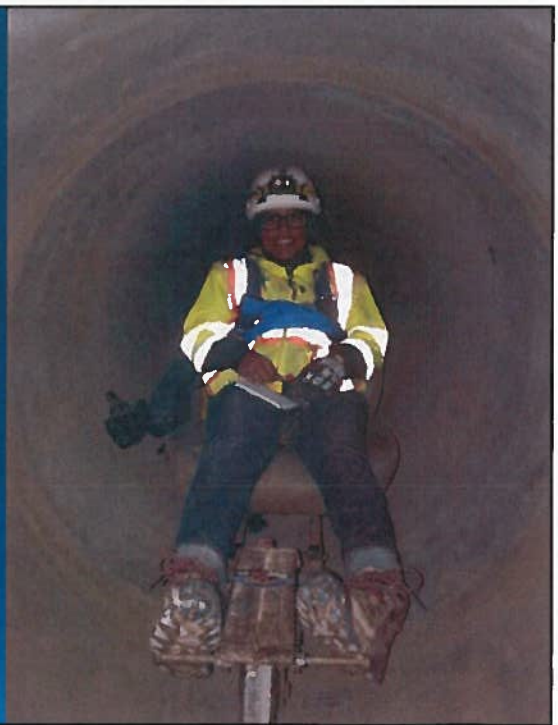


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Block 9-11

Inspection of 42-inch  
pipe to measure  
horizontal and  
vertical deflections.

5/9/2019



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## View of Cutter Water Treatment Plant site - 5/2/2019



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Reach 21

Treated Water  
Pump Station –  
placing  
concrete  
foundation.

4/4/2019



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# Potential for Regionalization

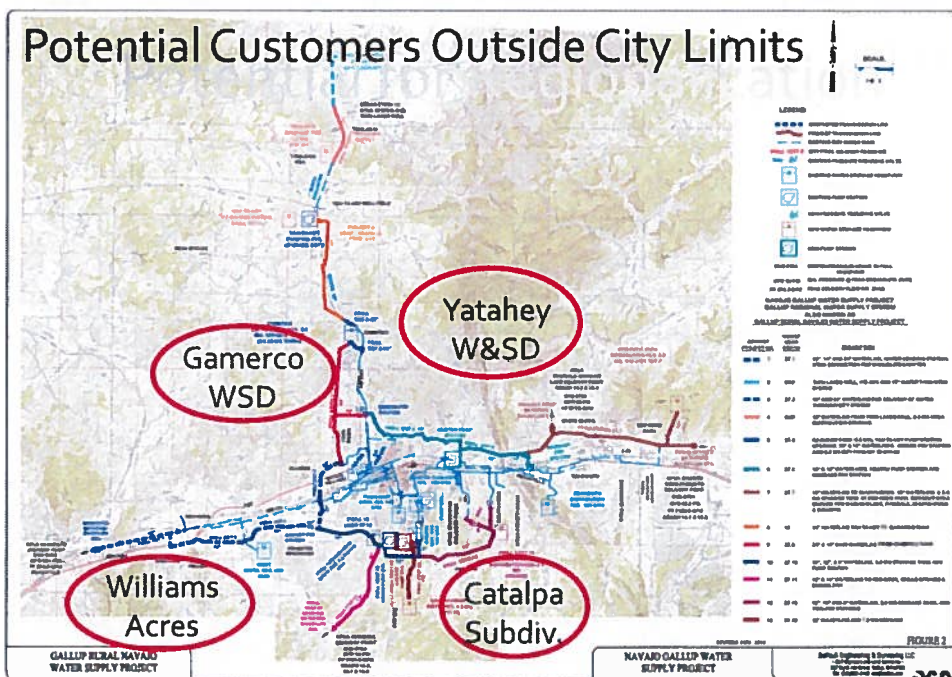


**CITY OF  
GALLUP**

- McKinley County Contributions
  - \$1 million per year toward City of Gallup NGWSP Debt Service
- Question Pending
  - Will Organizations in Unincorporated McKinley County Stand Alone or Form Regional Organization?
    - Gameraco Water and Sanitation District
    - Williams Acres Water Co-op
    - Catalpa Hills Subdivision
    - Yatahey Water and Sanitation District
    - White Cliffs
    - Thoreau Water and Sanitation District

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## Potential Customers Outside City Limits



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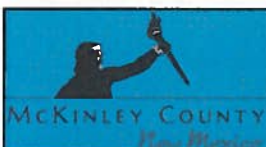


## McKinley County Comprehensive Plan

- Water Element - Promote a regional "Water Commons" approach to water planning and development
- Strategies may include:
  - Update Region 6 Water Plan
  - Collaboration with City of Gallup, Navajo Nation and State of New Mexico
  - County Water Board - Activation



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## McKinley County Water Board

- Development of an interim program to augment water supply and achieve conservation milestones, pending completion of NGWSP in 2024, in collaboration with regional partners
- Prioritization of County water infrastructure investments
- Coordination with NTUA, Indian Health Service, Bureau of Indian Affairs on the Navajo Reservation on planning for efficient and nonduplicative water system development and inter-ties

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## Regionalization Partners

- State of New Mexico
- Northwest New Mexico Council of Governments
- McKinley County
- City of Gallup
- Water and Sanitation Districts
- MDWCAs



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## Regionalization

- Decide on Approach
- Organize
- Path Forward
- Execute



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## Wrap-up

- Navajo-Gallup Water Supply Project is...
  - The construction of a pipeline to provide an M&I water supply
  - High priority project for the Department of Interior, State of New Mexico, Navajo Nation, Jicarilla Apache Nation and City of Gallup
  - Protecting and respecting natural and cultural resources
  - Providing economic development and job opportunities



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## References

- USBR Project Dashboard
  - <https://www.usbr.gov/uc/rm/navajo/nav-gallup/>
- Utton Transboundary Center – 2013 Paper – good background
  - <http://uttoncenter.unm.edu/pdfs/Water-Matters-2013/Navajo-Gallup%20Water%20Supply%20Project%20.pdf>
- Region 6 Water Plan
  - <http://www.nwnmcog.com/regional-water-planning-region-6-water-plan.html>
- McKinley County Comprehensive Plan
  - <https://www.co.mckinley.nm.us/DocumentCenter/View/949/McKinley-County-Comprehensive-Plan->

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# Q&A



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# Executive/Staff Report







**NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS  
STATE PLANNING DISTRICT #1**

**STAFF SUMMARY REPORT  
FY 2020/ 2<sup>ND</sup> QUARTER**

**FOR THE PERIOD: July 1, 2019 – June 30, 2020**

*The State Grant-in-Aid (SGIA) work program is utilized by the State Planning Districts to develop a dynamic framework of integrated general services to support planning, development and technical assistance activities as a regional service to local and state government. This report reflects functions and tasks in the approved FY2020 Work Program and Budget. The following are functions and tasks completed by the Northwest New Mexico Council of Governments during the second quarter of FY2020:*

<b>Function 1:</b>	<b>Organizational Management.</b> Provide for general administration and development of the Planning District organization, including management of the State Grant-in-Aid in conjunction with other grants and programs, building organizational capacity, sustainability, and networking with other Planning Districts and with a multi-sector variety of public and private institutions in service to the regional development mission.
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**QUARTERLY ACTIVITY HIGHLIGHTS & RECAP**

- (1) **Resource Development:** This quarter, staff continued to work on diversifying and expanding services:
- **Farmington MPO:** The COG was not able to hire staff required to run the program. COG is in the process of cancelling contracts and returning program to the City of Farmington.
  - **EDA Assistance to Coal Communities:** COG recruited \$540,000 in local matching funds from House Bill 2 Junior and leveraged this into an awarded grant application from EDA for \$988,400. COG staff is currently implementing this project.
  - **Food Mapping:** Carrie House landed a \$16,000 special contract with COPE, a local health nonprofit organization, to complete a Food Systems map for Navajo Nation. <http://arcg.is/1PP0Hb>

**TASK TRACKING**

TASK	DUE DATE	STATUS	
<b>1.1 Professional Development</b>  Provide ongoing professional development training or continuing education classes for staff, i.e. training, webinars, professional conferences.	Ongoing	Q1	✓ Carrie House attended the National ESRI Conference in San Diego, CA and participated in StatsAmerica training. ✓ Angelina Grey participated in APA-NM Conference.
		Q2	✓ Evan Williams attended the National Association of Development Organizations (NADO) Conference in Reno, NV, including New Executive Director's training. ✓ Evan Williams attended and spoke at the NM Infrastructure Finance Conference in Las Cruces, NM. ✓ Evan Williams attended the Southwest Region Economic Development Association (SWREDA) Conference in Santa Fe. ✓ COG staff attended CDBG Application training in December. ✓ Michael Sage attended the USDA Broadband Conference and Opportunity Zone conferences in Albuquerque. ✓ Angelina Grey participated in APA Professional Development class.
		Q3	✓
		Q4	✓

<b>1.2 Board Training &amp; Support</b>  Provide workshops and training as needed to COG boards and committees, i.e. annual workshop, handbook for board members.	Ongoing	Q1	✓ <u>Annual Board Meeting</u> (July 17 <sup>th</sup> ) in San Juan County at the Farmington Civic Center.
		Q2	✓ <u>Fall Board Meeting</u> (October 16 <sup>th</sup> ) in Cibola County at the NMDOT District 6 office
		Q3	✓
		Q4	✓
<b>1.3 Networking</b>  Facilitate and strengthen working relationships with local, tribal, state, federal, nonprofit and private sector agencies and partners, i.e. New Mexico Association of Regional Councils (NewMARC), national associations, NM Municipal League and NM Association of Counties, etc.	Ongoing	Q1	✓ <u>NewMARC</u> : an action plan was created at the retreat to increase and target networking and partnership building.
		Q2	✓ <u>NewMARC</u> : COG continued to participate in the COG statewide association and network at NADO conferences including strong leads into Wealthworks and Opportunity Zones.
		Q3	✓
		Q4	✓
<b>1.4 SGIA Administration</b> Submit Annual Work Program/Certification, audit, reports, and invoices to the Local Government Division.			
<b>1.4.1 AWP &amp; Certification</b> Submit annual work program packet including certification by the end of each State fiscal year in compliance with DFA requirements.	Annual	✓	
<b>1.4.2 Audit</b> Submit audit report to Local Government Division upon release by State Auditor.	Q2	Q1: Preparation for the Audit and Field Visit, planned in October along with entrance conference.  Q2: Completed and submitted on time (December 1 <sup>st</sup> ) including exit conference.  Q3: Released and posted by the State Auditor on January 6 <sup>th</sup> . Submitted to State and Federal agencies and posted on COG website.	
<b>1.4.3 Reporting &amp; Invoicing</b> Provide Quarterly Reports by the 25th day of the month following each quarter for the months October, January, April, and July. Submit invoices to the Local Government Division in compliance with DFA requirements.	Quarterly	✓ Annual Report (October): Completed  ✓ FY2020 Q1: Completed  ✓ <b>FY2019 Q2: Completed</b>  ✓ FY2019 Q3:  ✓ FY2019 Q4:	



<b>Function 2:</b>	<b>Local Government Support.</b> Provide a range of technical assistance services and guidance to local governments and to other public entities in the region, focused on identifying, cultivating, financing and implementing investable community development projects.
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### QUARTERLY ACTIVITY HIGHLIGHTS & RECAP

- (1) **Infrastructure Capital Improvement Plans (ICIP) Development:** This quarter, COG supported many communities throughout the region in completing and submitting their ICIPs, including corrections and updates.
- (2) **Community Development Block Grant (CDBG):** This quarter, COG staff supported the City of Gallup's project close-out and Village of Milan's implementation. COG staff received news that McKinley County was funded and attended the CDBG Application Training.
- (3) **Legislative Support:** This quarter, staff facilitated and participated in Legislative Forums in both McKinley and Cibola areas, including support of capital outlay requests and special informational brochures.

### TASK TRACKING

TASK	DUE DATE	STATUS	
2.1 General Technical Assistance			
<b>2.1.1 Policy Assistance</b> Identify and develop policy needs and issues that are viable legislative initiatives, and assist in promoting and tracking these initiatives throughout the legislative process.	Ongoing	Q1	✓ No progress to report.
		Q2	✓ <b>BUILDITNM:</b> COG working with an inter-agency team including Eric Ghahate an outside consultant worked on building a new platform for New Mexico investments and projects. ✓ <b>Other Legislative Policy Work</b> included TriState, Transportation Trust Fund, Rural Commercial Aviation Bill, Hold Harmless, and several others to support members.
		Q3	✓
		Q4	✓
<b>2.1.2 Funding</b> Provide guidance to local governments to help meet basic eligibility requirements for receiving government funding for community and economic development activities.	Ongoing	Q1	✓ COG continued to email #GrantOps to members and organizations in the region, e.g. Polaris TRAILS Grant, BLM grants, Veterans Cemetery, Apprenticeships: Closing the Skills Gap, Hanley Family Foundation, Levitt AMP, HUD Jobs Plus, Rail and Safety grant, etc.
		Q2	✓ COG continued to email #GrantOps, e.g. NM Oil & Gas Association Brighter Future Fund, Aprenticeship: Closing the Skills Gap, USDA Sustainable Agriculture, Levitt AMP grant, etc.
		Q3	
		Q4	
<b>2.1.3 Fiscal Agency</b> Provide fiscal agent services as mutually agreed upon with member governments in connection with Executive Order 2013-006. i.e. including capital outlay	Ongoing	✓ Q1-2: COG service as fiscal agent for 3 remaining projects on behalf of three member governments, working with local and State staff to produce agreements and smooth over bureaucratic issues.	

appropriations, Community Development Block Grant, and Water Trust Board funding.		
<b>2.1.4 Asset Management</b> Provide guidance to local governments upon request to improve capacity to manage infrastructure and assets, such as the development of asset management plans.	Ongoing	✓Q1-2: As a part of working with communities on ICIPs, COG staff has helped with asset management. Several staff attended training to better assist communities.
<b>2.1.5 Planning &amp; Technical Support</b> Provide related technical assistance, such as census data, land use planning, comprehensive plans, and mapping, upon request and availability of resources.	Q4	<p><u>Zuni Mountains Trails Project</u>: COG staff continues to provide design and QA/QC services on several projects. This quarter, COG received a NADO Impact Award for our involvement in this project.</p> <p><u>Gallup Coal Avenue Commons Design</u>: Supported the City of Gallup in these creative placemaking design project. This quarter, COG staff helped the City attract \$800,000 from NM MainStreet in investments. <a href="https://www.coalavenuecommons.com/">https://www.coalavenuecommons.com/</a></p>
<b>2.2 ICIP Management</b>		
<b>2.2.1 Trainings</b> Collaborate with the Local Government Division to organize and host Infrastructure Capital Improvement Plans (ICIPs) training in the COG region.	Q4	Q1: COG helped provide de-brief from this year's training to encourage next year, and supported presentations for NMIFC.
<b>2.2.2 Plan Development</b> Provide technical assistance to local governments in updating, utilization and monitoring of local ICIPs upon request.	Q1	Q1-2: COG staff supported over 35 entities in their preparation, submission, and corrections of their ICIPs. This quarter, staff assisted with corrections and project adds.
<b>2.2.3 Funding Analysis</b> Work with local governments and the legislature to prioritize, evaluate, and recommend projects for compatible funding sources.	Q2	Q1-2: COG staff meet with each local entity member to discuss potential funding and projecteering plans, and position them for 2020 Session.
<b>2.3 CDBG Support</b>		
<b>2.3.1 Inform &amp; Notify</b> Provide information to local staff and officials regarding the Community Development Block Grant (CDBG) programs and training events, i.e. CDBG application workshop, application hearing, etc.	Ongoing	✓



<b>2.3.2 Application Selection &amp; Development</b> Provide technical assistance as requested to local municipalities and counties to identify, select and develop eligible applications for projects for CDBG funding.	Q1	Q1: This quarter, COG staff supported San Juan County and McKinley County on their applications and presentations to the Community Development Council.  Q2: Engaged eligible communities and begun public input processes with City of Gallup and City of Grants.
<b>2.3.3 Presentations</b> Assist local CDBG applicants in preparation of their presentations to the Community Development Council.	Q1	Q1: COG staff prepared and supported presentations on September 23 <sup>rd</sup> .
<b>2.3.4 Implementation</b> Provide technical assistance as requested to implement awarded CDBG projects.	Ongoing	Q1: COG staff continued to work with and provide assistance to the City of Gallup and Village of Milan on their construction grants.
<b>2.3.5 Project Administration</b> Provide project administration as mutually agreed upon to member governments to implement CDBG projects, i.e. monitoring, procurement, pay requests and closeout.	Ongoing	Q1-4: Currently, the COG is not contracted for project administration services, but does serve as the fiscal agent for the City of Gallup and Village of Milan. Staff has regular and routine discussions and check-ins on progress with staff.

## COG Highlights



**Bill McCamley**  
@BillMcCamley

Follow

Today, 12 students in Gallup graduated from a trades bootcamp. All are either placed or have interviews w/local companies.

This partnership btwn the Gallup Econ Dev Corp, @NMDWS, & the business community is part of @GovMLG's plan to create a work pathway for every New Mexican.



**NWNMCOG**  
@NWNMCOG

Follow

Grants, NM: 1 of 10 communities in the USto receive this assistance spotlighting NM's Outdoor Recreation strategy for growing tourism, developing small business, and recruiting manufacturing in the outdoor industry cluster.



**Trump Administration Partners with Rural Communities to ...**  
 EPA News Release Trump Administration Partners with Rural Communities to Grow Outdoor Recreation Economy  
[epa.gov](https://www.epa.gov)

6:51 AM - 8 Oct 2019

<b>Function 3:</b>	<b><u>Integrated Planning &amp; Development.</u></b> Incorporate common and core regional work programs, such as the Regional Transportation Planning Organization (RTPO), the Economic Development Administration (EDA) and the State Grant-In-Aid (SGIA), into a unified statewide model.
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### QUARTERLY ACTIVITY HIGHLIGHTS & RECAP

- (1) **Funding and Investments:** COG staff partnered with communities to apply for investments to great success.
- (2) **New Mexico MainStreet grants:** COG has worked on two applications: (1) City of Grants Great Blocks Project design and (2) Coal Avenue Commons construction. The later was funded at \$800,000.
- (3) **EPA Recreation Economy for Rural Communities:** COG working with City of Grants and many community partners was 1 of 10 communities in the Nation to receive this grant and technical support.

### TASK TRACKING

TASK	DUE DATE	STATUS	
<b>3.1 COG Partnership</b>  Partner with other regional Planning Districts to focus resources, streamline reporting, administrative compliance, and identify best practices as well as needs.	Ongoing	Q1	✓Q2: NWNMCOG took the lead on the BUILDIT NM initiative.
		Q2	
		Q3	
		Q4	
<b>3.2 Outreach &amp; Marketing</b>  Provide outreach and marketing for local government inclusion into the integrated planning process, such as FUNDIT, Comprehensive Economic Development Strategy (CEDS), etc.	Ongoing	Q1	✓Q2: Continued to promote FUNDIT and BUILDITNM with various governments and groups. COG begun work to update its CEDS plan and integrate with Statewide plan.
		Q2	
		Q3	
		Q4	
<b>3.3 Related Planning &amp; Development Initiatives</b>  Include related planning initiatives into the integrated planning model as Planning District staff and financial resources permit, such as regional water planning, Legislative Jobs Council, energy initiatives, workforce, etc.			See below. This year, our COG is involved in updating our Regional Transportation Plan and Comprehensive Economic Development Plan.

#### 3.3.1 Grantsmanship & Project Technical Assistance (TA):

CLIENT	GRANT/SOURCE	AMOUNT	STATUS
Cibola County	<b><u>Hazard Mitigation Plan:</u></b> COG worked on an application to NM Department of Homeland Security and Emergency Management to update this plan.	\$15,000	Awarded
Bloomfield, Grants, and San Juan County	<b><u>NMFA Planning Grant Application:</u></b> COG supported several planning grants.	\$50,000 each	Pending
City of Grants	<b><u>EPA Recreation Economy in Rural Communities grant</u></b>	\$20,000	Awarded



City of Gallup	<u>NM MainStreet Grant</u> for construction of Coal Avenue Commons Phase I.	\$800,000	Awarded
City of Gallup	<u>Youth Conservation Corps</u> to continue the Gallup YCC Program.	\$115,000	Awarded
McKinley County	<u>CDBG Construction Application</u> : White Cliffs Water Improvement Project	\$500,000	Awarded
Ramah/McKinley County	<u>USDA NRCS Voluntary Public Access and Habitat Incentive Program Grant</u> to plan, design, and upgrade Ramah Lake.	\$3,000,000	Pending

**3.3.2 Healthy Communities:** The COG team led by Carrie House worked with State of New Mexico Health Department on the “Data Across Sector of Health” (DASH) to support this initiative.

**3.3.3 Workforce:** The NWNMCOG has partnership with NM Workforce Solutions and Greater Gallup Economic Development Corporation (GGEDC) to develop an industry-driven workforce development program for various cohorts and job skills that currently are in high demand for local, high-paying jobs. *[more below]*

**3.3.4 Economic & Tourism Development:** The COG team continued to administer the multi-year contract with the US Economic Development Administration.

The COG was humbled to have Jorge Ayala in our region for our COG Board meeting on October 16, 2019 to discuss EDA investments in our region.

The presentation included a [ArcGIS Story Map](#) that COG staff developed -

Project highlights for this quarter include:



## NATIONAL LEVEL

### **Economic Development Administration (EDA):**

**Applications:** Assistance to Coal Communities: September 25, 2019, the COG was awarded \$988,400 dollars in EDA to support a workforce development pilot program and the build-out of the Prewitt and Milan Industrial Parks. This quarter, the COG kicked off this grant including contracting and putting partnerships in place. The major highlight was the design, development, and deployment of the first cohort through the Greater Gallup Industrial Workforce Program – *see attached report*.

[Press Release](#) | Graduation Video: <https://www.youtube.com/watch?v=Sgq3B8O1qCw>

- **Statewide CEDS Plan:** The COG is supporting the State of New Mexico Department of Economic Development in a request for \$350,000 to update the statewide plan.
- **Regional CEDS Plan:** Michael Sage has begun collecting data including tax data, resiliency, opportunity zones, SWOT, and other information.

**National Association of Development Organizations (NADO):** The COG received an Impact Award for our role in the [Zuni Mountains Trail Partnership and Project](#), and had three pictures selected for award in their Photo Contest.

**Census 2020/Stats America:** COG Associate Planner Carrie House maintained communication with census planners at the state and regional levels in this process. COG staff spearheaded Complete Count Committees in all three counties and completed designating Community Designated Places (CDP).

**EPA Brownfields Coalition:** The COG had several meetings with communities and economic development organizations to locate and identify sites for this new program, including Acoma, Aztec, Bloomfield, Gallup, McKinley County, Farmington, and San Juan County.

**EPA Recreation Economy for Rural Communities Program:** COG staff led an application for Grants, NM to apply for this new program and attended an interview as a semi-finalist. During this quarter, the City of Grants was one of 12 communities selected [nationally](#) to participate in this program. The planning process should start in April 2020.

## STATE LEVEL

**"FUND IT" Initiative:** COG executive staff attended monthly meetings of the "FUNDIT Task Force" established by the State Economic Development Department for multi-agency vetting and co-financing of economic development projects. During this period, the COG worked with the City of Gallup on its Coal Avenue Commons project and Shiprock Chapter on its Master Community Plan.

**Opportunity Zones:** During this quarter, Michael Sage attended the New Mexico Opportunity Zone Forum and begun developing community profiles and site marketing pieces. Cibola County OZ Community Profile was finalized and presented at the COG Board meeting.

**State Land Office:** COG staff continued to engage State Land Office to authorize redevelopment planning and access in Prewitt.

**SWEDA Conference:** Evan Williams attended the Southwest Region Economic Development Association (SWREDA) Conference in Santa Fe – December 4-6, 2019.

## REGIONAL LEVEL

### **"POWER" Assistance to Coal Communities:**

- **Energy Transition Act:** The COG continues to build from momentum of EDA's investment to assist Coal Impacted Communities, including tracking statewide policy rolled up in [Senate Bill 489](#), entitled Energy Transition Act, which was passed and signed into law. At the October 16 COG Board meeting, Sec. Bill McCamley presented an update of the program and COG staff attended their first public meeting.
- **TriState Generation and Transmission:** COG staff has also been hyper focused on understanding future plans of TriState as it relates to [Escalante Generating Station](#). The shutdown will eliminate 107 jobs in our region.

**SET Initiative-US Department of Agriculture-Rural Development (USDA-RD):** Under a special grant, Carrie House developed a regional food map with partners to map resources and economic opportunities.

**Adventure Tourism:** COG staff continued service on the Board of Directors of Adventure Gallup & Beyond, Inc., and served as an integral part of its initiatives, including collaborative work on the *Zuni Mountains Trails Partnership* Master Plan with the US Forest Service and other stakeholders. COG work, this quarter, included:

- (1) **Zuni Mountains Trail Project:** During this quarter, COG oversaw the completion of construction of 16 miles of project and the build-out of the Milk Ranch trailhead.

(2) **Mount Taylor and Zuni Mountains Collaborative:** staff also continued attending these joint-county meetings and supporting subcommittees for NM579 Lobo Canyon Bike Lanes, Grants Trail Project, La Mosca Road Project, and Equestrian Staging Area.

**Four Corners Geotourism Website:** In partnership with NM Tourism, National Geographic Magazine and regional partners on the Four Corners Geotourism Stewardship Council, the COG was able to attract funding to upgrade our regional geotourism website to promote authentic trips and travel in our region.  
<https://fourcornersgeotourism.com/>

**Broadband:** COG staff is supporting a Four Corners regional broadband project and individual applications to build out redundancy in Northwest NM. Staff attended a USDA sponsored broadband training in Albuquerque. Sacred Wind Communications is upgrading the COG office with fiber.

**Enterprise Loan Fund:** Evan Williams completed and submitted past due reports and COG audits to address non-compliance issues and potential program-specific audit needs.

**Brownfields:** COG staff worked on gaining access to State Land in Prewitt and produced a site/project list for other investment needs.

#### San Juan County

**Four Corners Economic Development (4CED):** COG staff supported the first Energy Transition Act (ETA) meeting on October 29, 2019 at San Juan College and provide insights from the POWER funded "[Regional Economic Assessment & Strategy for the Coal Impacted Four Corners Region](#)".

#### McKinley County

**Planning Initiatives:** COG staff continues to support several planning projects including a Retail Market Study and Inland Port Study.

**Coal Avenue Commons:** Funded through National Endowment for the Arts, the COG is a lead partner in re-designing downtown Gallup through a creative placemaking approach. This quarter, COG staff helped to garner a \$800,000 NM MainStreet grant for Phase I of the project.

Additional Information: <https://www.coalavenuecommons.com/>

**Navajo Convenience Stores:** COG staff continued to track development of two convenience stores in Eastern Navajo agency.

**Greater Gallup Economic Development Corporation, Inc.** The COG continued its active partnership and annual work program development with the GGEDC, including:

- **Gallup Executive Directors' Association (GEDA)** – COG staff continued to attend these meetings.
- **Press Conference:** COG staff attended a press conference for the [announcement](#) of Stone Handling Materials – the newest business locating to the Gallup Energy Logistics Park. (12 Jobs)

#### Cibola County

**Cibola Communities Economic Development Foundation (CCEDF):** The COG worked with CCEDF on completing the Village of Milan Industrial Park Master Plan and on the House Memorial 72/41 study associated with economic assets at the Escalante Generating Station in eastern McKinley County, including significant workforce considerations in Cibola County.



**Milan Industrial Park:** Continued to work with CCEDF, on planning and developing this Industrial Park.

**Opportunity Zone Profile:** Michael Sage completed an information brochure for the Cibola area and drilldowns on Opportunity Zones. These will be completed for all three counties.

**3.3.5 Transportation:** The COG team continued to administer the multi-year contract from the New Mexico DOT to staff the Northwest Regional Transportation Planning Organization (NWRTPO) work plan. This quarter's highlights, reported by RTPO contract category, included:

**Long Range Planning:**

- **Road Safety Audit:** RTPO staff participated in a Road Safety Audit Nov. 4-5 for major intersections with US491 between the communities of Naschitti and Newcomb.

**Technical Support & Data Management:**

- **Zuni Mountains Trail Projects:** Staff utilized the RTPO's GPS unit and GIS software to start design the Quartz Hill Trail Project in Cibola County, and produce maps and flagging points for the build-out of the Milk Ranch Trail Project.

**Project Development & Monitoring:**

- **Call for Transportation Projects.** This quarter, staff supported the contracting process for all awarded projects in the region to make sure they got in on time.

**Other Activities & Projects:**

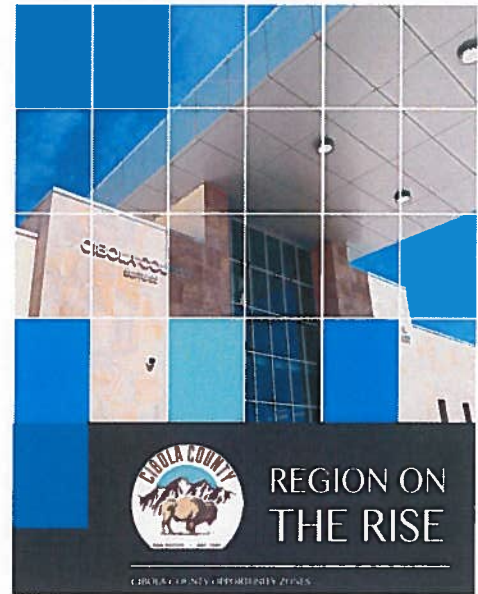
- **Scenic Byway:** RTPO started researching the new National Scenic Byway Bill "Reviving America's Scenic Byways Act of 2019" signed into law by President Trump to find an opportunity and avenue to re-submit our application to nominate the New Mexico "Trail of the Ancients" byway for national designation.

**General RTPO Support:**

- **RTPO Meetings:** Staff hosted monthly meetings throughout the region.

**RTPO Administration:**

- **Annual Report and Budget Amendment:** these were completed and submitted to NMDOT.



Respectfully submitted  
on behalf of the COG staff,

  
Evan J. Williams, Executive Director

**FOR MORE INFORMATION, TAP RESOURCES AND FOLLOW THE COG VIA:**

Website: [www.nwnmco.com](http://www.nwnmco.com)

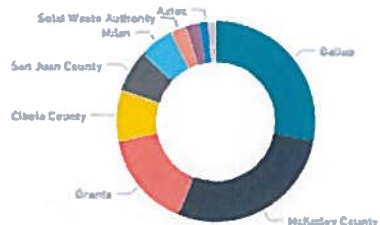
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YouTube: [NWNMCOG](https://www.youtube.com/NWNMCOG)

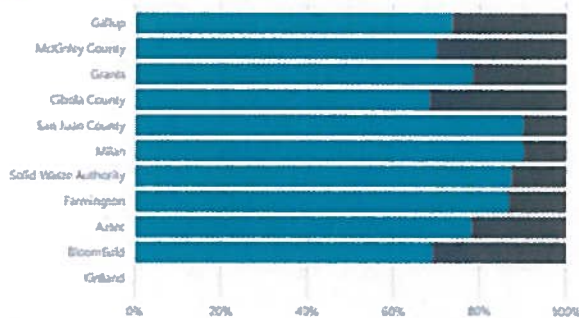
## MEMBER HOURS REPORT

Budgeted Hours by Member

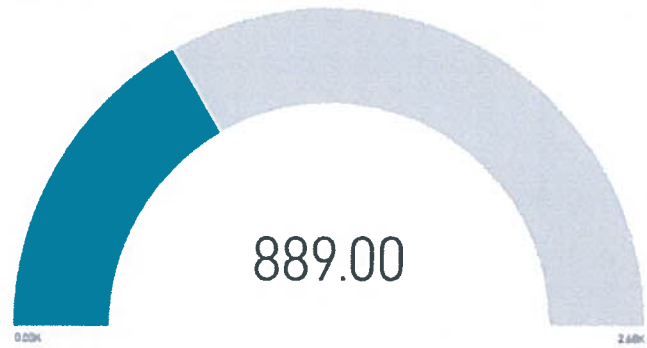


Budgeted Hours and Used Hours by Member

● Budgeted Hours ● Used Hours



Used Hours, Minimum Value and Budgeted Hours



Fund #	Member	Budgeted Hours	Used Hours	Remaining Hours
110	Cibola County	225	104.00	121.00
120	McKinley County	750	321.00	429.00
130	San Juan County	180	19.50	160.50
210	Aztec	36	10.00	26.00
220	Bloomfield	36	16.00	20.00
230	Farmington	60	9.00	51.00
240	Gallup	750	268.50	481.50
250	Grants	420	115.00	305.00
260	Milan	150	16.00	134.00
270	Kirtland	0	0.00	0.00
310	Solid Waste Authority	70	10.00	60.00
Total		2677	889.00	1,788.00

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110	Cibola County	225	104.00	121.00
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240	Gallup	750	268.50	481.50
250	Grants	420	115.00	305.00
260	Milan	150	16.00	134.00
270	Kirtland	0	0.00	0.00
310	Solid Waste Authority	70	10.00	60.00
Total		2677	889.00	1,788.00

# Initial Report

## December 13, 2019



## 73 APPLICANTS

- Engaged the program as marketed
- Signed up to participate
- Interviewed and screened
- Showcases the need in McKinley County



## 12 PARTICIPANTS

- Selected for inaugural program
- Participated in 400-hr/10-week program
- Learned GGIWP curriculum & applied skills
- Applied knowledge in homebuilding
- Engaged in community service learning



## 12 GRADUATES

- 100% completed curriculum components
- 100% graduation
- 100% placement opportunity at local industrial employers



## 3 NATIONAL CERTIFICATIONS

- Occupational Safety and Health Administration (OSHA) 10-Hour Training Program
- National Center for Construction Education and Research (NCCER) Blue Card
- ACT WorkKeys Skills Assessment



## 10 INDUSTRIAL SPONSORS

- Local industrial employers that provided funding, resources, training, and other program support
- Provided local opportunities for placement and apprenticeship



At the graduation ceremony, Secretary Bill McCamley congratulated the community and stated: "That the Governor wants programs like these around the State...you all did it by yourselves. You recognized that there was an issue. You went to the business community and asked what are your needs? You put together the program and the success is evident."

The graduation ceremony is available at: <https://www.youtube.com/watch?v=Sgq3B8O1qCw&t=1700s>

Funding support for the Greater Gallup Industrial Workforce Program is derived in part from New Mexico Department of Workforce Solutions and a grant awarded by the US Economic Development Administration under the auspices of their Assistance to Coal Communities grant.





**JONATHAN GONZALEZ**  
Workforce Development Manager  
Department Economic Development

## MEET THE TRAINER

Jonathan "Johnny" Gonzalez joined the team in July 2019 as GGEDC's new Workforce Development Manager. Mr. Gonzalez is also the Training Instructor for the newly developed Greater Gallup Industrial Workforce Program (GGIWP).

Prior to joining GGEDC, Mr. Gonzalez serves as the Senior Program Manager for Moore Community House-Women in Construction in Biloxi, MS. In 2009, he also was a Volunteer Coordinator and Hispanic Outreach Coordinator for HandsOn Gulf Coast.

Mr. Gonzalez is a Master Instructor of curriculum development by the National Center for Construction Education and Research (NCCER), maintains OSHA certification 500 & 510, and has 10+ years of experience in the construction field.

## MEET THE GRADUATES



Rawlin Jacobs  
Placement: Marathon Petroleum



Daniel Jaramillo  
Placement: Marathon Petroleum



Lamar Thompson  
Placement: McKinley Paper



Michelle Pat  
Placement: Marathon Petroleum



Shirley Lynn  
Placement: Rhino Health, LLC.



Regina Bee  
Placement: Rhino Health, LLC.



Floyd Shay  
Placement: Marathon Petroleum



Vanessa Shebola  
Placement: Rhino Health, LLC.



Anderson Sheets  
Placement: Stone Materials Handling



Kyle Manuelito  
Placement: Gallup Indian Medical Center



Jason Mitchell  
Placement: Rhino Health, LLC.

Arman Martine – Not Pictured

# Governor finishing legislative agenda

By Dan Boyd / Journal Capitol Bureau Chief

Wednesday, December 18th, 2019 at 10:26pm



Gov. Michelle Lujan Grisham

*Copyright © 2019 Albuquerque Journal*

SANTA FE – Bills dealing with recreational cannabis, parole reform and temporary gun seizures are set to be included on the agenda for a 30-day legislative session that starts next month, but overhauling New Mexico's tax system might have to wait.

Gov. Michelle Lujan Grisham said Wednesday that her "ambitious" agenda for the session that begins Jan. 21 is not finished but that she does not plan to include on her priority list proposals to exempt Social Security income from taxation and retool the state's gross receipts tax code.

Rather, she said, she would like to tackle such tax issues during the 2021 legislative session, which would give a recently formed state tax advisory committee more time to study potential changes.

"We do need to do more tax reform," Lujan Grisham said during a meeting with Journal editors and reporters.

Under New Mexico's Constitution, the 30-day sessions held in even-numbered years are limited to budgetary matters and issues approved for consideration by the governor. Revenue bills are also fair game, meaning the tax proposals could still get hearty debate even if not prioritized by the governor.

Lujan Grisham, a Democrat who is nearing completion of her first year in office, said several crime-related issues probably will be included on the 2020 session's agenda.

That includes controversial gun-related legislation – a proposed "red-flag" law that would allow courts to order the temporary taking of firearms from individuals deemed to be a threat to themselves or others.

New Mexico sheriffs turned out in force during this year's 60-day session to oppose the proposal and other gun control legislation, although a small number of sheriffs supported the measures. A red-flag bill passed the House but stalled in the Senate.

The governor said Wednesday that she expects most sheriffs to oppose the bill again, despite efforts in recent months to work out a compromise.

"I'm going to keep working on the sheriffs," Lujan Grisham said. "My job is to win them over, and I haven't done that yet."

Cibola County Sheriff Tony Mace, chairman of the New Mexico Sheriffs' Association, said in a recent interview that most sheriffs fundamentally oppose the proposal on the grounds that it would be ineffective and could infringe on constitutional rights.

"You're not going to find any sheriff that wants to put their deputies in a dangerous situation," Mace said.

However, Lujan Grisham has said the proposal could make communities safer, and the Governor's Office indicated Wednesday that about 50 school threats have been reported in New Mexico this year. Lujan Grisham also said she believes there is already more support for the measure in the Democratic-controlled Senate than there was during the 60-day session that ended in March.

Meanwhile, the governor also said she supports proposed legislation to enhance the penalty for using a firearm in the commission of a crime.

"That's how New York got after their crime problem," Lujan Grisham said. "We've got to use things that work."

Rep. William "Bill" Rehm, R-Albuquerque, this week pre-filed House Bill 35, a measure that would increase an existing sentencing enhancement in such cases from one to three years.

With the start of the legislative session just a month away, Lujan Grisham said she plans to meet with legislative caucuses this weekend and also said she's been meeting with legislative leaders regularly during the year.

"We're spending a whole lot more time with legislators, and I think that gives us a better chance (to pass our priorities)," the governor said.

Other top Lujan Grisham initiatives for the session include creating an early childhood endowment fund, expanding the college scholarship program and legalizing recreational cannabis use and taxing its sales.

Although the governor expressed optimism about most of her legislative package, she acknowledged that winning approval of the marijuana legalization plan will be difficult, even though a working group she appointed held a series of public meetings this fall and released its final recommendation last month.

"I think cannabis is going to be really hard – it should be," Lujan Grisham said. "That is not something to run into without being really clear."

Lujan Grisham also said she believes the Senate will be the hurdle in determining whether a cannabis bill reaches her desk, saying, "We'll see if we get it over the finish line – I don't know that I will."

But the governor said that won't stop her from pushing for the bill's approval.

"If I have it on the call, I'm serious about getting it passed," she said.

**Contact the writer.**

## Auto Racing





# ‘Investing for tomorrow and delivering today’

By Dan Boyd / Journal Capitol Bureau Chief

Published: Monday, January 6th, 2020 at 12:01pm  
Updated: Monday, January 6th, 2020 at 10:16pm



Proposed spending increases would, clockwise from top left: create a college scholarship program, fund road improvements, hire more State Police officers and increase pay for state workers and teachers.

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SANTA FE – New Mexico state spending would surge significantly for the second consecutive year under a budget proposal unveiled by Gov. Michelle Lujan Grisham on Monday that would boost state spending by \$596.3 million – or roughly 8.4% – over current levels.

The nearly \$7.7 billion spending plan includes a proposed 4% salary increase for New Mexico teachers and more money for school districts with a large number of low-income students, as the state continues to grapple with the fallout of a landmark legal ruling about its public education system.

It would also provide additional dollars to hire 60 new State Police officers, create a New Mexico Opportunity Scholarship that would benefit an estimated 55,000 college students and expand funding for child care assistance and prekindergarten programs statewide.



Gov. Michelle Lujan Grisham. (AP file)

“This budget consists of both bold investments and prudent decisions that continue to fix what was left broken, addressing urgent needs and strategically investing in sustainable improvements over the long term – all at once,” Lujan Grisham said in a statement. “We are investing for tomorrow and delivering today.”

Overall, nearly half of the state spending increase proposed by the first-term Democratic governor for the budget year that starts July 1 would go toward education programs, from early childhood through higher education.

K-12 public school spending would increase by roughly \$200 million – after going up in this year’s budget by \$446 million – under Lujan Grisham’s plan.

Sen. Steven Neville, R-Aztec, said the governor’s spending plan bears some similarities to a competing plan crafted by the influential Legislative Finance Committee that will be released later this week.

“We’re kind of in the same ballpark when it comes to getting teachers better compensation and those kinds of things,” Neville told the Journal.

## Spending increase

New Mexico’s general fund spending is rising after several years of budgetary belt-tightening. Here is a look at recent growth by fiscal year:

<b>2016</b>	<b>2019</b>
<b>\$6.2 BILLION</b>	<b>\$6.3 BILLION</b>
<b>2017</b>	<b>2020</b>
<b>\$6.1 BILLION</b>	<b>\$7.1 BILLION</b>
<b>2018</b>	<b>2021*</b>
<b>\$6.1 BILLION</b>	<b>\$7.7 BILLION</b>

SOURCE: LEGISLATIVE FINANCE COMMITTEE  
\* REPRESENTS RECOMMENDED SPENDING LEVEL

But he said there could be more disagreement about Lujan Grisham’s push to cover tuition expenses for all qualifying college students, and he expressed concern about whether current oil production levels can be sustained.

### \$797M in ‘new’ money

Overall, New Mexico’s recent spending growth comes after several cash-lean years and is being fueled largely by record-breaking oil production in the state’s southeastern corner. The oil boom drove state revenue levels to an all-time high last year and has generated an estimated \$797 million in “new” money for the coming budget year.

Under Lujan Grisham’s plan, some of that money would be set aside in cash reserves in case projected revenue levels do not materialize.

However, part of the state's budgetary windfall would be spent on one-time expenditures, including \$320 million to set up a new early childhood endowment fund and \$200 million for road projects around the state, which could include further improvements to highways in and around the oil-rich Permian Basin.

In addition, \$76 million would be earmarked as part of a plan to shore up one of New Mexico's two large pension funds, the Public Employees Retirement Association.

Sen. John Arthur Smith, D-Deming, chairman of the Senate Finance Committee, said the total spending amount proposed by Lujan Grisham is higher than under the legislative plan.

But he said the elevated reserve levels would give the state a cushion if oil prices fall or if an economic recession were to hit.

"Hopefully, we can ride out a downturn if we have to," Smith said.

Finance and Administration Secretary Olivia Padilla-Jackson, the governor's top budget official, said the spending plan strikes a balance between funding critical current needs and making investments for future years.

"This is probably the largest investment in education as a whole that we've made in the state," Padilla-Jackson told reporters.

But she also described the budget recommendation as a prudent plan, pointing out that only about 75% of the additional money expected to be available in the coming fiscal year would be spent, with the rest set aside in reserves.

### **Budget is priority**

New Mexico's 30-day legislative session starts Jan. 21, and passing a balanced budget will top lawmakers' to-do list once the session begins.

While some lawmakers have urged spending restraint, there's also expected to be ample pressure to increase spending with the state's coffers bulging.

That's likely to be the case in education, as some advocates have argued the state has not gone far enough to address a landmark July 2018 ruling that New Mexico was not meeting its constitutional requirement to provide an adequate education to all students.

That's despite taking steps last year that include 6% pay raises for teachers and school administrators, increasing starting teacher pay to \$41,000 annually and expanding a K-5 Plus program that allows qualifying schools to extend their school year into the summer.

While teachers would again get the biggest salary increase under Lujan Grisham's latest budget recommendation, state workers would receive 3% raises and professors and other higher education employees would receive 2% salary increases.

Meanwhile, the budget plan does not account for potential changes to New Mexico's tax code or the possibility of the state legalizing recreational marijuana use and taxing its sales. Both those ideas have been proposed for the coming session.

New Mexico state spending increases proposed by Gov. Michelle Lujan Grisham would bump up pay levels for teachers and state workers, fund road improvements statewide, create a new college scholarship program and hire more State Police officers.

**Contact the writer.**





**2020**

# **LEGISLATIVE PRIORITIES**

**Adopted By:  
NMML Board of Directors  
October 5, 2019  
Santa Fe, NM**

The New Mexico Municipal League Board of Directors adopted the following priorities for the League's Action Program during the 2020 Legislative Session.

### **TAXATION & REVENUE**

- **Gross Receipts Tax Adjustment Notification to Local Governments.** (*Resolution 2019-28*). Seeks legislation that amends Section 7-1-6.15 to provide for notification if a gross receipts tax adjustment exceeds 20% of the annual monthly distribution over a 36 month period.
- **PERA.** (*Resolution 2019-29*). Supports legislation that will ensure that local governments will share proportionally in solvency solutions that increase the soundness of the municipal general, municipal police and municipal fire Divisions of the PERA Fund.
- **Hold Harmless Gross Receipts Tax Distributions.** (*Resolution 2019-42*). Supports legislation for a continuation of Hold Harmless GRT distributions.

### **PUBLIC SAFETY**

- **EMS Funding.** (*Resolution 2019-31*). Supports an appropriation by the New Mexico State Legislature to the State Fire Marshal to conduct a statewide EMS assessment, in coordination with Department of Health EMS Bureau, using monies currently reverted from the Fire Protection Fund, to the State General Fund.
- **Law Enforcement Protection Fund.** (*Resolution 2019-35*). Supports legislation to distribute all remaining balances in the fund to the appropriate Law Enforcement Agencies.
- **Enhancing Safety in Public Schools.** (*Resolution 2019-36*). Proposes to:
  - amend the PERA conditions for retirement to allow retired law enforcement to be employed in public schools without penalty to their PERA benefits;
  - fund technology to enhance school safety;
  - amend statutes regulating possession of firearms to address **Extreme Risk Protection Orders (Red Flag Laws)** for individuals in crisis and to limit their access to firearms, and their ability to obtain them;
  - further increase penalties regarding school shooting threats to a felony;
  - support new bullying legislation to include monitoring and follow-up on threats made by social media; and
  - provide training through a School Safety Omnibus bill to respond to Active Shooters.
- **Fire Fund.** (*Resolution 2019-40*). Supports legislation that will ensure that funding is appropriated in the best interest of the Fire Protection Fund and its beneficiaries.

**-over-**

## **LIBRARY**

- **State Grants for Libraries.** (*Resolution 2019-6*). Endorses the passage of legislation to increase the appropriation to the library division of the Cultural Affairs Department to provide grants-in-aid for local library services and operations.
- **2020 Bond Issue for Libraries.** (*Resolution 2019-14*). Endorses the passage of a State General Obligation Bond bill for \$17 million for funding libraries.

## **FEES & FUNDS**

- **Court Automation Fee.** (*Resolution 2019-9*). Supports increasing the Municipal Court Automation Fee from \$6 to \$10, matching the \$10 fee currently collected in Magistrate and Metropolitan Courts.
- **State Aviation Fund.** (*Resolution 2019-15*). Supports removal of the Sunset provision and making the State Aviation funding permanent.



# 2020 Legislative Priorities

The Second Session of the 54th Legislature

## HB 2 Appropriations

### Detention Reimbursement Fund

Increase funding under the County Detention Facility Reimbursement Act (Section 33-3B-1 et seq. NMSA) to reimburse counties for the cost of housing state prisoners. The cost to counties under the Act is approximately \$8.4 million. Last year the Legislature appropriated only \$2.3 million.

### Prisoner Transport & Extradition

Create a line item in the Department of Finance & Administration budget for \$750,000 to reimburse sheriffs' offices that provide transportation of state prisoners pursuant to Section 4-44-18C NMSA. Although the Legislature contemplated reimbursing counties for this state expense, no money has been appropriated to counties for many years.

### EMS Funding

Appropriate \$5 million annually to the Emergency Medical Services Fund in the Department of Health budget and identify a designated revenue mechanism to provide continuous fund growth and stability.

## Law Enforcement Protection Fund

Increase distributions from the Law Enforcement Protection Fund (Section 29-13-1 et seq. NMSA) to local law enforcement agencies in accordance with the purpose of the Act: to enhance the efficiency and effectiveness of law enforcement services.

## Behavioral Health

Renew and expand funding for the Human Services Department to provide behavioral health services to adult and juvenile offenders housed in county detention centers to reduce the likelihood of recidivism. Services should include targeted, individualized interventions that address detainee behavioral health needs while incarcerated and connect them to supportive housing, public assistance, medical and mental health care, and employment training as needed, immediately upon release.

## PERA Solvency

Oppose increases in local government PERA contributions. New Mexico public employers' rates currently are among the highest in the country. Any further increases in county government are ultimately absorbed by the local taxpayer.

# PREFILED BILLS TRACKING LIST

1/7/220

Sponsor	BillID	Title	Link
Representative Patricia A. Lundstrom	H 26	HIGHWAY AND TRANSPORTATION PROJECT FUNDS	<a href="https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&amp;LegType=B&amp;LegNo=26&amp;year=20">https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&amp;LegType=B&amp;LegNo=26&amp;year=20</a>
Representative Patricia A. Lundstrom	H 27	PUBLIC PROJECT REVOLVING FUND PROJECTS	<a href="https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&amp;LegType=B&amp;LegNo=27&amp;year=20">https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&amp;LegType=B&amp;LegNo=27&amp;year=20</a>
Representative Tomás E. Salazar	H 47	LOCAL GOVT PLANNING FUND APPROPRIATION	<a href="https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&amp;LegType=B&amp;LegNo=47&amp;year=20">https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&amp;LegType=B&amp;LegNo=47&amp;year=20</a>
Representative Nathan P. Small	H 50	AMENDING THE INDUSTRIAL REVENUE BOND ACT	<a href="https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&amp;LegType=B&amp;LegNo=50&amp;year=20">https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&amp;LegType=B&amp;LegNo=50&amp;year=20</a>
Representative Sheryl Williams Stapleton	H 63	SOFT SKILL EDUCATION FUNDING	<a href="https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&amp;LegType=B&amp;LegNo=63&amp;year=20">https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&amp;LegType=B&amp;LegNo=63&amp;year=20</a>
Representative Matthew McQueen	H 94	PUBLICATION OF CAPITAL OUTLAY	<a href="https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&amp;LegType=B&amp;LegNo=104&amp;year=20">https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&amp;LegType=B&amp;LegNo=104&amp;year=20</a>
Representative Cathryn N. Brown	H 104	COUNTY ROAD FUND DONATION TAX CREDIT	<a href="https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&amp;LegType=B&amp;LegNo=104&amp;year=20">https://www.nmlegis.gov/Legislation/Legislation?Chamber=H&amp;LegType=B&amp;LegNo=104&amp;year=20</a>
Senator Steven P. Neville	S 6	ELECTRIC TRANSMISSION FACILITIES IRB ELIGIBLE	<a href="https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&amp;LegType=B&amp;LegNo=6&amp;year=20">https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&amp;LegType=B&amp;LegNo=6&amp;year=20</a>
Senator Jacob R. Candelaria	S 19	WATER PROJECT FUND AUTHORIZATION	<a href="https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&amp;LegType=B&amp;LegNo=19&amp;year=20">https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&amp;LegType=B&amp;LegNo=19&amp;year=20</a>
Senator Bill Tallman	S 23	PUBLICATION OF CAPITAL OUTLAY AUTHORIZATIONS	<a href="https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&amp;LegType=B&amp;LegNo=23&amp;year=20">https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&amp;LegType=B&amp;LegNo=23&amp;year=20</a>
Senator Mary Kay Papen	S 54	BEHAVIORAL HEALTH COMMUNITY INTEGRATION ACT	<a href="https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&amp;LegType=B&amp;LegNo=54&amp;year=20">https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&amp;LegType=B&amp;LegNo=54&amp;year=20</a>
Senator Michael Padilla	S 59	PUBLIC- PRIVATE PARTNERSHIP ACT	<a href="https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&amp;LegType=B&amp;LegNo=59&amp;year=20">https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&amp;LegType=B&amp;LegNo=59&amp;year=20</a>
Senator Richard C. Martinez	S 69	DRINKING WATER SYSTEM FINANCING	<a href="https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&amp;LegType=B&amp;LegNo=69&amp;year=20">https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&amp;LegType=B&amp;LegNo=69&amp;year=20</a>



## ***NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS***

### **MEMORANDUM**

DATE: January 13, 2020

TO: Board of Directors

FROM: Evan Williams, Executive Director

RE: Enterprise Loan Fund (ELF) RLF Report

#### **A. BACKGROUND**

On October 18, 2018, the Northwest New Mexico RLF was notified (via email) of the noncompliant status and put on notice pending a possible termination or transfer. On April 19, 2019, the COG was informed that it would be required to complete a program-specific independent audit that fulfills the requirements of 2 CFR 13 § 200.507 and adheres to the Compliance Supplement in appendix XI to 2 CFR part 200.

#### **B. ACTIONS TO DATE**

1. April 2019: Jeff Kiely, Executive Director engaged Warren Burmeister (Former COG ELF Manager) under special contract for internal program audit to complete a thorough review of records relating to this program. A report is available regarding all findings and recommendations.
2. As of October 2019: COG added this program-specific independent audit to the scope-of-work and budget of our contracted audit firm. As part of the COG's Audit Entrance Conference, a conference call with EDA was held that included COG staff, contracted CPA firm, and our Auditor. During this meeting, COG staff explained that no activity has happened with regard to these funds in sometime and no new loans have been issued in at least 3 years. These facts would make it difficult to perform an audit and the revolving loan fund is audited as part of the overall COG financial statement and independent audit for the organization. Based on this meeting, COG was directed to submit all delinquent reports and copies of these audits for FY2016-2018. A determination and requirements would be made after review.
3. November 1, 2019: COG Executive Director submits all report and copies of the annual audits to the Economic Development Administration, in care of LaDonna Barbee, Program Analyst RLF.
4. January 13, 2020: An official response was sent via email back to COG Executive Director, as follows:

"I have reviewed your audits for FY2016, 2017 and 2018. I have also reviewed your ED209 reports for March 2018, 2019 and September 2017, 2018, 2019. You are now current and your FY20 Risk Rating is a C/22. You will need to complete a Corrective Action Plan, due to the Risk Rating score. I have attached a copy of the updated EDA RLF Standard Terms and Conditions, for you review.

You are still in a noncompliant status because your RLF Plan has expired and each RLF Operator was asked to have them reviewed and approved by July 30, 2019.

#### **§ 307.20 Noncompliance.**

EDA will take appropriate compliance actions as detailed in § 307.21 for the RLF Recipient's failure to operate the RLF in accordance with the RLF Plan, the terms and conditions of the RLF Grant, or this subpart, including but not limited to:



- (a) Failing to obtain prior EDA approval for material changes to the RLF Plan, including provisions for administering the RLF;
- (b) Failing to submit an updated RLF Plan to EDA in accordance with § 307.9(c);
- (c) Failing to submit timely progress, financial, and audit reports in the format required by the RLF Grant and § 307.14, including the Form ED-209 RLF report;"

C. RECOMMENDED STEPS FORWARD

- Develop and submit a corrective action plan to EDA - *see draft attached*;
- Update the RLF Plan and approve it at COG Board and with EDA;
- Submit all reports required;
- Document collections of all outstanding loans and clients;
- Review and recommend bad debt write-off by Board;
- Review and recommend for program, either: (1) re-invigorate program; (2) transfer program to another agency; and (3) close-out and send back funds to the Federal government.

UNITED STATES ECONOMIC DEVELOPMENT ADMINISTRATION

Revolving Loan Fund

2020 Northwest NM Revolving Loan Fund Corrective Action Plan DRAFT

	Finding	Recommendations	Plan For Implementation	Person Responsible	Implementation Date	Completion Date
1	Failing to obtain prior EDA approval for material changes to the RLF Plan, including provisions for administering the RLF;	Review 2007 RLF Plan and current requirements. Amend and update RLF Plan to current practices and within EDA regulations.	After reviews, submit material changes to EDA for approval.	Evan Williams	1/13/20	6/30/20
2	Failing to submit an updated RLF Plan to EDA in accordance with § 307.9(c);	Based on #1 reviews, update the RLF Plan and submit draft for approval by COG Board and EDA.	Update and submit draft RLF Plan to Board and EDA.	Evan Williams	1/13/20	4/15/20
3	Failing to submit timely progress, financial, and audit reports in the format required by the RLF Grant and § 307.14, including the Form ED-209 RLF report;	Setup calendar reminders of report due dates and submit these semi-reports on time in March and September of each year.  Submit annual COG audit in January of each year.	COG staff will setup calendar reminders and submit ED-209 on required dates in required forms. COG staff will submit annual audit.	Evan Williams	1/13/20	1/13/20

**Actions to Date:**

January 13, 2019: COG develops corrective action plan draft and submits to Board and EDA.

COG sends copy of FY2019 audit to EDA.



## *NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS*

### **MEMORANDUM**

DATE: January 13, 2020

TO: Board of Directors

FROM: Evan Williams, Executive Director

RE: **Building Report**

#### **A. BACKGROUND**

In the 2019 NM Legislative Session, \$75,000 was appropriated to plan, design, construct, repair, and improve the COG buildings in Gallup, New Mexico. 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. The COG remains current on its CPMS reporting.

#### **B. 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 building;
- (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.

September – December 2019:

- (1) **Main Roof:** Evan Williams utilized CES to contract Commercial Roofing, LLC. The scope only included the main roof of the COG building and the bid came in at about \$90,000. The Building Committee authorized moving forward rather than delaying construction. Project is set to start January 21, 2020.
- (2) **Back Building Roof:** Commercial Roofing, LLC. did look at this roof but did not provide a cost. This project is past the ability of a roofing company and would need to be contracted with a construction company. COG staff fixed via external patching to secure the building and prepare it for the mural project.
- (3) **Back Building:** COG staff primed and painted the building in coordination with the Mural Project.
- (4) **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.



# Financial Report



## Company Snapshots & Financial Report Overview

Quarter #2, FY2020  
October – December 2019

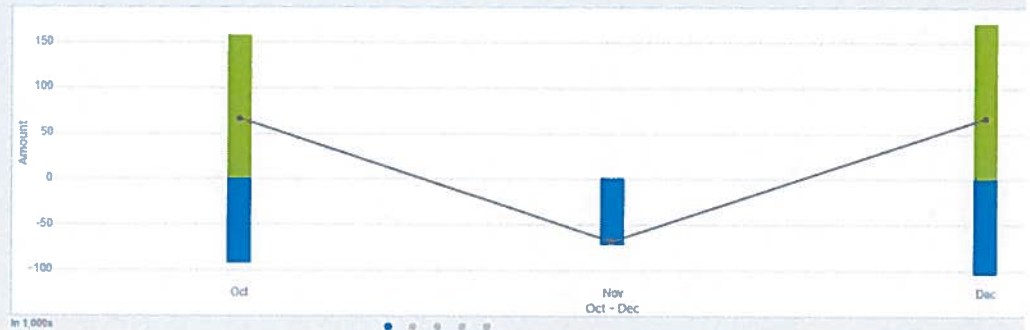
### Profit & Loss



Northwest New Mexico Council of Governments  
Tuesday, January 14 2020

Profit & Loss Last Fiscal Quarter

61,739.51  
NET INCOME  
330,060.30  
INCOME  
268,320.79  
EXPENSES

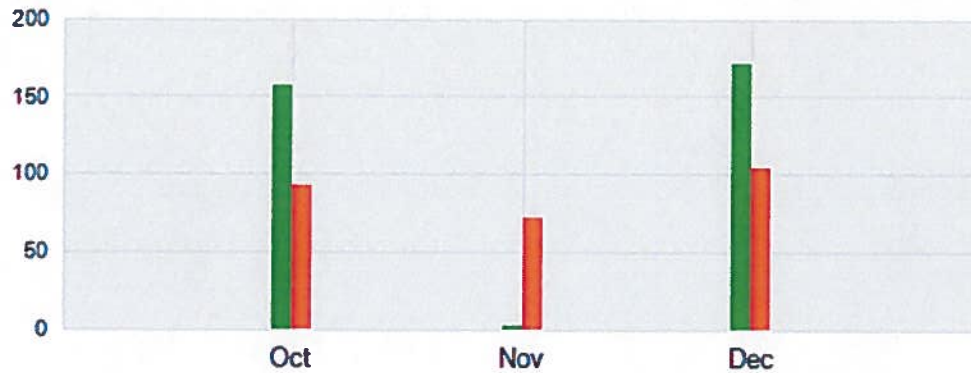


### Income and Expenses by Month

#### Income and Expense Trend

\$ in 1000s

Last quarter

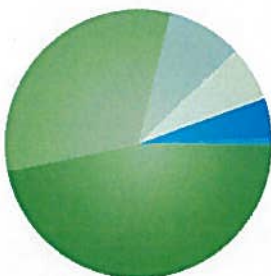


Income Expense

### Income Breakdown

#### Income Breakdown

Last quarter



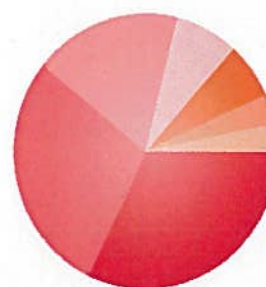
800 - Local Grants &...  
100 - General  
500 - Federal grants and...  
600 - State grants an...  
700 - Private Grants...  
Other Accounts

Total: \$330,060.30

### Expense Breakdown

#### Expense Breakdown

Last quarter



a. Personnel  
f. Contractual  
68000 - Grant Match...  
b. Fringe Benefits  
h. Other  
60900 - Depreciation  
Expense (Depreciation on equ...  
Other Accounts

Total: \$268,320.79

**Northwest New Mexico Council of Governments**  
**Balance Sheet**  
As of December 31, 2019

	Dec 31, 19
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
10100 · Pinnacle Bank - Operating (Operating - Checking)	132,690.57
10102 · Pinnacle Bank - R.L.F	101,458.18
10103 · Pinnacle Bank - RLF Sequestered	95,509.57
10104 · Pinnacle Bank - F.S.L.F.	62,316.42
<b>Total Checking/Savings</b>	391,974.74
<b>Accounts Receivable</b>	
10300 · Accounts Receivable (Unpaid or unapplied customer invoices and credits)	239,236.68
10602 · Loans Receivable - L.F.	173,438.02
10604 · Loan Allowance	-173,438.02
<b>Total Accounts Receivable</b>	239,236.68
<b>Total Current Assets</b>	631,211.42
<b>Fixed Assets</b>	
14000 · Property & Equipment	462,145.00
14010 · Software	4,178.00
14050 · Accumulated Dep	-129,344.50
<b>Total Fixed Assets</b>	336,978.50
<b>Other Assets</b>	
10400 · Due From	66,496.98
1500X · Deferred Outflows	180,924.00
20400 · Due To	-66,496.98
<b>Total Other Assets</b>	180,924.00
<b>TOTAL ASSETS</b>	<b>1,149,113.92</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
20200 · Deferred Revenue	95,787.87
20300 · Accrued Wages	5,877.48
203000 · Accrued Payroll Liabilities (Unpaid payroll liabilities. Amounts withheld or accrue...	
203001 · PERA Liability	
203001 · PERA Liability - Other	1,723.06
<b>Total 203001 · PERA Liability</b>	1,723.06
203002 · EE Insurance Liability	2,031.10
203003 · NM Workers Compensation	20.00
203004 · NM Unemployment Liability	55.47
203005 · Federal Unemployment Liability	94.57
203006 · Employee Fund Liability	342.50
203000 · Accrued Payroll Liabilities (Unpaid payroll liabilities. Amounts withheld or acc...	-837.81
<b>Total 203000 · Accrued Payroll Liabilities (Unpaid payroll liabilities. Amounts withheld or ...</b>	3,428.89
20302 · Accrued Payroll Taxes	267.70
20304 · Accrued Employee FB	-1,657.17
20305 · Accrued Interest	80.50
20500 · Employee Fund	470.00
<b>Total Other Current Liabilities</b>	104,255.27
<b>Total Current Liabilities</b>	104,255.27
<b>Long Term Liabilities</b>	
2200X · Net Pension Liability	457,585.00
2300X · Deferred Inflows	157,735.00
27000 · Compensated Absences	25,983.00
<b>Total Long Term Liabilities</b>	641,303.00
<b>Total Liabilities</b>	745,558.27
<b>Equity</b>	
30000 · Opening Balance Equity (Opening balances during setup post to this account. The balan...	61,220.05
30002 · Opening Balance Equity - L.F.	259,326.00
3100X · Beginning Net Position	-427,982.00
32000 · Retained Earnings (Undistributed earnings of the corporation)	80,627.24
39000 · Invested in Capital Assets	365,159.00
39500 · FB - Long term Debt	-51,147.00
Net Income	116,352.36
<b>Total Equity</b>	403,555.65
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,149,113.92</b>



**Profit & Loss**

July through December 2019

	Jul - Sep 19	Oct - Dec 19	TOTAL
<b>Ordinary Income/Expense</b>			
Income			
100 · General	62,380.44	105,896.93	168,277.37
500 · Federal grants and contracts	13,382.20	29,777.43	43,159.63
600 · State grants and Contracts	67,669.43	21,968.18	89,637.61
700 · Private Grants & Contracts	0.00	15,889.35	15,889.35
800 · Local Grants & Contracts	7,721.68	154,212.13	161,933.81
900 · Asset Maintenance Fund	2,558.17	2,316.28	4,874.45
<b>Total Income</b>	<b>153,711.92</b>	<b>330,060.30</b>	<b>483,772.22</b>
<b>Gross Profit</b>	<b>153,711.92</b>	<b>330,060.30</b>	<b>483,772.22</b>
Expense			
a. Personnel	57,627.96	86,262.29	143,890.25
b. Fringe Benefits	14,441.52	20,796.38	35,237.90
c. Travel	3,436.95	5,918.59	9,355.54
e. Supplies	4,049.38	2,148.46	6,197.84
f. Contractual	5,393.76	76,678.83	82,072.59
h. Other	13,667.61	18,019.70	31,687.31
58000 · Grant Match Expense	0.00	48,515.20	48,515.20
60113 · Payroll Processing Fees	481.89	587.84	1,069.73
60900 · Depreciation Expense (Depreciation on equipment, b...	0.00	9,393.50	9,393.50
<b>Total Expense</b>	<b>99,099.07</b>	<b>268,320.79</b>	<b>367,419.86</b>
<b>Net Ordinary Income</b>	<b>54,612.85</b>	<b>61,739.51</b>	<b>116,352.36</b>
<b>Net Income</b>	<b>54,612.85</b>	<b>61,739.51</b>	<b>116,352.36</b>

## Northwest New Mexico Council of Governments

01/14/20

## Profit &amp; Loss

Accrual Basis

July through December 2019

	Jul - Sep 19	Oct - Dec 19	TOTAL
Ordinary Income/Expense			
Income			
100 • General			
40400 • Local Revenue			
40401 • Member Dues	62,375.00	57,375.00	119,750.00
Total 40400 • Local Revenue	62,375.00	57,375.00	119,750.00
40501 • Interest Income	5.44	6.73	12.17
48000 • Matching Revenue	0.00	48,515.20	48,515.20
Total 100 • General	62,380.44	105,896.93	168,277.37
500 • Federal grants and contracts			
40100 • Federal Grant Revenue	13,382.20	29,777.43	43,159.63
Total 500 • Federal grants and contracts	13,382.20	29,777.43	43,159.63
600 • State grants and Contracts			
40200 • State Grant Revenue	67,669.43	21,968.18	89,637.61
Total 600 • State grants and Contracts	67,669.43	21,968.18	89,637.61
700 • Private Grants & Contracts			
40300 • Private/Foundation Revenue	0.00	15,889.35	15,889.35
Total 700 • Private Grants & Contracts	0.00	15,889.35	15,889.35
800 • Local Grants & Contracts			
40402 • Special Project Revenue	0.00	154,212.13	154,212.13
40403 • Local Fiscal Agency Fees	7,721.68	0.00	7,721.68
Total 800 • Local Grants & Contracts	7,721.68	154,212.13	161,933.81
900 • Asset Maintenance Fund			
40502 • Rent Income	1,600.00	1,600.00	3,200.00
40503 • Vehicle Mileage Reimbursements	958.17	716.28	1,674.45
Total 900 • Asset Maintenance Fund	2,558.17	2,316.28	4,874.45
Total Income	153,711.92	330,060.30	483,772.22
Gross Profit	153,711.92	330,060.30	483,772.22
Expense			
a. Personnel			
50001 • Wages & Salaries	57,627.96	86,262.29	143,890.25
Total a. Personnel	57,627.96	86,262.29	143,890.25
b. Fringe Benefits			
50002 • Employee FB	5,544.81	8,418.43	13,963.24
50004 • Payroll Taxes	4,853.95	7,322.63	12,176.58
50100 • Insurance	4,031.26	4,779.08	8,810.34
50101 • Life and Disability Insurance	0.00	262.44	262.44
50102 • Worker's Compensation	11.50	13.80	25.30
Total b. Fringe Benefits	14,441.52	20,796.38	35,237.90
c. Travel			
60108 • Registration	75.00	2,885.00	2,960.00
60200 • Travel & Per Diem	2,311.19	2,435.41	4,746.60
60201 • Mileage Costs	1,050.76	598.18	1,648.94
Total c. Travel	3,436.95	5,918.59	9,355.54

## Northwest New Mexico Council of Governments

01/14/20

## Profit &amp; Loss

Accrual Basis

July through December 2019

	Jul - Sep 19	Oct - Dec 19	TOTAL
<b>e. Supplies</b>			
60100 • Office Supplies	1,406.75	2,060.46	3,467.21
60500 • Computer Software & Equipment	2,642.63	88.00	2,730.63
<b>Total e. Supplies</b>	<b>4,049.38</b>	<b>2,148.46</b>	<b>6,197.84</b>
<b>f. Contractual</b>			
60405 • Professional Services-Restrict	0.00	50,000.00	50,000.00
60406 • Professional Services-General	5,393.76	16,430.70	21,824.46
60504 • Audit	0.00	10,248.13	10,248.13
<b>Total f. Contractual</b>	<b>5,393.76</b>	<b>76,678.83</b>	<b>82,072.59</b>
<b>h. Other</b>			
<b>Facility Expenses</b>			
60700 • Facility Maintenance	1,496.18	2,722.62	4,218.80
60701 • Utility	1,576.62	1,227.36	2,803.98
<b>Total Facility Expenses</b>	<b>3,072.80</b>	<b>3,949.98</b>	<b>7,022.78</b>
<b>Vehicle Expenses</b>			
60602 • Vehicle Insurance	621.60	1,042.40	1,664.00
60703 • Vehicle Maintenance	67.81	70.91	138.72
60704 • Fuels Expense	1,075.31	962.35	2,037.66
<b>Total Vehicle Expenses</b>	<b>1,764.72</b>	<b>2,075.66</b>	<b>3,840.38</b>
60101 • Duplicating & Copying	1,844.02	1,539.45	3,383.47
60102 • Postage and Delivery	432.46	467.76	900.22
60103 • Telephone & Telecom	1,372.55	1,828.00	3,200.55
60104 • Subscription & Dues	2,552.81	1,917.49	4,470.30
60105 • Meeting	1,828.29	1,446.85	3,275.14
60106 • Printing	0.00	596.97	596.97
60107 • Advertising	78.76	78.76	157.52
60112 • Service Charge(s)	0.00	613.76	613.76
60603 • Other Insurance	549.25	3,384.20	3,933.45
60802 • Hospitality Employee Fund	171.95	120.82	292.77
<b>Total h. Other</b>	<b>13,667.61</b>	<b>18,019.70</b>	<b>31,687.31</b>
58000 • Grant Match Expense	0.00	48,515.20	48,515.20
60113 • Payroll Processing Fees	481.89	587.84	1,069.73
60900 • Depreciation Expense (Depreciatio...	0.00	9,393.50	9,393.50
<b>Total Expense</b>	<b>99,099.07</b>	<b>268,320.79</b>	<b>367,419.86</b>
<b>Net Ordinary Income</b>	<b>54,612.85</b>	<b>61,739.51</b>	<b>116,352.36</b>
<b>Net Income</b>	<b>54,612.85</b>	<b>61,739.51</b>	<b>116,352.36</b>



# Northwest New Mexico Council of Governments

## Profit & Loss Budget Performance

July through December 2019

	Jul - Dec 19	Budget	Jul - Dec 19	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
100 · General	168,277.37	117,650.02	168,277.37	117,650.02	235,300.00
500 · Federal grants and contracts	43,159.63	235,000.04	43,159.63	235,000.04	470,000.00
600 · State grants and Contracts	89,637.61	129,500.02	89,637.61	129,500.02	259,000.00
700 · Private Grants & Contracts	15,889.35		15,889.35		
800 · Local Grants & Contracts	161,933.81	473,545.50	161,933.81	473,545.50	947,091.00
900 · Asset Maintenance Fund	4,874.45	19,500.00	4,874.45	19,500.00	39,000.00
Total Income	483,772.22	975,195.58	483,772.22	975,195.58	1,950,391.00
Gross Profit	483,772.22	975,195.58	483,772.22	975,195.58	1,950,391.00
Expense					
a. Personnel	143,890.25	233,454.99	143,890.25	233,454.99	466,910.01
b. Fringe Benefits	35,237.90	59,692.50	35,237.90	59,692.50	119,385.00
c. Travel	9,355.54	20,468.48	9,355.54	20,468.48	40,937.00
d. Equipment	0.00	0.00	0.00	0.00	0.00
e. Supplies	6,197.84	8,600.02	6,197.84	8,600.02	17,200.00
f. Contractual	82,072.59	436,770.00	82,072.59	436,770.00	873,540.00
g. Construction	0.00	39,195.52	0.00	39,195.52	78,391.00
h. Other	31,687.31	50,606.14	31,687.31	50,606.14	101,212.00
58000 · Grant Match Expense	48,515.20		48,515.20		
60113 · Payroll Processing Fees	1,069.73		1,069.73		
60900 · Depreciation Expense (Depreciation on equip...	9,393.50		9,393.50		
Total Expense	367,419.86	848,787.65	367,419.86	848,787.65	1,697,575.01
Net Ordinary Income	116,352.36	126,407.93	116,352.36	126,407.93	252,815.99
Net Income	116,352.36	126,407.93	116,352.36	126,407.93	252,815.99

**Northwest New Mexico Council of Governments**  
**Statement of Cash Flows**  
 July through December 2019

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	<u>Jul - Dec 19</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	116,352.36
Adjustments to reconcile Net Income to net cash provided by operations:	
10300 · Accounts Receivable	-142,179.27
20001 · Manual Accounts Payable	-4,374.84
20200 · Deferred Revenue	95,787.87
203000 · Accrued Payroll Liabilities:203001 · PERA Liability	21.05
203000 · Accrued Payroll Liabilities:203002 · EE Insurance Liability	172.66
203000 · Accrued Payroll Liabilities:203003 · NM Workers Compensation	-26.00
203000 · Accrued Payroll Liabilities:203006 · Employee Fund Liability	182.50
Net cash provided by Operating Activities	<u>65,936.33</u>
<b>INVESTING ACTIVITIES</b>	
14050 · Accumulated Dep	9,393.50
10400 · Due From	-48,515.20
20400 · Due To	48,515.20
Net cash provided by Investing Activities	<u>9,393.50</u>
Net cash increase for period	75,329.83
Cash at beginning of period	<u>316,644.91</u>
Cash at end of period	<u><u>391,974.74</u></u>



## NWNMCOG | NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS

106 West Aztec Avenue  
Gallup, NM 87301  
Phone: [505] 722-4327  
Fax: [505] 722-9211

US Economic Development District #1  
NM State Planning District #1  
www.nwnmcog.com  
Executive Director | Evan Williams

### Memorandum

**DATE:** January 15, 2020  
**TO:** COG Board of Directors  
**FROM:** Evan Williams, Executive Director  
**cc:** Martina Whitmore, Administrative Assistant  
**RE:** Budget Amendment #2 FY2020

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This memorandum is to provide some budget narrative to accompany our preliminary budget and presentation to the Board.

#### **Farmington MPO:**

**Personnel Impact:** This program paid for two full-time positions, including the MPO Officer and a Planner. These are zero-sum in terms of overall impact.

Loss of this program and associated Administrative Contract with City of Farmington (\$24,000) had impacts on Executive Director and Administrative Assistant salaries of \$5,650 and \$13,500 respectively, which had to be booked against our General Fund. This constitutes a loss of \$19,150 to that fund.

**Fringe Benefits:** The difference to be made up by the General Fund is \$3,392.

The line-item impacts to the budget are \$93,957, which are all program related costs and not organizational costs.

#### **COPE Food Mapping Project:**

Carrie House was able to land a two-month project to create a Navajo Nation Food interactive map via a contract from a local health nonprofit -- Community Outreach and Patient Empowerment (COPE). The project was contracted in November and completed in December. COG is waiting on final payment.

This program offset some Zuni Mountains Trail contract work that has been slow to get started. It also funded a new laptop and ArcGIS Pro subscription needed to get the project done.

#### **Regional Transportation Planning Organization (RTPO):**

This budget amendment aligns RTPO program and its amendment for FFY2020, including the OTHER line-item which was over budget. It also provides \$5,198 in carry-over funds that will be booked against building improvements in the CONSTRUCTION line-item.



## State

Percentage of Total Revenues

## EXPENSES

BUDGET LINE ITEM		FUND CLASS: FUND/PROGRAM:	TOTAL ANNUAL BUDGET	GENERAL FUND		FEDERAL GRANTS & CONTRACTS			STATE GRANTS & CONTRACTS			LOCAL GRANTS & CONTRACTS							
				100 General Admin	501 PPG	502 EDA ACC	502 EDA RLF	801 NM LGD-SGIA	802 DOT-RTP	802 LGD-Capital Outlay	717 COPE Food Mapping	830 GIP- EOFA	831 McK- EOFA	840 Brink- EOFA	821 McK: ESPC	843 McK: Quantz Hill PD	852 McK/Milan: ACC	853 Chisole CWWP	
a.	PERSONNEL (Wages/Salaries)	50001	\$ 376,500	\$ 47,792	\$ 49,408	\$ 60,000	\$ -	\$ -	\$ 100,385	\$ 57,200	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ 14,000	\$ 10,000	\$ -	\$ 3,715
b.	FRINGE BENEFITS	50002	\$ 98,413	\$ 14,080	\$ 11,882	\$ 15,078	\$ -	\$ -	\$ 25,227	\$ 14,374	\$ -	\$ 2,513	\$ -	\$ -	\$ -	\$ 3,516	\$ 2,513	\$ -	\$ 834
	Employer Payroll Taxes (7.74%)		\$ 29,084	\$ 3,659	\$ 3,582	\$ 4,644	\$ -	\$ -	\$ 7,770	\$ 4,427	\$ -	\$ 774	\$ -	\$ -	\$ -	\$ 1,084	\$ 774	\$ -	\$ 288
	Social Security (4.41%)		\$ 16,560	\$ 2,108	\$ 2,037	\$ 2,646	\$ -	\$ -	\$ 4,427	\$ 2,823	\$ -	\$ 441	\$ -	\$ -	\$ -	\$ 617	\$ 441	\$ -	\$ 164
	Medicare (1.45%)		\$ 5,445	\$ 693	\$ 673	\$ 870	\$ -	\$ -	\$ 1,429	\$ 893	\$ -	\$ 145	\$ -	\$ -	\$ -	\$ 203	\$ 145	\$ -	\$ 54
	State Unemployment (1.07%)		\$ 7,022	\$ 894	\$ 868	\$ 1,122	\$ -	\$ -	\$ 1,877	\$ 1,167	\$ -	\$ 187	\$ -	\$ -	\$ -	\$ 282	\$ 187	\$ -	\$ 69
	Workers Comp (0.01%)		\$ 38	\$ 5	\$ 5	\$ 6	\$ -	\$ -	\$ 10	\$ 6	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ 1	\$ 1	\$ -	\$ 0
	Employer Benefits (17.03%)		\$ 65,299	\$ 8,311	\$ 8,070	\$ 10,434	\$ -	\$ -	\$ 17,457	\$ 9,947	\$ -	\$ 1,730	\$ -	\$ -	\$ -	\$ 2,435	\$ 1,730	\$ -	\$ 646
	PERA (9.55%)		\$ 32,860	\$ 4,564	\$ 4,432	\$ 5,730	\$ -	\$ -	\$ 9,587	\$ 5,663	\$ -	\$ 955	\$ -	\$ -	\$ -	\$ 1,337	\$ 955	\$ -	\$ 355
	Gp Term Life Insurance (0.09%)		\$ 338	\$ 43	\$ 42	\$ 54	\$ -	\$ -	\$ 90	\$ 51	\$ -	\$ 9	\$ -	\$ -	\$ -	\$ 13	\$ 9	\$ -	\$ 3
	Health Insurance (7.12%)		\$ 26,736	\$ 3,403	\$ 3,304	\$ 4,272	\$ -	\$ -	\$ 7,147	\$ 4,073	\$ -	\$ 712	\$ -	\$ -	\$ -	\$ 971	\$ 712	\$ -	\$ 265
	Dental Insurance (0.52%)		\$ 1,953	\$ 249	\$ 241	\$ 312	\$ -	\$ -	\$ 522	\$ 297	\$ -	\$ 52	\$ -	\$ -	\$ -	\$ 77	\$ 52	\$ -	\$ 19
	Vision Insurance (0.11%)		\$ 413	\$ 53	\$ 51	\$ 66	\$ -	\$ -	\$ 63	\$ 63	\$ -	\$ 11	\$ -	\$ -	\$ -	\$ 15	\$ 11	\$ -	\$ 4
c.	Annual Leave Accrual (2.00%)		\$ 2,050	\$ 2,050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TRAVEL		\$ 40,585	\$ 3,503	\$ 3,670	\$ 2,597	\$ -	\$ -	\$ 3,916	\$ 3,982	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ 4,874	\$ 2,801	\$ -	\$ 351
	Registration (Training)		\$ 9,001	\$ -	\$ 426	\$ 500	\$ -	\$ -	\$ 500	\$ 501	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,474	\$ 601	\$ -	\$ -
	Travel & Per Diem		\$ 16,534	\$ 1,900	\$ 1,750	\$ 700	\$ -	\$ -	\$ 1,527	\$ 1,350	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ 1,500	\$ 1,000	\$ -	\$ 151
	Miscage Costs		\$ 15,000	\$ 1,603	\$ 1,500	\$ 1,397	\$ -	\$ -	\$ 1,889	\$ 2,111	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ 1,000	\$ -	\$ 200
d.	EQUIPMENT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Equipment Purchase		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
e.	SUPPLIES		\$ 17,200	\$ -	\$ 3,726	\$ 1,400	\$ -	\$ -	\$ 8,783	\$ 4,891	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Office Supplies		\$ 15,000	\$ -	\$ 2,926	\$ 1,400	\$ -	\$ -	\$ 6,783	\$ 3,591	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Office Furniture & Equipment		\$ 1,800	\$ -	\$ 600	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Computer Software & Equipment		\$ 400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
f.	CONTRACTUAL		\$ 919,240	\$ -	\$ 11,068	\$ 320,000	\$ -	\$ -	\$ 25,520	\$ 13,511	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 540,000	\$ 11,500	\$ 11,500
	Professional Services/Restricted		\$ 865,700	\$ -	\$ -	\$ 320,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Professional Services-General		\$ 35,000	\$ -	\$ 7,700	\$ -	\$ -	\$ -	\$ 17,850	\$ 9,450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 540,000	\$ 11,500	\$ 11,500
	Audit		\$ 18,540	\$ -	\$ 3,309	\$ -	\$ -	\$ -	\$ 7,670	\$ 4,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
g.	CONSTRUCTION		\$ 103,569	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,198	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Property Improvements		\$ 103,569	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,198	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
h.	OTHER		\$ 102,591	\$ 2,500	\$ 12,798	\$ 500	\$ -	\$ -	\$ 36,391	\$ 12,917	\$ -	\$ 487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Duplicating/Copying		\$ 8,500	\$ -	\$ 1,760	\$ 500	\$ -	\$ -	\$ 4,800	\$ 1,860	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Postage & Delivery		\$ 1,557	\$ -	\$ 343	\$ -	\$ -	\$ -	\$ 700	\$ 363	\$ -	\$ 487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Telephone & Telecom		\$ 8,500	\$ -	\$ 1,870	\$ -	\$ -	\$ -	\$ 4,135	\$ 1,785	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Subscriptions & Dues		\$ 10,700	\$ -	\$ 2,354	\$ -	\$ -	\$ -	\$ 5,457	\$ 2,169	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Meeting Costs		\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,015	\$ 1,067	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Printing		\$ 3,950	\$ -	\$ 869	\$ -	\$ -	\$ -	\$ 2,015	\$ 1,067	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Advertising		\$ 1,752	\$ -	\$ 385	\$ -	\$ -	\$ -	\$ 894	\$ 421	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Special Events		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Service Charges		\$ 500	\$ -	\$ 110	\$ -	\$ -	\$ -	\$ 255	\$ 135	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Other Insurance (Worker's Comp & Director's)		\$ 4,529	\$ -	\$ 996	\$ -	\$ -	\$ -	\$ 2,310	\$ 671	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Miscellaneous Expense		\$ -	\$ -	\$ 109	\$ -	\$ -	\$ -	\$ 252	\$ 116	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	FACILITY EXPENSES		\$ 44,809	\$ -	\$ 4,000	\$ -	\$ -	\$ -	\$ 16,000	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Rent		\$ 24,000	\$ -	\$ 4,000	\$ -	\$ -	\$ -	\$ 16,000	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Utilities		\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Maintenance		\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Utilities		\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	VEHICLE EXPENSES		\$ 2,804	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Insurance		\$ 2,804	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Vehicle Maintenance		\$ 600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Fuel Expense		\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Vehicle Acquisition		\$ 136	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL EXPENSES		\$ 1,855,118	\$ 87,865	\$ 88,277	\$ 399,575	\$ -	\$ -	\$ 198,222	\$ 111,653	\$ 75,000	\$ 18,000	\$ -	\$ -	\$ -	\$ 22,492	\$ 15,114	\$ 540,000	\$ 16,500
	NET REVENUES less EXPENSES		\$ 43,540	\$ 7,855	\$ 1,777	\$ 425	\$ -	\$ -	\$ (222)	\$ (5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 508	\$ (114)	\$ -	\$ -

**806 - Northwest NM Council of Governments (2019)**

Date received\*: 2019-11-29

Date released: 2020-01-06

Audit ID: 806

Report type: Financial Audit/Agreed-Upon Procedures

Agency number: 806

Agency name: Northwest NM Council of Governments

Total number of findings: 1 \*\*

Number of Other Noncompliance findings: 1

Financial Statement Opinion:  
Unmodified

Opinion for Major Federal Programs: Not Applicable

Report file: [View/Download PDF Version \[1.1 MB\]](#)

\*"Date received" does not necessarily indicate the date the report was accepted in accordance with the OSA report review process and whether a late audit finding is required in the audit report.

\*\*Total number of findings may vary from the number listed in the audit report due to the same finding being reported under multiple sections.



## Location

New Mexico Office of the State Auditor  
2540 Camino Edward Ortiz, Suite A Santa Fe, NM 87507

[View Map](#)



**Northwest New Mexico  
Council of Governments  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2019**

**Section I – Status of Prior Year Audit Findings**

Finding 2018-001 (2017-001) – Untimely Remittance of Payroll Liabilities (Material Weakness)

*Current status:* Resolved. Corrective action taken.

Finding 2018-002 (2017-002) – Internal Control Structure over Financial Reporting (Material Weakness)

*Current status:* Resolved. Corrective action taken.

Finding 2018-003 (2017-003) – Internal Control Structure over Payroll (Other noncompliance)

*Current status:* Resolved. Corrective action taken.

**Northwest New Mexico  
Council of Governments  
Schedule of Findings and Responses  
For the Year Ended June 30, 2019**

**Section II – Summary of Audit Results**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiencies identified? No

Noncompliance material to financial statements noted? No

**Financial Statement Findings**

None.

**Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978**

**2019-001 Chief Procurement Officer (Other Non-Compliance)**

*Condition:* It was noted that the Council did not have a Chief Procurement Officer in place for the year ended June 30, 2019.

*Criteria:* Per 13-1-95.2.A NMSA 1978, "On or before January 1 of each year beginning in 2014, and every time a chief procurement officer is hired, each state agency and local public body shall provide to the state purchasing agent the name of the state agency's or local public body's chief procurement officer and information identifying the state agency's or local public body's central purchasing office, if applicable." Section 13-1-95.2 D NMSA 1978 also requires that the Chief Procurement Office obtain an initial certification as well as recertification every two years.

*Effect:* The Council is not in compliance with New Mexico State Statutes requiring the training, certification, and reporting of a Chief Procurement Officer.

*Cause:* The Council did not have a certified Chief Procurement Officer.

*Recommendation:* The Council should designate an individual with the appropriate skill set and position within the Council to be its Chief Procurement Officer. This individual should obtain the necessary certification as soon as possible. Upon certification of a Chief Procurement Officer, the Council should register this individual on the New Mexico General Services Department website.

**Northwest New Mexico  
Council of Governments**  
**Schedule of Findings and Responses – continued**  
**For the Year Ended June 30, 2019**

*Management's Response:* Council management did register staff several times in 2019 for the Procurement Certification training offered in New Mexico and has been wait listed twice as demand for this course exceeds opportunities. Council management will continue to register for training in 2020 and plans to be certified.

*Responsible Party/Timeline To:* Administrative Assistant/Fiscal Year 2020.



# Announcements; Other Business





## Northwest New Mexico Council of Governments

### Board Meeting Calendar | Fiscal Year 2019-20

#### QUARTERLY BOARD MEETINGS

DATE	TIME	LOCATION
May 15, 2019	10AM – 1PM	Gallup Chamber of Commerce 106 US Highway Route 66 Gallup, NM 87301
July 17, 2019	Board Meeting: 10AM – 12PM Luncheon: 12 – 2PM	Annual Meeting & Luncheon San Juan Area (Farmington Civic Center)
October 16, 2019	10AM – 1PM	Cibola Area (TBD)
January 15, 2020	10AM – 1PM	McKinley Area (TBD)
April 15, 2020	10AM – 1PM	San Juan Area (TBD)

#### NOTES:

- (1) The Board of Directors of the Northwest New Mexico Council of Governments generally meets on the third Wednesday one month after the quarter ends (July, October, January, and April) at 10AM.
- (2) Executive Committee meets an hour prior to the Board Meeting.
- (3) Meeting Business is typically scheduled for two hours with lunch after.

ANNUAL LUNCHEONS:  
2019 (47<sup>th</sup>): San Juan Area;  
2020 (48<sup>th</sup>): McKinley Area;  
2021 (49<sup>th</sup>): Cibola Area;  
2022 (50<sup>th</sup>): San Juan Area

#### OTHER ANNUAL EVENTS, TRAININGS, & CONFERENCES



DATE	EVENT	LOCATION
June 17-19, 2019	<u>National Regional Transportation Conference</u>	Columbus, Ohio
October 19-22, 2019	<u>Annual NADO Training Conference</u>	Reno, NV
December 4 -6, 2019	<u>Southwest Region Economic Development Association (SWREDA) Conference</u>	Santa Fe, NM

#### NOTES:

- (1) The COG does encourage and welcome Board members to travel and participate to these conferences to understand what regional development organizations (RDO's) are doing throughout the country.
- (2) Typically, travel is worked out through and reimbursed via your local governments and COG handles registration.