



NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS

MINUTES

BOARD OF DIRECTORS FALL REGULAR BUSINESS MEETING

October 16, 2024

at the McKinley County Training Center
Second Floor
207 W. Hill Avenue *** Gallup, NM

I. PRELIMINARY BUSINESS

A. CALL ORDER/INTRODUCTIONS/QUORUM.

Board Secretary Evan Williams [COG] convened the meeting of the Board of Directors at **10:08** am. Roll call proceeded in the form of introductions around the table. In attendance were **14** Board Representatives, representing a quorum **9** of the **9** voting entities of the Board (**100%**), along with **5** COG staff. Chairman Louie Bonaguidi provided a welcome to the Board.

BOARD MEMBERS IN ATTENDANCE:

BOARD EMERITUS:
CIBOLA COUNTY: Christine Lowery; Judy Horacek
MCKINLEY COUNTY: Danielle Notah, Anthony Dimas, Jr., Jodie Sowers
SAN JUAN COUNTY: GloJean Todacheene
CITY OF AZTEC: Jeff Blackburn
CITY OF BLOOMFIELD: *Excused*
CITY OF FARMINGTON: Linda Rodgers, Julie Baird; Warren Unsicker
CITY OF GALLUP: Louie Bonaguidi, Michael Schaaf, Jon M. DeYoung, Patricia Holland, Frank Chiapetti
CITY OF GRANTS: Beverly Michael
VILLAGE OF MILAN: James Mercer

GUESTS IN ATTENDANCE:

Armando Sanchez, Drew Lovelace, Michael Curtis, Joshua Guterrez,

STAFF IN ATTENDANCE:

EXECUTIVE DIRECTOR: Evan Williams
OFFICE MANAGER: Martina Whitmore
STAFF: Brandon Howe; Angelina Grey; Jon Decker; Carrie House; Eileen Yarborough

B. AGENDA & MINUTES ADOPTION.

Chairman Bonaguidi asked for a motion to approve the day's agenda topics and the minutes from August 14, 2024 Board meeting.

ACTION: *Michael Schaaf* (Gallup) moved and *GloJean Todacheenie* (San Juan) seconded adoption of the agenda and minutes as presented. Motion carried.

C. ELECTION OF OFFICERS.

Evan Williams provided the following information for consideration:

BACKGROUND: Based on our Articles of Agreement (revised February 27, 2012), as needed the Northwest New Mexico Council of Governments (COG) has the ability to establish a Nominating Committee by June 30 in order to develop and recommend a slate of officers for the Board's approval, to be presented at the annual meeting in even-numbered years. The officers of the Board shall hold office for two (2) year terms, with said terms to begin immediately following the annual meeting in even-numbered years.

ACTIONS TO DATE: At the Annual Meeting, there was an election of officers that included the nomination and a consensus vote on moving Louie Bonaguidi from his Treasurer position to the vacant Chairmanship in order to keep organization continuity. Being that the position of Treasurer was now vacant, an open nomination process was initiated with Commissioner Christine Lowery being interested in this position. She was currently a Board alternate and not a member, so this item was tabled.

RECOMMENDATION: COG Executive Director researched this item and Cibola County has increased its membership resulting in being classified as a Class IV (highest tier) member, which provides for 4 seats on the COG Board as voting members. Since Cibola County has two members and two alternatives, it is my view that all four members should have automatically become voting members of the COG and I would recommend the nomination and approval of Commissioner Lowery at the October meeting. This would result in the following slate of officers.

Louie Bonaguidi (McKinley Area)	Chair
Michael Padilla Sr. (San Juan Area)	1 st Vice-Chair
Danielle Notah (McKinley Area)	2 nd Vice-Chair
Christine Lowery (Cibola Area)	Treasurer
Martha Garcia (Cibola Area)	Immediate Past Chair

After confirming with Commissioner Lowery on her willingness to serve, the Board voted by acclamation to accept her as COG Treasurer.

II. SPECIAL PRESENTATIONS

The COG arranged for a presentation under this section based on suggestions and informational needs from COG Board members. Copies of both presentations are posted at: <https://www.nwnmcog.org/board.html>

Drew Lovelace, **Acting Director, Connect New Mexico, under the New Mexico Office of Broadband Access & Expansion** provides technical assistance with broadband programming and federal funding for rural communities, including tribes.

Drew Lovelace

Acting Director

New Mexico Office of Broadband Access & Expansion

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III. EXECUTIVE/STAFF REPORT

Director Williams and Planning Director Brandon Howe provided a summary of the past quarter's key activities and issues.

A. **STAFF SUMMARY REPORT.** Brandon Howe, COG Lead Planner, reviewed the Connecting the Dots report to the Board for their review and understanding of the previous quarterly activities.

B. **SPECIAL PROJECTS & PROGRAMS REPORT.** Mr. Howe reported on programs and projects for their review and understanding of the outcomes and opportunities.

1. **GRO PROGRAM.** COG Staff provided the following report as a designated grant management agency for the new Government Results & Opportunity program created by the Legislature.

BACKGROUND: A day before the start of the 2024 Legislative Session, the seven (7) Directors of Regional Councils (COGs/EDDs), were informed of a new general fund program entitled "Government Results & Opportunity" (GRO) fund that could entail the COGs as the fiscal agent for community funded programs both for subdivisions of the State and possibly non-profit organizations. Based on this presentation, the COG Board of Directors had a special Board meeting on January 22, 2024. A synopsis of that meeting is quoted here: "The crux of the issue is that our COG Board approved a fiscal agency policy that only allows us to serve in this role for our members. Our COG does not and has not accepted projects intended for non-profit organizations. There was a lot of discussion about the problems local government have had in managing these pass-through grants on behalf of non-profit entities including anti-donation, fair market value/lease, cashflow, reimbursement, reporting, use of governmental funds, etc.

Ultimately, direction was provided that our COG should follow our policy at least until we see how this programs roles out and works, and not certify projects that are intended for non-profits. The COG should actively work on alternate avenues to support Legislators including funneling tribal appropriations to and through Indian Affairs Department and others to State agencies."

ACTIONS TO DATE: Based on the Board's direction, COG Executive Director Williams did not authorize any non-profit project but did assist Legislators in finding other needed programs or back to a State agency that was still allowed to act as the fiscal agent. This stance was different than the other COGs in the State and did cause some unhappiness with us.

- All in all, the COG was appropriated 14 appropriations (about \$4M) to manage
- A complete list is attached including status.
- The COG did receive one appropriation meant for a non-profit that was not authorized.
- The COG did receive administrative compensation to provide this new service.
- The COG encumbered all appropriations through grant agreement by or before September. We set up a webpage, a pay request portal, and a training video for all contractors.
- We have received one pay request to date and have processed it internally and are waiting for the Department of Finance & Administration (DFA) to review and pay this request.
- Monthly status reports have been sent to our Legislators and posted to website.

2. **Building Report.** COG working with an architectural firm to conduct renovations to the COG building; plan of improvements to be completed.

3. **Interstate 40 Projects.** COG is currently managing five interchange planning projects for the City of Gallup, McKinley County, and Village of Milan. These projects are due by June 30, 2025 and are over \$10M in funding that does create cashflow pressure on the COG.
 4. **PED Contract.** Based on the Board's approval and direction, the COG hired three (3) full-time equivalent (FTE) staff under a contract with the NM Public Education Department to conduct work under its Community Schools Team program.
 5. **Authority Contract.** Based the PED model, the COG agreed to a contract with the McKinley County Electric Generating Facility District (a.k.a "Authority) to onboard and manage its selected and hired Executive Director Eileen Yarborough to coordinate and manage the work of this Authority to diversify economic initiatives and workforce development in the Prewitt Industrial bi-county area.
- C. **NewMARC Update.** For many years, the COGs throughout the State of New Mexico have had a loose association to coordinate and conduct statewide business under the name New Mexico Association of Regional Councils based on the Texas Association of Regional Councils (TARC model). This year, the COG's formalized this association by a Joint Powers Agreement (JPA) and are establishing a statewide non-profit organization like the NM Municipal League or Association of Counties to have more of a presence and have a single point of contact. Through an US Economic Development Administration (EDA) investment and partnership with the State Economic Development Department (NMEDD), the COG have hired its first Executive Director Pascual Maestas. Mr. Maestas did attend our Annual Luncheon in Milan and is the current Mayor of the Town of Taos.

The Board of Directors did direct that Executive Director Evan Williams would be its official designee to the NewMARC Board of Directors and that in his stead the Planning Director, Deputy Director, or Board Chairman could serve as alternative.

IV. FINANCIAL REPORT

- A. **Staff Classification Changes:** Mr. Williams reviewed recent changed to salary levels of employees, per the Fair Labor Act. COG reviewed the changes to determine how changes impact COG staffing. Chairman Bonaguidi moved to approve to make staff changes.

BACKGROUND: The COG has historically had its entire staff classified as salaried due to type of work, responsibilities, and need to work outside a normal work week or in addition to getting tasks accomplished. On April 23, 2024, the US Department of Labor announced a final overtime rule, which took effect on July 1, 2024 for which the COG was in compliance. This threshold was \$684 per week (equivalent to \$35,568 per year). As of January 1, 2025, the new salary rates to determine if overtime pay is required is \$1,128 per week, or \$58,656 annually. More information: <https://www.dol.gov/agencies/whd/overtime/rulemaking>

ACTIONS TO DATE: COG Finance Team reviewed the current salary levels to these new thresholds as well as current staff positions, salaries, duties, and responsibilities. Due to the increase of \$15,000, there is a need to re-class certain employees as hourly or increase salaries to meet a minimum threshold.

RECOMMENDATION: Based on Overtime Rule changes being promulgated, Executive Director is seeking direction or concurrence of his recommendation to make certain staff, especially those whose salary is currently under the threshold and/or in probationary period become hourly employees of the COG. Staff recommended continuing as salaried would be recommended to move up to the new threshold through a one-time compensation adjustment.

It is not proposed that any staff be reduced in their current compensation.

ACTION: *Michael Schaaf* (Gallup) moved and *GloJean Todacheenie* (San Juan) seconded, to approve the staff changes as presented. All in favor. Motion carried

- B. **FY2025 Quarterly Financial Report, Quarter 1:** Mr. Armando Sanchez provided a review of the organization's financials.

ACTION: *Daniella Notah* (McKinley CO) moved and *GloJean Todacheenie* (San Juan) seconded, to approve the financial report as presented. All approved. Motion carried

- C. **FY2025 Budget Amendment #1.** Mr. Evan Williams provided a review of the organization's budget and changes to the FY2025 budget that were needed.

ACTION: *Daniella Notah* (McKinley) moved and *Michael Schaaf* (Gallup) seconded, to approve the budget amendment as presented. Motion carried

V. ANNOUNCEMENTS; OTHER BUSINESS

- A. **FY2025 Board Meeting & Holiday Calendar.** Mr. Williams presented the COG Board 12-month Master Calendar including Annual Luncheon.

ACTION: *GloJean Todacheenie* (San Juan) moved and *Michael Schaaf* (Gallup) seconded, to approve the board meeting and holiday calendar as presented. Motion carried

- B. **Announcements & General Comments:**

1. Upcoming NADO Conferences available for board members to attend.
2. San Juan College Henderson Center to show "Rez Ball" on Wednesday, October 16, 2024 at 6:00pm.
3. Legislative Forums to be held on November 7th (in Gallup for McKinley-area) and November 8th (in Grants for Cibola-area).
4. Route 66 Centennial Commission: Public Stakeholders Meeting on Tuesday, November 19th in Grants, from 9:00am to Noon, at the Old Cibola County Building.

VI. EXECUTIVE SESSION

- A. **10-15-1(H)(2) Limited Personnel Matters.** Based on the COG's longevity compensation benefit defined in the Personnel Policies, the Executive Director has requested that the Board of Directors provide compensation to buy down one year of air time from the Public Employment Retirement Association (PERA) program.

ACTION: *Daniella Notah* (McKinley) moved and *Jody Sowers* (McKinley) seconded, to approve the request to purchase one-year of PERA air time for the Executive Director in lieu of any other longevity compensation as presented. Motion carried

VII. ADJOURNMENT

ACTION: *Michael Schaaf* (Gallup), moved and *Jon DeYoung* (Gallup), to adjourn. Motion carried. Chairman Bonaguidi thanked McKinley County for their hospitality for this meeting and adjourned the meeting of the Board of Directors at 12:32PM.

Respectfully submitted,

Evan J. Williams
Board Secretary and Executive Director

ATTEST: _____
Louie Bonaguidi
Board Chair