

CEO/EAWDB Executive Committee
Hotel Santa Fe
Santa Fe, New Mexico
January 18, 2010

DRAFT

Subject to Approval by EAWDB April 13, 2010

Subject to Approval by CEO's June 8, 2010

ECM-CEO-Jan2010.

CALL TO ORDER

Chairman Shearer called the meeting between the Chief Elected Officials in the local Eastern Area and members of the EAWDB's Executive Committee to order at 1:15 p.m. in the Kiva Room of the Hotel Santa Fe located in Santa Fe, New Mexico.

ROLL CALL

Shearer stated that in lieu of official roll call that the sign-in sheet (**Attachment #1**) would be maintained and filed with the minutes and used as the official record of attendance. The sign-in sheet reflected the following individuals attendance:

Chief Elected Officials Present: Jack Chosvig, Mayor of Clayton; Jack Volpato, Eddy County Commission Chairman; Matt White, Mayor of Eunice; Tom Battin, Lincoln County Commission Chairman; Antonio Apodaca, Mayor of Tucumcari and Richard Arguello, Union County Commission Chairman.

EAWDB Executive Committee Members Present: Jimmie Shearer, Sue Bracksieck, John Merchant, Larry Smith, Ray Battaglini, John Hemphill, Slade Morgan and Gail Melpolder.

Executive Committee Members Absent: Christy Beasley, Terri Douglass and Becky Rowley.

Staff Present: Glennis Erramouspe, EPCOG Chief Financial Officer and Ruby Witt, Workforce Coordinator.

APPROVAL OF AGENDA

Chairman Shearer stated that we were pleased to have with us today, Mr. Ken Ortiz who had recently been named Cabinet Secretary for the Department of Workforce

Solutions.

He announced that Secretary Ortiz had other meetings to attend and would like to allow him to make his remarks at this time and then have the CEOs present their comments about their local/regional economic issues so the Secretary would have the benefit of hearing their comments and or concerns prior to his departure. **On a motion by Mayor White, seconded by County Chairman Battin** the agenda was approved with this suggested change.

REMARKS BY CABINET SECRETARY ORTIZ

Secretary Ortiz expressed his appreciation for the invitation to be with us today. He began by saying that based on current projections it is expected that the UI Trust Fund (**Attachment #2**) would be insolvent by January 2011. NM DWS is taking proactive steps to protect the solvency of this fund. The trust fund is declining by \$1M per day and DWS is paying \$2M per day in benefits. Last year the trust fund had over \$500M in reserve and currently the fund balance is \$23M. Depletion of this fund has been caused by the sharp increase in the number of individuals claiming benefits over the last 18 months. He stated that from June 2008 claims were 12,000 per week and now they are around 55,000 per week. The volume of claims to the UI call center has increased by more that 400% since June 2008. An additional 36 customer service representatives have been hired to handle the increased volume. Secretary Ortiz stated the Department is working very closely with DFA and the LFC to ensure sensible steps are taken to preserve fund solvency.

Secretary Ortiz also mentioned that there had been four extensions to the length of time an individual could draw UI benefits. The original time frame was 26 weeks and has now been extended to about 86 weeks for individuals who meet certain conditions.

The Secretary said that the Department of Workforce Solutions had issued an RFP and a contract had been awarded to replace the 20+ year old mainframe which collects UI taxes from NM employers. The Department is using a combination of \$9 million in Reed Act funds and additional ARRA UI modernization funding. The estimated cost is between \$20-25 million.

Members of the EAWDB Executive Committee asked a number of questions of Secretary Ortiz when his remarks concluded. Chairman Shearer then asked CEOs to give a brief overview of things happening in their respective communities.

CEO DISCUSSION OF LOCAL ISSUES

The chief elected officials share the following information regarding their communities:

Matt White-Mayor of Eunice: The LES plant is up and running. Isotopes International considering locating to the area. Four new solar plants being talked about for Jal and/or Eunice. Lack of adequate housing has been and continues to be a major problem.

Jack Volpato-Eddy County Commission Chairman: There has been a slump in the oil market and revenues are being impacted. There is no new drilling and economy is on idle. There has been talk about expansion of the WHIP plant.

Antonio Apodaca-Mayor of Tucumcari: Mesalands has a wind energy program. The city is currently working on the Main Street Project;

Tom Battin-Lincoln County Commission Chairman: Employment situation is not as severe as other communities. There has been a loss of construction jobs and tourists. The County is trying to save the racetrack which would affect 500 employees during the racing season. Currently working on wind project with 1000 windmills. Also working on green energy training for wind/solar/thermal/biomass.

Jack Chosvig-Mayor of Clayton: Reported that the detention center had been open for over a year. Clayton lost all of their feed lots. Clayton is trying to obtain an extension to an EDA infrastructure grant.

Richard Arguello-Union County Commission Chairman: The county landfill closed two years ago and land for a new landfill has been found. A \$200,000 Main Street project has been reinstated. Closing of the Ecklund Hotel has had a negative impact on the Union County tourist business . Gross receipts are down considerably.

Secretary Ortiz thanked the CEOs for the information they presented and left the meeting,

APPROVAL OF JUNE 2009 BUDGET/CONTRACTS MINUTES

On a motion by Battin, duly seconded and adopted, the minutes of the June 9, 2009 budgets/contract meeting between the Eastern Board and the Chief Elected Officials were approved by the CEOs as submitted. Mayor Apodaca abstained. These minutes had received prior approval of the EAWDB in August 2009.

CHAIRMAN'S REPORT

Carlsbad Contracts: Shearer told the CEOs that the EAWDB had made a decision to replace NMSU-Carlsbad as the service provider in Eddy County for WIA and TANF

services. The new service provider, ENMU-Ruidoso, began servicing Eddy County on November 14, 2009. New contracts for both funding streams were written to ENMU-Ruidoso and were not added to the current WIA/TANF contracts for Lincoln County.

Current Board Vacancies: Shearer thanked the CEOs for the individuals that had been appointed to the Eastern Board. He asked CEOs work with their Chambers of Commerce and to make every effort to fill existing vacancies within their respective counties. He asked that Ruby Witt at the office of the Administrative Entity be contracted for the appropriate paperwork.

TANF UPDATE

Shearer reported that the Human Services Department would be going out for RFP on their NMWorks program. This RFP was initially to have been released by December but we are still waiting. There is talk that this RFP will be for a statewide contract. Under the current contract the Eastern Board services 12-counties identified as Region 4 by HSD. The amount of the current contract held by the EAWDB is \$2,438,339.00. There is the possibility that the EAWDB may not have the TANF contract beginning July 2, 2010.

OPERATIONS/FINANCE

Committee Chair Battaglini briefly reviewed the following financial information for the Chief Elected Officials:

WIA/TANF/ARRA Financial: Reports (**Attachment #4**) for these three funding streams as of November 30, 2009.

Revenue/Expense Report for Clovis/Roswell: Report (**Attachment #5**) as of December 31, 2009 reflecting amount invoiced vs. amount received from partners located in the NMWCC was presented. Report reflects that amount invoiced to partner agencies for the month of December was the amount collected, i.e. \$11,825.69.

One Stop Obligation Reports: Reports for the WIA and ARRA Funding streams (**Attachments 6 and 7**) for month ending December 31, 2009 were presented.

OLD/NEW BUSINESS

CEO/EAWDB Budget/Contract Meeting: Shearer asked that CEOs to make plans to attend the annual contracts/budget meeting between our two groups. This meeting is scheduled for June 9, 2010 at the Roswell Job Corps Center. He pointed out that under the Workforce Investment Act that CEOs have the responsibility of approving the budget and resulting contracts proposed by local workforce investment boards.

Mayor White Questions Firing at EPCOG: Mayor White stated he was not sure exactly how to proceed, but that he would like to know what was behind the recent firing/resignation/dismissal of an EPCOG employee. White said conflicting stories are circulating in connection with this incident and the employee no longer being at EPCOG. Chairman Shearer deferred the mayor's question to Richard Arguello, who is currently Acting Interim Executive Director for EPCOG. Arguello responded that the EPCOG board had not been satisfied with the direction the EPCOG had been going and that he personally had made the decision to ask for the employee's resignation at their September Executive Committee Meeting.

ADJOURNMENT

There being no further business to come before the two groups, the meeting was adjourned at 2:30 p.m.

AS APPROVED

Jimmie Shearer
EAWDB Board Chair

AS APPROVED BY CEOs

Matt White
Mayor of Eunice/Lead CEO