



Lea County Board of County Commissioners



Regular Meeting
Thursday, February 3, 2022 9:00 A.M.

Lea County Courthouse – Commission Chambers
100 North Main
Lovington, New Mexico



LEA COUNTY BOARD OF COUNTY COMMISSIONERS

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100 North Main, Lovington, New Mexico 88260



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Notice of this Meeting has been given to the Public in Compliance with Section 10-15-4 NMSA 1978

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the Lea County Manager's office located in the Lea County Courthouse in Lovington, New Mexico at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Lea County Manager's Office at the Lea County Courthouse if a summary or other type of accessible format is needed.

AGENDA

Call to Order ~ Roll Call ~ Pledge of Allegiance ~ Invocation

ITEM 01: COMMISSION

- Consideration of Lea County Resolution No. 22-FEB-028R Approving the January 13, 2022 Regular Meeting Minutes.
- Public Comments (*Non Agenda Items*).
- Commissioners and Manager Comments.
- Consideration of Lea County Resolution No. 22-FEB-029R Supporting the New Mexico Counties 2022 Legislative Priorities. (*Commissioner Rebecca Long, District 2*)
- Consideration of Lea County Resolution No. 22-FEB-030R Opposing the 2021 Adopted New Mexico Congressional Districts. (*Commissioner Rebecca Long, District 2*)

ITEM 02: PRESENTATION

- Presentation of Lea County Economic Analysis. (*Julian Baca, M.A.; Dr. Michael O'Donnell, PhD – University of New Mexico Bureau of Business and Economic Research*)

ITEM 03: PUBLIC HEARING(S)

- **Public Hearing:** Hearing to Consider Proposed Ordinance Governing Nuisances Repealing and Superseding Ordinance No. 95 Dated July 25, 2019.
 - ❖ Consideration to Adopt Lea County Ordinance No. 95 - An Ordinance Governing Nuisances Repealing and Superseding Ordinance No. 95 Dated July 25, 2019.
- **Public Hearing:** Hearing to Consider Proposed Ordinance Governing Noise Control Repealing and Superseding Ordinance No. 96 Dated July 25, 2019.
 - ❖ Consideration to Adopt Lea County Ordinance No. 96 - An Ordinance Governing Noise Control Repealing and Superseding Ordinance 96 Dated July 25, 2019.

Chair Dean Jackson, District 1; Vice Chair Gary G. Eidson, District 3
Members: Rebecca Long, District 2; Jonathan Sena, District 4; Pat Sims, District 5

- **Public Hearing:** Hearing to Consider Proposed Ordinance Governing Dangerous Buildings Repealing and Superseding Ordinance No. 97 Dated July 25, 2019.
 - ❖ Consideration to Adopt Lea County Ordinance No. 97 - An Ordinance Governing Dangerous Buildings Repealing and Superseding Ordinance No. 97 Dated July 25, 2019.
- **Public Hearing:** Hearing to Consider Proposed Ordinance Regulating Cannabis.
 - ❖ Consideration to Adopt Lea County Ordinance No. 98 - An Ordinance Regulating Cannabis.

ITEM 04: ACTION ITEMS

- Consideration of Lea County Resolution No. 22-FEB-031R Amending Lea County Resolution No. 21-JUN-120R Approving Precincts and Polling Places for the 2022 – 2023 Elections. *(Carrie Sandoval, Bureau of Elections Administrator)*
- Consideration of Lea County Resolution No. 22-FEB-032R Approving First Amendment to Project Agreement between Lea County and the New Mexico Department of Transportation for the Safer New Mexico DWI Grant and Safety Funds for FY 2021 – 2022 to Include: End Driving While Impaired (ENDWI) Project No. 02-AL-64-051; Buckle Up (BKLUP)/Click It or Ticket (CIOT) Project No. 02-OP-RF-051; and Selective Traffic Enforcement Program (STEP)/Summer Enforcement Period Project No. 02-PT-RF-051; for Total Funding Award of \$30,036.00. *(Corey Helton, County Sheriff)*
- Consideration of Lea County Resolution No. 22-FEB-033R Authorizing Out of State Travel June 3 – 8, 2022 for Lea County Finance Director Chip Low to Attend the 2022 Annual Government Finance Officers Association (GFOA) Conference in Austin, Texas. *(Chip Low, Finance Director)*
- Consideration of Lea County Resolution No. 22-FEB-034R Appointing a Freeholders Committee to Evaluate the Vacation of a Dedicated Alley in Green Meadows Subdivision, Unit 2, Block 13, Between Lot 7 and Lot 8 Being About at the Intersection of Lakeview Drive and Palmetto Street East of New Mexico Highway 18 In Section 17, Township 18 South, Range 38 East N.M.P.M. in Lea County, New Mexico. *(Bruce Reid, County Planner)*

ITEM 05: DISCUSSION ITEMS

- Discussion of Lea County's Five Year Strategic Plan. *(Michael Gallagher, County Manager)*
- Discussion of Remodel of the Historic Lea County Courthouse. *(Michael Gallagher, County Manager)*

- Discussion of Improvement and Maintenance of County and Non-County Roads. *(Michael Gallagher, County Manager; Corey Needham, Assistant County Manager; and Lorenzo Velasquez, Emergency Manager/Environmental Services Director)*
- Discussion of Lea County's Revenue Fiscal Year 2022 - 2023. *(Michael Gallagher, County Manager; Chip Low, Finance Director)*
- Discussion of Lea County's Outside Agencies Fiscal Year 2022 - 2023. *(Michael Gallagher, County Manager; Chip Low, Finance Director)*

ITEM 06: EXECUTIVE SESSION

- COMMISSION MAY CONVENE IN CLOSED SESSION to Discuss Threatened Litigation Regarding Employee Healthcare and Redistricting, and Pending Litigation Against Opioid Distributors and Johnson & Johnson; and Disposal of Real Property in Central Lea County, as Authorized by NMSA 1978 § 10-15-1 H (7) and (8).

COMMISSION MAY CONVENE IN OPEN SESSION to take Action, if any, on the Closed Session Item(s).

ITEM 07: OTHER BUSINESS

ADJOURN

Please Join Us at Our Next Regular Meeting on Thursday, February 17, 2022 at 9:00 A.M.



By: Teri Davis, Deputy

STATE OF NEW MEXICO
COUNTY OF LEA
RESOLUTION NO. 22-FEB-028R

**A RESOLUTION APPROVING THE LEA COUNTY
BOARD OF COUNTY COMMISSIONERS MEETING MINUTES**

WHEREAS, Section 10-15-1 through 10-15-4 of the Open Meetings Act (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 or other policy making 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 or of the delegated authority of such body, are declared to be public meetings open to the public at all times; *and*

WHEREAS the board, commission or other policy making body shall keep written minutes of all its meetings. The minutes shall include at a minimum the date, time and place of the meeting, the names of members in attendance and those absent, the substance of the proposals considered and a record of any decisions and votes taken that show how each member voted: *and*

WHEREAS all minutes are open to public inspection. Draft minutes shall be prepared within ten working days after the meeting and shall be approved, amended or disapproved at the next meeting where a quorum is present. Minutes shall not become official until approved by the policymaking body; and

WHEREAS, NMSA 1978, Section 4-38-12 as amended, allows the County Commission to establish rules and regulations to govern the transaction of county business in these meetings.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Lea County that the attached minutes are hereby approved.

PASSED AND APPROVED on this 3rd day of February, 2022, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

LEA COUNTY BOARD OF COUNTY COMMISSIONERS

Dean Jackson (District 1), Chair
Voted: Yes No Abstain

Gary G. Eidson (District 3), Vice Chair
Voted: Yes No Abstain

Rebecca Long (District 2), Member
Voted: Yes No Abstain

Jonathan Sena (District 4), Member
Voted: Yes No Abstain

Minutes of Meeting
Lea County Board of Commissioners
January 13, 2022

Chair Long called the meeting to order at 9:02 a.m. in the Lea County Courthouse

Commissioners present were, to wit: Vice Chair Rebecca Long District 2, Commissioner Jonathan Sena, District 1, and Commissioner Jonathan Sena, District 1.

Also present were: Lea County

Also present were Lea County Manager Michael P. Gallagher II, and
Lea County Attorney John W. Caldwell.
Invocation by Commissioner Sena.

ITEM 01: ELECTION

• **ELECTION**
Election of Chair for the Lea County Board of County Commissioners (Joining
W. Caldwell, County Attorney)
Attorney Caldwell requested nominations
asked if there were any public comm
Commissioner Long nominat
Commission. Chair
Eldson

County Board of County Commissioners (3)
Attorney Caldwell requested nominations. Commissioner Long
asked if there were any public comments concerning this item.
Commissioner Long nominated Dean Jackson. Secretary polled the
Commission. Chair Long, yes; Vice Chair Jackson, yes; Commissioner
Eldson, yes; Commissioner Sena, yes; Commissioner Sims, yes. The
motion passed.
Election of Vice Chair for the Lea County Board.
Dean Jackson Chair, Board of County Commissioners.
Chair Jackson, Board of County Commissioners.

Chair Jackson requested nominations and comments. Commissioner Sims nominated the Commission. Chair Jackson asked if Commissioner Sena was available. Commissioner Sena was present. The Commission passed.

ITEM 02: COMMISSION
 • Consideration of Lea County Resolution 2022.

02: **COMMISSION**
 • Consideration of Lea County Resolution No. 22-JAN-001R Designating the
 Chair and Vice Chair for the Lea County Board of County Commissioners for
 2022.
 Chair Jackson requested approval and asked if there were any
 public or Commissioner comments concerning this agenda item.
 Commissioner Sena moved to approve No. 22-JAN-001R Designating the
 Chair and Vice Chair for the Lea County Board of County Commissioners
 for 2022. The motion was seconded by Commissioner Long. Secretary
 polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes;

Chair Jackson requested approval and asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Sena moved to approve No. 22-JAN-001R Designating the Chair and Vice Chair for the Lea County Board of County Commissioners for 2022. The motion was seconded by Commissioner Long. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes;

MINUTES OF MEETING



**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sshout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 01/21/2022	SUBMITTED BY Name, Title, Dept: Teri Davis, Recording Secretary/Deputy Clerk, Clerk's Office	
SUBJECT: Minutes	ATTACHMENT(S): Resolution Draft Minutes	
NO. OF ORIGINALS FOR SIGNATURE: 1 Resolution; 1 Set of Minutes	ACTION REQUESTED: Action Item	
BUDGET LINE ITEM NUMBER: N/A	FISCAL BUDGET YEAR: N/A	
STRATEGIC PLAN Implementation of 5 Year Strategic Plan: Section 2.6: Transparency and ethical decision making continue to be the framework in which the county operates.		
SUMMARY: See attached draft minutes submitted by Teri Davis, Recording Secretary/Deputy Clerk, for the following LCBCC meeting(s): January 13, 2022 Regular Meeting		
Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> If checked, how many: Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other:		See Additional Summary Attached <input type="checkbox"/>
SUBMITTER'S RECOMMENDATION(S): Review & Approve Minutes		Submitter's Signature Department Director, Etc.
FINANCE REVIEW Fiscal Impact/Cost: ByPass Finance Review		Reviewed by Finance Director ByPass Finance Review Digitally signed by ByPass Finance Review Date: 2022.01.27 19:13:23 -0700
LEGAL REVIEW: (Note: Travel does not need legal review)		Reviewed by County Attorney
COUNTY MANAGER REVIEW: 01/25: Draft meeting minutes emailed to Commissioners for review. 01/25: Reviewed by LCBCC D3		Approved by County Manager to be Placed on Agenda
Item No. 0101 RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN		
Approved: _____ Resolution No. <u>22-FEB-028R</u> Continued To: _____	Denied: _____ Policy No. _____ Referred To: _____	Other: _____ Ordinance No. _____ Comments: _____

STATE OF NEW MEXICO
COUNTY OF LEA
RESOLUTION NO. 22-FEB-028R

A RESOLUTION APPROVING THE LEA COUNTY
BOARD OF COUNTY COMMISSIONERS MEETING MINUTES

WHEREAS, Section 10-15-1 through 10-15-4 of the Open Meetings Act (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 or other policy making 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 or the delegated authority of such body, are declared to be public meetings open to the public at all times; *and*

WHEREAS the board, commission or other policy making body shall keep written minutes of all its meetings. The minutes shall include at a minimum the date, time and place of the meeting, the names of members in attendance and those absent, the substance of the proposals considered and a record of any decisions and votes taken that show how each member voted; *and*

WHEREAS all minutes are open to public inspection. Draft minutes shall be prepared within ten working days after the meeting and shall be approved, amended or disapproved at the next meeting where a quorum is present. Minutes shall not become official until approved by the policymaking body; *and*

WHEREAS, NMSA 1978, Section 4-38-12 as amended, allows the County Commission to establish rules and regulations to govern the transaction of county business in these meetings.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Lea County that the attached minutes are hereby approved.

PASSED AND APPROVED on this 3rd day of February, 2022, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

LEA COUNTY BOARD OF COUNTY COMMISSIONERS

Dean Jackson (District 1), Chair
Voted: Yes No Abstain

Gary G. Eidson (District 3), Vice Chair
Voted: Yes No Abstain

Rebecca Long (District 2), Member
Voted: Yes No Abstain

Jonathan Sena (District 4), Member
Voted: Yes No Abstain

Pat Sims (District 5), Member
Voted: Yes No Abstain

ATTEST: Keith Manes
 Lea County Clerk

**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

By: _____
Teri Davis, Deputy Clerk

John W. Caldwell, County Attorney

**Minutes of Meeting
Lea County Board of Commissioners
January 13, 2022**

Chair Long called the meeting to order at 9:02 a.m. in the Lea County Courthouse

Commissioners present were, to wit: Vice Chair Dean Jackson, District 1, Chair Rebecca Long District 2, Commissioner Gary G. Eidson, District 3, and Commissioner Jonathan Sena, District 4. Commissioner Pat Sims, District 5.

Also present were Lea County Manager Michael P. Gallagher II, and Lea County Attorney John W. Caldwell.

Commissioner Sims led the Pledge of Allegiance followed by the Invocation by Commissioner Sena.

ITEM 01: ELECTION

- Election of Chair for the Lea County Board of County Commissioners (*John W. Caldwell, County Attorney*)

Attorney Caldwell requested nominations. Commissioner Long asked if there were any public comments concerning this item. Commissioner Long nominated Dean Jackson. Secretary polled the Commission. Chair Long, yes; Vice Chair Jackson, yes; Commissioner Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes. The motion passed.

- Election of Vice Chair for the Lea County Board of County Commissioners. (*Dean Jackson Chair, Board of County Commissioners*)

Chair Jackson requested nominations and asked for any public comments. Commissioner Sims nominated Gary Eidson. Secretary polled the Commission. Chair Jackson, yes; Commissioner Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

ITEM 02: COMMISSION

- Consideration of Lea County Resolution No. 22-JAN-001R Designating the Chair and Vice Chair for the Lea County Board of County Commissioners for 2022.

Chair Jackson requested approval and asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Sena moved to approve No. 22-JAN-001R Designating the Chair and Vice Chair for the Lea County Board of County Commissioners for 2022. The motion was seconded by Commissioner Long. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes;

Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-002R Approving the December 9, 2021 Regular Meeting Minutes.

Chair Jackson requested approval and asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Sena moved to approve 22-JAN-002R Approving the December 9, 2021 Regular Meeting Minutes. The motion was seconded by Commissioner Long. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Public Comments (Non Agenda Items)
No Public Comments
- Commissioner and Manager Comments
 - Chair Jackson – Expressed his appreciation for Commissioner Long’s service and guidance as Chair person for the Lea County Commission.
 - Vice Chair Eidson – Recounted the loss of his brother over the Christmas Holiday which helped to inspire him to run for another term on the County Commission in order to bring attention to, and work toward, fixing the gaps in our current healthcare system. He expressed his deep appreciation for everyone who contacted him to express their condolences.
 - Commissioner Sena – Complimented and Commended Commissioner Long for her job as Chair for the County Commission.
 - Commissioner Sims – Thanked everyone in the county for their hard work and dedication.
 - Commissioner Long – Mentioned that it was National Anti – Human Trafficking Month and asked that we all pray and do all that we can to fight against it.
- Consideration of Lea County Resolution No. 22-JAN-003R Approving/Confirming Appointment(s) to the Lea County DWI Advisory Board.

Chair Jackson requested approval and asked if there were any public or Commissioner comments concerning this agenda item.

Chair Jackson made a motion to replace Shannon Rice with Deana Fleetwood in District 1.

Commissioner Eidson moved to approve No. 22-JAN-003R Approving/Confirming Appointment(s) to the Lea County DWI Advisory Board. The motion was seconded by Commissioner Sena. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes;

Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-004R
Approving/Confirming Appointments to the Lea County Environmental Services Advisory Committee.

Chair Jackson requested approval and asked if there were any public or Commissioner comments concerning this agenda item.

Commissioner Sims requested to replace Melody D. Beckham with Van Myrick.

Commissioner Sims moved to approve Approving/Confirming Appointments to the Lea County Environmental Services Advisory Committee. The motion was seconded by Commissioner Sims. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-005R
Approving/Confirming Appointments to the Southeastern New Mexico Economic Development District Council of Governments.

Chair Jackson requested approval and asked if there were any public or Commissioner comments concerning this agenda item.

Commissioner Long moved to reappoint Robbie Roberts and Mike Gallagher.

Commissioner Eidson moved to approve No. 22-JAN-005R Approving/Confirming Appointments to the Southeastern New Mexico Economic Development District Council of Governments. The motion was seconded by Commissioner Sims. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-006R
Approving/Confirming Appointment(s) to the Southeast Regional Transportation Planning Organization.

Chair Jackson requested approval and asked if there were any public or Commissioner comments concerning this agenda item.

Commissioner Long moved to re-appoint Corey Needham to the Policy Committee and Bruce Reid to the Technical Committee.

Vice Chair Eidson moved to approve No. 22-JAN-006R Approving/Confirming Appointment(s) to the Southeast Regional Transportation Planning Organization. The motion was seconded by

Commissioner Sims. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. JAN -007R Authorizing Out of State Travel April 18-22, 2022 to San Antonio, Texas to attend the 2022 America's Rural Energy Coalition.

Chair Jackson requested approval and asked if there were any public or Commissioner comments concerning this agenda item.

Commissioner Sena commented that he was asked to speak on a panel at the Energy Coalition about how we are diversifying our energy economy and how the pandemic and oilfield have influenced such.

Commissioner Long moved to approve No. JAN -007R Authorizing Out of State Travel April 18-22, 2022 to San Antonio, Texas to attend the 2022 America's Rural Energy Coalition. The motion was seconded by Commissioner Sims. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

ITEM 03: RECOGNITION /SERVICE AWARDS

- Presentation of Lea County Communication Authority's Accreditation Award. *(Jessica Tyler, 911 Accreditation Program Manager)*
 - Angela Martinez, Director of the Lea County Emergency Communications Center, accepted the award for 9-1-1 Emergency Accreditation. as 1 of only 3 counties in the whole state to receive this Accreditation.

ITEM 04: ACTION ITEMS

- Consideration of Lea County Resolution No. 22-JAN-008R Accepting and Approving the FY 2020-2021 Financial Audit for Lea County. *(Chris Garner, CPA/Partner of Pattillo, Brown & Hill, LLP)*

CPA Garner requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Eidson moved to approve No. 22-JAN-008R Accepting and Approving the FY 2020-2021 Financial Audit for Lea County. The motion was seconded by Commissioner Sims. Secretary polled the Commission. Chair Long, yes; Vice Chair Jackson, yes; Commissioner Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-009R Approving a Recommendation from the Lea County Fair and Rodeo Board Authorizing an Agreement between Lea county and Matt Tarr as the Barrelman/Rodeo Act

During the 2022 Lea County Fair and PRCA Rodeo. *(Jim Kemp, General Manager, Fairgrounds)*

Fairgrounds Manager Kemp requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Sims moved to approve 22-JAN-009R Approving a Recommendation from the Lea County Fair and Rodeo Board Authorizing an Agreement between Lea county and Matt Tarr as the Barrelman/Rodeo Act During the 2022 Lea County Fair and PRCA Rodeo. The motion was seconded by Commissioner Long. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-010R Approving a Recommendation from the Lea County Fair and Rodeo Board Authorizing an Agreement Between Lea County and Wright's Amusement as the Amusement (Carnival and Game) Provider During the 2022 Lea County Fair and PRCA Rodeo. *(Jim Kemp, General Manager, Fairgrounds)*

Fairgrounds Manager Kemp requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Long moved to approve No. 22-JAN-010R Approving a Recommendation from the Lea County Fair and Rodeo Board Authorizing an Agreement Between Lea County and Wright's Amusement as the Amusement (Carnival and Game) Provider During the 2022 Lea County Fair and PRCA Rodeo. The motion was seconded by Commissioner Sims. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-011R Approving a Recommendation from the Lea County Fair and Rodeo Board Authorizing an Agreement between Lea County and Reita Creek Scoreboard to Provide Video Screen and Production During the 2022 Lea County Fair and PRCA Rodeo. *(Jim Kemp, General Manager, Fairgrounds)*

Fairgrounds Manager Kemp requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Sims moved to approve No. 22-JAN-011R Approving a Recommendation from the Lea County Fair and Rodeo Board Authorizing an Agreement between Lea County and Reita Creek Scoreboard to Provide Video Screen and Production During the 2022 Lea County Fair and PRCA Rodeo. The motion was seconded by

Commissioner Long. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-012R Approving a Recommendation from the Lea County Fair and Rodeo Board Authorizing an Agreement between Lea County and Ryan Killingsworth to Provide the Arena Rodeo Sound Production Services During the 2022 Lea County Fair and PRCA Rodeo. *(Jim Kemp, General Manager, Fairgrounds)*

Fairgrounds Manager Kemp requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Sims moved to approve No. 22-JAN-012R Approving a Recommendation from the Lea County Fair and Rodeo Board Authorizing an Agreement between Lea County and Ryan Killingsworth to Provide the Arena Rodeo Sound Production Services During the 2022 Lea County Fair and PRCA Rodeo. The motion was seconded by Commissioner Long. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-013R Approving a Recommendation from the Lea County Fair and Rodeo Board and Charro on the Road as Professional Rodeo Specialty Act During the 2022 Lea County Fair and PRCA Rodeo. *(Jim Kemp, General Manager, Fairgrounds)*

Fairgrounds Manager Kemp requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Sims moved to approve No. 22-JAN-013R Approving a Recommendation from the Lea County Fair and Rodeo Board and Charro on the Road as Professional Rodeo Specialty Act During the 2022 Lea County Fair and PRCA Rodeo. The motion was seconded by Commissioner Sena. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-014R Approving a Request for the City of Jal Recognizing the City of Jal as a Colonia. *(Michael Gallagher, County Manager)*

County Manager Gallagher requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Sims moved to approve No. 22-JAN-014R Approving a Request for the City of Jal Recognizing the City of Jal as a Colonia. The motion was seconded by Vice Chair Eidson. Secretary polled

the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-015R Approving Lea County's Fiscal Year 2022 – 2023 Budget Development and Timeline. *(Michael Gallagher, County Manager)*

County Manager Gallagher requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Long moved to approve No. 22-JAN-015R Approving Lea County's Fiscal Year 2022 – 2023 Budget Development and Timeline. The motion was seconded by Commissioner Sims. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-016R Approving the Open Meetings Act Requirements and Procedures for Lea County. *(John W. Caldwell, County Attorney)*

County Attorney Caldwell requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Long moved to approve No. 22-JAN-016R Approving the Open Meetings Act Requirements and Procedures for Lea County. The motion was seconded by Commissioner Sims. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-017R Adopting Lea County's Travel, Per Diem, Mileage and Reimbursement Policies. *(John W. Caldwell, County Attorney)*

County Attorney Caldwell requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Long moved to approve No. 22-JAN-017R Adopting Lea County's Travel, Per Diem, Mileage and Reimbursement Policies. The motion was seconded by Commissioner Sims. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-018R Approving the Publication of Notice of Hearing to Adopt an Ordinance governing Nuisances;

Enforcement of Ordinance: and Penalties for Violating Ordinance; Repealing and Superseding the Nuisance Ordinance Adopted July 25, 2019. *(John W. Caldwell, County Attorney)*

County Attorney Caldwell requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Sims moved to approve No. 22-JAN-018R Approving the Publication of Notice of Hearing to Adopt an Ordinance governing Nuisances; Enforcement of Ordinance: and Penalties for Violating Ordinance; Repealing and Superseding the Nuisance Ordinance Adopted July 25, 2019. The motion was seconded by Commissioner Sena. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-019R Approving the Publication of Notice of Hearing to Adopt an Ordinance Controlling Nighttime Noise; Enforcement of Noise Control; and Penalties for Violating Ordinance; Repealing and Superseding Noise Ordinance Adopted July 25, 2019. *(John W. Caldwell, County Attorney)*

County Attorney Caldwell requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Long moved to approve No. 22-JAN-019R Approving the Publication of Notice of Hearing to Adopt an Ordinance Controlling Nighttime Noise; Enforcement of Noise Control; and Penalties for Violating Ordinance; Repealing and Superseding Noise Ordinance Adopted July 25, 2019. The motion was seconded by Commissioner Sena. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-020R Approving the Publication of Notice of Hearing to Adopt an Ordinance Governing Dangerous Buildings; Enforcement of Ordinance; and Penalties for Violating Ordinance; Repealing and Superseding the Dangerous Ordinance Adopted July 25, 2019. *(John W. Caldwell, County Attorney)*

County Attorney Caldwell requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Long moved to approve No. 22-JAN-020R Approving the Publication of Notice of Hearing to Adopt an Ordinance Governing Dangerous Buildings; Enforcement of Ordinance; and Penalties for Violating Ordinance; Repealing and Superseding the Dangerous

Ordinance Adopted July 25, 2019. The motion was seconded by Commissioner Sena. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-021R Approving the Publication of Notice of Hearing to Adopt an Ordinance Regulating Cannabis Establishments and Consumption Areas as to Time, Manner, and Place; Enforcement of Ordinance; and Penalties for Violating Ordinance. *(John W. Caldwell, County Attorney)*

County Attorney Caldwell requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Vice Chair Eidson moved to approve No. 22-JAN-021R Approving the Publication of Notice of Hearing to Adopt an Ordinance Regulating Cannabis Establishments and Consumption Areas as to time, Manner, and Place; Enforcement of Ordinance; and Penalties for Violating Ordinance. The motion was seconded by Commissioner Sims. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-022R Approving Award of Bid No. 04 2021 – 2022 Knowles No. 2 Fire Station to Annissa Construction. *(Corey Needham, Assistant County Manager)*

Assistant County Manager Needham requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Sims moved to approve No. 22-JAN-022R Approving Award of Bid No. 04, 2021 – 2022 Knowles No. 2 Fire Station to Annissa Construction. The motion was seconded by Commissioner Sena. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-023R Approving a Cooperative Educational Services (CES) Agreement with IPR for Slurry/Micro Seal on Various County Roads in the North Hobbs Area. *(Corey Needham, Assistant County Manager)*

Assistant County Manager Needham requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Long moved to approve No. 22-JAN-023R Approving a Cooperative Educational Services (CES) Agreement with IPR for Slurry/Micro Seal on Various County Roads in the

North Hobbs Area. The motion was seconded by Commissioner Sims. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-024R Approving a Recommendation from the Lea County Planning and Zoning Board Regarding a Variance Request on the Average Minimum Lot Size for the Proposed South 40 Subdivision Located on the Southeast Corner of the Intersection on 14th Street and Marland Street in the North Half of Section 1, Township 19 South, Range 38 East N.M.P.M. in Lea County New Mexico. *(Bruce Reid, County Planner on Behalf of the Planning and Zoning Board)*

County Planner Reid requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Sims moved to approve No. 22-JAN-024R Approving a Recommendation from the Lea County Planning and Zoning Board Regarding a Variance Request on the Average Minimum Lot Size for the Proposed South 40 Subdivision Located on the Southeast Corner of the Intersection on 14th Street and Marland Street in the North Half of Section 1, Township 19 South, Range 38 East N.M.P.M. in Lea County New Mexico. The motion was seconded by Commissioner Eidson. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-025R Approving a Cooperative Educational (CES) Proposal from Lasco Construction for a Radio and Cell Booster for the Lea County Judicial Complex. *(Edmundo Lara, Facilities Director)*

Facilities Director Lara requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Long moved to approve No. 22-JAN-025R Approving a Cooperative Educational (CES) Proposal from Lasco Construction for a Radio and Cell Booster for the Lea County Judicial Complex. The motion was seconded by Commissioner Sims. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

- Consideration of Lea County Resolution No. 22-JAN-026R Approving the Certification of Lea County's Fixed Assets List. *(Chip Low, Finance Director)*

Finance Director Low requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Long moved to approve Resolution No. 22-JAN-026R Approving the Certification of Lea County's Fixed Assets List. The motion was seconded by Commissioner Sims. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes Commissioner Long, yes. The motion passed.

ITEM 05: DISCUSSION ITEMS

- Discussion of Needed Improvements at the Lea County Detention Center. *(Edmundo Lara, Facilities Director)*
- Discussion of Lea County's Frozen Positions and Vacancies. *(Craig Bova, Human Resources)*
- Discussion of Lea County's Financial Report. *(Chip Low, County Manager)*
- Discussion of Lea County's Accounts Payable. *(Chip Low, Finance Director)*

ITEM 06: EXECUTIVE SESSION

Pursuant to Section 10-15-1 H (2) and (7) Respectively of the New Mexico Statutes Annotated (NMSA) 1978; to Discuss Limited Personnel Matters Specifically the Annual Evaluation of the County Manager, Threatened Litigation Involving Employee Healthcare, and Pending Litigation Against **Opioid Distributors and Johnson & Johnson.**

• At 10:45 a.m. Vice Chair Eidson moved to convene in Executive Session pursuant to **Section 10-15-1 H (2) and (7) Respectively of the New Mexico Statutes Annotated (NMSA) 1978; to Discuss Limited Personnel Matters Specifically the Annual Evaluation of the County Manager, Threatened Litigation Involving Employee Healthcare, and Pending Litigation Against Opioid Distributors and Johnson & Johnson as Authorized by NMSA 1978 § 10-15-1 H (2) and (7).**

The motion was seconded by Commissioner Sims. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes; Commissioner Long, yes. The motion passed.

The meeting reconvened at 12:27pm

ITEM 07: OTHER BUSINESS

- Consideration of Lea County Resolution No. 22-JAN-027R Ratifying the OSHA-Mandated Lea County COVID-19 Vaccination Policy (*Craig Bova, Human Resources Director*)

HR Director Bova requested approval and Chair Jackson asked if there were any public or Commissioner comments concerning this agenda item. Commissioner Long moved to approve Resolution No. 22-JAN-027R Ratifying the OSHA-Mandated Lea County COVID-19 Vaccination Policy The motion was seconded by Chair Jackson. Secretary polled the Commission. Chair Jackson, yes; Vice Chair Eidson, yes; Commissioner Sena, yes; Commissioner Sims, no; Commissioner Long, yes. The motion passed.

The meeting adjourned at 12:46 p.m.

**BOARD OF COUNTY COMMISSIONERS
LEA COUNTY, NEW MEXICO**

Dean Jackson, Chair

Gary G. Eidson, Vice Chair

Jonathan Sena, Member

Pat Sims, Member

Rebecca Long, Member

ATTEST: Keith Manes

Lea County Clerk

Teri Davis, Deputy Clerk



Public Comments *(Non Agenda Items)*





LEA COUNTY BOARD OF COUNTY COMMISSIONERS

PUBLIC COMMENT SUMMARY FORM

Thursday, February 3, 2022 9:00 A.M.

LCBCC MEETING

Lea County Courthouse – Commission Chambers 1st Floor
100 North Main Avenue, Lovington, New Mexico 882620 575.396-8602

Submit this summary form to the Lea County Manager's Office at leacounty@leacounty.net by:

Tuesday, February 1, 2022

DATE SUBMITTED:

SUBMITTED BY:

CONTACT INFO:

Phone No.: _____

Email Address: _____

Mailing Address: _____

Please check in with the Lea County Manager prior to the start of the meeting.

See attached Lea County Resolution No. 22-JAN-016R
Open Meetings and Procedures.

SUMMARY OF PUBLIC COMMENT:

Item 0102

RECORDING SECRETARY'S USE ONLY

Comments: _____



Lea County Board of County Commissioners

Regular Meeting

Thursday, February 3, 2022 9:00 A.M.

Lea County Courthouse - Commission Chambers - 100 North Main, Lovington, New Mexico

Public Comments - Sign In Sheet

NAME	PHONE	EMAIL	COMMENT SUBJECT
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**STATE OF NEW MEXICO
COUNTY OF LEA
RESOLUTION NO. 22-JAN-016R**

OPEN MEETINGS PROCEDURES

WHEREAS, Section 10-15-1(B) of the Open Meetings Act (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 or other policy making 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 or the delegated authority of such body, are declared to be public meetings open to the public at all times; and

WHEREAS, any meetings subject to the Open Meetings and held for the purpose of formulating public policy, discussing public business or for the purpose of taking any action within the authority of or the delegated authority of the Board of County Commissioners of Lea County (hereinafter "County Commission") shall be held only after reasonable notice to the public; and

WHEREAS, the Open Meetings Act, NMSA 1978, Section 10-15-1(D), requires the County Commission to determine annually what constitutes reasonable notice of its public meetings; and

WHEREAS, NMSA 1978, Section 4-38-12, allows the County Commission to establish rules and regulations to govern the transaction of county business in these meetings.

NOW, THEREFORE, BE IT RESOLVED that:

1. All meetings of the County Commission will be held at the Commission Meeting Room at the Lea County Courthouse, 100 N. Main, Lovington, New Mexico 88260, at 9:00 a.m. or as otherwise indicated in the meeting notice.
2. Notice of regular meetings will be given at least seven days in advance. The agenda will be available at least seventy-two (72) hours in advance of regular Commission Meetings from the office of the County Manager located on the fourth floor of the Lea County Courthouse, Lovington, New Mexico 88260 and posted on the Lea County website (www.leacounty.net). In addition, a meeting agenda will be sent to all broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation that have provided a written request for such notice. The agenda will indicate the time, date, place and specific items to be discussed during the County Commission meeting. The County Commission shall take action only on items appearing on the agenda.
3. In addition to the Board's regular meetings, work sessions and special meetings may be called at the discretion of the Chairperson or upon the request of two Commissioners upon seventy-two (72) hours notice, in accordance with paragraph 5. The final agenda for work sessions and special meetings shall be available at least seventy-two (72) hours in advance of the work session or special meeting.

4. Emergency meetings will be called only under unforeseen circumstances that, if not addressed immediately by the County Commission, will likely result in injury or damage to persons or property or substantial financial loss to Lea County. The County Commission will avoid emergency meetings whenever possible. Emergency meetings may be called by the Chairperson or any two Commissioners upon twenty-four hours (24) notice, unless a threat of personal injury, property damage or substantial financial loss requires less notice. The notice for all emergency meetings shall include an agenda for the meeting or information on how the public may obtain a copy of the agenda. Within ten days of taking action on an emergency matter, the County Commission shall report to the Attorney General's office the action taken and the circumstances creating the emergency; provided that the requirement to report to the Attorney General is waived upon the declaration of a state or national emergency.
5. For the purposes of regular meetings described in paragraph two of this resolution, as well as special meetings and work sessions described in paragraph three of this resolution, notice requirements are met if notice of the date, time, place and agenda or information on how the public may obtain a copy of such an agenda is posted on the Lea County website and provided to all broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation that have provided a written request for such notice.
6. For the purposes of emergency meetings described in paragraph four of this resolution, notice requirements shall be met if notice of the date, time, place and agenda is posted on the outermost doors of the Courthouse and in the offices of the County Manager, who shall also provide telephonic notice to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation that have made a written request for notice of public meetings.
7. In addition to the information specified above, all notices shall include the following language:


If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the Lea County Manager's office located in the Lea County Courthouse in Lovington, New Mexico at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Lea County Manager's Office at the Lea County Courthouse if a summary or other type of accessible format is needed.
8. The County Commission may close a meeting to the public only if the subject matter of such discussion or action is exempted from the open meeting requirements under the Open Meetings Act, Section 10-15-1(H) NMSA 1978 Comp.
 - A. If any meeting is closed during an open meeting, such closure shall be approved by a majority vote of a quorum of the County Commission taken during the open meeting. The authority for the closure and the subjects to be discussed shall be stated in the motion for closure and the vote on closure of each individual member shall be recorded in the minutes. Only those subjects specified in the motion may be discussed in a closed meeting.


- B. If a closed meeting is conducted when the County Commission is not in an open meeting, the closed meeting shall not be held until public notice, appropriate under the circumstances, stating the specific provision of law authorizing the closed meeting and the subjects to be discussed with reasonable specificity, is given to the members and to the general public.
 - C. Following completion of any closed meeting, the minutes of the open meeting that was closed, or the minutes of the next open meeting if the closed meeting was separately scheduled, shall state whether the matters discussed in the closed meeting were limited only to those specified in the motion or notice for closure.
 - D. Except as provided in Section 10-15-1(H) of the Open Meetings Act, any action taken as a result of discussions in a closed meeting shall be made by vote of the County Commission in an open public meeting.
9. The notice requirements set forth above in paragraphs two, three, and four shall apply to all Boards and Committees appointed by the County Commission.
10. The public may address the County Commission on county matters not listed on a meeting's agenda during the portion of the meeting identified as Public Input. All persons, agencies or organizations who desire to discuss public business or matters with the County Commission at a County Commission meeting, must make their request to the County Manager prior to the commencement of the County Commission meeting.
- A. The request may be oral or written and must include the name of the person making the request and the subject on which they wish to address the County Commission. Such persons addressing the County Commission will be limited to three (3) minutes.
 - B. All persons, agencies or organizations that require additional time to discuss public business or matters with the County Commission, must make their request, in writing, at least seven (7) days prior to the County Commission meeting. Such persons addressing the County Commission will be allowed up to fifteen (15) minutes in the discretion of the Chairperson.
11. On matters involving agenda items, the Chairperson will ask for public comments before any vote or other action is taken by the County Commission. Such comments will be limited to three (3) minutes.
12. A member of the public body may participate by means of a conference telephone or other similar communications equipment when it is otherwise difficult or impossible for the member to attend the meeting in person, provided that each member participating by conference telephone can be identified when speaking and all participants are able to hear each other at the same time and members of the public attending the meeting are able to hear any member of the public body who speaks during the meeting.


13. The County Commission may, by Resolution, adopt additional rules and regulations regarding the conduct of the meetings of the County Commission and any of its subordinate Boards or Committees.


PASSED, APPROVED and ADOPTED on this 13th day of January, 2022, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.


LEA COUNTY BOARD OF COUNTY COMMISSIONERS


Dean Jackson (District 1), Chair
Voted: Yes No Abstain


Gary G. Eidson (District 3), Vice Chair
Voted: Yes No Abstain


Rebecca Long (District 2), Member
Voted: Yes No Abstain



Jonathan Sena (District 4), Member
Voted: Yes No Abstain


Pat Sims (District 5), Member
Voted: Yes No Abstain

ATTEST: Keith Manes
Lea County Clerk

**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

By: 
Teri Davis, Deputy Clerk


John W. Caldwell, County Attorney



Commissioners and Manager Comments





**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator ssout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 01/27/2022	SUBMITTED BY Name, Title, Dept: Sandra Brito, Executive Coordinator
SUBJECT: Commission/Manager Comments	ATTACHMENT(S): None
NO. OF ORIGINALS FOR SIGNATURE: N/A	ACTION REQUESTED: Discussion Item
BUDGET LINE ITEM NUMBER: N/A	FISCAL BUDGET YEAR: N/A

STRATEGIC PLAN Implementation of 5 Year Strategic Plan:
Section 2.3: Continuous communication with the public is beneficial and necessary.

SUMMARY:
Comments from the Commissioners & County Manager

Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: _____ <small>If checked, how many:</small>	See Additional Summary Attached <input type="checkbox"/>
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SUBMITTER'S RECOMMENDATION(S): Discussion Only	Submitter's Signature Department Director, Etc.
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FINANCE REVIEW Fiscal Impact/Cost: ByPass Finance Review	Reviewed by Finance Director ByPass Finance Review Digitally signed by ByPass Finance Review Date: 2022.01.27 19:13:23 -07'00'
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LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney
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COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda
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Item No. <u>0103</u>		
RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN		
Approved: _____ Resolution No. _____ Continued To: _____	Denied: _____ Policy No. _____ Referred To: _____	Other: <u>Commission/Manager Comments</u> Ordinance No. _____ Comments: _____

HB 2 Appropriations

Detention Reimbursement Fund

Restore the County Detention Facility Reimbursement Act to the original appropriation of \$5 million. Currently, the NM Legislature appropriates only \$2.3 million, even though the NM Sentencing Commission estimates the state owes counties over \$8 million dollars a year for holding state prisoners in county jails.

Prisoner Transport and Extradition

Create a line item in the NM Department of Finance & Administration budget with \$750,000 to reimburse counties that provide transportation for state prisoners. Statutes require the state to make such payments, however no money has been appropriated to counties for many years. Counties should not be responsible to pay for state prisoner extradition.

RISE Funding

Make permanent and increase county participation in the RISE (Reach, Intervene, Support and Engage) Program. RISE is a partnership between the NM Behavioral Health Services Division and a few county jails to reduce recidivism and make sure non-violent offenders get the treatment they need to stay out of jail. As we start to see more concrete results, we hope to be able to add more counties and jails into that partnership.



STATE OF NEW MEXICO
COUNTY OF LEA
RESOLUTION NO. 22-FEB-029R

A RESOLUTION SUPPORTING THE NEW MEXICO COUNTIES 2022 LEGISLATIVE PRIORITIES

WHEREAS, the New Mexico Counties Board of Directors approved three legislative priorities for consideration by the New Mexico Legislature at its 2022 session; and

WHEREAS, NMC has requested that the Board of County Commissioners in each of the state's 33 counties discuss and approve support for NMC's legislative priorities as an important step in assuring maximum understanding of NMC's legislative priorities at the county level; and

WHEREAS, county support enables NMC to demonstrate strong local and statewide support to the state legislature for the following issues:

1. **HB 2 Appropriations**

Detention Reimbursement Fund

Restore the County Detention Facility Reimbursement Act to the original appropriation of \$5 million. Currently, the NM Legislature appropriates only \$2.3 million, even though the NM Sentencing Commission estimates the state owes counties over \$8 million dollars a year for holding state prisoners in county jails.

Prisoner Transport and Extradition

Create a line item in the NM Department of Finance & Administration budget with \$750,000 to reimburse counties that provide transportation for state prisoners. Statutes require the state to make such payments, however no money has been appropriated to counties for many years. Counties should not be responsible to pay for state prisoner extradition.

RISE Funding

Make permanent and increase county participation in the RISE (Reach, Intervene, Support and Engage) Program. RISE is a partnership between the NM Behavioral Health Services Division and a few county jails to reduce recidivism and make sure non-violent offenders get the treatment they need to stay out of jail. As we start to see more concrete results, we hope to be able to add more counties and jails into that partnership.


2. **Law Enforcement Protection Fund**

The state imposes taxes on insurance policies every year to pay for things like improved fire services and protecting law enforcement officers. Every year millions of dollars have been taken from those funds to help pay for other areas in state government. We fixed the fire fund over the last few years, now we need to keep the state from taking money from the Law Enforcement Protection Fund. The last \$5 or \$6 million dollars that now goes back into the general fund should be going to local law enforcement agencies to enhance the efficiency and effectiveness of law enforcement services.



Consideration of Lea County Resolution No. 22-FEB-029R Supporting the New Mexico Counties 2022 Legislative Priorities





2022 Legislative Priorities

The Second Session of the 55th Legislature

HB 2 Appropriations

Detention Reimbursement Fund

Restore the County Detention Facility Reimbursement Act to the original appropriation of \$5 million. Currently, the NM Legislature appropriates only \$2.3 million, even though the NM Sentencing Commission estimates the state owes counties over \$8 million dollars a year for holding state prisoners in county jails.

Prisoner Transport & Extradition

Create a line item in the NM Department of Finance & Administration budget with \$750,000 to reimburse counties that provide transportation for state prisoners. Statutes require the state to make such payments, however no money has been appropriated to counties for many years. Counties should not be responsible to pay for state prisoner extradition.

RISE Funding

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Courthouse Funding

Create a matching fund that would help counties pay for construction and renovation of state district courthouses. The fund would begin with a capital outlay request of \$50 million to \$100 million. This is another unfunded county mandate we would like to alleviate in to the future.

NMC Legislative Contacts	Steve Kopelman 505.469.5584 skopelman@nmcounities.org	Brian Moore 505.670.9311 brian@ranchmkt.com
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Law Enforcement Protection Fund

The state imposes taxes on insurance policies every year to pay for things like improved fire services and protecting law enforcement officers. Every year millions of dollars have been taken from those funds to help pay for other areas in state government. We fixed the fire fund over the last few years, now we need to keep the state from taking money from the Law Enforcement Protection Fund. The last \$5 or \$6 million dollars that now goes back into the general fund should be going to local law enforcement agencies to enhance the efficiency and effectiveness of law enforcement services.

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**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator ssout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy:	SUBMITTED BY Name, Title, Dept: Rebecca Long, Commissioner, District 2
SUBJECT: New Mexico Counties 2022 Legislative Priorities	ATTACHMENT(S): Resolution
NO. OF ORIGINALS FOR SIGNATURE: 1 Resolution	ACTION REQUESTED: Action Item
BUDGET LINE ITEM NUMBER: N/A	FISCAL BUDGET YEAR: N/A

STRATEGIC PLAN Implementation of 5 Year Strategic Plan:

Section 2.1: Collaboration & partnership with local communities, agencies and government entities is essential for success.

Section 2.8: Continuous interaction with the State of New Mexico and statewide organizations is required to protect the County's interests.

SUMMARY:

The Board of Directors of the New Mexico Counties approved the following three legislative priorities for consideration by the New Mexico Legislature at its 2022 regular legislative session and has requested that the Board of County Commissioners in each of the state's 33 counties adopt a resolution supporting NMC's legislative priorities:

See Next Page

Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> if checked, how many: Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other:		See Additional Summary Attached <input checked="" type="checkbox"/>
SUBMITTER'S RECOMMENDATION(S): Approve Resolution in Support of the NMC 2022 Legislative Priorities		Submitter's Signature Department Director, Etc.
FINANCE REVIEW Fiscal Impact/Cost:		Reviewed by Finance Director
LEGAL REVIEW: (Note: Travel does not need legal review)		Reviewed by County Attorney
COUNTY MANAGER REVIEW:		Approved by County Manager to be Placed on Agenda

Item No. 0104

RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN

Approved: _____	Denied: _____	Other: _____
Resolution No. <u>22-FEB-029R</u>	Policy No. _____	Ordinance No. _____
Continued To: _____	Referred To: _____	Comments: _____

Summary Form Continued...

1. **HB 2 Appropriations**

Detention Reimbursement Fund

Restore the County Detention Facility Reimbursement Act to the original appropriation of \$5 million. Currently, the NM Legislature appropriates only \$2.3 million, even though the NM Sentencing Commission estimates the state owes counties over \$8 million dollars a year for holding state prisoners in county jails.

Prisoner Transport and Extradition

Create a line item in the NM Department of Finance & Administration budget with \$750,000 to reimburse counties that provide transportation for state prisoners. Statutes require the state to make such payments, however no money has been appropriated to counties for many years. Counties should not be responsible to pay for state prisoner extradition.

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STATE OF NEW MEXICO
COUNTY OF LEA
RESOLUTION NO. 22-FEB-029R

A RESOLUTION SUPPORTING THE NEW MEXICO COUNTIES 2022 LEGISLATIVE PRIORITIES

WHEREAS, the New Mexico Counties Board of Directors approved three legislative priorities for consideration by the New Mexico Legislature at its 2022 session; *and*

WHEREAS, NMC has requested that the Board of County Commissioners in each of the state's 33 counties discuss and approve support for NMC's legislative priorities as an important step in assuring maximum understanding of NMC's legislative priorities at the county level; *and*

WHEREAS, county support enables NMC to demonstrate strong local and statewide support to the state legislature for the following issues:

1. HB 2 Appropriations

Detention Reimbursement Fund

Restore the County Detention Facility Reimbursement Act to the original appropriation of \$5 million. Currently, the NM Legislature appropriates only \$2.3 million, even though the NM Sentencing Commission estimates the state owes counties over \$8 million dollars a year for holding state prisoners in county jails.

Prisoner Transport and Extradition

Create a line item in the NM Department of Finance & Administration budget with \$750,000 to reimburse counties that provide transportation for state prisoners. Statutes require the state to make such payments, however no money has been appropriated to counties for many years. Counties should not be responsible to pay for state prisoner extradition.

RISE Funding

Make permanent and increase county participation in the RISE (Reach, Intervene, Support and Engage) Program. RISE is a partnership between the NM Behavioral Health Services Division and a few county jails to reduce recidivism and make sure non-violent offenders get the treatment they need to stay out of jail. As we start to see more concrete results, we hope to be able to add more counties and jails into that partnership.

2. Law Enforcement Protection Fund

The state imposes taxes on insurance policies every year to pay for things like improved fire services and protecting law enforcement officers. Every year millions of dollars have been taken from those funds to help pay for other areas in state government. We fixed the fire fund over the last few years, now we need to keep the state from taking money from the Law Enforcement Protection Fund. The last \$5 or \$6 million dollars that now goes back into the general fund should be going to local law enforcement agencies to enhance the efficiency and effectiveness of law enforcement services.

3. **Courthouse Funding**

Create a matching fund that would help counties pay for construction and renovation of state district courthouses. The fund would begin with a capital outlay request of \$50 million to \$100 million. This is another unfunded county mandate we would like to alleviate in to the future.

NOW, THEREFORE, BE IT RESOLVED that the Lea Board of County Commissioners does hereby support NMC's legislative priorities as set forth above, and urges that legislation incorporating these priorities be enacted by the state legislature during its 2022 regular session.

PASSED AND APPROVED on this 3rd day of February, 2022, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

LEA COUNTY BOARD OF COUNTY COMMISSIONERS

Dean Jackson (District 1), Chair
Voted: Yes No Abstain

Gary G. Eidson (District 3), Vice Chair
Voted: Yes No Abstain

Rebecca Long (District 2), Member
Voted: Yes No Abstain

Jonathan Sena (District 4), Member
Voted: Yes No Abstain

Pat Sims (District 5), Member
Voted: Yes No Abstain

ATTEST: Keith Manes
Lea County Clerk

**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

By: _____
Teri Davis, Deputy Clerk

John W. Caldwell, County Attorney

2022 Legislative Priorities

The Second Session of the 55th Legislature

HB 2 Appropriations

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Consideration of Lea County Resolution No. 22-FEB-030R Opposing the 2021 Adopted New Mexico Congressional Districts

Article One of the United States Constitution establishes the United States House of Representatives, primarily apportioning its members based on population, with reapportionment occurring every ten years after the decennial United States census.

In 2021 the New Mexico legislature created the Citizen Redistricting Committee (CRC) to develop as one of its duties Congressional District maps that allow New Mexico voters to choose their representatives, not the other way around.

The New Mexico legislature ignored the recommendations of the CRC and adopted its own Congressional Districts and for the first time since New Mexico has had three members of the U.S. House of Representatives, more than 40 years, divided Lea County and its largest municipality into two separate Congressional districts, making all three Congressional Districts more favorable to the political party now in control of all three branches of state government and ignoring the community of interests criterion, just as the Speaker of the New Mexico House of Representatives implied after the 2020 elections the legislature would do.

The Board of County Commissioners of Lea County believes the Congressional Redistricting map drawn by the politicians of the New Mexico legislature and signed into law by the New Mexico governor are unconstitutional and ignore the community and interests of Southeastern New Mexico.

STATE OF NEW MEXICO
COUNTY OF LEA
RESOLUTION NO. 22-FEB-030R

A RESOLUTION OPPOSING THE 2021 ADOPTED NEW MEXICO CONGRESSIONAL DISTRICTS

WHEREAS, Article One of the United States Constitution establishes the United States House of Representatives, primarily apportioning its members based on population, with reapportionment occurring every ten years after the decennial United States census; and

WHEREAS, in 2021 the New Mexico legislature created the Citizen Redistricting Committee (CRC) to develop as one of its duties Congressional District maps that allow New Mexico voters to choose their representatives, not the other way around; and

WHEREAS, the New Mexico legislature ignored the recommendations of the CRC and adopted its own Congressional Districts and for the first time since New Mexico has had three members of the U.S. House of Representatives, more than 40 years, divided Lea County and its largest municipality into two separate Congressional districts, making all three Congressional Districts more favorable to the political party now in control of all three branches of state government and ignoring the community of interests criterion, just as the Speaker of the New Mexico House of Representatives implied after the 2020 elections the legislature would do;

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of County Commissioners of Lea County that it believes the Congressional Redistricting map drawn by the politicians of the New Mexico legislature and signed into law by the New Mexico governor are unconstitutional and ignore the community and interests of Southeastern New Mexico.

PASSED, APPROVED AND ADOPTED on this 3rd day of February, 2022, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

LEA COUNTY BOARD OF COUNTY COMMISSIONERS

Dean Jackson (District 1), Chair
Voted: Yes No Abstain

Gary G. Eidson (District 3), Vice Chair
Voted: Yes No Abstain

Rebecca Long (District 2), Member
Voted: Yes No Abstain

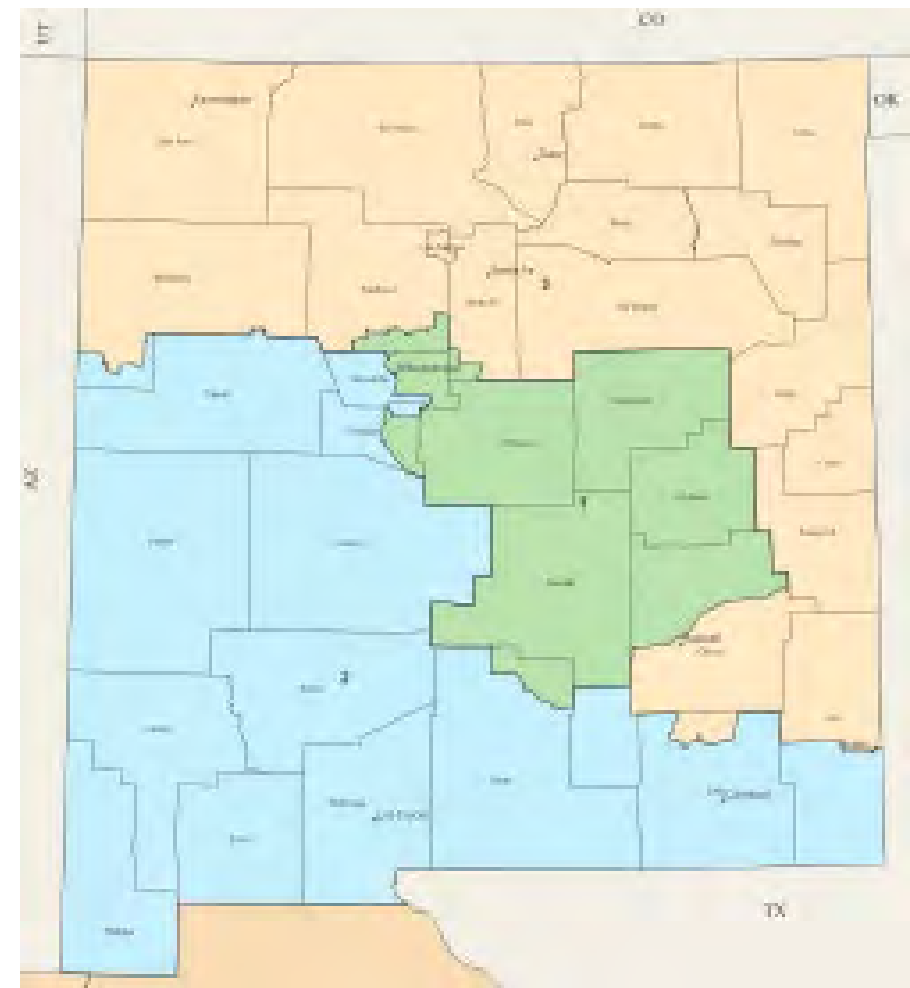
Jonathan Sena (District 4), Member
Voted: Yes No Abstain

Consideration of Lea County Resolution No. 22-FEB-030R Opposing the 2021 Adopted New Mexico Congressional Districts

Previous



Adopted 2021





**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022.

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sstout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mcallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy:	SUBMITTED BY Name, Title, Dept: Rebecca Long, Commissioner, District 2
SUBJECT: Oppose the 2021 Adopted New Mexico Congressional Districts	ATTACHMENT(S): Resolution
NO. OF ORIGINALS FOR SIGNATURE: 1 Resolution	ACTION REQUESTED: Action Item
BUDGET LINE ITEM NUMBER: N/A	FISCAL BUDGET YEAR: N/A

STRATEGIC PLAN Implementation of 5 Year Strategic Plan:
Section 2.1: Collaboration & partnership with local communities, agencies and government entities is essential for success.
Section 2.8: Continuous interaction with the State of New Mexico and statewide organizations is required to protect the County's interests.

SUMMARY:
Article One of the United States Constitution establishes the United States House of Representatives, primarily apportioning its members based on population, with reapportionment occurring every ten years after the decennial United States census.
In 2021 the New Mexico legislature created the Citizen Redistricting Committee (CRC) to develop as one of its duties Congressional District maps that allow New Mexico voters to choose their representatives, not the other way around.

See Next Page

Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: <input type="checkbox"/> <small>If checked, how many:</small>	See Additional Summary Attached <input checked="" type="checkbox"/>
SUBMITTER'S RECOMMENDATION(S): Approve Resolution Opposing the 2021 Adopted New Mexico Congressional Districts	Submitter's Signature Department Director, Etc.
FINANCE REVIEW Fiscal Impact/Cost:	Reviewed by Finance Director
LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney
COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda

Item No. 0105

RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN

Approved: _____	Denied: _____	Other: _____
Resolution No. <u>22-FEB-030R</u>	Policy No. _____	Ordinance No. _____
Continued To: _____	Referred To: _____	Comments: _____

Summary Form Continued...

The New Mexico legislature ignored the recommendations of the CRC and adopted its own Congressional Districts and for the first time since New Mexico has had three members of the U.S. House of Representatives, more than 40 years, divided Lea County and its largest municipality into two separate Congressional districts, making all three Congressional Districts more favorable to the political party now in control of all three branches of state government and ignoring the community of interests criterion, just as the Speaker of the New Mexico House of Representatives implied after the 2020 elections the legislature would do.

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ATTEST: Keith Manes
 Lea County Clerk

**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

By: _____
Teri Davis, Deputy Clerk

John W. Caldwell, County Attorney



BUREAU OF BUSINESS & ECONOMIC RESEARCH

Lea County Economic Analysis

RESEARCH FUNDED BY LEA COUNTY

MICHAEL O'DONNELL, PH.D AND JULIAN BACA, M.A.

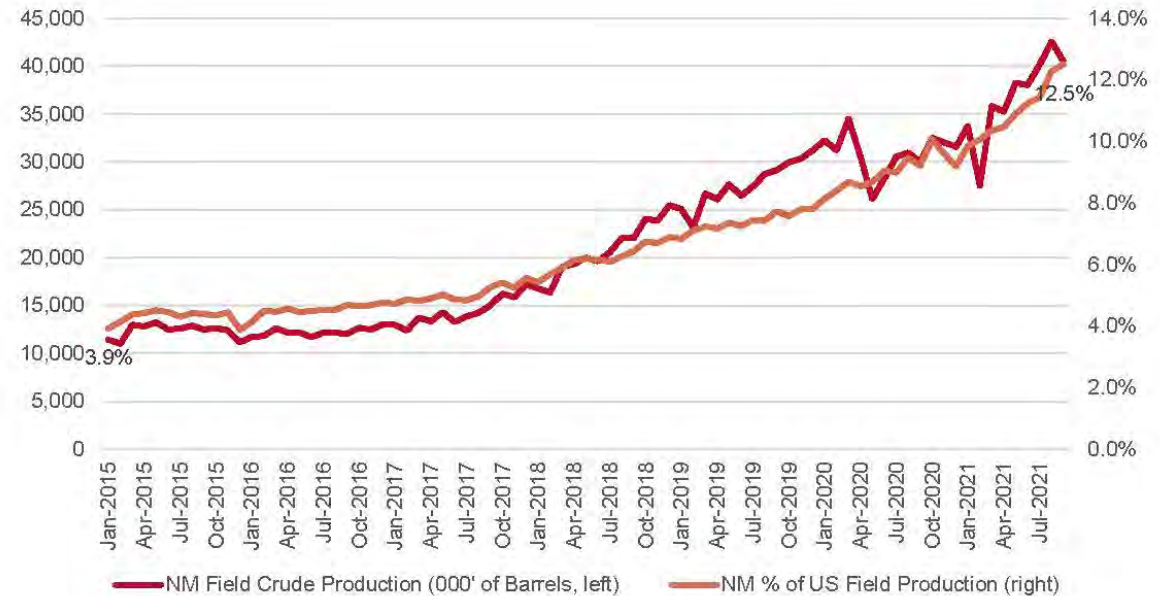
MO8684@UNM.EDU

JBACA63@UNM.EDU

FEBRUARY 3, 2022

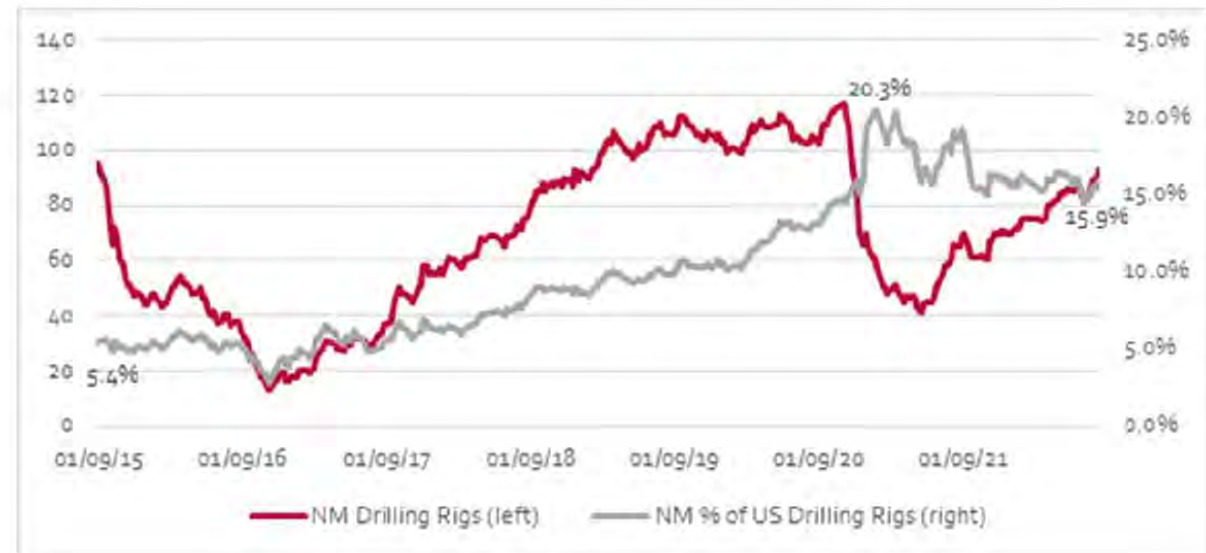
NM Oil & Gas Market Overview

- NM crude oil production touched a high of 42,000 barrels in August 2021;
- NM's share of total US crude oil production also reached an all-time high of 12.5% in September of 2021 (by way of comparison, this level was 4% in 2016)



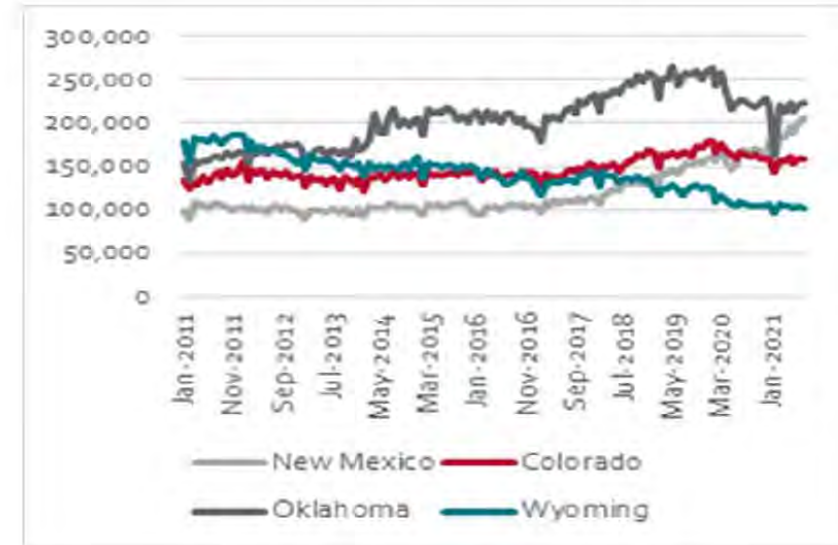
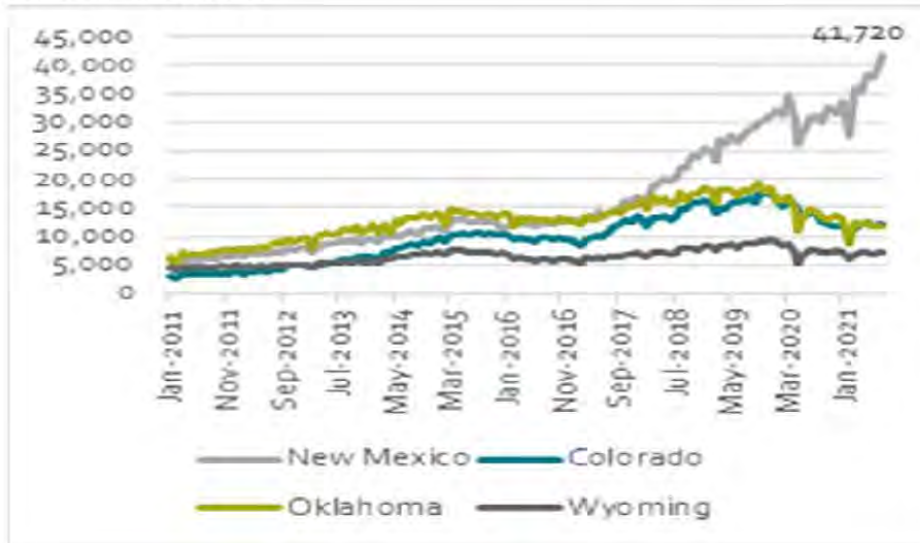
NM Oil & Gas Market Overview

- Drilling activity has accelerated in New Mexico in the last five years;
- Prior to 2017, about 5.5% of all rigs operating in the US were in New Mexico; that percentage slowly increased, peaking over 20% by May 2020;
- Coinciding with the low West Texas Intermediate price, rig counts fell from about 115 in March 2020 to a recent low of 41 in September 2020;
- Rig counts have recovered and by the end of 2021 totaled about 93;
- Currently, about 16% of all rigs operating in the US are operating in New Mexico.



NM Oil & Gas Market Overview

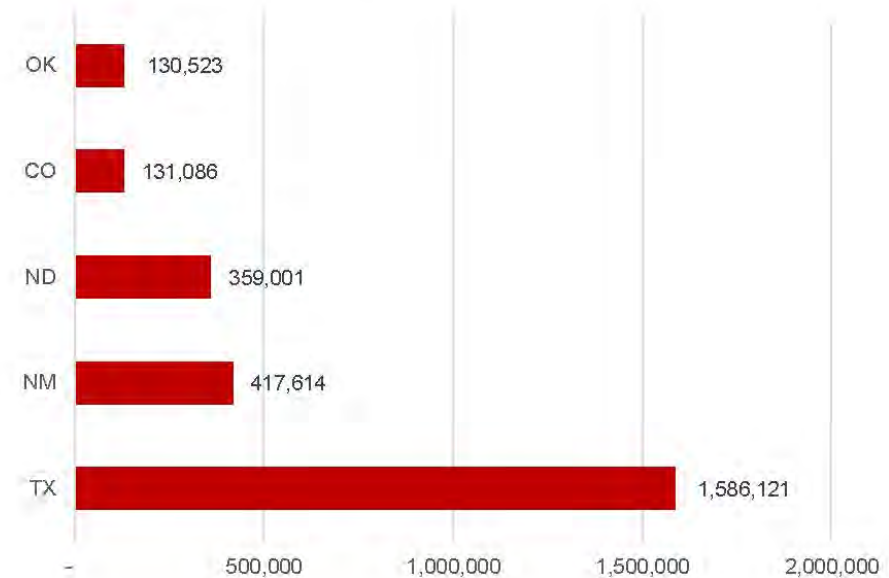
- Oil & gas production in New Mexico has tended to increase relative to surrounding states that had produced similar volumes to the state beginning in 2011;
- Oil production in New Mexico now dwarfs production in Oklahoma, Colorado, and Wyoming and while New Mexico previously produced the smallest volume of natural gas, only Oklahoma currently produces a greater volume.



NM Oil & Gas Market Overview

- New Mexico ranked 2nd in oil field production among the lower 48 states in 2021;
- Lea County has ranked among the top 3 crude oil producing US counties over the last several years, ranking 1st in December 2019 and January 2020 (2021 county level data is pending from the EIA);
- Lea County accounts for most of the crude oil production in New Mexico.

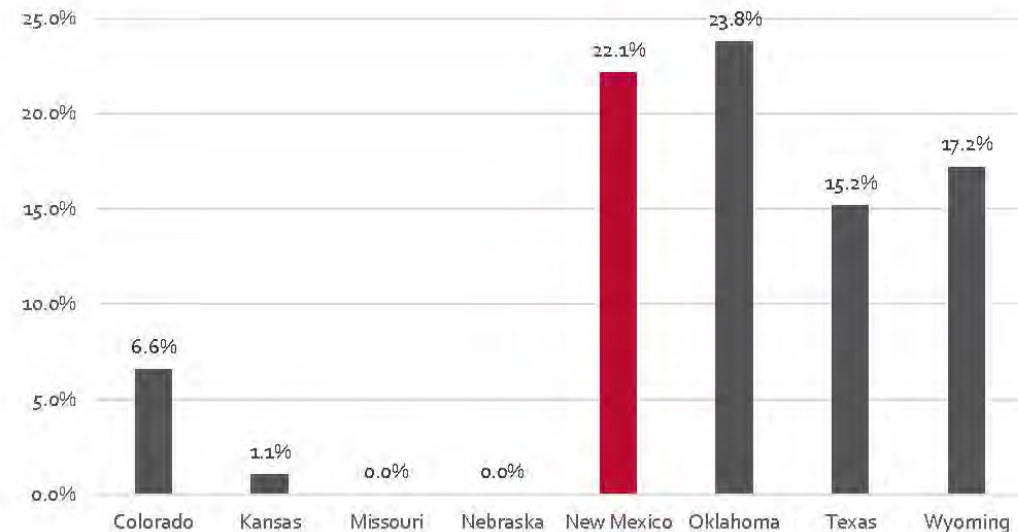
Top 5 States by Crude Oil Production (1,000 BLS), thru Nov. 2021



Lea County Contribution to NM Economy

- In 2020, approximately 22.1% of the value of all private sector economic output in New Mexico was from oil & gas extraction;
- This is greater than most surrounding states with only Oklahoma having a larger share (23.8%);
- Lea County contributes most of the crude oil & gas production in New Mexico.
- In 2020 (BEA data) Lea contributed \$9.3 billion to New Mexico's \$95.7 billion economy, or 9.4% of the state's Gross State Product (GSP);
- Whereas NM GSP has grown at an annual rate of 1% over the last 15 years, Lea grew by 8% per year over the same time period.

The Value of Oil and Gas Production as a Percent of the Value of Real Gross State Product in 2020 by State, Private Industries Only



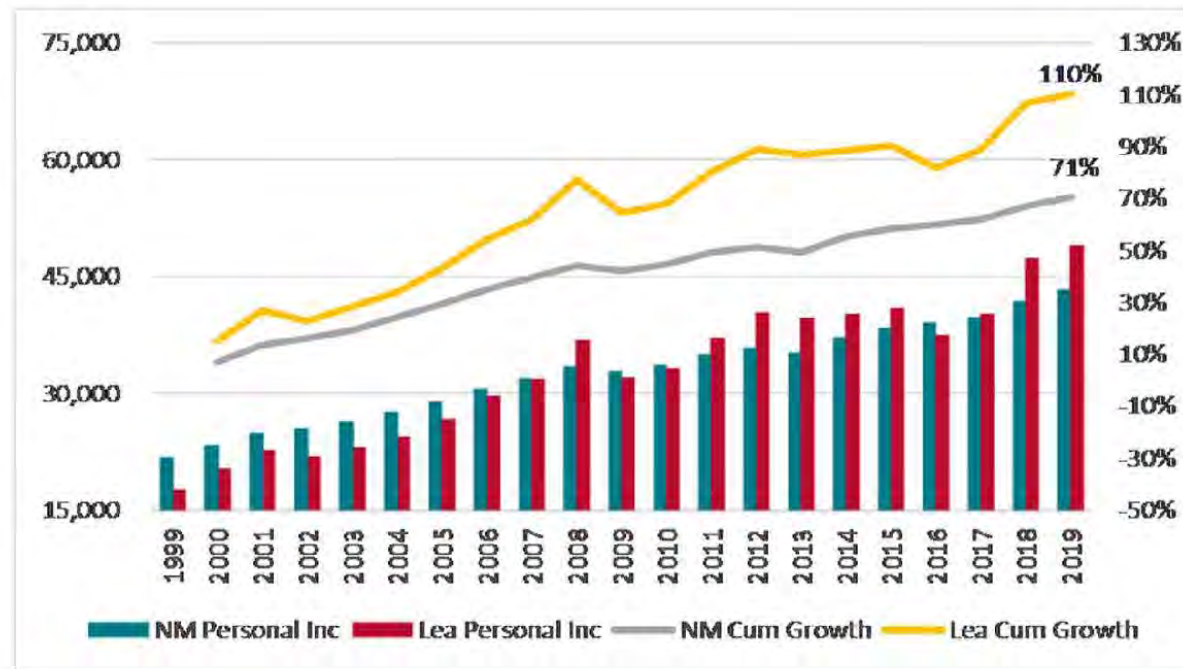
Lea County Economic Profile – Gross State Product (GSP)

- According to BEA data, the mineral extraction sector accounts for 78% of GSP in the County;
- Other sectors making important contributions were Finance, insurance, real estate (5%); Transportation and warehousing (3%); Construction (3%); Manufacturing (3%); and Government (3%).

Industry Sector	\$thous 2019	Pct %
All industry total	9,291,716	
Private industries	9,030,971	97%
Agriculture, forestry, fishing and hunting	181,531	2%
Mining, quarrying, and oil and gas extraction	7,202,498	78%
Utilities	221,981	2%
Construction	243,413	3%
Manufacturing	318,573	3%
Wholesale trade	155,764	2%
Retail trade	229,469	2%
Transportation and warehousing	258,437	3%
Information	46,137	0%
Finance, insurance, real estate, rental, and leasing	485,035	5%
Professional and business services	176,823	2%
Ed services, health care, and social assistance	144,505	2%
Arts, entertain, recreation, accommodation, and foo	126,592	1%
Other services (except government and government	86,043	1%
Government and government enterprises	298,451	3%

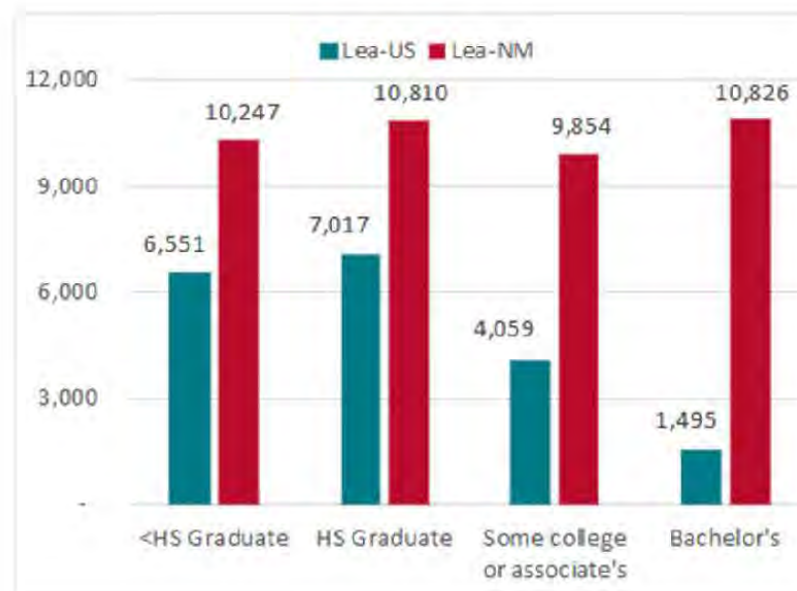
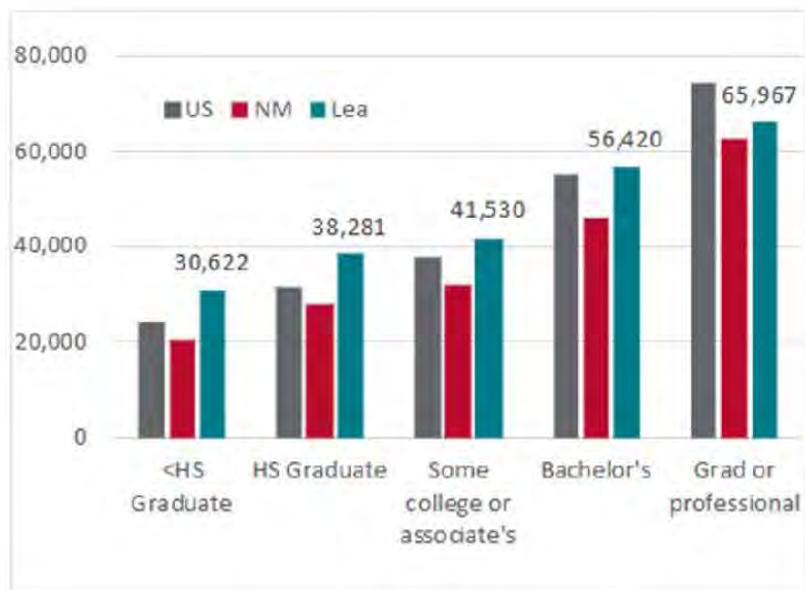
Lea County Economic Profile - Income

- Lea County Personal Income Per Capita surpassed the statewide figure in the last decade, exceeding the state average by nearly 40% (cumulative) over the last 20 years.



Lea County Economic Profile – Earnings (by Education Level)

- When controlling for education, workers in Lea make more than their statewide and US peers;
- The difference in pay (relative to the NM median) is large with workers in Lea earning roughly \$10,000 more than their statewide peers.



Lea County Economic Profile - Employment

- As measured by employment, the Mining, Oil & Gas sector is the most important by far in Lea County, with this sector accounting for 1 in 5 jobs (22.5%);
- Notably, Oil & Gas sector jobs in Lea County account for 26.6% of jobs in this sector statewide;
- Other important sectors in Lea as measured by employment are Retail Trade (3,220 jobs; 12.9%), Health Care (2,742; 11.0%), Construction (2,131; 8.5%), and Accommodation & Food Services (2,109; 8.4%); these sectors account for 4 out of 10 jobs in Lea.

Geography	Employment		Percent		
	NM	Lea	NM	Lea	Diff.
Ag, Forestry, Fish, Hunt	8,304	473	1.5%	1.9%	-0.2%
Mining, Oil & Gas	21,100	5,621	3.7%	22.5%	18.8%
Utilities	3,939	297	0.7%	1.2%	0.5%
Construction	37,840	2,131	6.6%	8.5%	1.9%
Manufacturing	31,851	767	5.6%	3.1%	-2.5%
Wholesale Trade	21,420	1,040	3.8%	4.2%	0.4%
Retail Trade	89,446	3,220	15.7%	12.9%	-2.8%
Transp and Warehousing	18,083	1,186	3.2%	4.7%	1.6%
Information	13,009	343	2.3%	1.4%	-0.9%
Finance and Insurance	20,934	639	3.7%	2.6%	-1.1%
Real Estate, Rental, Leasing	9,304	477	1.6%	1.9%	0.3%
Prof, Scientific, Technical Svcs	53,797	984	9.4%	3.9%	-5.5%
Mgmt of Cos	5,029	187	0.9%	0.7%	-0.1%
Admin, Support, Waste Mgmt, Remed	37,125	1,579	6.5%	6.3%	-0.2%
Educational Services	8,360	161	1.5%	0.6%	-0.8%
Health Care	96,176	2,742	16.9%	11.0%	-5.9%
Arts, Entertainment, and Recreation	6,846	229	1.2%	0.9%	-0.3%
Accommod & Food Svcs	68,185	2,109	12.0%	8.4%	-3.5%
Other Services (ex-PA)	19,469	804	3.4%	3.2%	-0.2%

Lea County Economic Profile – Housing Market

- On an absolute basis, Lea County median home prices (px) have not experienced the same strength as other markets in New Mexico;
- In fact, according to the most recent NM Realtors Association information, median prices declined slightly in Lea from 2020 to 2021.

<u>County</u>	<u>Y/Y % Change</u>	<u>2020 Year To Date</u>		<u>2021 Year To Date</u>	
		<u>Sales</u>	<u>Median Px</u>	<u>Sales</u>	<u>Median Px</u>
<i>Lea County</i>	-7.3%	530	\$ 205,000	573	\$ 190,000
Eddy County	-7.3%	700	\$ 258,838	613	\$ 240,000
Dona Ana	23.5%	1,579	\$ 200,000	2,576	\$ 247,000
New Mexico	14.2%	26,075	\$ 240,000	27,085	\$ 274,000

Lea County Economic Profile – Housing Market

- When considering housing affordability (Median Home Value/Median Household Income), the Lea housing market is among one of the most affordable in New Mexico;
- At 2.2, Lea is well below the statewide (3.4) and US (3.5) housing affordability ratios.

Geography	Home Val.	HH Income	Affordability	Geography	Home Val.	HH Income	Affordability
Taos	239,500	38,329	6.2	San Juan	151,200	50,518	3.0
Santa Fe	291,800	61,200	4.8	Luna	86,900	29,360	3.0
San Miguel	135,000	30,946	4.4	Socorro	124,100	42,083	2.9
Lincoln	193,900	46,216	4.2	Valencia	142,600	48,945	2.9
Rio Arriba	167,300	39,952	4.2	Colfax	104,800	36,302	2.9
Catron	175,400	41,910	4.2	Curry	125,000	45,092	2.8
Mora	112,300	28,446	3.9	Roosevelt	118,200	42,702	2.8
Sierra	117,400	29,755	3.9	Otero	112,400	41,988	2.7
Bernalillo	199,300	53,329	3.7	Chaves	108,700	43,359	2.5
Dona Ana	147,400	40,973	3.6	Quay	72,700	29,035	2.5
Harding	102,400	29,375	3.5	Los Alamos	302,800	121,324	2.5
United States	217,500	62,843	3.5	Union	88,000	35,884	2.5
New Mexico	171,400	49,754	3.4	Eddy	155,900	65,328	2.4
Guadalupe	85,000	24,798	3.4	Lea	133,100	60,546	2.2
De Baca	106,300	31,625	3.4	Cibola	84,400	39,413	2.1
Grant	125,100	37,843	3.3	Hidalgo	86,000	42,526	2.0
Torrance	114,300	36,120	3.2	McKinley	64,800	33,834	1.9
Sandoval	200,900	63,802	3.1				

Lea County Demographics - Population

- Lea's population was the fastest growing in the last ten years, increasing at a rate more than 5 times (15%) faster than the statewide growth rate of 2.7%;
- This is particularly notable given that many counties in the state experienced shrinking populations (some in the double digits) and shrinking GSP growth;
- The main driver of this growth is births (relative to the number of deaths) and, to a lesser degree, inward migration;
- The Lea County population is younger than the statewide averages with nearly 1/3rd of the population under the age of 18, compared to less than 1/4th in New Mexico;
- The Median age in Lea is 32 compared to 38 for New Mexico, and the County (16%) has fewer seniors (over the age of 60) than the state (24%);

Economic Impacts – Employment & Output

- Economic activity in Lea contributed an average of 29,600 jobs per year over the last 5 years directly with a multiplier of 1.77, which has helped to support an additional 22,000 jobs;
- The total economic impact for Lea over the last five years averaged \$9 billion.

(Employment)

<u>Impact Type</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>5YR Avg.</u>
Direct Effect	27,410	28,425	31,636	32,888	27,959	29,664
Indirect Effect	9,549	9,857	11,217	11,656	9,597	10,375
Induced Effect	11,330	11,754	13,345	13,917	11,459	12,361
Total Effect	48,288	50,036	56,197	58,460	49,014	52,399
Multiplier	1.76	1.76	1.78	1.78	1.75	1.77

(Output)

<u>Impact Type</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>5YR Avg.</u>
Direct Effect	5.17	5.36	6.11	6.38	5.17	5.64
Indirect Effect	1.62	1.66	1.89	1.97	1.62	1.75
Induced Effect	1.51	1.55	1.76	1.84	1.51	1.64
Total Effect	8.30	8.57	9.76	10.19	8.30	9.02
Multiplier	1.61	1.60	1.60	1.60	1.61	1.60

Economic Impacts - Industry

- On an industry level, oil & gas drilling made a large contribution (approx. \$2 billion) as well as Support activities for oil & gas operations (\$309 million);
- Other important contributors are wholesale trade, health care, construction, and truck transportation.

Sector	Employment	Labor	Output
Drilling oil and gas wells	5,638	\$499.1	\$1,975.8
Full-service restaurants	3,195	\$67.4	\$143.9
Elementary and secondary schools	2,248	\$88.4	\$135.2
Offices of physicians	2,198	\$185.4	\$274.1
Support activities for oil and gas operations	1,816	\$138.7	\$309.1
Construction of new highways and streets	1,653	\$73.2	\$262.9
Truck transportation	1,571	\$96.3	\$266.9
Wholesale trade	1,517	\$86.7	\$315.1
Employment services	1,377	\$54.6	\$97.1
Other local government enterprises	1,185	\$72.1	\$305.0

*Labor Income and Output in \$millions

Fiscal Impacts – Severance Taxes

- We looked at fiscal impacts and found that Lea contributed \$852 million in Severance Tax revenues, which accounted for more than half (53.5%) of total New Mexico revenues (\$1.59 billion);

<u>County</u>	<u>School</u>	<u>Severance</u>	<u>Production</u>	<u>Conservation</u>	<u>Total</u>	<u>Pct.%</u>
Lea	325.62	371.83	135.62	18.84	851.91	53.5%
Eddy	257.18	285.96	82.17	14.49	639.80	40.2%
San Juan	20.41	20.10	7.27	1.02	48.80	3.1%
Rio Arriba	14.27	13.57	5.53	0.69	33.78	2.1%
Other counties	7.37	8.11	2.68	0.41	18.56	1.2%
Total	624.85	699.57	233.27	35.44	1,592.86	100%

Fiscal Impacts – Ad Valorem (Equipment & Production)

- Lea contributed most of the Equipment (57.5%) & Production (45.3%) Ad Valorem taxes in the state (2020), or \$30.61 million and \$133 million, respectively.

(Equipment)

County	2016	2017	2018	2019	2020	Pct.%	5YR Avg.
Lea	9.88	9.12	15.96	26.00	30.61	57.5%	18.31
Eddy	7.43	6.43	9.80	15.88	18.21	34.2%	11.55
Other	5.09	3.94	5.49	6.22	4.45	8.4%	5.04
Total	22.41	19.49	31.25	48.10	53.27	100.0%	34.90

(Production)

County	2016	2017	2018	2019	2020	2020 Pct.%	5YR Avg.
Lea	48.79	44.30	67.34	110.25	133.13	45.3%	80.76
Eddy	37.06	31.39	40.66	69.68	83.24	28.3%	52.41
Other	30.29	24.14	27.33	31.05	77.41	26.3%	38.04
Total	116.14	99.84	135.33	210.98	293.78	100.0%	171.21

Fiscal Impacts – Gross Receipts

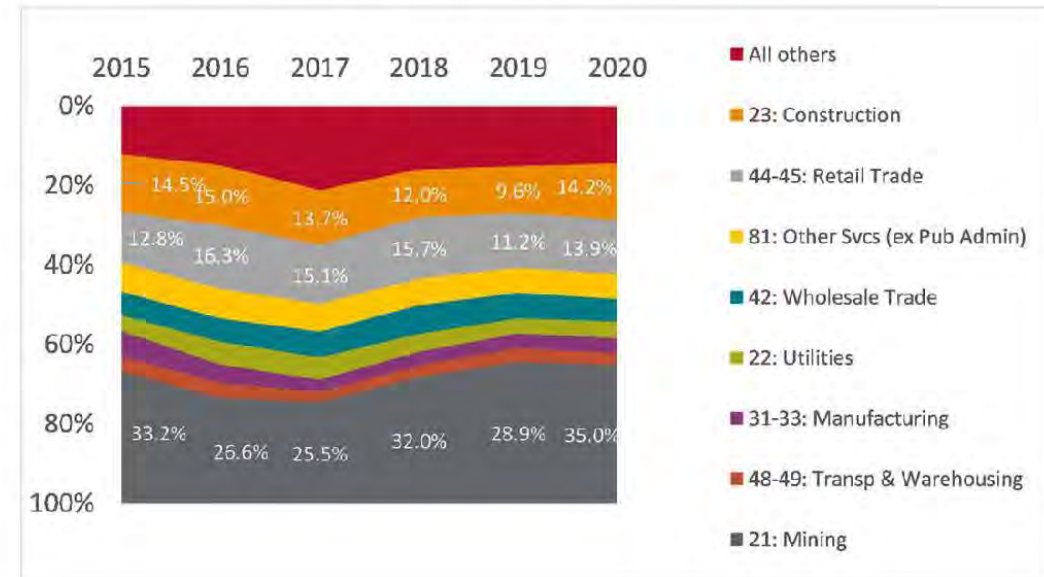
- In the last 5 years, Lea accounted for roughly 40-50% of GRT in the Mining, Oil & Gas sector in New Mexico, depending on the year;
- Lea accounted for 6-10% of total GRT collected in New Mexico in the last 5 years.

	2015	2016	2017	2018	2019	2020
State	3,813,816,289	3,718,391,593	3,817,382,364	4,284,068,139	8,781,692,788	5,705,154,596
Lea County	386,484,929	232,004,645	238,435,079	328,651,797	556,783,350	468,158,045
Pct.%	10%	6%	6%	8%	6%	8%
Mining						
State	263,235,071	144,008,208	143,953,138	286,307,230	404,875,184	427,751,013
Lea County	128,480,642	61,796,729	60,903,363	105,119,917	160,975,055	163,705,077
Pct.%	49%	43%	42%	37%	40%	38%

Fiscal Impacts – Gross Receipts

- In Lea, Mining, Oil & Gas accounts for nearly 1/3rd of GRT (30%);
- Construction and Retail Trade were the next largest contributors, accounting for 13.2% and 14.2%, respectively.

Sector	2015	2016	2017	2018	2019	2020	5YR Avg.
21: Mining	128.48	61.80	60.90	105.12	160.98	163.71	113.50
23: Construction	55.95	34.83	32.65	39.33	53.38	66.37	47.09
44-45: Retail Trade	49.60	37.74	36.01	51.55	62.18	65.17	50.37
81: Other Services (ex Pub Admin)	28.01	17.28	16.47	21.98	28.30	28.72	23.46
42: Wholesale Trade	23.42	13.75	15.60	23.71	29.36	26.93	22.13
22: Utilities	14.98	13.42	13.55	14.91	17.47	19.46	15.63
31-33: Manufacturing	24.94	10.59	7.24	11.45	16.32	17.66	14.70
48-49: Transp & Warehousing	14.78	8.95	6.33	9.53	15.88	13.98	11.57
All others	47.59	35.04	51.05	53.11	69.05	68.28	54.02
Total	386.48	232.00	238.44	328.65	556.78	468.16	368.42



Fiscal Impacts – Gross Receipts (Correlations)

- Not surprisingly, using GRT data, most sectors are highly correlated with the Mining, Oil & Gas sectors;
- More than half exhibit a correlation with the Oil & Gas sector of 0.7 or higher.

Sector	Mining	Sector	Mining
21: Mining	1.00	62: Health Care and Social Assist	0.73
54: Prof, Scien, and Tech Svcs	0.98	31-33: Manufacturing	0.70
44-45: Retail Trade	0.97	99: Unclassified	0.63
81: Other Svcs (ex Pub Admin)	0.97	11: Ag, Forestry, Fishing and Hunting	0.59
72: Accommodation and Food Svcs	0.97	92: Public Administration	0.55
42: Wholesale Trade	0.96	52: Finance and Insurance	0.48
23: Construction	0.92	61: Educational Services	0.48
22: Utilities	0.92	55: Mgmt of Cos and Enterprises	0.45
48-49: Transp & Warehousing	0.91	71: Arts, Entertainment, and Rec	0.38
53: Real Estate Rental and Leasing	0.85	56: Admin Support, Waste Mgmt, Re	-0.02
51: Information	0.83	TOTAL	0.96

Fiscal Impacts – Per Capita Taxes

- On a per capita basis, citizens of Lea County make a larger contribution to tax revenues than the statewide average;
- The per capita contribution of Lea citizens was 19,089 compared to the statewide contribution of 3,512.

<u>Tax Type</u>	<u>Taxes Paid</u>		<u>Taxes Paid Per Capita</u>	
	<u>NM</u>	<u>Lea</u>	<u>NM</u>	<u>Lea</u>
Severance Tax	1,592.9	851.9	760	11,987
Equipment (Ad Valorem)	53.3	30.6	25	431
GRT	5,705.0	468.0	2,721	6,585
Rentals & Royalties	12.26	6.13	6	86
Total	7,363	1,357	3,512	19,089
Population	NM: 2,096,829		Lea: 71,070	

Opportunities – Sector Growth & Location Quotients (LQ's)

- Using growth rates and Location Quotients over the last 10 years, we found most sectors that make up Lea County are exhibiting strong, robust growth;
- Only a handful of sectors are demonstrating weakness; these are: Arts, Entertainment, and Rec; Educational Services; Information; Manufacturing; and Admin, Support, Waste Management Remediation Services.

Sector	Growth Score	LQ Score
48-49 Transportation & Warehousing	276.37	8.88
72 Accommodation and Food Services	228.31	4.59
11 Agriculture, Forestry, Fishing, and Hunting	200.01	6.39
52 Finance and Insurance	183.08	2.80
55 Management of Companies and Enterprises	156.63	1.69
23 Construction	140.38	6.15
53 Real Estate Rental and Leasing	100.37	4.12
54 Professional, Scientific, and Technical Services	99.50	1.64
22 Utilities	96.36	11.03
44-45 Retail Trade	93.57	4.07
62 Health Care and Social Assistance	82.61	2.46
81 Other Services (ex Public Administration)	63.36	3.79
21 Mining	58.59	150.00
42 Wholesale Trade	29.56	3.25
56 Admin, Support, Waste Mgmt Remed Svcs	-10.35	2.98
31-33 Manufacturing	-72.48	2.41
51 Information	-77.27	1.26
61 Educational Services	-198.32	0.70
71 Arts, Entertainment, and Recreation	-212.62	1.16

Opportunities – BBER Employment Forecasts

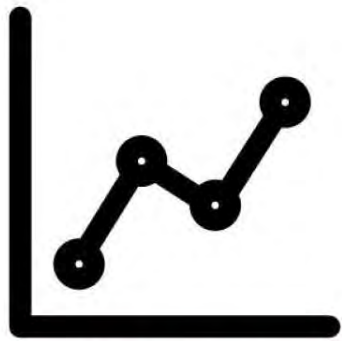
- BBER forecasts employment five years out for the Lea and Eddy counties;
- The greatest forecasted growth over the next 5 years by sector are:
 - Mining
 - Construction
 - Accommodation & Food Services
 - Healthcare
 - Professional & Technical Services
 - Transportation & Warehousing

Sector	2021	2026	Change	Chg.%	Sector	2021	2026	Change	Chg.%
Total Employment	55,150	61,911	6,761	12%	Ag, Forest, Fish & Hunt	741	801	60	8%
Private Employment	47,930	54,253	6,323	13%	Utilities	626	656	30	5%
Mining	10,734	12,496	1,761	16%	Information	301	323	22	7%
Construction	5,238	6,719	1,482	28%	Finance & Insurance	1,153	1,170	16	1%
Accommodation & Food Svcs	4,879	5,943	1,064	22%	Educational Services	254	268	15	6%
Healthcare & Soc Assist	4,866	5,336	471	10%	Arts, Entertainment & Rec	107	118	11	10%
Professional & Tech Svcs	1,888	2,338	450	24%	Mgmt of Cos & Enterprises	274	272	(2)	-1%
Transp & Warehousing	2,845	3,272	426	15%	Retail Trade	6,196	6,114	(82)	-1%
Admin & Waste Svcs	2,583	2,757	174	7%	Government Employment	7,220	7,659	438	6%
Wholesale Trade	1,385	1,532	148	11%	Local Government	5,754	6,197	443	8%
Other Services & Unclassified	1,293	1,419	125	10%	State Government	689	691	2	0%
Manufacturing	1,626	1,702	76	5%	Federal Government	777	770	(7)	-1%
Real Estate, Rental & leasing	941	1,016	76	8%					

<p><u>Strengths</u></p> <ul style="list-style-type: none"> •Low poverty rates; •Young population (compared to U.S. and NM); •Low unemployment rate (lower than U.S. and NM averages); •Existing industrial and commercial infrastructure: EnergyPlex Park, Lovington Industrial Park, Industrial AirPark; •Good broadband infrastructure; •CTech Center -- good coordination b/w local business and schools; •Manufacturing base not 100% linked to Oil & Gas industry; •Emergent non-Oil & Gas Energy-related opportunities; •Expansion of Health Care facilities; •Sectors experiencing strong employment growth, wage growth and related business strength (relative to national and statewide averages (LQ's)) are: Construction; Agriculture; Transportation & Warehousing; Accommodation and Food Services; Finance and Insurance; Real Estate Leasing; Construction; Utilities; Other Services; Mining, Oil & Gas. 	<p><u>Weaknesses</u></p> <ul style="list-style-type: none"> •Many sectors exhibit large sensitivities with economic cycle (Coefficient of Variations): Manufacturing, Natural Resources (incl. Oil & Gas), Transportation; •Large changes in unemployment rate due to prominence of economically sensitive sectors; •Sectors experiencing weak to negative employment growth and low Location Quotients: Arts, Entertainment & Rec; Education Services; Information; Admin Support and Waste Remediation; Manufacturing; •BBER job expectations are weak for Finance & Insurance; Management of Companies; and Retail Trade (in part due to COVID); •
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> •Personal Income and average wage gains greater than NM and US over last 10 years; •Stronger earnings for Lea County workers, especially when controlling for educational attainment levels; •Sectors exhibiting lower sensitivity to economic cycle: Health Care, Education Services, Finance and Insurance; •IRB's and other economic incentives enabled and utilized; •Could grow Health Care sector with more Health Care related education programs; •Wind energy -- one of best counties in country for wind; •Emergent opportunities for bringing recycled water; •Sectors growing in employment but still weak (LQ's) relative to US and Statewide averages: Professional, Scientific, Technical Services; Management of Companies; Health Care; Retail Trade; Wholesale Trade; •BBER employment estimates are strong for: Mining, Oil & Gas, Construction; Accommodation & Food Services; Health Care; Professional & Technical Services; Transportation & Warehousing; •Non-Oil & Gas Energy opportunities like Uranco; •State interested in expanding Admin Waste and Remediation jobs. 	<p><u>Threats</u></p> <ul style="list-style-type: none"> •Water shortages; •Regulatory risks (e.g. zero omissions by 2050); •



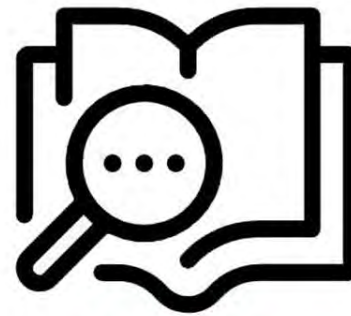
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ECONOMIC FORECAST



DATA DASHBOARDS



RESEARCH



DATA BANK



**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sslout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 01/27/2022		SUBMITTED BY Name, Title, Dept: Chip Low, Finance Director	
SUBJECT: Presentation of Lea County Economic Analysis		ATTACHMENT(S): Lea County Economic Analysis Report	
NO. OF ORIGINALS FOR SIGNATURE: None		ACTION REQUESTED: Discussion Item	
BUDGET LINE ITEM NUMBER: N/A		FISCAL BUDGET YEAR: N/A	
STRATEGIC PLAN Implementation of 5 Year Strategic Plan: Section 2.1: Collaboration & partnership with local communities, agencies and government entities is essential for success. Section 2.3: Continuous communication with the public is beneficial and necessary.			
SUMMARY: Presentation of "Lea County Economic Analysis" prepared by Julian Baca, M.A. and Dr. Michael O'Donnell, PhD (University of New Mexico Bureau of Business & Economic Research)			
Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: _____ <small>If checked, how many:</small>		See Additional Summary Attached <input type="checkbox"/>	
SUBMITTER'S RECOMMENDATION(S): Presentation		Submitter's Signature Department Director, Etc.	
FINANCE REVIEW Fiscal Impact/Cost:		Reviewed by Finance Director	
LEGAL REVIEW: (Note: Travel does not need legal review)		Reviewed by County Attorney	
COUNTY MANAGER REVIEW:		Approved by County Manager to be Placed on Agenda 	
Item No. 0201 RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN			
Approved: _____ Resolution No. _____ Continued To: _____		Denied: _____ Policy No. _____ Referred To: _____	
		Other: <u>Presentation</u> Ordinance No. _____ Comments: _____	



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Lea County Economic Analysis

Prepared for the Lea County

Julian Baca, M.A.

Dr. Michael O'Donnell, PhD

NOVEMBER 2021 (REV JAN. 2022)

Executive Summary

The primary driver of the Lea County economy is the Oil & Gas industry; however, there are other industry sectors that also help to support the local economy. Based on 2019 BEA Gross State Product (GSP) data, the Oil & Gas industry, via mining and production activities, accounted for 78% (\$7.2 billion) of the total output for Lea County. The second most important industry after Oil & Gas was the Finance, Insurance, Real estate, Rental and Leasing at 5% of GSP (\$485 million). Again considering GSP, Construction (3%, \$243.4 million), Manufacturing (3%, \$318.6 million), Transportation & Warehousing (3%, \$258.4 million), Government and Government Enterprises (3%, \$298.4 million) combined for 12% (\$1.1 billion).

In terms of employment, Oil & Gas is the largest sector; however, other industry sectors make important contributions. Although the Oil & Gas industry accounts for 4 out of 5 dollars of total output and more than 1 in 5 jobs in Lea, other industry sectors that are important drivers as measured by employment are Retail Trade (3,220 jobs; 12.9%), Health Care (2,742; 11%), Construction (2,131; 8.5%), and Accommodation & Food Services (2,109; 8.4%); these sectors account for 4 out of 10 jobs in Lea.

When considering Gross Receipts Taxes by industry sector, the Oil & Gas industry accounts for nearly 1/3rd of revenues generated in Lea County; base level of revenues by 2-digit NAICS for other important sectors are: Construction (13.2%, \$47.1 mm), Retail Trade (14%, \$50.37 mm). Additional sectors making contributions were Other Services (6.6%, \$23.46 mm), Wholesale Trade (6.1%, \$22.13 mm), Utilities (4.5%, \$15.63 mm), Manufacturing (4%, \$14.7 mm), Transportation & Warehousing (3%, \$11.57 mm). The remaining sectors accounted for 15.3% (\$54.02 mm) of revenues. For most current available data, FY2020, Lea Gross Receipts Tax totaled \$468 million.

On a forward basis, BBER completes estimates for the major oil-producing areas of the state: Lea and Eddy Counties. According to these estimates, over the next five years, most employment growth will occur in the Oil & Gas sector for Lea and Eddy counties. Other sectors expected to grow are Construction, Accommodation & Food Services, Healthcare, Professional & Technical Services, and Transportation & Warehousing. Sectors expected to grow at slower rates are Wholesale Trade; Other Services; and Arts, Entertainment & Recreation. Sectors with low growth expectations are Finance & Insurance; Management of Companies; and Retail Trade.

Oil & Gas production in Lea will begin to decline at some point in the future as reserves are drawn down. Regulatory risks and water scarcity are other potential risks/threats to future growth. Yet, local business, education, and economic development leaders are actively working to diversify the local economy. Much of these efforts have culminated in the construction, operation, and oversight of the CTech facility, which seeks to bridge workforce development efforts between the private, public, and education sectors.

Other areas of opportunity and growth are the investment in new infrastructure to make way for the deepening of economic growth opportunities and enabling new ones. Health Care, Natural Resource-related opportunities, and non-Oil & Gas energy development are possible areas of growth for the area.

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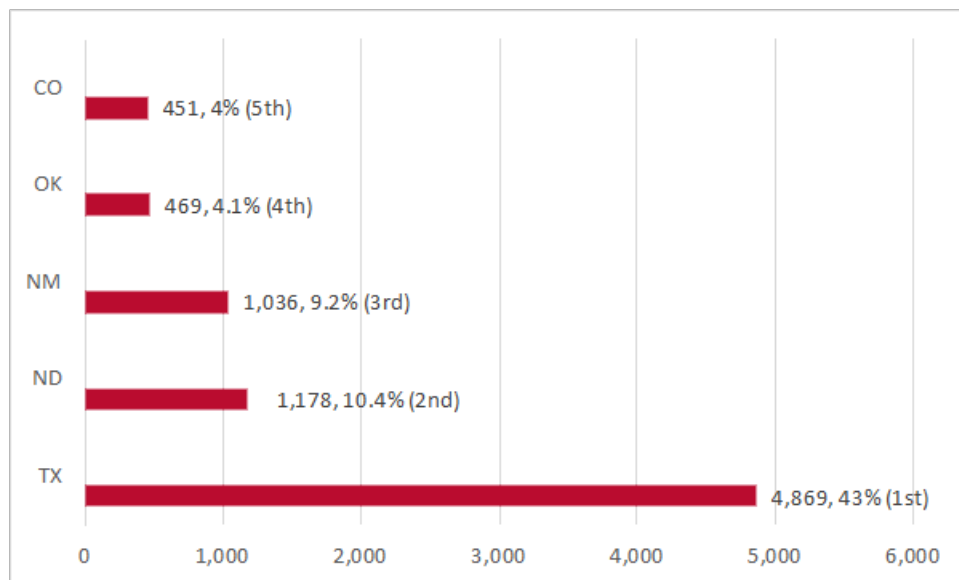
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Introduction

Lea County is situated on the western part of the Permian Basin, which is one of the most important crude oil producing regions in the country. The Permian accounts for one-third of total production in the United States. Strong production in Lea and Eddy Counties have caused New Mexico to rank third among all other states in the country in production in 2020. Lea County has ranked among the top 3 crude oil producing US counties over the last several years, ranking 1st in December 2019 and January 2020¹.

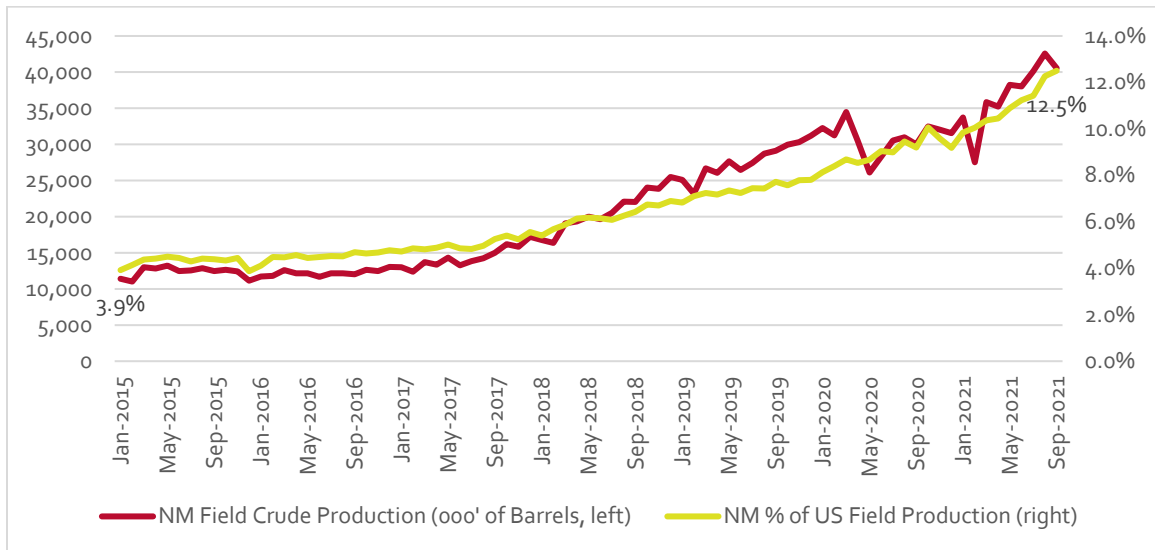
Figure 1: Top 5 States by Crude Oil Production (1,000 barrels per day), Percent of US Total, and US Rank, 2020



The Oil & Gas sector, which dates back 100 years in this area of the state, is the single largest driver for Lea County as measured by Gross State Product (GSP) and employment. This sector also contributes to the statewide economy in terms of economic output as well as the generation of vital tax revenues that support vital public services like education, funding public works, infrastructure, and public safety expenditures. Oil production has increased substantially over the last several years in New Mexico, with most of this supply coming from the southeastern part of the state where production reached an all-time high, exceeding 42,500 thousand barrels in July 2021. Importantly, whereas New Mexico only accounted for about 3.9% of all US field production in 2015, the state now accounts for roughly 12.5% of all US production. (Figure 2)

¹ <https://www.hobbsnews.com/2020/03/27/lea-county-is-nations-no-1-oil-producer/>

Figure 2. New Mexico Crude Oil Production



Source: Energy Information Administration (EIA)

The present study demonstrates that:

- 1) Lea County is a critical contributor to the NM economy;
- 2) Lea County contributes significantly to the state's finances;
- 3) Lea's robust growth has caused the County to outperform the rest of the state on all key economic and demographic metrics over the last several decades;
- 4) The strength of the Oil & Gas sector has driven the robust growth experienced by Lea.
- 5) Although Lea has experienced the robust growth out of all New Mexico economies, as many elected and business leaders realize, they will have to look for opportunities to diversify and broaden the local economy to allow them to stay on their growth path.

This report is organized into four sections. The first reviews the demographic data for the county in relation to the broader New Mexico economy. Section two examines the economic data from various sources; key sources considered include: Energy Information Administration, Bureau of Economic Analysis, US Census, NM Department for Workforce Solutions, NM Tax & Revenue Department, NM Department of Finance Administration, and proprietary BBER data. Section three and four consider the manner in which Lea County contributes to the broader state economy in terms of fiscal and economic impacts. And the final section reviews quantitative and qualitative data as it relates to potential economic opportunities.

Demographic Profile

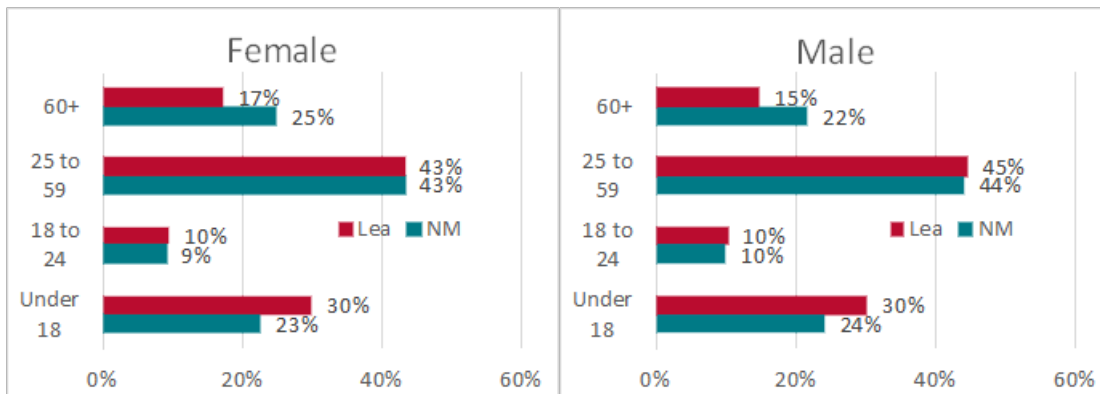
Considering the US Census Bureau's estimates for components of population change (2010-2019), while the populations for most NM counties contracted over the last decade, Lea County grew by roughly 10%, which made Lea the fastest growing county in New Mexico. In contrast, the statewide population grew by 1.6% with Eddy second in growth at 8.6%. Notably, several New Mexico counties experienced contracting populations in the double digits. Natural increases accounted for most of the increase in population, as there were twice as many births (10,032) as the number of deaths (4,735). Net inward migrations (nearly all international) also contributed 1,110. The release of the most recent 2020 decennial Census shows that Lea grew significantly more than the 2019 estimate, reaching 74,455, which shows that the County grew by 15% over the last 10 years. This contrasts with the statewide New Mexico population growing of 2.7% over the same period.

Figure 3: Population Estimates for NM and Lea County by Components, 2010 & 2019

<u>Total</u>	<u>New Mexico</u>	<u>Lea County</u>
2019-2010 Change	32,277	6,343
2019 est	2,096,829	71,070
2010 census	2,064,552	64,727
Natural Increases		
Total	74,679	5,297
Births	236,548	10,032
Deaths	161,869	4,735
Net Migration		
Total	(36,933)	1,110
International	26,589	1,090
Domestic	(63,522)	20
Residual	(116)	65

The Lea County population is younger than the statewide averages with nearly 1/3rd of the population in Lea under the age of 18 compared to less than 1/4th for NM. The median age in Lea is 32 compared to 38 for NM and the state has a larger percentage of its population over the age of 60 compared to Lea County.

Figure 4: Lea and New Mexico Population by Age Group and Gender, 2019



We also considered housing, poverty, and education statistics for the region. We found that Lea owner occupancy has trended slightly lower over the last five years, falling from 69.5% in 2015 to 66.8% by 2019. (Figure 4) This may be due to the nature of oil & gas work, many of the workers not relocating their families, but instead seeking temporary housing. The data also show that the number of people per household is higher in Lea with 1 in 3 households having 4 or more residents compared to 1 in 5 statewide. (Figure 5)

Figure 5: Home Ownership Rates for NM and Lea County, 2015-2019

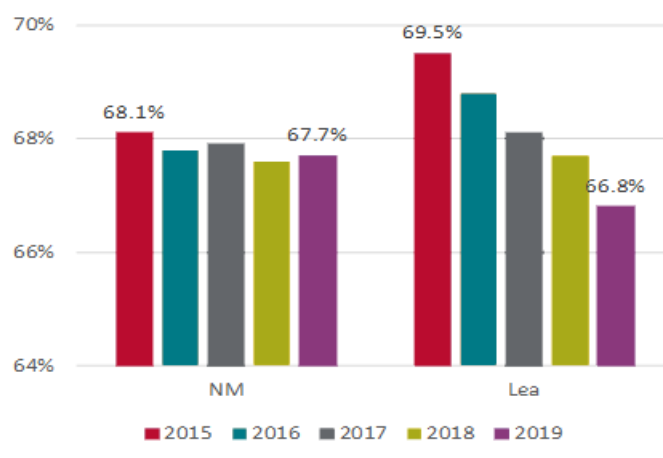
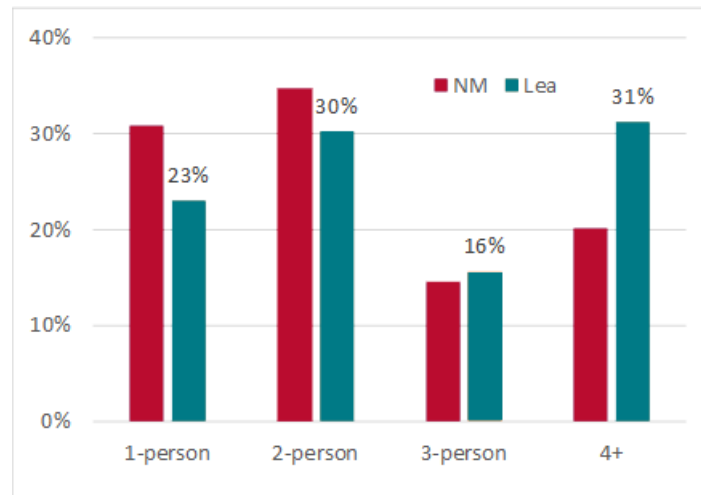


Figure 6: Household Size for NM and Lea, 2019



Lea County has lower poverty rates for children under 18 and the working age population (18 to 64); seniors, people 65+ in Lea experience a slightly higher poverty rate than the statewide average. (Figure 7) Nearly 3 in 5 people in Lea County have some high school or a diploma compared to 2 in 5 for NM and the US. College educational attainment levels are slightly lower for Lea compared to the US and NM. Hobbs superintendent, Gene Strickland, observes that because high school seniors can start working in the oil fields at the age of 18, many leave school before finishing to begin making money. (Figure 8)

Figure 7: Poverty Rate for NM and Lea by Age Group, 2019

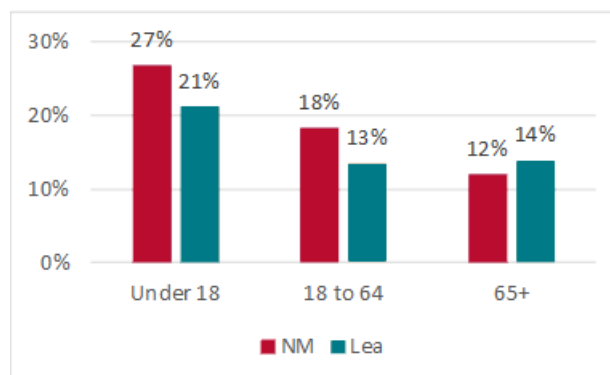
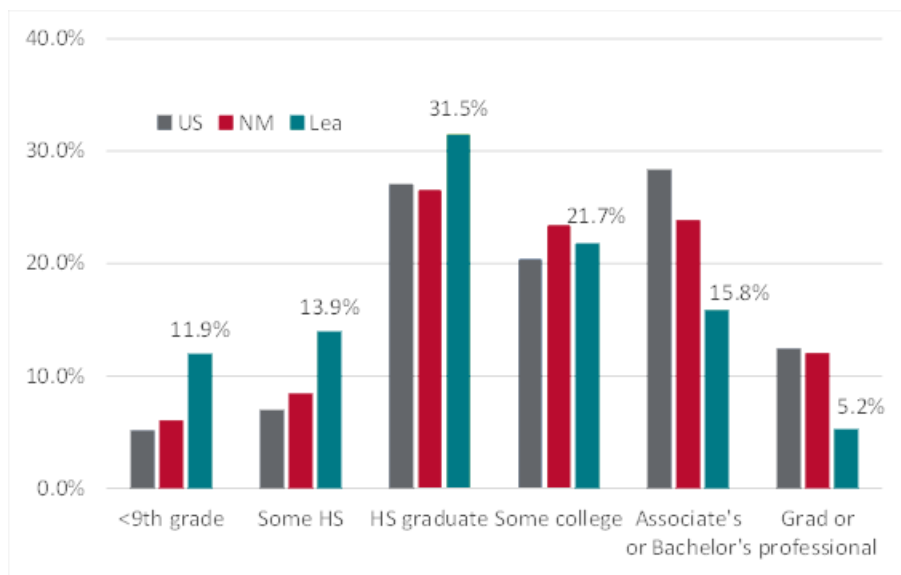


Figure 8: Educational Attainment for Population 25 Years and Older



Economic Profile

New Mexico Gross State Product (GSP), an important measure of economic activity, totaled \$95.731 billion in 2020. Lea County contributed \$9.292 billion, or 9.4% of the total state output. Considering GSP data over the last 15 years, the state has grown at a rate of roughly 1% per year. Lea, the fastest growing county in New Mexico, expanded by 8% per year over the same time period. Lea County's contribution to the statewide GSP expanded over the last 15 years from 4% to over 9% by 2019. (Figure 8)

Figure 9: New Mexico and Lea County GDP, 2005-2020

	<u>NM</u>	<u>Lea</u>	<u>Lea/NM</u>	<u>NM Gr. Rt.</u>	<u>Lea Gr. Rt.</u>
2001	72,027	3,080.27	4.3%		
2002	74,242	3,161.87	4.3%	3.1%	2.6%
2003	77,088	3,020.75	3.9%	3.8%	-4.5%
2004	82,785	3,194.60	3.9%	7.4%	5.8%
2005	83,794	3,392.12	4.0%	1.2%	6.2%
2006	85,852	4,181.45	4.9%	2.5%	23.3%
2007	86,475	4,588.95	5.3%	0.7%	9.7%
2008	85,938	4,486.06	5.2%	-0.6%	-2.2%
2009	87,637	4,566.34	5.2%	2.0%	1.8%
2010	87,054	4,447.02	5.1%	-0.7%	-2.6%
2011	87,225	4,793.39	5.5%	0.2%	7.8%
2012	87,645	5,325.39	6.1%	0.5%	11.1%
2013	86,625	5,569.35	6.4%	-1.2%	4.6%
2014	89,372	6,069.67	6.8%	3.2%	9.0%
2015	91,680	6,568.44	7.2%	2.6%	8.2%
2016	91,714	6,054.18	6.6%	0.0%	-7.8%
2017	91,772	6,420.70	7.0%	0.1%	6.1%
2018	93,871	7,546.59	8.0%	2.3%	17.5%
2019	98,766	9,291.72	9.4%	5.2%	23.1%
2020	95,731	Annual Growth Rate:		2%	7%

BBER also considered the composition of GSP in Lea County by industry sector, which shows that the Mining, quarrying, and oil and gas extraction sector accounts for roughly half of Lea County GSP. As the BEA data shows, other important sectors are Finance, insurance, and real estate (7%), Government (5%), Transportation and warehousing (4%), Construction (4%), and Manufacturing (4%). These sectors combined for 25% of GSP in 2019 in Lea County. The remaining sectors each account for 1-3% and combined for 19% of total GDP for the county.

Figure 10: Lea County GDP by NAICS Sector, 2019

<u>Industry Sector</u>	<u>\$thous 2019</u>	<u>Pct. %</u>
All industry total	9,291,716	
Private industries	9,030,971	97%
Agriculture, forestry, fishing and hunting	181,531	2%
Mining, quarrying, and oil and gas extraction	7,202,498	78%
Utilities	221,981	2%
Construction	243,413	3%
Manufacturing	318,573	3%
Wholesale trade	155,764	2%
Retail trade	229,469	2%
Transportation and warehousing	258,437	3%
Information	46,137	0%
Finance, insurance, real estate, rental, and leasing	485,035	5%
Professional and business services	176,823	2%
Ed services, health care, and social assistance	144,505	2%
Arts, entertain, recreation, accommodation, and food	126,592	1%
Other services (except government and government	86,043	1%
Government and government enterprises	298,451	3%

We assessed the most economically sensitive sectors by calculating Coefficient of Variations of BEA GSP data over the last 20 years. Using these data, we found that the most volatile sectors are related to manufacturing, natural resources and mining, arts & entertainment, transportation and utilities, management of companies, and construction. The lowest volatility sectors are education, health care, government, finance and insurance.

Figure 11: New Mexico and Lea County GSP, 2005-2020

<u>High Volatility</u>	<u>CV</u>	<u>Low Volatility</u>	<u>CV</u>
Manufacturing	0.624	Professional and business services	0.251
Natural resources and mining	0.610	Retail trade	0.199
Arts, entertainment, and recreation	0.533	Finance and insurance	0.195
Transportation and utilities	0.514	Wholesale trade	0.142
Mining, quarrying, and oil and gas extraction	0.508	Other services (ex gov)	0.091
Management of companies and enterprises	0.456	Ed svcs, health care, and social assist	0.069
Construction	0.443	Government	0.057
Agriculture, forestry, fishing and hunting	0.410	Health care and social assistance	0.050
Information	0.361	Educational services	0.046

(Bureau of Economic Analysis)

Given the highly cyclical nature of the global commodity markets, Lea County experiences large swings in employment, which contributes to large changes in the unemployment rate. Having said that, Lea County's unemployment rate was lower than the statewide average in 7 of the last ten years by as many as 2.5 points.

Figure 12: New Mexico and Lea County Employment, 2011-2020

	Labor Force		Employed		Unemployed		Unemp Rate		
	NM	Lea	NM	Lea	NM	Lea	NM	Lea	Diff.
2020	943,287	29,545	863,874	26,281	79,413	3,264	8.4%	11.0%	2.6%
2019	960,239	31,433	911,926	30,138	48,313	1,295	5.0%	4.1%	-0.9%
2018	947,642	30,186	900,803	28,936	46,839	1,250	4.9%	4.1%	-0.8%
2017	946,386	28,068	888,865	26,250	57,521	1,818	6.1%	6.5%	0.4%
2016	944,245	27,967	880,515	25,359	63,730	2,608	6.7%	9.3%	2.6%
2015	938,300	30,113	876,206	28,224	62,094	1,889	6.6%	6.3%	-0.3%
2014	931,950	30,890	870,570	29,550	61,380	1,340	6.6%	4.3%	-2.3%
2013	929,410	29,488	865,207	28,173	64,203	1,315	6.9%	4.5%	-2.4%
2012	928,762	28,373	863,937	27,061	64,825	1,312	7.0%	4.6%	-2.4%
2011	925,108	27,121	858,165	25,666	66,943	1,455	7.2%	5.4%	-1.8%

In New Mexico, the largest sectors as measured by private sector employment are Health Care, Retail Trade, and Accommodation & Food Services. These three sectors account for 96,176, 89,446, and 68,185 jobs, respectively, or more than 4 out of 10 (44.5%) private sector jobs statewide. The Mining, Oil & Gas sector is the most important by far in Lea, alone accounting for more than 1 in 5 jobs (22.5%). Lea County's Oil & Gas sector also accounts for 26.6% of jobs in this sector statewide. Other important sectors in the county as measured by employment are Retail Trade (3,220 jobs; 12.9%), Health Care (2,742; 11.0%), Construction (2,131; 8.5%), and Accommodation & Food Services (2,109; 8.4%); these sectors account for 4 out of 10 jobs in Lea.

Figure 13: NM and Lea County Employment by NAICS Sector, 2020

Geography	Employment		Percent		
	NM	Lea	NM	Lea	Diff.
Ag, Forestry, Fish, Hunt	8,304	473	1.5%	1.9%	-0.2%
Mining, Oil & Gas	21,100	5,621	3.7%	22.5%	18.8%
Utilities	3,939	297	0.7%	1.2%	0.5%
Construction	37,840	2,131	6.6%	8.5%	1.9%
Manufacturing	31,851	767	5.6%	3.1%	-2.5%
Wholesale Trade	21,420	1,040	3.8%	4.2%	0.4%
Retail Trade	89,446	3,220	15.7%	12.9%	-2.8%
Transp and Warehousing	18,083	1,186	3.2%	4.7%	1.6%
Information	13,009	343	2.3%	1.4%	-0.9%
Finance and Insurance	20,934	639	3.7%	2.6%	-1.1%
Real Estate, Rental, Leasing	9,304	477	1.6%	1.9%	0.3%
Prof, Scientific, Technical Svcs	53,797	984	9.4%	3.9%	-5.5%
Mgmt of Cos	5,029	187	0.9%	0.7%	-0.1%
Admin, Support, Waste Mgmt, Remed	37,125	1,579	6.5%	6.3%	-0.2%
Educational Services	8,360	161	1.5%	0.6%	-0.8%
Health Care	96,176	2,742	16.9%	11.0%	-5.9%
Arts, Entertainment, and Recreation	6,846	229	1.2%	0.9%	-0.3%
Accommod & Food Svcs	68,185	2,109	12.0%	8.4%	-3.5%
Other Services (ex-PA)	19,469	804	3.4%	3.2%	-0.2%

We also developed estimates using employment data by NAICS sector to identify “High” and “Low” volatility sectors. Again, manufacturing, natural resources and mining related, arts & entertainment, management, construction, and agriculture exhibited the highest variability. Low volatility sectors education related, health care, government, finance and insurance, wholesale trade.

Figure 14: NM and Lea County Employment Volatility by NAICS Sector, 2020

<u>Sector</u>	<u>CV</u>	<u>Sector</u>	<u>CV</u>
Transportation and warehousing	0.356	Admin, support, waste mgmt & remed	0.101
Manufacturing	0.346	Wholesale trade	0.079
Arts, entertainment, and recreation	0.314	Finance and insurance	0.075
Construction	0.287	Retail trade	0.072
Mining, quarrying, and oil and gas	0.243	Military	0.059
Management of companies and enterp	0.240	Other services (ex gov)	0.057
Accommodation and food services	0.237	State and local	0.039
Utilities	0.215	Educational services	0.038
Forestry, fishing, and related activities	0.185	Government	0.035
Real estate and rental and leasing	0.180	Health care and social assistance	0.027
Prof, scientific, and technical services	0.174		

Source: Bureau of Economic Analysis.

We also considered the largest individual employers in Lea by utilizing public and proprietary sources. According to these data, public entities are among the largest employers with Hobbs Municipal School district accounting for over 1,290 jobs, North-Lea Hospital District in Lovington (545), City of Hobbs (532), and Lea County (379), Lea Regional Medical Center (305) all making important contributions. The largest private employers are Walmart (380), Geo Group (312), Albertson’s (300), Watson (280), McDonald’s (240), and Urenco (235).

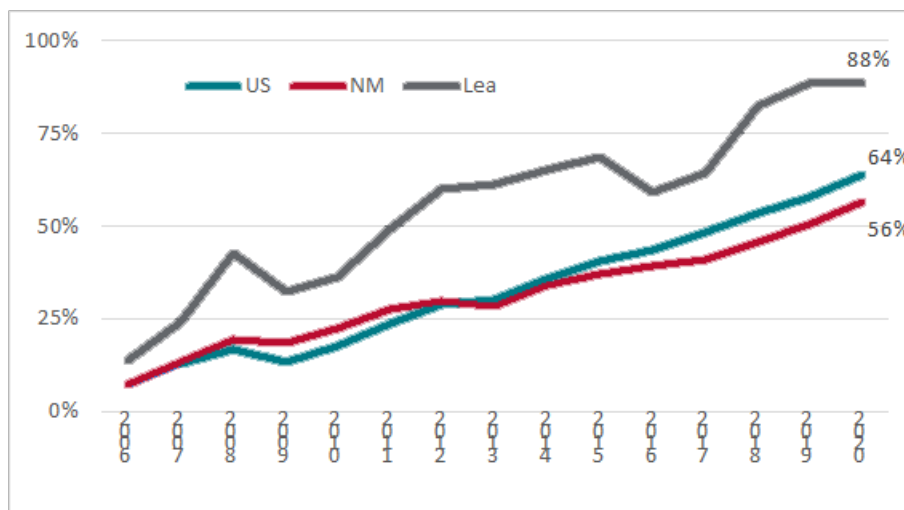
Figure 15: Largest Private and Public Employers in Lea County, 2020

<u>Company Name</u>	<u>Primary SIC Description</u>	<u>Jobs</u>
Hobbs Municipal Schools	Public Schools	1,290
Nor-Lea Hospital District	Hospitals	575
City of Hobbs	Local Government	532
Wal-Mart	Super Market & Grocery	380
Lea County	Local Government	379
Geo Group Correctional Facility	Private Corrections	312
Lea Regional Medical Center	Hospitals	305
Albertson's	Super Market & Grocery	300
Watson	Oil and Gas Pipeline and Related Structures Construction	280
NM Junior College	Public College	252
McDonald's	Restaurant	240
Urenco USA	Other Basic Inorganic Chemical Manufacturing	235
Zia Park Casino & Hotel	Casinos & Resorts	225
Covenant Hospital Hobbs	Hospitals	220
Mewbourne Oil	Crude Petroleum Extraction	175
RMS Foods (BOCA Burger)	All Other Misc Food Manufacturing	150
Ferguson Construction	Land Subdivision & Development, Construction	140
Ramirez & Sons Construction	Land Subdivision & Development, Construction	100

Source: Economic Development Corporation of Lea County.

The strength of the local economy in Lea County, driven by the Oil & Gas sector, has contributed to robust nominal Personal Income growth with this important measure increasing 88% cumulatively from 2006 to 2020. This is evident when comparing Lea data alongside national and statewide Personal Income, which grew by 64% and 56%, respectively.

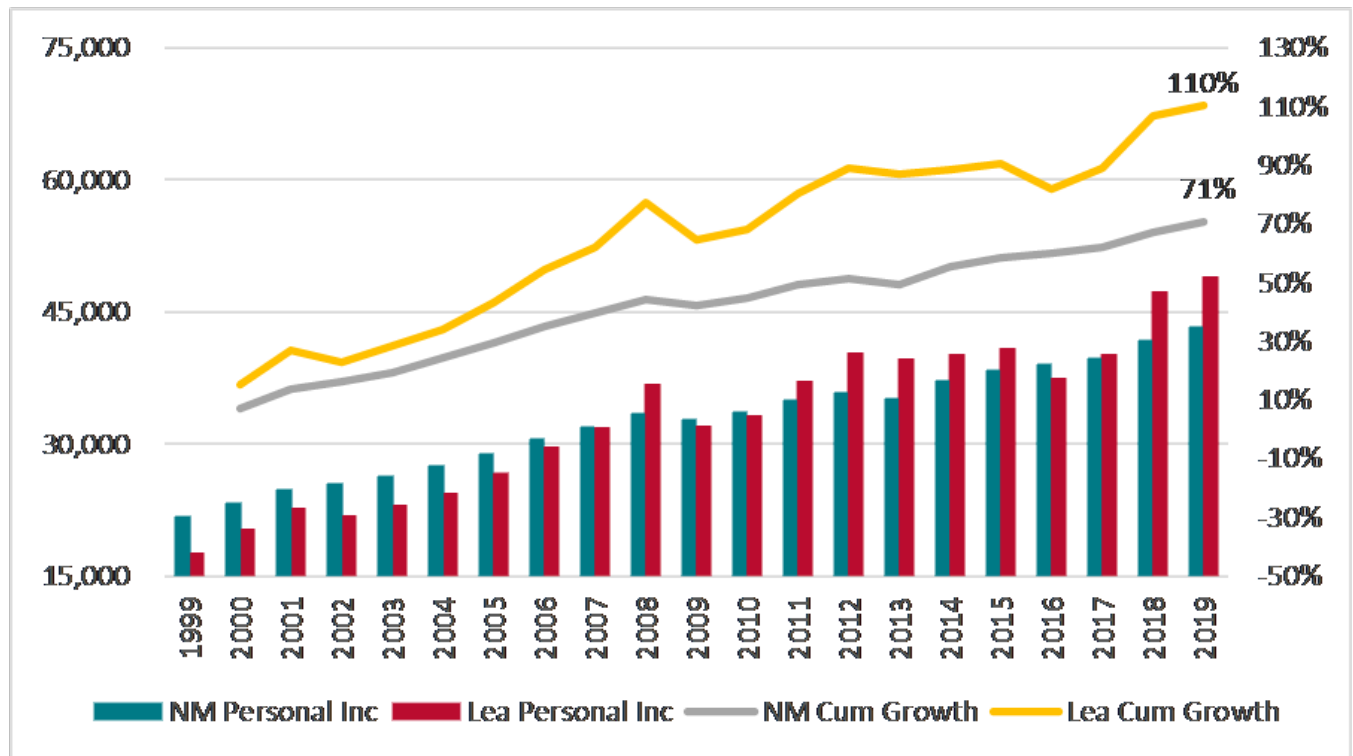
Figure 16: Nominal Personal Income Growth in US, NM and Lea County, 2006-2020



(Bureau of Economic Analysis)

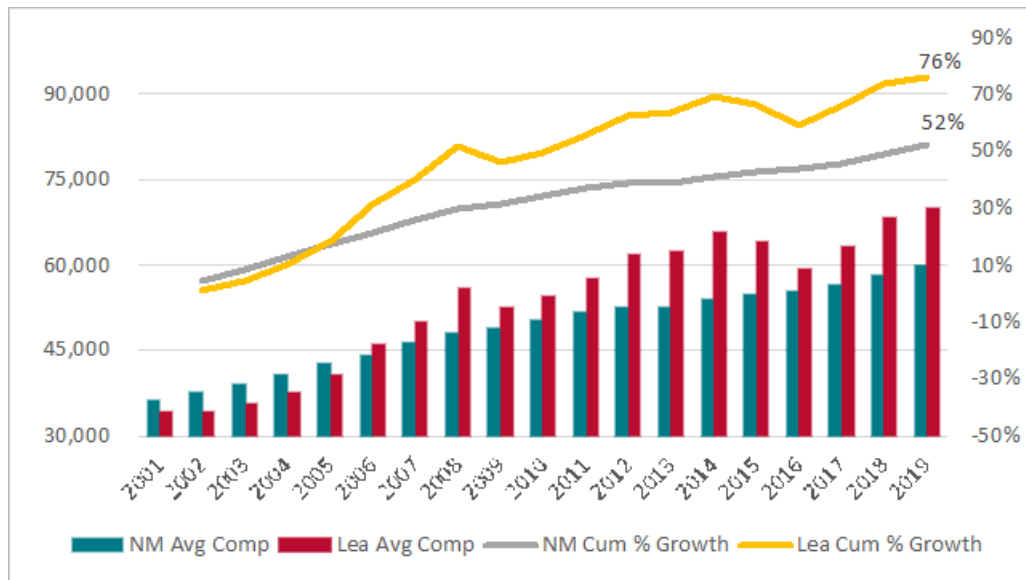
Adjusting for population levels, after lagging the statewide per capita income in the late 1990's and early 2000's, Lea County passed the New Mexico average in the last ten years with this metric standing at \$49,039 for Lea County compared to \$43,268 for New Mexico by 2019 (a differential of roughly \$6,000). Growth in Lea's Personal Income Per Capita was so robust that the cumulative growth surpassed the NM average by nearly 40 percentage points.

Figure 17: Personal Income Per Capita in NM and Lea County, 1999-2020



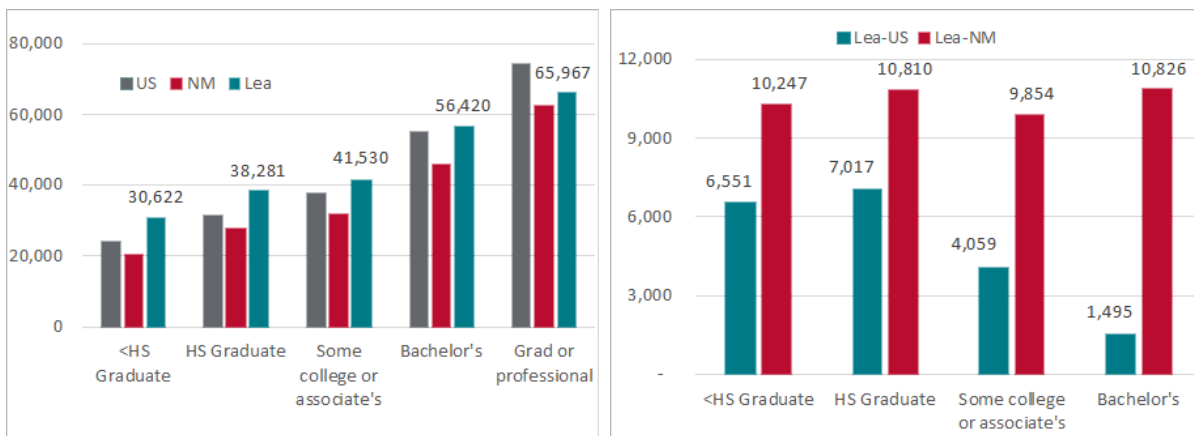
Average Compensation in Lea County exhibits the same trend as the Personal Income data, as growth in total compensation accelerated in the county and surpassed the New Mexico average by the mid-2000's after lagging in the early-2000's. Average compensation in Lea has exceeded the statewide in all of the last fifteen years and the cumulative growth exceeds the statewide rate by 25%.

Figure 18: Average Compensation and Cumulative Growth for Lea County and New Mexico, 2001 - 2020



We also controlled for earnings by educational attainment levels. US Census data show that people in Lea County make more than their counterparts in New Mexico and Nationally for all educational levels except for individuals having earned a Graduate or professional degree. The income advantage of Lea county workers over their New Mexico peers is significant with the differential for all educational attainment levels at roughly \$10,000.

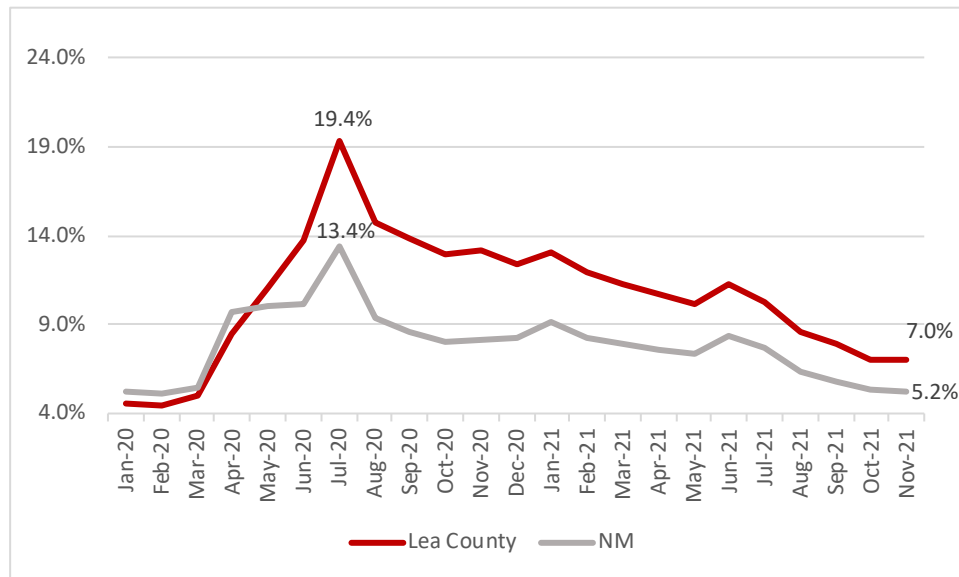
Figure 19: Median Earnings by Educational Attainment for Population 25 Years and Older



The Covid pandemic had a greater impact on Lea County in terms of job losses as measured by the unemployment rate (compared to statewide averages). Whereas unemployment peaked at 13.4% in July 2020 for New Mexico, Lea County reached 19.4%. Although Lea experienced lower unemployment rates than the New

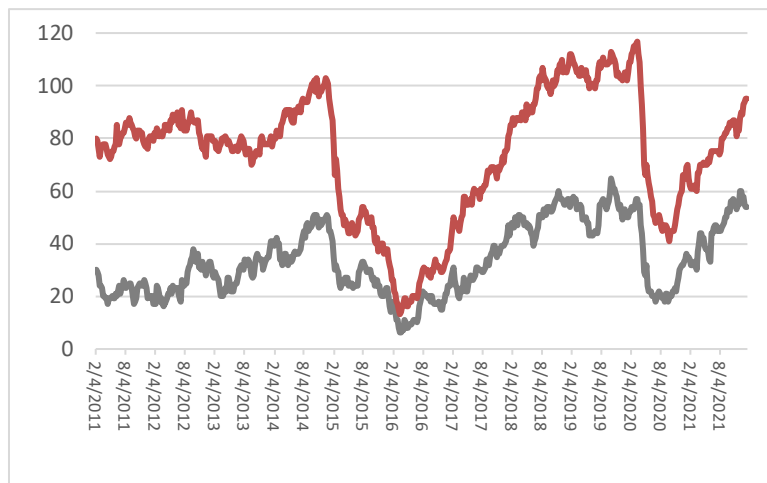
Mexico average prior to the pandemic, the most recent data from November 2021 show the County's rate (7.0%) remained nearly 2 percentage points higher than the state average (5.2%). Of note, total unemployment claims for Lea County reached 5,660 at the peak of the pandemic. Although we do not have sector level unemployment claims by County, if rig counts are at all predictive of broader labor force trends, according to Baker Hughes data the number of rigs in New Mexico declined from 112 at the end of March 2020 to 41 by July of the same year, a 63% decline. Although rig activity has since improved to just below 100 rigs by the end of 2021, drilling activity still has not recovered to pre-pandemic levels. Similarly, New Mexico crude oil production fell by nearly 25% in the period from March 2020 to May of the same year. And while rig counts and employment have not recovered, production is at record levels.

Figure 20: Monthly Unemployment Rate for New Mexico and Lea County, January 2020 to November 2021



Source: NM Department for Workforce Solutions (LAUS).

Figure 21: Rig Counts for New Mexico (Red) and Lea County (Grey)



Source: Baker Hughes.

According to Department for Workforce Solutions, areas of employment expansion over the last 18 months were in the restaurant and health care industries. Texas Roadhouse announced the opening of a new restaurant in Hobbs starting in November 2020 that will employ an estimated 175 workers at full capacity and Nor-Lea Hospital District broke ground on an expansion of the Lea County Health Complex in Hobbs. Currently the clinic has nine healthcare providers and 30 staff and the project will add seven providers and 23 additional staff members.

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Lea County experienced slight median price declines (-7.3%) between 2020 and 2021 although the number of sales increased year over year. This contrasts to statewide trends where prices increased 14.2%. (Figure 21) When considering home affordability metrics, which compare Median Home Values relative to Median Household Income (US Census data), Lea County single family real estate is considerably more affordable than other markets in the state. Whereas the ratio is 2.2 in Lea, the same metric for New Mexico and the US is 3.4 and 3.5, respectively. Importantly, Lea and Eddy rank among the top 5 counties based on this metric. Notably, Lea has seen the second highest growth rate for Median Home Values in the decade ending 2019 with a 52.1% increase, second only to Eddy (71.9%); the statewide and US growth rates in the same period were 8.2% and 15.4%. (Figure 22)

Figure 22: Number of Sales and Median Sold Price (Px) for Key Markets, 2020 and 2021

County	Y/Y % Change	2020 Year To Date		2021 Year To Date	
		Sales	Median Px	Sales	Median Px
Lea County	-7.3%	530	\$ 205,000	573	\$ 190,000
Eddy County	-7.3%	700	\$ 258,838	613	\$ 240,000
Dona Ana	23.5%	1,579	\$ 200,000	2,576	\$ 247,000
New Mexico	14.2%	26,075	\$ 240,000	27,085	\$ 274,000

Source: New Mexico Realtors Association

Figure 23. Home Affordability (Median Values) for NM Counties, NM, and US, 2010 & 2019

Geography	Home Val.	HH Income	Affordability	Geography	Home Val.	HH Income	Affordability
Taos	239,500	38,329	6.2	San Juan	151,200	50,518	3.0
Santa Fe	291,800	61,200	4.8	Luna	86,900	29,360	3.0
San Miguel	135,000	30,946	4.4	Socorro	124,100	42,083	2.9
Lincoln	193,900	46,216	4.2	Valencia	142,600	48,945	2.9
Rio Arriba	167,300	39,952	4.2	Colfax	104,800	36,302	2.9
Catron	175,400	41,910	4.2	Curry	125,000	45,092	2.8
Mora	112,300	28,446	3.9	Roosevelt	118,200	42,702	2.8
Sierra	117,400	29,755	3.9	Otero	112,400	41,988	2.7
Bernalillo	199,300	53,329	3.7	Chaves	108,700	43,359	2.5
Dona Ana	147,400	40,973	3.6	Quay	72,700	29,035	2.5
Harding	102,400	29,375	3.5	Los Alamos	302,800	121,324	2.5
United States	217,500	62,843	3.5	Union	88,000	35,884	2.5
New Mexico	171,400	49,754	3.4	Eddy	155,900	65,328	2.4
Guadalupe	85,000	24,798	3.4	Lea	133,100	60,546	2.2
De Baca	106,300	31,625	3.4	Cibola	84,400	39,413	2.1
Grant	125,100	37,843	3.3	Hidalgo	86,000	42,526	2.0
Torrance	114,300	36,120	3.2	McKinley	64,800	33,834	1.9
Sandoval	200,900	63,802	3.1				

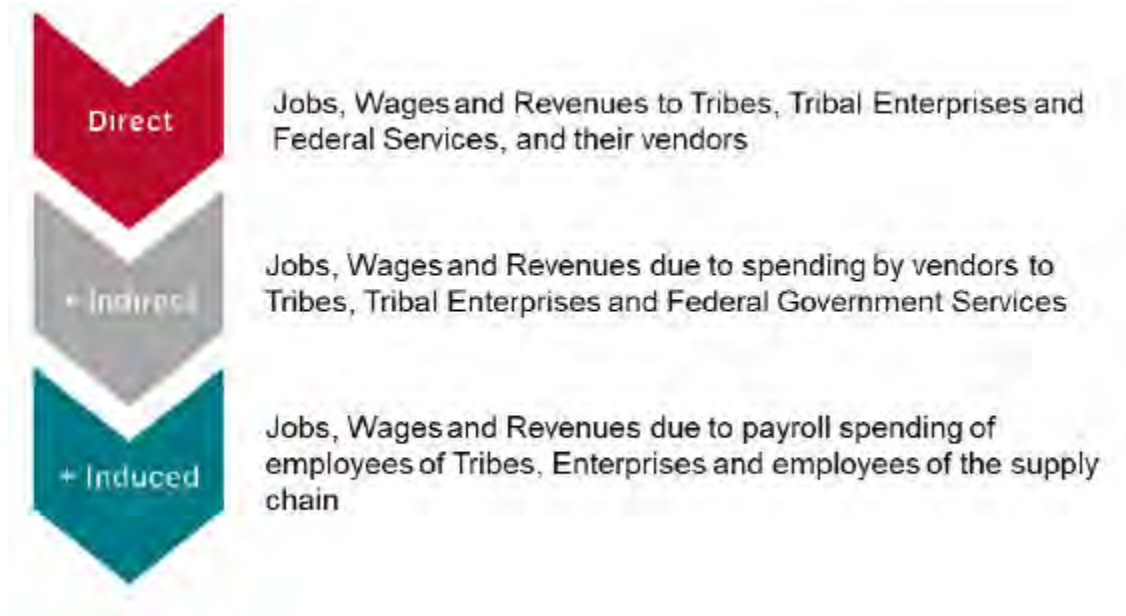
Source: U.S. Census, American Community Survey, 5-Year Estimates, 2015-2019

Economic Impacts

The purpose of this section is to estimate the direct and indirect impacts of Lea County on the statewide economy. Impacts are measured in terms of employment, labor income, and output (revenues to businesses plus/minus changes to inventory). Figure 19 illustrates the relationship between direct, indirect and induced

economic impacts. Direct employment impacts include persons whose employment is in Lea County. Direct labor income is wages & salaries and benefits, minus federal taxes paid to these employees. Direct output is in-state expenditures by the employers located in Lea and their employees.

Figure 24: Direct, Indirect and Induced Economic Impacts



Input-output multipliers are computed using IMPLAN v3.1. These multipliers are used to estimate the indirect and induced impacts on the New Mexico economy. IMPLAN uses a variety of data sources to estimate these impacts, including Bureau of Labor Statistics (BLS) Covered Employment and Wages; Census Bureau County Business Patterns (CBP); and Bureau of Economic Analysis Regional Economic Accounts (REA).

Indirect economic impacts are the subsequent effects of business-to-business spending. These include impacts of in-state purchases of the Lea County employers and direct employees, as defined above. Induced economic impacts are subsequent effects of employee spending. Combined, the indirect and induced impacts measure the effects of direct spending as money is cycled through the economy. In this report, indirect and induced effects are summarized simply as indirect effects. The multiplier is an estimate of the indirect and induced impacts; in other words, it is an estimate of additional jobs, incomes, and revenues that flow from the initial direct expenditure. Using the IMPLAN model, BBER developed a multiplier that estimates each additional unit of employment, employee compensation, and output per additional unit. To estimate the direct and indirect impacts employment data from the Bureau of Labor Statistics detailed by sector according to the North American Industrial Classification System (NAICS) are used.

According to BBER estimates, Lea County contributed directly approximately 30,000 jobs annually over the last five years to the New Mexico economy and another 22,700 indirect jobs, for a total employment effect of 52,400 jobs. For reference, the total jobs impact is equivalent to the employment for the entire Professional & Technical Services sector statewide.

Figure 25: Employment: Direct, Indirect and Induced Economic Impacts

<u>Impact Type</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>5YR Avg.</u>
Direct Effect	27,410	28,425	31,636	32,888	27,959	29,664
Indirect Effect	9,549	9,857	11,217	11,656	9,597	10,375
Induced Effect	11,330	11,754	13,345	13,917	11,459	12,361
Total Effect	48,288	50,036	56,197	58,460	49,014	52,399
Multiplier	1.76	1.76	1.78	1.78	1.75	1.77

(UNM Bureau of Business & Economic Research)

The following table displays the Labor Income impacts generated in Lea County within the context of the statewide economy over the last five years. Workers in Lea County received an average of \$1.7 billion of direct Labor Income over the period. The associated indirect effect was over \$1 billion and the total effect was \$2.7 billion.

Figure 26: Labor Income: Direct, Indirect and Induced Economic Impacts (\$billions)

<u>Impact Type</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>5YR Avg.</u>
Direct Effect	1.57	1.62	1.84	1.91	1.59	1.70
Indirect Effect	0.50	0.52	0.60	0.63	0.51	0.55
Induced Effect	0.43	0.45	0.51	0.53	0.44	0.47
Total Effect	2.50	2.60	2.95	3.07	2.53	2.73
Multiplier	1.60	1.60	1.61	1.61	1.60	1.60

(UNM Bureau of Business & Economic Research)

The five-year average output (from 2016 to 2020) generated by Lea County was \$5.6 billion, the indirect impacts was \$3.4 billion, and the indirect impact was over \$9 billion. Lea is an important contributor to the economy with the total output effect comparable to the GDP generated by the Professional and Business Services sector in New Mexico.

Figure 27: Output: Direct, Indirect and Induced Economic Impacts

<u>Impact Type</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>5YR Avg.</u>
Direct Effect	5.17	5.36	6.11	6.38	5.17	5.64
Indirect Effect	1.62	1.66	1.89	1.97	1.62	1.75
Induced Effect	1.51	1.55	1.76	1.84	1.51	1.64
Total Effect	8.30	8.57	9.76	10.19	8.30	9.02
Multiplier	1.61	1.60	1.60	1.60	1.61	1.60

(UNM Bureau of Business & Economic Research)

The following figure depicts the top sectors by contribution that Lea has on the state economy. Not surprisingly, Oil & Gas made significant contributions. Related services like Restaurants, Construction, and

Truck transportation also made important contributions. Health and Education services were also important as measured by employment.

Figure 28: Employment, Labor Income, Output Impacts by Top 10 Sectors

<u>Sector</u>	<u>Employment</u>	<u>Labor</u>	<u>Output</u>
Drilling oil and gas wells	5,638	\$499.1	\$1,975.8
Full-service restaurants	3,195	\$67.4	\$143.9
Elementary and secondary schools	2,248	\$88.4	\$135.2
Offices of physicians	2,198	\$185.4	\$274.1
Support activities for oil and gas operations	1,816	\$138.7	\$309.1
Construction of new highways and streets	1,653	\$73.2	\$262.9
Truck transportation	1,571	\$96.3	\$266.9
Wholesale trade	1,517	\$86.7	\$315.1
Employment services	1,377	\$54.6	\$97.1
Other local government enterprises	1,185	\$72.1	\$305.0

*Labor Income and Output in \$millions

(UNM Bureau of Business & Economic Research)

Fiscal Impacts

Fiscal Impacts

The Oil & Gas sector in Lea County is directly and indirectly responsible for considerable tax revenues that support vital public services statewide. There are various tax types that generate these revenues. The Severance Taxes generated by Oil & Gas production accounted for \$1.6 billion in revenues in 2021. Taxes include the Emergency School (Section 7-31 NMSA), Severance (Section 7-29 NMSA), Production, (Section 7-32 NMSA), and Conservation (Section 7-30 NMSA).

Figure 29: Severance Tax by Type, 2021, \$Millions

	2016	2017	2018	2019	2020	2021	5YR Avg.	2021 Pct.%
School	246.88	355.21	538.57	605.16	480.81	624.85	475	39.2%
Severance	272.30	391.26	603.71	694.39	548.52	699.57	535	43.9%
Production	93.35	138.76	206.85	233.78	184.10	233.27	182	14.6%
Conservation	13.80	19.82	30.59	35.18	27.79	35.44	27	2.2%
Total	625.95	904.57	1,379.22	1,568.19	1,240.98	1,592.86	1,219	100%

(NM Tax & Revenue Department)

The Permian Basin, spanning into the southeast part of the state, is the largest and highest oil producing region in the United States, contributing more than 4 million barrels per day. As the following table shows more than

half (53.5%), or \$852 million, of the Severance Tax revenues collected in the state were generated by Lea County. Eddy contributed 40%, and Lea and Eddy account for nearly all Oil & Gas related tax revenues (94%); San Juan and Rio Arriba contribute 5% and the remainder of the state contributes 1%.² The "School" and "Severance" taxes collected account for 4 out of 5 tax dollars generated. The Severance accounted for 44%, School accounted for 39%, Production 14.6%, and Conservation 2.2%.

Figure 30: Severance Tax by Type by County, 2021, \$Millions

County	School	Severance	Production	Conservation	Total	Pct.%
Lea	325.62	371.83	135.62	18.84	851.91	53.5%
Eddy	257.18	285.96	82.17	14.49	639.80	40.2%
San Juan	20.41	20.10	7.27	1.02	48.80	3.1%
Rio Arriba	14.27	13.57	5.53	0.69	33.78	2.1%
Other counties	7.37	8.11	2.68	0.41	18.56	1.2%
Total	624.85	699.57	233.27	35.44	1,592.86	100%

(NM Tax & Revenue Department)

Equipment Ad Valorem property tax contributed \$53.3 million in revenues in 2020 according to DFA Property Tax Facts; Lea accounted for \$30 million (57%) while Eddy accounted for \$18 million or 1/3rd; other counties contributed the balance of \$4.5 million (8%).³ The Production revenues show a similar trend with Lea contributing 45.3% of total revenues statewide.

Figure 31: Production and Equipment Ad Valorem Tax, 2016-2020, \$Millions

(Equipment)

County	2016	2017	2018	2019	2020	Pct.%	5YR Avg.
Lea	9.88	9.12	15.96	26.00	30.61	57.5%	18.31
Eddy	7.43	6.43	9.80	15.88	18.21	34.2%	11.55
Other	5.09	3.94	5.49	6.22	4.45	8.4%	5.04
Total	22.41	19.49	31.25	48.10	53.27	100.0%	34.90

(Production)

County	2016	2017	2018	2019	2020	2020 Pct.%	5YR Avg.
Lea	48.79	44.30	67.34	110.25	133.13	45.3%	80.76
Eddy	37.06	31.39	40.66	69.68	83.24	28.3%	52.41
Other	30.29	24.14	27.33	31.05	77.41	26.3%	38.04
Total	116.14	99.84	135.33	210.98	293.78	100.0%	171.21

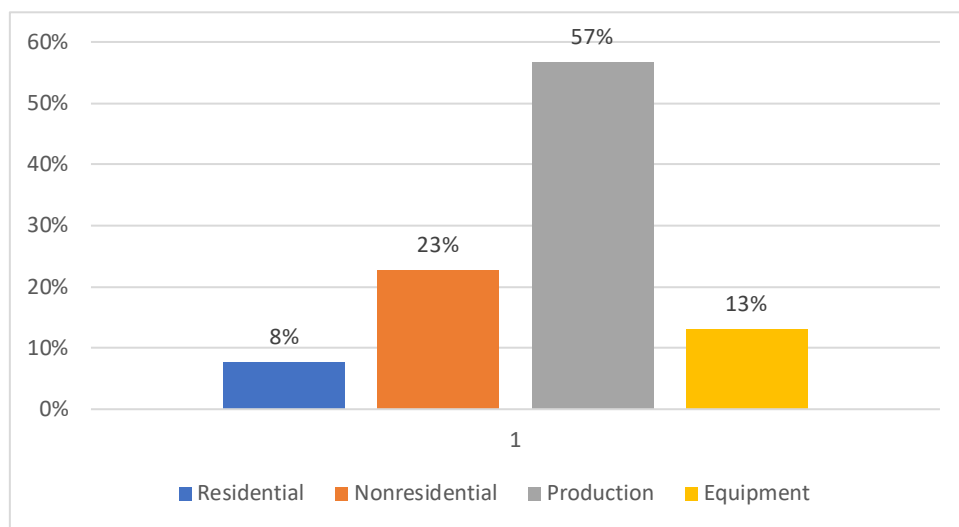
² Counties contributing a combined 1% are Chaves, Colfax, Harding, McKinley, Quay, Roosevelt, Sandoval, Union.

³ <https://www.nmdfa.state.nm.us/local-government/budget-finance-bureau/property-taxes/property-tax-facts/>

(New Mexico Department of Finance & Administration)

The strength of property values also is an important predictor for local government and school tax revenues. Strong growth in residential and commercial property growth have contributed to expanding property tax revenues for Lea County; over the last five years Lea has experienced appreciating property values across all types. However, Production contributes more than half (57%) of property tax revenues and Production and Equipment contribute 70% combined. Despite recent stability and growth in Ad Valorem property values, volatility in commodity markets cause significant volatility in these revenues over the longer periods of time (e.g. 5-10 years).

Figure 32: Tax Obligations in Lea County by Tax Type, 2020



(New Mexico Department of Finance & Administration)

The following table depicts the total Gross Receipt Taxes collected by the fiscal year for New Mexico and Lea County; the chart also displays Lea's share of total state taxes paid as well as taxes collected for the Mining sector statewide and for Lea County. These data show that Lea accounts for, roughly, 40-50% of GRT collected in the mining sector and 6-10% of GRT collected statewide depending on the year. The fact that Lea's population (71,010) accounts for 3% of the total state population (2,096,199) and 8% of GRT (in 2020) suggests that the county generates a disproportionate share of Gross Receipts revenues.

Figure 33: NM & Lea County, Gross Taxes, Fiscal Year 2015-2020

	2015	2016	2017	2018	2019	2020
State	3,813,816,289	3,718,391,593	3,817,382,364	4,284,068,139	8,781,692,788	5,705,154,596
Lea County	386,484,929	232,004,645	238,435,079	328,651,797	556,783,350	468,158,045
Pct.%	10%	6%	6%	8%	6%	8%
Mining						
State	263,235,071	144,008,208	143,953,138	286,307,230	404,875,184	427,751,013
Lea County	128,480,642	61,796,729	60,903,363	105,119,917	160,975,055	163,705,077
Pct.%	49%	43%	42%	37%	40%	38%

(UNM BBER Data Base)

The following table demonstrates the relative importance by sector for GRT revenues in Lea, or the base level of GRT revenues by 2-digit NAICS. Mining (Oil & Gas) has accounted for roughly 30% (\$113.5 million) over the last five years, followed by Construction (13.2%, \$47.1 mm) and Retail Trade (14%, \$50.37 mm). These three sectors have accounted for more than half (57%) of Gross Receipts taxes collected (5-year average). Other sectors making contributions were Other Services (6.6%, \$23.46 mm), Wholesale Trade (6.1%, \$22.13 mm), Utilities (4.5%, \$15.63 mm), Manufacturing (4%, \$14.7 mm), Transportation & Warehousing (3%, \$11.57 mm). The remaining sectors accounted for 15.3% (\$54.02 mm) of revenues.

Figure 34: NM & Lea County, Gross Taxes, Fiscal Year 2015-2020, \$Millions

Sector	2015	2016	2017	2018	2019	2020	5YR Avg.
21: Mining	128.48	61.80	60.90	105.12	160.98	163.71	113.50
23: Construction	55.95	34.83	32.65	39.33	53.38	66.37	47.09
44-45: Retail Trade	49.60	37.74	36.01	51.55	62.18	65.17	50.37
81: Other Services (ex Pub Admin)	28.01	17.28	16.47	21.98	28.30	28.72	23.46
42: Wholesale Trade	23.42	13.75	15.60	23.71	29.36	26.93	22.13
22: Utilities	14.98	13.42	13.55	14.91	17.47	19.46	15.63
31-33: Manufacturing	24.94	10.59	7.24	11.45	16.32	17.66	14.70
48-49: Transp & Warehousing	14.78	8.95	6.33	9.53	15.88	13.98	11.57
All others	47.59	35.04	51.05	53.11	69.05	68.28	54.02
Total	386.48	232.00	238.44	328.65	556.78	468.16	368.42

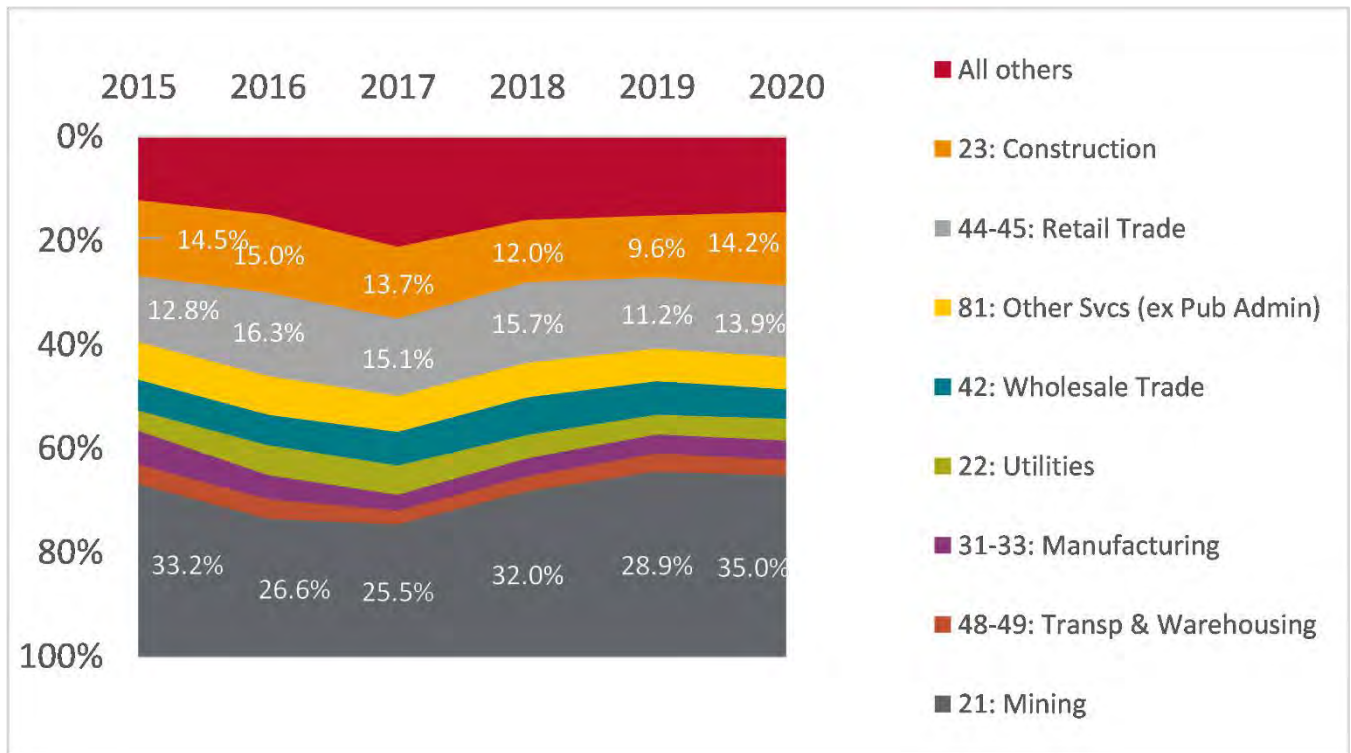
(UNM BBER Data Base)

Figure 35: NM & Lea County, Gross Taxes, Fiscal Year 2015-2020, Percentage

Sector	2015	2016	2017	2018	2019	2020	5YR Avg.
21: Mining	33.2%	26.6%	25.5%	32.0%	28.9%	35.0%	30.2%
23: Construction	14.5%	15.0%	13.7%	12.0%	9.6%	14.2%	13.2%
44-45: Retail Trade	12.8%	16.3%	15.1%	15.7%	11.2%	13.9%	14.2%
81: Other Svcs (ex Pub Admin)	7.2%	7.4%	6.9%	6.7%	5.1%	6.1%	6.6%
42: Wholesale Trade	6.1%	5.9%	6.5%	7.2%	5.3%	5.8%	6.1%
22: Utilities	3.9%	5.8%	5.7%	4.5%	3.1%	4.2%	4.5%
31-33: Manufacturing	6.5%	4.6%	3.0%	3.5%	2.9%	3.8%	4.0%
48-49: Transp & Warehousing	3.8%	3.9%	2.7%	2.9%	2.9%	3.0%	3.2%
All others	12.3%	15.1%	21.4%	16.2%	12.4%	14.6%	15.3%

(UNM BBER Data Base)

Figure 36: NM & Lea County, Gross Taxes, Fiscal Year 2015-2020, Percentage



Source: BBER data compiled by UNM BBER(<https://dev-bber.unm.edu/external/bberdb/>)

We also considered correlations relative to the Oil & Gas sector to test the relative importance of this industry. As the following table shows for Lea County, activity in the Mining sector is highly correlated with Total activity at 0.96; the statewide Total activity correlation with the Mining sector was 0.76. Of the 22 sectors in Lea County, all but 8 exhibit correlations of 0.7 or higher with the Mining sector. Sectors exhibiting low or no correlation were: Admin Support, Waste Management, Remediation (-0.02), Arts, Entertainment, and Recreation (0.38); Management of Companies (0.45); Educational Services (0.48); Finance and Insurance (0.48); Public Administration (0.55).

Figure 37: Gross Receipts Tax: Lea County Sector Correlations with the Mining, Oil & Gas Sector, Gross Taxes, 2015-2020, FY

Sector	Mining	Sector	Mining
21: Mining	1.00	62: Health Care and Social Assist	0.73
54: Prof, Scien, and Tech Svcs	0.98	31-33: Manufacturing	0.70
44-45: Retail Trade	0.97	99: Unclassified	0.63
81: Other Svcs (ex Pub Admin)	0.97	11: Ag, Forestry, Fishing and Hunting	0.59
72: Accommodation and Food Svcs	0.97	92: Public Administration	0.55
42: Wholesale Trade	0.96	52: Finance and Insurance	0.48
23: Construction	0.92	61: Educational Services	0.48
22: Utilities	0.92	55: Mgmt of Cos and Enterprises	0.45
48-49: Transp & Warehousing	0.91	71: Arts, Entertainment, and Rec	0.38
53: Real Estate Rental and Leasing	0.85	56: Admin Support, Waste Mgmt, Re	-0.02
51: Information	0.83	TOTAL	0.96

Source: BBER data compiled by UNM BBER(<https://dev-bber.unm.edu/external/bberdb/>)

BBER also reviewed Royalties and Rents collected by the State Land Office (SLO) assessed in connection with the use of State lands, primarily for Oil & Gas extraction. The SLO does not report data at the county level for where the revenues were generated. However, given roughly half of production in New Mexico is generated by Lea County, we can estimate that half the royalties, rents, and license fees and permits occurred in Lea. For example, the 5-year average was \$23.33 million – half of this is \$11.66 million, and half the \$116 million total revenues generated by the SLO was \$58.3 million

Figure 38: State Land Office Annual Royalties and Rents, 2017-2021

	2017	2018	2019	2020	2021	5YR Avg.
<i>Rentals & Royalties</i>	\$17.37	\$22.72	\$17.88	\$18.04	\$11.44	\$17.49
Sales, Other	\$0.03	\$0.02	\$0.03	\$0.11	\$0.00	\$0.04
Investment Income	\$0.79	\$1.64	\$6.50	\$9.67	\$0.64	\$3.85
Licenses Fees & Permits	\$2.11	\$2.41	\$2.38	\$2.68	\$0.19	\$1.95
Total	\$20.30	\$26.79	\$26.80	\$30.50	\$12.26	\$23.33

(The New Mexico Sunshine Portal)

Researchers also considered the taxes paid by type per capita for Lea and New Mexico. This statistic shows that taxes paid for all types are higher per capita in Lea County versus statewide. The statistic for all taxes is 19,089 for Lea and 3,512 statewide. The Severance Tax and GRT per capita statistics were 760 and 2,721 for New Mexico compared to 11,987 and 6,585 for Lea.

Figure 39: Taxes Paid Per Capita for NM and Lea, 2020

Tax Type	Taxes Paid		Taxes Paid Per Capita	
	NM	Lea	NM	Lea
Severance Tax	1,592.9	851.9	760	11,987
Equipment (Ad Valorem)	53.3	30.6	25	431
GRT	5,705.0	468.0	2,721	6,585
Rentals & Royalties	12.26	6.13	6	86
Total	7,363	1,357	3,512	19,089
Population	NM: 2,096,829		Lea: 71,070	

(New Mexico Department of Finance & Administration) & (The New Mexico Sunshine Portal)

In conversations with economic and financial watchers in Lea County that are responsible for tracking and forecasting economic and fiscal trends, Rig counts have been a key predictor of economic and fiscal outcomes historically. Experience has shown that production levels in the oil and gas sector, which are a function of crude oil prices and volumes ($P_x \times \text{Volume}$), is particularly reliable for forecasting. If these two variables are stable and/or strong, then fiscal revenues are also steady.

Economic Opportunities

Economic Opportunities

Lea County asked BBER to provide analysis that can help the county plan strategically regarding economic development, especially in times of scarce resources and constrained budgets. To this end, Location Quotients to assess industry level relative strengths, and SWOT analyses (Strengths Weaknesses Opportunities and Threats) were developed. Researchers collected quantitative data to understand current economic development efforts and to help assess the quantitative analysis.

Location Quotients (LQs) were computed to assess relative strengths and the importance of the sectors that make up the Lea economy. The calculations use employment levels at the county level relative to state and national averages. Location Quotients are analytical statistics that measure a region's industrial specialization to a larger geographic unit. LQ's greater than 1.0 signify relative strength/specialization relative to the broader population (e.g., national averages); LQ's < 1.0 indicate that the industry under question is less strong/developed.

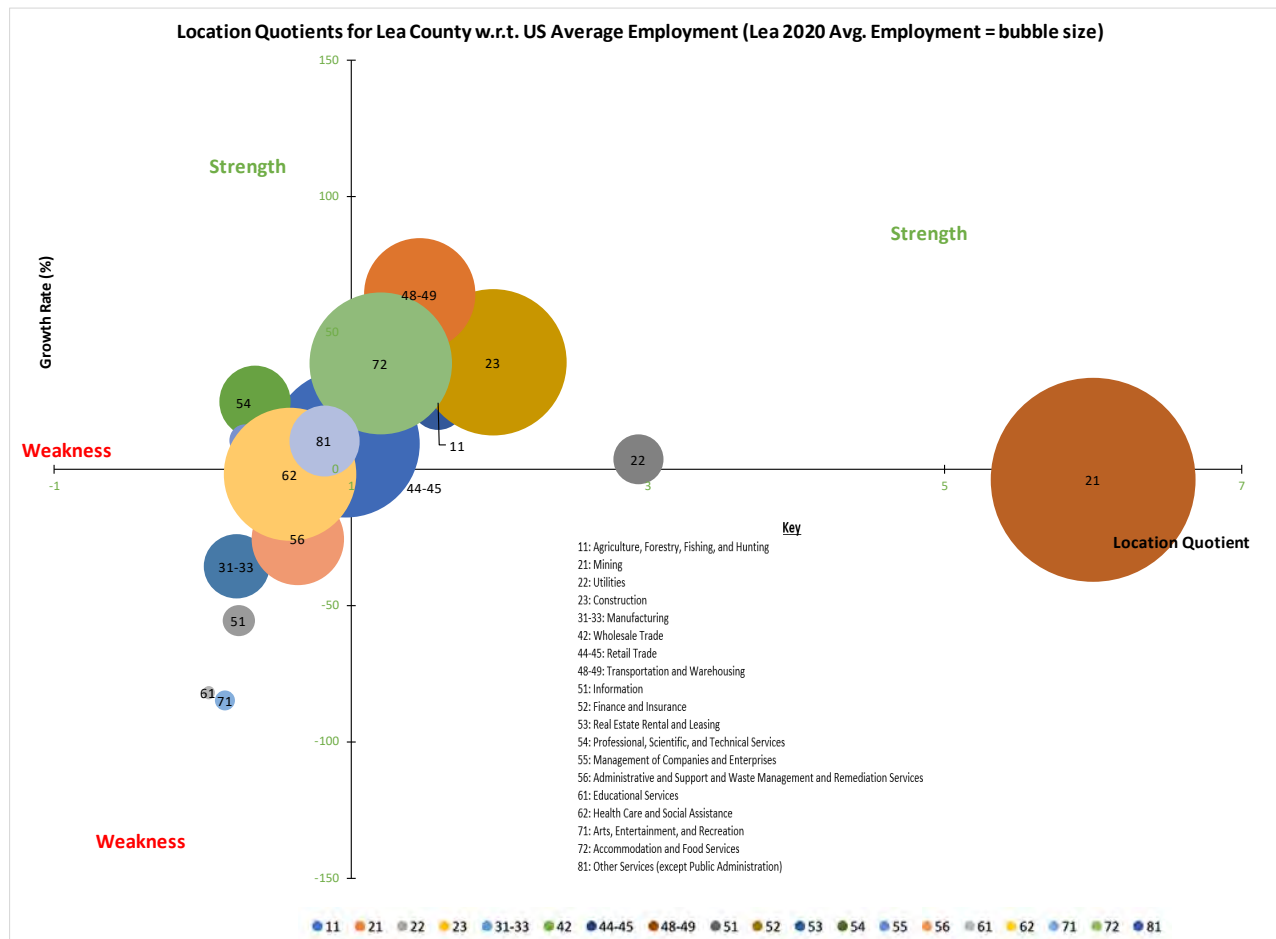
The following charts depict the growth rate of key economic data combined with the LQ's for specific sectors. This analysis assists in identifying the strong sectors as well as the weak sectors as measured by the growth of key economic variables. By highlighting average employment, Figure 33, displays the sectors that are *relatively weak and declining in employment* in the southwest quadrant of the chart; these sectors follow: **Arts, Entertainment and Recreation; Education Services; Information; Administrative Support and Waste Management Remediation; Finance and Insurance; Wholesale Trade.**

Sectors that are *exhibiting growth in employment but are weak relative to national and state averages* fall in the (northwest quadrant). These sectors include: **Professional, Scientific and Technical Services; Management of Companies and Enterprises; Health Care and Social Assistance; Retail Trade.**

Sectors that are *strong as measured by LQ's and exhibiting healthy growth in employment* are (northeast quadrant): **Construction, Agriculture; Transportation & Warehousing; Accommodation and Food Services; and Real Estate and Leasing.** The Oil & Gas industry, although the growth rate is not as high as other sectors, also presents strength and is a continued important opportunity for the region.

Although these sectors may be exhibiting negative growth trends and/or are weak relative to national and state averages, these sectors can also present opportunities for future growth. For example, the LQ for Health Care is just under 1.0 in Lea and yet employment is growing in this sector. Health Care has been identified by many stakeholders in the community as a critical gap and an area of opportunity.

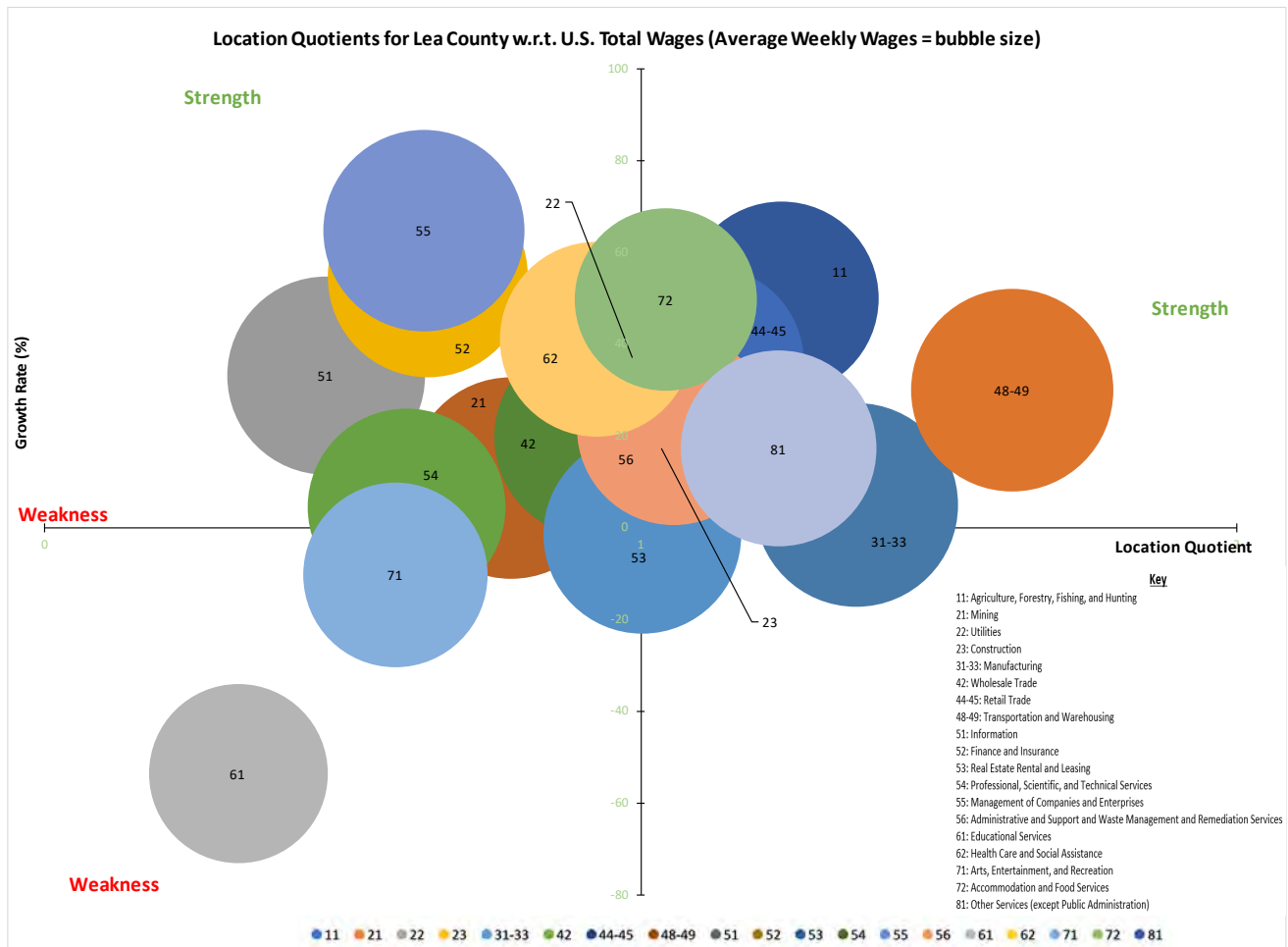
Figure 40: Location Quotients Using Average Employment for Lea v. NM



Source: Bureau of Economic Analysis.

When considering **Average Weekly Wages**, sectors demonstrating strength (LQ's and Wage growth) are Transportation & Warehousing; Agriculture, Forestry, Fishing and Hunting; Retail Trade; Other services; Admin, Support, Waste Management and Remediation; Accommodation and Food Services. Sectors exhibiting areas of opportunity (Wage growth despite low LQ's) are: Management of Companies; Finance and Insurance; Information; Mining; Wholesale Trade; Professional, Scientific and Technical Services. Weak sectors are Educational Services; Arts, Entertainment, and Recreation.

Figure 41: Location Quotients Using Average Weekly Wages for Lea vs. NM



Source: Bureau of Economic Analysis.

When considering **Total Wages**, sectors demonstrating strength (LQ's and Wage growth) are Transportation & Warehousing; Agriculture, Forestry, Fishing and Hunting; Retail Trade; Other services; Construction; Accommodation and Food Services. Sectors exhibiting areas of opportunity (Wage growth despite low LQ's) are: Management of Companies; Finance and Insurance; Real Estate and Leasing; Health Care; Mining; Wholesale Trade; Professional, Scientific and Technical Services. Weak sectors are Educational Services; Arts, Entertainment, and Recreation; Information; Manufacturing.

Location Quotients for Lea County w.r.t. U.S. Total Wages (Lea 2020 Total Wages = bubble size)

Strength

Weakness

Growth Rate (%)

Location Quotient

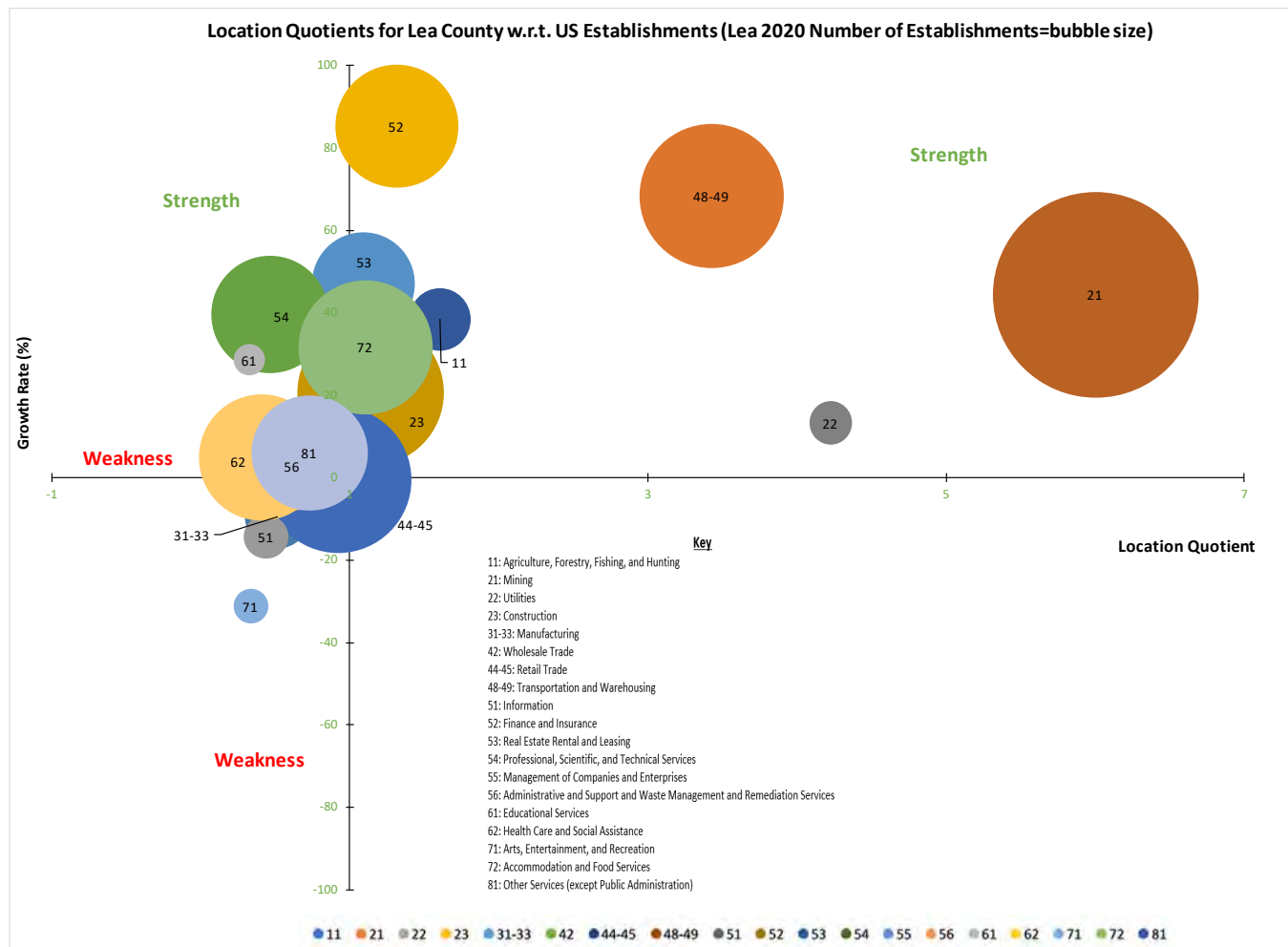
Key

- 11: Agriculture, Forestry, Fishing, and Hunting
- 21: Mining
- 22: Utilities
- 23: Construction
- 31-33: Manufacturing
- 42: Wholesale Trade
- 44-45: Retail Trade
- 48-49: Transportation and Warehousing
- 51: Information
- 52: Finance and Insurance
- 53: Real Estate Rental and Leasing
- 54: Professional, Scientific, and Technical Services
- 55: Management of Companies and Enterprises
- 56: Administrative and Support and Waste Management and Remediation Services
- 61: Educational Services
- 62: Health Care and Social Assistance
- 71: Arts, Entertainment, and Recreation
- 72: Accommodation and Food Services
- 81: Other Services (except Public Administration)

Weakness

When considering **Establishments**, sectors demonstrating strength (LQ's and Wage growth) are Finance and Insurance; Transportation & Warehousing; Real Estate and Leasing; Agriculture, Forestry, Fishing and Hunting; Construction; Mining; Accommodation and Food Services. Sectors exhibiting areas of opportunity (Wage growth despite low LQ's) are: Finance and Insurance; Real Estate and Leasing; Health Care; Education Services; Other Services; Wholesale Trade; Professional, Scientific and Technical Services; Weak sectors are Arts, Entertainment, and Recreation; Information; Manufacturing.

Figure 43: Location Quotients Using Average Establishments for Lea vs. NM



Source: Bureau of Economic Analysis.

The following table summarizes and totals the LQ's and growth rates for average employment, average weekly wages, total wages, and establishments to give us a sense of the strongest sectors in the Lea economy. These calculations capture numerically the information depicted in the previous charts. These calculations show that 3 out of 4 sectors in Lea are growing. **Sectors exhibiting growth are Transportation & Warehousing; Accommodation and Food Services; Agriculture, Forestry, Fishing and Hunting; Finance and Insurance; Management of Companies; Construction; Real Estate Rental and Leasing; Professional, Scientific, and Technical Services; Utilities; Retail Trade; Health Care; Other Services; Mining, Oil & Gas; and Wholesale Trade.** On a relative basis (to US averages), these sectors are also strong. Sectors exhibiting weakness (negative growth as well as relative to national averages) are Admin, Support, Waste Management and Remediation Services; Manufacturing; Information; Educational Services; Arts, Entertainment & Recreation. Given that the state is interested in pursuing additional waste management and remediation, thus this industry is an important opportunity for growth for this part of the state, given the existing base. Although the growth

score for Waste Management is weak, because the New Mexico state government has identified this sector as an area of opportunity for Lea County.

Figure 44: LQ Scores and Growth Scores for Wages, Employment, Establishment for Lea vs. NM

Sector	Growth Score	LQ Score
48-49 Transportation & Warehousing	276.37	8.88
72 Accommodation and Food Services	228.31	4.59
11 Agriculture, Forestry, Fishing, and Hunting	200.01	6.39
52 Finance and Insurance	183.08	2.80
55 Management of Companies and Enterprises	156.63	1.69
23 Construction	140.38	6.15
53 Real Estate Rental and Leasing	100.37	4.12
54 Professional, Scientific, and Technical Services	99.50	1.64
22 Utilities	96.36	11.03
44-45 Retail Trade	93.57	4.07
62 Health Care and Social Assistance	82.61	2.46
81 Other Services (ex Public Administration)	63.36	3.79
21 Mining	58.59	150.00
42 Wholesale Trade	29.56	3.25
56 Admin, Support, Waste Mgmt Remed Svcs	-10.35	2.98
31-33 Manufacturing	-72.48	2.41
51 Information	-77.27	1.26
61 Educational Services	-198.32	0.70
71 Arts, Entertainment, and Recreation	-212.62	1.16

BBER also developed estimates for the oil producing area of the state (Lea and Eddy). BBER estimates that private employment will increase by 6,323 jobs over the next five years. **Most of this growth will come in Mining and Oil & Gas, Construction, Accommodation & Food Services, Healthcare, Professional & Technical Services, and Transportation & Warehousing.** Other sectors BBER expects to exhibit double digit growth are Wholesale Trade; Other Services; and Arts, Entertainment & Recreation. Sectors with **poor growth expectations** are **Finance & Insurance; Management of Companies; and Retail Trade.** Importantly, most of the declines that BBER estimates are due to COVID.

Figure 45: Lea County 5-Year Employment Forecasts by Sector

Sector	2021	2026	Change	Chg.%	Sector	2021	2026	Change	Chg.%
Total Employment	55,150	61,911	6,761	12%	Ag. Forest, Fish & Hunt	741	801	60	8%
Private Employment	47,930	54,253	6,323	13%	Utilities	626	656	30	5%
Mining	10,734	12,496	1,761	16%	Information	301	323	22	7%
Construction	5,238	6,719	1,482	28%	Finance & Insurance	1,153	1,170	16	1%
Accommodation & Food Svcs	4,879	5,943	1,064	22%	Educational Services	254	268	15	6%
Healthcare & Soc Assist	4,866	5,336	471	10%	Arts, Entertainment & Rec	107	118	11	10%
Professional & Tech Svcs	1,888	2,338	450	24%	Mgmt of Cos & Enterprises	274	272	(2)	-1%
Transp & Warehousing	2,845	3,272	426	15%	Retail Trade	6,196	6,114	(82)	-1%
Admin & Waste Svcs	2,583	2,757	174	7%	Government Employment	7,220	7,659	438	6%
Wholesale Trade	1,385	1,532	148	11%	Local Government	5,754	6,197	443	8%
Other Services & Unclassified	1,293	1,419	125	10%	State Government	689	691	2	0%
Manufacturing	1,626	1,702	76	5%	Federal Government	777	770	(7)	-1%
Real Estate, Rental & leasing	941	1,016	76	8%					

Source: UNM BBER Estimates.

When considering qualitative data, there are several opportunities that are present. The following is a review and discussion collected through interviews and other formal and informal secondary and qualitative sources. Because business and economic leaders in Lea are forward thinking and actively working to chart the future course of the local economy, representatives from the schools, local business leaders, economic developers and members of the community have begun creating a Career and Technical Center (CTech) at Hobbs High School. A \$50 million, 86,000-square-foot, education center that will focus on workforce development for high school students (9th-12th grades) is the culmination of these efforts.

There will be six different career pathways with the goal of helping students be employable upon graduation. The pathways are energy (oil & gas and solar), manufacturing, construction and architecture (carpentry, electricity, HVAC); transportation⁴, culinary arts, Information Technology. The center will serve 2,600 students (1,200 per day) in 2-hour blocks. The program intends to provide paid senior externships. Zeke Kaney, Director of Career and Technical Education at Hobbs Schools, offered that the local businesses involved on the steering committee and as advisory for the 6 career pathways will likely be able to host these externships and other apprenticeship and internship opportunities. The CTech Center is scheduled to open in August 2022 and will offer programs to students in neighboring school districts. According to Strickland, the capacity of the center can be increased by 600 students by re-arranging schedules. The size of the facility can also be increased with ease.

A steering committee composed of education leaders and economic developers seek to have ongoing conversations and to advise on the direction of the center with a 2-3 year horizon. The purview of the committee includes decisions on the retooling of the different pathways. Organizers and advisory groups for the CTech seek to have high school graduates workforce ready by bridging between the local business community and schools. They seek to ensure that the workforce meets the needs of local business by ensuring the correct certifications required by employers.

⁴ diesel automotive mechanics(?)

The community colleges play a role by offering programs in relevant career pathways and additional industry-specific certifications demanded by local businesses. The community college system also plays an important role in the proper “tooling” of workers just entering the workforce. For example, some Oil & Gas companies do not employ people younger than 21 years of age – due to insurance issues – and others require a minimum age of 25 years. High school graduates can deepen their skills and qualifications with a couple additional years of technical training and education.

Economic developers in Lea County are in the process of updating their strategic plan as they think about how to broaden the local economy. One area, although manufacturing in the county has historically supported the Oil & Gas industry, they are thinking about how to diversify into other manufacturing types, in addition to Oil & Gas. For example, Lea County has already invested in infrastructure for future business development. Probably the best example of this is the EnergyPlex Park located in Hobbs, which offers 9,600 acres of industrial space. Although the Park’s core competencies are in Oil & Gas related industries, organizers seek to attract light manufacturing, petroleum, nuclear, solar, wind, fabrication, mining, warehousing, R&D, and biofuels. Grassham points out that in Manufacturing, Natural Resources related activities – not necessarily Oil & Gas related -- present the biggest opportunities. For example, Urenco does uranium enrichment and feedstock production for different plants, sourcing materials locally. The Lovington Industrial Park presents opportunities and is located within 2 miles of the city limits. Grassham also points out that more investment in infrastructure – water & sewers, roads, utility services -- is needed to deepen the local economy and scale up current economic development efforts.

One area of strength in infrastructure for Lea is the existence of a locally owned broadband/fiber provider (Leaco), which makes it easier to manage the area’s broadband infrastructure; although Hobbs and Lovington are “gigabit cities” (the per second transmission rate), continued investment will be necessary to keep up with future growth needs. Grassham credits Lea County government for their involvement in growing the broadband infrastructure in the area.

Jennifer Grassham, the Executive Director of the Economic Development Corporation of Lea County (EDCLC) highlights that the expansion of the regional hospital system in Lea and new health care facilities have helped to grow this important sector. Investing in this area can increase the market share in health care by reducing the need for residents to leave the area in order to receive medical treatment and procedures. Grassham points out that many patients travel to Lubbock (TX) for certain treatments and procedures.

We have considered the strengths, weaknesses and the opportunities as it relates to future economic growth for Lea. In conversations and in our scan of the literature and data, we encountered regulatory risks, available land and water constraints.

First, State and Federal regulations that require zero emissions (e.g. by 2050) has real consequences for the Oil & Gas industry. Some have pointed out restrictions on “flaring” would negatively impact small and medium sized Oil & Gas businesses that would have to invest in technologies to meet new targets. In this regulatory environment, only the large firms with wider/healthier margins could keep producing. These small and medium sized companies are particularly important to the local economy in Lea. The fact that Lea County has a large percentage of State land managed by the State Land Office (SLO) also came up. The concern here is that

because of a lack of contiguous, uninterrupted land, there may be constraints on business development and new infrastructure efforts.

Lea is not unique among counties in that water shortages could limit future economic and population growth. However, because Oil & Gas production is water-intensive and because water it is subject to many competing interests in this arid region, this resource is especially taxed. However, there are efforts to address water needs and shortages. One creative solution to access water for local consumption, is a proposed pipeline out of Lubbock, Texas that would transport treated non-potable waste water to Southeastern New Mexico that would be cleaned and used by end users. Palisade Pipeline, a company seeking to complete this project has signed an agreement with Lubbock to purchase 6 million gallons of wastewater per day, which could help offset demands on groundwater supplies.

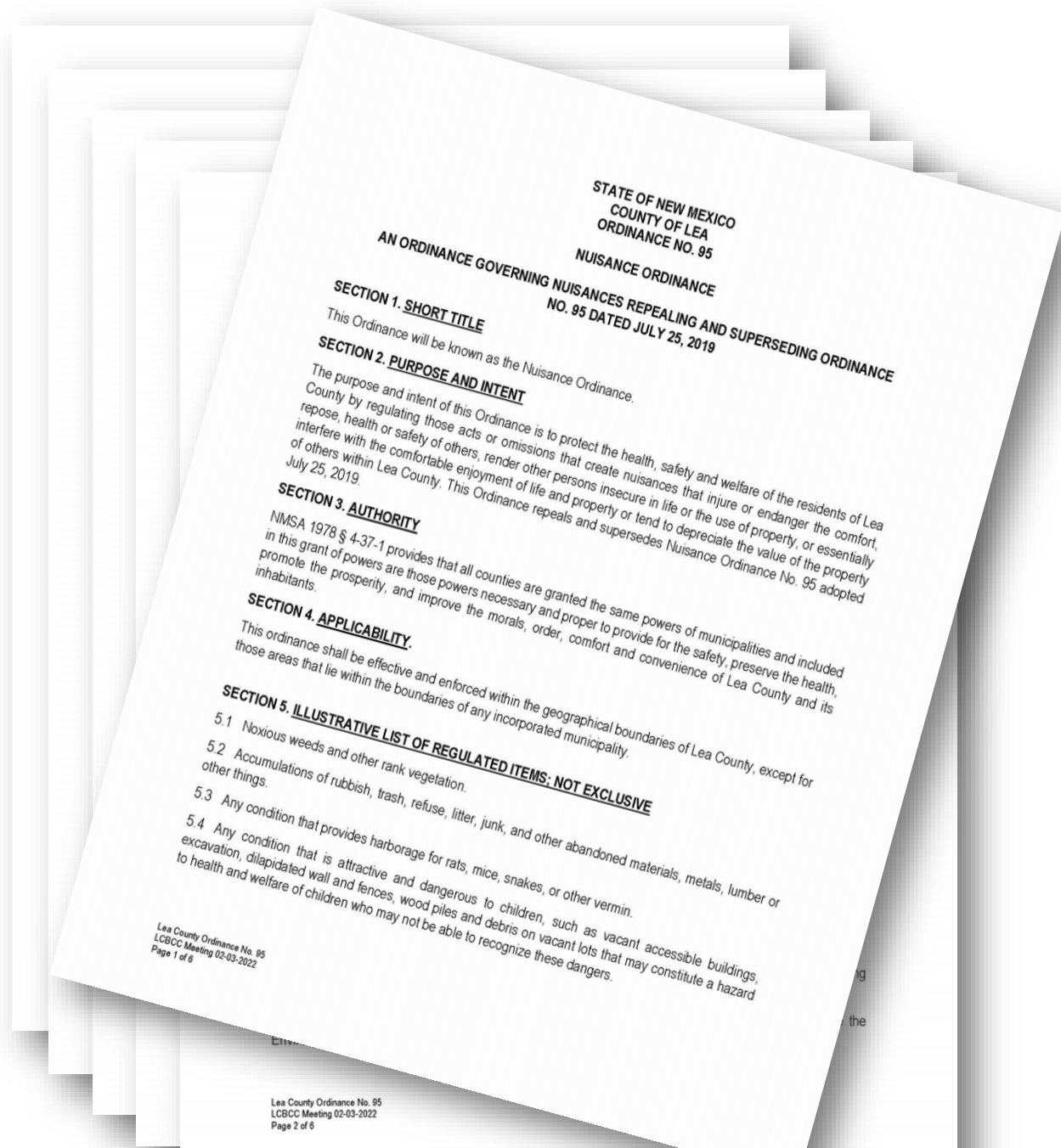
Upon consideration of various quantitative and qualitative data discussed in the preceding sections, BBER developed the following table to summarize where Lea’s economic Strengths and Opportunities are relative to Weaknesses and Threats. The following suggests a tilt toward Strengths and Opportunities, rather than deficits and areas of concern.

Figure 46: SWOT (Strengths Weaknesses Opportunities Threats) Analysis for Lea County

<p style="text-align: center;"><u>Strengths</u></p> <ul style="list-style-type: none"> •Low poverty rates; •Young population (compared to U.S. and NM); •Low unemployment rate (lower than U.S. and NM averages); •Existing industrial and commercial infrastructure: EnergyPlex Park, Lovington Industrial Park, Industrial AirPark; •Good broadband infrastructure; •CTech Center -- good coordination b/w local business and schools; •Manufacturing base not 100% linked to Oil & Gas industry; •Emergent non-Oil & Gas Energy-related opportunities; •Expansion of Health Care facilities; •Sectors experiencing strong employment growth, wage growth and related business strength (relative to national and statewide averages (LQ's)) are: Construction; Agriculture; Transportation & Warehousing; Accommodation and Food Services; Finance and Insurance; Real Estate Leasing; Construction; Utilities; Other Services; Mining, Oil & Gas. 	<p style="text-align: center;"><u>Weaknesses</u></p> <ul style="list-style-type: none"> •Many sectors exhibit large sensitivities with economic cycle (Coefficient of Variations): Manufacturing, Natural Resources (incl. Oil & Gas), Transportation; •Large changes in unemployment rate due to prominence of economically sensitive sectors; •Sectors experiencing weak to negative employment growth and low Location Quotients: Arts, Entertainment & Rec; Education Services; Information; Admin Support and Waste Remediation; Manufacturing; •BBER job expectations are weak for Finance & Insurance; Management of Companies; and Retail Trade (in part due to COVID); •
<p style="text-align: center;"><u>Opportunities</u></p> <ul style="list-style-type: none"> •Personal Income and average wage gains greater than NM and US over last 10 years; •Stronger earnings for Lea County workers, especially when controlling for educational attainment levels; •Sectors exhibiting lower sensitivity to economic cycle: Health Care, Education Services, Finance and Insurance; •IRB's and other economic incentives enabled and utilized; •Could grow Health Care sector with more Health Care related education programs; •Wind energy -- one of best counties in country for wind; •Emergent opportunities for bringing recycled water; •Sectors growing in employment but still weak (LQ's) relative to US and Statewide averages: Professional, Scientific, Technical Services; Management of Companies; Health Care; Retail Trade; Wholesale Trade; •BBER employment estimates are strong for: Mining, Oil & Gas, Construction; Accommodation & Food Services; Health Care; Professional & Technical Services; Transportation & Warehousing; •Non-Oil & Gas Energy opportunities like Uranco; •State interested in expanding Admin Waste and Remediation jobs. 	<p style="text-align: center;"><u>Threats</u></p> <ul style="list-style-type: none"> •Water shortages; •Regulatory risks (e.g. zero omissions by 2050); •



Consideration to Adopt Lea County Ordinance No. 95 An Ordinance Governing Nuisances Repealing and Superseding Ordinance No. 95 Dated July 25, 2019





**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sstout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 01/25/2022	SUBMITTED BY Name, Title, Dept: John Caldwell, County Attorney, Legal Department
SUBJECT: Hearing: Nuisance Ordinance No. 95, Repealing and Superseding Ordinance No. 95 Dated July 25, 2019	ATTACHMENT(S): Proposed Nuisance Ordinance No. 95
NO. OF ORIGINALS FOR SIGNATURE: 1 Ordinance	ACTION REQUESTED: Action Item
BUDGET LINE ITEM NUMBER:	FISCAL BUDGET YEAR:
STRATEGIC PLAN Implementation of 5 Year Strategic Plan: 3.4 Quality of Life	
SUMMARY: The proposed ordinance repeals and supersedes the current nuisance ordinance. The most significant difference is applicability. The current ordinance applies only to the Lea County/Hobbs Extra-Territorial Area. The new nuisance ordinance will apply to all Lea County, except those areas that lie within incorporated municipal boundaries.	
Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: _____ <small>If checked, how many:</small>	See Additional Summary Attached <input type="checkbox"/>
SUBMITTER'S RECOMMENDATION(S):	Submitter's Signature Department Director, Etc. Digitally signed by John Caldwell Date: 2022.01.25 13:57:25 -07'00' John Caldwell
FINANCE REVIEW Fiscal Impact/Cost:	Reviewed by Finance Director
LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney John Caldwell Digitally signed by John Caldwell Date: 2022.01.25 13:57:37 -07'00'
COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda
Item No. 0301 RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN	
Approved: _____ Denied: _____ Other: _____ Resolution No. _____ Policy No. _____ Ordinance No. <u>95</u> Continued To: _____ Referred To: _____ Comments: <u>Repeals & Supersedes</u> <u>Ordinance No. 95</u> <u>Date July 25, 2019</u>	

STATE OF NEW MEXICO
COUNTY OF LEA
ORDINANCE NO. 95

NUISANCE ORDINANCE

AN ORDINANCE GOVERNING NUISANCES REPEALING AND SUPERSEDING ORDINANCE
NO. 95 DATED JULY 25, 2019

SECTION 1. SHORT TITLE

This Ordinance will be known as the Nuisance Ordinance.

SECTION 2. PURPOSE AND INTENT

The purpose and intent of this Ordinance is to protect the health, safety and welfare of the residents of Lea County by regulating those acts or omissions that create nuisances that injure or endanger the comfort, repose, health or safety of others, render other persons insecure in life or the use of property, or essentially interfere with the comfortable enjoyment of life and property or tend to depreciate the value of the property of others within Lea County. This Ordinance repeals and supersedes Nuisance Ordinance No. 95 adopted July 25, 2019.

SECTION 3. AUTHORITY

NMSA 1978 § 4-37-1 provides that all counties are granted the same powers of municipalities and included in this grant of powers are those powers necessary and proper to provide for the safety, preserve the health, promote the prosperity, and improve the morals, order, comfort and convenience of Lea County and its inhabitants.

SECTION 4. APPLICABILITY

This ordinance shall be effective and enforced within the geographical boundaries of Lea County, except for those areas that lie within the boundaries of any incorporated municipality.

SECTION 5. ILLUSTRATIVE LIST OF REGULATED ITEMS; NOT EXCLUSIVE

5.1 Noxious weeds and other rank vegetation.

5.2 Accumulations of rubbish, trash, refuse, litter, junk, and other abandoned materials, metals, lumber or other things.

5.3 Any condition that provides harborage for rats, mice, snakes, or other vermin.

5.4 Any condition that is attractive and dangerous to children, such as vacant accessible buildings, excavation, dilapidated wall and fences, wood piles and debris on vacant lots that may constitute a hazard to health and welfare of children who may not be able to recognize these dangers.

5.5 All disagreeable or obnoxious odors and stench, as well as the conditions, substances, or causes that give rise to the emission or generation of such odors or stench.

5.6 The carcasses of animals not disposed of within three days or when the carcasses become a nuisance, whichever occurs first.

5.7 Any accumulation of stagnant water permitted or maintained on any lot or piece of ground.

5.8 Dense smoke, noxious fume, gas, soot or cinders, in unreasonable quantities.

5.9 Inoperable motor vehicles.

5.10 The above list is for illustrative purposes and is not an exhaustive list of those acts, omissions, or items that may constitute a nuisance.

SECTION 6. PROHIBITED

It shall be prohibited for any person to cause, permit, maintain, or allow the creation or maintenance of a nuisance.

SECTION 7. NOTICE TO ABATE

7.1 Whenever a nuisance is found to exist, the County Manager or some other duly designated officer of the County may issue a citation that shall include a written notice to abate the nuisance to the owner, the owner's agent, or occupant of the property upon which such nuisance exists or upon the person causing or maintaining the nuisance.

7.2 Contents of notice

The notice to abate a nuisance shall contain the following:

7.2.1 An order to abate the nuisance within a specified amount of time, which shall be reasonable under the circumstances but generally no more than seven days.

7.2.2 The location of the nuisance, if the nuisance is stationary.

7.2.3 A description of what constitutes the nuisance.

7.2.4 A statement of the acts necessary to abate the nuisance.

7.2.5 A statement advising the person allegedly committing the nuisance of the right to request a hearing before the Environmental Board if a hearing has not already been provided. The request for a hearing must be received by the County Manager no later than seven days after receipt of the citation and notice.

7.2.6 A statement that if the nuisance is not abated as directed and request for a hearing is not made within the prescribed time, the County will seek relief from the magistrate court.

7.3 Any person receiving a notice of an order to abate a nuisance may request a hearing before the Environmental Board within the relevant notice period specified in Section 7.2.1.

7.4 **Service of notice.** The citation with notice shall be served by first class mail and certified mail or may be personally handed to a person, 18 years or older, at the address where the nuisance is located.

SECTION 8. ABANDONED, WRECKED, DISMANTLED, OR INOPERATIVE VEHICLES

8.1 **Definitions.** The following words, terms, phrases, when used in this ordinance, shall have the meanings ascribed to them in this ordinance, except where the context clearly indicates a different meaning.

8.1.1 **Abandoned** means any motor vehicle that does not display a current license plate or valid police sticker and is left unattended for a period exceeding 72 consecutive hours.

8.1.2 **Dismantled** means any motor vehicle that has been disassembled to any degree that renders it inoperable.

8.1.3 **Inoperable** means any motor vehicle incapable of operation upon any street or highway in compliance with the laws of the State of New Mexico.

8.1.4 **Motor vehicle** means any vehicle that is designed to be self-propelled and travel along the ground and includes but is not limited to automobiles, buses, motorbikes, motorcycles, motor scooters, trucks, tractors, go-carts, golf carts, recreational vehicles, and motor homes.

8.1.5 **Private property** means any real property within the county that is privately owned and that is not public property, as defined in this ordinance.

8.1.6 **Public property** means any street, alleyway, right-of-way, parkway, highway, which shall include the entire width between the boundary lines of every way publicly maintained for the purposes of vehicular travel, and also means other publicly owned property or facility.

8.1.7 **Wrecked** means any motor vehicle that is disabled or in a state of ruin or dilapidation which renders it inoperable.

SECTION 9. PROHIBITED

No person shall park, store, leave or permit the parking, storing, or leaving of any motor vehicle of any kind which is in an abandoned or wrecked or dismantled or inoperative or partially dismantled condition, whether attended or not, upon any private or public property for more than 10 days. The presence of an abandoned or wrecked or dismantled or inoperative or partially dismantled vehicle or parts thereof (except such parts that have been reconstructed or converted for practical use) on public property or private property is declared a public nuisance which may be abated in accordance with this ordinance. This section shall not apply to:

9.1 Any vehicle within an enclosed area or out of public view behind a solid fence; or

9.2 Any person who has obtained a permit for restoration of a motor vehicle pursuant to the County's policy on permits for restoration of motor vehicles.

SECTION 10. PERMITS FOR RESTORATION OF MOTOR VEHICLES

Any person, upon payment of a fee of \$25.00 for each 90-day period or portion thereof, may obtain a permit for the restoration of a motor vehicle from the Lea County Environmental Department. The permit shall specify the type of vehicle to be restored, the location of the vehicle and the time requested for restoration, provided that in no event shall the time allowed for restoration exceed 18 months. No more than one permit per location may be issued and outstanding at any one time.

SECTION 11. NOTICE TO REMOVE

Whenever it comes to the attention of the County that any violation of Section 9 may exist, notice in writing shall be served upon the occupant of the land where the motor vehicle exists, or if there is no such occupant, upon the owner of the property or his agent, or if the nuisance involves a vehicle left upon public property, notice shall be given to the owner of the vehicle or his agent, notifying them of the existence of the nuisance and requesting its removal in the time specified in this Ordinance.

11.1 Notice procedure. Under this section 11, the County shall give notice of removal to the owner or occupant of the private property where it is located, at least 30 days before the time of compliance, which shall be set forth in the notice. If the nuisance involves a vehicle on public property, notice shall be given to the owner of the vehicle or his agent, at least three days before the time of compliance, which shall be set forth in the notice. It shall constitute sufficient notice when a copy of such is posted in a conspicuous place upon the private property on which the vehicle is located or a copy of the notice is posted on the vehicle which is parked on the public property and duplicate copies are sent by certified mail to the owner of the vehicle left on public property or his agent or to the owner or occupant of the private property at his last known address. If notice cannot be given pursuant to this section, notice shall be given by publication once in a newspaper of general circulation in the community as soon as practicable after reasonable and diligent efforts to give notice as provided in this section proves fruitless.

SECTION 12. REQUEST FOR HEARING/APPEAL

12.1 Hearing. Under this ordinance, the persons to whom the notices or citations are directed or their duly authorized agents may file a written request for hearing before the Environmental Board. The request shall be delivered to the County Manager no later than seven days after receiving the citation and notice to abate the nuisance.

12.2 Appeal to Board of County Commissioners. If a person feels aggrieved by the decision of the Environmental Board, the person may appeal the decision to the Board of County Commissioners (BOCC) by serving the County Manager with a written notice of appeal no later than seven days after the decision of the Environmental Board.

12.3 Appeal to Magistrate Court. If a person feels aggrieved by the decision of the Board of County Commissioners, the person may appeal the decision by filing suit in the Lea County Magistrate Court no later than the 30th day after the decision of the Board of County Commissioners.

SECTION 13. PENALTIES AND ADDITIONAL REMEDIES

Any person found to be in violation of this ordinance is subject, in addition to the duty to abate the nuisance, to the penalties as follows:

13.1 Upon the first or second violation of this ordinance, except as provided below in 13.6 and 13.7, the offender shall be sentenced to a fine of not less than \$100 nor more than \$300. The minimum fine of \$100 may not be suspended, deferred or taken under advisement. The court may, in its discretion, suspend the remainder of the fine.

13.2 Upon the third or subsequent violation of this ordinance, except as provided below in 13.6 and 13.7, the offender shall be sentenced to a fine of not less than \$300, which may not be suspended, deferred or taken under advisement.

13.3 Any person found to be in violation of this ordinance shall not be subject to a term of imprisonment.

13.4 Where the complaint alleges a violation of this ordinance, any plea of guilty or nolo contendere thereafter entered in satisfaction of the charges shall include at least a plea of guilty or nolo contendere to a violation of this ordinance and no other disposition by plea of guilty or nolo contendere to any other charge shall be authorized.

13.5 As an additional remedy to the penalties set forth in this ordinance, the violation of any provision of this ordinance may be subject to abatement summarily by a restraining order or injunction issued by a court of competent jurisdiction.

13.6 If the violation is for discarding or disposing of refuse, litter, or garbage on public or private property in any manner other than by disposing of it in an authorized landfill, the fine may be up to \$1,000.00 for any such violation.

13.7. If the violation is for the improper or illegal disposal of hazardous materials or waste in any manner other than as provided for in the Hazardous Waste Act, the fine may be up to \$5,000.00.

13.8 Prosecution of violations under this ordinance may be commenced by the issuance of a citation charging the violation and may be issued by code enforcement officer of the county or employees authorized by the BOCC to issue such citations.

PASSED, APPROVED and ADOPTED on this 3rd day of February, 2022 by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

LEA COUNTY BOARD OF COUNTY COMMISSIONERS

Dean Jackson (District 1), Chair
Voted: Yes No Abstain

Gary G. Eidson (District 3), Vice Chair
Voted: Yes No Abstain

Rebecca Long (District 2), Member
Voted: Yes No Abstain

Jonathan Sena (District 4), Member
Voted: Yes No Abstain

Pat Sims (District 5), Member
Voted: Yes No Abstain

ATTEST: Keith Manes
Lea County Clerk

**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

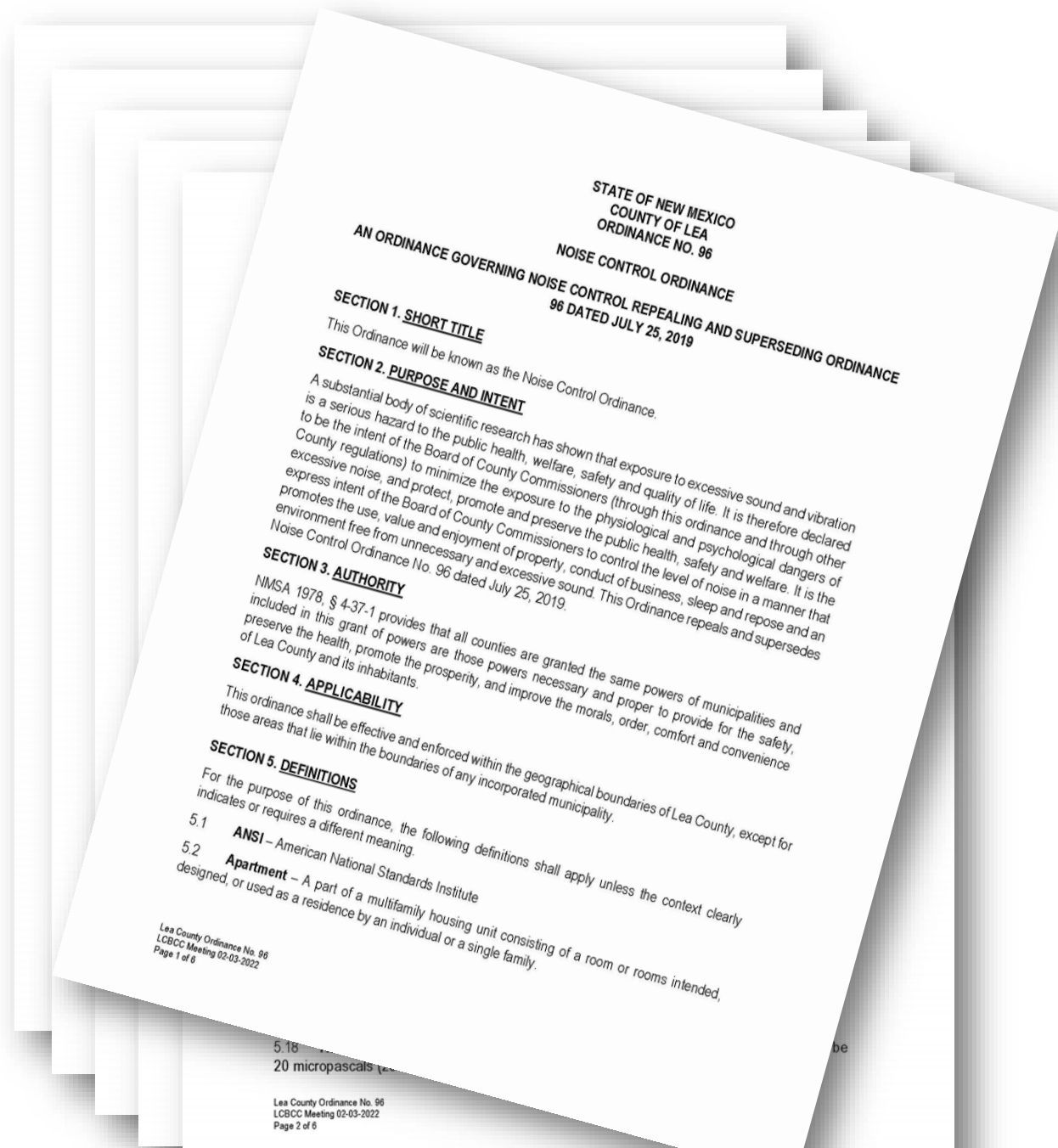
By:

Teri Davis, Deputy Clerk

John W. Caldwell, County Attorney



Consideration to Adopt Lea County Ordinance No. 96 An Ordinance Governing Noise Control Repealing and Superseding Ordinance No. 96 Dated July 25, 2019





**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sstout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 01/25/2022	SUBMITTED BY Name, Title, Dept: John Caldwell, County Attorney, Legal Department
SUBJECT: Hearing: Noise Control Ordinance No. 96, Repealing and Superseding Ordinance No. 96 Dated July 25, 2019	ATTACHMENT(S): Proposed Noise Ordinance No. 96
NO. OF ORIGINALS FOR SIGNATURE: 1 Ordinance	ACTION REQUESTED: Action Item
BUDGET LINE ITEM NUMBER: N/A	FISCAL BUDGET YEAR: N/A
STRATEGIC PLAN Implementation of 5 Year Strategic Plan: 3.4 Quality of Life	
SUMMARY: The proposed ordinance repeals and supersedes the current noise ordinance. The most significant difference is applicability. The current ordinance applies only to the Lea County/Hobbs Extra-Territorial Area. The new noise ordinance will apply to all Lea County, except those areas that lie within incorporated municipal boundaries.	
Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> If checked, how many; Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other:	See Additional Summary Attached <input type="checkbox"/>
SUBMITTER'S RECOMMENDATION(S):	Submitter's Signature Department Director, Etc. Digitally signed by John Caldwell Date: 2022.01.25 13:57:25 -07'00' John Caldwell
FINANCE REVIEW Fiscal Impact/Cost:	Reviewed by Finance Director
LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney John Caldwell Digitally signed by John Caldwell Date: 2022.01.25 13:57:37 -07'00'
COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda
Item No. 0302 RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN	
Approved: _____ Resolution No. _____ Continued To: _____	Denied: _____ Policy No. _____ Referred To: _____ Other: _____ Ordinance No. <u>96</u> Comments: <u>Repeals & Supersedes</u> <u>Ordinance No. 96</u> <u>Dated July 25, 2019</u>

STATE OF NEW MEXICO
COUNTY OF LEA
ORDINANCE NO. 96

NOISE CONTROL ORDINANCE

AN ORDINANCE GOVERNING NOISE CONTROL REPEALING AND SUPERSEDING ORDINANCE
96 DATED JULY 25, 2019

SECTION 1. SHORT TITLE

This Ordinance will be known as the Noise Control Ordinance.

SECTION 2. PURPOSE AND INTENT

A substantial body of scientific research has shown that exposure to excessive sound and vibration is a serious hazard to the public health, welfare, safety and quality of life. It is therefore declared to be the intent of the Board of County Commissioners (through this ordinance and through other County regulations) to minimize the exposure to the physiological and psychological dangers of excessive noise, and protect, promote and preserve the public health, safety and welfare. It is the express intent of the Board of County Commissioners to control the level of noise in a manner that promotes the use, value and enjoyment of property, conduct of business, sleep and repose and an environment free from unnecessary and excessive sound. This Ordinance repeals and supersedes Noise Control Ordinance No. 96 dated July 25, 2019.

SECTION 3. AUTHORITY

NMSA 1978, § 4-37-1 provides that all counties are granted the same powers of municipalities and included in this grant of powers are those powers necessary and proper to provide for the safety, preserve the health, promote the prosperity, and improve the morals, order, comfort and convenience of Lea County and its inhabitants.

SECTION 4. APPLICABILITY

This ordinance shall be effective and enforced within the geographical boundaries of Lea County, except for those areas that lie within the boundaries of any incorporated municipality.

SECTION 5. DEFINITIONS

For the purpose of this ordinance, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

5.1 **ANSI** – American National Standards Institute

5.2 **Apartment** – A part of a multifamily housing unit consisting of a room or rooms intended, designed, or used as a residence by an individual or a single family.

- 5.3 **Approved Sound-Level Meter** – An instrument sensitive to pressure fluctuations and meeting the standards of the ANSI 51.4-1983 Type or Type 2 or those of IEC Publication 651 or those of the latest respective revisions thereof.
- 5.4 **A-Weighted Sound Pressure Level** - The sound pressure level as measured on an approved sound-level meter using the A-weighting network. Instrument response shall be "fast" for motor vehicle measurements and "slow" for all other measurements.
- 5.5 **Board** - The Board of County Commissioners.
- 5.6 **Commercial/Industrial** – Any land use or activity conducted for financial gain through the sale of goods and services, including industrial uses.
- 5.7 **Daytime** - From 6:00 a.m. (0600 hours) to 10:00 p.m. (2200 hours) (Sunday through Thursday) and from 6:00 a.m. (0600 hours) to 11:00 p.m. (2300 hours) (Friday, Saturday and holidays).
- 5.8 **Department** – The Lea County Sheriff's Office.
- 5.9 **Emergency Work** - Work made necessary to restore property to a safe condition following a public calamity, work to restore public utilities, or work required to protect persons or property from an imminent exposure to danger.
- 5.10 **EPA** – The United States Environmental Protection Agency.
- 5.11 **Holidays** - Those days established by the federal government as official holidays.
- 5.12 **IEC** - The International Electrotechnical Commission.
- 5.13 **Motor Vehicle** – Every vehicle that is self-propelled, but excluding off-highway construction equipment, unlicensed construction equipment, or equipment operated upon rails.
- 5.14 **Nighttime** - From 10:00 p.m. (2200 hours) to 6:00 a.m. (0600 hours) (Sunday night/Monday morning through Thursday night/Friday morning) and from 11:00 p.m. (2300 hours) through 6:00 a.m. (0600 hours) Friday night/Saturday morning and Saturday night/Sunday morning). On holidays, nighttime runs from 11:00 p.m. (2300) hours) until 6:00 (0600 hours) and does not commence again until 11:00 p.m. (2300 hours).
- 5.15 **Persistently or Continuously** - A ten-minute period during which animal noise is discerned in each of the 10 one-minute intervals therein.
- 5.16 **Person** - A person, firm, association, copartnership, joint venture, corporation, or any other entity, public or private in nature.
- 5.17 **Public roadway** – Any road, street, avenue, boulevard, highway, alley or similar place that is controlled by a public governmental entity and is located within the geographical boundaries of Lea County, outside the jurisdiction of duly incorporated municipalities.
- 5.18 **Reference Pressure** - The reference pressure for all sound level measurements shall be 20 micropascals (20 uPa). This shall be further defined as 0 dB(A).

- 5.19 **Residential** – Land areas used predominantly for housing.
- 5.20 **SAE** - The Society of Automotive Engineers.
- 5.21 **Sheriff** - The Lea County Sheriff or Sheriffs designated representative.
- 5.22 **Sound Amplifying Equipment** - Any machine or device for the sound amplification of the human voice, music, or any other sound. "Sound amplifying equipment" shall not include horns or warning devices on authorized emergency vehicles or on any motor vehicles that are used only for traffic safety purposes.

SECTION 6. DECIBEL MEASUREMENT CRITERIA

Unless otherwise indicated, any decibel (dB) measurement made pursuant to the provisions of this ordinance shall be based on the reference sound pressure and measured with a sound-level meter using the A-weighting network. In this ordinance, the terms dB and dBA are synonymous unless otherwise stated.

SECTION 7. PROHIBITED NOISE

7.1 Regardless of any other section of this ordinance, it shall be unlawful for any person during nighttime to make, continue, or cause to be made any unreasonably loud or unusual noise that either annoys, disturbs, injures, or endangers the comfort, repose, health, peace, or safety of another person or persons.

7.2 Upon a complaint of a violation of Section 7.1, it shall be prima facia evidence of a violation of this article if any unreasonably loud or unusual noise is audible during nighttime to any person positioned at the boundary of the property immediately adjacent to the property from which the sound emanates or causes a person so positioned to be aware of the vibration accompanying the sound.

7.3 Except as otherwise provided in this ordinance, no person during nighttime shall make or continue, cause to be made or continued, or allow to be made or continued, any sound exceeding 50 dB.

7.4 Sound projecting from property shall not exceed the limits onto the property which it is projected.

7.5 Noise originating from sources of any kind engaged in agricultural, ranching, military operations, or new oil/gas exploration site are exempt from the provisions of this ordinance.

7.6 **Horns and signaling devices.** The sounding of any horn or signaling device of any automobile, motorcycle, truck or other vehicle during nighttime on any public street or public place except as a danger warning; the creation by means of any such signaling devices of any unreasonable, loud or harsh sound; the sounding of such devices for any unnecessary and unreasonable period of time other than by accident or mechanical, electrical or other difficulty or failure; and the use of any such signaling device where traffic is held up shall be

deemed a violation of this article. The provisions of this section do not apply to an authorized emergency vehicle as defined in NMSA 1978, §§ 66-1-4.1 and 66-7-6.

7.7 Sound amplifying equipment.

7.7.1 No person during nighttime shall practice, play, or conduct live music activities using sound amplifying equipment or operate a radio, television, stereo or other sound amplifying equipment resulting in sound levels exceeding the level set in Sections 7.1, 7.2 or 7.3 when measured on any receiving property or, if an apartment, within any dwelling unit or common area to residents of the apartment, or to conduct such activities or operate any such device so as to be audible within any dwelling unit that is not the source of the sound.

7.7.2 During nighttime, such amplified sound shall not be allowed to cause or contribute to exceeding the limits set forth for the receiving property as established in Sections 7.1, 7.2 or 7.3.

7.8 Outdoor sound amplifiers. If any outdoor sound amplifier, loudspeaker system or similar broadcasting device is audible at nighttime at any residence and is otherwise in violation of this article, the use of the outdoor sound amplifier, loudspeaker system or similar broadcasting device at that facility shall thereafter be prohibited as provided herein. If the user of a facility is determined to have violated any requirement in this subsection on two or more occasions in any six-month period, then the user of the outdoor sound amplifier, loudspeaker system or similar broadcasting device shall thereafter immediately remove such device from use at that facility. A subsequent user of a facility at which use of an outdoor sound amplifier, loudspeaker system or similar broadcasting device has previously been prohibited pursuant to this subsection may not use such a device at that facility unless and until:

7.8.1 The subsequent user establishes to the reasonable satisfaction of the Department that the device can be used in compliance with this section; and

7.8.2 The subsequent user is not affiliated by common ownership or control with the user of the facility at the time use of the previous device was prohibited.

7.9 Drums, bells, and other musical instruments. No person shall use any drum, bell or other musical instrument resulting in sound levels exceeding the level set in Sections 7.1, 7.2 or 7.3 so as to be audible within any dwelling unit which is not the source of sound. At no time during nighttime shall such sound be allowed to cause or contribute to exceeding the limits set forth for the receiving property as established in sections 7.2 or 7.3 This section shall not apply to any person who is participating in a school band or duly licensed parade nor does this section apply in the daytime to bells or chimes used by schools or religious institutions.

7.10 Animals. No person shall allow an animal in the person's possession or control to persistently or continuously bark, howl or make noise common to its species, or otherwise to disturb the peace and quiet of any person, or otherwise endanger the health and welfare of any person.

7.11 Motor vehicles.

7.11.1 The nighttime use of defective mufflers and other exhaust devices that effectively bypass mufflers while any motor vehicle is in operation that disturbs the peace and quiet of an area shall be deemed a violation of this ordinance.

7.11.2 All motor vehicles shall have a ninety-day grace period from the effective date of this ordinance to comply with the vehicle noise emission regulations herein.

7.13 Refuse collection. No person shall collect refuse with a refuse collection vehicle except during daytime.

7.14 Machinery, equipment, fans, and air conditioners.

7.14.1 At nighttime, except for emergency work as defined in this article, no person shall operate or allow the operation of any stationary machinery, equipment, fan, air-conditioning apparatus, or similar permanently installed mechanical device in any manner so as to create noise which exceeds the limits specified in Sections 7.1, 7.2 or 7.3.

7.14.1 At nighttime, except for emergency work as defined in this article, no person shall operate or allow to be operated outdoors any power equipment, including but not limited to sweepers, power mowers, leaf blowers, rototillers, power saws or other power equipment used to sweep parking areas or other surfaces or perform gardening, property repair or other similar functions so as to create noise which exceeds the limits specified in Sections 7.1, 7.2 or 7.3.

7.15 Construction, repair, demolition, or excavation and grading work. At nighttime, except for emergency work as defined in this article, construction, repair, demolition or excavation and grading work to commercial or residential buildings, roadways, utility facilities or infrastructure, which work disturbs the comfort or repose of any person(s) or generates noise exceeding the limits specified in Sections 7.1, 7.2 or 7.3, shall be deemed a violation of this ordinance.

SECTION 8. ENFORCEMENT

The Sheriff shall be responsible for the administration of this article. The Sheriff, in coordination with the County Environmental Department and Legal Department, shall promulgate rules, regulations, and test and compliance procedures to implement the provisions of this Ordinance.

SECTION 9. PENALTIES AND ADDITIONAL REMEDIES

Any person found to be in violation of this ordinance is subject to the penalties as follows:

9.1 Upon the first or second violation of this ordinance, the offender shall be sentenced to a fine of not less than \$100 nor more than \$300. The minimum fine of \$100 may not be suspended, deferred or taken under advisement. The court may, in its discretion, suspend the remainder of the fine.

9.2 Upon the third or subsequent violation of this ordinance, the offender shall be sentenced to a fine of not less than \$300, which may not be suspended, deferred or taken under advisement.

9.3 Any person found to be in violation of this ordinance shall not be subject to a term of imprisonment.

9.4 Where the complaint alleges a violation of this ordinance, any plea of guilty or nolo contendere thereafter entered in satisfaction of the charges shall include at least a plea of guilty or nolo contendere to a violation of this ordinance and no other disposition by plea of guilty or nolo contendere to any other charge shall be authorized.

9.5 As an additional remedy to the penalties set forth in this ordinance, the violation of any provision of this article may be subject to abatement summarily by a restraining order or injunction issued by a court of competent jurisdiction.

PASSED, APPROVED and ADOPTED on this 3rd day of February, 2022, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

LEA COUNTY BOARD OF COUNTY COMMISSIONERS

Dean Jackson (District 1), Chair
Voted: Yes No Abstain

Gary G. Eidson (District 3), Vice Chair
Voted: Yes No Abstain

Rebecca Long (District 2), Member
Voted: Yes No Abstain

Jonathan Sena (District 4), Member
Voted: Yes No Abstain

Pat Sims (District 5), Member
Voted: Yes No Abstain

ATTEST: Keith Manes
Lea County Clerk

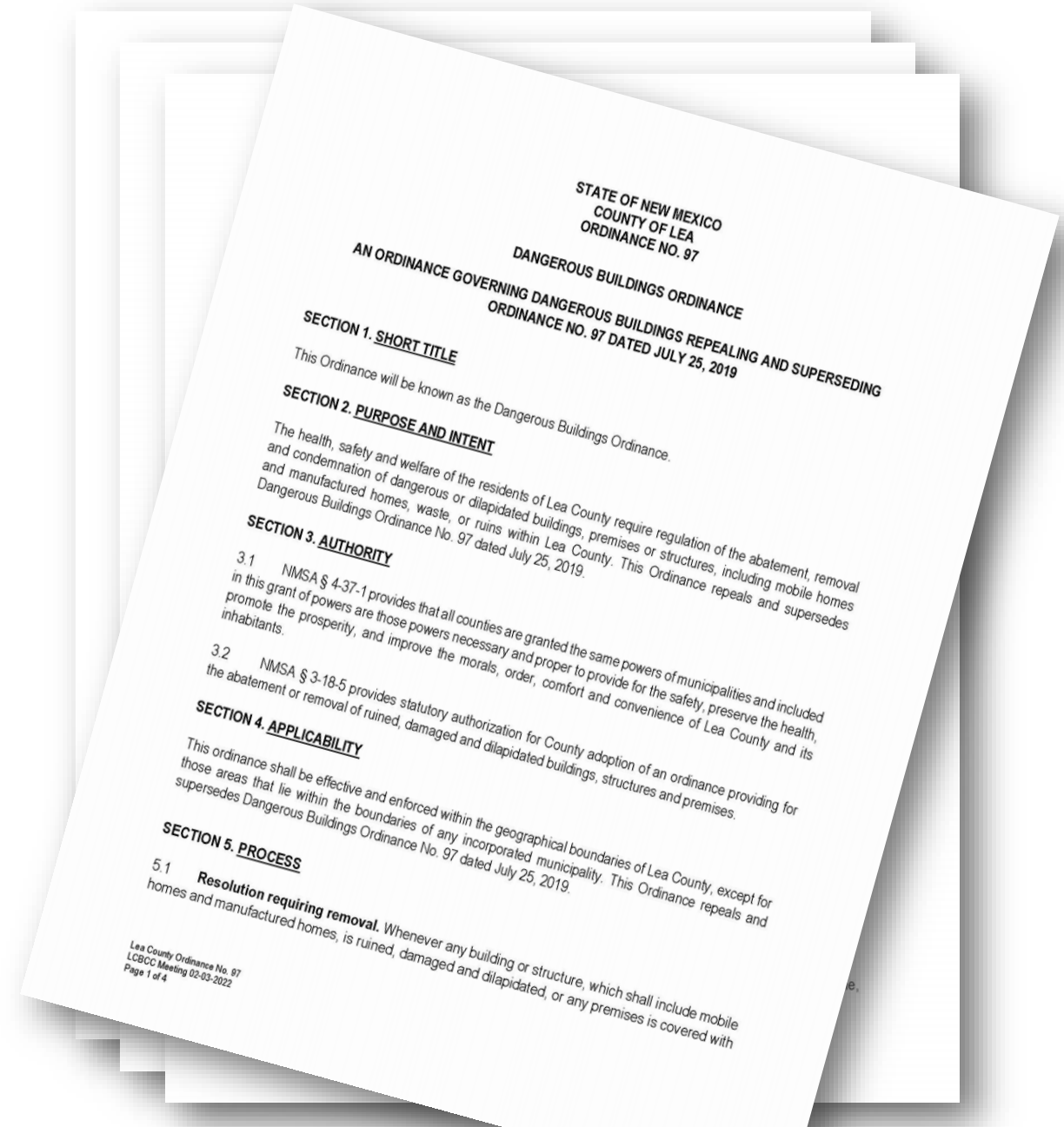
**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

By: _____
Teri Davis, Deputy Clerk

John W. Caldwell, County Attorney



Consideration to Adopt Lea County Ordinance No. 97 An Ordinance Governing Dangerous Buildings Repealing and Superseding Ordinance No. 97 Dated July 25, 2019





**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sstout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 01/25/2022	SUBMITTED BY Name, Title, Dept: John Caldwell, County Attorney, Legal Department
SUBJECT: Hearing: Dangerous Buildings Ordinance No. 97, Repealing and Superseding Ordinance No. 97 Dated July 25, 2019	ATTACHMENT(S): Proposed Dangerous Buildings Ordinance No. 97
NO. OF ORIGINALS FOR SIGNATURE: 1 Ordinance	ACTION REQUESTED: Action Item
BUDGET LINE ITEM NUMBER:	FISCAL BUDGET YEAR:
STRATEGIC PLAN Implementation of 5 Year Strategic Plan: 3.4 Quality of Life	
SUMMARY: The proposed ordinance repeals and supersedes the current dangerous buildings ordinance. The most significant difference is applicability. The current ordinance applies only to the Lea County/Hobbs Extra-Territorial Area. The new dangerous buildings ordinance will apply to all Lea County, except those areas that lie within incorporated municipal boundaries.	
Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: _____ <small>If checked, how many:</small>	See Additional Summary Attached <input type="checkbox"/>
SUBMITTER'S RECOMMENDATION(S):	Submitter's Signature Department Director, Etc. Digitally signed by John Caldwell Date: 2022.01.25 13:57:25 -07'00' John Caldwell
FINANCE REVIEW Fiscal Impact/Cost:	Reviewed by Finance Director
LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney John Caldwell Digitally signed by John Caldwell Date: 2022.01.25 13:57:37 -07'00'
COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda
Item No. <u>0303</u> RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN	
Approved: _____ Resolution No. _____ Continued To: _____	Denied: _____ Policy No. _____ Referred To: _____ Other: _____ Ordinance No. <u>97</u> Comments: Repeals & Supersedes Ordinance No. 97 Dated July 25, 2019

STATE OF NEW MEXICO
COUNTY OF LEA
ORDINANCE NO. 97

DANGEROUS BUILDINGS ORDINANCE

AN ORDINANCE GOVERNING DANGEROUS BUILDINGS REPEALING AND SUPERSEDING
ORDINANCE NO. 97 DATED JULY 25, 2019

SECTION 1. SHORT TITLE

This Ordinance will be known as the Dangerous Buildings Ordinance.

SECTION 2. PURPOSE AND INTENT

The health, safety and welfare of the residents of Lea County require regulation of the abatement, removal and condemnation of dangerous or dilapidated buildings, premises or structures, including mobile homes and manufactured homes, waste, or ruins within Lea County. This Ordinance repeals and supersedes Dangerous Buildings Ordinance No. 97 dated July 25, 2019.

SECTION 3. AUTHORITY

3.1 NMSA § 4-37-1 provides that all counties are granted the same powers of municipalities and included in this grant of powers are those powers necessary and proper to provide for the safety, preserve the health, promote the prosperity, and improve the morals, order, comfort and convenience of Lea County and its inhabitants.

3.2 NMSA § 3-18-5 provides statutory authorization for County adoption of an ordinance providing for the abatement or removal of ruined, damaged and dilapidated buildings, structures and premises.

SECTION 4. APPLICABILITY

This ordinance shall be effective and enforced within the geographical boundaries of Lea County, except for those areas that lie within the boundaries of any incorporated municipality. This Ordinance repeals and supersedes Dangerous Buildings Ordinance No. 97 dated July 25, 2019.

SECTION 5. PROCESS

5.1 **Resolution requiring removal.** Whenever any building or structure, which shall include mobile homes and manufactured homes, is ruined, damaged and dilapidated, or any premises is covered with

ruins, rubbish, wreckage or debris, the Board of County Commissioners may by resolution find that the ruined, damaged and dilapidated building, structure, mobile home, manufactured home or premises is a menace to the public comfort, health, peace or safety and require the removal of the building, structure, mobile home, manufactured home, ruins, rubbish, wreckage or debris.

5.2 **Service upon owner, occupant, or agent.** A copy of the resolution shall be served on the owner, occupant or agent in charge of the building, structure, mobile home, manufactured home or premises. If the owner, as shown by the real estate records of the County Clerk, occupant or agent in charge of the building, structure, mobile home, manufactured home or premises cannot be served within the County, a copy of the resolution shall be posted on the building, structure, mobile home, manufactured home or premises, and a copy of the resolution shall be published one time in a local newspaper of general circulation in the County.

5.3 **Time permitted for removal; written objection.** Within 10 days of receipt of a copy of the resolution or of the posting and publishing of a copy of the resolution, the owner, occupant or agent in charge of the building, structure, mobile home, manufactured home or premises shall commence removing the building, structure, mobile home, manufactured home, ruin, rubbish, wreckage or debris, or file a written objection with the County Clerk asking for a hearing before the Board of County Commissioners.

5.4 **Hearing.** If a written objection is filed as provided in Section 5.3, the Board of County Commissioners shall:

5.4.1 Fix a date for a hearing on its resolution and the objection;

5.4.2 Consider all evidence for and against the resolution at the hearing; and

5.4.3 Determine if its resolution shall be enforced or rescinded.

5.5 **Appeal to District Court.** Any person aggrieved by the determination issued by the Board of County Commissioners made pursuant to Section 5.4.3 may appeal to the District Court by:

5.5.1 Giving written notice of appeal to the Board of County Commissioners within five days after the determination made by the Board of County Commissioners; and

5.5.2 Filing a petition in the District Court within 30 days after the determination made by the Board of County Commissioners. The District Court shall hear the matter de novo and enter a judgment in accordance with its findings.

SECTION 6. FAILURE OF OWNER, OCCUPANT, OR AGENT TO REMOVE; REMOVAL BY THE COUNTY; LIEN.

6.1 If the owner, occupant or agent in charge of the building, structure, mobile home,

manufactured home or premises fails to commence removing the building, structure, mobile home, manufactured home, ruins, rubbish, wreckage or debris within 10 days of being served a copy of the resolution or of the posting and publishing of such resolution, or within 30 days of the determination by the Board of County Commissioners that the resolution shall be enforced, or after the District Court enters judgment sustaining the determination of the Board of County Commissioners, the County may remove or may contract for the removal of the building, structure, mobile home, manufactured home, ruins, rubbish, wreckage or debris at the cost and expense of the owner. The reasonable cost of the removal shall constitute a lien against the building, structure, mobile home, manufactured home, ruin, rubbish, wreckage or debris so removed and against the lot or parcel of land from which it was removed. The lien shall be foreclosed in the manner provided in NMSA §§ 3-36-1 through 3-36-6.

6.2 Payment by County for removal. The County may, as one option, pay for the cost, all or part thereof, of removal of any condemned building, structure, mobile home, manufactured home, wreckage, rubbish or debris by granting to the person removing such materials the legal title to all salvageable materials.

6.3 Duty to leave premises in clean, level, and safe condition. Any person or firm removing any condemned building, structure, mobile home, manufactured home, wreckage, rubbish or debris shall leave the premises from which the material has been removed in a clean, level and safe condition, suitable for further occupancy or construction, and with all excavations filled.

PASSED, APPROVED and ADOPTED on this 3rd day of February, 2022, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

LEA COUNTY BOARD OF COUNTY COMMISSIONERS

Dean Jackson (District 1), Chair
Voted: Yes No Abstain

Gary G. Eidson (District 3), Vice Chair
Voted: Yes No Abstain

Rebecca Long (District 2), Member
Voted: Yes No Abstain

Jonathan Sena (District 4), Member
Voted: Yes No Abstain

Pat Sims (District 5), Member
Voted: Yes No Abstain

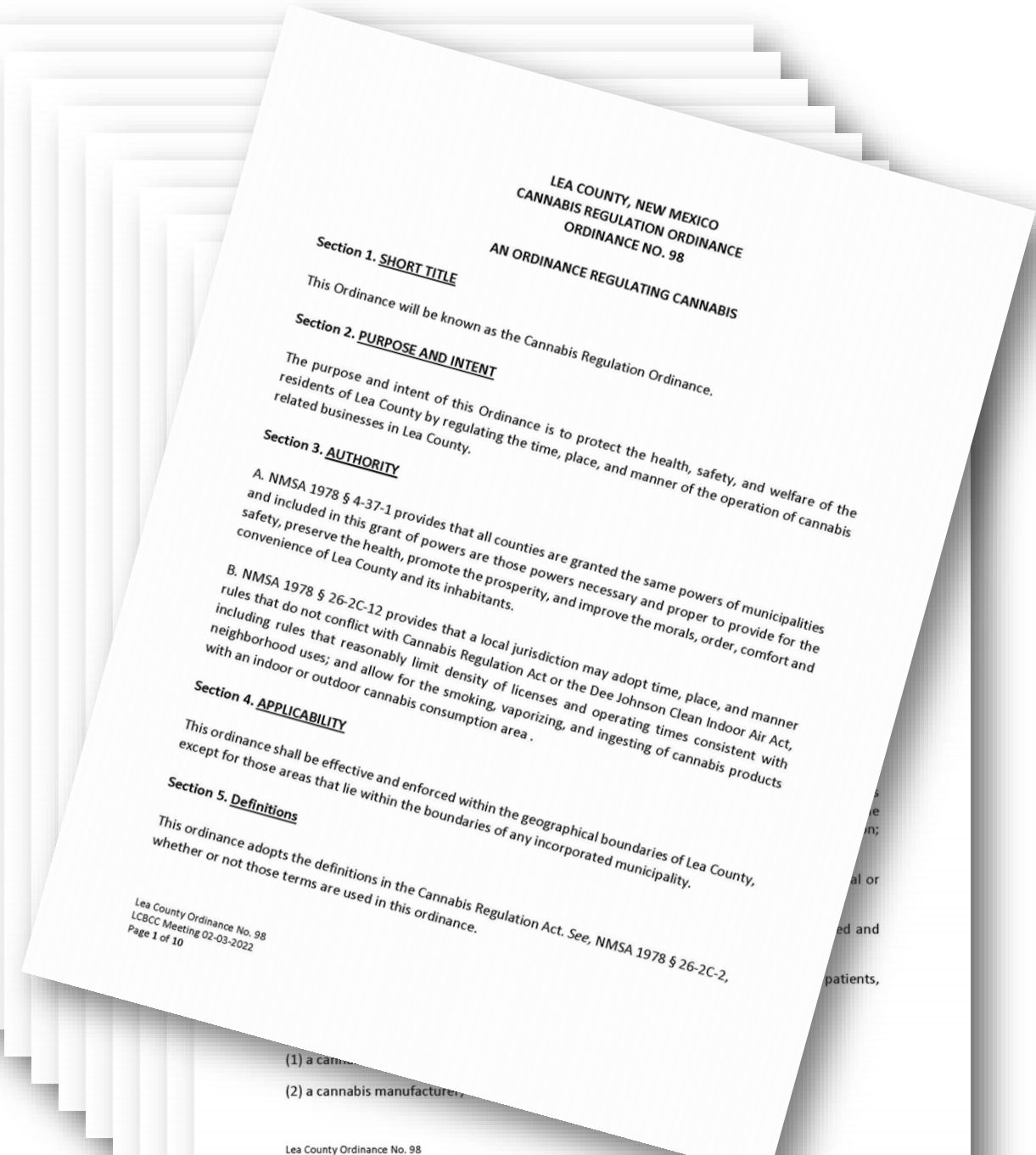
ATTEST: Keith Manes
Lea County Clerk

**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

By: _____
Teri Davis, Deputy Clerk

John W. Caldwell, County Attorney

Consideration to Adopt Lea County Ordinance No. 98 An Ordinance Regulating Cannabis





**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator ssstout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 01/25/2022	SUBMITTED BY Name, Title, Dept: John Caldwell, County Attorney, Legal Department
SUBJECT: Hearing: Cannabis Regulation Ordinance	ATTACHMENT(S): Proposed Cannabis Regulation Ordinance
NO. OF ORIGINALS FOR SIGNATURE: 1 Ordinance	ACTION REQUESTED: Action Item
BUDGET LINE ITEM NUMBER: N/A	FISCAL BUDGET YEAR: N/A
STRATEGIC PLAN Implementation of 5 Year Strategic Plan: 3.2 Economic Growth 3.4 Quality of Life 3.5 Safety	
SUMMARY: The New Mexico legislature and governor legalized the recreational use of cannabis in 2021. The statute allows local governments very limited discretion to adopt rules on time, manner, and place of cannabis operations. The proposed ordinance places restrictions on time, manner, and place of operations of recreational cannabis establishments.	
Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: _____ <small>If checked, how many:</small>	See Additional Summary Attached <input type="checkbox"/>
SUBMITTER'S RECOMMENDATION(S):	Submitter's Signature Department Director, Etc. Digitally signed by John Caldwell Date: 2022.01.25 14:12:39 -07'00' John Caldwell
FINANCE REVIEW Fiscal Impact/Cost:	Reviewed by Finance Director
LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney John Caldwell Digitally signed by John Caldwell Date: 2022.01.25 14:12:50 -07'00'
COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda
Item No. <u>0304</u> RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN	
Approved: _____ Denied: _____ Other: _____ Resolution No. _____ Policy No. _____ Ordinance No. <u>98</u> Continued To: _____ Referred To: _____ Comments: _____	

**LEA COUNTY, NEW MEXICO
CANNABIS REGULATION ORDINANCE
ORDINANCE NO. 98**

AN ORDINANCE REGULATING CANNABIS

Section 1. SHORT TITLE

This Ordinance will be known as the Cannabis Regulation Ordinance.

Section 2. PURPOSE AND INTENT

The purpose and intent of this Ordinance is to protect the health, safety, and welfare of the residents of Lea County by regulating the time, place, and manner of the operation of cannabis related businesses in Lea County.

Section 3. AUTHORITY

A. NMSA 1978 § 4-37-1 provides that all counties are granted the same powers of municipalities and included in this grant of powers are those powers necessary and proper to provide for the safety, preserve the health, promote the prosperity, and improve the morals, order, comfort and convenience of Lea County and its inhabitants.

B. NMSA 1978 § 26-2C-12 provides that a local jurisdiction may adopt time, place, and manner rules that do not conflict with Cannabis Regulation Act or the Dee Johnson Clean Indoor Air Act, including rules that reasonably limit density of licenses and operating times consistent with neighborhood uses; and allow for the smoking, vaporizing, and ingesting of cannabis products with an indoor or outdoor cannabis consumption area .

Section 4. APPLICABILITY

This ordinance shall be effective and enforced within the geographical boundaries of Lea County, except for those areas that lie within the boundaries of any incorporated municipality.

Section 5. Definitions

This ordinance adopts the definitions in the Cannabis Regulation Act. *See*, NMSA 1978 § 26-2C-2, whether or not those terms are used in this ordinance.

A. “advertisement”:

(1) means a statement or a depiction that is intended to induce the purchase of cannabis products and that is displayed in printed material or on a sign or other outdoor display or presented in a radio, television or other media broadcast or in digital media; and

(2) does not include:

(a) a sign or outdoor display or other statement permanently affixed to a licensed premises that is intended to induce the sale of a cannabis product produced or sold on the premises;

(b) a label affixed to a cannabis product or the covering, wrapper or container of a cannabis product; or

(c) an editorial or other material printed in a publication when the publication of the editorial or material was not paid for by a licensee and was not intended to promote the sale of cannabis products by a particular brand or company;

B. “cannabis”:

(1) means all parts of the plant genus Cannabis containing a delta-9-tetrahydrocannabinol concentration of more than three-tenths percent on a dry weight basis, whether growing or not; the seeds of the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or its resin; and

(2) does not include:

(a) the mature stalks of the plant; fiber produced from the stalks; oil or cake made from the seeds of the plant; any other compound, manufacture, salt, derivative, mixture or preparation of the mature stalks, fiber, oil or cake; or the sterilized seed of the plant that is incapable of germination; or

(b) the weight of any other ingredient combined with cannabis products to prepare topical or oral administrations, food, drink or another product;

C. “cannabis consumption area” means an area where cannabis products may be served and consumed;

D. “cannabis courier” means a person that transports cannabis products to qualified patients, primary caregivers or reciprocal participants or directly to consumers;

E. “cannabis establishment” means:

(1) a cannabis testing laboratory;

(2) a cannabis manufacturer;

- (3) a cannabis producer;
- (4) a cannabis retailer;
- (5) a cannabis research laboratory;
- (6) a vertically integrated cannabis establishment;
- (7) a cannabis producer microbusiness; or
- (8) an integrated cannabis microbusiness;

F. “cannabis extract”:

- (1) means a product obtained by separating resins, tetrahydrocannabinols or other substances from cannabis by extraction methods approved by the division; and
- (2) does not include the weight of any other ingredient combined with cannabis extract to prepare topical or oral administrations, food, drink or another product;

G. “cannabis flowers” means only the flowers of a cannabis plant;

H. “cannabis manufacturer” means a person that:

- (1) manufactures cannabis products;
- (2) packages cannabis products;
- (3) has cannabis products tested by a cannabis testing laboratory; or
- (4) purchases, acquires, sells or transports wholesale cannabis products to other cannabis establishments;

I. “cannabis producer” means a person that:

- (1) cultivates cannabis plants;
- (2) has unprocessed cannabis products tested by a cannabis testing laboratory;
- (3) transports unprocessed cannabis products only to other cannabis establishments; or
- (4) sells cannabis products wholesale;

J. “cannabis producer microbusiness” means a cannabis producer at a single licensed premises that possesses no more than two hundred total mature cannabis plants at any one time;

K. “cannabis product” means a product that is or that contains cannabis or cannabis extract, including edible or topical products that may also contain other ingredients;

L. “cannabis research laboratory” means a facility that produces or possesses cannabis products and all parts of the plant genus Cannabis for the purpose of studying cannabis cultivation, characteristics or uses;

M. “cannabis retailer” means a person that sells cannabis products to qualified patients, primary caregivers or reciprocal participants or directly to consumers;

N. “cannabis server permit” means an authorization that allows a person to directly offer, sell or serve cannabis or cannabis products as part of commercial cannabis activity in a cannabis consumption area;

O. “cannabis server permit education provider” means a person that provides cannabis server education courses and examinations;

P. “cannabis testing laboratory” means a person that samples, collects and tests cannabis products and transports cannabis products for the purpose of testing;

Q. “cannabis training and education program” means a practical or academic curriculum offered by a New Mexico public post-secondary educational institution designed to prepare students for participation in the cannabis industry;

R. “commercial cannabis activity”:

(1) means the cultivation, production, possession, manufacture, storage, testing, researching, labeling, transportation, couriering, purchase for resale, sale or consignment of cannabis products; and

(2) does not include activities related only to the medical cannabis program, to cannabis training and education programs or to the personal cultivation or use of cannabis;

S. “consumer” means a person twenty-one years of age or older who purchases, acquires, owns, possesses or uses a cannabis product for a purpose other than resale;

T. “contaminant” means pesticides and other foreign material, such as hair, insects or other similar adulterants, in harvested cannabis;

U. “controlling person”:

(1) means a person that controls a financial or voting interest of ten percent or more of, or an officer or board member of, a cannabis establishment; and

(2) does not include a bank or licensed lending institution;

V. “cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading or trimming of cannabis;

W. “department” means the regulation and licensing department;

X. “director” means the director of the division;

Y. “division” means the cannabis control division of the department;

Z. “dry weight basis”, when used in the context of regulation of commercial cannabis activity, means a process by which delta-9-tetrahydrocannabinol concentration is measured relative to the aggregate weight of all parts of the plant genus Cannabis, whether growing or not, including the leaves of the plant, the flowers and buds of the plant, the seeds of the plant, the resin of the plant and the stalks of the plant at the point of harvest by a licensee and with no moisture added to the harvested plant;

AA. “facility” means a building, space or grounds licensed for the production, possession, testing, manufacturing or distribution of cannabis, cannabis extracts or cannabis products;

BB. “financial consideration” means value that is given or received, directly or indirectly, through sales, barter, trade, fees, charges, dues, contributions or donations;

CC. “homegrown” or “homemade” means grown or made for purposes that are not dependent or conditioned upon the provision or receipt of financial consideration;

DD. “household” means a housing unit and includes any place in or around the housing unit at which an occupant of the housing unit produces, manufactures, keeps or stores homegrown cannabis or homemade cannabis products;

EE. “immature cannabis plant” means a cannabis plant that has no observable flowers or buds;

FF. “industry standards” means the prevailing customary standards of business practice in the cannabis industry in jurisdictions within the United States;

GG. “integrated cannabis microbusiness” means a person that is authorized to conduct one or more of the following:

(1) production of cannabis at a single licensed premises; provided that the person shall not possess more than two hundred total mature cannabis plants at any one time;

(2) manufacture of cannabis products at a single licensed premises;

(3) sales and transportation of only cannabis products produced or manufactured by that person;

(4) operation of only one retail establishment; and

(5) couriership of cannabis products to qualified patients, primary caregivers or reciprocal participants or directly to consumers;

HH. “licensed premises” means a location that includes:

(1) all enclosed public and private areas at the location that are used in the business and includes offices, kitchens, restrooms and storerooms;

(2) all areas outside of a building that are specifically included in the license for the production, manufacturing, wholesale sale or retail sale of cannabis products; and

(3) with respect to a location that is specifically licensed for the production of cannabis outside of a building, the entire unit of land that is created by subsection or partition of land that the licensee owns, leases or has a right to occupy;

II. “local jurisdiction” means a municipality, home rule municipality or county;

JJ. “manufacture” means to compound, blend, extract, infuse, package or otherwise prepare a cannabis product;

KK. “medical cannabis” means cannabis products used by a qualified patient or reciprocal participant in accordance with the Lynn and Erin Compassionate Use Act;

LL. “medical cannabis program” means the program created pursuant to the Lynn and Erin Compassionate Use Act;

MM. “medical cannabis registry” means the system by which the department of health approves or denies applications and issues and renews registry identification cards for qualified patients;

NN. “primary caregiver” means a resident of New Mexico who is at least eighteen years of age and who is responsible for managing the well-being of a qualified patient with respect to the medical use of cannabis pursuant to the Lynn and Erin Compassionate Use Act;

OO. “public place” means a place to which the general public has access and includes hallways, lobbies and other parts of apartment houses and hotels that do not constitute rooms or apartments designed for actual residence; highways; streets; schools; places of amusement; parks; playgrounds; and places used in connection with public passenger transportation;

PP. “qualified patient” means a resident of New Mexico who holds a registry identification card pursuant to the Lynn and Erin Compassionate Use Act;

QQ. “reciprocal participant” means a person who is not a resident of New Mexico and who holds proof of enrollment by a governmental regulatory authority to participate in the medical cannabis program of another state of the United States, the District of Columbia or a territory or commonwealth of the United States in which the person resides or a person who holds proof of enrollment by a governmental regulatory authority of a New Mexico Indian nation, tribe or pueblo to participate in its medical cannabis program;

RR. “retail establishment” means a location at which cannabis products are sold to qualified patients, primary caregivers and reciprocal participants and directly to consumers;

SS. “superintendent” means the superintendent of regulation and licensing;

TT. “unprocessed” means unaltered from an original, raw or natural state; and

UU. “vertically integrated cannabis establishment” means a person that is authorized to act as any of the following:

- (1) a cannabis courier;
- (2) a cannabis manufacturer;
- (3) a cannabis producer; and
- (4) a cannabis retailer.

Section 6. LOCATION RESTRICTIONS

A. **Minimum separation distance.** A cannabis establishment and/or a cannabis consumption area must maintain a minimum separation distance of 300 feet from any religious assembly or church, community center, public park, school, or daycare center that was in existence at the time the cannabis establishment was licensed by the state.

B. **Density.** No cannabis retailer or cannabis consumption area shall be within 1250 feet of another cannabis retailer or cannabis consumption area.

B. **Measurement.** For the purposes of Section 6A and 6B of this ordinance, distances shall be measured in a straight line from property line to property line, without regard to intervening structures or objects.

Section 7. TIME/HOURS OF OPERATION

A. **Sales.** Cannabis retailers may sell cannabis products for off-site consumption only between the hours of 7:00 a.m. and 12:00 a.m. (midnight).

B. **Cannabis Consumption Areas.** Cannabis service and consumption in cannabis consumption areas may occur only between 7:00 a.m. and 12:00 a.m. (midnight).

Section 8. REGISTRATION WITHIN COUNTY

A. Cannabis Establishments. All cannabis establishments licensed by the state to do business or be physically present in Lea County shall register with the Lea County Environmental Department prior to doing business or within 10 days of locating in Lea County. Such establishments shall renew their registration annually.

B. Cannabis Consumption Areas. All cannabis consumption areas licensed by the state to do business or be physically present in Lea County shall register with the Lea County Environmental Department prior to doing business or within 10 days of locating in Lea County. Such cannabis consumption areas shall renew their registration annually.

C. Registration Requirements/Fees. Each registrant in 8A and 8B shall present a photocopy of its state license to the Lea County Environmental Department. Each registrant shall pay an initial registration fee of \$250.00. Each registrant shall pay a registration fee of \$150.00 at the time of each annual renewal of its registration.

Section 9. CANNABIS CONSUMPTION AREA

Cannabis consumption areas are subject to the following:

A. A cannabis consumption area may be located inside, provided that the smoking of cannabis products is limited to areas that have been designated smoking areas from which smoke does not infiltrate other indoor workplaces or indoor public places where smoking is otherwise prohibited pursuant to the Dee Johnson Clean Indoor Air Act, NMSA 1978 §§ 24-16-1 *et seq.*

B. Outdoor cannabis consumption areas shall have controlled access, such as fencing sufficient to prohibit access by unauthorized persons. The consumption of cannabis shall not be visible to the public from property outside the cannabis consumption area.

C. Unless licensed pursuant to the Lynn and Erin Compassionate Use Act, access to the cannabis consumption area is restricted to persons twenty-one years of age and older.

Section 10. ENFORCEMENT

Lea County Codes Enforcement Officers and certified Lea County Deputies may issue citations for violations of this ordinance.

Section 11. PROHIBITED ACTS/PENALTIES

A. It is prohibited to violate any requirement or restriction of Sections 6, 7, 8, and 9.

B. The maximum penalty per violation is \$300.00. Each day during the time in which a violation occurs shall be deemed a separate violation. Nothing herein shall prevent Lea County from seeking injunctive relief, if appropriate.

Section 12. SAVINGS CLAUSE

If any part of this ordinance is declared unenforceable by a court of competent jurisdiction, the remaining provisions or portions thereof shall, to the extent feasible, remain in full force and effect.

Section 13. EMERGENCY CLAUSE AND EFFECTIVE DATE

Because of the urgent need for regulation of cannabis activity in Lea County, the Board of County Commissioners for Lea County declares that it is necessary for the public peace, health and safety that this ordinance take effect immediately after passage when it is recorded in the Office of the Lea County Clerk. In the event that a court of competent jurisdiction finds that the adoption of this ordinance did not constitute an emergency, then the effective date of this ordinance shall be 30 days after this ordinance is recorded in the Office of the Lea County Clerk.

PASSED, APPROVED AND ADOPTED on this 3rd day of February, 2022, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

LEA COUNTY BOARD OF COUNTY COMMISSIONERS

Dean Jackson (District 1), Chair
Voted: Yes No Abstain

Gary G. Eidson (District 3), Vice Chair
Voted: Yes No Abstain

Rebecca Long (District 2), Member
Voted: Yes No Abstain

Jonathan Sena (District 4), Member
Voted: Yes No Abstain

Pat Sims (District 5), Member
Voted: Yes No Abstain

ATTEST: Keith Manes
Lea County Clerk

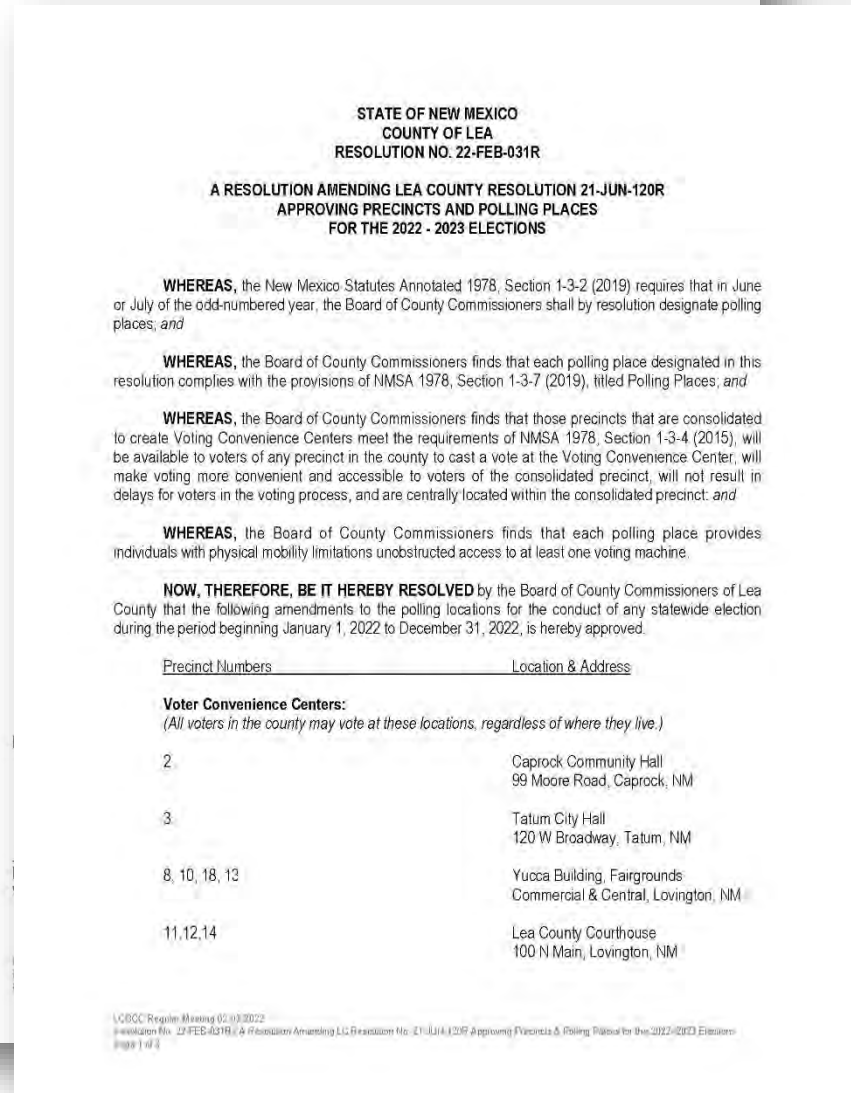
**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

By: _____
Teri Davis, Deputy Clerk

John W. Caldwell, County Attorney



Consideration of Lea County Resolution No. 22-FEB-029R Amending Lea County Resolution No. 21-JUN-120R Approving Precincts and Polling Places for the 2022 – 2023 Elections



The New Mexico Statutes Annotated 1978, Section 1-3-2 (2019) requires that in June or July of the odd-numbered year, the Board of County Commissioners shall by resolution designate polling places.

The Board of County Commissioners finds that each polling place designated in this resolution complies with the provisions of NMSA 1978, Section 1-3-7 (2019), titled Polling Places.

The Board of County Commissioners finds that those precincts that are consolidated to create Voting Convenience Centers meet the requirements of NMSA 1978, Section 1-3-4 (2015), will be available to voters of any precinct in the county to cast a vote at the Voting Convenience Center, will make voting more convenient and accessible to voters of the consolidated precinct, will not result in delays for voters in the voting process, and are centrally located within the consolidated precinct.

The Board of County Commissioners finds that each polling place provides individuals with physical mobility limitations unobstructed access to at least one voting machine.





**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sstout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 01/24/2022	SUBMITTED BY Name, Title, Dept: Tryon Hassen, Chief Deputy Clerk, Lea County Clerk's Office
SUBJECT: Resolution Amending 21-JUN-120R, Establishing Polling Locations for Election years 2022 -2023.	ATTACHMENT(S): NM Statutes Section 01-03-02, 01-03-04, 01-03-07 and Resolution.
NO. OF ORIGINALS FOR SIGNATURE: 1	ACTION REQUESTED: Action Item
BUDGET LINE ITEM NUMBER:	FISCAL BUDGET YEAR:
STRATEGIC PLAN Implementation of 5 Year Strategic Plan: Must be reestablished every 2 years.	
SUMMARY: Resolution amending polling locations for the year 2022.	
Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: <input type="checkbox"/> <small>If checked, how many:</small>	See Additional Summary Attached <input type="checkbox"/>
SUBMITTER'S RECOMMENDATION(S): Approval of Amending Resolution 21-JUN-120R.	Submitter's Signature Department Director, Etc. Tryon Hassen <small>Digitally signed by Tryon Hassen Date: 2022.01.24 10:17:48 -07'00'</small>
FINANCE REVIEW Fiscal Impact/Cost: There is no financial impact to Lea County with this agenda item.	Reviewed by Finance Director Henry C Low Jr <small>Digitally signed by Henry C Low Jr Date: 2022.01.24 11:09:12 -07'00'</small>
LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney
COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda
Item No. 0401 RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN	
Approved: _____ Resolution No. <u>22-FEB-031R</u> Continued To: _____	Denied: _____ Policy No. _____ Referred To: _____ Other: _____ Ordinance No. _____ Comments: _____

STATE OF NEW MEXICO
COUNTY OF LEA
RESOLUTION NO. 22-FEB-031R

A RESOLUTION AMENDING LEA COUNTY RESOLUTION 21-JUN-120R
APPROVING PRECINCTS AND POLLING PLACES
FOR THE 2022 - 2023 ELECTIONS

WHEREAS, the New Mexico Statutes Annotated 1978, Section 1-3-2 (2019) requires that in June or July of the odd-numbered year, the Board of County Commissioners shall by resolution designate polling places; *and*

WHEREAS, the Board of County Commissioners finds that each polling place designated in this resolution complies with the provisions of NMSA 1978, Section 1-3-7 (2019), titled Polling Places; *and*

WHEREAS, the Board of County Commissioners finds that those precincts that are consolidated to create Voting Convenience Centers meet the requirements of NMSA 1978, Section 1-3-4 (2015), will be available to voters of any precinct in the county to cast a vote at the Voting Convenience Center, will make voting more convenient and accessible to voters of the consolidated precinct, will not result in delays for voters in the voting process, and are centrally located within the consolidated precinct: *and*

WHEREAS, the Board of County Commissioners finds that each polling place provides individuals with physical mobility limitations unobstructed access to at least one voting machine.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of County Commissioners of Lea County that the following amendments to the polling locations for the conduct of any statewide election during the period beginning January 1, 2022 to December 31, 2022, is hereby approved.

<u>Precinct Numbers</u>	<u>Location & Address</u>
Voter Convenience Centers: <i>(All voters in the county may vote at these locations, regardless of where they live.)</i>	
2	Caprock Community Hall 99 Moore Road, Caprock, NM
3	Tatum City Hall 120 W Broadway, Tatum, NM
8, 10, 18, 13	Yucca Building, Fairgrounds Commercial & Central, Lovington, NM
11,12,14	Lea County Courthouse 100 N Main, Lovington, NM

9, 15A, 16, 17	Lovington Municipal Schools Central Office Community Room 18 West Washington, Lovington, NM
15B	Maljamar Community Hall 36 Maljamar Road Maljamar, NM
20, 21, 26, 27, 28, 56	Lea County Road Department 5915 Lovington, Highway, Hobbs, NM
19, 22, 23, 29, 30, 37, 38, 57	Lea County Event Center 5101 N Lovington Highway, Hobbs, NM
24, 25, 39, 40, 41, 42, 43	Lea County Annex Office Complex 1019 East Bender Blvd, Hobbs, NM
31, 32, 33, 34	Hobbs Teen Center 620 West Alto, Hobbs, NM
35, 44, 51, 58, 61	Hobbs City Hall 200 East Broadway, Hobbs, NM
36, 52, 53, 54, 55, 59	Hobbs Municipal School Training Facility 2110 East Sanger, Hobbs, NM
62	Monument Community Center 10620 W NM HWY 322, Monument, NM
71, 72	Eunice Community Center 12 th & Ave I, Eunice, NM
73, 74	Jal, City Hall 309 South Main, Jal, NM

PASSED, APPROVED AND ADOPTED on this 3rd day of February, 2022, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

LEA COUNTY BOARD OF COUNTY COMMISSIONERS

Dean Jackson (District 1), Chair
Voted: Yes No Abstain

Gary G. Eidson (District 3), Vice Chair
Voted: Yes No Abstain

Rebecca Long (District 2), Member
Voted: Yes No Abstain

Jonathan Sena (District 4), Member
Voted: Yes No Abstain

Pat Sims (District 5), Member
Voted: Yes No Abstain

ATTEST: Keith Manes
Lea County Clerk

**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

By:

Teri Davis, Deputy Clerk

John W. Caldwell, County Attorney

1-3-2. Precincts; duties of county commissioners.

A. In June or July of each odd-numbered year, the board of county commissioners shall by resolution:

(1) designate the polling place of each precinct that shall provide individuals with physical mobility limitations an unobstructed access to at least one voting machine;

(2) consolidate any precincts for the next succeeding primary and general elections pursuant to Section [1-3-4](#) NMSA 1978;

(3) designate any mail ballot election precincts for the next succeeding primary and general elections;

(4) consolidate precincts for the regular local elections following the next succeeding general election as provided in Section [1-3-4](#) NMSA 1978;

(5) designate any mail ballot election precincts for the regular local election following the next succeeding general election;

(6) create additional precincts to meet the requirements of Section [1-3-1](#) NMSA 1978 or upon petition pursuant to Section [4-38-21](#) NMSA 1978;

(7) create additional polling places in existing precincts as necessary pursuant to Section [1-3-7.1](#) NMSA 1978; and

(8) divide any precincts as necessary to meet legal and constitutional requirements for redistricting.

B. Polling places, consolidated precincts and mail ballot election precinct designations established in the resolution adopted pursuant to Subsection A of this section for primary and general elections shall be the same used for any special election for the office of United States representative held in the two succeeding calendar years following adoption of the resolution.

C. The county clerk shall notify the secretary of state in writing of any proposed changes in precincts or the designation of polling places made by the board of county commissioners and shall furnish a copy of the map showing the current geographical boundaries, designation and word description of each new polling place and each new or changed precinct.

D. The secretary of state shall review all new or changed precinct maps submitted pursuant to this section for compliance under the Precinct Boundary Adjustment Act [[1-3-10](#) through [1-3-14](#) NMSA 1978]. Any necessary precinct boundary adjustments shall be made and submitted to the secretary of state no later than the first Monday in December of each odd-numbered year. Upon approval of the new or changed precincts by the secretary of state, the precincts and polling places as changed by the resolution of the boards of county commissioners and approved by the secretary of state shall be the official precincts and polling places for the next succeeding primary and general elections and the regular local election following the next succeeding general election.

History: 1953 Comp., § 3-3-2, enacted by Laws 1969, ch. 240, § 51; 1975, ch. 255, § 28; 1977, ch. 64, § 2; 1979, ch. 105, § 1; 1984 (1st S.S.), ch. 3, § 2; 1989, ch. 392, § 4; 1991 (1st S.S.), ch. 6, § 2; 1995, ch. 126, § 2; 2009, ch. 251, § 3; 2009, ch. 274, § 2; 2011, ch. 131, § 2; 2018, ch. 79, § 3.

1-3-4. Consolidation of precincts.

A. Precincts may be consolidated by the board of county commissioners for the following elections:

- (1) primary and general elections; and
- (2) local elections.

B. When precincts are consolidated for a primary and general election or a regular local election, the resolution required by Section [1-3-2](#) NMSA 1978, in addition to the other matters required by law, shall state therein which precincts have been consolidated and the designation of the polling place. In addition, when consolidating precincts:

(1) any voter of the county shall be allowed to vote in any consolidated precinct polling location in the county;

(2) each consolidated precinct in a primary or general election shall be composed of no more than ten precincts;

(3) each consolidated precinct in a local election shall be composed of no more than twenty precincts;

(4) each consolidated precinct shall comply with the provisions of Section [1-3-7](#) NMSA 1978;

(5) each consolidated precinct polling location shall have a broadband internet connection and real-time access to the statewide voter registration electronic management system;

(6) the county clerk may maintain any alternative voting locations previously used in the same election open for voting on election day for any voter in the county, in addition to the polling location established in each consolidated precinct; and

(7) the board of county commissioners may permit rural precincts to be exempted from operating as or being a part of a consolidated precinct; provided that if the precinct is not designated as a mail ballot election precinct pursuant to Section [1-6-22.1](#) NMSA 1978 and the polling place for the rural precinct does not have real-time access to the statewide voter registration electronic management system, voters registered in a rural precinct as described in this paragraph are permitted to vote in any consolidated precinct polling location on election day only by use of a provisional paper ballot, which shall be counted after the county clerk confirms that the voter did not also vote in the rural precinct.

C. Unless the county clerk receives a written waiver from the secretary of state specifying the location and specific provision being waived, each consolidated precinct polling location shall:

(1) have ballots available for voters from every precinct that is able to vote in the consolidated precinct;

(2) have at least one optical scan tabulator programmed to read every ballot style able to be cast in the consolidated precinct;

(3) have at least one voting system available to assist disabled voters to cast and record their votes;

(4) have sufficient spaces for at least five voters to simultaneously and privately mark their ballots, with at least one of those spaces wheelchair-accessible;

(5) have sufficient check-in stations to accommodate voters throughout the day as provided in Section [1-9-5](#) NMSA 1978;

(6) have a secure area for storage of preprinted ballots or for storage of paper ballot stock and a system designed to print ballots at a polling location;

(7) issue a ballot to voters who have provided the required voter identification after the voter has signed a signature roster or an electronic equivalent approved by the voting system certification committee or after the voter has subscribed an application to vote on a form approved by the secretary of state; and

(8) be in a location that is accessible and compliant with the requirements of the federal Americans with Disabilities Act of 1990.

D. As a prerequisite to consolidation, the authorizing resolution must find that consolidation will make voting more convenient and accessible to voters of the consolidated precinct and will not result in delays for voters in the voting process and that the consolidated precinct voting location will be centrally located within the consolidated precinct.

History: 1953 Comp., § 3-3-4, enacted by Laws 1975, ch. 255, § 30; 2011, ch. 131, § 3; 2015, ch. 145, § 11; 2018, ch. 79, § 4.

1-3-7. Polling places.

A. No less than one polling place shall be provided for each precinct that is not a mail ballot election precinct; provided that in a local election, a precinct that lies partly within and partly without a district may be located in a single polling place and use a single precinct board.

B. The board of county commissioners shall designate as the polling place or places, as the case may be, in each precinct, other than a mail ballot election precinct, the most convenient and suitable public building or public school building in the precinct that can be obtained.

C. If no public building or public school building is available, the board of county commissioners shall provide some other suitable place, which shall be the most convenient and appropriate place obtainable in the precinct, considering the purpose for which it is to be used pursuant to the Election Code.

D. If, in a precinct that is not a mail ballot election precinct or a consolidated precinct, there is no public building or public school building available in the precinct, and there is no other suitable place obtainable in the precinct, the board of county commissioners may designate as a polling place for the precinct the most convenient and suitable building or public school building nearest to that precinct that can be obtained. No polling place shall be designated outside the boundary of the precinct as provided in this subsection until such designated polling place is approved by written order of the district court of the county in which the precinct is located.

E. Upon application of the board of county commissioners, the governing board of any school district shall permit the use of any school building or a part thereof for registration purposes and the conduct of any election; provided that the building or the part used for the election complies with the standards set out in the federal Voting Accessibility for the Elderly and Handicapped Act.

F. Public schools may be closed for elections at the discretion of local school boards.

History: 1953 Comp., § 3-3-8, enacted by Laws 1969, ch. 240, § 57; 1971, ch. 316, § 1; 1984 (1st S.S.), ch. 3, § 3; 1987, ch. 249, § 6; 1989, ch. 392, § 5; 1991 (1st S.S.), ch. 6, § 3; 2009, ch. 251, § 4; 2009, ch. 274, § 3; 2011, ch. 131, § 4; 2018, ch. 79, § 5.

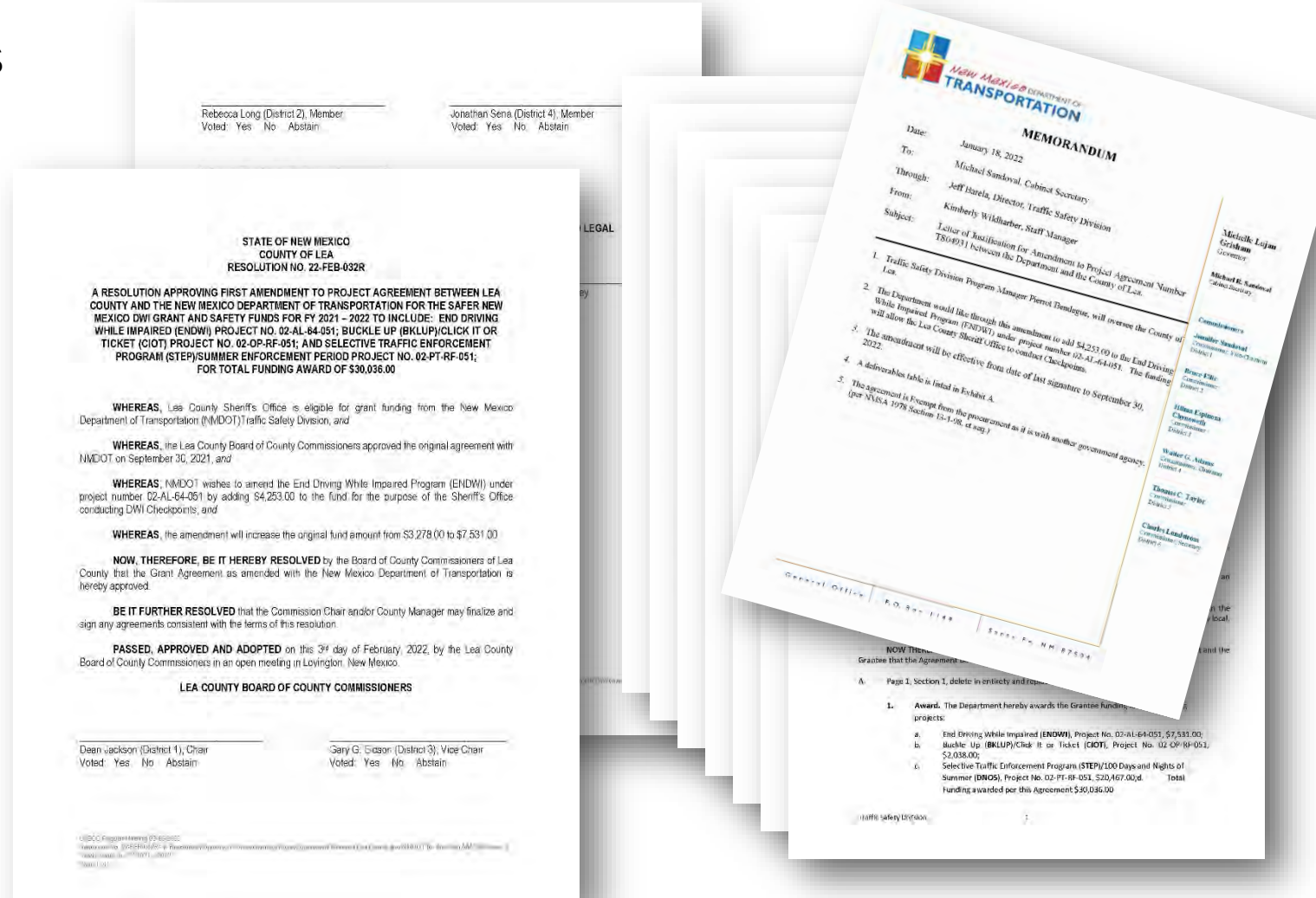


Consideration of Lea County Resolution No. 22-FEB-030R Approving First Amendment to Project Agreement between Lea County and the New Mexico Department of Transportation for the Safer New Mexico DWI Grant and Safety Funds for FY 2021 – 2022 to Include: End Driving While Impaired (ENDWI) Project No. 02-AL-64-051; Buckle Up (BKLUP)/Click It or Ticket (CIOT) Project No. 02-OP-RF-051; and Selective Traffic Enforcement Program (STEP)/Summer Enforcement Period Project No. 02-PT-RF-051; for Total Funding Award of \$30,036.00

SAFER NEW MEXICO DWI GRANT AND SAFETY FUNDS FOR FY 2021 – 2022

- End Driving While Impaired (ENDWI)
Project No. 02-AL-64-051
Original Award \$3,278.00
Additional Award \$4,253.00
Total ENDWI Award \$7,531.00
- Buckle Up (BKLUP) / Click It or Ticket (CIOT)
Project No. 02-OP-RF-051
Original Award \$2,038.00
- Selective Traffic Enforcement Program (STEP)
Project No. 02-PT-RF-051
Original Award \$20,467.00

Original Total funding of all three projects: \$25,783.00
Amended Total Funding: \$30,036.00





**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sslout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 01/24/2022	SUBMITTED BY Name, Title, Dept: Michael Walker, Undersheriff, Sheriff's Office
SUBJECT: New Mexico Department of Transportation - SAFER Grant Amendment	ATTACHMENT(S): SAFER NM Grant and Resolution
NO. OF ORIGINALS FOR SIGNATURE: 1 - Signature on Agreement 2 - Signature on Resolution	ACTION REQUESTED: Action Item
BUDGET LINE ITEM NUMBER: 401-00-1495	FISCAL BUDGET YEAR: 2022

STRATEGIC PLAN Implementation of 5 Year Strategic Plan:
The grant satisfies the goal of the County Commission's strategic plan concerning Section 3.5 Safety under performance measures:
#2 - Alcohol related crashes: decrease from year to year
#7 - Vehicular fatalities change from year to year

SUMMARY:
Request consideration and approval of the Amendment to Project Agreement Number TS04931 for the New Mexico Department of Transportation SAFER NM award for End Driving While Impaired (ENDWI). NMDOT wishes to add \$4,253.00 to the ENDWI project number 02-AL-64-051 that was approved by the Board on September 30, 2021 to allow the Sheriff's Office to conduct DWI Checkpoints. The total funding for the project number would change to \$7,531.00. Funding will be effective for Fiscal Year 2022. Upon approval, a signature of grant agreement is required by the Lea County Commission Chairman and the Lea County Attorney to complete the application, award, and filing process.

Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: _____ <small>If checked, how many:</small>	See Additional Summary Attached <input type="checkbox"/>
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SUBMITTER'S RECOMMENDATION(S):	Submitter's Signature Department Director, Etc. Michael Walker <small>Digitally signed by Michael Walker Date: 2022.01.24 10:52:54 -07'00'</small>
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FINANCE REVIEW Fiscal Impact/Cost: The financial impact to Lea County will be additional grant funding of \$4,253 to conduct DWI checkpoints in Lea County.	Reviewed by Finance Director Henry C Low Jr <small>Digitally signed by Henry C Low Jr Date: 2022.01.24 13:23:22 -07'00'</small>
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LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney
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COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda
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Item No. <u>0402</u>		
RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN		
Approved: _____	Denied: _____	Other: _____
Resolution No. <u>22-FEB-032R</u>	Policy No. _____	Ordinance No. _____
Continued To: _____	Referred To: _____	Comments: _____

STATE OF NEW MEXICO
COUNTY OF LEA
RESOLUTION NO. 22-FEB-032R

A RESOLUTION APPROVING FIRST AMENDMENT TO PROJECT AGREEMENT BETWEEN LEA COUNTY AND THE NEW MEXICO DEPARTMENT OF TRANSPORTATION FOR THE SAFER NEW MEXICO DWI GRANT AND SAFETY FUNDS FOR FY 2021 – 2022 TO INCLUDE: END DRIVING WHILE IMPAIRED (ENDWI) PROJECT NO. 02-AL-64-051; BUCKLE UP (BKLUP)/CLICK IT OR TICKET (CIOT) PROJECT NO. 02-OP-RF-051; AND SELECTIVE TRAFFIC ENFORCEMENT PROGRAM (STEP)/SUMMER ENFORCEMENT PERIOD PROJECT NO. 02-PT-RF-051;
FOR TOTAL FUNDING AWARD OF \$30,036.00

WHEREAS, Lea County Sheriff's Office is eligible for grant funding from the New Mexico Department of Transportation (NMDOT) Traffic Safety Division; *and*

WHEREAS, the Lea County Board of County Commissioners approved the original agreement with NMDOT on September 30, 2021; *and*

WHEREAS, NMDOT wishes to amend the End Driving While Impaired Program (ENDWI) under project number 02-AL-64-051 by adding \$4,253.00 to the fund for the purpose of the Sheriff's Office conducting DWI Checkpoints; *and*

WHEREAS, the amendment will increase the original fund amount from \$3,278.00 to \$7,531.00.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of County Commissioners of Lea County that the Grant Agreement as amended with the New Mexico Department of Transportation is hereby approved.

BE IT FURTHER RESOLVED that the Commission Chair and/or County Manager may finalize and sign any agreements consistent with the terms of this resolution.

PASSED, APPROVED AND ADOPTED on this 3rd day of February, 2022, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

LEA COUNTY BOARD OF COUNTY COMMISSIONERS

Dean Jackson (District 1), Chair
Voted: Yes No Abstain

Gary G. Eidson (District 3), Vice Chair
Voted: Yes No Abstain

Rebecca Long (District 2), Member
Voted: Yes No Abstain

Jonathan Sena (District 4), Member
Voted: Yes No Abstain

Pat Sims (District 5), Member
Voted: Yes No Abstain

ATTEST: Keith Manes
Lea County Clerk

**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

By:

Teri Davis, Deputy Clerk

John W. Caldwell, County Attorney

CONTRACT NUMBER: TS04931/1

GRANTEE DUNS NUMBER: 010485308

VENDOR NUMBER: 0000054388

**FIRST AMENDMENT TO
PROJECT AGREEMENT BETWEEN
THE NEW MEXICO DEPARTMENT OF TRANSPORTATION
AND
COUNTY OF LEA**

This First Amendment to Grant Agreement (Contract Number TS04931) is made and entered into this _____ day of _____, 2021, by and between the New Mexico Department of Transportation (the “**Department**”) and the County of Lea (the “**Grantee**”).

RECITALS

WHEREAS, the Department and the Grantee entered into Contract No. TS04931, on October 7, 2021, (the “Agreement”);

WHEREAS, SECTION SIXTEEN, of the Agreement allows the parties to amend the Agreement by an instrument in writing;

WHEREAS, the grantee has requested additional funding under for the ENDWI program in the amount of \$4,253.00 to conduct ENDWI checkpoints in specific locations identified in data compiled by local, state or federal government agencies and the Grantee’s Operational Plan.

NOW THEREFORE, to realize the purposes set forth herein, it is agreed by the Department and the Grantee that the Agreement be amended as follows:

A. Page 1, Section 1, delete in entirety and replace with the following:

1. **Award.** The Department hereby awards the Grantee funding for the following projects:
 - a. End Driving While Impaired (**ENDWI**), Project No. 02-AL-64-051, \$7,531.00;
 - b. Buckle Up (**BKLUP**)/Click It or Ticket (**CIOT**), Project No. 02-OP-RF-051, \$2,038.00;
 - c. Selective Traffic Enforcement Program (**STEP**)/100 Days and Nights of Summer (**DNOS**), Project No. 02-PT-RF-051, \$20,467.00;d. Total Funding awarded per this Agreement \$30,036.00

- B. Page 6, Exhibit A, delete in its entirety and replace with the following:

Exhibit A: Scope of Work, Training, Reimbursement and Reporting

END DRIVING WHILE IMPAIRED (ENDWI) Project Number: 02-AL-64-051

1. **Scope of Work.** The Grantee shall conduct sobriety checkpoints (SCs) and DWI directed enforcement patrols (DDEPs) as negotiated between the Department and the Grantee, in high crash locations identified in data compiled by local, state or federal government agencies and included the Grantee's Operational Plan. The Department encourages the Grantee to accompany SCs and DDEPs with public information, media and educational activities. SCs must be scheduled to be staffed by at least six (6) officers and must last at least five (5) hours. If for any reason, the SC is not staffed with the minimum number of officers or was not conducted for the minimum number of hours, the Grantee must submit a justification with the invoice for these services. The Department may choose to deny the invoice for SCs based on the justification. DDEPs must deploy officers in high crash locations consistent with the enforcement plan. If for any reason, the DDEPs were conducted in areas not consistent with the enforcement plan, the Grantee must submit a justification with the invoice for these services. The Department may choose to deny the invoice for DDEPs based on the justification. The Grantee is encourage to schedule SCs and DDEPs throughout the grant period with a focus on participating during the Superblitz Period, 3 Mini Superblitz Periods, and National DWI Mobilizations as identified below.

2. **Definitions.** For purposes of this exhibit, the following definitions apply:

"Agency Coordinator" means the person assigned by the Grantee to assume direct responsibility for administering all phases of the Agreement.

"Directed Enforcement Patrols" means activities that enforce traffic laws in areas consistent with the agency's operational plan.

"Operational Plan" means a plan based on the most current crash data that identifies the problem to be addressed, goals to be achieved, and the performance measures to be employed. The Grantee may update its operational plan as needed to align with current trends.

"Winter Superblitz Period" means November 19, 2021 to January 1, 2022.

"St. Patrick's Day Mini Superblitz Period" means March 11 to March 19, 2022.

"Cinco de Mayo May Mini Superblitz Period" means May 1 to May 7, 2022.

"Fourth of July Mini Superblitz Period" means July 1 to July 8, 2022.

"National DWI Mobilization Period" means August 17 to September 5, 2022.

3. **Training and Qualifications.** The Agency Coordinator must attend the Department's Law Enforcement Coordinators symposium and other Department training as required. The Grantee should notify the Department of any changes in the Agency Coordinator as soon as possible. The Grantee's participating officers must have law enforcement certifications in all areas necessary to conduct the services noted in Section 1 of this exhibit. The Grantee shall keep documentation of training and provide the Department with a list of certified officers on request.
4. **Reimbursement.** The Department will pay the Grantee for the actual cost paid to personnel that worked the SCs and DDEPs. Claims for payment must specify officers' actual hourly rate of overtime pay based on the Grantee's overtime policy; the Department will not pay any amount in excess of that rate or for any amount that is not above and beyond the officers normal duties. The Grantee should submit claims at minimum quarterly no later than January 30th, April 30th and July 30th during this Agreement period. The final claim shall be submitted no later than October 31, 2022. If the final claim is submitted after October 31, 2022, the claim must be accompanied by a justification letter. The Department may choose to deny the claim based on the justification. The claim must be on a form approved by the Department. The Department will pay the Grantee for the following:
 - a. pay, including overtime, for officers conducting traffic safety DWI enforcement in areas consistent with the enforcement plan;
 - b. pay, including overtime, for officers attendance at administrative license revocation hearings and court hearings directly related to DWI arrests made while participating in the ENDWI program;
 - c. overtime costs for officers or civilian employees to dispatch or process paperwork directly related to the SCs and DDEPs conducted during the claim month. The Grantee can only claim up to 10 percent of the total monthly claim amount; and
 - d. in state travel and related expenses for officers to attend DWI related training approved by the Department in advance, and shall be reimbursed in accordance with the Regulation Governing the New Mexico Per Diem and Mileage Act, 2.42.2 NMAC.
5. **Reporting.** *The Grantee must submit activity reports by the 20th of each month using the activity report form provided unless otherwise directed by the Department.* Activity reports must include the type of activity and types of citations issued. The Grantee must report all citations to the Motor Vehicle Division of the New Mexico Taxation and Revenue Department and to the appropriate court in accordance with New Mexico state statute. The Grantee must submit timely crash reports to the Department in accordance with NMSA 1978, Section 66-7-207. If the Grantee is not submitting crash reports in accordance with NMSA 1978, Section 66-7-207, the Department may hold reimbursement claims until this provision is met.
6. **Funding.** The Department expects the funding source to be 23 U.S.C. § 164 and the Catalog of Federal Domestic Assistance (CFDA) number to be 20.608. However, both funding source and CFDA number are subject to change at the Department's

discretion. The Grantee may transfer funds between budget categories only with prior written approval from the Department. The project's itemized budget is as follows:

Personal Services	\$7,531.00
Contractual Services	\$0.00
Commodities	\$0.00
Indirect	\$0.00
Other	\$0.00
TOTAL	\$7,531.00

7. **Goals.** The Department's performance goals for the state are as follows: Alcohol-impaired fatalities rose by 14.2 percent in 2019 from 2018, and projected data indicate a continued rise in these fatalities into 2022. The State has determined to set the five-year average projection of 130.5 as the 2022 target. The State's ENDWI and the National Drive Sober or Get Pulled Over enforcement and media continue to focus on reducing drunk driving, particularly in urban areas that have higher incidents of alcohol-involved crashes, fatalities and injuries, and among high-risk groups including pedestrians and young male drivers
8. **Equipment.** The Grantee may only purchase equipment under this Agreement with prior written approval of the Department.

All other obligations set forth in the original Agreement shall remain in full force and effective unless expressly amended or modified by this First Amendment.

The remainder of this page is left intentionally blank.

In Witness Whereof, each party is signing this First Amendment on the date stated opposite that party's signature. This First Amendment is effective as of the date of the last party to sign it on the signature page below.

DEPARTMENT OF TRANSPORTATION

By: _____
Cabinet Secretary or Designee

Date: _____


COUNTY OF LEA

By: _____

Date: _____

Title: _____

Approved as to form and legal sufficiency.

By:  _____
Assistant General Counsel
Department of Transportation

Date: 12/28/2021

Approved as to form and legal sufficiency.

By: _____

Date: _____

Title: _____

New Mexico Traffic Safety Division Project Information Sheet

Contract Number:	TS04931/1				
Government Unit:	COUNTY OF LEA				
Contract term:	(10/07/2021 – 09/30/2022)				
Vendor Number:	0000054388			Address ID:	
Grantee Contact Info					
Project Director and Title:		Chief Deputy Chan Kim			
Phone:	575-396-3611	E-mail:	ckim@leacounty.net		
Agency Name:		Lea County Sheriff's Department			
Address:		1417 South Commercial			
City, State ZIP:		Lovington, NM 88260			
TSD Contact Info					
Program Manager:		Pierrot Bendegue		Phone:	505-629-3762
TSD Finance:		Tommy Campos		Phone:	505-795-2321
Budget Breakdown					
Funding	Project Number	Amount	Fund	Department Code	PO Number
ENDWI	02-AL-64-051	\$7,531.00	10010	5000000000	
Total		\$7,531.00			
PO Entered by TSD Finance:				Date:	
PO Approved by Contracts:				Date:	
Comments:					



MEMORANDUM

Date: January 18, 2022

To: Michael Sandoval, Cabinet Secretary

Through: Jeff Barela, Director, Traffic Safety Division

From: Kimberly Wildharber, Staff Manager

Subject: Letter of Justification for Amendment to Project Agreement Number TS04931 between the Department and the County of Lea.

**Michelle Lujan
Grisham**
Governor

Michael R. Sandoval
Cabinet Secretary

Commissioners

Jennifer Sandoval
Commissioner, Vice-Chairman
District 1

Bruce Ellis
Commissioner
District 2

**Hilma Espinoza
Chynoweth**
Commissioner
District 3

Walter G. Adams
Commissioner, Chairman
District 4

Thomas C. Taylor
Commissioner
District 5

Charles Lundstrom
Commissioner, Secretary
District 6

1. Traffic Safety Division Program Manager Pierrot Bendegue, will oversee the County of Lea.
2. The Department would like through this amendment to add \$4,253.00 to the End Driving While Impaired Program (ENDWI) under project number 02-AL-64-051. The funding will allow the Lea County Sheriff Office to conduct Checkpoints.
3. The amendment will be effective from date of last signature to September 30, 2022.
4. A deliverables table is listed in Exhibit A.
5. The agreement is Exempt from the procurement as it is with another government agency, (per NMSA 1978 Section 13-1-98, et seq.)

Office of General Counsel Contract Brief Form

Date: [December 28, 2021](#)
Location: [Traffic Safety Division](#)
Phone: [505-629-3762](#)
Contractor: [Lea County Sheriff's Office](#)
Project No.: [02-AL-64-051](#)

From: [Pierrot Bendegue](#)

Agency: [NMDOT](#)

NEW CONTRACT

- ☐ Copy of RFP, if applicable
- ☐ Copy of approved sole source justification
- ☐ Copy of approved small purchase justification
- ☐ Copy of Contract Brief signed by Contract Administration

AMENDMENT TO EXISTING CONTRACT

- ☐ Scope of Work
- ☒ Additional Compensation
- ☐ Time extension

Note: For amendments please attach a copy of the original agreement, any previous amendments, and a copy of the RFP. (If applicable)

X EXEMPT FROM PROCUREMENT PROCESS (university: other educational institutions; other state agency, bureau; local public bodies).

The Office of General Counsel's policy for turnaround time is ten (10) working days. Please indicate below if there are extenuating circumstances, which require immediate review of this agreement.

Attorney Review Comments

The attached agreement is being returned for revisions or corrections. Please call at (505) 827-5431 if you have any questions.

☐ Please make corrections on pages ☐

☒ [JN](#) I have signed the agreement with the understanding that you will make the corrections indicated on the agreement submitted for review or discussed with you.

☐ Please make corrections on pages and return the marked copy to the receptionist for further review and approval.

Other Comments:

[Reviewed for legal sufficiency and signed.](#)



Consideration of Lea County Resolution No. 22-FEB-031R Authorizing Out of State Travel June 3 – 8, 2022 for Lea County Finance Director Chip Low to Attend the 2022 Annual Government Finance Officers Association (GFOA) Conference in Austin, Texas



2022 GFOA Annual Conference and Pre-Conference Training

Attendee: Chip Low – Finance Director

June 5 - 8, 2022, with Pre-Conference Sessions on June 4th.

Benefits: Provides opportunities for attendees to share ideas, sharpening skills, discovering new tools and technologies, and networking with peers from across the country and around the world.

CPE credits of 20+ hours are available to comply with State CPA licensing requirements.



**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sstout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 01/23/2022	SUBMITTED BY Name, Title, Dept: Chip Low - Finance Director
SUBJECT: Out of State Travel - 2022 GFOA Conference	ATTACHMENT(S): 1. Travel Request 2. Conference Registration Form
NO. OF ORIGINALS FOR SIGNATURE: 1 Resolution 1 Travel Request	ACTION REQUESTED: Action Item
BUDGET LINE ITEM NUMBER: 401-75-2010 401-75-2016	FISCAL BUDGET YEAR: FY 2021 - 2022

STRATEGIC PLAN Implementation of 5 Year Strategic Plan:
Section 3.1 - Accountability - Lea County is responsible for the public's tax dollars in a fiscally conservative and transparent manner.

SUMMARY:
Out of State Travel for Chip Low to attend the 2022 GFOA Annual Conference in Austin, Texas. Conference consists of numerous educational sessions to help develop governmental finance skills. Pre-Conference sessions and conference sessions to be held from 06/04/2022 to 06/08/2022. Total cost is estimated to be approximately \$2,902.

Requested Items Needed for Presentation Easel/Laptop/Projector/Etc.: Easel <input type="checkbox"/> Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: <input type="checkbox"/> <small>If checked, how many:</small>	See Additional Summary Attached <input type="checkbox"/>
SUBMITTER'S RECOMMENDATION(S): Approve Travel	Submitter's Signature Department Director, Etc. Henry C Low Jr <small>Digitally signed by Henry C Low Jr Date: 2022.01.23 10:42:43 -07'00'</small>
FINANCE REVIEW Fiscal Impact/Cost: The financial impact to Lea County will be expenditures from the General Fund of approximately \$2,902. Funds are budgeted and available in 401-75-2010 and 401-75-2016.	Reviewed by Finance Director Henry C Low Jr <small>Digitally signed by Henry C Low Jr Date: 2022.01.23 10:43:43 -07'00'</small>
LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney
COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda

Item No. 0403		
RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN		
Approved: _____	Denied: _____	Other: _____
Resolution No. <u>22-FEB-033R</u>	Policy No. _____	Ordinance No. _____
Continued To: _____	Referred To: _____	Comments: _____

STATE OF NEW MEXICO
COUNTY OF LEA
RESOLUTION NO. 22-FEB-033R

**A RESOLUTION AUTHORIZING OUT OF STATE TRAVEL JUNE 3 – 8, 2022 FOR LEA COUNTY
FINANCE DIRECTOR CHIP LOW TO ATTEND THE 2022 ANNUAL GOVERNMENT FINANCE
OFFICERS ASSOCIATION CONFERENCE IN AUSTIN, TEXAS**

WHEREAS, the Government Finance Officers Association (GFOA), founded in 1906, represents public finance officials throughout the United States and Canada. The association's more than 20,000 members are federal, state/provincial, and local finance officials deeply involved in planning, financing, and implementing thousands of governmental operations in each of their jurisdictions; *and*

WHEREAS, Lea County Finance Director Chip Low is a member of the GFOA; *and*

WHEREAS, the GFOA 116th Annual Conference is June 5 – 8, 2022 in Austin, Texas and provides opportunities for attendees to share ideas, sharpening skills, discovering new tools and technologies, and networking with peers from across the country and around the world; *and*

WHEREAS, CPE credits of 20+ hours are available to comply with State CPA licensing requirements; *and*

WHEREAS, on January 13, 2022, the Lea County Board of County Commissioners adopted Lea County Resolution No. 22-JAN-017R approving Travel, Per Diem, Mileage, and Reimbursement Policies for Lea County Employees; *and*

WHEREAS, Paragraph 7 Section A of the Travel, Per Diem, Mileage, and Reimbursement Policies provides procedures for all Out of State Travel for Lea County Employees; *and*

WHEREAS, the following out of state travel voucher for authorization has been submitted:

Traveler(s):	Chip Low
Department:	Lea County Finance Department
Travel Dates:	June 3 - 8, 2022
Location:	Austin, Texas
Purpose:	Government Finance Officers Association (GFOA) Annual Conference

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of County Commissioners of Lea County that the above listed travel is hereby authorized.

PASSED AND APPROVED on this 3rd day of February, 2022, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

LEA COUNTY BOARD OF COUNTY COMMISSIONERS

Dean Jackson (District 1), Chair
Voted: Yes No Abstain

Gary G. Eidson (District 3), Vice Chair
Voted: Yes No Abstain

Rebecca Long (District 2), Member
Voted: Yes No Abstain

Jonathan Sena (District 4), Member
Voted: Yes No Abstain

Pat Sims (District 5), Member
Voted: Yes No Abstain

ATTEST: Keith Manes
Lea County Clerk

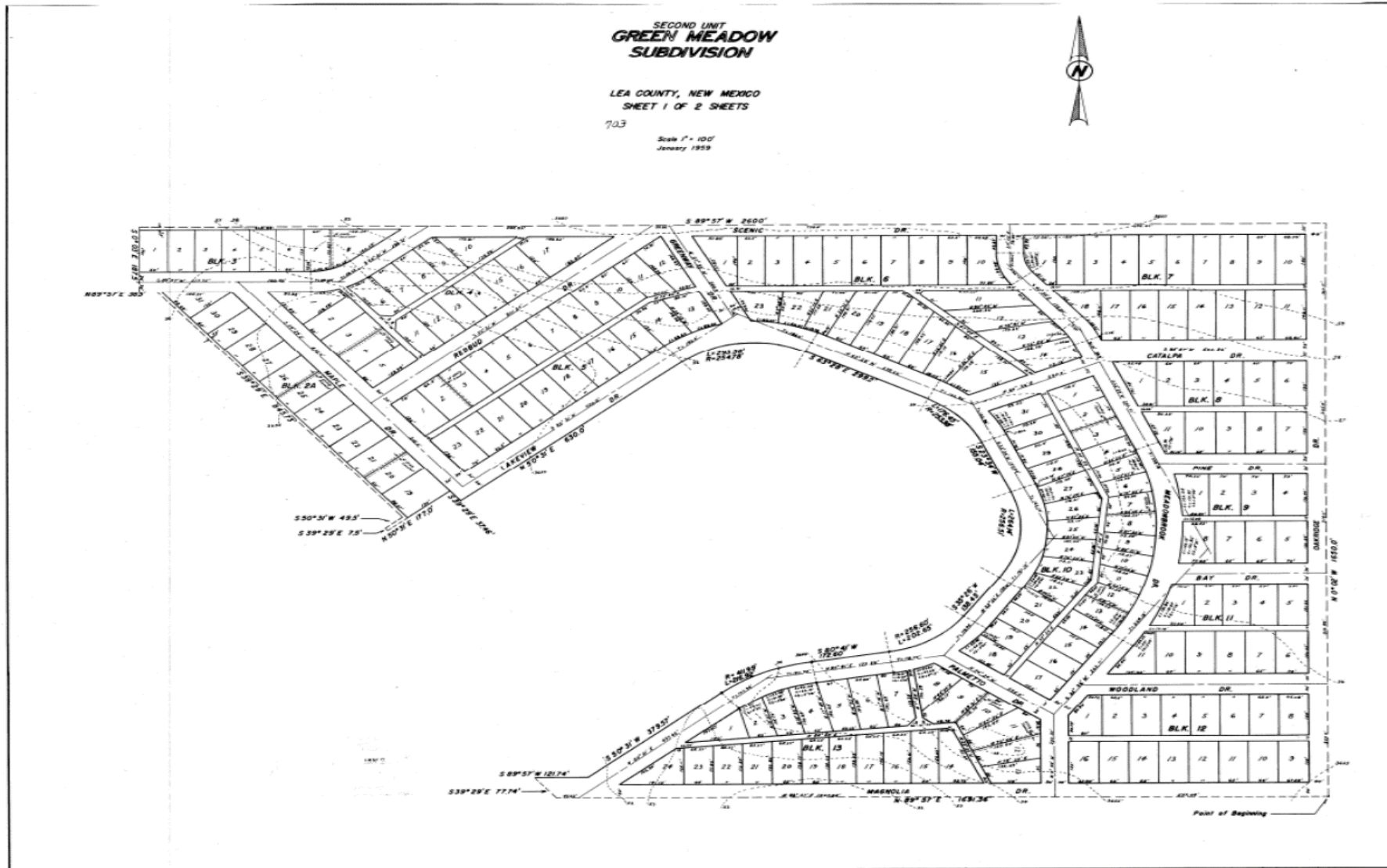
**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

By:

Teri Davis, Deputy Clerk

John W. Caldwell, County Attorney

Consideration of Lea County Resolution No. 22-FEB-032R Appointing a Freeholders Committee to Evaluate the Vacation of a Dedicated Alley in Green Meadows Subdivision, Unit 2, Block 13, Between Lot 7 and Lot 8 Being About at the Intersection of Lakeview Drive and Palmetto Street East of New Mexico Highway 18 In Section 17, Township 18 South, Range 38 East N.M.P.M. in Lea County, New Mexico



Consideration of Lea County Resolution No. 22-FEB-032R Appointing a Freeholders Committee to Evaluate the Vacation of a Dedicated Alley in Green Meadows Subdivision, Unit 2, Block 13, Between Lot 7 and Lot 8 Being About at the Intersection of Lakeview Drive and Palmetto Street East of New Mexico Highway 18 In Section 17, Township 18 South, Range 38 East N.M.P.M. in Lea County, New Mexico





Consideration of Lea County Resolution No. 22-FEB-032R Appointing a Freeholders Committee to Evaluate the Vacation of a Dedicated Alley in Green Meadows Subdivision, Unit 2, Block 13, Between Lot 7 and Lot 8 Being About at the Intersection of Lakeview Drive and Palmetto Street East of New Mexico Highway 18 In Section 17, Township 18 South, Range 38 East N.M.P.M. in Lea County, New Mexico

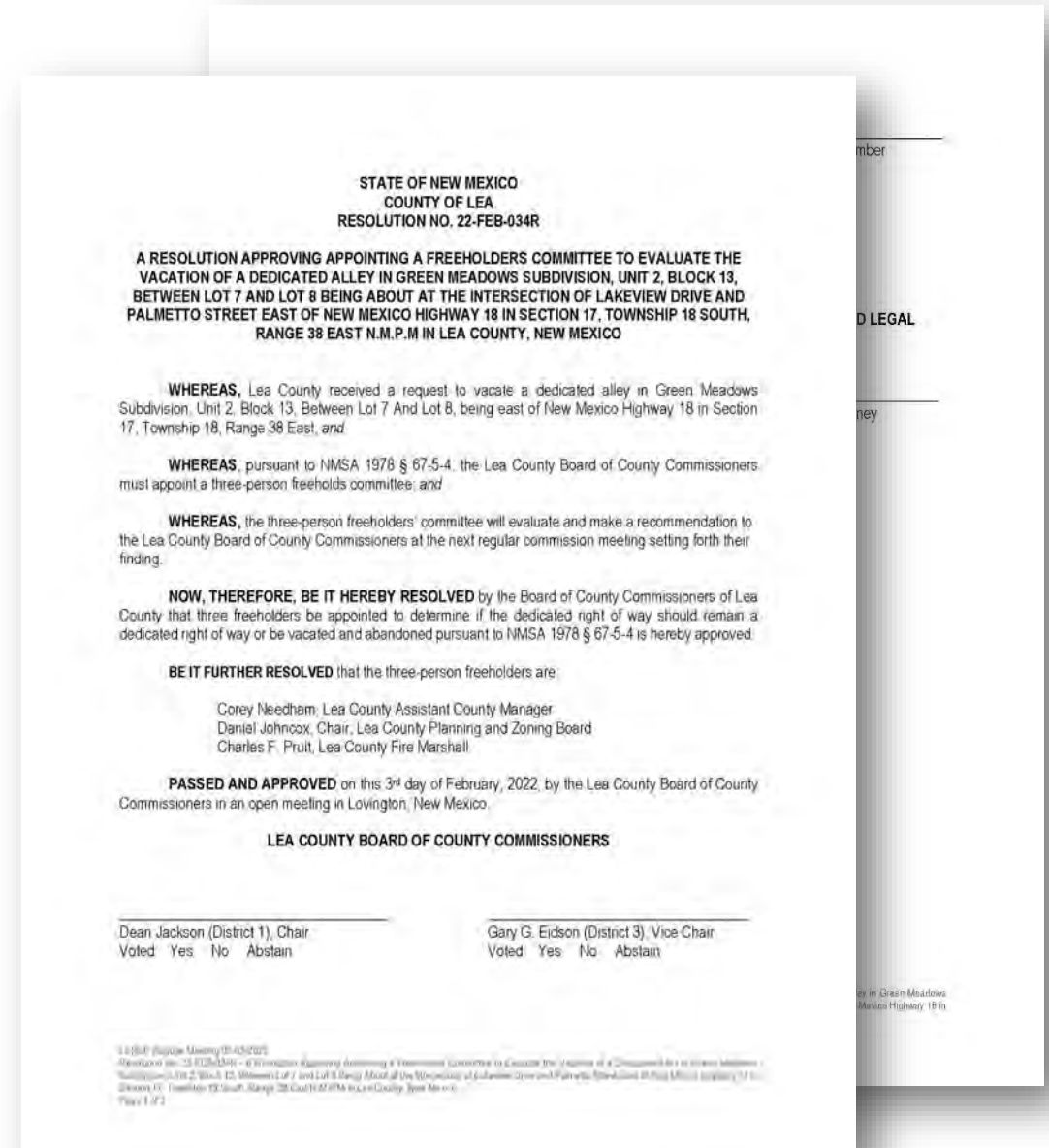
Lea County received a request to vacate a dedicated alley in Green Meadows Subdivision, Unit 2, Block 13, Between Lot 7 And Lot 8, being east of New Mexico Highway 18 in Section 17, Township 18, Range 38 East.

Pursuant to NMSA 1978 § 67-5-4, the Lea County Board of County Commissioners must appoint a three-person freeholds committee.

The three-person freeholders' committee will evaluate and make a recommendation to the Lea County Board of County Commissioners at the next regular commission meeting setting forth their finding.

Three-person freeholders are:

- Corey Needham, Lea County Assistant County Manager
- Daniel Johncox, Chair, Lea County Planning and Zoning Board
- Charles F. Pruitt, Lea County Fire Marshall





**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sstout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 01/24/2021	SUBMITTED BY Name, Title, Dept: Bruce Reid, County Planner, Planning Department
SUBJECT: To appoint a freeholder's committee to review vacating a dedicated alley in Green Meadows Subdivision, Unit 2, Block 13, between Lot 7 & Lot 8.	ATTACHMENT(S): Power Point, Resolution,
NO. OF ORIGINALS FOR SIGNATURE: 1 Resolution	ACTION REQUESTED: Action Item
BUDGET LINE ITEM NUMBER: NA	FISCAL BUDGET YEAR: NA

STRATEGIC PLAN Implementation of 5 Year Strategic Plan:

Section 3.2 Economic Growth and Vitality

Goal Statement: Lea County is a community that has a economic growth and diversification.

Performance Measure #3. A variety of different housing options available

SUMMARY:

Mr. Graham owns Lots 7 & 8 in Green Meadows Subdivision, Unit 2, Block 13. There is a dedicated alley between said lots. Mr. Graham would like to drill a new well on Lot 8. He would like to have he water line from the new well only on his property an not crossing a dedicated alley. There are not any utilities of any kind in place in this alley.

Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: <input type="checkbox"/> <small>If checked, how many:</small>	See Additional Summary Attached <input type="checkbox"/>
SUBMITTER'S RECOMMENDATION(S): Approve	Submitter's Signature Department Director, Etc. Digitally signed by Bruce Reid Date: 2022.01.24 14:58:18 -07'00' Bruce Reid
FINANCE REVIEW Fiscal Impact/Cost:	Reviewed by Finance Director
LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney
COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda

Item No. 0404

RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN

Approved: _____	Denied: _____	Other: _____
Resolution No. <u>22-FEB-034R</u>	Policy No. _____	Ordinance No. _____
Continued To: _____	Referred To: _____	Comments: _____

STATE OF NEW MEXICO
COUNTY OF LEA
RESOLUTION NO. 22-FEB-034R

A RESOLUTION APPROVING APPOINTING A FREEHOLDERS COMMITTEE TO EVALUATE THE
VACATION OF A DEDICATED ALLEY IN GREEN MEADOWS SUBDIVISION, UNIT 2, BLOCK 13,
BETWEEN LOT 7 AND LOT 8 BEING ABOUT AT THE INTERSECTION OF LAKEVIEW DRIVE AND
PALMETTO STREET EAST OF NEW MEXICO HIGHWAY 18 IN SECTION 17, TOWNSHIP 18 SOUTH,
RANGE 38 EAST N.M.P.M IN LEA COUNTY, NEW MEXICO

WHEREAS, Lea County received a request to vacate a dedicated alley in Green Meadows Subdivision, Unit 2, Block 13, Between Lot 7 And Lot 8, being east of New Mexico Highway 18 in Section 17, Township 18, Range 38 East; *and*

WHEREAS, pursuant to NMSA 1978 § 67-5-4, the Lea County Board of County Commissioners must appoint a three-person freeholds committee; *and*

WHEREAS, the three-person freeholders' committee will evaluate and make a recommendation to the Lea County Board of County Commissioners at the next regular commission meeting setting forth their finding.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of County Commissioners of Lea County that three freeholders be appointed to determine if the dedicated right of way should remain a dedicated right of way or be vacated and abandoned pursuant to NMSA 1978 § 67-5-4 is hereby approved.

BE IT FURTHER RESOLVED that the three-person freeholders are:

Corey Needham, Lea County Assistant County Manager
Daniel Johncox, Chair, Lea County Planning and Zoning Board
Charles F. Pruitt, Lea County Fire Marshall

PASSED AND APPROVED on this 3rd day of February, 2022, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

LEA COUNTY BOARD OF COUNTY COMMISSIONERS

Dean Jackson (District 1), Chair
Voted: Yes No Abstain

Gary G. Eidson (District 3), Vice Chair
Voted: Yes No Abstain

Rebecca Long (District 2), Member
Voted: Yes No Abstain

Jonathan Sena (District 4), Member
Voted: Yes No Abstain

Pat Sims (District 5), Member
Voted: Yes No Abstain

ATTEST: Keith Manes
Lea County Clerk

**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

By:



Teri Davis, Deputy Clerk

John W. Caldwell, County Attorney

Green Meadows Subdivision

Unit2, East half of Block 13

Legend

-  Present Domestic Well
-  Proposed Alley Vacation





West Lakeview Drive

Woodland



Discussion of Lea County's Five Year Strategic Plan



**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sstout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy:	SUBMITTED BY Name, Title, Dept: Mike Gallagher, County Manager	
SUBJECT: Lea County's Five Year Strategic Plan	ATTACHMENT(S):	
NO. OF ORIGINALS FOR SIGNATURE: N/A	ACTION REQUESTED: Discussion Item	
BUDGET LINE ITEM NUMBER: N/A	FISCAL BUDGET YEAR: N/A	
STRATEGIC PLAN Implementation of 5 Year Strategic Plan: Section 2.6: Transparency and ethical decision making continue to be the framework in which the county operates.		
SUMMARY: Discussion of Lea County's Five Year Strategic Plan		
Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> If checked, how many: Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other:	See Additional Summary Attached <input type="checkbox"/>	
SUBMITTER'S RECOMMENDATION(S):	Submitter's Signature Department Director, Etc.	
FINANCE REVIEW Fiscal Impact/Cost:	Reviewed by Finance Director	
LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney	
COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda 	
Item No. <u>0501</u> RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN		
Approved: _____	Denied: _____	Other: <u>Discussion</u>
Resolution No. _____	Policy No. _____	Ordinance No. _____
Continued To: _____	Referred To: _____	Comments: _____



Lea County Five Year Strategic Plan 2016 - 2021

STATE OF NEW MEXICO
COUNTY OF LEA
RESOLUTION NO. 16-APR-058R

A RESOLUTION ADOPTING A FIVE-YEAR STRATEGIC PLAN FOR THE COUNTY OF LEA

WHEREAS, strategic planning includes knowing what a county government does, where the organization is going, and how the organization plans to get there; and

WHEREAS, a sound strategy that is skillfully implemented identifies the goals and direction that County officials and employees need in order to define their responsibilities in making the County best prepared to serve the needs of the residents and taxpayers; and

WHEREAS, the Board of County Commissioners of Lea County sees the value in creating a five-year strategic plan; and

WHEREAS, the County has held three town meetings with the residents and taxpayers of Lea County to listen to their ideas and suggestions; and

WHEREAS, the County has held three work sessions for staff, elected officials, and the public to provide input for the strategic plan; and

WHEREAS, County management has drafted a five-year plan that is consistent with the guidance from this Board and responsive to the needs and concerns of the County's residents and taxpayers.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of County Commissioners of Lea County that the attached five-year strategic plan is adopted and directs the County Manager to implement the plan.

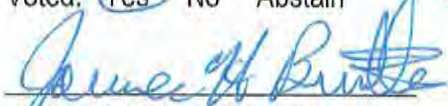
PASSED, APPROVED and ADOPTED by the governing body at its meeting April 14, 2016.

LEA COUNTY BOARD OF COUNTY COMMISSIONERS



Ron R. Black, Chair

Voted: ☒ Yes No Abstain



James H. Britton, Member

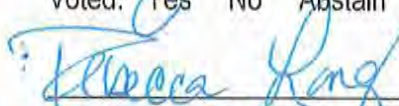
Voted: ☒ Yes No Abstain





Dale Dunlap, Vice Chair

Voted: ☒ Yes No Abstain



Rebecca Long, Member

Voted: ☒ Yes No Abstain

Gregory H. Fulfer
Gregory H. Fulfer, Member
Voted: Yes No Abstain

ATTEST: Pat Chappelle
Lea County Clerk

By: Kelli Williams
Kelli Williams, Deputy

**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

John W. Caldwell
John W. Caldwell, County Attorney



Lea County

Five Year Strategic Plan

2016-2021

CONTENTS:

- 1. Mission Statement**
- 2. Approach & Strategies**
- 3. Goals & Performance Measures**
 - 3.1. Accountability**
 - 3.2. Economic Growth & Vitality**
 - 3.3. Infrastructure & Facilities**
 - 3.4. Quality of Life**
 - 3.5. Safety**
- 4. Supplemental Information:**
 - 4.1. Strategic Planning Process & Timeline**
 - 4.2. Public Input**
 - 4.3. About Lea County**

Section 1

Lea County Mission Statement:

“Lea County shall be results-oriented, accountable to the public, with professional and regional leadership focused on economic vitality, healthy lifestyles, quality of life, and safety of the community.”

Section 2

Approach & Strategies:

1. Collaboration & partnership with local communities, agencies and government entities is essential for success
2. County employees are valued
3. Continuous communication with the public is beneficial and necessary
4. Leverage resources to the fullest extent to maximize the return to the public and minimize cost to tax payer
5. Public and employee involvement and participation is beneficial, needed and valued
6. Transparency and ethical decision making continue to be the framework in which the county operates
7. The responsibility to be good stewards of the public finances
8. Continuous interaction with the State of New Mexico and statewide organizations is required to protect the County's interests

Section 3

Goals & Performance Measures

- 1. Accountability**
- 2. Economic Growth & Vitality**
- 3. Infrastructure & Facilities**
- 4. Quality of Life**
- 5. Safety**

Section 3.1

Accountability

Goal Statement “Lea County is responsible for the public’s tax dollars in a fiscally conservative and transparent manner”

Performance Measures:

1. County expenditures shall not exceed revenue.
2. Accurate and thoughtful revenue projections: actual revenues are not less than forecasted
3. The County does not incur additional long term debt: pay off existing debt obligation on the County detention center facility prior to adding additional debt obligations.
4. County expenditures are available to the public in a convenient and reader-friendly format: obtain highest possible score regarding government transparency from watchdog groups.
5. Budget adjustments for increasing expenditures are reduced from prior year: reduce the number of adjustments due to expenditure increases from the prior year.
6. County Bond rating: obtain AAA
7. Frequency of and type of audit findings: no recurring findings / no material findings
8. County shall maintain strong reserves: 6 months of personnel and operating
9. Public access to information regarding county contracts, finances: obtain highest possible score regarding transparency from watchdog groups

Section 3.2

Economic Growth & Vitality

Goal Statement: “Lea County is a community that has economic growth & diversification”

Performance Measures:

1. Unemployment rate: a downward trend
2. Diversification of taxes by industry: property taxes represent multiple industries
3. A variety of different housing options available
4. Poverty rate: poverty rate of resident’s decrease
5. Median household income: an increase from year to year
6. Annual population growth: maintain positive growth rates each year

Section 3.3

Infrastructure & Facilities

Goal Statement: “The County shall provide a safe, reliable, and efficient transportation network, and county facilities shall be maintained and shall meet the changing needs of the public”.

Performance Measures:

1. % of chip sealed county roads vs. caliche roads (goal: each year chip seal more roads)
2. Future roads provide connections to reduce emergency response time
3. Airports that are maintained and improved with new facilities (goal: increase capacity for changing commercial aircraft)
4. County facilities are ADA compliant
5. Planned water infrastructure system for use and conservation (goal: a system in place with paying customers)
6. Efficient use of utilities and technology in county facilities

Section 3.4

Quality of Life

Goal Statement: “Lea County shall have a variety of recreational & cultural amenities with access to convenient & quality healthcare”

Performance Measures:

1. Health care study indicators (goal: reach national standards)
2. Health indicators- teen pregnancy, substance abuse changes (goal: reduce each year)
3. Number of general and specialty medicine doctors / health care providers per 1,000 residents (goal: reach national standards)
4. Exposure to entertainment / # of entertainment options at county facilities
5. Miles of trails / health walk / new outdoor exercise space

Section 3.5

Safety

Goal Statement: “Lea County shall be a safe community without crime”

Performance Measures:

1. Prevent intoxicated drivers: tipsy taxi / education / enforcement
2. Alcohol related crashes: decrease from year to year
3. Violent crimes change from year to year
4. Lower IOS ratings for county fire districts: decrease response times, greater access to water resources: target of IOS rating 5
5. Proper care and treatment of domestic animals: less stray domestic animals and reports of abused domestic animals
6. Law enforcement response time
7. Vehicular fatalities change from year to year
8. Employee injuries / fatalities / accidents from year to year

Section 4: Supplemental Information

Section 4.1: Process & Timeline:

- Jan 14: 1st Commission meeting – introduction
- Feb 04: 1st work session – first discussion with sample plan content & first reaction from Board
- **March 3: 2nd work session meeting** – presentation of first draft of mission statement & goals with discussion of Action statements and measures / indicators
- **March 3:** —an opportunity for public input
- **Third week in March: 1st town hall meeting for public input**
- **March 31: 3rd commission meeting** – report back on public input and first draft of action statements and measures / indicators
- **Second / Second week in April 2nd town hall meeting**
- **April 14: 3rd work session** – discussion of proposed final Five Year Strategic Plan
- **April 14 3rd Commission meeting**—adoption of final Five Year Strategic Plan
- April: Final town hall meeting to present adopted plan to the public. Plan published on website and distributed to county partners

Section 4.2: Public Input:

March 17, 2016: 1st Town Hall Meeting (1st round)- Public Input

- Lovington: Courthouse
- Approximately 10 attendees
- No negative comments on mission statements / planning process / goals

Comments / public input:

1. Public awareness campaign regarding the proper treatment of animals
2. Need to educate the public on how to treat and care for animals—provide the basic needs: food, shelter, etc.
3. Quality of life—what is included in this?
4. Need proactive safety plans – to protect against from acts of terror
5. Need proactive plans to prevent to crime in the oilfield

March 24, 2016: 2nd Town Hall Meeting (1st Round)—Public Input

- Hobbs: Lea County Event Center
- Approximately 15 attendees
- No negative comments on mission statements / planning process / goals

Comments / public input:

1. Public awareness campaign regarding the proper treatment of animals
2. The County needs laws that are easily understood and that are tough on the cruel / improper of animals
3. The County should replicate the City of Hobbs laws on the proper treatment of animals
4. Economic diversification needs to remain a priority of the county—continue New Horizons---pursue more business start ups
5. More marketing and creating a tourist atmosphere: continue commercial air service, event center, NMJC events—more “head in beds” events –more conferences and industry shows
6. Increase investments in land, labor, training programs, spec buildings, etc.
7. Expand the Arts Industry—county wide arts resource center- tourism—Art District, partnerships to promote the Arts Industry
8. Expand major roads to reduce traffic congestion—add lanes—City of Hobbs and County need to partner on roads expansions
9. Reduce the speeding – more law enforcement is needed

April 11, 2016: 3rd Town Hall Meeting (2nd Round)—Public Input

- Hobbs: Lea County Event Center
- Approximately 8 attendees
- No negative comments on mission statements / planning process / goals

Comments / public input:

1. What is the county's concern regarding building the new Health & Wellness Center, building the equine facility, and having the Event Center and the ongoing cost to maintain these buildings?
2. Why are my property taxes going up to pay for the Wellness Center and the equine facility?
3. The County and City should look having something that will draw people here, some tourism. Something like what is in San Antonio – a large water park or a large amusement park with rides, offer incentives to get those type of things here.
4. What is the County's position on Spectra? How long has Spectra been here? What is Spectra doing to make the Event Center a Cadillac facility?
5. A public transit service between Lovington and Hobbs would be helpful

Section 4.3: About Lea County

- **Founded:** March 17, 1917
- **Location:** Southeast corner of New Mexico bordered by Texas state line on East and South
Bordered by Eddy and Chaves County on the West and Curry County on the North
- **Population:** 64,727 (2010), a 16.6 % growth from 2000 Census, 4th highest population growth in state with culturally diverse residents. Considered one of the fastest growing counties in New Mexico
- **Size:** 108 miles long North to South and 44 miles wide at widest point, approximately 4,400 square miles.
- **Communities:** 5 municipalities to include Tatum, Lovington (county seat), Hobbs, Eunice, and Jal
- **Industry:** "EnergyPlex" with oil & gas, renewable energy, nuclear enrichment, and supporting ancillary companies like banking, retail, hospitality, with continuously expanding healthcare industry.
- **Transportation:** the county owns and operates an airport in Jal, and in Lovington and a commercial airport outside of Hobbs, and maintains 1220 miles of county roads with connections to state and federal highways.

Discussion of Remodel of the Historic Lea County Courthouse





**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

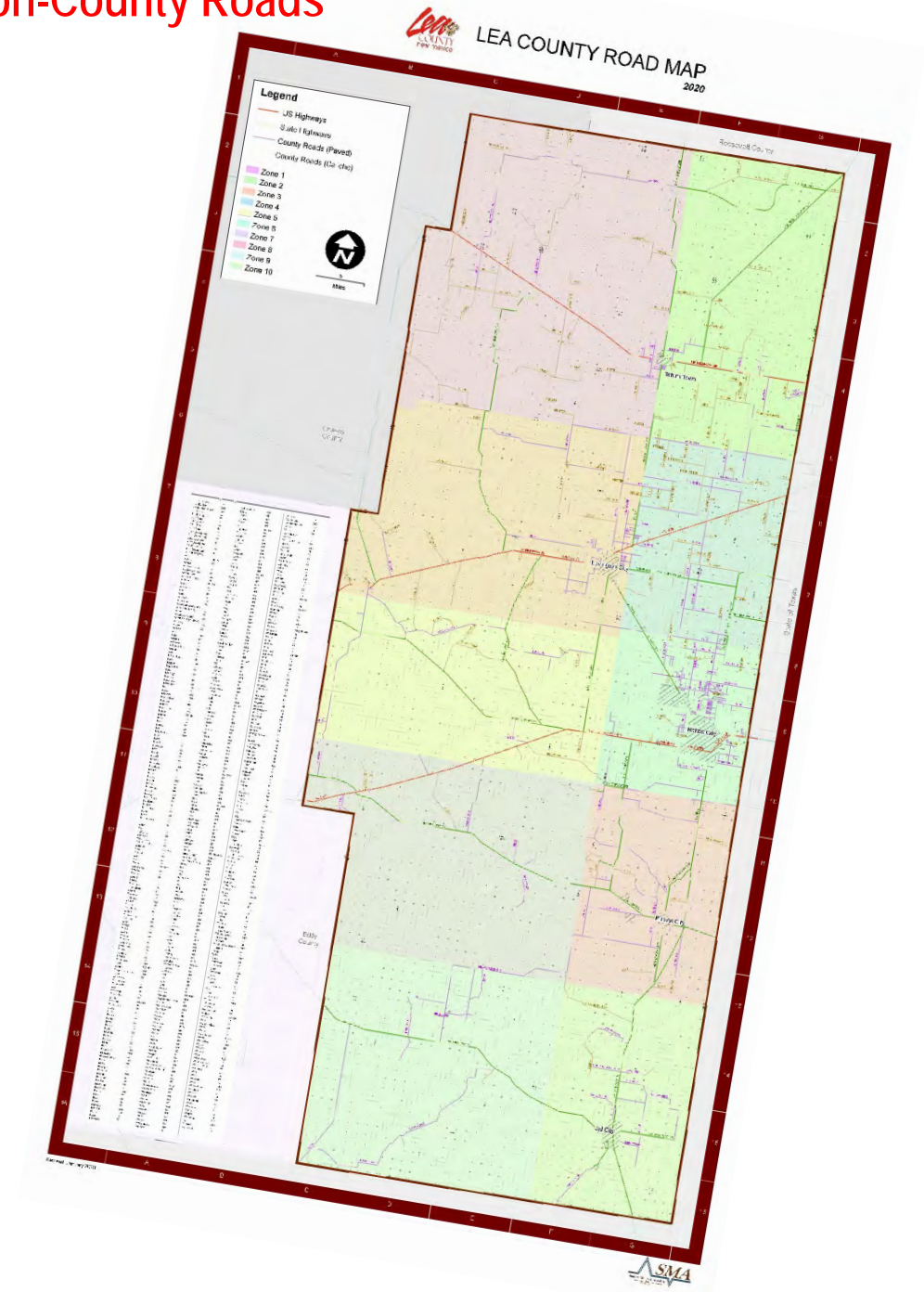
LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sstout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy:	SUBMITTED BY Name, Title, Dept: Mike Gallagher, County Manager
SUBJECT: Lea County Historic Courthouse Remodel	ATTACHMENT(S):
NO. OF ORIGINALS FOR SIGNATURE: N/A	ACTION REQUESTED: Discussion Item
BUDGET LINE ITEM NUMBER: N/A	FISCAL BUDGET YEAR: N/A
STRATEGIC PLAN Implementation of 5 Year Strategic Plan: Section 2.6: Transparency and ethical decision making continue to be the framework in which the county operates.	
SUMMARY: Discussion of Lea County Historic Courthouse Remodel	
Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> If checked, how many: Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: <input type="checkbox"/>	
See Additional Summary Attached <input type="checkbox"/>	
SUBMITTER'S RECOMMENDATION(S):	Submitter's Signature Department Director, Etc.
FINANCE REVIEW Fiscal Impact/Cost:	Reviewed by Finance Director
LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney
COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda
Item No. <u>0502</u> RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN	
Approved: _____ Denied: _____ Other: <u>Discussion</u> Resolution No. _____ Policy No. _____ Ordinance No. _____ Continued To: _____ Referred To: _____ Comments: _____	

Discussion of Improvement and Maintenance of County and Non-County Roads





**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sshout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy:	SUBMITTED BY Name, Title, Dept: Mike Gallagher, Corey Needham, Lorenzo Velasquez	
SUBJECT: Improvement & Maintenance of County and Non-County Road	ATTACHMENT(S):	
NO. OF ORIGINALS FOR SIGNATURE: N/A	ACTION REQUESTED: Discussion Item	
BUDGET LINE ITEM NUMBER: N/A	FISCAL BUDGET YEAR: N/A	
STRATEGIC PLAN Implementation of 5 Year Strategic Plan: Section 2.6: Transparency and ethical decision making continue to be the framework in which the county operates.		
SUMMARY: Discussion of Improvement & Maintenance of County and Non-County Road		
Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: <input type="checkbox"/> <small>If checked, how many:</small>	See Additional Summary Attached <input type="checkbox"/>	
SUBMITTER'S RECOMMENDATION(S):	Submitter's Signature Department Director, Etc.	
FINANCE REVIEW Fiscal Impact/Cost:	Reviewed by Finance Director	
LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney	
COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda 	
Item No. 0503 RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN		
Approved: _____	Denied: _____	Other: <u>Discussion</u>
Resolution No. _____	Policy No. _____	Ordinance No. _____
Continued To: _____	Referred To: _____	Comments: _____

FY 23 Preliminary Revenue Budget Discussion

February 3, 2022

FY 23 Budget Preparation Timeline

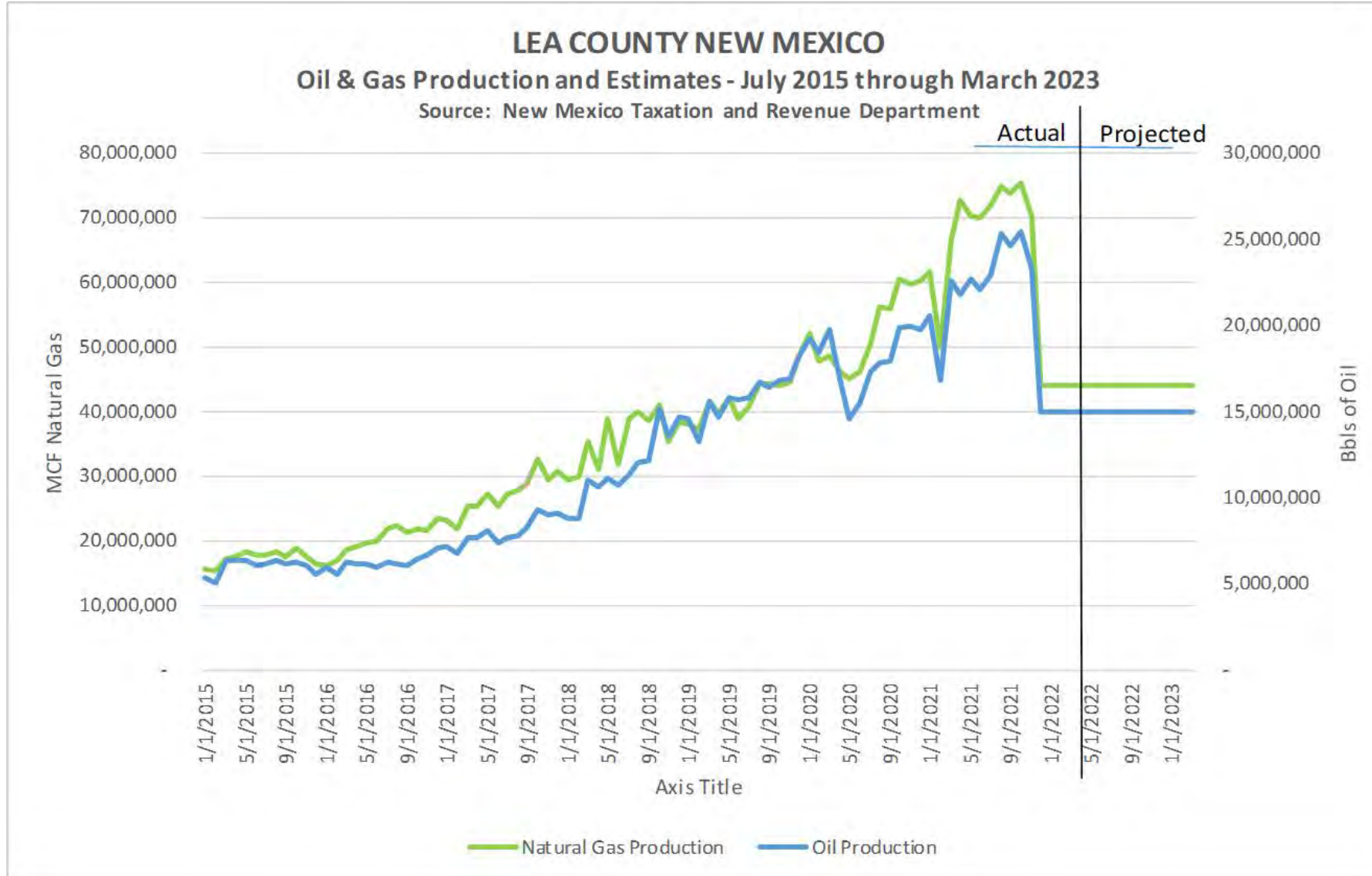
Date	Action Taken
January 13, 2022	Budget Development and Timeline Approval (LCBCC)
February 3, 2022	Outside Entities and Services RFP Discussion (LCBCC) Discussion of FY 23 Projected Revenues (LCBCC)
February 17, 2022	Release of Outside Entities and Services RFP
February 21 – March 2, 2022	Departmental Budget Discussions – County Staff
March 10, 2022	Discussion of FY 23 Projected Expenses (LCBCC)
March 11, 2022	Responses for Outside Entities Proposals Due
March 31, 2022	Departmental Budget Presentations (LCBCC)
April 14, 2022	Departmental Budget Presentations cont'd (LCBCC) Personnel Proposals (LCBCC)
April 28, 2022	Capital & Outside Agency Proposals (LCBCC)
May 12, 2022	Present Preliminary Budget for Discussion (LCBCC)
May 26, 2022	Present Preliminary Budget for Final Action (LCBCC)
May 31, 2022	Preliminary Budget Due to New Mexico DFA for Approval
July 28, 2022	Present Final Budget For Discussion and Approval (LCBCC)
July 31, 2022	Final Budget Due to New Mexico DFA for Approval

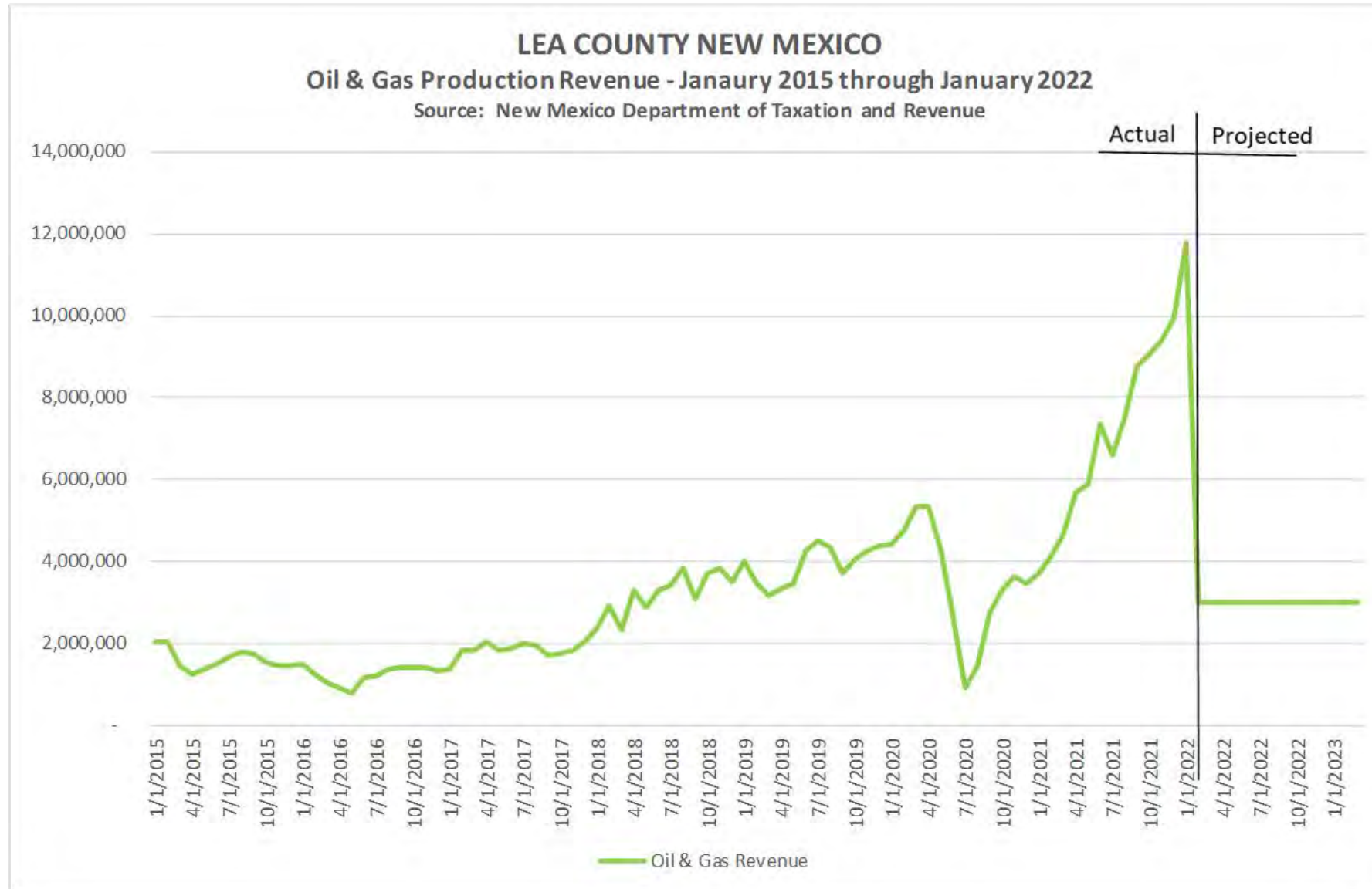
Historical Budget vs Actual Revenue FY 18 – FY 21

		2018	2019	2020	2021	Total
Oil & Gas Production	Budget	\$ 20,968,483	\$ 27,779,095	\$ 34,781,534	\$ 13,000,000	\$ 96,529,112
	Actual	\$ 28,386,145	\$ 43,161,023	\$ 52,179,468	\$ 47,015,287	\$ 170,741,923
	Difference	\$ 7,417,662	\$ 15,381,928	\$ 17,397,934	\$ 34,015,287	\$ 74,212,811
Oil & Gas Equipment	Budget	\$ 3,299,826	\$ 5,942,811	\$ 5,942,811	\$ 5,000,000	\$ 20,185,448
	Actual	\$ 3,331,728	\$ 5,029,162	\$ 8,403,936	\$ 10,409,607	\$ 27,174,433
	Difference	\$ 31,902	\$ (913,649)	\$ 2,461,125	\$ 5,409,607	\$ 6,988,985
Property Tax - Current	Budget	\$ 15,744,576	\$ 17,443,150	\$ 20,126,693	\$ 18,199,889	\$ 71,514,308
	Actual	\$ 16,421,854	\$ 17,934,023	\$ 20,858,598	\$ 25,286,518	\$ 80,500,994
	Difference	\$ 677,278	\$ 490,873	\$ 731,905	\$ 7,086,629	\$ 8,986,686
Property Tax - Delinquent	Budget	\$ 600,000	\$ 500,000	\$ 500,000	\$ 694,319	\$ 2,294,319
	Actual	\$ 467,300	\$ 843,987	\$ 688,028	\$ 1,400,087	\$ 3,399,401
	Difference	\$ (132,700)	\$ 343,987	\$ 188,028	\$ 705,768	\$ 1,105,082
GRT (Indigent, Debt Ser, Env)	Budget	\$ 9,793,323	\$ 16,904,147	\$ 17,262,250	\$ 7,330,179	\$ 51,289,899
	Actual	\$ 14,568,289	\$ 22,269,360	\$ 23,886,734	\$ 15,419,966	\$ 76,144,349
	Difference	\$ 4,774,966	\$ 5,365,213	\$ 6,624,484	\$ 8,089,787	\$ 24,854,450
Grand Totals	Budget	\$ 50,406,208	\$ 68,569,203	\$ 78,613,288	\$ 44,224,387	\$ 241,813,086
	Actual	\$ 63,175,316	\$ 89,237,555	\$ 106,016,764	\$ 99,531,465	\$ 357,961,100
	Difference	\$ 12,769,108	\$ 20,668,352	\$ 27,403,476	\$ 55,307,078	\$ 116,148,014

Basic Assumptions

- The Oil and Gas industry remains the main driver of the Lea County economy.
- Health, safety, welfare and quality of life of County residents remains a priority
- Increasing oil & gas production along with higher prices is having a positive impact upon county revenue, county population and employment.
- Continued uncertainty in long term oil price forecasts will present challenges to revenue and expenditure planning.
- Proposed policies regarding the oil & gas industry on the federal and state level is creating long term uncertainty for revenue planning.
- Recruitment and retention of qualified employees remains a priority. Lea County currently maintains 15 months of budgeted General Fund expenditures plus operating transfers in operating reserves along with 15% of budgeted capital.
- Consider increasing operational reserves to provide more protection due to a sudden, unforeseen downturn.







Oil & Gas Production Revenue Estimate - Conservative

FY22/23 Production Tax Estimate			
Month	Estimated Oil Prod.	EIA Oil Price	
Jul-22	3,001,284	36	
Aug-22	3,001,284	36	
Sep-22	3,001,284	36	
Oct-22	3,001,284	36	
Nov-22	3,001,284	36	
Dec-22	3,001,284	36	
Jan-23	3,001,284	36	
Feb-23	3,001,284	36	
Mar-23	3,001,284	36	
Apr-23	3,001,284	36	
May-23	3,001,284	36	
Jun-23	3,001,284	36	
Total	36,015,408	36	
FY21/22 Budget	23,711,916		
Increase	12,303,492		
Assumptions:			
Average oil Price - \$36.00			
Average Production - 15,000,000 monthly (63% of current 6 month average)			
Natural Gas Production - 44,000,000 mcf (61% of current 6 month average)			
Natural Gas Price - \$3.00 (60% of current 6 month average)			

Oil & Gas Equipment Tax Revenue

- Oil and Gas Equipment taxation is governed by NMSA Sections 7-34-1 to 7-34-20.
- Each year Taxation and Revenue will compute the value of products of each production unit for the previous calendar year. The taxable value is an amount equal to 27% of the value of products of each production unit. The assessed value shall be determined by applying the uniform assessment ration to the taxable value. The tax shall be at the rate certified to the division by the department of finance and administration.
- Prior 5 year average received (including FY 22) - \$7,090,376
- Will use 90% of the average for the FY 23 budget - \$6,381,338

Revenue Assumptions

Property Tax Revenue

- Property tax revenues are based upon values certified by the County Assessor in June of each year and calculated using approved tax rates for each type of property.
- As of January 2022, the Lea County Tax Assessor currently estimates taxable property in Lea County to be \$3,140,337,872. At the current tax rate of \$10.60 per \$1,000 in valuation the projected property tax for FY 23 is \$33,287,581. Lea County will 95% of that amount for budgeting purposes or \$31,623,202.
- Lea County will the use projected property tax revenue for preliminary budgeting purposes and will adjust when the new values are certified in June 2022.

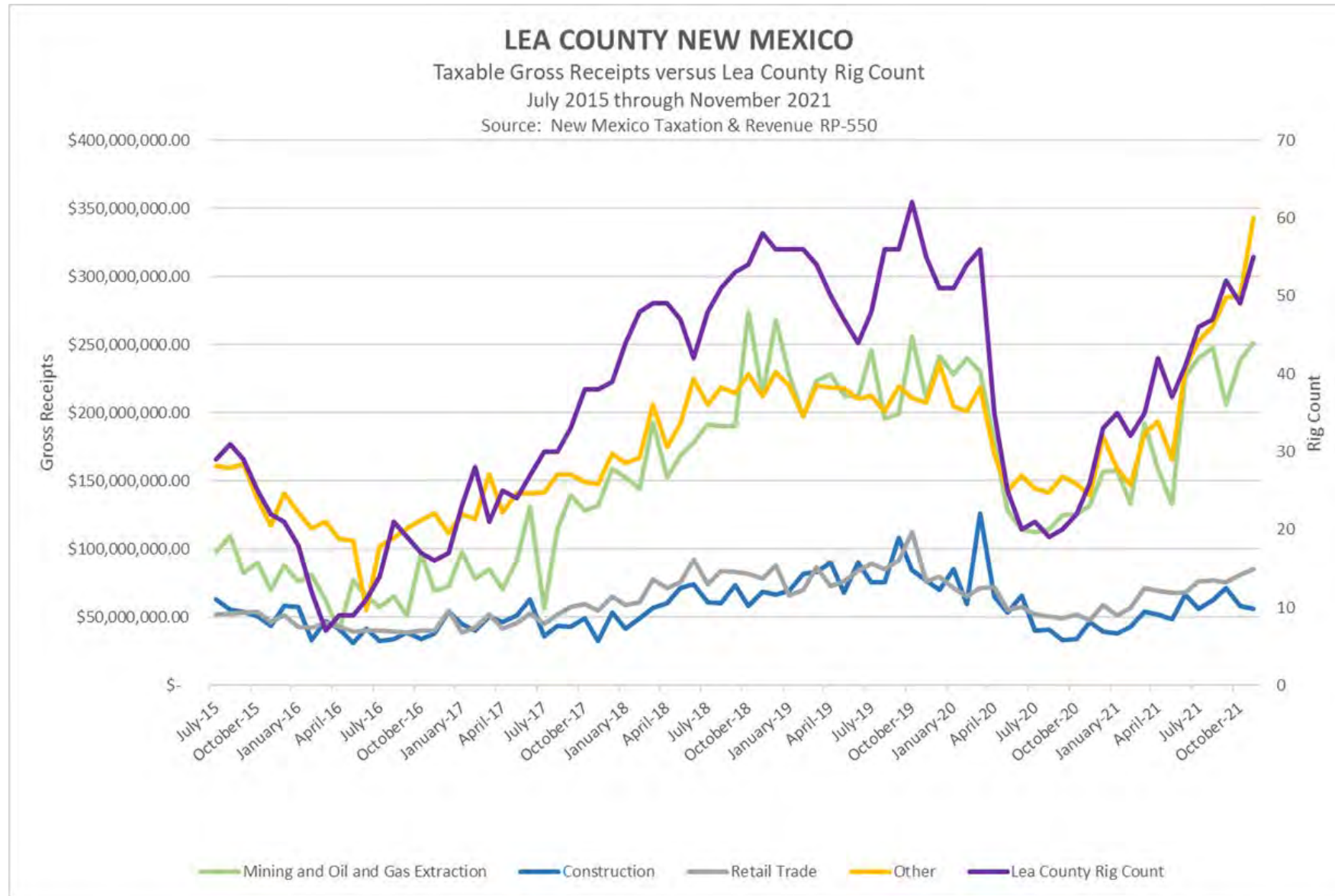
Revenue Assumptions

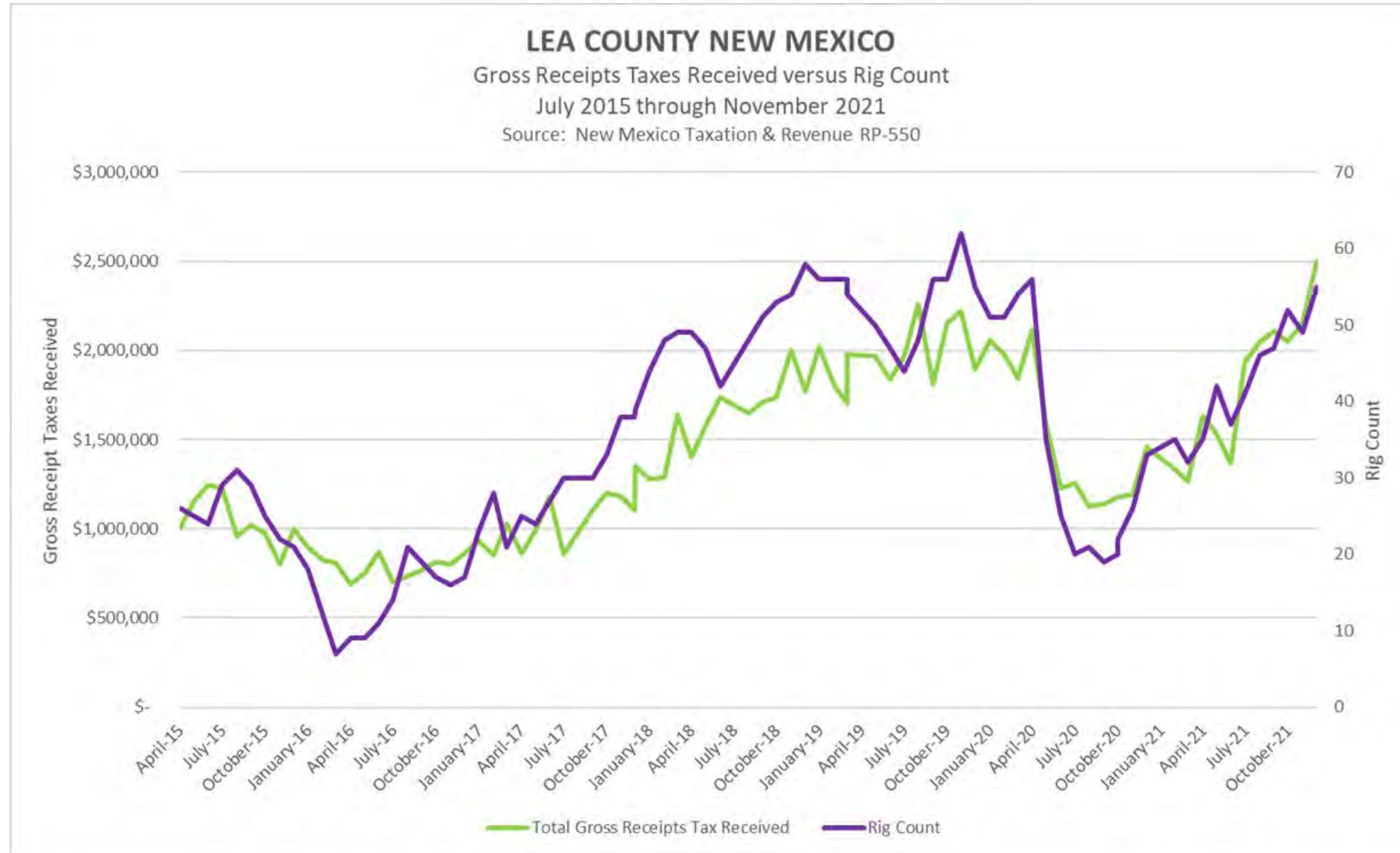
Payments in Lieu of Taxes (PILTS)

Name of Entity	Amount of PILT
Corporate IRB's	\$ 1,800,000
Federal Government	\$ 1,100,000
Totals	\$ 2,900,000

Revenue Assumptions Indigent & Local Option GRT

- Lea County has enacted a .375% tax to cover Indigent Care and other County Services. The Indigent is a .125% County wide increment and other portion is a .125% County wide and a .125% that is only assessed on taxable amounts outside of the municipal boundaries. Historically, the amount received each month is allocated on a 62% - 38% basis. NM Taxation and Revenue provides Lea County with a breakout each month detailing the allocation.
- Based upon the following graphs it can be shown that there is a close relationship between GRT collected and the price of oil.





Revenue Assumptions Indigent & Local Option GRT

- Using a the projection of \$36.00 average oil price with an average rig count of 30 results in projected GRT of \$14,156,888. Based upon the 62% - 38% allocation the budgeted amounts are as follows:
- General Fund GRT - \$8,777,271
- Indigent Fund GRT - \$5,379,617

Revenue Assumptions

Other Revenues

- Interest revenue includes interest on investments, unpaid taxes and other fees.
- County Clerk fees include the \$18 recording fees charged for each document recorded, a \$10 fee for each marriage licenses issued, fees charged for document copies and other fees as allowed by statute.
- Each year Lea County collects an administrative fee totaling 3% of tipping fees from the Lea County Solid Waste Authority for operational oversight and accounting services. This fee is posted to the Environmental GRT fund.
- Lea County is eligible to receive Lodger's Tax grants to assist with county quality of life productions.
- Lea County receives a share of motor vehicle fees collected by the state.
- Lea County has also began receiving compensating tax payments as a result of HB 6.

Revenue Assumptions

FY 22/23 Preliminary General Fund Revenue Estimate

	FY 22 Adjusted		FY 23 Estimate		\$ Change		% Change
Property Taxes	23,450,823		31,623,202		8,172,379		34.85%
Oil & Gas Production Taxes	23,711,916		36,015,408		12,303,492		51.89%
Oil & Gas Equipment Taxes	4,026,858		6,381,338		2,354,480		58.47%
Payment in Lieu of Taxes (PILTS)	2,900,000		2,900,000		-		0.00%
Gross Receipts Taxes	3,918,773		8,777,271		4,858,498		123.98%
Fees, Permits, Misc.	1,769,755		2,188,172		418,417		23.64%
	59,778,125		87,885,391		28,107,266		47.02%



**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sstout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 01/31/2022	SUBMITTED BY Name, Title, Dept: Chip Low, Finance Director
SUBJECT: Discussion of Lea County's Revenue Fiscal Year 2022 - 2023	ATTACHMENT(S): PowerPoint Presentation
NO. OF ORIGINALS FOR SIGNATURE: None	ACTION REQUESTED: Discussion Item
BUDGET LINE ITEM NUMBER: N/A	FISCAL BUDGET YEAR: 2022 - 2023

STRATEGIC PLAN Implementation of 5 Year Strategic Plan:
Section 3.1 Accountability - "Lea County is responsible for the public's tax dollars in a fiscally conservative and transparent manner"

SUMMARY:
Lea County is required to submit a Preliminary Budget for the Fiscal Year 2022 - 2023 to the New Mexico DFA LGD by May 31, 2022. This discussion reviews General Fund revenue projections for the FY 23 budget year.

Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> If checked, how many: Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: <input type="checkbox"/>	See Additional Summary Attached <input type="checkbox"/>
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SUBMITTER'S RECOMMENDATION(S): Discussion	Submitter's Signature Department Director, Etc.
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FINANCE REVIEW Fiscal Impact/Cost:	Reviewed by Finance Director
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LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney
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COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda
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Item No. <u>0504</u>				RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN			
Approved: _____	Denied: _____	Other: _____	<u>Discussion</u>	Resolution No. _____	Policy No. _____	Ordinance No. _____	Comments: _____
Continued To: _____	Referred To: _____						



Discussion of Lea County's Outside Agencies Fiscal Year 2022 - 2023



**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sstout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy:	SUBMITTED BY Name, Title, Dept: Mike Gallagher, Chip Low	
SUBJECT: Outside Agencies Fiscal Year 2022 - 2023	ATTACHMENT(S):	
NO. OF ORIGINALS FOR SIGNATURE: N/A	ACTION REQUESTED: Discussion Item	
BUDGET LINE ITEM NUMBER: N/A	FISCAL BUDGET YEAR: N/A	
STRATEGIC PLAN Implementation of 5 Year Strategic Plan: Section 2.6: Transparency and ethical decision making continue to be the framework in which the county operates.		
SUMMARY: Discussion of Outside Agencies Fiscal Year 2022 - 2023		
Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> If checked, how many: Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other:	See Additional Summary Attached <input type="checkbox"/>	
SUBMITTER'S RECOMMENDATION(S):	Submitter's Signature Department Director, Etc.	
FINANCE REVIEW Fiscal Impact/Cost:	Reviewed by Finance Director	
LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney	
COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda 	
Item No. <u>0505</u> RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN		
Approved: _____	Denied: _____	Other: <u>Discussion</u>
Resolution No. _____	Policy No. _____	Ordinance No. _____
Continued To: _____	Referred To: _____	Comments: _____

COMMISSION MAY CONVENE IN CLOSED SESSION to Discuss Threatened Litigation Regarding Employee Healthcare and Redistricting, and Pending Litigation Against Opioid Distributors and Johnson & Johnson; and Disposal of Real Property in Central Lea County, as Authorized by NMSA 1978 § 10-15-1 H (7) and (8).

COMMISSION MAY CONVENE IN OPEN SESSION to take Action, if any, on the Closed Session Item(s).





**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, February 3, 2022

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sstout@leacounty.net by: **Monday, January 24, 2022**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 01/31/2022	SUBMITTED BY Name, Title, Dept: Sandrea Brito, Executive Coordinator, Executive Department
SUBJECT: Other Business	ATTACHMENT(S): N/A
NO. OF ORIGINALS FOR SIGNATURE: N/A	ACTION REQUESTED: Action Item
BUDGET LINE ITEM NUMBER: N/A	FISCAL BUDGET YEAR: N/A
STRATEGIC PLAN Implementation of 5 Year Strategic Plan: Section 2.6: Transparency and ethical decision making continue to be the framework in which the county operates.	
SUMMARY: Any Other Business	
Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> If checked, how many: Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: <input type="checkbox"/>	See Additional Summary Attached <input type="checkbox"/>
SUBMITTER'S RECOMMENDATION(S): Any Other Business	Submitter's Signature Department Director, Etc.
FINANCE REVIEW Fiscal Impact/Cost:	Reviewed by Finance Director
LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney
COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda
Item No. 0700 RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN	
Approved: _____ Resolution No. _____ Continued To: _____	Denied: _____ Policy No. _____ Referred To: _____
Other: <u>Any Other Business</u> Ordinance No. _____ Comments: _____	

Adjourn



Please Join Us at Our Next Meeting
on
Thursday, February 17, 2022 at 9:00 A.M.