# MINUTES of the FOURTH MEETING of the

### RURAL ECONOMIC OPPORTUNITIES TASK FORCE

## September 19-20, 2022 Fort Bayard Theater 79 Camino de las Palomas Fort Bayard

The fourth meeting of the Rural Economic Opportunities Task Force (REOTF) was called to order by Senator Siah Correa Hemphill, co-chair, on September 19, 2022 at 10:04 a.m. at the Fort Bayard Theater in Fort Bayard.

Present	Absen
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Sen. Siah Correa Hemphill, Co-Chair Rep. Candie G. Sweetser, Co-Chair

Rep. Anthony Allison Rep. Gail Armstrong

Sen. Crystal R. Diamond (9/19)

Rep. Rebecca Dow\*

Rep. Roger E. Montoya (9/19)

Rep. Rachel A. Black

Sen. Craig W. Brandt Rep. Kelly K. Fajardo

Sen. Carrie Hamblen

Rep. Susan K. Herrera

Sen. Leo Jaramillo

Rep. Willie D. Madrid Sen. Michael Padilla

Sen. Shannon D. Pinto

Sen. Joshua A. Sanchez

Rep. Nathan P. Small

Sen. Elizabeth "Liz" Stefanics

### **Advisory Members**

Rep. Tara L. Lujan

Rep. Ambrose Castellano

Sen. David M. Gallegos

Rep. Harry Garcia

Rep. D. Wonda Johnson

Rep. Patricia A. Lundstrom

Rep. Antonio Maestas

Sen. Brenda G. McKenna

Sen. Mimi Stewart

### **Guest Legislator**

Rep. Luis M. Terrazas

(Attendance dates are noted for members not present for the entire meeting.)

\*Appointed by the speaker of the house of representatives as a voting member for this meeting only.

#### Staff

Mark Edwards, Bill Drafter, Legislative Council Service (LCS) Erin Bond, Researcher, LCS Catherine Sayler, Staff, LCS

### Guests

The guest list in the meeting file.

#### **Handouts**

Handouts and other written testimony are in the meeting file and posted on the legislature's website.

### **References to Webcast**

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the task force meeting, which can be found at <a href="www.nmlegis.gov">www.nmlegis.gov</a>, under the "Webcast" tab. The presentations made and task force discussions for agenda items can be found on the recorded webcast for this meeting.

### Monday, September 19

### Welcome and Introductions (10:05 a.m.)

Senator Hemphill welcomed task force members and attendees and asked task force members to introduce themselves.

### Welcome to the Village of Santa Clara and Historic Fort Bayard (10:10 a.m.)

Richard Bauch, mayor, village of Santa Clara, and Sheila Hudman, village administrator, village of Santa Clara, welcomed the task force and thanked the members for visiting Fort Bayard. Mayor Bauch and Ms. Hudman discussed the history of the area and the community's desire to annex and redevelop Fort Bayard as a recreational site. The presentation can be found here:

https://www.nmlegis.gov/handouts/REOTF%20091922%20Item%201%20Fort%20Bayard%20Business%20Plan%20Executive%20Summary.pdf.

### Mining District Water Infrastructure Collaboration (11:05 a.m.)

Tony Trujillo, government relations, Freeport-McMoRan Inc., discussed the economic impact of Freeport-McMoRan in New Mexico and noted the company's reclamation efforts. Erich Bower, general manager, Tyrone mine, Freeport-McMoRan Inc., discussed the status of the Tyrone copper mine and how Freeport-McMoRan seeks to reduce its environmental impact. Randy Ellison, general manager, Chino mine, Freeport-McMoRan Inc., discussed the work of the Chino mine and Freeport-McMoRan's work to improve the water system in the Silver City area while meeting the mine's needs.

Ed Stevens, mayor, Town of Hurley, discussed the need for water infrastructure in Hurley and Grant County. Ken Ladner, mayor, Town of Silver City, highlighted the work of Freeport-McMoRan in developing local infrastructure. Mr. Bauch noted the importance of adding another water resource to support the area. Kristina Ortiz, clerk and treasurer, City of Bayard, stated the collaboration could help Bayard replace a recently failed well.

The task force recognized Priscilla Lucero, executive director, Southwest New Mexico Council of Governments (SWNMCOG), and Alex Brown, manager, Town of Silver City, for their work in the mining district water infrastructure collaboration. Ms. Lucero noted that the preliminary engineering report is out of date and needs to be updated to reflect current costs of materials and labor. The presentation materials can be found here:

https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=REOTF&Date=9/19/2022&ItemNumber=2.

# Health Care Infrastructure in Rural New Mexico: Challenges and Opportunities (12:34 p.m.)

Susan Wilger, interim executive director, New Mexico Alliance of Health Councils (NMAHC), and Susie Johnson, public health project manager, NMAHC, discussed the funding and work of health councils in New Mexico. Ms. Wilger noted that the NMAHC acts as liaison between a local health council and state government and provides support for the health councils.

Edith Vasquez, coordinator, Luna County Health Council; Shay Yantis, incoming coordinator, Catron County Health Council; and Lisa Daniel, coordinator, Sierra County Wellness and Behavioral Health Collaborative, discussed the programs and needs of their respective health councils, such as reducing the spread of COVID-19, improving access to behavioral health care and using mobile technology to inform the public of health care opportunities in their area. The presentation can be found here:

 $\frac{https://www.nmlegis.gov/handouts/REOTF\%20091922\%20Item\%203\%20\%20Health\%20Council\%20presentation.pdf.$ 

### **SWNMCOG** (1:26 p.m.)

Ms. Lucero discussed her work and noted the needs of the SWNMCOG, such as emergency response, funding and consistent staffing. Emily Gojkovich, deputy director, SWNMCOG, discussed programs implemented by the SWNMCOG, such as an entrepreneur training program and a summer child care program for working families. The presentation can be found here:

https://www.nmlegis.gov/handouts/REOTF%20091922%20Item%205%20SWNM%20Collaborative.pdf.

# The Importance of Logging for Forest Health and Rural Economic Opportunity in New Mexico (2:32 p.m.)

Andrew Ortiz, registered agent, Aok Logging LLC, and Christopher Perry, co-owner, Aok Logging LLC, discussed the impact of COVID-19 and forest fires on the logging industry in New Mexico and potential ways to improve the logging industry in the state. Mr. Ortiz and Mr. Perry also noted how logging impacts other industries and economies in the Southwest.

### Freeport-McMoRan Chino Mine Tour (3:24 p.m.)

The task force toured the Freeport-McMoRan Chino mine. Mr. Trujillo discussed the stops along the tour of the mine. Mr. Ellison provided safety training for the tour.

#### **Recess**

The meeting recessed at 5:09 p.m.

### **Tuesday, September 20**

### Reconvene

Representative Sweetser reconvened the meeting at 9:02 a.m..

### **REOTF: Discussion of Legislative Priorities for 2023 (9:03 a.m.)**

Mr. Edwards and the task force discussed possible bill topics for the task force to consider, such as developing a rural institute at a state university and creating more accountability for councils of governments. At a request from the task force, Ms. Lucero and Mr. Edwards discussed the possibility of establishing a crisis response fund to quickly assist communities with critically failed infrastructure and where the fund might be housed to best provide assistance.

# Responses to Task Force Inquiries and Some Economic "Strawmen" as Examples of Rural Development and Analysis (10:12 a.m.)

Jay Lillywhite, department head and professor, Agricultural Economics and Agricultural Business Department, College of Agricultural, Consumer and Environmental Sciences, New Mexico State University (NMSU), provided responses to questions from previous task force meetings, including the status of the state meat inspection program and the ways that NMSU assists rural communities. He also discussed scenarios that could impact a state or local economy, such as the loss of a business. Dr. Lillywhite explained why the state may want to create a rural or tribal institute and what services such an institute might provide.

Ricardo C. Rel, assistant vice president, Government and Community Relations, NMSU, noted that NMSU has a doctorate of economic development program. He stated that doctoral students in that program often help rural communities as part of their doctoral thesis work. The presentation can be found here:

https://www.nmlegis.gov/handouts/REOTF%20092022%20Item%207%20Responses%20to%20 Task%20Force%20Inquiries.pdf.

### **Geothermal Energy Development in New Mexico (10:45 a.m.)**

Thomas Solomon, electric engineer and facilitator, Geothermal Development Working Group and co-coordinator, 350 New Mexico, spoke to the task force in favor of geothermal energy development and legislation. Via phone call, Senator Gerald Ortiz y Pino provided support for geothermal energy development in New Mexico and discussed legislative efforts supporting geothermal energy. Shari Kelley, Ph.D., senior geophysicist and field geologist, Bureau of Geology and Mineral Resources, New Mexico Institute of Mining and Technology, provided an overview of geothermal energy and discussed why New Mexico is geothermally active. Neil Ethier, director, Business Development-Americas, Eavor, discussed the technology and methods Eavor uses to access geothermal energy. The presentation can be found here:

 $\underline{\text{https://www.nmlegis.gov/handouts/REOTF\%20092622\%20Item\%208\%20Geothermal\%20Electricity.pdf.}$ 

### Adjournment

There being no further business before the task force, the meeting adjourned at 12:07 p.m.