

February 2020

I. EDUCATION

A. Sidney– Sent out survey to all members on behalf of Bridge of Southern New Mexico. The survey will identify the top 2-3 industries vital to our part of the state to focus the state’s investments for Career and Technical Education programs.

B. Sidney – Secured meeting location for upcoming Consortia Leads regional meeting to begin the conversation on state CTE investments and go over the findings from the survey. This meeting will be held on March 11, 2020 at NMSU Carlsbad campus. Invitation to attend to has been sent to all members.

II. NUCLEAR

A. John- Attended the ECA meeting in Washington DC this month. While there, we visited with our congressional delegation (Juan Sanchez, Virgilio Barrera, and Dan Alpert from Senator Heinrich’s office, Jonathan Black from Senator Udall’s office, Todd Ringler from Congressman Lujan’s office, and Jake Jackson and Congresswoman Torres Small from her office), in addition to staff from Congressman Joe Wilson’s office of South Carolina, and discussed several items including WIPP and its funding (as indicated below). We also spoke with several members of the management team (including Dwayne Bolton, and Mark Planning) at the US Department of Energy office about WIPP, permit mods, facility needs, the budget, and the future projects there.

B. John- Have participated in two ECA meetings about the nuclear workforce and what needs to be done to encourage more young people to go into nuclear field. There will be an ECA Meeting in Santa Fe in March that will include educators and the industry in an effort to drive more kids into this field.

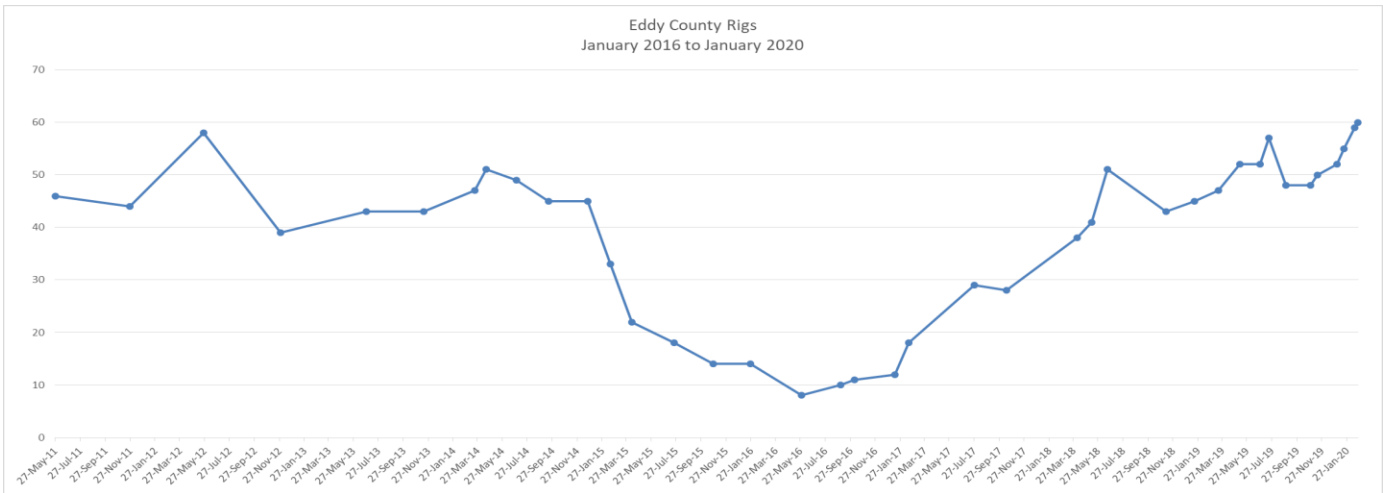
C. John- Craig Stephens and I attended a meeting with Jim Blankenhorn and officials from Amentum, the company that purchased the subsidiary of AECOM that manages WIPP. They indicated that they anticipate no major changes in personnel and operations as a result of the change in ownership.

III. MANUFACTURING

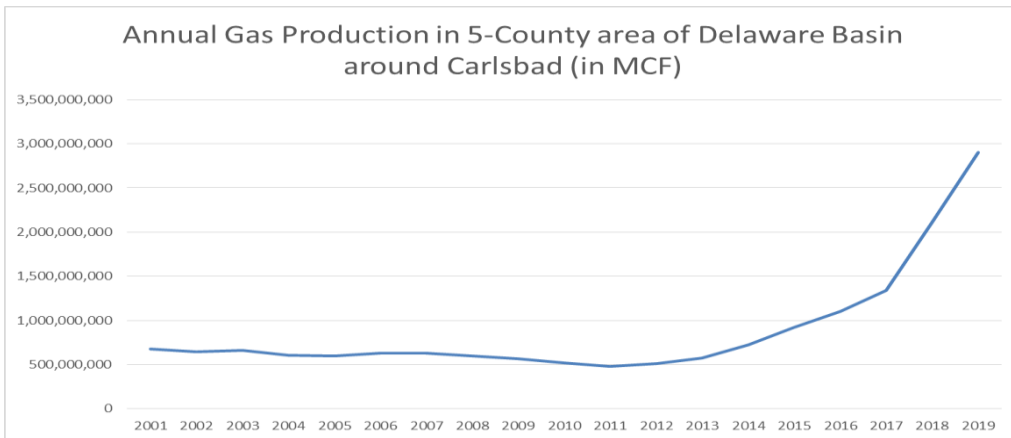
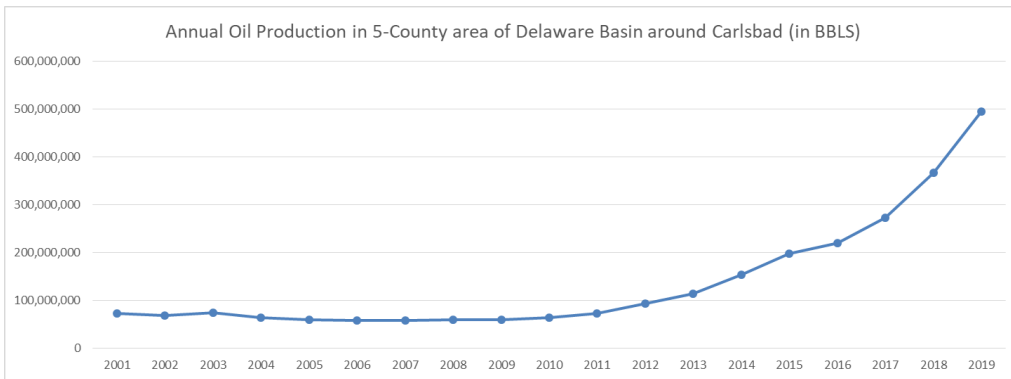
A. John- Met again with representatives from Project Plastic. Will have another meeting with one of their partner companies this month. They are still moving forward with their plans and have continued to meet with different midstream companies and partners from chemical industry. Have provided them with information on area water rights owners.

IV. OIL, GAS & ALTERNATE ENERGY

A. Finished compiling 2019 annual report on production and February 2020 report on active rigs in the area. For the eighth consecutive week, Eddy County is the most active drilling county in North America at 60, which is also a record for us (see below).



With respect to production, Eddy County increased in both Oil and Gas Production in 2019, as did the rest of our five county area in the Delaware Basin (see below).



B. John – Attended and gave a presentation to four energy industry site selectors at a recent NM Partnership meeting in Hobbs.

1. Met individually with three of the site selectors regarding midstream and downstream operations that would do well in Eddy County. One of the individuals was really interested in the possibility of placing an isolation facility and cracking plant here. He has requested additional information and might be setting up a site visit with a client of his.

2. One was interested in energy-related manufacturing and asked for additional information on manufacturers already in Carlsbad.

B. John- While in Washington, we also met with FTI's energy consultants and spoke about efforts here to educate the public about benefit of the energy industry in NM. We discussed projects that CDOD had participated in with Kyler Nerison and others and how we could counter the current anti-industry attitude that was present in New Mexico.

C. John- Also while in Washington, we met with the Assistant Deputy Secretary of the Department of the interior about our booming oil and gas industry, the need to continue to streamline the permitting and clearance process, and the possible move of the district BLM office to Carlsbad from Roswell.

D. John- Made a presentation to NMEDD JTIP Commission in Santa Fe to support Sendero Midstream's application for 186,000 in JTIP Incentive funds to hire 6 new positions. I am happy to report that the state voted to award the money to Sendero at the meeting.

E. John- Met with a person from an Austin energy company regarding a project they are looking at here in Eddy County. While the company has a subsidiary looking at housing here, this part of the company is interested in establishing oilfield service-related company in Delaware Basin. Provided requested information on CDOD membership, local brokers, local property, and county/city contacts.

F. Sidney – Attended the Oil and Gas Summit Committee meeting where we discussed the upcoming Alex Epstein luncheon, potential speakers for different discussion topics, and government invitees.

V. RETAIL/RESTAURANTS/ENTERTAINMENT/HOSPITALITY

A. Jeff – The Baymont Inn, which will have approximately 60 units, has begun construction on National Parks Highway and San Jose, right next to the Dollar General. This, along with the Mainstay Suites, Hyatt House, Home2Suites, and the Best Western Plus means we have 5 hotels building, plus one more, the Staybridge, in planning. Once completed, these hotels will add approximately 500 units to Carlsbad.

B. Jeff – Planet Fitness is still aggressively moving to locate in Carlsbad. They have a potential site picked out, but the details are still being worked out. If this does not happen, they also have a second location that could work for them.

C. Jeff – I have been speaking with the Real Estate Acquisitions and Development Manager for Lowe’s Home Improvement. He told me that I should look up the covenants and restrictions that were recorded with the property upon purchase. I received this from the county clerk. The use restrictions on the two out parcels in front of the store are quite extensive. This explains why the developers we have sent over to look at the sites have all been turned away. Now that we know what not to target, we can move forward. The very short list of what they would allow are restaurants, and possibly cell phone businesses.

D. Jeff – Project Munchkin has fallen into limbo. The developer they had been working with has not had any follow up with them recently, and said that they (Munchkin) sometimes just do things on their own.

E. Jeff – In talks with a haircutting outlet for Carlsbad expansion. The franchise owner of this business is interested in Carlsbad and is familiar with the market.

F. Jeff – Working on getting a site visit for a restaurant chain to come to Carlsbad. Met with him at the Red River ICSC show, and he is very interested in getting something going here.

G. Jeff – Working on potential retail for an existing site in Carlsbad. The owner is open to opportunities. There is an existing business in the spot now, but they may not renew their lease.

H. Jeff – Working with Enterprise Rental on finding them a potential location that would house not only rental cars, but also trucks.

I. Jeff – Working with the developer of a new strip mall on finding potential new tenants. The land has been cleared and architectural drawings have been completed.

J. Jeff – The owner of an existing restaurant is still looking for someone to take over the business, or at least lease out the location rather than buy it.

K. John- Attended the grand opening of Mark Christensen’s Post Time Hotel on Fox Street.

VI. HOUSING RECRUITMENT

A. Sidney – John and I met with Marshall Tippen of Brigham Development out of Austin. He expressed the satisfaction he and the rest of the team had with the meeting they had with Larry, Jeff, and the mayor the previous week. He was seeking further insight on engaging with different landowners in town.

B. Sidney – Interviewed with Mike Smith of the Carlsbad Current Argus. John and I discussed the Eddy County Energy Advisory Board’s identification of housing as a top priority.

C. Sidney – Finishing the Housing Affordability and Availability Update for 2020. I will have this completed and ready for distribution by Friday, February 28th.

D. Sidney – Sent over land parcel information to Kuntal Mehta (KJ). He and his partners are interested in a multi-family development, with a particular interest in Carlston Ranch and Merland Inc. properties.

E. John- Met this weekend with KJ and two of his business associates about a number of items including our oil and gas industry, our housing needs, available properties, and brokers that might be good for them to talk with. They spent two days driving around Carlsbad and are interested in a multi-family project here.

F. Jeff – Working with a developer out of Albuquerque on a 34 acre pad in south Carlsbad. They are looking to potentially put in an apartment complex. I referred them to Jeff Patterson for some zoning questions they had.

VII. WORKFORCE RECRUITMENT

A. Sidney – Presented on workforce development to site selectors as part of the Industry Familiarization Tour in Hobbs. Included and emphasized the need for housing as a priority for successful workforce recruitment to Carlsbad.

B. Sidney – I contacted individuals whose resumes we had on file for their permission to distribute them. Sent out notification to members and distributed resumes as requested.

C. Sidney – Spoke with the Human Resources Director for Eddy County, Roxann Brannon, about resumes on file. She requested their contact information and interests so that they may notify them about openings that match their experience. Going forward, I will continue to send over this information to the county for resumes we receive.

VIII. ADMINISTRATION

A. Sidney – Recruited Stephanie Lengers, the Community Manager of Pecos Vista Apartments as a new member to CDOD.

B. Sidney – John and I met with Jaime Guerrero, the Sales Manager for Advanced Pest and Weed Management, he was interested in how to get in with companies at the earliest stages of development projects. I sent over membership information and highlighted the benefit of being on our preferred contractors list.

C. John- While in Washington, we met with officials from the US Department of Transportation about recent grant applications from the City and the County. They provided a valuable critique of our applications and gave pointers on what could be done to score more points on future applications for road funding.

D. John- Also in Washington, I met with John Atwood, the Senior Public Affairs Specialist, with the US Department of Commerce's EDA about our RLF program and the recent award that was given to us by the Department in Santa Fe last month.

E. John- Met a few times with Mayor and/or John Lowe this month in an effort to keep the City up to date and continue the good relationship we have had with the leadership at City Hall.

F. John- Gave a presentation at the annual Realtors Association Banquet to a group of about 90 realtors about Carlsbad's current economic conditions.

G. John- Attended a County Commission meeting as a member of the Eddy County Freeholders Board to present recommendations from the board to the Commission on the status of certain roads being considered for removal from county rolls.

H. Jeff – Assisted a couple of people in posting available property on the CDOD website. This is a free service to anyone.

I. Jeff – As demolition of the old Albertsons store is underway, we are waiting until the new parking lot get redone for construction on our new monument sign that will be located on the pad where the current Albertson's sign is. They want the wiring to be done all at the same time.