



## **E>P Taylor explains think tank's strategy**

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A little over a year ago a group of Farmington businessmen from the private sector got together with common concerns about the economic future of our region, Tom Taylor, State Representative for District 1 and former Farmington mayor, told the Bloomfield City Council at a meeting this week.

The group considers themselves a think tank and came up with E>P as a name. The name is derived from the hypothesis that the economy needs to grow at a rate faster than the population to be successful.

Representatives of the group spent the week visiting various city council meetings in the area as well as speaking to area chambers of commerce to introduce their idea to the area.

The eight members of the group and a consultant include Taylor, T. Greg Merrion, point member; John Byrom, scribe; Tommy Roberts, group liaison with San Juan Economic Development; Mark Lautman, consultant; and James Henderson, Clif Horace, Derald Polston and Jasper Welch.

"The concern the group of us had is we're similar in that we view the economic situation in San Juan County differently than some other folks do. We are in the middle of this recession and there's all this talk of how and when we come out of the recession, but there are a lot of reasons we believe San Juan County is in a 20-year decline. As a result of that, we decided we needed to take some sort of action," Taylor said.

He added that it is important to understand the group is not an organized group. They don't have a president. They are a group of people concerned about the problem and willing to look for a way to tackle it.

Early in the process, the group got together with the San Juan Economic Development Service. He said SJEDS main focus has always been employee retention and recruitment in the area.

A number of factors make employee issues difficult in this area. Considering the area is a resource-based economy in a remote part of the state, attracting industries that are different from oil and gas into the community is tough.

The other problem, Taylor said, is when people look at coming here the thing that concerns them about building a factory is when oil or gas prices go up all the people leave to go to work for the oil field.

"The thing that we realize is clearly oil and gas and coal mining and the production of electricity is the base of San Juan County, and we don't know how much of the economic base that is. Our concern is that with economic based jobs, if we lose a job in those industries, what is it going to take to replace those jobs?" he said.

He defined an economic based industry as one that, whatever the service or product produced by the industry, is sold outside of the area. They are not an industry that is dollar trading within the community.

He said the group is not trying to replace SJEDS, but they are a group that has purposely not organized. The eight members have put in \$50,000 of their own money to get the process started.

"We think it's that important. We have our money with SJEDS using their 501C3. It is through them that we get through the process," Taylor said.

San Juan Economic Development serves as our fiduciary agent. The next set in the process was to get a data driven sense of reality.

"We needed to know how many economic based jobs we have in San Juan County. Which ones are oil and gas, coal mining and electric production, and we needed to know what other economic based companies are out there. How much do all of those really add up to?" he said.

The group is close to having a final report. They hired a consultant from Denver, Colo., to help them get the data together.

"This is going to be a living document we continue to work on. Once we have done that, and recognize how much of our economic base is dependent on natural gas industry, how much dependent on the coal with the environmental situation we are in, we know that those are going to be under pressure, as well as, the competition from natural gas elsewhere," he said.

With that knowledge, the group will know how many jobs we need to replace, they are also going to do some studies about skills transfers, people who have skills in the oil and gas industry that can transfer to some other kind of industry.

"We are continually coming up with ways we can enhance the natural gas industry here in the community and

figure out ways we can enhance, defend and help the power plants continue to do what they are doing now," Taylor said.

The second process is to go out and identify these industries and evaluate how area communities stack up.

"As we move into step two, we will expand the group of eight to a much larger group of people. As we go into the plan it will expand even more," he said.

"We need to develop this plan and how to market ourselves, improve our infrastructure workforce and business climate, and what we need to do it in the legislature to improve the business climate here."

The next step will be developing a plan. E>P will then organize.

Taylor said a lot of people think this is backwards and the group thinks organization comes last because they want to create an organization that is focused exactly on the goals and the plans they have laid out.

"If you go in to early the temptation is to get a 501c3 and come up with bylaws and hire an executive director and you get stuck in what you have created," Taylor said.

"We wanted to know exactly what we created it for, and organization comes later and I'm guessing we are going to sit down with SJEDS, with you folks "members of the Bloomfield City Council) members of Aztec and Farmington councils and our county commission and see how we need to change our organizations, if we need to do it or what we're going to add to it to accomplish these goals."

He added that our population is growing at a rate of 1 percent per year lately.

"One of the difficulties was our census was taken when a lot of folks weren't in San Juan County and our unemployment was well over 10 percent and numbers questionable. We're going to have some issues with that."

"In 1999 gas production peaked and since then it has been declining at 4 percent per year. We can see nothing in our future that will change that. It takes 45 rigs turning continually to maintain the production of natural gas in the basin, and unless we get some serious change to some of the regulations that are out there, it's going to be very hard to ever do that again. By itself, just the decline of the basin is a problem for our community.

That's the reason we're involved in this."

If you look at this on a 10 to 20 year time frame there is really a big problem – the number of businesses that are slowly going away. If you multiply that by the next 10 or 20 years we see this as fatal if we don't do something about it.

Bloomfield City Manager David Fuqua asked Taylor how long it would take to get the plan into action.

Taylor said the group thinks that things can be ready in six to nine months putting the date somewhere in mid 2011.

"We really think San Juan County is in the breach and we need some serious work to make sure we have job that live here and we have a great opportunity to do so because we do have a workforce," he said.

For more information on the plan visit the groups' blog site E>pistle (Economic Prosperity for San Juan County) at [www.epistleblog.com](http://www.epistleblog.com).