

New Mexico Renewable Energy Transmission Authority

Minutes of Board Meeting

May 3, 2017

3:30 p.m.

NM State Capitol – Room 317

490 Old Santa Fe Trail

Santa Fe, New Mexico, 87501

Present

Bob Busch, Chairman

Dr. James Miller

Brian Moore

Louise Martinez

Tim Eichenberg

Jonathan Elms – on the phone

Absent

Robert Apodaca

RETA Staff

Lynn Mostoller – General Counsel, Sutin Thayer & Browne

Ginny Selvin – Consultant

Angela Gonzales - Consultant

1. Call to Order and Roll Call

Chairman Busch called the meeting to order at 3:35 p.m. A quorum was present for the meeting.

2. Approval of Agenda

Member Moore made a motion to accept the agenda as presented. Member Miller seconded the motion. There being no further discussion, Chairman Busch called for a vote and it passed unanimously.

3. Approval of February 14, 2017 Board Meeting Minutes

Member Martinez made a motion to approve the Board Meeting Minutes as presented. Member Moore seconded the motion. There being no other discussion, corrections, additions or updates to the minutes, Chairman Busch then called for a vote and it passed unanimously. Member Eichenberg abstained from the vote.

4. Report of the Chairman

Chairman Busch stated that the Western Spirit – Clean Line Project continues to make progress and there is a reasonable expectation that the Project will be built. Chairman Busch informed the members that a presentation would be given on the SunZia Southwest Transmission Project. RETA previously had a Memorandum of Understanding with SunZia, but it was cancelled at the time RETA began operating

without an Executive Director. Chairman Busch informed the members that RETA continues to operate within budget.

5. Update on Western Spirit Project

Mr. Keith Sparks, Director of Development with Clean Line Energy Partners, provided an overview on the project and updated the Board on the progress of the Western Spirit Clean Line Project. Mr. Sparks discussed the focus of the Project on western markets.

The Project received a grant of easement from the Bureau of Indian Affairs for the Isleta Pueblo right of way. The Bureau of Indian Affairs conducted an Environmental Assessment, which received a finding of no significant impact across the easement. Mr. Sparks stated that Clean Line Energy continues to reach out to the counties that the Project affects to identify all permits necessary and revenues that could occur as a result of the transmission line going through their area.

6. Review and Approval of Financial Statements for the Period ending March 31, 2017.

Ms. Selvin called the Boards attention to the March 31, 2017, financial statements. Ms. Selvin explained that the expenses continue to consist of legal, accounting and administrative services.

Member Miller made a motion to approve the financial statements for the period ending March 31, 2017. Member Moore seconded the motion. There being no further discussion, Chairman Busch called for a vote and it passed unanimously.

7. Presentation of the SunZia Southwest Transmission Project.

Chairman Busch introduced Mr. David Getts, with SunZia, and Ms. Loralee Hunt, with Pattern Development. Mr. Getts began by stating that SunZia may be interested in reengaging with RETA by reinstating its previous MOU and wanted to provide an update of the Project to the Board of Directors. Mr. Getts introduced Pattern Development as a partner of the SunZia Project. Ms. Hunt gave an overview of Pattern Development and the partnership between the two companies. Both Ms. Getts and Ms. Hunt gave comprehensive presentations of their respective projects. Ms. Gonzales informed the Board that both presentations will be posted on the RETA website at www.nmreta.com.

8. Update on the Activities of the Audit and Finance Committee – Approval of Selection of Independent Auditor for FY 2017 Audit.

Member Moore informed the Board that the Audit Committee held a meeting to review the bids received from three accounting firms. The Audit Committee liked the accounting procedures outlined by the Loftis Group, LLC. Member Moore stated that the Loftis Group, LLC was also willing to give RETA a price break in order to meet RETA's budget; therefore, the Audit Committee recommends Loftis Group, LLC as the Independent Auditor for RETA's 2017 audit.

Chairman Busch made a motion to approve Loftis Group, LLC as the Independent Auditor for RETA's 2017 Audit. Member Miller seconded the motion. There being no further discussion, Chairman Busch called for a vote and it passed unanimously.

9. Approval of FY 2018 Budget

Ms. Selvin discussed the process for preparing the FY2018 Budget. Ms. Selvin worked with Chairman Busch to identify RETA’s financial needs. Expenses for next year are anticipated to be expended on an Independent Auditor, legal, accounting, and administrative consultants and office supplies. Once approved, the FY2018 Budget will be submitted to the State’s Budget Division.

Member Moore made a motion to approve the FY 2018 Budget. Member Martinez seconded the motion. There being no further discussion, Chairman Busch called for a vote and it passed unanimously.

10. Election of Officers

Chairman Busch informed the Board that a Treasurer and a Secretary need to be elected. Member Moore made a motion to nominate Member Miller as Secretary and Member Elms as Treasurer.

Member Eichenberg moved to close nominations. Chairman Busch seconded the motion. There being no further discussion, Chairman Busch called for a vote and it passed unanimously.

Chairman Busch moved to elect Member Miller as Secretary and Member Elms as Treasurer; Member Moore seconded. Member Miller was elected Secretary and Member Elms was elected Treasurer by unanimous vote.

11. Committee Appointments

Chairman Busch discussed the need to clarify appointments for each of RETA’s established committees. Recommendations were made for each of the following committees: Audit and Finance, Joint Development, Projects and Personnel. All members of the Board were appointed to a committee to have equal involvement of the Board members.

Committee membership is as follows:

Audit & Finance Committee

Brian Moore, Chair
Robert Apodaca
Cindy Cordova

Projects Committee

Jonathan Elms, Chair
Robert Busch
Dr. James Miller

Joint Development Committee

Robert Busch, Chair
Dr. James Miller
Brian Moore

Personnel Committee (currently inactive)

Louise Martinez, Chair
Cindy Cordova
Robert Apodaca

12. Public Comments

Mr. Thomas Lee, addressed the Board in regard to his father's ranch which is located in the SunZia powerline routing area. Mr. Lee expressed his apprehension and concerns about the SunZia Southwest Transmission Project.

Oliver Lee, a landowner in the SunZia Southwest Transmission Project routing area addressed the Board. Mr. Lee expressed his concerns about the Impact Statement conducted on the SunZia Southwest Transmission Project, the diminishing value of property along the entire Project area and the potential condemnation rights that RETA may have with respect to the SunZia Southwest Transmission Project.

Heather Lee, addressed the Board in regards to her father's ranch in the SunZia powerline routing area. Ms. Lee expressed her concerns about the SunZia Southwest Transmission Project and concerns about RETA's funding sources.

Eric Kivi, Director of Office of Defense for the State of New Mexico. Mr. Kivi expressed his concerns about the SunZia Southwest Transmission Project and concerns of RETA's potential eminent domain authority may have in relation to the SunZia Southwest Transmission Project.

13. Next Meeting – TBD

14. Adjournment

Chairman Busch adjourned the meeting.