

**New Mexico Renewable Energy Transmission Authority
1516 Paseo de Peralta
Santa Fe, New Mexico 87501**

**Minutes of Board Meeting
March 19, 2014
1:30 p.m.**

**State Capitol – Rom 317
Santa Fe, New Mexico**

Present

Bob Busch, Chair
Marilyn Hill
Steve Elliott – By Phone
Louise Martinez
Robert Apodaca

Absent

Brian Moore

RETA Staff

Jeremy Turner, Executive Director
Angela Gonzales-Rodarte, Assistant Director

Guests

A complete listing of all attending guests is on file in the RETA office.

1. Call to Order and Roll Call

Chair Busch called the meeting to order at 1:30 p.m.

2. Approval of Agenda

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

3. Approval of October 23, 2013 Board Meeting Minutes

Member Hill made a motion to approve the July 16, 2013 Board Meeting Minutes as presented. Member Elliott seconded the motion. There being no corrections, additions or updates to the minutes, Chair Busch then called for a vote and it passed unanimously.

4. 2014 Legislative Update

Assistant Director Gonzales-Rodarte presented an overview of the 2014 legislative session to the Board. She explained that staff had presented a \$500,000 request to the NMFA Oversight and Legislative Finance Committee. RETA did receive a \$350,000 appropriation for FY 2015 and that RETA has been included in the recurring budget and

that RETA will now follow the standard budget process instead of the special appropriation process. Ms. Gonzales-Rodarte also explained two other bills that passed during the legislative session.

5. **Report of the Executive Director**

Director Turner provided an update on the renewable energy market and stated that it appears to be returning to the pre 2009 recession, and that several new companies are expressing interest in NM.

Staff attended the Southwest Area Transmission Group meeting in February to hear updates from utilities and independent transmission developers regarding their efforts in the western U.S.

Director Turner provided an update on the Lucky Corridor Project and the Western Spirit Clean Line Project and stated both projects are making progress on the right-of-way portion of their projects.

6. **Update on the Blue Mesa Energy, Wheatland Project**

Mr. Mark Bulla and Mr. Scott Vanderau provided an update to the Board on the progress they are making on their project. Mr. Bulla gave a brief history of the project and explained that they are in final negotiations with an investor to finance the project. It is expected that the development phase will take 24 months.

Chairman Busch inquired as to what size and brand of turbines will be used for the project. Mr. Bulla explained that they have spoken to Mitsubishi and GE but that they had not decided on a technology at this point.

Mr. Vanderau explained that it is expected that the agreement with the investor will be completed within two months. He also stated that they will be installing met towers immediately upon closing with the investor and will then begin on the interconnection studies. Mr. Vanderau again confirmed that the development phase is expected to take 24 months.

Member Apodaca inquired as to the financial investment for the total project. Mr. Vanderau explained that \$1.5 - \$2.0 million will be expended during the development phase and that the total investment will be close to \$152 million.

Member Martinez inquired as to whether this project would be applying for the NM tax credits and encouraged Mr. Bulla and Mr. Vanderau to follow up with the Energy, Minerals and Natural Resources Department regarding the tax credits.

7. **Approval of Financial Statements for the Periods Ending: September 30, 2013, October 31, 2013, November 30, 2013, December 31, 2013 and January 31, 2014**

Director Turner called the Boards attention to the January 31, 2014 financial statements. Director Turner explained that it was expected that RETA would be over budget in the Professional Services line item, the Board Travel and the rent line item, but will remain within the overall budget. Director Turner also explained that any remaining funds from

the \$250,000 appropriation would revert to the general fund and that it would be a minimal amount, if any.

Member Apodaca inquired as to the amount that might revert to the general fund. Member Turner explained that the amount that if any money reverts back, it will be minimal.

Member Apodaca made a motion to approve the financial statements for the above periods. Member Martinez seconded the motion. There being no further discussion, Chair Busch called for a vote and it passed unanimously.

8. **Approval of the FY 2013 Audit**

Mr. Doug Fraser from Barraclough & Associates presented the FY 2013 audit to the Board for its consideration. Mr. Fraser explained the process he used while conducting the audit and that there were no issues during the audit. Mr. Fraser explained that there were no findings and that all prior audit findings had been addressed and that RETA had received an unqualified opinion on its audit. The Board thanked Mr. Fraser for his work.

Member Apodaca made a motion to accept FY 2013 Audit. Member Hill seconded the motion. There being no further discussion, Chair Busch called for a vote and it passed unanimously.

9. **Approval of selection of Independent Public Auditor**

Assistant Director Gonzales-Rodarte explained the process that the Board used in the selection of the auditor and that the award was made for a three year period. Pursuant to the State Audit Rule multi-year proposals are allowed but must be approved each year. Ms. Gonzales-Rodarte recommended that the Board approve the contract for Barraclough & Associates for the FY 2014 Audit.

Member Elliott made a motion to approve the contract extension for Barraclough & Associates. Member Hill seconded the motion. There being no further discussion, Chair Busch called for a vote and it passed unanimously.

10. **Approval of FY 2015 Budget**

Director Turner presented the FY 2015 budget for the Board's consideration. It was stated that the funds being carried over to FY 2015 would be approximately \$17,000 and allow us to begin the year in a positive cash position. The changes from the prior year budget were explained in depth.

Member Hill inquired as to the project fees and how confident staff was with those estimates. Director Turner explained that staff felt the \$15,000 is a conservative number and that staff was comfortable with the estimate.

Member Apodaca made a motion to approve the FY 2015 budget. Member Hill seconded the motion. There being no further discussion, Chair Busch called for a vote and it passed unanimously.

11. **Approval of Open Meetings Act Resolution**
Director Turner presented the Open Meetings Act Resolution and explained that it was a requirement for the Board to adopt annually.

Member Apodaca made a motion to approve the Open Meetings Act Resolution. Member Hill seconded the motion. There being no further discussion, Chair Busch called for a vote and it passed unanimously.
12. **Other Business**
There was no other business to come before the Board.
13. **Public Comments**
There were no public comments.
14. **Next Meeting – Wed., June 18, 2014, 1:30 p.m., Room 317, State Capitol, Santa Fe, NM**
15. **Adjournment**
Member Martinez made the motion to adjourn the meeting. Member Apodaca seconded the motion; and upon vote, the motion passed unanimously.