

**New Mexico Renewable Energy Transmission Authority
712 Calle Grillo
Santa Fe, New Mexico 87505**

**Minutes of Board Meeting
July 29, 2015
1:30 p.m.**

**Porter Hall, Wendell Chino Building
1220 S. St. Francis Drive
Santa Fe, New Mexico**

Present

Bob Busch, Chair
Stephen Elliott
Louise Martinez
Cindy Cordova
Brian Moore – Participated by phone
Robert Apodaca – Participated by phone
Jonathan Elms – Participated by phone

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 1:00 p.m.

2. Approval of Agenda

Chairman Busch requested that item 9 be moved after the Executive Session. Member Elliott made a motion to accept the agenda with that change. Member Apodaca seconded the motion. There being no further discussion, Chair Busch called for a vote and it passed unanimously.

3. Ratification of prior Board Meeting items

Chairman Busch reminded members that the Board met on June 17, 2015 but that a quorum of voting members was not present so no formal action was taken. Chairman Busch asked for a motion to ratify the action taken at the last meeting to approve the April 28, 2015 Board Meeting minutes, Approve the financial statements for the periods ending March 31, 2015 and April 30, 2015 and table the selection of the independent public auditor. Member Elms made a motion to ratify the action taken at the last meeting. Member Elliott seconded the motion. There being no further discussion, Chair Busch called for a vote and it passed unanimously.

4. **Approval of June 17, 2015 Board Meeting Minutes**

Member Martinez noted a correction to the minutes stating the correct date for the next Board Meeting. Member Elliott made a motion to approve the Board Meeting Minutes with that correction. Member Apodaca seconded the motion. There being no other corrections, additions or updates to the minutes, Chair Busch then called for a vote and it passed unanimously.

5. **Report of the Executive Director**

Chairman Busch provided an update to the public on the events scheduled for the meeting and that RETA is ceasing its operations. Chairman Busch reminded the Board that alternative funding has been pursued but unsuccessful to date. The Chairman explained that RETA will cease operations effective August 31, 2015, and that the statute will still exist but that there would be no functioning entity after August 31, 2015.

Director Turner provided an update to the Board on the FY 2015 Audit and that an entrance meeting has already taken place and work should be completed in a timely manner. Director Turner also informed the Board that the final annual report for RETA has been completed and would be distributed to the Governor and Legislative Council Service.

6. **Approval of Financial Statements for the Periods Ending: May 31, 2015 and June 30, 2015**

Director Turner called the Board's attention to the June 30, 2015 financial statements and explained that financials have been completed for FY 2015 and that RETA remained within budget for the fiscal year.

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

7. **Approval of Cancellation of Memorandums of Understanding**

Chairman Busch explained that due to the ceasing of operations that RETA needed to cancel the memorandums of understanding for the Centennial West Clean Line LLC, Lucky Corridor, LLC, SunZia Transmission, LLC and the Lucky Corridor, LLC Mora Line Project. Member Elliott inquired as to whether each of the counterparties had been notified of this decision. Director Turner explained that each entity had been contacted beginning in April with the understanding that without funding that RETA would cease its operations.

Member Elms made a motion to approve the cancellation of the Memorandums of Understanding. Member Apodaca seconded the motion. There being no further discussion, Chair Busch then called for a vote and it passed unanimously.

8. **Cancellation of Lease Agreement for the Western Spirit Clean Line**

General Counsel, Tracy Hofmann, explained that as opposed to the memorandums of understanding, the lease agreement for the Western Spirit Clean Line does not contain a termination provision for non appropriation. The lease does not allow for RETA to

unilaterally terminate the agreement and would require consent from Clean Line Energy Partners to terminate the agreement. General Counsel Hofmann explained that RETA has requested Clean Line to terminate the agreement but it has not voluntarily agreed to do so. Chairman Busch reminded the Board that RETA owns the project and that due to the ceasing of operations, RETA will no longer be able to be a party to the agreement. Member Elms inquired as to the liability of the Board. Counsel Hofmann explained that due to the potential for claims from other parties that she would address the issue directly with the Board and not publicly. Member Elliott noted for the Board that the letter attached is to notify Clean Line of RETA's decision to cease operations. Counsel Hofmann explained that the Board can approve the termination of the lease so that if Clean Line agrees to terminate that there would be no further action required of the Board.

Member Apodaca made a motion to approve the sending of a letter notifying Clean Line of its decision to cease operations and for cancellation of the Lease Agreement for the Western Spirit Clean Line if an agreement can be reached with Clean Line Energy Partners prior to August 31, 2015. Member Elms seconded the motion. There being no further discussion, Chair Busch then called for a vote and it passed unanimously.

9. **Other Business**

There was no other business to come before the Board.

10. **Public Comments**

Mr. Keith Sparks, Director of Development for Clean Line Energy Partners expressed his disappointment with the decision of the Board to cease its operations. Mr. Sparks expressed his appreciation for the staff and Board. He explained that the Western Spirit Clean Line project is making progress and there is the possibility that the project will be in a position to fund RETA's operations within the next year. Mr. Sparks explained that the decisions of the Board jeopardizes future funding in NM.

Mr. Van Wilgus, General Counsel for SunZia Transmission, LLC and Laura Sanchez-Rivet, expressed appreciation for the Board and staff's work. Mr. Wilgus explained that the investment for SunZia could be excess of \$1 billion in the coming years. Mr. Wilgus expressed his desire for the RETA Board remain in existence and keep options open for continuing operations in the future.

Ms. Sanchez-Rivet, Special Counsel for SunZia Transmission, LLC expressed her appreciation for the staff and Board. She expressed her opinion that the Board has obligations and that the lack of funding is different than the dissolving of the organization. She encouraged that the Board lay staff off as opposed to ceasing operations and expressed her interpretation of the statute. Ms. Sanchez-Rivet also explained that she had contacted the NMFA Oversight Committee and that they were unaware of the Board's actions today.

Mr. Paul Stout, Chairman of the Coalition of the Renewable Energy Landowners Associations expressed his appreciation to the Board for its efforts. Mr. Stout expressed

his frustration with the lack of resources and support that RETA has received. Mr. Stout expressed his desire for people to continue the work of RETA.

11. **Executive Session, Limited to Personnel Matters, Pursuant to 10-15-1 (H) (2) NMSA 1978**

Chair Busch requested a motion to go into closed session for the purpose of discussing limited personnel matters pursuant to 10-15-1 (H)(2) NMSA 1978. Member Elliot made the motion to go into closed session for the purpose of discussing certain personnel matters pursuant to 10-15-1 (H)(2) NMSA 1978. Member Martinez seconded the motion. Chairman Busch called for a roll call vote and each Board member voted for the motion.

At 1:50 p.m. the Board returned to its regular business meeting. Chair Busch noted that the only topic discussed in closed session were those as described in the motion and that no action or vote was taken.

12. **Approval of Resolution Authorizing the Chairman or Assistant Director to Undertake Action Related to Closing Procedures**

Chairman Busch explained that the Board needed to adopt a resolution authorizing Chairman or Assistant Director to undertake actions related to closing procedures including but not limited to terminating the Executive Director and Assistant Director's employment. Member Elliott made a motion to approve the resolution. Member Apodaca seconded the motion. There being no further discussion, Chair Busch then called for a vote and it passed unanimously.

13. **Adjournment**

Member Cordova made a motion for adjournment. Member Martinez seconded the motion. There being no further discussion, Chair Busch then called for a vote and it passed unanimously.