

**MINUTES FOR MEETING
FOR THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE
On February 5, 2016 8:00 A.M. At
400-2 Cascades Ave. Suite 201, Carlsbad NM**

Members Present:

John Heaton (Phone)	Susan Crocket (Phone)
Johnnie Cope (Phone)	Jason Shirley (Phone)
Monty Newman(Phone)	Sam Cobb (Phone)

Staff Members Present:

John Waters
Anna Carrasco
Allan Hall (Phone)
Mike Stone (Phone) City of
Hobbs Attorney
Tai Etcheverry (Phone), Lea
County

Guests:

Sarah Matott – Carlsbad Current Argus

1. Meeting called to order at 8:00 am.
2. **John Waters** called roll and quorum was established
3. Approval of Agenda: **John Heaton** motioned for approval; **Sam Cobb** second; motioned passed. Agenda approved.
4. Approval of Minutes: As minutes from Jan 26, 2016 Hobbs ELEA meeting were not yet complete, **Monty Newman** requested to table the minutes until next meeting. **Sam Cobb** motioned the minutes be tabled for the next meeting. **John Heaton** second. Motion passed.
5. **Chip Low** gave presentation on Financial Report and Bills paid. Cash balance is \$85,555.58. **Johnnie Cope** motioned to approve the report along with the bills paid. **Sam Cobb** second and motion passed.
6. Presentation of 16/17 Budget and Approval: **Susan Crocket** motioned to approve the 16/17 Budget of ELEA. **Sam Cobb** second: motion passed.
7. Approval of Resolution for ELEA to execute ELEA/Holtec Agreement & Recommend Action by Members: **John Heaton** moved to adoption as is presented to everyone. **Sam Cobb** second

Vote:

Shirley – Yes	Heaton – Yes
Cope – Yes	Newman –Yes
Cobb-Yes	Crockett –Yes

Motion passed

8. Adjournment: **Susan Crockett** moved to adjourned. **John Heaton** second. Meeting adjourned at 8:30am.

Minutes Approved: _____

John Heaton, Chairman

**MINUTES FOR MEETING
FOR THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE**

On June 2, 2016, 8:00 A.M. At 200 E. Broadway St., Suite A201 Hobbs, NM

Members Present:

John Heaton	Susan Crockett(telephone)	Gregg Fulfer
Monty Newman	Jack Volpato (telephone)	Jason Shirley(telephone)
	Sam Cobb	Johnny Cope

Staff Members Present:

Steve Vierck
John Waters(telephone)
Chip Low

Guests:

Charlie Benson
Norbert Rempe (telephone)
Allen Hall (telephone)
Nick Maxwell

1. Meeting called to order at 8:00 am by **Monty Newman**.
2. Quorum was established by **Monty Newman**.
3. **Monty Newman** requested a motion to approve the agenda. Motion carried. Agenda approved.
4. **Monty Newman** requested a motion to approve the minutes dated 1/26/16. **Jack Volpato** made the motion. **John Heaton** second. Motion carried. **Monty Newman** requested a motion to approve the minutes dated 2/5/16. John Heaton made a motion to approve the minutes and **Susan Crockett** second. Motion carried.
5. **Monty Newman** requested the reading of the financial report. **Chip Low** delivered the financial report for the 11 months ending May 31, 2016. A Detail of Expenses totaling \$28, 230.27 was also presented. **Gregg Fulfer** made a motion to approve the financial report. **Johnny Cope** second. Motion approved.

The 2016-2017 revised Fiscal Year Budget of \$44,000 was discussed. There is a meeting with the State Board of Finance scheduled for July 19th. **Sam Cobb** made a motion to approve the 2016-2017 budget. **John Heaton** second. Motion approved. It was requested that the breakdown of all expenses be sent to all board members.

6. **Monty Newman** requested a motion to have Lea County serve as the Central Depository for Public Record and Meeting Minutes. Newman noted that Lea County currently serves as fiscal agent. **Johnny Cope** made a motion to approve Lea County as the Central Depository for Public Record and Meeting Minutes. **John Heaton** second. Motion approved.

Carlsbad Department of Development and Economic Development Corporation of Lea County will continue to collaborate to take minutes and provide administrative support depending upon where the respective ELEA Board meeting is held. Minutes will be sent to Monica Russell/Lea County and included within the updated website.

7. **Monty Newman** requested Election of Officers for Fiscal Year 2016-2017.
- a. Chairman-**John Heaton** was nominated by **Susan Crockett**. **Johnny Cope** second. Motion approved.
 - b. Vice Chairman-**Sam Cobb** was nominated by **Gregg Fulfer**. **John Heaton** second. Motion approved.
 - c. Secretary-**Susan Crockett** was nominated by Sam Cobb. **John Heaton** second. Motion approved.
 - d. Treasurer-**Johnny Cope** was nominated by Gregg Fulfer. **John Heaton** second. Motion approved.
8. **Johnny Cope** made a motion to go into Closed Executive Session respective to discussion of deposition of real property. **Monty Newman** second.
9. The Board came out of Closed Executive Session.
10. **Monty Newman** announced his resignation from the ELEA Board effective June 30. Chair Heaton commended Newman for his many years of leadership and dedicated service to ELEA.
11. Chair Heaton announced adjournment.

Minutes Approved: _____

John Heaton, Chairman

to the extension of the time, the company would provide a signing bonus of \$6,000 if the agreement was executed, and would pay an increased rent of \$7,500 per year. Instead of a set percentage increase, the company wants annual increases to be based on the consumer price index (CPI) for that year.

Heaton also pointed out that under item 2d in the proposal, the company would pay ELEA 20% (or about \$400-\$500) per additional new tenant acquired after the signing of the agreement.

Hobbs City Attorney **Mike Stone** pointed out that municipalities are limited to the amount of time and number of extension options for contracts. He said that many times, these contracts are one-sided. **Gregg Fulfer** also commented on the length of the time extension and suggested that ELEA needs to make sure it has looked at what the market was for this.

Stone agreed to look at the contract for ELEA and also into what was specifically allowed by state law and report back to the ELEA Board.

No further action was taken on this item.

Approval of Resolution:

Jason Shirley moved for approval of the Resolution, **Susan Crockett** seconded.

John Heaton indicated that he would be in attendance of the NM State Board of Finance meeting where this item is to be considered, tomorrow in Santa Fe. **Sam Cobb** indicated that he would be calling in to the meeting.

Motion passed.


Additional Comments

John Heaton thanked everyone for attending this rescheduled meeting and discussed the importance of the Open Meeting Act. Heaton stated that it was important for the public to notified properly and be engaged in ELEA meetings.

Adjournment

John Heaton adjourned the meeting at 8:29 am.

9/26/16

Minutes approved


Chairman

**MINUTES
EDDY-LEA ENERGY ALLIANCE**

400-2 Cascades Ave. Ste. 201
Board of Directors Meeting
July 18th, 2016 at 8:00 am

BOARD MEMBERS PRESENT: John Heaton Sam Cobb (Telephone)
Gregg Fulfer (Telephone) Jason Shirley (Telephone)
Johnny Cope (Telephone) Susan Crockett (Telephone)

OTHERS PRESENT: Mike Stone (Telephone)
John Waters

Call meeting to order:

John Heaton called the meeting to order at 8:10 am and thanked everyone for attending the rescheduled meeting.

Approve Agenda:

Susan Crockett moved for approval of the Agenda, **Johnny Cope** seconded. Motion passed.

Approve Minutes from June 2nd ELEA meeting:

Sam Cobb moved for approval of the June 2nd Minutes, **Johnny Cope** seconded. Motion passed.

Financial Reports:

John Heaton presented the financials distributed earlier by Lea County. After the one bill from Axion for the Audit on June 30th, that leaves cash balance of \$59,759.17 at the end of the year.

Approval of Bill Payment:

John Heaton presented the Axion bill for the annual audit in the amount of \$5,378. **Greg Fulfer** moved to approve the Bill Payment to Axion, **Johnny Cope** seconded. Motion passed.

Review & Consideration of Request from Crowne Castle to Modify Existing Cell Tower Lease:

John Heaton led the discussion on the letter of intent (LOI)/ request by Crowne Castle to extend the time of the lease to 40 years and change terms of payment. **Heaton** indicated that in addition

Update on status of the project:

John Heaton reported concern for delay. The contract terms between Holtec and the State Land Office are being completed. Holtec hired an environmental consulting firm. They intend to have their application in by end of March.

John Heaton adjourned the meeting at 10:00 a.m.

Dec 1, '16
Minutes Approved


Chairman

**MINUTES FOR MEETING
FOR THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE**

On September 26, 2016, 9:30 A.M. At 200 E. Broadway St., Suite A201 Hobbs, NM

Members Present:

John Heaton (telephone)	Susan Crockett(telephone)	Sam Cobb
Chip Low (telephone)	Jack Volpato (telephone)	Jason Shirley(telephone)
Johnny Cope (telephone)	Jason Shirley (telephone)	

Staff Members Present:

John Waters (telephone)
Sally Tomar, EDCLC

Others Present:

Mike Stone

Call meeting to order:

Meeting called to order at 9:30 am by **John Heaton**.

Roll call:

Roll Call established a Quorum.

Approval of the agenda:

John Heaton requested a motion to approve the agenda. The agenda was approved following a motion by **Sam Cobb**, second **Susan Crockett**. Motion carried.

Approval of the minutes from July 18, 2016:

John Heaton requested a motion to approve the minutes dated July 18, 2016. The minutes were approved following a motion by **Johnny Cope**, second **Jason Shirley**. Motion carried.

Financial Report:

Chip Low presented the financial report. Total expenditures for period ending September 23, 2016 \$7,774.52. Motion to approve payment of bills was made by **Johnny Cope**, second **Jack Volpato**. Motion carried.

Consideration of Insurance "Terrorism" provision purchase:

A motion not to consider the Insurance "Terrorism" provision purchase was made by **Johnny Cope**, second **Jack Volpato**. Motion carried.

Insurance acquisition status:

Chip Low presented the Insurance acquisition status. The insurance is extra through Leavell Insurance at \$2,800/year. Mike Stone concurred to proceed with the insurance.

Consideration and approval of Resolution Memorializing contract changes:

John Heaton presented for Consideration and Approval of a Resolution Memorializing Contract Changes by NM State Board of Finance. Proposed contract condition changes:

- Charging Holtec fee for option agreement with the State Board of Finance
- Delete term of "review" under discussions from document

Sam Cobb pointed out the intent for Fair Market Value on the surface. **Johnny Cope** requested communications be distributed to the board upon motion to approve Resolution by Cobb & seconded by Cope, motion passed unanimously.

Executive Session pursuant to Section 10-15-1 (H)(6) NMSA 1978 (Disposition of Real Property) in reference to 1,000 acre ELEA property

The board went into formal Executive Session at 9:47 a.m. pursuant to Section 10-15-1 (H)(6) NMSA 1978 (Disposition of Real Property) in reference to 1,000 acre ELEA property.

Regular executive session commenced at 9:55 a.m. Stated by **John Heaton**, no action or discussion other than that of the ELEA property occurred during Executive Session.

Request by Delaware Energy, LLC of Midland to put disposal wells on Sections 13 and 18

Heaton presented a request by Delaware Energy, LLC of Midland to put disposal wells on Section 13 and 18.

A motion to reject by **Sam Cobb**, second **Jack Volpato**. Motion carried.

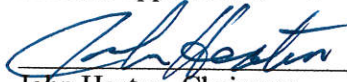
Review & Consideration of Modified Lease Contract LOI from Crown Castle:

Review & Consideration of Modified Lease Contract LOI from Crown Castle. Discussed adding four more 5 year terms to the contract with a \$6000 signing bonus. A 20% amount of the contract received if any new tenants were added to the cell tower. Holtec has no objection. **Sam Cobb** noted in paragraph 2A LOI a return date of August 31, 2016. The decision was to cross out August 31, 2016 and change the return date to September 30, 2016. A motion to approve Modified Lease Contract LOI from Crown Castle from **Sam Cobb**, second **Jack Volpato** and unanimously passed.

b. WCS status application has not been approved. Have asked NRC to put together an environmental impact statement. Energy Solutions was buying WCS, however at this point, the Justice Department is intervening. Citing, it would be in violation of the competition issues in the country in that there would be one company providing storage for waste.

Meeting was adjourned at 8:37 am.

Minutes approved 3/29/17



John Heaton, Chairman

**MINUTES FOR MEETING
FOR THE BOARD OF DIRECTORS OF THE
EDDY-LEA ENERGY ALLIANCE**

**On December 1, 2016 8:00 A.M.
At 400-2 Cascades Ave. Suite 201, Carlsbad NM**

Members Present:

John Heaton	Johnny Cope
Jack Volpato	Chip Low
Susan Crockett (phone)	Ron Black
Gregg Fulfer (phone)	Sam Cobb
Jason Shirley	

Staff Members Present:

John Waters

1. Meeting was called to order at 8 am.
2. Roll call was taken and a Quorum was established.
3. Jack Volpato moved for approval of the agenda. Susan Crockett seconded and was approved unanimously.
(Greg Fulfer announced it was his last meeting as an elected official. He introduced Ron Black who will be in Greg's position. The county was going to approve him at the commission meeting that morning. John Heaton thanked Greg for all his work he has done for ELEA. Johnny Cope commended his work for ELEA. Jo)
4. Moved for approval by Jack Volpato and was second by Sam Cobb. Minutes passed unanimously.
5. Chip Low presented the financial report month ending Nov 21, 2016. Began year with cash balance of \$59, 759.17. Expenses are \$14140.27 which leaves the ending balance at \$45618.90.
6. Johnny Cope motioned for approval of expenditures Susan Crockett second. Motion passed unanimously.
7. Discussion took place regarding Crown Castle Contract Amendment to extend the lease out to 2047. Increase on annual payment will go from \$4500 to \$7500 annual. Annual CPI increase not to exceed 3%.. Will receive a signing bonus of \$6000 on consummation of agreement. Any additional tenants that will come into the cell tower, ELEA will receive 20% of the revenue. Johnny Cope motioned for approval, Sam Cobb second. Motioned passed unanimously.
8.
 - a. Application status: Application is coming together. Working on Spur location right now. From present track about 4 miles onto the upper section of 13.