

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

Wednesday, August 22, 2018 at 9:00 am

**at the City Commission Chambers of the City of Hobbs, NM
200 Broadway Street, Hobbs, NM 88240.**

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| 1. Call to Order | Chairman |
| 2. Roll Call to Establish a Quorum | Chairman |
| 3. Approval of the Minutes from 5-30-2018 (sic; June 15, 2018) | Action |
| 4. Award RFP (#ELEA-01-2018) Proposal for Lobbyist
for New Mexico Legislature | Action |
| 5. Resolution Supporting Holtec International's Effort
To Build An Interim Storage Facility For Spent
Nuclear Fuel in Southeastern New Mexico and
ELEA's Becoming a Party to the NRC Adjudicatory
Hearing | Action |
| 6. Public Comment (Limited to 3 minutes) | |
| 7. Adjournment | |

DRAFT
EDDY-LEA ENERGY ALLIANCE
SPECIAL MEETING OF THE
BOARD OF DIRECTORS
FRIDAY, JUNE 15, 2018, 9:00 A.M.
CITY OF HOBBS-CITY COMMISSION CHAMBERS
200 EAST BROADWAY, HOBBS, NM

Board members present: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crocket (phone)

Board member absent: Garry Buie

Administrative Staff present: Mike Gallagher, Lea County Manager; Chip Low, Lea County Finance Director; John Caldwell, Lea County Attorney; John Waters (phone), Carlsbad Dept of Development

The meeting was called to order at 9:05 am by John Heaton.

Approval of the minutes from 3-26-2018: Motion made by Jack Volpato to approve the minutes from the 3-26-18 meeting. Seconded by Sam Cobb. Motion passed unanimously.

Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crocket

Financial Report: Chip Low reported that the year-to-date expenditures total 8124.78 with liability insurance of 4772.00 and 5321.00 going to the audit. Check received for tower rentals for a total of 11054.00, and the cash balance as of May 1, 2018, is 99010.69.

Accounts Payable: Chip Low reported that there were no Accounts Payable since the last meeting.

Discussion of Status of Lea County as Fiscal Agent & Custodian of Records: Mike Gallagher requested that Lea County Commissioners to be fiscal agent and custodian of records for the ELEA. This will involve posting the agenda for each meeting and note taking for each meeting. The posting of each meeting agenda will need to be done at each individual entity: Eddy County, City of Carlsbad, City of Hobbs, and Lea County. John Heaton mentioned that he is very appreciative of Lea County of taking on the role of Fiscal Agent and Custodian of Records for ELEA.

Approval of Regular Meeting Calendar and Approval of Meeting Locations: John Heaton discussed having regularly scheduled meetings prior to the end of the fiscal quarter, which would be March, June, September, and December. John Caldwell suggested meeting in public buildings, alternating between Hobbs and Carlsbad. Mike Gallagher suggested rotating the meeting locations between the various member entities. Motion by Ron Black to have regularly scheduled meetings at 9:00 a.m. on the 2nd Wednesday of the month prior to the fiscal end of the quarter, meeting in public buildings, and alternating between Hobbs and Carlsbad rotating the meeting locations between the various member entities. Second by Sam Cobb. Passed unanimously.

Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crocket

Discussion of Outside General Counsel: John Caldwell discussed that Lea County maintain general counsel for the ELEA. There have been discussions with four different attorneys with the different entities on transactional law. John suggested that he take the lead for temporary general counsel to ensure that ELEA is complying with administrative law in the state of New Mexico and some other items until permanent general

counsel can be retained. John Heaton asked John Caldwell to make recommendations at the next meeting. An RFP would need to be created for \$60,000/year to retain outside general counsel to advise the ELEA on items like The Open Meetings Act, The Inspection of Public Records Act, and Procedural Law. John Caldwell will draft an RFP with the list of criteria and present it at the next meeting.

Approval of Temporary General Counsel: Motion made by Ron Black for ELEA to accept John Caldwell's offer to be Temporary General Counsel for a temporary period of time until Permanent General Counsel can be retained. Second by Jack Volpato. Passed unanimously. *Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crocket*

Web Page Update-Lea County: Mike Gallagher proposed that an ELEA web page be hosted on Lea County's website. Advantages would be advertising for the meetings and putting information on Lea County's website. There will be not be a charge associated with this. If the website used in Carlsbad continues to be used, it might become problematic. Mike Gallagher suggested that consolidation would be best and just use one website. Mike suggested that if anybody on the board needs items posted on the website, they should contact the staff member responsible for maintaining the website. Links would be available to the three other member ELEA member entities, NRC, and Holtec. John Waters mentioned that there is a domain on eddyleaenergyalliance.com and asked if the board would want this transferred to the Lea County website, with Mike agreeing that this domain be transferred. Mike Gallagher suggested that the Lea County staff get together with John Waters to get the eddyleaenergyalliance.com domain transferred to the Lea County webpage and have it as an action item on the agenda for the next meeting.

Holtec Update-John Heaton and Board members

NRC Scoping Meetings: John Heaton reported that there were 5 scoping meetings held in New Mexico and 1 general scoping meeting held at the NRC nationally. The meetings were pretty well attended.

The meetings were held in:

Roswell: Most people at this meeting spoke against Holtec. Attendees included people from Texas, California.

Hobbs: Strong response from our elected officials.

Carlsbad: About 30 people spoke in favor.

Gallup: Most of the people that spoke discussed uranium mining.

Albuquerque: Large group of about 200. Most spoke against.

Most of the issues with the Holtec project seem to be the transportation system (railcars). What are the risks? Get the facts out to the public.

The NRC is anticipating having a draft of the Environmental Impact Statement (EIS) out by the end of summer. Then, there will be a 60 day hearing process for public comment, and also another 60 day public comment period. Then, a final EIS, a safety evaluation report, and another public comment period. Licensing follows. Possibly 2 years from now when a final decision will be made. Sam Cobb mention that work sessions will be held with Holtec. Holtec has hired an agenda company as a PR company. Meetings will be posted on the website.

Approval of Hiring Lobbyist for ELEA: John Heaton discussed. A Lobbyist is needed to coordinate with the Legislature to educate them and to coordinate with the agenda group and their activities. Thus, coordinating the whole effort. Maximum amount allocated to the Lobbyist is \$60,000. John Heaton suggested limiting this amount to \$50,000. Mike Gallagher suggested that the ELEA Board come up with a scope of work and create an RFP. John Heaton responded that three different groups were interviewed with a cost of \$50,000. Mike Gallagher was not aware of these interviews.

Motion made by Sam Cobb to move forward with the RFP for hiring a lobbyist. Second by Jason Shirley. Passed unanimously. *Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crockett*

Discussion of ELEA Member Financial/Other Contributions to ELEA: John Heaton suggested that members who are elected officials go back to their appropriate commissions/counsels and ask for a contribution of an additional \$15,000 to cover some of these costs that are arising. Jack Volpato suggested that each of the four entities submit their budget requests in Q1. The financial needs and obligations need to be reviewed and presented to their groups in order to build their budgets. John Heaton suggested members report back at the end of July.

Executive Session-Motion made that the Governing Board convene in closed session to discuss threatened litigation concerning administrative procedures and the acquisition and disposal of real property in west Lea County, as permitted by 10-15-1 H. (7) and (8), respectively. Second. Passed unanimously.

Susan Crockett was not involved in the closed session.

Approval of Lease/Contract with Dawson Geophysical Company for 3D Geophysical survey on Property: John Caldwell discussed. Motion by Sam Cobb to approve the Lease/Contract with Dawson Geophysical Company for 3D Geophysical survey on Property. Second by Ron Black. Passed. *Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton. Abstained: Susan Crockett*

Approval 2013 Annual Open Meetings Act Resolution: John Caldwell discussed. Motion by Jack Volpato to approve the 2013 Annual Open Meetings Act Resolution. Second by Sam Cobb. Passed unanimously. *Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crockett*

Approval 2014 Annual Open Meetings Act Resolution: Motion made by Ron Black to approve the 2014 Annual Open Meetings Act Resolution. Second by Jason Shirley. Passed unanimously. *Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crockett*

Approval 2015 Annual Open Meetings Act Resolution: Motion made by Ron Black to approve the 2015 Annual Open Meetings Act Resolution. Second by Jason Shirley. Passed unanimously. *Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crockett*

Approval 2016 Annual Open Meetings Act Resolution: Motion made by Jason Shirley to approve the 2016 Annual Open Meetings Act Resolution. Second by Jack Volpato. Passed unanimously. *Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crockett*

Approval 2017 Annual Open Meetings Act Resolution: Motion made by Jason Shirley to approve the 2017 Annual Open Meetings Act Resolution. Second by Sam Cobb. Passed unanimously. *Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crockett*

Approval of Disclosure Forms: John Caldwell discussed that if an ELEA board member has outside employment, it should be disclosed. Motion by Ron Black to adopt these Disclosure Forms. Second by Jack Volpato. Passed unanimously. *Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crockett*

Election of Officers: John Heaton mentioned that the election of officers is done annually.

Secretary – No nominations from the floor. Motion made by Sam Cobb to re-elect Susan Crockett for Secretary. Second by Ron Black. Passed unanimously. *Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crockett*

Treasurer – Motion made by Susan Crockett to nominate Jack Volpato. Motion made by Ron Black to elect Jack Volpato. Second by Jason Shirley. Passed unanimously. *Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crockett*

Vice Chairman – Jason Shirley nominated Jack Heaton. Second by Jack Volpato. Passed unanimously. *Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crockett*

Chairmanship – Jack Heaton nominated Sam Cobb. Motion made by Jack Heaton to elect Sam Cobb. Second by Jack Volpato. Passed unanimously. *Voted yes: Ron Black, Rebecca Long, Sam Cobb, Jason Shirley, Jack Volpato, John Heaton, Susan Crockett*

John Caldwell introduced the official note-taker – Elizabeth White

Public Input from the following:

Nick Maxwell-Discussed that there was a violation of the Open Meetings Act. Discussed the Amended Operating Agreement. Also discussed that all contracts shall be signed by the Chairperson or the Vice-Chairperson or Secretary or Treasurer. Notes that several contracts were not executed properly (only signed by the Chairperson). These contracts are Land Purchase Option Agreement, Revenue Sharing Agreement, Write-of-Way and Easement Agreement between ELEA and DCP Energy, Agreement between Lucid Energy and ELEA for a Write-of-Way Grant, First Amendment to Site Lease with Option, and Memorandum of First Amendment to Site Lease with Option with the tower company. They do not coincide with the Operating Agreement.

Mr. Maxwell opposes the project and wants the Board dissolved.

Adjournment: Motion by Jack Volpato to adjourn. Second by Jack Heaton. Meeting adjourned at 10:55 a.m.

EDDY-LEA ENERGY ALLIANCE RESOLUTION
AUGUST 22, 2018
RESOLUTION SELECTING PROPOSAL FOR LOBBYIST FOR NEW MEXICO
LEGISLATURE

WHEREAS, at its meeting on June 15, 2018, the Board directed that a Request for Proposals for a lobbyist for the New Mexico Legislature be issued; and

WHEREAS, Lea County, as fiscal agent for the Eddy-Lea Energy Alliance (ELEA) issued the Request for Proposals for a Lobbyist for New Mexico Energy Alliance; and

WHEREAS, six responsive proposals were received on or before the due date of July 31, 2018; and

WHEREAS, a committee evaluated and scored the six proposals; and

WHEREAS, Montgomery & Andrews P.A. received the highest evaluation score

THEREFORE BE IT NOW RESOLVED, the ELEA Board selects Montgomery & Andrews P.A. to be its Lobbyist for the New Mexico Legislature.

FURTHERMORE, the ELEA Board designates the Chair or his designee to negotiate the terms of the agreement between ELEA and Montgomery & Andrews P.A., consistent with the terms of this resolution. The contract will initially be capped at \$ _____.

FURTHERMORE, the ELEA Board directs its members to seek additional contributions from their respective entities in the amount of \$ _____ to cover the costs of the selected lobbyist.

PASSED, APPROVED and ADOPTED on this 22nd day of August, 2018, by the Eddy-Lea Energy Alliance Board in an open meeting in Hobbs, New Mexico.

Sam Cobb
Chairman

Notary Public State of New Mexico

**EDDY-LEA ENERGY ALLIANCE RESOLUTION
AUGUST 22, 2018**

**A RESOLUTION SUPPORTING HOLTEC INTERNATIONAL'S EFFORT TO BUILD
AN INTERIM STORAGE FACILITY FOR SPENT NUCLEAR
FUEL IN SOUTHEASTERN NEW MEXICO AND ELEA'S
BECOMING A PARTY TO THE NRC ADJUDICATORY HEARING**

WHEREAS, the 2013 report from the President's Blue-Ribbon Commission on America's Nuclear Future strongly recommended that one or more consolidated interim storage facilities be established to temporarily store the spent nuclear fuel generated by America's nuclear fleet, which generates approximately twenty percent of the electricity in the United States; and,

WHEREAS, Holtec International's sub-surface system, known as UMAX, is already certified by the Nuclear Regulatory Commission; and,

WHEREAS, design, construction, safety, security, financial assurance and technical control, as well as the complete process for storage, must be overseen and approved by the Nuclear Regulatory Commission; and,

WHEREAS, more than 2,000 shipments of spent fuel have occurred in America over the past thirty years without incident; and,

WHEREAS, the Eddy-Lea Energy Alliance (ELEA) believes the Holtec International consolidated interim storage facility will create approximately two hundred highly paid jobs and will provide a \$2,400,000,000 capital investment in southeastern New Mexico; and,

WHEREAS, southeastern New Mexico is home to the URENCO USA facility and the WASTE ISOLATION PILOT PLANT and benefits from a positive relationship with the first enrichment facility to be built in the United States in 30 years, as well as the only licensed Nuclear Repository in the United States; and,

WHEREAS, the dry, remote southeastern corner of New Mexico is ideal for such temporary storage. A pre-existing scientific and nuclear operations workforce exists in the area, and a community that is open-minded and supportive of safe, secure nuclear projects. ELEA's property, located between Carlsbad and Hobbs, is a well characterized excellent location for an interim storage facility; and,

WHEREAS, Holtec International filed its application for a license to construct and operate the HI-STORE Consolidated Interim Storage Facility in Lea County, New Mexico, on March 30, 2017. On July 16, 2018 the Nuclear Regulatory Commission published a notice of opportunity to request a hearing and petition for leave to intervene; and,

WHEREAS, section 2.315(c) of 10 Code of Federal Regulations calls for the presiding officer in an adjudicatory proceeding to "afford an interested State, local governmental body (county, municipality, or other subdivision), and Federally recognized Indian Tribe that has not been admitted as a party under P 2.309, a reasonable opportunity to participate in a hearing."

THEREFORE BE IT NOW RESOLVED, pursuant to 10 C.F.R. P 2.315(c), the Eddy-Lea Energy Alliance (ELEA), of New Mexico, the property owner where the siting of the facility will occur, hereby requests permission to participate in these proceedings as an interested party as a local governmental body and owner of the site. ELEA is a public entity formed through a Joint Powers Agreement among the cities of Carlsbad and Hobbs and the Counties of Eddy and Lea in southeastern New Mexico, an investor in the property for the proposed Holtec International Interim Storage Facility. ELEA has expectation of a large capital expenditure to build and develop the facility, economic development that will employ our citizens, and benefit from any future nuclear development, science and research activities; and,

FURTHERMORE, the Eddy-Lea Energy Alliance designates _____ as its single representative for the hearing, and directs the Chairman, ELEA on behalf of the ELEA to execute the petition to participate as an interested local governmental body as an interested party in the proceeding on the HI-STORE application, if one is initiated.

PASSED, APPROVED and ADOPTED on this 22nd day of August, 2018, by the Eddy-Lea Energy Alliance Board in an open meeting in Hobbs, New Mexico.

Sam Cobb
Chairman

Notary Public State of New Mexico