

New Mexico Spaceport Authority

Special Meeting
January 26, 2009
Las Cruces, NM

The meeting was called to order by Chair Daniela Glick at 2:00pm. Roll call was taken with seven members present, quorum confirmed. Officials and guests present included: Steve Landeene (conference call), NMSA, Lou Gomez, NMSA, Belinda Lucero, NMSA, MaryAnn Myers, NMSA, Steve Traver, D. Kent Evans, John Green, Robert Spence, Steve Gee, and Todd Dickson.

Members Present:

Chair Daniela Glick (conference call)
Brent Westmoreland
Jim Manatt (conference call)
Toots Green
Ben Woods
William Loomis
Richard Holdridge

Members Not Present:

Eric Vasquez – Designee

Approval of Agenda

Motion: Toots Green moved to approve the agenda. William Loomis seconded the motion. Motion carried.

Approval of December 17, 2008 NMSA Meeting Minutes

Motion: Richard Holdridge moved to approve the meeting minutes from the December 17, 2008 New Mexico Spaceport Authority (NMSA) meeting. William Loomis seconded the motion. Motion carried.

Approval of First Amendment to Virgin Galactic Facilities Lease

Motion: Ben Woods moved to approve the First Amendment to the Virgin Galactic Facilities Lease provided that no change can reduce the \$10M single limit for liability per occurrence and in the aggregate and provided that the amendment and any changes to it meet with the approval of the New Mexico Board of Finance and the New Mexico Risk Management Division. Toots Green seconded the motion.

Discussion: Ben Woods asked for a briefing on this amendment. Steve Landeene advised that the original lease stated that Virgin Galactic self insure at a group level for environmental insurance. They have moved to self insure to a direct level policy at the limits that Risk Management has identified for the lease. Mr. Woods requested legal counsel's recommendation on this matter. Legal Counsel

for NMSA, Jean Moore, recommended approval of the amendment. Motion carried.

Public Comment:

Jim Manatt advised he read articles concerning protests filed by respondents to the RFP. He questioned the process of informing the Board of such situations. Chair Daniela Glick advised the protests were filed after the deadline and therefore were not valid. Steve Landeene advised the first protest filed by PCM was determined to be not timely. The second filed by CE&M was filed on January 13th and have just received a response from Michael Vineyard who is the Director of Procurement and a response is now being drafted. He also advised that WH Pacific who partnered with CE&M stated they are not party to the protest and had no knowledge of the protest. Steve Landeene advised that the selection committee which included 2 Board members have been made aware of the protests.

Steve Gee with Sierra Electric discussed the pending service agreement between NMSA and Sierra Electric. He expressed his concern that the agreement has not been finalized. Chair Daniela Glick advised that this is a new process for the state and the Board of Finance will have to make a ruling on how to distribute monies to Sierra Electric to build the transmission line and substation. Steve Landeene advised as of 1/15/09 the Board of Finance can make exceptions to allow advance payments on bond proceeds. The issues on this process are currently being worked through. Jim Manatt questioned the ownership of the substation. Steve Gee advised that Sierra Electric would be the owner because it will be in their service area. Discussion followed on the cost of the substation and other methods of usage payments. Chair Daniela Glick closed this discussion stating this issue will need to be worked out with the parties and then be presented to the Board before the agreement is signed. Jim Manatt asked that when the parties have come to a mutual understanding, the Board will be able to specifically review the matter of ownership. He also encouraged searching for other power supplier alternatives.

Next Meeting

The next NMSA meeting is scheduled for March 26, 2009, location to be determined.

Motion: Brent Westmoreland moved to adjourn. Toots Green seconded the motion. Motion carried.

Approval: _____
Chairwoman Daniela Glick

Date: _____