

FINAL COPY  
Torrance County Board of Commissioners  
Special Commission Meeting  
April 16, 2018

**Commissioners Present:** JULIA DUCHARME – CHAIR  
JAVIER SANCHEZ – MEMBER

**Others Present:** BELINDA GARLAND – COUNTY MANAGER  
ANNETTE ORTIZ – DEPUTY COUNTY MANAGER  
DENNIS WALLIN – COUNTY ATTORNEY  
GENELL MORRIS – ADMIN ASSISTANT

**Call Meeting to order**

Madam Chair DuCharme: Calls the April 16, 2018 Special Commission Meeting to order at 9:23 AM

Pledge lead by Belinda Garland  
Invocation lead by Annette Ortiz

**\*ACTION ITEMS**  
**ITEMS TO BE CONSIDERED AND ACTED UPON**

**\*Commission Matters:**

1. Consider and approve Agreement for Partial Redemption of Torrance County, New Mexico Taxable Industrial Revenue Bonds for the El Cabo Wind Project

Dennis Wallin – County Attorney: Mr. Wallin has spoken with El Cabo Bond Council, Mr. Allsup. They are going through refinancing of the current El Cabo Wind Farm. Under the lease agreement with the county, El Cabo had the right to redeem the Industrial Revenue Bonds at any time. They have to provide notice to the interested parties. The redeeming for purposes of effectuating the refinancing, all of the outstanding Industrial Revenue Bonds except for one million dollars. They are entitled to do this under the lease agreement. The County does not have any overall liability on the bonds. This is a net benefit to the county, some of the debt is being decreased and may open our ability to issue future Industrial Revenue Bonds. The reason for keeping a million dollars' worth of bonds is to preserve their tax benefit, under the Industrial Revenue Bond Act. Part of the tax benefit is the ability to make payments in lieu of

Madam Chair DuCharme: Why are we having this special meeting and this item not on the regular commission meeting agenda?

Dennis Wallin – County Attorney: Around March 29<sup>th</sup>, El Cabo contacted me and I had family matters to attend and was gone part of last week. El Cabo needs this signed by today so they can close on their financing.

Madam Chair DuCharme: I have read this agreement and it is hard to understand the language. Would you like to go through this by paragraph, and Mr. Wallin can interpret for us?

Dennis Wallin – County Attorney: Don't know if I am capable of doing the interpretation, I do understand but not purvey to all the underlining negotiations that are going on between El Cabo and Bank of Oklahoma Financial. What's important to the county is 1. El Cabo has the right to do this under paragraph 9 of the lease agreement and 2. there will not be any impact on the county as far as the PILT payments go.

Commission Sanchez: What is the redemption of the Industrial Revenue Bond?

Dennis Wallin – County Attorney: They are buying them back.

Commission Sanchez: We are the sponsoring County?

Dennis Wallin – County Attorney: We are the issuer of the bond.

Commission Sanchez: We hold title to part of the development?

Dennis Wallin – County Attorney: We have an assignment of leases that we have assigned back

Commission Sanchez: A reassignment of liability?

Dennis Wallin – County Attorney: No, there's no liability. It's a refinance with Bank of Oklahoma Financial. Bank of Oklahoma is requiring them to redeem some of the bonds.

Commission Sanchez: Does this affect the PILT?

Dennis Wallin – County Attorney: It does not affect the PILT. If they redeemed all the bonds then they would lose the benefit of the PILT and be taxed based on the value of the property. This is why all of the bonds are not being redeemed.

Commission Sanchez: IRBs are exempt for property tax and federal tax?

Dennis Wallin – County Attorney: They are exempt from property tax to the extent of there is a negotiated payment in lieu of taxes under the Industrial Revenue Bond.

Commission Sanchez: Motion to approve Agreement for Partial Redemption of Torrance County, New Mexico Taxable Industrial Revenue Bonds for the El Cabo Wind Project

Madam Chair DuCharme: Seconds the motion.

All in favor: MOTION CARRIED

Belinda Garland – County Manager: A call was received from the Tajiue Land Grant, asking for a special meeting concerning transfer station between their board and the Commission. Will you consider having a meeting and if possible at 6pm so all can attend? I will call each of you to set a date.

Madam Chair DuCharme: Yes

Commission Sanchez: Yes

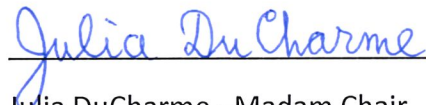
**\*AJOURNMENT:**

Commission Sanchez: Motion to adjourn special session.

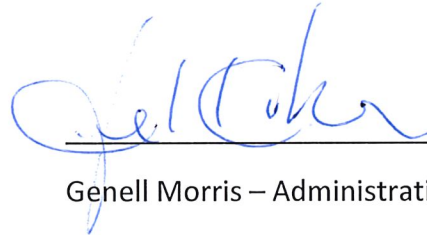
Madam Chair DuCharme: Seconds the motion.

All in favor: MOTION CARRIED

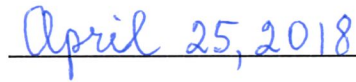
**Meeting adjourned at 9:34 AM**



Julia DuCharme –Madam Chair



Genell Morris – Administrative Assistant



Date

**The Video of this meeting can be viewed in its entirety on the Torrance County NM website.**  
**Audio discs of this meeting can be purchased in the Torrance County Clerk's Office and the**  
**audio of this meeting will be aired on our local radio station KXNM.**