

**MINUTES OF
TWSB BOARD OF DIRECTORS
SPECIAL SESSION
JANUARY 21, 2010 AT 6:00PM**

Present for the meeting were Chairman Arden Schug and Vice Chairman Burt Rubinowitz, Present telephonically were Treasurer Joe Mainello, Virgil Beagles, Pete Bowidowicz and General Manager Dr. Martin Moore.

Approval of Agenda

Motion: Joe Mainello. "Approve the agenda". Seconded by Burt Rubinowitz.

Discussion: Virgil Beagles said as of Saturday's meeting we had only discussed negotiating with Bill Gideon. Chairman Schug said we have a only a short time to canvass and approve the election and the other items must be taken care of.

Vote: All voted aye except Virgil Beagles who voted nay.

Agenda

Old Business

1. Executive Session for Pending Litigation (see Executive Session below)

Intro: Chairman Schug asked if anyone had a problem with this item being performed in executive session. Virgil Beagles said the only way you could have this in executive session is if you have an attorney present or have direction from an attorney. Chairman Schug asked Bill Gideon if he had any problem with negotiating in an open meeting. Bill Gideon replied he did not, but he then said Dr. Moore had hired the Henkel firm in November even though the board had directed negotiations with him be attempted. Chairman Schug said we can negotiate now and call off all the dogs. Virgil Beagles agreed and Bill Gideon retracted a statement requesting a closed session and agreed to negotiate in open session.

Motion: Virgil Beagles. "Negotiate with Bill Gideon to settle this case in open session". Seconded by Burt Rubinowitz.

Discussion: Several discussions, occurring over approximately an hour and a half time period, were had concerning the details of the case. Anyone desiring to view the discussions that transpired may request a copy of the DVD from the Secretary of the Board, Charlie Ross. Consequently only the offers, counter offers and whether they were accepted or not will be reported here in these minutes.

Vote: Virgil Beagles and Joe Mainello voted aye. Burt Rubinowitz abstained.

Motion/Offer: Virgil Beagles. "Pay Bill Gideon's certified attorney fees in this case and \$25 a day for the FOI request". No second. In a discussion following this motion Bill Gideon said he was not looking for a specific amount for attorney's fees but he wanted indemnification.

Motion/Offer: Chairman Schug without objection. "\$10 a day on the FOI and \$7500 for legal fees and indemnification on the rest of the attorney fees". Seconded by Virgil Beagles.

Vote: All voted aye.

Response by Bill Gideon: "No". He said that the legal fees and indemnification were fine but he wanted \$90 a day for the FOI.

Motion/Offer: Virgil Beagles. "\$50 a day on the FOI, indemnification payable with a down payment of \$10,000 down and \$2500 a month". No second.

Motion/Offer: Burt Rubinowitz. "\$35 a day on the FOI and \$7500 for legal fees and indemnification on the rest of the attorney fees payable with \$7500 down at \$2000 a month". Seconded by Virgil Beagles.

Vote: All voted aye.

Response by Bill Gideon: Accepted.

2. Ratify the filing of an objection to the Special Master's report in the Valentine lawsuit (CV 05-329)

Intro: None.

Motion: Burt Rubinowitz. "Ratify the filing of an objection to the Special Master's report in the Valentine lawsuit (CV 05-329)". Seconded by Joe Mainello.

Discussion: Virgil Beagles said the objection looked like it had been written by a 7 year old kid. He asked if anyone had seen it. No one said they had read it and he asked how they could ratify something they hadn't read. Chairman Schug said they saw the special master's report and they didn't like it and his opinion of the objection was just that. Joe Mainello said he thought Virgil Beagles should not be voting on this item since he initiated the lawsuit. Virgil Beagles agreed.

Vote: All voted aye. Virgil Beagles did not vote.

3. Canvass the January 12, 2010 TWSD election.

Intro: Chairman Schug stated we have never voted up or down on the numbers for the election. Virgil Beagles said we don't have the right numbers because there are no write-in votes shown.

Motion: Joe Mainello. "Accept the numbers for the Jan 12, 2010 election as presented to the board". Seconded by Burt Rubinowitz.

Discussion: Virgil Beagles asked Dr. Moore if he had passed on someones view about the agenda to the rest of the board. Dr. Moore said in relationship to the standard, the likelihood of litigation was high if the election was approved. Chairman Schug said we also said we were going to ask the secretary of state to determine if the election was or was not properly done and he thought a lawsuit should have to wait until after we got the results of that. Virgil Beagles said he guaranteed there would be a lawsuit if you canvass those votes as being legitimate and a lawsuit would be filed immediately. Burt Rubinowitz said he had some reservations that would not allow him to declare winners for the election.

Vote: Joe Mainello voted aye. Burt Rubinowitz and Virgil Beagles voted nay.

Motion: Burt Rubinowitz. "Declare the election as having been invalid and schedule another election as soon as possible". Seconded by Joe Mainello.

Discussion: None.

Vote: All voted aye except Joe Mainello who abstained.

New Business

4. Approve a resolution requesting amendment to the Community Service District Act (NMSA 4-54-1 to 5 inclusive), providing for a temporary \$11 increase in the 10 mil property tax levy limit [from \$10 to \$21] for a period of two (2) fiscal years [July 1, 2010 to June 30, 2012], for the purpose of engineering services or capital equipment or infrastructure maintenance, repair, improvement, purchase, or lease

Intro: Chairman Schug read the resolution.

Motion: Burt Rubinowitz. "Approve the resolution". Seconded by Joe Mainello

Discussion: Virgil Beagles said he would like to know who had input on this resolution. Dr. Moore said he had written it so we could get some money to help fix some of the capital equipment and infrastructure problems we have. Virgil Beagles asked who was supposed to carry this bill. Dr. Moore said we had discussed this with people in the legislature on both sides of the aisle and some others in Otero county. Virgil Beagles said unless this is on the governors call it won't be heard. Dr. Moore said he thought we might be able to get this one in the hopper and be heard.

Vote: All voted aye except Virgil Beagles who voted nay.

5. Administer Oath of Office to new Board members.

Intro: This item was not done.

Motion:

Discussion:

Vote:

Unscheduled citizens communications: None.

Directors remarks: Virgil Beagles said he wanted to explain that he voted no on item #4 because this had sprung on us at the last minute and Dr. Moore had known about this for a couple of months and it had not been brought up at any of the public meetings and you wait around and introduce it at a meeting where there are only five people present.

Motion: Burt Rubinowitz. "Adjourn the meeting". Seconded by Joe Mainello.

Vote: All voted aye.

Minutes submitted by Secretary Charlie Ross_____Date

Approved by Chairman Arden Schug_____Date

Posted: