

Angel Fire Public Improvement District 2007-1

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PID Special Board Meeting Minutes

December 18, 2015 at 1:30 pm at the PID Board Room

- A. Call to Order – Chairman Pro Tem Chuck Verry called the meeting to order at 1:32 pm.
- B. Pledge of Allegiance - Chairman Pro Tem Verry called for the Pledge of Allegiance.
- C. Roll Call - Present were Director Chuck Verry (Chairman Pro Tem), Chairman Alan Young (by phone), Vice Chairman Dan Rakes (by phone), Director Carl Abrams (by phone), and Director Don Borgeson. Also present were Sally Sollars, District Administrator, Nann Winter (by phone), General Counsel, Bret Weir, Village of Angel Fire Finance Director, and Tracy Orr, Village of Angel Fire Grants Department. A quorum was present.
- D. Approval of Agenda – Director Borgeson moved to approve the agenda with Business item 2 moved to item 1. Vice Chairman Rakes seconded. The motion carried 5-0.
- E. Approval December 10, 2015 Minutes – Director Borgeson moved to approve the December 10, 2015 minutes. Chairman Young seconded. The motion carried 5-0.
- F. Requests and Responses from the Audience – None.
- G. Announcements and Proclamations – Ms. Sollars reminded the Board that she will be out of the office from December 25 to January 4.
- H. Business
 - 1. Consider and Approve Acting as Fiscal Agent for Village of Angel Fire – Director Borgeson moved to act as fiscal agent for the Village of Angel Fire for this specific request. Chairman Young seconded. Chairman Young asked for the Village representatives to explain the request in more detail. Ms. Orr responded that the money will be a Severance Tax Bond appropriated to the Village by State Representative Nick Salazar through the Department of Transportation. The money remains with the State and will be used to reseal North Angel Fire Road this spring or summer. The Village would issue an RFP for contractor bids. As the contractor invoices the Village, those invoices would be given to the Fiscal Agent who in turn would request reimbursement from the State. The Fiscal Agent would then issue a check to the Village. The money is not a loan, does not require matching funds, and will not require repayment.

The State is probably requiring that the Village have a Fiscal Agent because of previous audit findings, although per Ms. Orr the Village is caught up on all of their outstanding audits as of last week. Ms. Winter said that the contract

between the Village and District will need a strong indemnification clause confirming absolutely no exposure of District funds. The Village is still waiting on confirmation from DFA that they approve the District acting as Fiscal Agent.

Ms. Sollars said that Manager Tafoya told her that the District can charge up to 4% of the appropriation for its services, which she thought would be sufficient to cover the District time.

Director Borgeson moved to amend the motion to make it contingent on DFA approval and an acceptable contract. Chairman Pro Tem Verry seconded the amendment. The amendment carried 5-0. The original motion carried 5-0.

2. History of Dry Utility Design – In response to a builder inquiry about the location of the dry utility connections, Director Abrams reiterated that the key point was that no services were installed for electric or telephone, only the main system. The electric design was provided by Kit Carson for its operation needs to provide electricity. The telephone company, Qwest at the time, did not provide a separate plan for its system layout and reported that it follows Kit Carson's design. The service extension from the nearest loop to the home is the responsibility of the property owner.

Director Abrams continued that water and sewer service stub outs were installed because this system is owned by the Village and, typical of any municipality, it does not want individuals tapping into the main or trenching across the newly constructed roads.

Director Abrams explained that prior to bidding the project it was unclear what would be required for the design of the electric system. Kit Carson, via redlines on the Concept Plans, provided the electric system layout. The Kit Carson design included main lines and loop locations which would be used by Kit Carson to install a junction box, transformer, etc. and from which secondary power could be extended to adjacent lots. The loop locations were generally located near property corners; however, because they were within the Right of Way there was no specific requirement for their location. Loop location spacing was dictated by Kit Carson's estimation of electric loading for lots to be served along with maximum distances that secondary power could be extended. At that time it was assumed that direct bury wire would be installed, with the loops coming up out of the ground for future Kit Carson infrastructure. Through negotiations, conduit was installed instead of direct bury wire due to Kit Carson's requirements and the contractor's construction schedule. With that agreement, Kit Carson was to pull the wire through the conduit in accordance with the PID/Kit Carson contract. Because the loops were designed only on one side of the road, conduit was installed under the road to the other side so that the newly installed road would not have to be trenched when

service was provided. Director Abrams said that there was never any intent to provide electrical services at each property corner: only to provide the conduit main system within the road right of way so that Kit Carson could install its equipment at the loop locations at some future date.

Late in construction, an error was discovered in which some of the water and sewer service locations were not at the property corners as required. Those services were relocated, or new ones installed, at contractor expense, to the lot corners as originally intended.

Chairman Young confirmed that he and Director Abrams had spent a lot of time discussing the relocation of water and sewer services with the contractor during the construction and that Director Abrams' description was accurate. However; he stated that there seemed to be a misconception among the Village, builders, and property owners that the electrical and telephone services were also to be provided to individual lots. He asked what the Board might need to do to help all parties understand that connecting to the nearest dry utility is the responsibility of the property owner.

Director Borgeson agreed that the Board should inform builders and property owners that they must do due diligence when planning new construction and to identify where the nearest connections are.

The Board requested that Director Abrams speak with Manager Tafoya and the Planning and Zoning Department regarding the history of the dry utilities so that the Village will be able to accurately inform property owners and builders.

It was agreed that Director Abrams and Ms. Sollars will draft a memorandum to be posted on the PID website advising builders and property owners that they are responsible for extending electric and telephone wire to the nearest connection.

K. Adjournment – Chairman Pro Tem Verry adjourned the meeting at 2:37 pm.

Don Borgeson, Chairman Pro Tem

ATTEST: _____
Sally Sollars, District Administrator