

Angel Fire Public Improvement District 2007-1

3465 Mountain View Blvd., Suite 14 PO Box 1046, Angel Fire, NM 87710 575-377-3483

PID Board Meeting Minutes

February 13, 2013 at 1:30 pm at the Village Hall Meeting Room

- A. Call to Order - Chairman Jim LeBus called the meeting to order at 1:30 pm.
- B. Pledge of Allegiance - Chairman LeBus called for the Pledge of Allegiance.
- C. Roll Call - Present were Chairman LeBus, Vice Chairman Dan Rakes, Director Steve Oliver, Director Chuck Verry (by phone) and Director Alan Young (by phone). A quorum was present. Also present were Sally Sollars, District Administrator, Nann Winter, General Counsel (by phone), and Don Borgeson, proposed nominee to replace Director Oliver.
- D. Approval of Agenda - Vice Chairman Rakes moved to approve the agenda with no changes. Director Oliver seconded. The motion carried 4-0.
- E. Enter into Executive Session - At 1:32 pm Chairman LeBus announced that we will have a closed Executive Session Meeting. Vice Chairman Rakes moved to enter into Executive Session. Director Oliver seconded. Roll call vote: Vice Chairman Rakes; aye, Director Young; aye, Director Oliver; aye, Director Verry; aye. The motion carried 4-0. Chairman LeBus asked if anyone objected to Mr. Borgeson being present for Executive Session, to which there was no objection. Chairman LeBus invited Mr. Borgeson to stay provided that Mr. Borgeson agreed to keep confidential any discussion. Mr. Borgeson affirmed that he would keep confidence.

Chairman LeBus returned to the Board Meeting at 1:51 pm by stating "No decisions were made during the Executive Session and the only items discussed were on the agenda".

Let the record show that pursuant to NMSA 1978, Section 10-15-1 (H) and (J) the PID Board held a closed meeting on February 13, 2013 at 1:32 pm at the Village Hall Meeting room to status of current and pending legal issues. Let the minutes reflect that the matters discussed in the closed meeting were limited only to those specified in the notice of the separate closed meeting.

- F. Approve January 9, 2013 Minutes - Vice Chairman Rakes moved to approve the January 9, 2013 meeting minutes. Director Oliver seconded. The motion carried 4-0.
- G. Requests and Responses from the Audience (Limit to 3 minutes) – None.
- H. Announcements and Proclamations – None.
- I. Old Business
 - 1. Discuss Don Borgeson as the Nominee for Completing Director Oliver's Term Ending May 2016. Chairman LeBus chose to combine items I-1 and I-2.
 - 2. Consider and Approve Resolution 2013-07 Nominating Don Borgeson to Replace Director Oliver – Vice Chairman Rakes moved to approve Resolution 2013-7. Director Oliver seconded. Director Oliver said that he chose to resign from the Board at this

time because the bulk of construction was finished and he felt that the Board could use someone with extensive real estate and accounting experience as well as the "Library of Congress" real estate database for the Valley. Chairman LeBus asked Mr. Borgeson if he had considered that participating on the District Board could adversely affect his real estate business. Mr. Borgeson replied that he had questioned whether serving would prohibit him from selling PID property. To that Ms. Winter said he should disclose and recuse himself from any PID Board discussion and vote concerning the sale of a PID owned property where he had professional involvement. Ms. Sollars disclosed that Mr. Borgeson and she are personal companions and that he is her landlord. Ms. Sollars does not have check signing privileges and all checks require two Board Member signatures, to which Ms. Winter commented that there was the proper check and balance in place to avoid conflict. Upon approval the nomination will be submitted to the Village Council for appointment. Roll call vote: Vice Chairman Rakes; aye, Director Young; aye, Director Oliver; aye, Director Verry; aye. The motion carried 4-0.

3. Consider and Approve the Fiscal Year 2011-2012 Audit Report – Vice Chairman Rakes moved to approve the Fiscal Year 2011-2012 Audit Report. Director Oliver seconded. The motion carried 4-0.

J. New Business

1. Consider and Approve Demand Letter to Reiman Corp. SW – Vice Chairman Rakes moved to approve a demand letter be sent to Reiman Corp. Director Oliver seconded. Ms. Sollars reported that Reiman's contract is expired with the work unfinished. There is about one to two weeks of work left. Unfinished is installation of guard rails, the compaction test on the road base and final grade, a pressure test on the water pipe, and minor items on a punch list developed by the Village engineer, Tappan Mahony. All attempts to get Reiman Corp to timely finish the work have failed. There is \$38K left in the budget to finish the work. Ms. Sollars has spoken with Alex Herrera of H Excavation who said they would be happy to be considered to finish the project. H Excavation has worked as a subcontractor to Reiman and is familiar with the job. The motion carried 4-0.
2. Consider and Approve Disapproving Objection to the AFVN, Lot 135 Purchase Agreement - Vice Chairman Rakes moved to approve the disapproving objection to the AFVN, lot 135 Purchase Agreement. Director Oliver seconded. The motion carried 4-0.

K. Consent Agenda - Vice Chairman Rakes moved to approve the consent agenda. Director Oliver seconded. The motion carried 4-0.

1. HDR Engineering, Inc.; Invoice #00055599-B - \$9,115.58
2. Stelzner, Winter, etal – General Counsel; Invoice #4721 - \$2,066.44
3. David Taussig & Associates; Invoice #1212112 - \$3,750.00
4. Sally Sollars; Invoice #32 - \$6,046.38
5. BMWS; Invoice #08-0008 46 - \$355.00
6. CenturyLink; 1/25/13 Invoice - \$159.25
7. Village of Angel Fire; Conf. Call Expense (December 2012) - \$96.62
8. Petty Cash/Debit Card Account Replenishment - \$350.00

9. Petty Cash Report; Balance \$132.52

L. Reports

1. Administrative Report – Ms. Sollars reported she had completed the delinquency report with the tax year 2011 numbers. She reminded the Board that the delinquencies are tracked beginning with October 1 the following year of the tax bill. So this report shows delinquencies for only the first four years of collection. The 2011 numbers started on October 1, 2012 with a delinquency of 19.19% of dollars assessed. By December 31, 2012, the delinquency fell to 18.01% for 2011, 6.65% for 2008, 9.74% for 2009, and 12.85% for 2010. Over time the District continues to collect previous year assessments, gradually bringing down the percent of delinquency. The beginning percent of delinquency has grown each year, but still remains within the 20% contingency in the budget. Seventy-seven “friendly” letters will be sent this month.

Ms. Sollars also provided the Board a collections comparison report with two tables showing monthly collections and prepayments. She noted that January collections check will arrive next week. This is the last large check until May. Prepayments have increased. There will be \$240K for a prepayment bond call in April.

She continued that the RFP for the wetlands monitoring is still outstanding. This will be a joint contract with the Village and, therefore, the Village procurement standards apply. However, the Village has not yet begun the process and Ms. Sollars will try to help push that along as there needs to be a contract in place early spring.

There was a meeting scheduled yesterday for the final meeting with Kit Carson to reconcile the discrepancy between monies paid and materials used. However, Richard Martinez of Kit Carson called two hours prior to the meeting to cancel due to a family emergency. The meeting has been rescheduled for next week.

Director Oliver and Ms. Sollars have implemented a computer backup plan in the last month. There is now a large external hard drive on which the office machine is cloned on a monthly basis and the documents are backed up on a weekly basis. Ms. Sollars said that Director Oliver has offered to continue to help her with these matters even after resigning from the Board.

Vice Chairman Rakes asked about the meeting with Kit Carson’s manager of the fiber optic project, Jose Lovato, regarding the use of the District’s newly installed conduit. That meeting was also supposed to take place yesterday and is rescheduled for next week.

2. Sales Committee Report – Vice Chairman Rakes reported that the Sales Committee will work with General Counsel to draft appropriate disclaimer clauses to future PID purchase agreements concerning the payment of outstanding taxes.
3. Construction Committee Report – Director Oliver reported that with his resignation Director Young will become the chairman of the committee. AUI is completely done with their contracted work except for any warranty issues, which are between the

Village and AUI. Currently, the Village has directed three concerns to AUI. They include a water leak in Chalets 2G, and two lift stations that appear to be frozen.

4. Treasurer's Report – Director Verry asked if the Board had received the Treasurer's Report and if there were any questions. There were none.

M. Adjournment - – Chairman LeBus announced the meeting adjourned at 2:31 pm.

Next Regular PID Board Meeting will be March 13, 2013



Dan Rakes, Vice Chairman

ATTEST:



Sally Sollars, District Administrator