

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

May 8, 2013 at 1:30 pm at the Village Hall Meeting Room

- A. Call to Order – Chairman LeBus called the meeting to order at 1:34 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 Don Borgeson, Director Chuck Verry , and Director Alan Young (by phone). A quorum was present. Also present were Sally Sollars, District Administrator, and Nann Winter, General Counsel (by phone).
- D. Approval of Agenda – Director Verry moved to approve the agenda. Director Borgeson seconded. The motion carried 4-0.
- E. Approve April 10, 2013 Minutes – Vice Chairman Rakes moved to approve the April 10, 2013 minutes. Director Borgeson seconded. The motion carried 4-0.
- F. Requests and Responses from the Audience (Limit to 3 minutes) – Mr. Ron Glaser asked if the District was intending to update the Open Meeting Policy per legislative changes. Ms. Sollars responded that the new policy will be on the June Board meeting agenda.
- G. Announcements and Proclamations – Ms. Sollars reminded the Directors that they were scheduled to be at Village Hall Meeting Room tomorrow morning at 8:30 am for administrative hearings.
- H. Enter into Executive Session - At 1:36 pm Chairman LeBus announced that we will have a closed Executive Session Meeting. Vice Chairman Rakes moved to enter into Executive Session. Director Verry seconded. Roll call vote: Vice Chairman Rakes; aye, Director Young; aye, Director Borgeson; aye, Director Verry; aye. The motion carried 4-0.

Chairman LeBus returned to the Board Meeting at 2:15 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 May 8, 2013 at 1:36 pm at the Village Hall Meeting room to discuss threatened or pending litigation. Specifically, to confer with Counsel on pending foreclosures and on legal remedies to Reiman Corporation’s failure to complete its contract. 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.

I. Business

- 1. Consider and Approve Compensation Increase for District Administrator – Director Verry moved to table this item. Vice Chairman Rakes seconded. Director Verry said that more research on comparable salaries for similar positions is needed. Chairman

LeBus asked Vice Chairman Rakes to do the research. The motion carried 3-0 with Director Borgeson abstaining.

2. Consider and Approve Fiscal Year 2014 Preliminary Budget and Resolution 2013-10 – Director Verry moved to approve the Fiscal Year 2014 Preliminary Budget and Resolution 2013-10. Vice Chairman Rakes seconded. Ms. Sollars reported that this preliminary budget is subject to change. There will be two public hearings on June 12 and on June 27. The budget will be considered for final approval on July 11. The motion carried 4-0.
3. Consider and Approve HDR Contract Amendment 6 – Director Verry moved to approve the HDR Contract Amendment 6. Vice Chairman Rakes seconded. Director Young stated that this amendment was submitted with bonuses included. Ms. Sollars said that she had told Mr. Abrams, HDR, that it was unlikely that the Board would approve the amendment including bonuses. Mr. Abrams reported to her that his firm decided to continue to include the bonuses because, in the beginning negotiations for the HDR contract, then Director White offered the bonuses based upon a concession that expense reimbursement would be at actual cost instead of the HDR normal procedure of marking up such costs. The motion was defeated 4-0. Chairman LeBus asked Director Borgeson talk with Mr. White about his recollection of this.
4. Consider and Approve Blue Earth Ecological Consultants, Inc. Contract – Director Verry moved to approve the Blue Earth Ecological Consultants, Inc. contract. Director Borgeson seconded. Ms. Sollars reported that this contract is for monitoring the Wetland Mitigation Area for three and up to five years depending on the progress of the restoration of wetland conditions. Vice Chairman Rakes expressed dissatisfaction with the current state of the area. Director Young reminded the Board that the monitoring has not yet begun and will include plantings and adjustments along the way. The Village of Angel Fire is a co-permittee of the 404 permit that requires monitoring and reporting to the USACOE and will be paying half of the cost. Ms. Sollars said that an additional contract between the Village and the District to share the costs will be presented at the next meeting. The motion carried 4-0.
5. Consider and Approve Resolution 2013-11 Mastin Special Levy Assessment Adjustment – Director Verry moved to approve Resolution 2013-11. Ms. Winter reported that there is a slight change to paragraph #5 that she and Mr. Mastin agreed to just prior to the meeting. Director Verry amended his motion saying that he moved to approve Resolution 2013-11 Mastin Special Levy Assessment Adjustment including the paragraph #5 change. Mr. Borgeson seconded. The motion carried 3-0 with Vice Chairman Rakes dissenting.
6. Consider and Approve Resolution 2013-12 Hillegonds Special Levy Assessment Adjustment – Director Verry asked Ms. Winter if there was any change to this resolution. Ms. Winter said that she has prepared two resolutions for Board consideration that contain different information in paragraph #4. One credits that adjustment on the next tax bill and the other is a cash payout of the adjustment in the next thirty days. Chairman LeBus recommended a motion giving credit, not a cash refund. The motion carried 3-0 with Vice Chairman Rake dissenting.

7. Consider and Approve Renting Board Meeting Space – Director Verry moved to rent Board Meeting space. Director Borgeson seconded. Ms. Sollars reported she negotiated with BMWWS, the office management, to rent the space previously occupied by HDR for \$25 per meeting. The rent invoice will include \$25 each month for this purpose and the District will be obligated to inform the management and pay an additional \$25 for each additional meeting held in the room per month. However, the space will no longer be available when a full time tenant wishes to rent the space. The motion carried 4-0.
 8. Discuss Implications of New PID Act Legislation – Director Borgeson acquired and distributed the New Mexico Realtors Association (NMRA) summary of the implications of the 2013 PID Act legislation. The now required twice annual filing of disclosure information with the County Clerk's office does not apply to this District because the formation predates the change, according to the General Counsel of the NMRA. However, the prescribed disclosure requirement prior to a buyer signing a purchase agreement applies to all sellers of District property. Ms. Sollars said that the assessment information needed for the disclosure will be posted on the website, as it is now.
- J. Consent Agenda – Director Verry moved to approve the Consent Agenda striking item #2 (Stelzner, Winter, et al) because the invoice had not yet been received. Director Borgeson seconded. The motion carried 4-0.
1. HDR Engineering, Inc.; Invoice #00075199-B - \$10,247.46
 3. David Taussig & Associates; Invoice #1303124 - \$3,778.04
 4. Uvaldo Mondragon; Invoice #3549 - \$765.05
 5. Sally Sollars; Invoice #35 - \$5,414.85
 6. BMWWS; April Rent; Invoice #08-0008 49 - \$355.00
 7. CenturyLink; Invoice dated 4/25/13 - \$175.67
 8. Village of Angel Fire; Reimbursed AT&T Invoice dated 4/1/13 - \$56.77
 9. USPO; Box Rental - \$106.00
 10. Petty Cash Report; Balance \$89.05
- K. Reports
1. Administrative Report – Ms. Sollars reported that \$240K was paid in prepayments to loan principal, which reduced the current annual debt service by \$12K. \$25.5K was received in March collections. The next two months will be larger collections which historically have brought in over \$700K.

The Finance Committee met to work on the preliminary budget. Upon approval, that budget is ready to be submitted to DFA.

There was a meeting with Carl Abrams, Director Borgeson, and the Administrator to prioritize the Kit Carson sections to be energized over the next five years. The group reviewed a spreadsheet showing order of priority and estimated costs of pulling wire in each section. Based on Director Borgeson's real estate experience, the sections were re-prioritized. It may be possible that the remainder of Country Club 1 & 2 and half of Village North could be done this year. It is recommended that the District wait

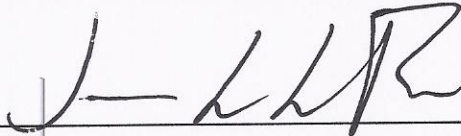
until August to determine what building permits are issued that need first priority, and then schedule those sections of Country Club 1 & 2 and Village North with Kit Carson later in the year with the remainder of the annual budgeted monies.

Ms. Sollars said that she had worked hard on the financials this month. The auditor's adjusting journal entries threw the financial reporting off, which required time and effort to get straightened out. Uvaldo Mondragon assisted Ms. Sollars to make the proper adjustments. The third quarterly report was then completed and submitted to DFA.

Ms. Sollars recalled that at the last Board Meeting she reported having received a check from Kit Carson without proper backup documentation. Since then, Ms. Sollars requested and got the documentation for this check only. In the process, Kit Carson discovered that one refund was shorted and another Kit Carson check was received to correct that error. This does not resolve the larger issue of the missing documentation for the materials that Kit Carson has charged the District.

2. Construction Committee Report – Director Young said that the committee approved the HDR invoice and received the HDR amendment 6. Also discussed was HDR's oversight charges accrued after the July 31, 2012 expiration of the Reiman contract which are Reiman's responsibility to pay. The wetland mitigation monitoring contract is underway.
 3. Finance Committee Report – Director Verry reported that the Finance Committee met two weeks ago to review the budget.
 3. Treasurer's Report – Director Verry asked if there were any questions. There were none.
- L. Adjournment – Chairman LeBus adjourned the meeting at 2:52 pm.

Next Regular PID Board Meeting will be June 12, 2013



James LeBus, Chairman

ATTEST:



Sally Sollars, District Administrator