

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

June 9, 2016 at 2:00 pm at the PID Board Room

- A. Call to Order - Chairman Pro Tem Don Borgeson called the meeting to order at 2:00 pm.
- B. Pledge of Allegiance - Chairman Pro Tem Borgeson called for the Pledge of Allegiance.
- C. Roll Call - Present were Director Don Borgeson (Chairman Pro Tem), Chairman Alan Young (by phone), Director Burl Smith, and Director Abrams (by phone). Vice Chairman Dan Rakes joined the meeting by phone at 2:12 pm. A quorum was present. Also present were Sally Sollars, District Administrator, and Nann Winter, General Counsel, who joined the meeting at 2:17 pm by phone.
- D. Approval of Agenda – Director Smith moved to approve the agenda. Director Abrams seconded. The motion carried 4-0.
- E. Approval May 12, 2016 Minutes – Director Smith moved to approve the May 12, 2016 minutes. Chairman Young seconded. The motion carried 4-0.
- F. Requests and Responses from the Audience - None.
- G. Announcements and Proclamations – Ms. Sollars reminded the Board that there would be a Special Board Meeting on June 23rd at 2:00 pm to hold the 2nd Hearing of the Fiscal Year 2017 Preliminary Budget.
- H. Enter into Executive Session - At 2:03 pm Chairman Pro Tem Borgeson announced that we would have a closed Executive Session Meeting and that no decisions would be made and only items on the agenda would be discussed. Chairman Young moved to enter into Executive Session. Director Abrams seconded. Roll call vote: Chairman Pro Tem Borgeson; aye, Chairman Young; aye, Director Abrams; aye, Director Smith; aye. The motion carried 4-0.

Chairman Pro Tem Borgeson returned to the Board Meeting at 2:12 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) (7) on June 9, 2016 at 2:03 pm at the PID Board Meeting Room the PID Board held a closed meeting to address litigation regarding outstanding Resort fees. 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. Election of Treasurer – Chairman Pro Tem Borgeson asked what the Treasurer’s responsibilities were. Ms. Sollars listed financial oversight, being the second

set of eyes on all financial transactions, to conduct official business at the bank (although there is a Resolution stating that the Administrator could assist the Treasurer in most banking tasks), to notarize releases of liens as owners prepay, and to service on the Finance Committee as Chair. Ms. Sollars said that as Administrator she insisted that there are at least two sets of eyes on all things financial. Chairman Pro Tem Borgeson nominated Director Abrams for Treasurer. Vice Chairman Rakes moved to elect Director Abrams. Chairman Young seconded if Director Abrams was willing to do the job. Director Abrams said that he would have to think about taking the responsibility. Ms. Sollars stated that having a Treasurer who is in Angel Fire and available for signatures is really helpful. Director Abrams agreed. Chairman Pro Tem Borgeson called the question. The motion was defeated 5-0. Vice Chairman Rakes moved to elect Burl Smith. Chairman Young seconded. The motion carried 5-0.

2. Consider and Approve O'Donnell Request to Purchase Property – Vice Chairman Rakes moved to approve the O'Donnell request to purchase their property. Director Smith seconded. Chairman Young stated that previously the Board has decided not to take property due to owner hardship because it causes a hardship for the remaining property owners. The motion was defeated 5-0.
 3. 1st Reading of the Preliminary Budget – Chairman Pro Tem Borgeson opened the 1st hearing of the preliminary budget. Ms. Sollars said that the Finance Committee recommended a 2% increase in assessment for Fiscal Year 2017. She asked if there were any questions about the budget. Ms. Sollars said that there would be a second hearing on the 23rd. The final approval will be at the July Board meeting and the budget request will be due to DFA by July 31st. There will be slight changes in the numbers up to that time as actual numbers become available.
- J. Consent Agenda – Chairman Young moved to approve the Consent Agenda. Director Smith seconded. The motion carried 5-0.
1. Stelzner, Winter, et al – Invoice #9607/9575 - \$4,097.78
 2. Sally Sollars; Invoice #72 - \$5,237.66
 3. CenturyLink; Invoice dated 5/25/16 - \$223.50
 4. BMWS; June Rent; Invoice #08-0008 86 - \$380.00
 5. AT&T; Invoice dated 5/1/16 - \$9.34
 6. Petty Cash Account Deposit - \$500.00
 7. Petty Cash Report; Balance \$152.22
- K. Reports
1. Administrative Report – Ms. Sollars reported that she had looked at the Kit Carson records and discovered that there have been 19 emails (starting on 10/20/14) requesting reconciliation of the costs of the work done in 2014 and 8 emails (starting on 11/4/15) for work done in 2015 with no final resolution. She recalled that the Construction Committee has decided not to schedule more work to be done until the invoices were reconciled. The last word from them was 5/24/16 stating that the actual cost invoices would be delivered “by

the end of the week". This has been an ongoing problem. Ms. Sollars recommended that it was time for the Board to get involved. Her concern is that the work is supposed to be complete by September 2017 per contract. Director Smith said that it might be necessary to get the PRC involved. Ms. Winter recommended a letter from her office to Luis Reyes.

The USACE has release the District for the 404 Permit, which required wetland mitigation. No further action is required.

The audit contract has be signed and submitted to the Office of the State Auditor. The preliminary budget has been submitted to DFA.

At Chairman Pro Tem Borgeson's request, Ms. Sollars reported on the District owned properties. The District owns six properties, five which were foreclosed in 2010 and one Deed in Lieu accepted in 2015. The property listings were renewed with Keller Williams this month, with the prices subject to change. The brokerage services contract expires on 2/12/17 and may be renewed twice for two years each. \$180K of assessments has been lost to date on those six properties. Chairman Pro Tem Borgeson added that the land market is still stagnant. He said that there were 82 District lots listed for 1,556 days. Only three have sold in the last twelve months. He recommended that the memorandum concerning the placement of Kit Carson transformers and meter be sent out to all brokers so that their clients may have a heads up prior to initiating house plans. In other areas of the Village, the Kit Carson equipment is installed on the lot line. Kit Carson's electric distribution design for the District did not follow that practice.

Ms. Sollars reported that the DOT contract to serve as Fiscal Agent for the Village of Angel Fire is ready for signature. The contract specifies that a Board approved resolutions stating who will be designated to sign the contract document and progress reports. One form requires both the Fiscal Officer and the Board designee to sign. The Treasurer will act as the Fiscal Officer and Ms. Sollars is recommending that she be the Board designated signer. The resolution will be on the next meeting agenda.

Ms. Sollars recalled that information was emailed earlier about Mr. Sherwin, Property Owner in Chalets 1A, requesting that the Village vacate the El Vado Bridge. Village Manager Tafoya had consulted with Ms. Sollars to gather information for the Village response. Mr. Tafoya said that he agreed with the District's position that the bridge should not be vacated. The discussion included a recommendation that if Mr. Sherwin wanted to take the bridge he would have to pay the construction costs to the District.

Ms. Sollars reported that the Village of Angel Fire is still considering general obligation bonds to fund needed repairs to the roads, sewer and water infrastructure, and sewage treatment. She said that she had spoken with a variety of Village staff and Councilors about her concerns of adding another assessment to the District Property Owners tax bills. Her opinion is that if the repairs were to fund repairs to common needs, like the sewage treatment, then the District Property Owners would benefit as much as other residents and should contribute their fair share. But if the repairs were for a specific subdivision, it appears to be unfair to the District Owners who bore the costs of their subdivision's infrastructure entirely by themselves. She added that she agreed that the repairs are needed and that is Village responsible to do them, but a Special Assessment District could be used alternatively for specific areas. All the people Ms. Sollars has spoken with rejected the possibility of Special Assessment Districts. It is the Village position that all the repairs benefit all residents and therefore, an additional assessment is appropriate. Director Borgeson added that the details of the proposal are not yet known, including costs and specific projects. The matter is proposed to be put to the voters, only those registered to vote in Colfax County, in September.

April collections were \$44,537, which was \$27,700 below the projected cash flow amount. May collections are historically the largest each year and the check is expected toward the end of the month. Four releases were finalized this month and one is ready for the new Treasurer's notarized signature.

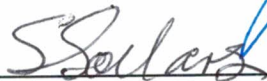
2. Treasurer's Report – Ms. Sollars prepared this month's report due to the vacancy of the position. She asked if all had received the Treasurer's Report and if there were any questions. There were none.
- L. Adjournment – Chairman Pro Tem Borgeson adjourned the meeting at 2:50 pm.

A PID Special Board Meeting and 2nd Budget Hearing will be June 23, 2016
Next Regular PID Board Meeting will be July 14, 2016



Alan Young, Chairman

ATTEST:



Sally Sollars, District Administrator