

PID Board Meeting Minutes
July 13, 2011 at 10:30 pm at the Village Hall Meeting Room

- A. Call to Order - Chairman Jim LeBus called the meeting to order at 10:32 am.
- B. Pledge of Allegiance - Chairman LeBus called for the Pledge of Allegiance.
- C. Roll Call - Present were Chairman LeBus, Director Chuck Verry, Director Steve Oliver, and Director Alan Young (by phone). A quorum was present. Also present were Gerald White, Project Director, Sally Sollars, District Administrator, and Carl Abrams, HDR.
- D. Approval of Agenda – Director Verry moved to approve the agenda with notation that item J.4. should read Stelzner, Winter, et al. Director Oliver seconded. The motion carried 3-0.
- E. Approve Minutes – Director Verry moved to approve the June 22, 2011 Board Meeting Minutes. Director Oliver seconded. The motion carried 3-0.
- F. Requests and Responses from the Audience – None.
- G. Announcements and Proclamations – None.
- H. Business
 - 1. New Business
 - a. Consider Fund Accounting Consulting Contract with Uvaldo Mondragon. Sally Sollars reported that she has consulted with Mr. Mondragon over the last several months in the process of changing the books to fund accounting. Instead of asking for Board approval on an as needed hourly basis, Ms. Sollars recommended that Mr. Mondragon be given a contract. It is estimated that she will need Mr. Mondragon's services one day per quarter, which translates to less than \$3,000 annually at \$75 per hour. Director Verry moved to allow the Ms. Sollars to open negotiations with Mr. Mondragon and to prepare a contract for Board approval. Director Oliver seconded. The motion carried 3-0.
 - 2. Final Action Items – Director Verry moved to defer items 2.a. and 2.b. to a Special Board Meeting, date yet to be established. Director Oliver seconded. The motion carried 3-0.
 - a. Approve Final Fiscal Year 2011-2012 Budget and Resolution
 - b. Approve Fiscal Year 2010-2011 Budget Adjustments and Resolution
- J. Consent Agenda – Director Verry moved to approve the Consent Agenda as written with note of the change on item 4 to be Stelzner, Winter, et al. Director Oliver seconded. The motion carried 3-0.

NMFA Loan #2 Account: Beginning Balance \$1,294,950.42

- 1. HDR Engineering, Inc.; Invoice #00305554-H - \$64,484.04
- 2. AUI; Invoice #Phase IIB; 5/25-6/26/11 - \$1,080,953.47

Interest Bearing Account: Beginning Balance \$692,034.45

3. Kamm & McConnell; Inv. #32101-32113 - \$1,986.00
4. Stelzner, Winter, etal; Inv. #2494 - \$6,248.80
5. Line of Sight Surveying; Inv. 11057 - \$322.31
6. Gerald White; Invoice #23 - \$3,824.77
7. Sally Sollars; Invoice #13 (6/4 - 7/8/11) - \$4,811.86
8. Qwest; Account No. 575-377-3483-459B; 6/25/10 Invoice - \$167.89
9. Village of Angel Fire; Conf. Call Expense (May 2011) - \$23.06
10. BMWS; Invoice #08-0008-27 - \$330.00
11. Colfax County Clerk; Release Filing Fee - \$25.00

Kit Carson Reserve Account: Beginning Balance \$300,048.61

12. Kit Carson Electric Cooperative; Sierra Blanca Dr. to Alcalde - \$42,090.02

Petty Cash: Beginning Balance \$132.95

13. Petty Cash Report; Balance \$114.35

K. Reports

1. Project Director Report – Gerald White reported that Kit Carson is early in the process of installing wire at the southern end of Sierra Blanca. Today they are preparing the master reel of cable. The junction boxes are in place. At the north end of Sierra Blanca, the remaining 1700 feet of trenching is done with the Kit Carson conduit in place. Qwest conduit installation has begun and the PID will receive some compensation from Qwest for this conduit.

Mr. White also reported that he senses the relationship with AUI is deteriorating. The District had to deny AUI's request for indemnification because the District cannot legally provide this, which was a condition of the previous negotiations concerning the charges for a common trench. This leaves negotiation of those charges an open issue again. There will be a meeting on July 25th at the HDR office in Albuquerque with representatives from AUI, HDR, and the District, including Mr. White, Vice Chairman Rakes, and Director Oliver attending.

A new issue is Back Basin Road behind the Lift condos. Five Springs Road connects with Back Basin Road and has mistakenly been identified as Back Basin Road. The Back Basin Road behind the condos is supposed to receive road improvement, but a section about 400 feet long had been overlooked.

The finish date in the AUI contract is September 30, 2011. Mr. White said that AUI's progress year-to-date is behind schedule based on scheduled vs. actual invoicing. He said that there was a substantial completion walk through of Angel Fire West Village with Village representatives yesterday, which he characterized as a fiasco. After last year's walk through for the Country Club 1A substantial completion, he said that all agreed that there should be an internal walk through before inviting the Village to have a look. However, that procedure was not followed for the West Village tour. There were four pages of items on the punch list, with the Village staff in attendance unhappy with the time spent. Chairman

LeBus suggested that the agreement to have an internal walk through prior to involving other parties be honored in the future.

Mr. White said that at the weekly Construction Meeting yesterday the subcontractor H Excavation complained that they had not been paid this year. The AUI contract with H Excavation requires that H Excavation be paid within seven days of receiving payment from the District. AUI has received timely payment from the District. In the Construction Meeting, Marshall Vickers assured H Excavation that they would be paid by the end of that day. Chairman LeBus asked if the PID could verify that H Excavation indeed receives payment today.

Carl Abrams reported HDR is in process of reviewing the shop drawings and the road drawings for Reiman Corporation's El Vado Bridge construction. Reiman has not yet submitted the design drawings for the utility portion of the project. Reiman is mobilizing this week to start pile driving for the bridge. Field staking of the bridge and road placement was done last week.

AUI has pending variance requests with the Village for Camino Real and Back Basin Road to narrow the road clear zones based on BHI field designs. Similar variances have been approved by the Village. As built drawings for Country Club 1A have been submitted to the Village, which was the last outstanding documentation required for full acceptance.

AUI's current work schedule is consistent with the ending contract date of September 30th. Mr. White and Mr. Abrams are concerned whether this date is realistic given the progress of the project to date. Completion dates according to the schedule include dates already past for Country Club 1&2, Village North and West Village. Chalet 4 completion date is August 5th, and Chalets 2G and Country Club 1B are the end of September. It is likely that base course will be all that remains if the project has remaining work after September. Mr. Abrams said that H Excavation could continue with road work after other work is completed by AUI.

By subdivision, Mr. Abrams reported that:

- Country Club 1A: Complete,

- Country Club 1B: Water storage tank in has punch list resolution and as built pending,

- Chalets 1A: Caballo Lane complete, as built pending

- Country Club 1&2: Sewer and waterline complete, dry utilities are 80% complete, road rough grading complete, sewer complete, dry utilities nearly complete

- West Village: Substantial completion walk through done 7/5, extensive punch list

- Country Club 1B: Road rough grading complete, waterline complete, dry utilities 70% complete

Village North: Roads nearly complete, sewer and waterline complete, dry utilities complete
Chalets 2G: Water storage tank complete, road rough grading complete, waterline 60%, dry utilities 50%
Chalets Unit 4: Road rough grading complete, waterline and dry utilities complete
Chalets 1A: El Vado Place to be constructed by Reiman Corp. including bridge, waterline, dry utilities, and road construction. Bridge construction plans pending.

Mr. Abrams also reported that the Army Corps of Engineers visited last week to inspect the wetland mitigation areas. There were two areas of concern. One area of concern is on Brazos in Country Club 1B where the elevation of a culvert crossing is too deep on the uphill side and will drain the wetlands. The other area is the "pond" at the golf course on Woodlands. The intent of the mitigation was to create new wetlands. According to the Corps, the pond is too deep with only the edges serving as wetlands. HDR will set up a meeting with the Corps of Engineers and AUI to discuss the resolution.

Mr. White reported that there was a complaint from a property owner on Colonial Trail that the improved road had encroached onto his property. At District expense, the area was surveyed and no encroachment was found. Chairman LeBus will talk with the property owner about sharing the cost of the survey. Mr. Abrams commended surveyor Carl Nelson for doing this work for the District on the weekend and charging under his quote for the work.

2. Administrator Report – Sally Sollars reported that she and Gerald White met with the County Treasurer and Assessor last week. Ms. Sollars obtained permission to contact the software developer of County Treasurer's Office system to request remote access to the District files.

Vice Chairman Rakes joined Mr. White and Ms. Sollars by phone in a meeting with Terry Kamm, foreclosure counsel. It was agreed in that meeting that it would be more efficient for Mr. Kamm to take responsibility to produce Final Demand letters, since he needs access to that information when a foreclosure case is referred to his office.

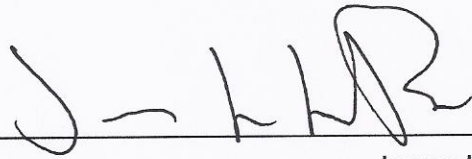
Ms. Sollars is beginning to produce the documentation for the upcoming audit in September. Ms. Sollars will consult with Uvaldo Mondragon to get Fiscal Year 2010-2011 books closed. Ms. Sollars also met with the Finance Committee, Vice Chairman Rakes and Director Verry, to develop a procedure for the committee to review all financial reports on a quarterly basis and report to the Board.

3. Committee Reports
 - a. Construction Committee – Director Oliver reported that the Construction Committee met on Monday July 11 to review the status of construction and the HDR and AUI June invoices. Deducted from the AUI invoice was a

proportional amount from the chip seal charges due to the chip seal width being built 20 feet wide instead of 24 feet wide as shown on BHI drawings.

- b. Finance Committee – Director Verry also reported the Finance Committee approved the procedure for reviewing the financial documents on a quarterly basis and reporting back to the Board.
- 4. Treasurer Report – Director Verry announced that the Treasurer's Report has been sent. He welcomed any questions of which there were none.
- L. Adjournment – Chairman LeBus announced the meeting adjourned at 11:02 am.

Next Regular PID Board Meeting will be August 10, 2011

A handwritten signature in black ink, appearing to read 'J - L B', written over a horizontal line.

James LeBus, Chairman

ATTEST: 
Sally Sollars, District Administrator