

Angel Fire Public Improvement District 2007-1

3465 Mountain View Blvd., Suite 14

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575-377-3483

Board Meeting Minutes

August 11, 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 2:02 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), Director Burl Smith, and Director Abrams (by phone). Chairman Alan Young joined by phone at 2:06 pm. Vice Chairman Rakes was absent. A quorum was present. Also present was Sally Sollars, District Administrator, Nann Winter, General Counsel (who also joined the meeting at 2:06), and Property Owner Keith Hillegonds.
- D. Approval of Agenda – Director Smith moved to approve the agenda. Director Abrams seconded. The motion carried 3-0.
- E. Approval July 14, 2016 Minutes – Director Smith moved to approve the July 14, 2016 minutes. Director Abrams seconded. The motion carried 3-0.
- F. Requests and Responses from the Audience – Keith Hillegonds addressed the Board. His property is Lot 1285, Country Club 1 & 2. He reported that there is an electric transformer in the right of way in front of his lot sitting about 35 feet from the lot line with the neighboring lot's electric meter installed a short distance from that. He asked the Village about moving them, who in turn referred him to the District office. Ms. Sollars discussed the matter with him in May and sent him a Memorandum, which was prepared and distributed in January, concerning the placement of the equipment and the responsibilities of the lot owner. It explained that the electrical layout was designed by Kit Carson based on their own needs. Mr. Hillegonds reported that he also spoke with Kit Carson representatives, who referred him back to the District. He said that he would like to have the equipment moved and would be willing to pay for it or split the cost with someone. He asked Director Abrams, who owns the neighboring lot, to give an opinion as a Property Owner. Director Abrams said that his building contractor had asked Kit Carson to install his meter in front of the house, but they did not saying that the meter could not be any further from the transformer than 6 feet. Kit Carson had never mentioned this requirement before this year. Director Abrams thought that this was odd because in other localities, the meters are installed on the side of a residence. He reiterated that the matter was out of the District hands because Kit Carson owns the infrastructure. Mr. Hillegonds has yet to ask Kit Carson for a cost estimate to move the equipment. Director Borgeson asked Mr. Hillegonds to keep him posted on how this situation turns out.

- G. Announcements and Proclamations – Ms. Sollars announced that she would be out of the office from August 18 through August 29, to attend to her daughter's graduation from Texas Women's University. She will be checking emails and attending to some District matters during her travels and urged the Board to not hesitate to contact her if necessary.
- H. Consent Agenda – Director Smith moved to approve the consent agenda. Chairman Young seconded. The motion carried 4-0.
1. Stelzner, Winter, et al; Invoices #9833/9838 - \$3,021.16
 2. David Taussig & Associates; Invoice #160676 - \$3,981.74
 3. Colfax County Filing Fees - \$25.00
 4. Kit Carson; Invoices #1319, 1516-1519, 1521-1524 - \$170,863.51
 5. Sally Sollars; Invoice #74 - \$5,517.87
 6. CenturyLink; Invoice dated 7/25/16 - \$91.12
 7. Kit Carson Telcom; Invoice #254169 - \$138.12
 8. BMWs; August Rent; Invoice #08-0008 88 - \$380.00
 9. AT&T; Invoice dated 7/1/16 - \$49.48
 10. Petty Cash Account Deposit - \$200.00
 11. Petty Cash Report; Balance \$130.58

I. Reports

1. Administrative Report – Ms. Sollars reported that the Fiscal Year 2017 Final Budget and the Fiscal Year 2016 4th Quarter Report have been submitted to DFA. The Village no longer requires the fiscal agent services that were anticipated due to the DOT agreeing now that the Village may administer the funds themselves.

\$10,767 was received in June collections. The average for June is \$24K. Ms. Sollars said that she forgot to get the \$37K owed to the prepayment account for the Roberson settlement on this month's consent agenda. That payment will be on next month's agenda. She said that Ms. Winter still has had no response from the Property Tax Division lawyer. The audit is scheduled for September 21 and 22.

Ms. Sollars thanked the Directors for getting back to her on the question of whether working with the Sangre de Cristo Chronicle would be a conflict of interest, to which no Director objected. She said that she would have to put off taking on that project until after audit. If at that time her help is still needed, she would be putting in about one day a week.

The internet fiber was installed last month, which allowed the cancelation of the previous internet services, as well as the unused fax line. These changes will represent about a \$55 per month savings.

Ms. Sollars reported that the website had been hacked and is now repaired. The hack was not something that is apparent, being code that is embedded in

software updates, etc. Tech support said that those inserted records are then later retrieved by the hackers to be reassembled for whatever reason. There were 252 visitors to the website in the last 7 days and 922 in the last 30 days. The site seems to be working very well, providing information for people when Ms. Sollars is not available.

Ms. Sollars asked the Directors to recall that the District has approached Paul Cassidy at RBC Capital about refinancing the loans through New Mexico Finance Authority. Originally he thought that there was a 10 year block before refinancing would be allowed. However, that doesn't appear to be the case. He recommended that we submit an application to be considered. Mr. Cassidy's office ran the numbers on what interest rate the District might qualify for and what the annual debt service savings would be. He reported that the interest rate would be about 2.99% with an annual savings of \$220K. This interest rate is not as low as it could be because the District pays a premium to preserve the prepayment option for the Property Owners. Both loans could be refinanced into one. To proceed, RBC will supply a resolution for Board approval and will process the application. If the application is submitted by the end of the month, it would be considered at the NMFA September 22 meeting. Ms. Sollars informed the Board of possible charges associated with refinancing. The current balance on the loans is \$19,942,401. The Directors agreed to hold a Special Board Meeting next Tuesday, August 16 to consider the resolution.

2. Construction Committee Report – Chairman Pro Tem Borgeson reported that the Construction Committee met this morning. He said that the committee recommends a check be delivered to Kit Carson to pay for the estimated costs for pulling wire in all of the remaining sections except Country Club 1B. Ms. Sollars recalled that there was one disputed actual cost invoice that the committee also agreed to pay 50% of the disputed charges. This was for puller rental charges in 2014 of which Kit Carson passed on charges for 4 months rental of the equipment, but had not sufficiently broken down the time the equipment was actually used for District work. Since they had not responded to the proposal set in writing a couple of weeks ago, the committee assumed that Kit Carson agreed to the settlement. This payment will resolve and reconcile all of the work done in 2014 and 2015.

The remainder of the estimated invoices has been received. There are two invoices for Country Club 1B that are more than double our projected costs. Upon examination, the invoices were for installation of three phase electrical wire instead of single phase, which the then Project Director, Gerald White, believed to be for the betterment of Kit Carson's infrastructure rather than necessary to provide electrical service to the properties. This was discussed early on in the construction phase and a third amendment to the Kit Carson contract was executed stating such. Ms. Sollars emailed the invoices and the

amendment to them last week, but has not received the revised invoices yet. With the revisions, it is possible that the Kit Carson Reserve Account will be left with about \$85K, which will remain there until the final reconciliation costs are known.

3. Treasurer's Report – Chairman Pro Tem Borgeson asked if everyone had gotten the Treasurer's Report. There were no questions.
- J. Adjournment – Chairman Pro Tem Borgeson adjourned the meeting at 2:41.

Next Regular Board Meeting will be September 8, 2016



Don Borgeson, Chairman Pro Tem

ATTEST: 

Sally Sollars, District Administrator