



**VILLAGE COUNCIL MEETING  
MINUTES  
EDELWEISS LODGE AND SPA CLUB ROOM  
TAOS SKI VALLEY, NEW MEXICO**

**WEDNESDAY, NOVEMBER 7, 2012 2:00 P.M.**

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**MAYOR:**  
Neal King

**COUNCIL:**  
Kathleen V. Bennett  
J. Christopher Stagg  
Barbara L. Wiard  
Thomas P. Wittman

**VILLAGE ADMINISTRATOR:**  
Mark G. Fratrack

**CLERK/TREASURER:**  
Vanessa N. Chisholm

**I. CALL TO ORDER & NOTICE OF MEETING**

The Mayor Pro-Tem, Barb Wiard, called the meeting to order at 2:00 p.m. The notice of the meeting was properly posted.

**II. ROLL CALL**

Councilors Stagg, Wiard, and Wittman were present. Mayor King and Councilor Bennett were absent. Staff members present were: Mark Fratrack, Vanessa Chisholm, Ray Keen, John Miller, Don Schieber, Dave Wallace and Ann Wooldridge.

**III. APPROVAL OF THE AGENDA**

**MOTION: To approve the agenda as submitted.**

**Motion:** Councilor Wittman

**Second:** Councilor Stagg

**Passed:** 2-0.

**IV. APPROVAL OF THE MINUTES OF THE OCTOBER 2, 2012  
VILLAGE COUNCIL MEETING**

**MOTION: To approve the minutes from the October 2, 2012 Village Council meeting.**

**Motion:** Councilor Wittman

**Second:** Councilor Stagg

**Passed:** 2-0.

**V. CITIZENS FORUM**

No one spoke.

**VI. FINANCIAL REPORTS**

**A. Precision Accounting Presentation of Financial and Lodgers' Tax Audit Reports for Fiscal Year Ending June 30, 2012**

Melissa Santistevan and Jack Emmons, Precision Accounting Services, presented the audit report to the Council. The audit was conducted at the Village offices during the week of September 10 through September 13. The audit report was sent to the State Auditor on September 24 with no issues. This is an unqualified report (the best you can attain). The auditors examine the internal controls of the Village. There was an increase in the general fund balance of about \$78,000. Revenues exceeded expenditures by about \$13,000. \$104,000 was put into capital outlay. There were no findings this year. In last year's audit a finding in travel and per diem had been reported but staff did a great job this year making sure all purchase orders were filled out correctly. The auditor's thanked the staff for a great job and thanked Mark Fratrack for giving them a tour of the Village. They had no idea that the roads were so narrow.

Dennis Romero, Village Attorney, noted that the audit did not identify any deficiencies and there were no instances of non-compliance. It is a good audit.

Santistevan presented the Lodgers' Tax audit report to the Council. Two lodges were selected for auditing. Santistevan was not able to go into details of the lodgers' tax audit findings because they are proprietary personal to the entity and the Village. She noted that it would be up to the Village administration to follow through to collect or repay any monies due. The Village staff is doing a very good job collecting the taxes from the lodges. It was noted that the Village does not receive any of the lodgers' tax money for general use. The tax goes to advertising and promotion of the Village, the bulk of which is the Chamber of Commerce's contract of \$150,000.

**B. Presentation of Quarter Ending September 30, 2012 Municipal Financial Reports**

Vanessa Chisholm presented the municipal quarterly and lodgers' tax quarterly reports to the Council. At the quarter ending September 30, 2012 the Village had a cash balance of \$1,159,473.00. The financial reports were accepted into the minutes.

**VII. COMMITTEE REPORTS**

**C. Planning and Zoning Commission**

Councilor Wittman reported that the Commission met on November 5, 2012. The Commission approved the Public Facility Needs Assessment report and the amendments to the impact fees section of Ordinance #2012-30. Wittman stated that there was not a lot of discussion. Steve Ruppert was concerned that it would stunt growth. The impact fees amount to about 1% of the construction costs. There are many capital infrastructure needs from roads to EMS to fire. The impact fees are a part of the building fees, not the total. The impact fees are a way to support new construction. Existing buildings are grandfathered in and would get credit for previous impact fees paid. Wittman stated that there would be future discussions on how impact fees would affect existing buildings, what if the building was torn down and rebuilt (would they have to pay new impact fees?).

Councilor Wittman thanked the staff, especially Don Schieber, Ann Wooldridge and John Miller for their hard work on the public facility needs assessment report. He said they did an excellent job.

The next meeting of the Planning and Zoning Commission is scheduled for Monday, December 3, 2012 at 1:00 p.m., at the Edelweiss Lodge and Spa Conference room.

**B. Public Safety Committee**

No report.

**C. Parks and Recreation Committee**

No report.

**D. Arts and Entertainment Committee**

No report.

**E. Lodgers' Tax Advisory Board**

The Board will meet on December 3, 2012, at 10:00 a.m., at the Snakedance to review grant applications.

**VIII. REGIONAL AND STATE REPORTS**

Mayor Pro Tem Wiard reported the New Mexico Municipal League met on October 6, 2012 to select priorities for the legislative session. The first priority is to maintain the municipal revenues and second is to maintain autonomy. Wiard noted it is a sixty day session, which

means everything is up for grabs. There were no meetings of the IGC or Landfill boards in October. There may be a meeting on November 15, 2012.

**IX. MAYOR'S REPORT**

No report.

**X. STAFF REPORTS**

Mark Fratrack, Village Administrator, presented the Council with his monthly briefing report. He discussed the status of the chlorination station. The concrete has been poured for the top of the vault and will now shut down for the winter. Fratrack discussed the possibility of taking ownership of the Mine Slide road and maintaining it. One possibility is that the road would be brought up to standards and deeded to the Village. Culverts would also need to be installed.

Fratrack discussed having a lobbyist. The Village had been contacted by two people regarding help with legislative funds. We may have to postpone requests because the Village does not own the treatment plant land. Councilor Stagg stated that if a lobbyist is needed, we can find one.

Fratrack reported that he, Schieber and Clay Wade, Merrick Engineers, walked around the Kachina area to view the impact on the land that recent utility improvements may have disturbed. It may be hard to complete this year, but staff will try to stay on top of clean up next summer.

The Kachina water tank construction has been shut down for the winter. The contractors got to within 150 feet from where the Village would connect. The problem with working any further into November is that digging around existing water lines could disturb the blanket and could cause freezing. Fratrack sent his thanks to Gordon Briner and Taos Ski Valley, Inc. for working with the Village's delayed schedule which allowed the contractors to work a few more days.

Fratrack met with Brad Angst, G.K. Baum. They discussed the Village's projects and how we could fund them.

The staff would like Council to have a workshop with residents of the Village to discuss the dust issues. Fratrack suggested meeting November 21. Staff will be making a presentation. Council suggested a workshop after the December 4, 2012 Council meeting.

Old business that Fratrack followed up on included 1) Town Site Act: it will be the number one priority to get this through the lame duck session; 2) Optic line trenching: Fratrack met with Luis Reyes, who told the Council at the first meeting that it would be no cost to the Village. Now the Gas Co. would ask the Village for funds. The lines will be overhead for now. Fratrack is trying to get more parties involved. Councilor Stagg thinks we need more analysis of the cost of natural gas vs. propane. A possible solution would be for the Village to invest in the line and charge back a franchise fee to reimburse the Village. However, the Gas Co. is regulated by the PRC and cannot do this. The Village could possibly find partners to do it. It may be too expensive and difficult to pay back. There are other costs associated, such as distribution in the Village. 3) Town of Taos 15 passenger van: there has been no movement, although a letter of request has been sent to the Town requesting the donation of the van to the Village. Dennis Romero asked if there is a PRC issue with the donation. Councilor Stagg stated no there is not an issue with the PRC. It was noted that a CDL would not be required to

drive the van. The Councilors all agreed to accept the donation from the Town of Taos for the used 15 passenger van.

Don Schieber reported on the 3 phase electric update. He said that by the end of next season all of Twining Road will have a transformer/switch box installed at every intersection. The work will head up to the Kachina area, not upper Twining Road because the main trunk line needs to get done first. Schieber has been working with TSV, Inc. regarding the easement for the chlorination station. He noted that the Village will change the signs on the building and call it something like "Public Waterworks Building" because people were unaware that we have been chlorinating the water for over 20 years. Schieber reported that if there is any money left in the Water Trust Board grant he would like to loop Coyote and Big Horn. It would be designed and lines laid to loop with the rest of the system.

Ray Keen reported that are close to accepting the final inspection on the lift station on the Hiker Trail. Everything looks good. The Village is close to accepting Pioneers Glade. Staff has finished jet rodding. They helped find a leak at the Lake Fork Condos. The condos repaired the leak. Councilor Stagg told the staff "good work".

Fratrick noted that there have been concerns from residents regarding the signage at Pioneers Glade. In other discussions, he stated that there have been power outages recently that have caused many problems and damage to appliances and power strips. The Village cannot mediate these problems. Residents need to call Kit Carson Electric Coop (KCEC) directly. Mayor Pro Tem Wiard stated that KCEC will give you a form to fill out and they will present it to their Board and insurance company. Staff said they would put that information on the website.

#### **XI. OLD BUSINESS**

None

#### **XII. NEW BUSINESS –**

##### **A. Introduction: ORDINANCE #2013-30, Zoning Regulations Ordinance, Amendments to Ordinance #2012-30 Public Facilities Needs Assessment Report and Proposed New Development Impact Fees**

This is an introduction to changes to the Zoning Regulations Ordinance and to the Public Facilities Needs Assessment report. A public hearing will be held at the next council meeting. Staff members, Don Schieber and John Miller, discussed how the Planning and Zoning Commission came up with the amount of one million square feet of future needs of the Wastewater Treatment Plant. Miller explained the comparative analysis with Santa Fe, Albuquerque, Los Lunas and other municipalities. Staff compared current versus proposed. The Village's needs are in the roads department, then fire and general government departments. Fratrack added that staff included all future potential development. Councilor Wittman stated that the Village needs to be very careful with the Needs Assessment report. The Council will have to monitor the spending closely. Schieber pointed out that the report and the impact fees will not be effective until 90 days after the ordinance has been approved by the Council. Mayor Pro Tem Wiard questioned why Sutton Place and West Burroughs Roads were included in the "Roads" Needs Assessment since they are not Village property. Schieber stated that the Village would have to accept these roads as part of the Village, after the Village determines they are up to standards. Then the work could be done as submitted with the Needs Assessment report.

**B. Consideration to Approve: Resolution #2013-235, A Resolution Concerning Taos Health System, Inc. (Holy Cross Hospital) Additional Funding Under the Hospital Funding Act**

The Taos County Commission recently voted against allowing Taos Health System, Inc. (Holy Cross Hospital, HCH) to seek additional funding through a property tax mil levy increase vote. HCH is one of the larger employers in Taos County and will have to undergo major cut backs and lose additional funding since this was not allowed. Wiard asked if the County can revisit this. Stagg stated that HCH was pushing for a time line. Stagg felt it is the County's obligation to provide this.

**MOTION: To approve Resolution #2013-235, a resolution concerning Taos Health System, Inc. (Holy Cross Hospital) additional funding under the Hospital Funding Act.**

**Motion:** Councilor Stagg    **Second:** Councilor Wittman

**Passed:** 2-0.

**C. Consideration to Approve: Resolution #2013-236, A Resolution Authorizing and Approving Financial Assistance from the New Mexico State Highway and Transportation Department FY2012-2013, NMLGRT DOT Project SP-5-13(197)**

Schieber explained that this is the road co-op contract that the Village enters into each year. Monies for the project will be used for full construction with drainage improvements of various local roads.

**MOTION: To approve Resolution #2013-236, a resolution authorizing and approving financial assistance from the New Mexico State Highway and Transportation Department FY2012-2013, NMLGRT DOT Project SP-5-13 (197).**

**Motion:** Councilor Stagg    **Second:** Councilor Wittman

**Passed:** 2-0.

**D. Consideration to Approve: Resolution #2013-237 A Resolution Authorizing and Approving Submission of a Completed Application for Financial Assistance and Project Approval to the Water Trust Board and New Mexico Finance Authority.**

Fratrick stated that there are several water system upgrades that have been completed. In an effort to continue the Village water system upgrades, one of the next priorities is to construct the below grade two-hundred and fifty thousand (250,000) gallon water tank above the Kachina Village area. First and foremost, this tank and line system will provide the much needed fire suppression pressurization for Kachina Village area. It will also allow for water chlorination and contact time and water storage for the Village's entire water system.

Mayor Pro Tem Wiard asked why this grant request will be approved, since recent grant requests have been rejected because previous grant funds were not completely used. Fratrack said that this time the grant was written very specifically for fire suppression and the funds need to be encumbered.

**MOTION: To approve Resolution #2013-237, a resolution authorizing and approving submission of a completed application for financial assistance and project approval to the Water Trust Board and New Mexico Finance Authority.**

**Motion:** Councilor Stagg    **Second:** Councilor Wittman

**Passed:** 2-0.

**E. Consideration to Approve: Resolution #2013-238, A Resolution Authorizing and Approving an Extension to the Water Trust Board Loan #TAOS37, a Grant for Water System Improvements.**

The original amount of Water Trust Board (WTB) loan #TAOS37 was \$2,557,006.00, with an original date of January 15, 2010. The balance carried forward from fiscal year 2012 to 2013 on WTB Loan #TAOS37 was \$1,307,448.00. Village projects using the grant this year included: Pioneer Glade Tank, Kachina water tank lines, Lakefork "loop" line and Chlorination Station. This leaves approximately \$371,000.00 still not secured by bid or committed project.

Staff would like to use the remainder of the grant to fund the following upgrades: complete Kachina Water Tank lines, Bighorn Road "loop" line, and possibly upgrade the waterlines on Twining Road or core area. The Village had three years to utilize all of the funding and at this point, the \$371,000.00 is all grant money, which the Village will not have to pay back. On January 15, 2013 we will hit the three year mark. We would like to request a funding extension in order to utilize grant funding to complete the projects already in progress and/or bid and to pursue the additional projects mentioned.

**MOTION: To approve Resolution #2013-238, a resolution authorizing and approving an extension to the Water Trust Board Loan #TAOS37, a grant for water system improvements.**

**Motion:** Councilor Wittman

**Second:** Councilor Stagg

**Passed:** 2-0.

**F. Consideration and Approval of Memorandum of Agreement TT-13-111 in the Amount of \$30,000 Between the Village of Taos Ski Valley and the Town of Taos for the Purpose of Providing Transportation Service for the 2012-2013 Ski Season.**

This is the agreement that the Village considers each year with the Town of Taos to provide a ski shuttle bus service. The Town of Taos would provide full bus service from December 14, 2012 through March 30, 2013 and limited service March 31, 2013 through April 7, 2013. The Village would agree to pay \$30,000.00 in two installments of \$15,000 each.

**MOTION: To approve the Memorandum of Agreement TT-13-111 in the amount of \$30,000 between the Village of Taos Ski Valley and the Town of Taos for the purpose of providing transportation service for the 2012-2013 ski season.**

**Motion:** Councilor Stagg

**Second:** Councilor Wittman

**Passed:** 2-0.

**XIII. MISCELLANEOUS:**

None

**XIV. CLOSED EXECUTIVE SESSION – Pending Litigation**

**MOTION: To go to closed executive session to discuss pending litigation.**

**Motion:** Councilor Stagg

**Second:** Councilor Wittman

**Passed:** 2-0.

**MOTION: To return to open session. Nothing was discussed except pending litigation. No decisions were made and no votes were taken.**

**Motion:** Councilor Wittman

**Second:** Councilor Stagg

**Passed:** 2-0.

- XV. ANNOUNCEMENT OF THE DATE, TIME AND PLACE OF THE NEXT MEETING OF THE VILLAGE COUNCIL.**  
The next meeting of the Village Council will be held on Tuesday, December 4, 2012, 2:00 p.m., at the Edelweiss Lodge and Spa Conference Room.

**XVI. ADJOURNMENT**

**Motion: To adjourn the meeting.**

**Motion: Councillor Staggs**

**Second: Councillor Wittman**

**Passed: 2-0.**

Barbara L. Wiard, Mayor Pro Tem

Vanessa Chisholm, Village Clerk