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**VILLAGE COUNCIL REGULAR MEETING
DRAFT MINUTES
EDELWEISS LODGE CLUB ROOM
TAOS SKI VALLEY, NEW MEXICO
TUESDAY, FEBRUARY 14, 2017, 2:00 P.M.**

1. CALL TO ORDER & NOTICE OF MEETING

The regular meeting of the Village of Taos Ski Valley Council was called to order by Mayor King at 2:00 p.m. The notice of the meeting was properly posted.

2. ROLL CALL

Ann Wooldridge, Village Clerk, called the roll and a quorum was present.

Governing body present:

Mayor Neal King
Councilor Kathy Bennett
Councilor Christof Brownell
Councilor Chris Stagg
Councilor Tom Wittman, Mayor Pro Tem

Staff present:

Village Administrator Mark Fratrack
Village Clerk Ann Wooldridge
Finance Director Nancy Grabowski
Public Works Director Ray Keen
Police Chief Andrew Bilardello
Building & Construction Director Bill Jones
Planner Adrienne Anderson
Administrative Assistant Renee Romero
Administrative Assistant Ruth Martin
Village Attorney Dennis Romero

3. APPROVAL OF THE AGENDA

Councilor Stagg asked to move item 13.D. to after item 4.

MOTION: To approve the agenda as amended

Motion: Councilor Wittman Second: Councilor Bennett Passed: 4-0

4. APPROVAL OF THE MINUTES OF THE JANUARY 17, 2017 REGULAR VILLAGE COUNCIL MEETING

MOTION: To approve the minutes as presented

Motion: Councilor Wittman Second: Councilor Stagg Passed: 4-0

13. D. Update and Consideration to Approve Recommendations for Wastewater Treatment Plant Upgrade

Financing Options, Presentation by Brad Angst with George K. Baum

Brad Angst with G. K. Baum & Associates said that he is concerned that the hold harmless option may be repealed and that they are working to allow it to continue to be used. He estimates that the Village could receive an additional \$150,000 annually if put in to place. G. K. Baum is also working with Chaz Rockey on a \$3 million grant application through the NCMEDD. These efforts are being made to avoid, as much as possible, relying on the Village's annual budget to pay for the proposed treatment plant improvements. The necessary financing of \$2 ½ - 3 million appears to be the least expensive through the USDA Rural

Development program. The project must be near completion in order to obtain the loan, however, so it will be necessary to put in place something for the interim period, such as a construction loan. Once the hold harmless is put in place and pledged to an existing debt, such as the NMFA loan or the CWSRF loan, the Legislature would not be able to take it away. The gross receipts created through the hold harmless tax would go entirely to the Village and not to the TIDD. It appears that the State is not in favor of allowing municipalities to increase their revenues.

5. PRESENTATION BY TOWN OF TAOS DIRECTOR OF MARKETING & TOURISM KARINA ARMIJO ON PROCESS OF WORKING WITH AIRBNB

Ms. Armijo was not available to attend the meeting today. She will hopefully be able to attend next month.

6. PRESENTATION BY HOLY CROSS HOSPITAL CEO BILL PATTEN ON CRITICAL ACCESS HOSPITAL

Holy Cross Hospital (HCH) CEO Bill Patten explained that “Critical Access Hospital” (CAH) is a designation given to certain rural hospitals by the Centers for Medicare and Medicaid Services (CMS). This designation was created by Congress in the 1997 Balanced Budget Act in response to a string of hospital closures in the 1980’s and early 1990’s. The CAH designation is designed to reduce the financial vulnerability of rural hospitals and improve access to healthcare by keeping essential rural services through cost-based Medicare reimbursement. CAH status would require the hospital to comply with a certain set of regulations, one of which is that no more than 25 acute inpatient beds be used for services. The current license is for 29 acute beds, although for the last year the average inpatient census was 14.3 and for this year to date has been 12.9. During the last two years, there have never been more than 25 inpatients. Additional beds used for observation would be allowed. The biggest advantage of being designated as a CAH is that the hospital would be paid based on a cost-based reimbursement model, which has the potential to increase the net revenues. The current reimbursement to the hospital from Medicare to provide services to patients is only 34% of what the hospital charges and only 79% of the hospital’s cost. With the new CAH designation, the hospital would be able to increase billable amounts and would get money back on money spent on infrastructure in a capital credit. Patten said that in several respects, Holy Cross Hospital is already functioning like a CAH hospital and that financially and clinically, there is no apparent advantage to remaining a Prospective Payment System (PPS) hospital. The majority of the HCH staff voted for the hospital to convert to a CAH. The Board of Holy Cross Hospital directed Patten to begin the process to convert to CAH status, and to reach out to the community and educate people.

7. CITIZEN’S FORUM

No one spoke at the citizens’ forum.

8. FINANCIAL REPORTS

Director Grabowski reported that GRT remitted to the Village in January was \$142,636.32 compared to \$224,614.99 for January last year. Total year to date is \$738,813.66 versus last year’s \$699,710.93, which is an increase of 7%. The TIDD received a distribution in January for November GRT of \$253,042.50. Lodger’s tax collections were \$52,006 versus \$53,807 for last year. Totals year to date are \$99,079 versus last year’s \$108,027, which is a decrease of 8%. Property tax collections are now caught up, and \$400,000 has been paid by TSVI towards the system development fees and impact fees for The Blake.

8. COMMITTEE REPORTS

A. Planning and Zoning Commission – P&Z met on Monday, February 6, 2017 at 1:00 p.m. at the Edelweiss Lodge Club Room. Commission Chair Wittman reported on the following agenda items:

- The resolution to adopt the open meetings act requirements was approved.
- The comprehensive plan was reviewed. Planner Anderson asked for final comments within two weeks. Hopefully, the plan will get approved in March.
- Building & Construction Director Jones reported that new Verizon antennas will be placed on the roof of the Kinderkafig. This will not require approval by the P&Z Commission because the antennas are not free standing, and there have already been antennas at this location for several years. The next P&Z meeting is scheduled for Monday, March 6, 2017 at 1:00 p.m. at the Edelweiss Lodge Club Room. (Note: This meeting was later cancelled.)

B. Public Safety Committee – The Public Safety Committee met on February 6, 2017 at 10:30 a.m. Councilor Bennett reported on agenda items discussed:

- The firearms ordinance will be brought to the Council soon for a first reading.
- An ordinance concerning off-road vehicles is still being worked on.
- The text interactions application will be put in to use soon.

C. Firewise Community Board of Directors - The Firewise Community Board of Directors met on February 6, 2017 at 9:00 a.m. Councilor Bennett reported on agenda items discussed:

- Jack Lewis from the US Forest Service Questa Ranger District office attended to discuss the thinning projects taking place next summer on State Road 150, especially at the campground areas.
- A meeting will be held on March 27, 2017 at 4:00 p.m. at the Columbine Inn Conference Center with representatives from the Nature Conservancy and the Rio Grande Watershed Coalition to discuss tree thinning in Amizette this summer. Councilor Bennett said that the Village of Taos Ski Valley is a good testing place because of the amount of privately and publicly held land.
- The Village Evacuation Plan will need to be revised to make the central meeting location Tenderfoot Katie's from the Kinderkafig, as construction will be taking place at the Kinderkafig this summer.
- The Community Wildland Protection Plan (CWPP) was approved by the State.

The next meetings of the Public Safety Committee and the Firewise Board are scheduled for March 6, 2017 at the Edelweiss Lodge at 9:00 a.m. and 10:00 a.m., respectively.

D. Parks & Recreation Committee – the committee will be meeting at the end of February or early in March.

E. Lodgers' Tax Advisory Board – no report

9. REGIONAL REPORTS

Councilor Bennett reported that the Landfill Board had not met in December or January, but will be meeting on February 16, 2017. The Board is gathering information from municipalities on their costs for recycling.

10. MAYOR'S REPORT

Mayor King reported on the following items:

- Village staff is starting to work on projections for the FY 2018 budget. As part of the process, water and sewer rates will be analyzed.
- A budget workshop will be held in April or May in order to get preliminary discussions on the FY 2018 budget. The draft budget must be submitted to the DFA by June 1, 2017.
- A meeting sponsored by the Rivers & Birds organization will take place on February 21, 2017, where Representative Martin Heinrich will speak about the importance of keeping public lands public. Mayor King will attend and speak in support.
- Mayor King reiterated the importance of getting items for Council meetings to Clerk Wooldridge in a timely manner the week before the monthly Council meeting.

11. STAFF REPORTS

Mark Fratrack, Village Administrator reported on ongoing projects:

- Townsite Act – Administrator Fratrack attended a meeting with the U.S. Forest Service concerning Red River's request for donation of land for its treatment plant through the Townsite Act. This is the same process that the Village of Taos Ski Valley is undergoing. An update on the timeline and progress on the process is scheduled for February 28, 2017.
- Taos Mountain Lodge – Director Jones and Building Inspector Willson met with the NM Department of Transportation (NMDOT) District Engineer concerning the placement of holding tanks on the property and to discuss the possibility of possible sewer line extension to the Taos Mountain Lodge. The NMDOT is

supportive of the Village moving forward with the installation of sewer lines in Amizette before the DOT conducts re-paving of State Road 150. If the sewer lines were extended to Amizette, provisions structures would not be required to hook up to the new sewer lines. FEI Engineers is working on a water and sewer line design for Amizette.

- Kachina Water Tank or a possible 5 million gallon water tank – Fratrack said that the planned 250,000 gallon Kachina water tank is ready to go out for bid in the spring. Construction could begin in late spring or early summer. Fratrack spoke with the Water Trust Board (WTB) about some of the concerns with the possible 5 million gallon tank. The next WTB meeting is April 2017. If the Village intends to move forward with the alternative 5 million gallon tank, all questions must be answered by that time.
- WWTP/WWTP Financing Options – Interim upgrades are approximately 90 - 95% complete; only a control valve remains to be installed. At the beginning of March, the Environment Information Document required for compliance with the National Environmental Policy Act (NEPA) may be released. A 45 day review period is required, followed by a public meeting in late April.
- Ernie Blake Road – Administrator Fratrack has had various discussions with the contracted appraiser. He will be meeting with Attorney Romero and the appraiser to discuss the best process to use going forward.

Department Briefs

- **Department of Public Safety Update.** Fire Chief Mitch Daniels thanked the Village Public Works staff for their assistance in plowing Village roads and State Road 150 during a recent snow storm. There were three EMS calls that required access to Mogul Medical on Sutton Place and also required access to the Sierra del Sol Condominiums. The EMS department would not have been able to respond to the calls if the Public Works crew had not been available for emergency plowing. In addition, a bus of skiers going to the Snakedance Condominiums was stuck on State Road 150 and the Public Works staff assisted in getting the bus up to the Village. Chief Daniels also noted that there have been many false alarms from carbon dioxide detectors and security alarms.
- **P&Z Update:** Director Jones said that more new wireless communications towers will be in place by next winter.
- **Public Works Update:** Director Keen reported that he is working with TSVI on plowing and other items.
- **Village Clerk:** Clerk Wooldridge reported that water rights reporting for calendar year 2016 had been completed. The Village used 72% of its allowance of consumptive use, and 55% of diverted use for the year.
- **Legal Update:** Attorney Romero reported that the new liability waiver was complete, to be used by the Public Works and Public Safety Departments when assisting citizens with vehicles.

12. OLD BUSINESS

A. PUBLIC HEARING: Consideration to Approve Ordinance No. 2017-60 An Ordinance Adopting a Municipal Hold Harmless Gross Receipts Tax

One of the funding options to pay for the wastewater treatment plant improvements is for the Village to adopt a 3/8 of a percent GRT increase in accordance with the New Mexico Gross Receipts and Compensating Act, which would be referred to as the “municipal hold harmless gross receipts tax”. This ordinance was introduced at the January Council meeting.

PUBLIC HEARING: Mayor King opened the hearing. No one spoke in favor of the Ordinance. No one spoke against the Ordinance. The public hearing was closed.

The proceeds of this type of tax go towards paying down debt service on a loan. According to the language in the Master Development Agreement, none of the proceeds would go to the TIDD. There is concern that the addition of this tax would be detrimental to tourist business by making the Village’s tax rate too high.

MOTION: To Approve Ordinance No. 2017-60 An Ordinance Adopting a Municipal Hold Harmless Gross Receipts Tax

Motion: Councilor Wittman

Second: Councilor Bennett

Passed: 4-0

13. NEW BUSINESS

A. Consideration to approve Resolution No. 2017-325 A Resolution Concerning Governing Body Meetings and Public Notice Required

Required annually by the State of New Mexico, this is the open meetings act that governs when and how meetings will be conducted. Language has been added to this resolution to say that posting of the agendas in public places will include posting to the Village's web site.

MOTION: To Approve Resolution No. 2017-325 A Resolution Concerning Governing Body Meetings and Public Notice Required

Motion: Councilor Stagg

Second: Councilor Brownell

Passed: 4-0

B. Consideration to approve Resolution No. 2017-326 A Resolution Supporting House Bill 266 of the 2017 Regular Legislative Session Relating to Occupancy (Lodgers') Tax

The NM City Managers Association and the New Mexico Municipal League (NMML) are requesting support of House Bill 266 which would strike the exemption (G) from 3-38-16 NMSA 1978. The portion of the act that would be stricken from the Statutes is:

"G. if the vendor does not offer at least three rooms within or attached to a taxable premises for lodging or at least three other premises for lodging or a combination of these within the taxing jurisdiction."

Administrator Fratrack explained that this bill is very general and not necessarily related to collecting lodgers' tax from entities such as Airbnb. Village Staff is pursuing getting a contract in place with Airbnb.

MOTION: To Approve Resolution No. 2017-326 A Resolution Supporting House Bill 266 of the 2017 Regular Legislative Session Relating to Occupancy (Lodgers') Tax

Motion: Councilor Stagg

Second: Councilor Wittman

Passed: 4-0

C. Consideration to approve Resolution No. 2017-327 A Resolution Supporting House Bill 63 of the 2017 Regular Legislative Session, The "County and Municipal Fuels Tax Act"

The NM City Managers Association and NMML are requesting support of House Bill 63 which authorizes Counties and Municipalities to impose a tax on retail sales of gasoline and special fuel within their jurisdictions. That tax would only be available to be utilized for work on highways (see definition below) and bridges. The adoption of this resolution may not affect the Village of Taos Ski Valley.

G. "highway" means every road, highway, thoroughfare, street, alley or way, including toll roads, generally open to the use of the public as a matter of right for the purpose of motor vehicle travel and regardless of whether it may be temporarily closed for the purpose of construction, reconstruction, maintenance or repair;

MOTION: Resolution No. 2017-327 A Resolution Supporting House Bill 63 of the 2017 Regular Legislative Session, The "County and Municipal Fuels Tax Act"

Motion: Councilor Stagg

Second: Councilor Wittman

Passed: 4-0

E. Consideration to approve Professional Services Contract Number VTSV-2017-08 between James Corbett and the Village of Taos Ski Valley

The contract with Mr. Corbett is for formatting and typesetting the Comprehensive Plan of 130 pages, 35 photos, 8 maps, and 16 tables into a professional draft ready for print or web application, and to finalize the Plan once comments are received and changes have been made. The contract amount shall not exceed \$2,560.00.

MOTION: To approve Professional Services Contract Number VTSV-2017-08 between James Corbett and the Village of Taos Ski Valley

Motion: Councilor Stagg

Second: Councilor Wittman

Passed: 4-0

F. Consideration to approve Professional Services Contract Number VTSV-2017-10 between Red Tail Surveying, Inc. and the Village of Taos Ski Valley

The Village of Taos Ski Valley and Red Tail Surveying, Inc. had a prior contract which recently expired. The parties would like extend the service contract, originally for drafting and surveying, to add the additional scope of GIS and computer services into the agreement. The new services will be used for reviewing current GIS data, training Village staff, and implementing the Geo Data base system. The contract amount will not exceed \$25,000. The contract would be reviewed annually and renewed if applicable.

MOTION: To approve Professional Services Contract Number VTSV-2017-10 between Red Tail Surveying, Inc. and the Village of Taos Ski Valley

Motion: Councilor Stagg

Second: Councilor Wittman

Passed: 4-0

G. Discussion and Consideration to Approve an Expenditure for a Paid EMS Responder On Call during Certain Busy Times

The EMS volunteers have discussed the possibility of having a paid responder on duty for Presidents' Weekend, at night. There is also the hope of having paid EMS responders over spring break. TSVI ski patrollers take care of emergencies during the day, but it is difficult on the few volunteers to cover all emergencies that may occur after hours. The main items to be worked out are getting these responders covered by the Village's liability and workers comp insurance, figuring out the source of funds to cover payment, and finding a place for the responders to sleep.

MOTION: To approve the expenditure for paid EMS responders for Presidents' Weekend as a test.

Motion: Councilor Wittman Second: Councilor Brownell

Clerk Wooldridge will look into insurance coverage, Finance Director Grabowski will look at the EMS budget of \$20,000, which is a transfer from the Village's General fund, and Chief Daniels will work towards formalizing the EMS department by drawing up a charter and bylaws. Ski Patroller Carl Gilmore, who started the Taos County EMS Department in 1985, will work with TSVI and others to provide accommodations for the responders.

The question was called: **Passed: 4-0**

H. Council Acknowledgement of the 2nd Quarter Financial data submitted to the Department of Finance, Local Government Division in January 2017

As per the Department of Finance Local Government Division, it is required to have quarterly financial information submitted no later than 30 days after the close of each quarter. Staff is submitting this report to the Council for its review and acknowledgement of the financial status of the Village as of December 31, 2016.

MOTION: To Acknowledge the 2nd Quarter Financial data submitted to the Department of Finance, Local Government Division in January 2017

Motion: Councilor Stagg Second: Councilor Brownell Passed: 4-0

I. Consideration to Approve Out of State Travel by Finance Director Nancy Grabowski to Denver, CO for the 111th Annual Government Finance Officers Association Pre-Conference and Conference May 19-24, 2017
The State requires that out-of-state travel be approved by Council. Director Grabowski provided information regarding the training and the classes she would be attending at the annual National Government Finance Officers Association Conference in Denver.

MOTION: To Approve Out of State Travel by Finance Director Nancy Grabowski to Denver, CO for the 111th Annual Government Finance Officers Association Pre-Conference and Conference May 19-24, 2017

Motion: Councilor Stagg Second: Councilor Wittman Passed: 4-0

14. MISCELLANEOUS

A. Chief Andy Bilardello had been unavailable to give his report earlier in the meeting. He said that the Public Safety Officers have been conducting more traffic stops on State Road 150 in an effort to slow down drivers. He said that officers were now using Slim Jims to help citizens get into their own locked vehicles, and using portable car jump starters for vehicles with dead batteries. Councilor Stagg advised that the Village police should be visible for safety, but not necessarily give out lots of tickets. The most important thing is for cars to slow down and be safe.

15. ANNOUNCEMENT OF THE DATE, TIME AND PLACE OF THE NEXT MEETING OF THE VILLAGE COUNCIL

The next regular meeting of the Village Council is scheduled for Tuesday, March 14, 2017, at 2:00 p.m., at the Edelweiss Lodge Club Room.

16. ADJOURNMENT

MOTION: To Adjourn.

Motion: Councilor Wittman Second: Councilor Brownell Passed: 4-0

The meeting was adjourned at 4:15 p.m.

Neal King, Mayor

ATTEST: _____
Ann M. Wooldridge, Village Clerk