



Village of Taos Ski Valley
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**VILLAGE COUNCIL REGULAR MEETING
DRAFT MINUTES
EDELWEISS LODGE CLUB ROOM
TAOS SKI VALLEY, NEW MEXICO
TUESDAY, MARCH 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 role and a quorum was present.

Governing body present:

Mayor Neal King
Councilor Kathy Bennett
Councilor Christof Brownell (entered during item 4)
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
Administrative Assistant Renee Romero
Administrative Assistant Ruth Martin
Village Attorney Dennis Romero

3. APPROVAL OF THE AGENDA

MOTION: To approve the agenda as presented

Motion: Councilor Wittman Second: Councilor Stagg Passed: 3-0

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

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

Ms. Armijo explained that the Town of Taos passed an ordinance requiring that owners of rental homes obtain a business registration with the Town, and that the homes be compliant with all fire codes. In addition, the Town of Taos has signed an agreement with Airbnb requiring Airbnb to remit lodgers' tax to the Town on rentals within town limits that use the Airbnb service. She reported that approximately 6% of the Town's total lodgers' tax collected comes from Airbnb rentals. According to a recent economic impact report, 25% of lodgers are staying at short-term rentals and these may not be generating the GRT that lodging at hotels would create. The short-term rental properties are benefitting from money spent on advertising, so it is only fair that they should be contributing towards lodgers' tax and GRT.

She said that the feel of a neighborhood can change when short-term rentals are conducted, so the Town is considering creating a short-term overlay zone in which either no short-term rentals would be allowed, or the number of days would be limited. Also, a determination could be made that if a person owns more than one home, then the second home would be considered a business.

Ms. Armijo brought printed reports from the Airbnb web site showing how many properties were being rented as short-term rentals in the Village of Taos Ski Valley, and how much potential income was being created from these rentals. Village Staff will look at the Airbnb web site to identify homes being rented, and pursue obtaining business registrations and lodgers' tax remittances from these properties. The Village may, at some point, look into entering in a contract with Airbnb.

6. CITIZEN'S FORUM – Limit to 5 minutes per person (please sign in)

A. David Norden, CEO of Taos Ski Valley, Inc., spoke about the six-day extension of the ski season, and the Community give-back days where money will be raised for the Taos Community Foundation from lift ticket sales. He announced the major renovation of the Kinderkafig this summer, and the installation of two new pulse gondolas, one heading from the Kinderkafig up to the Village core area, and the other from the Kinderkafig to just above the Hotel St. Bernard. Strawberry Hill will be regraded to allow for better beginner terrain. A new detachable quad lift will be planned for installation up Al's Run in 2018. Mr. Norden also announced the new designation of TSV, Inc. as the first ski area to become a Certified B Corporation, indicating a socially responsible and environmentally responsible way of doing business. The spring break skier days peaked on March 13th and 14th this season, with more than 600 children signed up for programs at the children's center. Next year, a new "Zia" pass will be introduced, for 18 - 29 year olds, at a reduced rate of \$350. The season passes are now on sale for the 2017-2018 season, with the best pricing available until April 13, 2017. A solution will be sought related to some issues with the parking lot drainage, and options for a new tubing location are being explored. The snow-making equipment will become automated for next ski season. He said that there will be four contractors working on Strawberry Hill this summer, to conduct stream restoration, to install the new lifts, to regrade the ski slopes, and to remodel the Kinderkafig.

Mr. Norden also announced that the Taos Ski Valley Foundation recently donated \$250,000 to the Rio Grande Water Fund's restoration program.

7. FINANCIAL REPORTS

Director Grabowski reported that GRT remitted to the Village in February was \$187,613 compared to \$103,161 for February last year. Total year to date is \$926,426 versus last year's \$802,871, which is an increase of 16%. The TIDD received a distribution in February for December GRT of \$27,479. Lodger's tax collections were \$57,922 versus \$72,513 for last year. Totals year to date are \$157,001 versus last year's \$180,541, which is a decrease of 13%. Water/sewer revenues continue to be up, but only by 2.4% over last year. Property tax collections are up by 11.6%.

The Public Works department is short by one employee, and this position will be advertised soon. The Planner is no longer with the Village.

A. Acknowledgement of FY 2016 Audit Report and Lodger's Tax Audit Report, presentation by Burt & Company CPAs, LLC

Christopher Schmitz, who conducted the Village, TIDD, and Lodgers' Tax audits, reported that the Village had an unmodified audit, which means that the financial statements "give a true and fair view" and that the organization under audit has been in accordance with all requirements. He said that they made a change to qualify water rights and easements as being non-depreciable items. They conducted audits of two entities paying lodgers' tax, and found that one entity had overpaid, the other's books were fine.

MOTION: To approve the FY 2016 Village Audit

Motion: Councilor Stagg

Second: Councilor Wittman

Passed: 4-0

8. COMMITTEE REPORTS

A. Planning and Zoning Commission – P&Z did not meet in March. Commission Chair Wittman reported that the next meeting, to review the final draft of the comprehensive plan, would be held on April 3, 2017 at 1:00 p.m. at the Edelweiss Lodge Club Room.

B. Public Safety Committee – The Public Safety Committee met on March 6, 2017 at 9:00 a.m. Councilor Bennett reported on agenda items discussed:

- The firearms ordinance, which is being presented for a first reading at today’s Council meeting
- An off-road vehicle ordinance, which is also being presented today as an introduction

C. Firewise Community Board of Directors - The Firewise Community Board of Directors met on March 6, 2017 at 10:30 a.m. Councilor Bennett reported on agenda items discussed:

- A meeting will be held on March 27, 2017 at 3:00 p.m. (new time) 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
- The Village Evacuation Plan needs to be revised to make the central meeting location Tenderfoot Katie’s instead of the Kinderkafig, as construction will be taking place at the Kinderkafig this summer.
- A Firewise Community Education Day will not be held this year

The next meetings of the Public Safety Committee and the Firewise Board are scheduled for April 10, 2017 at the Edelweiss Lodge at 9:00 a.m. and 10:30 a.m., respectively. (Note: these were later changed to April 3, 2017, at 10:00 a.m. and 11:00 a.m., respectively.)

D. Parks & Recreation Committee – the committee will be meeting soon to make summer plans

E. Lodgers’ Tax Advisory Board – a meeting will be scheduled soon

9. REGIONAL REPORTS

Councilor Bennett reported that the Landfill Board met to discuss ongoing litigation. Plans for mediation are being stalled by the fact that the Town of Taos does not currently have an attorney on staff. The Town of Taos is concerned about the high cost of running the recycling program, and is looking at options. The Intergovernmental Council met, and discussed the new gross receipts tax, which will go towards Central Dispatch. The IGC Mayors will meet to discuss E911 programs.

10. MAYOR’S REPORT

Mayor King reported on his work towards analyzing data on the current and projected water and sewer revenues in order to set the next fiscal year’s rates. He is also assisting staff in drafting the FY 2018 Village budget.

11. STAFF REPORTS

Mark Fratrack, Village Administrator reported on ongoing projects:

- Townsite Act – Administrator Fratrack had a conference call update with the Forest Service and the Town of Red River on progress. He learned that letters of notification have been sent out to all of the involved utility companies, as well as to Congressional members and Native American tribal members. Hopefully, the Forest Service will work on the Village’s Townsite process, now that Red River’s is complete. The contact person at the Forest Service will be out on leave for four months, but the Forest Service personnel assured Fratrack that the remainder of the staff would handle this project moving this forward.
- Taos Mountain Lodge – Director Jones is researching some suggested alternatives to running a sewer line to the Taos Mountain Lodge in Amizette. Administrator Fratrack said once again that if sewer lines were extended to Amizette, no existing structures would be required to connect to the lines.
- Kachina Water Tank or a possible 5 million gallon water tank – The joint venture on constructing a 5 million gallon tank will not be pursued. Fratrack said that the planned 250,000 gallon Kachina water tank is ready to go out for bid soon.
- WWTP/WWTP Financing Options – Obtaining funding through the USDA appears to be the lowest cost option, and provides the most favorable terms. Staff has initiated the application process.
- Ernie Blake Road – There may be a need for a specialized legal counsel regarding easement and right-of-way issues.
- Improvements to Strawberry Hill – TSVI will be making some upgrades to Strawberry Hill, which includes some excavation and leveling of the beginner hill. Because of the re-grading, the Village is considering replacing a water line and a sewer line at the same time.

Department Briefs

- **Department of Public Safety Update.** Fire Chief Mitch Daniels reported that there has been good cooperation between EMS and TSVI during recent medical emergencies requiring helicopter transport of patients. He also noted great cooperation during a recent Search and Rescue mission, which involved the State of New Mexico Search and Rescue agency. Chief Daniels said that having some paid EMTs staying overnight during spring break and holiday weekends has worked well, though there hasn't been a lot of activity, which is a good thing. David Norden with TSVI thanked the Village EMS and Public Safety staff for working with them.
- **P&Z Update:** Director Jones said that he is investigating the idea of a sewer package plant for the Taos Mountain Lodge, however it is very large to fit on that property. Also, the EPA is not in favor of many properties having these kinds of plants in Amizette. There would also be strict discharge regulations, similar to the Village treatment plant's discharge requirements.
- **Village Clerk:** Clerk Wooldridge said that the NMML District 2 meeting would be held on April 11, 2017, the same date as the Council would normally be scheduled. If any of the council would like to attend, then the next Council meeting could be rescheduled.

12. OLD BUSINESS

13. NEW BUSINESS

A. PUBLIC HEARING: Notice of the Village of Taos Ski Valley's Intent to Apply for Federal Funds for Financial Assistance with the USDA Rural Development to Develop Improvements to the Wastewater Treatment Plant

The Staff has been working with FEI Engineering Consultants, G.K. Baum Investment Bankers, and the USDA for funding requirements for the wastewater treatment plant improvement and upgrades. After considering many financial options, the USDA appears to offer terms that best suit the Village. The Village would be able to fund \$6,500,000, over a 40 year period, at an interest rate of 3.375%. The Village can lock in the terms in the near future and then have five years to utilize the funding to complete the project. The forecasted start of the project is spring of 2018, with an anticipated two years to complete. The Council was available for public comments.

B. Introduction: Ordinance No. 2017-61 An Ordinance allowing the use of Recreational Off-Highway Vehicles, under specific Guidelines and Restrictions, on Paved and Dirt Roads and Roadways inside the Village Limits of Taos Ski Valley

State Bill 270, passed in the last Legislative session, is an act relating to and allowing Recreational Off-Highway Vehicles (OHVs) to drive on paved roads. The bill states that a local authority may establish separate speed limits and operating restrictions for OHVs. The Village Public Safety Committee has been working on an off-highway vehicle ordinance that is relevant to the terrain and layout of the Village. It was decided that Attorney Romero and Councilor Bennett would review that language in the ordinance once again as some of the wording was ambiguous. The Public Safety Committee will review it once again before it is brought back to the Council.

C. Introduction: Ordinance No. 2017-62 An Ordinance Relating to the Use of Deadly Weapons and All Firearms Within the Village Limits, Base Area and on Public and Private Lands

This ordinance relates to the use of deadly weapons and all firearms within the Village limits. Although it does not violate an individual's rights under the second amendment of the Constitution, it does state that all New Mexico State laws pertaining to the use of firearms and hunting laws shall be strictly enforced within the limits of the Village of Taos Ski Valley.

For this ordinance also, it was decided that Attorney Romero and Councilor Bennett would review that language in the ordinance once again as some of the wording was ambiguous. The Public Safety Committee will review it once again before it is brought back to the Council.

D. Introduction and Discussion of the Concept of a Base Area Plaza Easement Dedication by TSVI and Parcel G Development LLC to the Village, as an alternative to Ownership Transfer

According to the Master Development Agreement (MDA) between VTSV, TSVI, and the TIDD, all components of the Public Infrastructure Project shall be dedicated and conveyed to the Village. At previous Council meetings, Village Council, Staff, and community members posed concerns to TSVI in regards to the

Village assuming ownership of the new plaza area around The Blake, both the land and the improvements. In response to these concerns, TSVI has come up with an alternative approach which would address those concerns and would still qualify the plaza for TIDD financing. TSVI would maintain ownership of the plaza space and grant the Village an easement for unrestricted public access. In this scenario, TSVI would assume all liability risk associated with ownership of the plaza, the Village would make an annual financial contribution towards the operation and maintenance of the easement area, and the amount of the contribution would be fixed with an adjustment for inflation every five years. TSVI would assume the risk associated with fluctuating operating costs from year to year. Sutton place and associated sidewalks would still be dedicated to the Village at the appropriate time.

E. Consideration to approve Out-of-State Travel to Lake Tahoe and San Francisco, California, from March 26 through 29, 2017, by Public Works Director Ray Keen to Field-inspect Equipment
The State requires that out-of-state travel be approved by Council. This request provides Village Council with more information for on-site review of Multihog models and attachments. This vehicle has a narrow width and small turn radius and is designed for safe use in confined areas. The equipment would be suitable for taking care of Sutton Place as well as other areas of the Village, both during the ski season and in summer. Given the cost of the unit and attachments, Keen proposed a visit to the nearest distributor to review the equipment in the field before making a final determination on its overall merits.

MOTION: To approve Out-of-State Travel to Lake Tahoe and San Francisco, California, from March 26 through 29, 2017, by Public Works Director Ray Keen to Field-inspect Equipment

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

14. MISCELLANEOUS

- A.** Bill Sullivan announced the sad news about the passing of long-time homeowner Orval Jones.
- B.** The NM Association of Counties will be holding their annual meeting in Taos this summer, and are considering holding an event at Taos Ski Valley. Councilor Stagg said that he thought that TSVI representatives were in contact with the association, but he would double-check.
- C.** The Legislative Finance Committee will also be holding an event here in August.

15. CLOSED EXECUTIVE SESSION

- A.** Discussion of Possible Litigation in Regards to Land Acquisition adjacent to Ernie Blake Road
This matter may be discussed in closed session under Open Meetings Act exemption 10-15-1(H) (7)
- B.** Discussion of Limited Personnel Matters
This matter may be discussed in closed session under Open Meetings Act exemption 10-15-1(H) (2)

MOTION: To go to Closed Executive Session

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

MOTION: To return to Open Session

No decisions or motions were made during closed session.

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

16. Approval of Professional Service Contract for Legal Services in connection with the Appraisal of Property for Ernie Blake Road Realignment

MOTION: To Approve of Professional Service Contract for Legal Services in connection with the Appraisal of Property for Ernie Blake Road Realignment

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

17. ANNOUNCEMENT OF THE DATE, TIME & PLACE OF THE NEXT MEETING OF THE VILLAGE COUNCIL

The next regular meeting of the Village Council is scheduled for Tuesday, April 11, 2017, at 2:00 p.m., at the Edelweiss Lodge Club Room. The Council Budget Workshop will be held that same day, at 9:00 a.m.

18. ADJOURNMENT

MOTION: To Adjourn.

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

The meeting was adjourned at approximately 5:45 p.m.

Neal King, Mayor

ATTEST:_____
Ann M. Wooldridge, Village Clerk