

LINCOLN COUNTY SPECIAL DISTRICTS COMMISSION

MINUTES FOR A MEETING ON AUGUST 27, 2004

Chairman Fred Hansen called the meeting to order.

Chairman Hansen appointed Donna Keith as the secretary for the meeting.

Donna Keith placed on the tape the date of August 27, 2003, the time of 1:06 and the location as the Sierra Room at the Alto Lakes Golf and Country Club clubhouse.

Fred Hansen introduced the five members of the commission. They are:

- Ray Nunley, Village Councilor of Ruidoso
- Maury St. John, County Commissioner of Lincoln County
- Earl Hobbs, County Commissioner of Lincoln County
- William Martin, Village Councilor of Capitan
- Fred Hansen, Resident of Alto Village

Fred Hansen introduced Attorney Alan Morel as legal council for the Special Districts Commission.

Fred Hansen stated that the statute requires written notice to speak but that unless there was objection anyone wishing to speak would be allowed to do so. There was no objection.

Those wishing to speak were asked to introduce themselves. They were

- Earl Adamy – A member of the organizing Committee.
- Dan Knorr – A member of the organizing committee and President of Alto Lakes Water Corporation.

Others in attendance introduced themselves as follows:

- Tom Stewart – Lincoln County Manager
- Bob Miller – Mayor of Ruidoso Downs
- John Whitehead – General Manager of Alto Lakes Water Corporation
- Dee Brewington - Administrative Assistant, Alto Lakes Water Corporation
- Don Brewer – Alto Resident
- Mickey Casey – Alto Property Owner
- Charles Rennick – Village of Ruidos
- Rob Hause – Assistant Manager, Alto Lakes Golf and Country Club.

Chairman Hansen declared that all members were present and that the notice of the meeting had been properly published as required by law in the Ruidoso News and the Lincoln County News.

Chairman Hansen read the minutes of the Special Districts First meeting on July 22. Ray Nunley moved approval of the minutes, seconded by Maury St. John and the motion was approved unanimously.

Chairman Hansen stated that the first item on the published agenda was complete with the appointment of Donna Keith as the Secretary of the meeting.

Chairman Hansen then stated that because Alan Morel had to leave about 2:00 pm he would like to take item three, Discussion of Special District Procedures, next and then take items II and IV if there was no objection.

There being no objection Alan Morel introduced himself as an attorney and that he had agreed to provide legal counsel to the commission and also that he is the attorney for the Lincoln County Commission.

Attorney Morel discussed the New Mexico statutes sections 4-53-1 thru 11 that apply to this commission.

Attorney Morel stated that to cure a potential defect he had filed a motion and order with 12th Judicial District Karen Parsons asking that Judge Parsons authorize the use of the Alto Lakes Golf & Country Club Facilities for this hearing and related meetings. Judge Parsons has signed that order and therefore has legally authorized the use of the Alto Lakes Golf and Country Club Clubhouse for this meeting and public hearing.

Attorney Morel pointed out that at this meeting the Commission could approve, disapprove or approve with conditions the petition to create the Alto Lakes Water and Sanitation District.

Attorney Morel stated that this would be a public hearing requiring sworn testimony. He also stated that the meeting would fall under the New Mexico open meetings laws.

County Manager Tom Stewart then administered the swearing in. Persons taking the oath were Earl Adamy, Dan Knorr and Charles Rennick.

Alan Morel pointed out that the Commission has 30 days in which to render a decision.

Answering a question from Commissioner St. John, Alan Morel recommended the Commission recess the meeting at the end of this session, even if a decision is made, in order to allow time for preparation of written findings of fact and conclusions of law to support the decision. Then the Commission can continue the meeting and approve the written documentation at a future date without a new notice.

Chairman Hansen declared that the Public Meeting open.

Chairman Hansen recognized Earl Adamy and Dan Knorr to make their presentation.

Earl Adamy and Dan Knorr made a presentation in support of the petition and touched on appropriate matters listed in the statute. The presentation consisted of a number of printed MicroSoft Power Point slides and those slides are included as Exhibit 1 to these minutes. A copy of the petition including a plat map on the back of the petition is included as Exhibit 2.

Earl Adamy discussed the history and factors leading to the petition to form a water and sanitation district.

Dan Knorr discussed the Alto Lakes Water Corporation master plan since it will be the master plan of the new Water and Sanitation District.

Earl Adamy discussed effects of the Water and Sanitation District inside the district.

Earl Adamy discussed effects of the Water and Sanitation District outside the district.

At the conclusion of the presentation Chairman Hansen ordered the printed presentation introduced into the record as Exhibit 1 and the Petition with plat map as Exhibit 2.

Maury St. John asked a question regarding the purchase price of Alto Lakes Water Corporation. Earl Adamy explained that the price is yet to be negotiated and must then be approved by the NMPRC and any indebtedness must be approved by the voters in the district.

Earl Hobbs asked a question concerning the location of future wastewater treatment facilities. Dan Knorr explained that he expects the location to be East of the Alto Village subdivision on roughly 20 acres. He also stated he expected the facility to be designed for low adverse impact on neighboring areas.

Fred Hansen asked if he was correct in his understanding that the voters will vote to elect the directors of the Water and Sanitation District and will have to approve any debt. Earl Adamy stated that the voters in the proposed Water and Sanitation District will first have to approve the formation of the Water and Sanitation District and then vote to elect its Directors and then vote to approve any debt in excess of five thousand dollars.

Next Chairman Hansen asked for any questions from others in attendance.

Don Brewer asked who makes up the voters of the Water and Sanitation District? Earl Adamy explained that only registered voters in the District voters will be entitled to vote on matters relating to the Water and Sanitation District. Earl Hobbs pointed out that Alto Lakes Golf and Country Club membership voting procedures are different and apart from the voting procedures involved with the Water and Sanitation District.

Mickey Casey asked about the situation wherein many of the Alto property owners will not have a vote since they are not registered voters. Earl Adamy explained that yes that is

the situation. Earl pointed out that this is no different then in Ruidoso where many property owners are not New Mexicans and therefore not registered voters.

Charles Rennick asked a series of questions regarding the Adamy-Knorr presentation and related matters. The questions generally asked for information concerning sources of water for the proposed district, available water rights, future expansion of the proposed district, details of the waste treatment plans and negotiations with other subdivisions to add them to the proposed water and sanitation district.

At this point Charles Rennick indicated he wished to prepare and submit written comments. Chairman Hansen indicated that the Commission might consider the request if it determines that it needs more information to make a decision.

Earl Hobbs asked additional questions regarding the potential locations of the future new waste treatment plant and the future new reverse osmosis treatment facility.

Dan Knorr and Earl Adamy answered the questions.

William Martin asked what will happen if the Water and Sanitation District is not approved. Earl Adamy explained that the needed improvements in the system including the deepening of wells might not be accomplished, as funding will be more difficult.

At this point there was no further discussion and Chairman Hansen declared the Public Meeting closed.

The members of the commission discussed alternative actions. Mr. Ray Nunley stated that he saw nothing but good resulting from the formation of the Water and Sanitation District and moved that the Alto Lakes Water and Sanitation District be approved.

Fred Hansen moved amended wording of Nunley's motion. The amended wording is as follows:

Based upon the documented evidence supplied and the testimony of the Alto Lakes representatives and additionally finding that the proposed district complies with or satisfies the factors set forth at NMSA 4-53-8 the Lincoln County Special Districts Commission approves the formation of the Alto Lakes Water and Sanitation District.

Hansen's motion was seconded by Earl Hobbs. The roll call vote to approve the amended wording of the motion was:

Ray Nunley..... Yes
Maury St. John Yes
Earl Hobbs Yes
William Martin Yes
Fred Hansen Yes

The roll call vote to approve the motion was:

Ray Nunley..... Yes
Maury St. John Yes
Earl Hobbs Yes
William Martin Yes
Fred Hansen Yes

Following discussion the Lincoln County Special Districts Commission voted to recess the meeting in order to allow time for preparation of written findings of fact and conclusions of law to support the decision and to continue the meeting via telephone if possible but in person if a telephone meeting is not possible, at 10:00 am on September 14, 2004.

The roll call vote to approve the motion to recess was:

Ray Nunley..... Yes
Maury St. John Yes
Earl Hobbs Yes
William Martin Yes
Fred Hansen Yes

The meeting recessed at 3:40 pm until September 14, 2004 at 10:00 am.

The meeting reconvened at 10:00 a.m. on September 14, 2004. Commissioners Mauury St. John and Commissioner William Martin were absent.

A draft of proposed findings of fact and conclusions of law were provided members of the commission for their review. After discussion and revisions, Commissioner Ray Nunley moved to approve, seconded by Earl Hobbs and approved by all three Commissioners present.

These minutes were submitted to the Commissioners present. Commissioner Ray Nunley moved to approve, second by Commissioner Earl Hobbs, and were approved unanimously by all three Commissioners present.

Submitted for Approval by: _____
Fred G. Hansen, Chairman

Date: _____

Approved by the Commission on _____

