

Minutes for Panoramic Access Special Road District (PASRD)

Special Meeting 03-15-22

Call to order

A special meeting of PASRD was held on March 15, 2022 by Zoom teleconference. It began at 7:05 pm and was presided over by Nyle Head with Whitney Lowe as secretary.

Attendees

Voting members in attendance: Nyle Head, Jim Becker, Whitney Lowe

Guests in attendance: Alex Head, Annie Wittenberg, Brian Bubak, Bruce Bowen, Deanna Jolly, Dennis McGregor, Risa Monroe, Jeremy, Kerry Quimby-Zenich, Mark Ruppert, Mark Kelly, Mel Bartels & Barb Bajec, Melissa Cretsinger, Mike Baynes, Ronnie Duff, Roy Rathja, Sheila Gannon, Karen Waddell, Steven Johnson, Tonya Rollins, Wil Hansen, Elise Wolf

Details of the meeting conversations can be reviewed on the audio recording of the meeting g which is available at: <https://bit.ly/3qc1FFI>

Agenda Items

1. Update and decision on the validation process

The board noted that even with a likely positive finding from the validation process, the potential costs of moving through litigation and tying the decision up in the courts with potential appeals was not in the financial interest of the district.

Motion

It was moved, seconded and approved to dismiss the validation process.

2. Alternative options for funding project

Since the last board meeting two proposals have been submitted to the board for alternative funding options. One proposal was submitted by Mark Ruppert and one by Lee Lucas. Each of them was asked to present the details of their proposals to the community for consideration and input.

Mark Ruppert gave an overview of his proposed plan for the road project. The key details are included below:

Overview of the Prepayment, Loan, & Financing option:

- Prepayment fund:

- Community members would be given the option to prepay their designated portion of the road improvement project (total cost of the project split equally amongst all lot owners in the community).
- Current estimate of that cost to be somewhere between \$6000 - \$7000.
- Prepayment funds would be put into one fund.
- Loan fund:
 - A second fund would be created to acquire the remaining costs of the road project through a community loan program created for this purpose.
 - Community members would be asked to loan money to the road district to make up the remaining cost of the project.
 - The proposed interest rate for those loaning funds is 9%.
- Installment plan:
 - An installment plan would be created for those who did not pre-pay their project amounts.
 - Installment plan participants would have 10 years to pay their portion of the road project and the accumulated interest.
 - The interest rate for the installment plan would be an estimated 9%.
 - Costs of the installment plan to each participant would vary based on how regularly and how much the person paid into the plan.
 - Example: \$7000 cost paid monthly at \$89 for 10 years would result in an estimated \$3641 in interest. This number could be reduced significantly if higher payments were made.
 - There would be no prepayment penalty, with anyone having the option of paying their costs sooner.

Lee Lucas gave an overview of his proposed plan for the road project. The key details are included below:

- Prepayment fund:
 - Community members would be given the option to prepay their designated portion of the road improvement project (total cost of the project split equally among all lot owners in the community).
 - Current estimate of that cost to be somewhere between \$6000 - \$7000.
 - Prepayment funds would be put into a holding account.
- Road development based on funds available.

- The board and road contractor would determine how much of the road improvement could be accomplished using the money acquired in this first round of funding.
- Roads improved based on need and usage:
 - Traffic patterns, usage, and largest number of lots served would determine which roads were to be improved first.
- Issue a final assessment for the road improvement project (which would be significantly less than the original, full project assessment).
- Accept payments from those who have not paid. (Record zero % liens for the final assessment on properties not paying the assessment in full.
- Credit the accounts of those who paid in advance with money received.
- Bond refund option: Refunds offered those paying the full estimated assessment, secured by district issued bonds.
 - a. Repayment in annual installments, until paid off, earning 5% interest (or the prevailing rate is in the tax exempt bond market), compounded annually. The amount of payments subject to money on hand.
 - b. Example: Discounted bond maturing in 10 years, earning 5% interest, compounded annually.
- Future road improvements:
 - The remainder of the road improvement project could be completed in later years with another round of voluntary funding, through an assessment process, or using accumulated funds (from the district having fewer expenses).

Following extensive discussion and questions on these two proposals, it was determined that the board would try to gauge wider input and support for either proposal from the community by sending out an electronic survey as soon as possible.

Motion

It was moved, seconded and approved to send out an electronic mail survey to gauge initial support for pursuing either of the two funding options that had been presented.

5. Adjournment

The meeting was adjourned at 9:07 pm

Whitney Lowe
PASRD Secretary