

**RECORD OF THE PROCEEDINGS OF THE REGULAR MEETING
OF THE PAGOSA FIRE PROTECTION DISTRICT BOARD OF DIRECTORS**

A regular meeting of the Board of Directors of the Pagosa Fire Protection District was held on Tuesday evening, May 5, 2009 in the Board Meeting room at Pagosa Mountain Hospital, 95 South Pagosa Boulevard. Chairman Ron Maez called the meeting to order at 6:30 P.M.

Present were Directors Ron Maez, LeRoy Lattin, Bob Frye and Dick Cole. Director Michael Howell was not in attendance. Also present were Chief Ron Thompson, Assistant Chief Manny Trujillo, Assistant Chief - Administration, Diane Bower, W. Paul Boyd, Senior Business Relationship Manager, Wells Fargo Bank and Patrick Colleran Investment Banker, Public Finance Division, Wells Fargo Bank.

The minutes from our April 14th meeting were reviewed by the Board. Director LeRoy Lattin made a motion that the minutes be accepted as presented. Director Bob Frye seconded the motion which was approved by a unanimous vote.

Director Maez next gave the floor to Patrick Colleran, an Investment Banker with the Public Finance Division of Wells Fargo Bank. Mr. Colleran said he primarily works with fire district financing/loans throughout the state. He gave a brief presentation regarding fire districts obtaining loans through lease/ purchase option agreements as opposed to direct borrowing or bond financing. He said the lease option agreements are pre-payable without penalty providing thirty days notice is given to the lender. He further explained that the lease option agreements are a form of tax exempt borrowing. He said that he could present a computer model of proposed agreements to the board after he receives some detailed figures of proposals by Chief Thompson.

Chief Thompson made general comments about the future of our district. He said that the proposed inclusions and new stations could cost up to \$7,000,000.00. He said equipment for the new stations would be about 4.4 million dollars of that amount. He further said he would prepare figures for Mr. Colleran so that the bank could present the board with lease option agreement proposals.

Mr. Colleran additionally presented a proposed Resolution for The Board to consider regarding involvement in a tax exempt borrowing program which would provide for recovery of funds under the agreement for unexpected expenses. He said the agreement was drawn up by the bank's lawyers and is used in lease option agreements and is usually signed prior to the lease option agreement.

The necessity and purpose of the resolution was questioned by Board Directors Frye and Lattin. The board asked Asst. Chief Bower to contact district lawyers regarding the agreement. Chief Thompson said that he would attempt to explain the resolution in a memo to The Board.

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The agenda was next opened to "Other Business" presentations. Assistant Chief Trujillo presented a final draft copy of a document that will be presented to builders and their

architects as to Commercial Plan Submission Requirements. He said the document is similar to the one the Town of Pagosa Springs now uses except it contains pertinent sections of The Fire Code. He said it would save he and the department a lot of time and money because it clearly outlines the requirements. The draft was accepted by consensus of The Board.

Director Lattin asked to have clarification under the “Sunshine Laws” as to the change in meeting places for this evening’s meeting. Assistant Chief Bower said the meeting change was covered and legal because they posted a sign on Fire Station One’s front door advising the general public that meeting place had been changed to the Hospital Board Meeting Room.

Director Bob Frye made a motion that there being no further business the meeting be adjourned. The motion was seconded by Director LeRoy Lattin and approved by unanimous vote.

There being no further business, the meeting was adjourned at 8:15 P.M.

Respectfully submitted

Richard A. Cole
Secretary/Treasurer

DISTRICT SEAL