

**SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY
(SSCAFCA)
MINUTES OF MAY 19, 1998
REGULAR BOARD OF DIRECTORS MEETING**

CALL TO ORDER.

The regular meeting of the SSCAFCA Board of Directors was called to order by Chairman Dub Yarbrough at 1:00 p.m.

Directors in attendance were Guy McDowell, James Dorn, John Chaney and Dub Yarbrough. Absent was Bill Joiner. Staff members present were David Stoliker, Executive Director, and Pam McGrath, Administrative Secretary. Bernard Metzgar, SSCAFCA's attorney and members of the public were also present.

APPROVAL OF AGENDA.

A motion by John Chaney, seconded by Guy McDowell, to approve the Agenda as presented, passed unanimously.

APPROVAL OF MINUTES OF APRIL 21, 1998.

A motion by John Chaney, seconded by James Dorn, to approve the minutes of the regular meeting of April 21, 1998 as presented, passed unanimously.

APPROVAL OF MINUTES OF MAY 5, 1998.

A motion by James Dorn, seconded by John Chaney, to approve the minutes of the special meeting of May 5, 1998 as presented, passed unanimously.

SECRETARY'S REPORT.

None.

TOUR OF UNIT 10.

An approximate one hour tour of Unit 10 in Rio Rancho was taken by the Board at this time. Thereafter, the meeting continued.

TREASURER'S REPORT.

1. Approve 1998-1999 Interim Budget

Mr. Stoliker presented the 1998-1999 Interim Budget, including a comparison to fiscal year 1997-1998. Mr. Chaney stated that he would like to keep the mill levy down and to reduce expenditures. Mr. McDowell stated that we shouldn't spend money like the federal government just to raise the budget. Mr. Stoliker stated this was an Interim Budget and would be finalized by the Board in July once the year-end expenditures are documented. There was a general discussion by the Board on the budget.

A motion was made by James Dorn and seconded by Guy McDowell, to approve the 1998-1999 Interim Budget as presented. It carried unanimously.

RESOLUTION 1998-8, AUTHORIZATION FOR SALE OF BONDS.

John Archuleta, Southwest Securities, stated that he was very pleased that SSCAFCA received an A2 rating by Moody's Investor Service and, based upon that, he was able to negotiate a very good rate for SSCAFCA's bonds. He stated that he contacted three of the firms who had bid on the last bond sale and asked them if they would be interested in bidding on this one. Two firms jointly submitted a bid and the other firm decided not to.

Mr. Archuleta recommended that SSCAFCA accept the bid of Kiouss and Company, Inc. and Dain Rauscher, Inc. under the terms set forth in Resolution 1998-8. The other option would be to advertise the sale and take the lowest rate bid. There is a risk because of the naturally occurring market fluctuations.

There was a general discussion by the Board.

A motion was made by James Dorn and seconded by Guy McDowell, to accept Resolution 1998-8. It carried unanimously.

EXECUTIVE DIRECTOR'S REPORT.

Mr. Stoliker requested that two matters under the Executive Director's Report be discussed at this time in order to allow visitors on these items to leave after they are discussed.

Urban Ponds/Trinity Estates Update

Mr. Stoliker stated that as far as SSCAFCA is concerned, the subdivision will not be approved until SSCAFCA gets a drainage management plan that it can approve.

Mayor Gary Kanin of Corrales was introduced. He stated that the process is in place in Rio Rancho for review of the subdivision, including drainage, but everything has not been completed.

Mr. Stoliker stated that Planning and Zoning made the decision to table the Subdivision approval because the drainage plan was inadequate.

There was a general discussion by the Board.

Unit 10 Urgent Issues Agreement Review and Approval

Mr. Stoliker stated that he had a meeting with Mr. Lewis and Mr. Fossenier of Rio Rancho regarding the Unit 10 issues project

report. The project report recommended purchasing seven lots and constructing seven ponds. Mr. Lewis stated that Rio Rancho does not have any funds to purchase the properties it will need for the ponds.

Due to anticipated SSCAFCA funds, Rio Rancho asked SSCAFCA to appraise and purchase four properties for the ponds.

Mr. Dodge had indicated that the initial top four ponds would cut off the flow, but not necessarily solve the problems.

A motion was made by John Chaney to give David Stoliker the authority to spend up to \$78,000.00 to alleviate the problems on Unit 10 and enter into an MOU with the City of Rio Rancho. Seconded by Guy McDowell and carried unanimously. [NOTE: The \$78,000.00 is the estimated unallocated funds remaining out of the \$250,000.00 budgeted for this study in Unit 10.]

LEGAL COUNSEL REPORT.

1. Update on the Resale of Unneeded ROW

Mr. Metzgar stated that Wilson & Company is taking the replatting of SSCAFCA property through Rio Rancho in Unit 17. When that is complete SSCAFCA can proceed with the possible sale of the excess slivers to adjacent property owners.

2. Board of Directors Election Process

Mr. Metzgar stated that the publication for nominations is already in progress. The publications are running through the Journal, the Observer, the Corrales Comment, and the Sandoval Sentinel. Once the nominations are in, then SSCAFCA will publish for the election itself. The election will be held through the County. Two positions presently held by Dub Yarbrough and Bill Joiner will terminate on January 1, 1999.

Mr. Stoliker stated that he has contacted Sandoval County on the election and they will do all that is necessary for the election and SSCAFCA will reimburse their expenditures.

3. Correction of Resolution Numbers

Mr. Metzgar stated that there were two Resolutions that were numbered five by mistake. The Resolution for the Authorization for the Sale of the Bonds was 1998-5 and it should have been 1998-6. The next resolution, the Board of Directors Election Resolution was 1998-6 and it should have been 1998-7.

A motion was made by John Chaney to correct the resolution numbers as stated. It was seconded by James Dorn and carried unanimously.

4. Budget Increase Resolution for Building Fund

Mr. Metzgar stated that any time you have an increase in money into your accounts from whatever source, you must get DFA approval for a budget increase. The money from the excess lots that have been sold has been earmarked for a permanent building. Mr. Metzgar asked that the Board approve Resolution 1998-9, Budget Increase, which requests the budget increase from the sale of the excess lots and that such increase be earmarked for a permanent building.

A motion was made by John Chaney to approve Resolution 1998-9. It was seconded by James Dorn and carried unanimously.

5. Creating an Emergency Fund

Mr. Metzgar stated that it would be a good idea to have an emergency fund in the budget each year. By approving the Interim Budget, the Board has stated that it wants an emergency fund in the budget.

6. Subcontracting of Harvey Jones Channel/Sediment Removal

Mr. Stoliker stated that approval was just recently received from the Corps to allow cleaning of a portion of the Harvey Jones Channel and that sediment needs to be cleaned out as soon as possible because of impending weather at this time of year.

The other option is to have Mr. Campbell take the road out. SSCAFCA could then wait until the Fall without as much risk. Mr. Stoliker recommends the second option as being more feasible at this time.

A discussion was held by the Board. It was the consensus of the Board that they have Mr. Campbell take out the road now and wait until the Fall to do anything else.

EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

Phase I Progress Update

Mr. Stoliker stated that a pre-final inspection would be done next Wednesday, with a final inspection a week or so after that. Mr. Stoliker recommends a ribbon cutting for June 26, 1998.

Phase II Progress Update

Mr. Stoliker presented a tentative schedule for Phase II. SSCAFCA is still looking at a Notice to Proceed for construction in September or October dependent upon project details being worked out (e.g., ROW). Mr. Stoliker stated that he has just received the survey for the properties on Phase II. Other property owners still have to be dealt with for temporary construction easements.

Venada Arroyo Status (O & M Costs, Ownership & Warranty)

Mr. Stoliker stated that research had been completed and compiled in the hand-out presented to the Board which showed that there was a motion by Annette Jones in 1996 to approve the Venada channel plans. On March 18, 1997, Mr. Garman recommended that the Board accept the maintenance of the Venada Arroyo once the project was completed by AMREP and his recommendation was approved. However, it still has to come back to the Board for final approval of the completed project.

Mr. Stoliker also checked on the warranty issue on construction. The standard is a one year warranty. If the construction is non-typical and concerns are expressed, you can get extended warranties, for up to three years.

Mr. Metzgar stated that the deed transfer to SSCAFCA was not approved. The property was transferred back to AMREP and the deed was recorded. He stated that the project should be completed in about a month and that SSCAFCA's engineers would check the levees and the rest of the project before the property is transferred back to SSCAFCA. Mr. Metzgar stated that SSCAFCA also wants to make sure that there are no liens on the property before it accepts the transfer back.

Enchanted Hills

Mr. Stoliker stated that the Drainage Management Plan was just received today. SSCAFCA is required by statute to have that reviewed in thirty days. Mr. Stoliker has discussed it with Avid Engineering and has a \$10,000.00 task order for them to review it. He also asked them to check the Venada to make sure the design was appropriate.

A motion was made by James Dorn to approve the \$10,000.00 task order. It was seconded by Guy McDowell and carried unanimously.

Office Reorganization Update

Mr. Stoliker stated that Order From Chaos is very close to having the files put away. SSCAFCA will be getting in the computer system this week or next and things are moving forward.

Approval of Health Insurance Through Sandoval County

Mr. Stoliker stated that the City of Albuquerque has an insurance plan that they provide to the County of Bernalillo and surrounding entities. If SSCAFCA enters into a contract with Sandoval County it can get a savings of 10% to 25% on insurance rates.

A motion was made by John Chaney to enter into a contract with Sandoval County for health insurance for staff and board members, subject to the Chairman's approval. It was seconded by Guy McDowell and carried unanimously.

CHAIRMAN'S REPORT

1. Phase I

Phase I is operational. The concrete was supposed to be colored and it was not done. Mr. Yarbrough doesn't want the fix of the color to be a coating because it will just come off. Mr. Yarbrough asked that Mr. Stoliker check into it.

2. Mr. Bency

Mr. Yarbrough stated that Mr. Bency is a City of Rio Rancho counselor. Mr. Bency represents Rivers Edge I and II. The Barranca Arroyo runs through those communities and was constructed by AMREP with hard lined soil cement. Mr. Bency demands that SSCAFCA take over that arroyo, fix it and assume maintenance responsibility. Mr. Yarbrough feels that SSCAFCA should not yield to political pressures. Mr. Stoliker wrote Mr. Bency a letter responding to his concerns and stating that they have to approach the Board about it and the Board has to agree to it before it takes it over.

Mr. Metzgar stated that the MOU with Rio Rancho gives SSCAFCA the power of review of certain things. The Board has decided that they are not going to take over facilities that are less than 500 cfs. However, there is nothing that requires SSCAFCA to take over any facilities, but SSCAFCA has the ability to assert its jurisdiction if it decides to do so.

OTHER BUSINESS

None.

DIRECTOR'S COMMENTS

None.

PUBLIC FORUM

None.

CLOSED SESSION

A motion was made by James Dorn to go into a short closed session for Executive Director evaluation, seconded by John Chaney. Roll

call vote: James Dorn, yes; Guy McDowell, yes; John Chaney, yes; Dub Yarbrough, yes. Motion passed 4 to 0.

The Board went into closed session at 4:15 p.m.

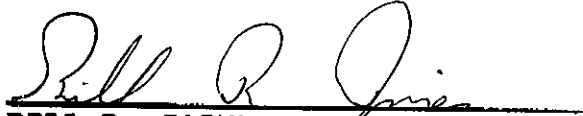
RESUMPTION OF OPEN MEETING

The Board reconvened in open session at 4:40 p.m.

The matter discussed in the closed meeting was limited only to that specified in the motion for closure and Mr. Yarbrough stated that no official action was taken.

ADJOURNMENT

A motion was made by James Dorn and seconded by Guy McDowell, to adjourn the meeting. It was carried unanimously. Meeting adjourned at 4:45 p.m.



BILL R. JOINER
Secretary



WM. C. YARBROUGH
Chairman

DATE APPROVED:

6/16/98