

SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY  
(SSCAFCA)

MINUTES OF JANUARY 20, 2017  
BOARD OF DIRECTORS REGULAR MEETING

CALL TO ORDER.

The regular meeting of the SSCAFCA Board of Directors was called to order by James Fahey, Chairman, at 9:02 a.m.

ROLL CALL OF DIRECTORS.

Directors in attendance were Mark Conkling, James Fahey, and Michael Obrey. Steven House and John Chaney were noted as absent. Charles Thomas, Executive Engineer, Bernard Metzgar, SSCFACA's attorney, and members of the public were also present.

PLEDGE OF ALLEGIANCE.

The Board was led in the Pledge of Allegiance by James Fahey.

ANNOUNCEMENTS.

An announcement was made by James Fahey that all electronic devices needed to be turned off during the meeting and that the microphones are voice activated.

APPROVAL OF AGENDA.

A motion was made by Michael Obrey to approve the Agenda as presented. It was seconded by Mark Conkling and passed unanimously.

ACTION/APPROVAL OF THE MINUTES OF DECEMBER 20, 2016 AND JANUARY 3, 2017.

A motion was made by Michael Obrey to approve the minutes of December 20, 2016 and January 3, 2017 as presented. It was seconded by Mark Conkling and passed unanimously.

PUBLIC FORUM.

None.

STAFF REPORTS.

*Executive Engineer:*

1. Resolution 2017-1, Notice for Meetings.
2. Resolution 2017-2, Designation of Official Newspaper.
3. Resolution 2017-3, Check Signing Authorization.
4. Resolution 2017-4, Designation of Legal Holidays.

Mr. Fahey stated that at the January 3, 2017 meeting, Mr. House had not quite made it for the meeting, so the swearing in ceremony was delayed. The appearance was that there was not a quorum until the swearing in was held. There was a quorum, but so there is no question, the resolutions will be approved again.

A motion was made by Mark Conkling to pass and approve Resolution 2017-1 as presented. It was seconded by Michael Obrey. Roll call vote: Mark Conkling, yes; James Fahey, yes; Michael Obrey, yes. The motion carried 3-0.

A motion was made by Michael Obrey to pass and approve Resolution 2017-2 as presented. It was seconded by Mark Conkling. Roll call vote: Mark Conkling, yes; James Fahey, yes; Michael Obrey, yes. The motion carried 3-0.

A motion was made by Mark Conkling to pass and approve Resolution 2017-3 as presented. It was seconded by Michael Obrey. Roll call vote: Mark Conkling, yes; James Fahey, yes; Michael Obrey, yes. The motion carried 3-0.

A motion was made by Michael Obrey to pass and approve Resolution 2017-4 as presented. It was seconded by Mark Conkling. Roll call vote: Mark Conkling, yes; James Fahey, yes; Michael Obrey, yes. The motion carried 3-0.

5. Action/Approval of Resolution 2017-05 Final Acquisition of Property for Critical Flood Control Facilities from AMREP.

Mr. Charles Thomas stated that Resolution 2017-05 is for the final acquisition of property for critical flood control facilities from AMREP. This Resolution authorizes SSCAFCA to be able to proceed with the full powers of the agency to gain acquisition of needed right of way for critical flood control facilities. AMREP and its associated company, Outer Rim, are major landholders within SSCAFCA jurisdiction. Many property holdings are located where SSCAFCA has planned facilities. There have been some changes with the organization of AMREP itself. The local office has seen reduced independence in the decision making process and some staff changes have resulted in the decision making occurring at the parent company level. Negotiations have not gone as smoothly as in the past. SSCAFCA is currently in a situation with the Unser Dam where the next step is to

proceed with condemnation of the property that is needed. There are numerous other facilities that will also require property from AMREP and this Resolution will allow SSCAFCA to proceed in that fashion.

Mr. Fahey stated that SSCAFCA has tried to work with the parent company in good faith in order to purchase the properties. Mr. Thomas stated that SSCAFCA obtained an appraisal from a third party entity that is on call and let the property owners see that appraisal. SSCAFCA always encourages the property owners to obtain their own appraisal to verify the numbers. In this case, AMREP did obtain their own appraisal of the property. The parties had negotiated between the two numbers, however, upon learning that the amount of property SSCAFCA was at this time seeking was only four acres, AMREP indicated that they did not want to work with SSCAFCA unless it was dozens of acres more. The Resolution identifies that SSCAFCA will pursue use of its full powers if necessary.

In response to a comment from the Board, Mr. Metzgar stated that a Resolution does not hurt negotiations. They can still proceed. The City of Rio Rancho always has a resolution for condemnation projects. Mr. Conkling stated that he was concerned that it "throws down the gauntlet" with regard to negotiations.

A motion was made by Michael Obrey to pass and approve Resolution 2017-5 as presented. It was seconded by Mark Conkling. Roll call vote: Mark Conkling, yes; James Fahey, yes; Michael Obrey, yes. The motion carried 3-0.

6. Presentation of Harvey Jones Channel Improvements, Phase 4 Project - The Final Phase.

Mr. Charles Thomas stated that the problem with this Channel since its inception has promoted an air of unsolvability throughout its existence. SSCAFCA is getting close to completion of the next phase of improvements and getting it into a fashion that will function at its most efficient level. It is hoped that this will be the last phase of work for the Harvey Jones.

Mr. Thomas stated that the Montoyas Watershed drains to the Harvey Jones Channel, and has been the most heavily impacted by storms that hit the area. The crossing at NM 448 is the problem area where the channel was installed with insufficient capacity based on its original design. Phase I was the improvements done to the Lomitas Negras Arroyo just before the flow enters the Dulcelina Curtis Channel. Phase 2 involved some work at the channel itself by providing a positive slope downstream to increase the hydrologic capacity at the culverts underneath NM 448. Most recently, the Lower Montoyas improvements were completed just upstream to reduce the impact of the



storm water farther down the channel to increase sediment retention capacities. The good news is that the improvements increased the capacity under NM 448 to safely pass the maximum peak flow at ultimate developed conditions. The bad news is that channel was set so low relative to some of the surrounding infrastructure there is a vertical constraint at the Middle Rio Grande siphon. The raised sill that was in the channel still technically exists, but it has been pushed farther downstream. There is still standing water in the channel, even with work on the slope of the channel to improve it. Because of the other projects, what is coming down into this area, contains a lot of fine silts. Those fine silts drop out and act as a barrier to infiltration, so some standing water is retained. The reason that SSCAFCA couldn't move further downstream of the slope is because of the riverside drain that is operated by the MRGCD. It has a siphon that takes the flow underneath the outlet and then pops back up to keep the flow moving downstream.

Mr. Thomas stated that staff has been looking at different options. One is to remove and replace the entire siphon and put it at a lower depth. They have considered removing the concrete cap that sits over the siphon and replacing it with more reinforced concrete shell that has a lower profile. The problem there is that it would still not provide a full vertical free flow from the outlet of the channel to the river. There are also access issues getting to the channel to clean it out. The levee becomes unstable as a driving surface when it is saturated. The north access levy has a clean entrance and exit, but there is a pinch point hairpin turn to get back to the main road, which makes it difficult for the larger vehicles. It is a very long run to clean out the facility, which increases the cost. There are three routes of ingress/egress to the channel itself, in theory. There is right-of-way on either side of the channel; in addition there is an easement with a property owner. With the crossing, the highway safety equipment has restricted access northbound. The access through the property owner is not an ideal location to run heavy trucks and equipment on a regular basis.

Mr. Thomas stated that staff has been talking with MRGCD regarding the facility. One option is that MRGCD has access to a spur that accesses Romero Road which provides a better route. MRGCD has also suggested diverting the siphon at the Harvey Jones Channel outlet. Step one would be to take out the siphon itself and sever the northern drain from the southern drain. The next step would be to take the drain and divert it to the river, as well as allow the flow to proceed. This can also possibly allow drainage into the Bosque to maximize the infiltration and support the Bosque habitat. This is a possible option because the river level has dropped significantly over the years, and the amount of sediment has decreased. The next part would be to make Romero Road improvements. Romero Road is owned by MRGCD. If a base course finish was brought in to cover the bare earth, it should improve the functionality of that area. With the second access, there is an opportunity to build a crossing structure within the channel that does not impact the flow. It would involve improving the access road to provide a stable driving surface. He doesn't anticipate expanding the roadway from a

width perspective. They merely want to go in, grade it, and put a more stable top dressing on it. The levees are under the Army Corps of Engineers. The Bureau of Reclamation is also involved, along with the Village of Corrales. It is possible MRGCD may fund part of this project. The funds that SSCAFCA would provide would be local funds from its operating budget or its bond funds.

7. Update on Investigation into Rio Rancho Golf Course Hydrology.

Mr. Thomas introduced Gerhard Schoener. Mr. Schoener stated that the golf course is outlined in yellow on his presentation map as it currently exists. The first complicating factor is that the golf course is in three watersheds. The main portion is in the NM 528 Watershed and drains to the south. A small portion on the western side is in the Black Arroyo Watershed. The north edge is in the Montoyas Watershed. He did a cursory search of what is known and what will be required.

Mr. Schoener stated that in the Black Arroyo, there is a known constraint at Southern Boulevard. The crossing structure is undersized and it has overtopped in the past. Staff has a 2013 model for this watershed. The portion of the model that drains to this point would have to be updated. It would also require coordination with the City of Rio Rancho because they are in the process of widening Southern Boulevard. In the Montoyas, the portion of the golf course drains to three existing ponds on the southern edge of the arroyo. Those ponds have limited capacity. Staff would need an update of the 2011 model. It would require identifying existing infrastructure and may require a survey of the golf course itself. There are lakes in the golf course and they collect some of the drainage. The current surface information is not detailed enough to quantify how much water those lakes hold. The largest watershed impacted is the 528 Watershed. It drains into the Seven Bar Channel under AMAFCA ownership and then joins the Black to the West. The goal at the County Line was 1,000 cfs peak flow or less. He is not sure what analysis that number is based on. It is possible that reassessing the channel would be needed to see if that number is still accurate or not. The second constraint is the storm drain under NM 528. When the road was widened, all that flow was conveyed in a storm drain, which has a limited capacity. The required analysis would be to incorporate new development from the 2001 facility plan. This may require a survey of the golf course. Significant coordination with the Department of Transportation, the City of Rio Rancho, AMAFCA will be needed. Three new updated models would be needed for the three areas that are impacted. It might require a task order for a survey. The estimated cost for this depends on what work is done in house and what work is sent out. The time frame is between 6 months to a year to complete the thorough analysis.

In response to a question from the Board, Mr. Schoener stated that there have not been any flooding issues in this system. The analysis in 2001, and some of the infrastructure, was put in to reduce inflow. It has worked under current conditions. Any development would require a detailed analysis to make sure the downstream is not exceeded. Mr. Thomas stated that he is not aware of any



discussion regarding public use of this property. The mayor has indicated that the property is under private ownership and there is no discussion of conversion of the property to public use. Mr. Thomas stated that this property is zoned as a golf course.

***Fiscal Services Director:***

1. Recognition/Acknowledgment of the Fiscal Services report for December 31, 2016.

Ms. Debbie Casaus stated that the Fiscal Services Report for December 31, 2016 is in the Board's packets. She stated that the operating property tax revenue after 6 months is 5.2% greater than at the same time last year. That number will probably come down after the January numbers come in. General fund expenditures through January 31 are about 25.1% of the total budget and SSCAFCA is about 50% through the fiscal year. There was a 20% increase from the prior year in single family residential permits issued by the City of Rio Rancho in 2016. Interest earned on the State Treasurer's funds was at a rate of .43% for the month of December. The Treasury Bill is yielding about .513%.

The Fiscal Services Report for December 31, 2016 was recognized and acknowledged by the Board.

2. Action/Approval of Fiscal Year 2016 Audit Report.

Ms. Debbie Casaus stated that the timeline of the financial audit began in early July. The fieldwork and engagement letter were done in mid-September. The auditors delivered the single audit results on September 22<sup>nd</sup>. They delivered the preliminary financial statement draft on October 3<sup>rd</sup>. The auditors issued the independent report and dated it November 21<sup>st</sup>, which was considered the last day of field work. The exit conference was held on November 21<sup>st</sup>.

Ms. Casaus stated that the total assets increased by about \$2.95 million from fiscal year 2015. This reflects investment in capital assets and infrastructure, and also increase in receivables from federal and state grantors. The total liabilities decreased from \$1.6 million from 2015 as a result of the ongoing bond payments, coupled with the fact that SSCAFCA did not issue any new debt in 2016. The statement of activities, under revenue and support, was about \$8.4 million, which is an increase of \$2 million over last year and is primarily due to increase in both federal and state grants. Total expenses were \$3.6 million, compared to \$4 million from last year. Net position had an increase of \$4.7 million. Net position is classified in three categories. The first is the reserve for debt service. SSCAFCA had \$55 million invested in capital assets, and the unrestricted net position was \$4.6 million.

Ms. Casaus stated that there were no findings in the prior year or current year. SSCAFCA successfully pursued new sources of financing - grants from federal and state resources. Focus on construction in the current year resulted in completed projects totaling \$5.4 million. Of that was a \$226,000 project that was completed by SSCAFCA and turned over to the Town of Bernalillo, which was Patchogue. SSCAFCA received an unmodified opinion, which is the best opinion available. There were no audit areas where an opinion could not be rendered. There are two additional reports that are required. The first is an internal control over financial reporting and compliance with other matters. There were no financial statement findings. There were no other matters to be reported, and there were no other matters noted. Secondly, is a report on compliance with requirements that could have a direct immaterial effect on each major federal program and an internal control over compliance with internal OMB uniform grant guidance. In regard to that report, it was an unmodified opinion and no federal award findings.

Ms. Casaus stated that entities that have federal expenditures relating to federal grants are required, if they are in excess of \$750,000, they have to have a single audit. This is the third year that SSCAFCA was required to have a single audit. SSCAFCA had one major program that met that threshold and that was the Clean Water State Revolving Fund, which was the Lower Montoyas Project. SSCAFCA was considered a low risk auditee for the 2016 fiscal year. That is because this is the third year for a single audit. SSCAFCA received an unmodified opinion on the single audit and no federal award findings were noted.

Ms. Casaus stated that the auditors suggested to the SSCAFCA Board that SSCAFCA finalize the update of policies and procedures to include uniform guidance language. This is a new requirement of the auditing standards book. Staff will be looking at SSCAFCA's policies, update them, and bring them back to the Board for approval.

A motion was made by Michael Obrey to accept the audit report as presented. It was seconded by Mark Conkling. Roll call vote: Mark Conkling, yes; Jim Fahey, yes; Michael Obrey, yes. The motion passed 3-0.

3. Action/Approval of contract renewal for On-Call Surveying Services with a requested increase with the following contractors:
  - Cobb Fendley & Assoc., Inc.
  - WHPacific.

Mr. Fahey stated that Cobb Fendley & Associates, Inc., and WHPacific have requested an increase in their contract amounts. Ms. Casaus stated that this fiscal year, since there was no inflation, SSCAFCA has not approved any increases in contracts. WHPacific received an increase last



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year and they are now asking for a 2.5% increase this year. Cobb Fendley is asking for a 6.8% increase. Staff is recommending approval of the contracts, but at the existing rates.

A motion was made by Michael Obrey to approve the renewal of the contracts with Cobb Fendley & Assoc., Inc. and WHPacific with no increase in contract amounts. It was seconded by Mark Conkling and passed unanimously.

***Environmental Services Director:*****1. Update on Alberta Watershed Improvements Phase II Construction.**

Mr. Dave Gatterman stated that the contract is for a little over \$1.5 million, which does not include the amount spent for design, subsurface utility investigations, or construction management services. The funding for this project is about \$1 million of hazard mitigation funding from FEMA, Department of Homeland Security, Capital Outlay, and some SSACFA bonds to make up the difference. The Notice to Proceed was issued November 28, 2016. Substantial completion date is currently at March 27, 2017, with no extensions thus far on the contract. Final completion date is set for April 27, 2017. He discussed the scope of the project for the Board and went over pictures of the project to show the Board how the project has proceeded. He stated that the public seems very happy with the paved road. Ultimately, this project will be turned over to the City of Rio Rancho for operations and maintenance. The part of this project that is not being paved is the piece of Acapulco to Alberta.

**OTHER COMMITTEE REPORTS.**

None.

**ATTORNEY'S REPORT.**

None.

**CHAIRMAN'S REPORT.**

Mr. Fahey stated that Michael Obrey will be the alternate on the Quality of Life Committee.



**BOARD OF DIRECTOR'S COMMENTS.**

None.

**PROPERTY MATTERS.**

1. Action/Acceptance - U07, Blk 56, Lot 22; 1.0 acres - Cactus Ponds.

Mr. Charles Thomas stated that it is necessary to obtain this property for the Cactus Pond project. This is a one acre parcel adjacent to Fifth Avenue and is a key piece for this project.

A motion was made by Mark Conkling to approve the property acquisition as presented. It was seconded by Michael Obrey and passed unanimously

**FOR YOUR INFORMATION.**

1. The following On-Call Surveying Services contracts have been renewed with no changes for the fourth year:
  - Community Sciences Corporation
  - Huitt-Zollars, Inc.
  - WayJohn Survey, Inc.
  - Wilson & Company.
2. The following Real Estate Appraisal Services contracts have been renewed with no changes for the fourth year:
  - Eugene N. Cavallo & Associates, Inc.
  - Godfrey Appraisal Services
  - Riley & Knight Appraisals
  - Shipman/Foley and Associates, Inc.
3. Corrales Comment article, "Far Northwest Sector Solar Farm Would Power Sewage Treatment Plant", (12/4/2016)
4. Albuquerque Journal article, "Sources: Club Rio Rancho to cease operations", (12/24/2016)
5. 1/5/17 Correspondence from office of the State Auditor Authorizing the release of FY2016 Audit Report.

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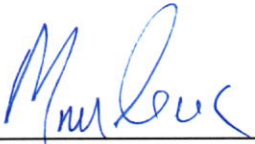
6. Corrales comment article, "What's Ahead for 2017?" (1/9/17).

**OTHER BUSINESS.**

- Next Regular Board Meeting is on Friday, February 17, 2017 at 9:00 a.m.

**ADJOURNMENT.**

With no further business, Mr. Fahey declared the meeting adjourned. Meeting adjourned at 10:25 a.m.



MARK CONKLING  
Secretary

  
JAMES FAHEY  
CHAIRMAN

DATE APPROVED: \_\_\_\_\_

2/17/17

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