

SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY
(SSCAFCA)

MINUTES OF OCTOBER 19, 2012
BOARD OF DIRECTORS REGULAR MEETING

CALL TO ORDER.

The regular meeting of the SSCAFCA Board of Directors was called to order by Donald Rudy, Chairman, at 9:00 a.m.

ROLL CALL OF DIRECTORS.

Directors in attendance were John Chaney, Mark Conkling, James Fahey, Steve House and Donald Rudy. Charles Thomas, Executive Engineer, Bernard Metzgar, SSCAFCA's attorney, and members of the public were also present.

PLEDGE OF ALLEGIANCE.

The Board was led in the Pledge of Allegiance by Donald Rudy.

ANNOUNCEMENTS.

Announcements were made by Donald Rudy that all electronic devices needed to be turned off during the meeting.

APPROVAL OF AGENDA.

A motion was made by Jim Fahey to approve the Agenda as presented. It was seconded by Steve House and passed unanimously.

STAFF REPORTS:

Executive Engineer:

1. Update on Clean Water State Revolving Loan Fund Agreement for Design and Construction of the Montoyas Water Quality Detention Facility.

Mr. Charles Thomas stated that staff has looked at the complete resolution for the flooding potential at the Harvey Jones restriction at Corrales Road. The Harvey Jones Channel widening project is under way right now. The next two projects will remove the sediment load from the storm water prior to it entering the hard lined channels. SSCAFCA had applied for funding with

the NMED. The Clean Water State Revolving Loan Fund is a federal loan program for waste water and storm water projects. The intent is to provide a loan/grant package to eligible applicants. Once the money is repaid, the NMED uses the money to fund future projects. SSCAFCA's projects were ranked #1 and #2 on their funding list. With the amount of money they had available, SSCAFCA was only able to take advantage of one agreement at this time. They did proffer a loan/grant combination package to SSCAFCA and that is in process right now.

Mr. Erik Harrigan, of RBC Capital Markets, LLC, stated that the gist of the financing is a loan package of about \$1.25 million. There is also a \$750,000.00 grant that SSCAFCA will receive in addition to the loan. NMED's loan program is a 3% loan, which has not changed for about 10 years. The amount of interest SSCAFCA will pay is a little over \$400,000.00. In total, SSCAFCA will receive \$2 million and will only have to repay about \$1.6 million. If SSCAFCA pays it off early, obviously, it will pay less interest and save even more money. SSCAFCA won't pay debt service on the loan until the project is completed. It does accrue interest on the loan portion at 3% as it's drawn down. This uses authorization already approved by the voters and will not have any impact on the total debt service for SSCAFCA. The way the NMED loan works is that you make a single annual payment. By the time SSCAFCA starts to pay debt service, there could be a refinancing opportunity of the 2005 A bonds, which will be callable at that point, and which could also possibly save even more money. The NMED loans are callable any time and SSCAFCA can pay it off early with no penalty.

Mr. Harrigan stated that this is a private placement of SSCAFCA's bonds for the loan and they are not going out into the public market. This is also a benefit to SSCAFCA because it's not incurring any costs of having to get a bond rating and put together a public bid. SSCAFCA could go into the public market and sell its bonds to retire the loan if that became even more beneficial to SSCAFCA than this loan/grant will be. With this loan, SSCAFCA is receiving more money than it will have to pay back.

Mr. Thomas stated that SSCAFCA's desire to keep the arroyos in a natural state fits in well, particularly in today's funding world and matches where EPA is trying to go with its stormwater quality programs. Additionally, this approach reduces the amount of runoff. If you prevent the runoff in the first place, you have less to do down the road. SSCAFCA has set itself up into a position to take advantage of EPA's push to use "green" infrastructure and EPA really focuses on providing funding to those projects, which fit very nicely into SSCAFCA's mission.

Mr. Harrigan stated that, in prior documents for other entities, there have been hardship provisions. When you have a declining tax base, being able to find innovative financing strategies is a plus because you can maximize your funds. Mr. Thomas stated that the other

advantage of taking a natural approach to maintaining arroyos, is that there is no way to accomplish the size of this project they are trying to do with this kind of moneyusing a traditional engineering approach and hardlining the channel.

2. Action/Acceptance of Resolution 2012-16 Water Trust Board Application.

Mr. Thomas stated that Resolution 2012-16 is the water quality feature installation at the head of the Dulcelina Curtis Channel. That project is number 2 on the list. SSCAFCA is also in the process of drafting an application to the Water Trust Board, which is a state run organization through the New Mexico Finance Authority that receives applications for water projects. Essentially, this Board receives a percentage of the funds generated by the severance tax bonds that the state receives every year. There is an application process where the communities that submit projects are run through a two-tiered ranking process. Ideally, at the end of that, SSCAFCA's project will receive funding. The package that is standard for this type of flood control project requires a 15% match. The bond funds that were sold would provide 15% of the funding and, if accepted, the Water Trust Board will provide 85% of the amount. The money is to be distributed statewide in a reasonable manner.

Mr. Thomas stated that one of the requirements for the application process is a Resolution by the Board to pursue the application, which is set forth in Resolution 2012-16.

A motion was made by Jim Fahey to approve Resolution 2012-16 as presented. It was seconded by John Chaney. Roll call vote: John Chaney, yes; Mark Conkling, yes; Jim Fahey, yes; Steve House, yes; Donald Rudy, yes. The motion passed 5-0.

3. Development Status Update.

Mr. Thomas stated that one project is Unser Pavilion which continues to go forward. It is the Gateway Pond Project of filling in the northern leg of the pond. They are in the process of getting the drainage report to SSCAFCA. The other two projects are Pulte Projects - the Loma Colorado Mesita Vista Subdivision as well as the Loma Colorado - Tres Colinas, Units 1 and 2. Tres Colinas are the second two units of the Master Plan for the whole Tres Colinas area. The third unit of that was completed several years ago. SSCAFCA is in discussion with the City regarding the drainage report for the use of non-standard percentages of land treatment. There was a high percentage of grassy swales included in their drainage report and SSCAFCA is getting verification to ensure that is how it will be constructed and that the land treatments they proposed will accommodate the downstream storm drain features.

4. Discussion on use of SSCAFCA Office as an early voting location.

Mr. Thomas stated that SSCAFCA has maintained a good neighbor relationship with Sandoval County Voting Bureau and SSCAFCA offices will be an early voting location. Starting tomorrow, the doors will open from 10:00 a.m. to 7:00 p.m. to provide a voting poll location for early voting. Mr. Rudy stated that a security firm has been hired to provide security for the private areas of the SSCAFCA building, which will not be open to the public during the early voting on the weekends when no SSCAFCA staff is present. The cost to SSCAFCA for providing the voting location is pretty much the cost of the security services, which will be about \$2,000.00. The County provides in kind services for SSCAFCA's election, which generally runs about \$17,000.00.

5. Action/Acceptance of task-order with Smith Engineering for Addendum #1 for the Black Arroyo Drainage Management Plan in the amount of \$78,124.77.

Mr. Thomas stated that on-call engineers were hired in three separate categories. Category 1 is for hydrology and hydraulic evaluation. One of the projects that staff felt was of high priority was to re-evaluate the hydrology of the Black Arroyo watershed area. That process was last done in 2002. All Management Plans are being updated to the HEC-HMS model. The hydrology needed to be updated anyway to keep that current, but staff also wanted to incorporate all of the development within the watershed, which was significant. There are four facilities they are hoping to finalize construction on – the 19th Street Dam, the Tributary A Dam, Sugar Dam and Lisbon Dam. These projects will be reviewed to ensure they are sized correctly for the current development.

Mr. Thomas stated that this cannot be done in house due to high demand on staff already. He felt it was prudent to farm out this project to a consultant to get all high priority projects completed. There is a \$200,000.00 self-imposed limit that can be spent on each of the on-call consultants.

A motion was made by Jim Fahey to approve the task order as presented. It was seconded by Mark Conkling and passed unanimously.

Environmental Services Director:

1. Action/Acceptance of Selection/Agreement for Master Planning Services for the Black Arroyo Environmental Mitigation and Multi-Use Open Space.

Mr. Dave Gatterman stated that SSCAFCA is seeking master plan services for the 70 acres immediately to the south of SSCAFCA's building. An RFP was produced and SSCAFCA

received four proposals. The selection committee chose Sites Southwest on this particular project. The cost, with GRT, is \$52,167.85. The proposal for scope of work has four elements to it - an evaluation of existing conditions, a master plan development section, meetings and coordination and reimburseables. The bulk of the money being spent is on the actual Master Plan.

Mr. George Radnovich, of Sites Southwest, stated that SSCAFCA's vision is really aligned with their company. They have always been involved with water harvesting and use of natural landscapes and providing multi-use facilities. When they saw the project come out - they were very excited about it and knew they had a lot of experience because it's one of their forte areas.

A motion was made by Jim Fahey to accept the agreement for Master Planning Services as presented. It was seconded by Mark Conkling and passed unanimously.

2. Harvey Jones Channel Improvements Project Update.

Mr. Gatterman stated that SSCAFCA has a task order with Bohannon Huston to evaluate the channel and choose the best options for increasing the capacity under the bridge. The report is due on Thanksgiving Day, but will most likely receive it on the Monday afterward. They have already done the field work for the environmental side and are working on some of the technical modeling to make sure that what they are proposing will actually work before working on the design aspect. Additionally, they are working with SSCAFCA staff to set up a work-study session with the Village Council and Mayor of Corrales prior to going out to a public information session to inform them of the project. Also, they are looking at having the publication for the public meeting in the Corrales paper on November 10, 2012, and having the meeting late in the week of November 12th. Lastly, they will be meeting on-site on Monday to evaluate construction access, which will be a huge component, as well as maintenance access for long-term maintenance of the channel.

Mr. Rudy asked Mr. Fahey to be the contact person with SSCAFCA staff and the Village of Corrales staff with regard to this project and trying to smooth all of the issues and answer the questions that may come up. Mr. Fahey stated that this must be presented to the Village as a win-win for everybody. Mr. Thomas stated that one of the elements discussed has been to remove the three foot sill under the bridge and moving it downstream to where the MRGCD property is located. This will push that retainage point onto a permeable surface.

Fiscal Services Director:

1. Recognition/Acknowledgment of the Fiscal Services Report for September 30, 2012.

Ms. Deborah Casaus presented the Fiscal Services Report for September 30, 2012. Operating property tax collections are still lower than this same time last year. General Fund expenditures through September 30, 2012 ended at 10.92%, which is 25% through the fiscal year. At this point, SSCAFCA is below where it should be.

At the time of her report, the City of Rio Rancho had not updated its single family residential permits for the month of September; however, she checked the website today and there were 26 permits issued for the month of September. Interest earned on the State Treasurer's local government program is about .184% for the month of September.

SSCAFCA does have an RFP out for general landscaping services. That RFP is due November 7, 2012. Yesterday was a mandatory meeting for that RFP and there was a turnout of four landscapers.

The Board recognized the Fiscal Services Report for September 30, 2012.

Administrative Services Director

1. Educational Outreach:

- Rio Rancho Children's Water Festival 2012
- River Xchange expanded program
- S.A.F.E. Rio Rancho Afterschool Program
- Middle Rio Grande Stormwater Quality Team - High School

Community Outreach:

- Bark in the Park
- City of Rio Rancho Animal Control
- Howl and Prowl
- Roscoe Fields

Ms. Catherine Conran stated that SSCAFCA is ahead of the ball in regard to its MS4 Permit standards and she thinks it's because of SSCAFCA's educational programming. This is the second year that SSCAFCA has worked with the Rio Rancho Children's Water Festival. This is for fourth graders who participate each year. It's a two day event and there are 15 different presenters with hands on activities. She went over how SSCAFCA's model worked and how she shows the children how important it is to not pollute and save water when possible. This has been held in Rio Rancho for the past five years and what is so exciting is that there has been a 22% reduction in water

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usage since introducing this to 4th graders. It was used at a national conference to show how successful it is.

Ms. Conran stated that the River Xchange program has been expanded and this is the first year they have worked with Corrales Elementary. The program has expanded to 22 classrooms this year and staff goes into each classroom. This winter, they will expand the programs into first and third graders at Maggie Cordova. They also talk to all the students about arroyo safety. As soon as the mitigation site becomes a reality, they will use that for educational purposes as well as looking at burrowing owls and a bat program.

Ms. Conran stated that the S.A.F.E. Program is also where they go into the schools and have hands-on learning situations.

Ms. Conran stated that the stormwater quality team program is geared toward high school students to come up with a video presentation for water quality education. The students will come up with a theme for the water quality video, which will then be posted on SSCAFCA's website.

Ms. Conran stated that SSCAFCA has really been trying to focus on the dog owners to "scoop the poop." They had a booth at the Bark in the Park handing out information. Staff is also working with Rio Rancho and Rio Rancho Animal Control to talk about the importance for water quality. Right before Halloween in Corrales, they will be at the Howl and Prowl event, where people will bring their pets and staff will hand out items.

Ms. Conran stated that another community outreach will be at Roscoe Fields. Originally, staff wanted to go out and have public meetings about the area because it's become more of a challenge now to service the area because of growth. Mr. Thomas stated that the City is pursuing a concept called "The Park Above." This is a park for disabled children. The Governor has pledged a significant amount of funding for this park. SSCAFCA had been approached as possibly incorporating Haines Park as part of the improvements. The latest information is that they're looking at putting it in at the originally proposed dog park in the Cabezon area.

CHAIRMAN'S REPORT.

None.

BOARD OF DIRECTOR'S COMMENTS.

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Mr. Chaney stated that he would like to put a picture of past executive engineers in the SSCAFCA building in order to recognize them for their service.

Mr. Chaney asked what percentage of the energy SSCAFCA uses that the LEEDS certified building provides. Mr. Thomas stated that one of the things staff was planning on putting together for the December Board meeting was a report on just how the building is helping SSCAFCA save energy. He stated that it was suggested that SSCAFCA provide a "green report" on a yearly basis.

COMMITTEE REPORTS.

None.

ACTION/APPROVAL OF THE MINUTES OF SEPTEMBER 21, 2012.

A motion was made by Jim Fahey to accept the Minutes of September 21, 2012 as presented. It was seconded by John Chaney and passed unanimously.

ATTORNEY'S REPORT.

None.

PUBLIC FORUM.

None.

PROPERTY MATTERS.

1. Acquisition of Floodwall Easement in Unser Boulevard SE ROW by plat.

2. Action/Acceptance to purchase 7 properties in Calabacillas Watershed (Approx. 4 acres)
 - Unit 6, Block 10, Lot 60
 - Unit 6, Block 10, Lot 59
 - Unit 6, Block 9, Lot 486
 - Unit 24, Block 23, Lot 11
 - Unit 24, Block 23, Lot 12
 - Unit 24, Block 23, Lot 13a
 - Unit 24, Block 23, Lot 14

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Mr. Thomas stated that staff is requesting approval to purchase seven properties in the Calabacillas Watershed. The total acreage is approximately four acres and a map was provided to the Board. They are all adjacent to the currently held arroyo properties that are held by SSCAFCA. Total cost is roughly \$12,000.00. There are no specific projects planned for this property at this time. One of the goals of the Calabacillas Watershed Management Plan will be to identify the size of proposed drainage facilities. Once that is in place, staff will be able to target future acquisition within the Calabacillas.

A motion was made by Jim Fahey to approve the purchase of the seven properties as presented. It was seconded by John Chaney and passed unanimously.

FOR YOUR INFORMATION:

Rio Rancho Observer article, "Mayor Swisstack takes over both PID boards." (10/02/12)

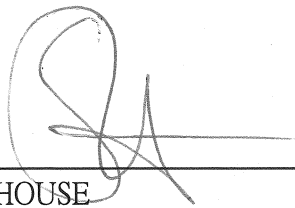
OTHER BUSINESS.

Mr. Conkling stated that SSCAFCA should continue to monitor the Mariposa issue, which has now been taken over by the City of Rio Rancho.

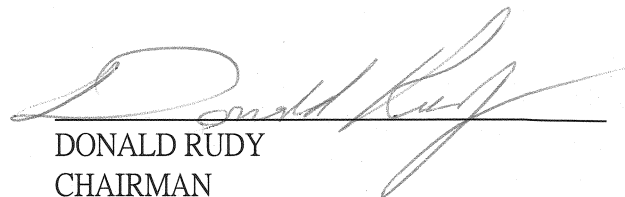
- Next Regular Board Meeting is on Friday, November 16, 2012 at 9:00 a.m.

ADJOURNMENT.

A motion was made by John Chaney and seconded by Jim Fahey to adjourn the meeting. It was carried unanimously. Meeting adjourned at 10:45 a.m.



STEVE HOUSE
SECRETARY



DONALD RUDY
CHAIRMAN

DATE APPROVED: 11/16/12
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