

SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY
(SSCAFCA)

MINUTES OF DECEMBER 16, 2016
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 9:03 a.m.

ROLL CALL OF DIRECTORS.

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

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.

PLEDGE OF ALLEGIANCE.

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

APPROVAL OF AGENDA.

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

ACTION/APPROVAL OF THE MINUTES OF NOVEMBER 18, 2016.

A motion was made by John Chaney to approve the minutes of November 18, 2016 as presented. It was seconded by Steve House and passed unanimously.

PUBLIC FORUM.

None.

STAFF REPORTS.

Executive Engineer:

1. Action/Approval of Resolution 2016-18 Clean Water State Revolving Fund Agreement.

Mr. Charles Thomas stated that SSCFACA had applied through the New Mexico Environment Department as part of the State Clean Water Revolving Fund Process for funding to acquire the five playas in the Calabacillas Watershed. Resolution 2016-18 will put in place the sale of SSCAFCA's new bonding authority to sell \$550,000 to the NMED as part of a loan grant package through the program.

Mr. Eric Harrigan stated that there are a couple of real benefits from the financial side of this deal. One of them is getting the grant, in addition to the loan. The loan is at 3%. During the time that SSCAFCA spends down that money, it will accrue interest at 3%. When the money has been expended, it will be amortized over a 20 year period. It is callable at any time, so it gives SSCAFCA some leeway to prepay the loan sooner and reduce the total interest cost. This is similar to the last Environment Department loan the Board approved.

Mr. Harrigan stated that when SSCAFCA was originally looking at the bond election, it was to be sold over a series of years and it could sell about \$1.5 million without impacting its current tax rate and outstanding debt. SSCAFCA has about \$950,000 to \$1.1 million of additional capacity because of the delay in when SSCAFCA starts to pay the debt service on this loan. SSCFACA does have the ability to go out and borrow about another \$1.2 million between now and 2019. Every two years after that, SSCAFCA is scheduled to sell between \$4.5 and \$6.5 million in bonds. Once SSCAFCA's existing debt is paid off, the capacity increases. SSCFACA can go back out to the open market, but he recommends that SSCAFCA go to the New Mexico Finance Authority or the private market instead for any sale less than \$1.5 million.

A motion was made by John Chaney to approve Resolution 2016-18 as presented. It was seconded by Steve House. Roll call vote: John Chaney, yes; Mark Conkling, yes; James Fahey, yes; Steve House, yes; Michael Obrey, yes. The motion passed 5-0.

2. Action/Approval of Resolution 2016-19 Authorizing Official Representative and Signatory Authorities.

Mr. Charles Thomas stated that Resolution 2016-19 is in association with the funding agreement that was just approved. This Resolution is required to establish signatories for the loan process moving forward.

A motion was made by John Chaney to approve Resolution 2016-19 as presented. It was seconded by Steve House. Roll call vote: John Chaney, yes; Mark Conkling, yes; James Fahey, yes; Steve House, yes; Michael Obrey, yes. The motion passed 5-0.

3. Action/Approval of Resolution 2016-20 Venada Arroyo ROW Exchange.

Mr. Charles Thomas stated that Resolution 2016-20 is an item which has been in the works for some time. There is a local property owner along the corridor where the Venada Arroyo crosses under 528, and the property includes a segment of the arroyo. The property owner wants to exchange right-of-way with SSCAFCA in order to make his property more developable. Lot 7A is currently owned by Western Hills RED, LLC and it recently purchased the property adjacent to it, which contains the property in the arroyo. The arroyo is currently in an improved state. The property to the north contains most of the arroyo moving upstream, as well as the side slope. The property owner proposes getting this property from SSCAFCA in exchange for the property in the arroyo. Acquiring this piece of property would complete SSCAFCA's ownership of the arroyo. Because of some concerns about the property, the landowner has agreed to put in some bank stabilization from the point of the outlet and connect into the pipe on the northern bank of the Venada Arroyo. This will protect the bank and also allow them to develop the property above the bank stabilization.

Mr. Thomas stated that the property owner will be required to complete a grading and drainage analysis to determine the exact footprint of the property and get a survey. It will include the bank stabilization along the north bank of the northern channel, a replat, and submittal of the modified parcels for recording with Sandoval County. This Resolution may be required by the Board of Finance as part of the process of exchanging property with a public entity. In response to a question from the Board, Mr. Thomas stated that the development being proposed by Western Hills is commercial.

A motion was made by John Chaney to approve Resolution 2016-20 as presented. It was seconded by Steve House. Roll call vote: John Chaney, yes; Mark Conkling, yes; James Fahey, yes; Steve House, yes; Michael Obrey, yes. The motion passed 5-0.

4. Action/Approval to Proceed with exchange of specific ROW with other local government jurisdictions.

Mr. Charles Thomas stated that these are particularly with Sandoval County, the City of Rio Rancho, and the Village of Corrales. In August 2013, the Board began the process of evaluating all of the right-of-way holdings that SSCAFCA owns versus right-of-way that is owned by other entities within its jurisdiction and identifying those parcels that are less useful to SSCAFCA and may be more suitable for ownership by other entities. SSCAFCA moved forward with agreement to add a safety lane to Veranda Road for Maggie Cordova Elementary School in exchange for a portion of the Lisbon Channel. This is the next group of right-of-way for possible exchange.

Mr. Thomas stated that SSCAFCA had thought that it might be able to do quitclaim deeds for the exchange, but Mr. Metzgar has opined that the process is also probably governed by the exchange of property approvals by the Board of Finance or the Department of Finance and Administration. It is likely that SSCAFCA will need to go through this process. Ultimately, quitclaim deeds may be all that is needed to complete these transactions, but SSCAFCA will need to satisfy any requirements first.

Mr. Thomas stated that the first property is with the Village of Corrales at the Corrales Dam. The other properties with the City of Rio Rancho are associated with Phase I of the Guadalajara Drainage Improvements. The third is a larger block area which are the existing arroyos within Unit 11 from Lisbon Channel moving north. It will be critical for SSCAFCA to establish access to all of the right-of-way for construction using federal money.

The first property is within the Village. There are two parcels that were acquired by SSCAFCA in years past as the first alignment for the Dam 4 to 1 project. One is a hill slope that leads up to Sagebrush Road. SSCAFCA has on tap for this spring or summer a project to include an extension of the trail system to more easily get maintenance vehicles in there. The Village is also pursuing a trail connection from Sagebrush Road up to the end of that access path for a bike path. However, from a drainage perspective, the property serves SSCAFCA no purpose and staff felt that it would be appropriate for the Village to have it for its trail system. The Village administration is in favor of the exchange. Once improvements are made to the property there is potential liability for the underlying landowner to be responsible for off-site drainage. By donating this property to the Village, whose intent it is to put in a trail system, the Village would own both the trail system and the property and be responsible for control of the drainage.

The next piece is near Guadalajara Road. In 2006, SSCAFCA received some legislative funding, and in 2008 a small portion of storm drain was constructed from Chihuahua down to Guadalajara bringing the pipe system and discharging in this location. The pipe discharged into the portion of the arroyo naturally. The two portions of property are currently owned by the City of Rio Rancho. Monterrey Road has been an at grade crossing, and every time there was a storm event, that roadway was destroyed and the City had to repair it. The City has installed some culverts under the road and expanded the flood pool in the location. In doing this, the City has reduced the grade significantly on its parcel, to the extent that it is encroaching on SSCAFCA's parcel. Without stabilization, the steepness of the slopes will trend upstream and continue to headcut and may potentially have a negative impact on Sonora Road. The thought is, that since the Guadalajara storm drain is localized, and SSCAFCA was responsible for the construction of that project, which it turned over to the City, it makes sense to turn this property over to the City so any liability rests wholly with the City.

Phase II of the project will extend the storm drain up Guadalajara to Saratoga, down Acapulco and will involve the creation of an additional pond to manage some of the peak flows.

The third item is the Unit 11 arroyos. When SSCAFCA did the research to establish ownership of the system, in many cases what has been identified as SSCAFCA ownership is not necessarily correct. There are broken chains of title. Most of the property appears to have been donated by AMREP to the County or the City. Staff hopes to establish where the chain of title has been broken and then go to the last owning entity to dedicate the property to SSCAFCA. If it is AMREP, it would be private to public and could be handled with a Quitclaim Deed. As the channel begins at Southern, it is very deep and there are no issues with the capacity. The channel itself is very steep and susceptible to erosion. There is no way to get significant resources in there to clean out or maintain the facility. As you begin to travel upstream toward the Lisbon Channel, there are portions where the wall height of the arroyo is one foot high, so there is significant break out potential. The City and County would be donating property to SSCAFCA.

A motion was made by Michael Obrey to approve the exchange of right-of-way as presented. It was seconded by Steve House. Roll call vote: John Chaney, yes; Mark Conkling, yes; James Fahey, yes; Steve House, yes; Michael Obrey, yes. The motion passed 5-0.

5. Development Review.

Mr. Charles Thomas stated that there are four projects moving forward. Enchanted Hills Unit 11B Subdivision Preliminary Plat has been approved for further development. This is the farthest upstream end of the existing subdivision.

The second is Windridge at Tamaya. This is a portion of the property within SSCAFCA jurisdiction that is owned by Santa Ana Pueblo. Their consultant was forthcoming in working with SSCAFCA on the Coronado Arroyo and developed a set of plans. This is currently in the approval process with multiple jurisdictions, but they have satisfied SSCAFCA's requirements. After a question from the Board, Andres Sanchez stated that a portion of the development is on tribal land and a portion is within the City of Rio Rancho. SSCAFCA is holding approval until the City is satisfied and all their requirements have been met.

The next is the Solcito Subdivision, Phase II through IV, construction improvement plans. These plans are currently in review and are not yet approved.

The last is the Los Diamantes Subdivision in Unit 10. This was a large subdivision proposal that had some activity. They have resubmitted a more detailed drainage analysis report and it is currently in review. This may impact the timing of SSCAFCA's proposed improvements in the area because SSCAFCA would connect with these improvements with the Trib. A detention pond.

Fiscal Services Director:

1. Recognition/Acknowledgment of the Fiscal Services Report for November 30, 2016.

Ms. Deborah Casaus presented the Fiscal Services Report for November 30, 2016 in the Board's packets. She stated that property tax revenue are coming in as expected. Starting in December, SSCAFCA should receive its first large check, which will be for the 2017 fiscal year. General fund expenditures through November 30, 2016 amount to 20.75% of the total budget and SSCAFCA is 42% through the fiscal year. If you factor out the large storm cleanout, it's more about 28%. The City of Rio Rancho has issued 53 single family residential permits for the month of November. 2016 was a good year for permits for the City of Rio Rancho. It was above the last six years for the City. Interest earned on the State Treasurer's office local government program was at a rate of .391% and interest on the U.S. Treasury Bill is about .492% for the month of November. From all indications, the budget will be released shortly and should be brought back to the Board in January.

The Fiscal Services Report for November 30, 2016 was recognized and acknowledged by the Board.

Environmental Services Director:

1. Action/Approval of task-order with Wilson & Co. for Design of Lisbon Channel Access/Trail.

Mr. Dave Gatterman stated that this task-order is for the lower part of the Lisbon Channel north of Southern between Southern and Tarpon. The proposed project is to provide access for SSCAFCA to get into the steeply incised channel. The proposed task order is for \$89,607.28 including gross receipts tax. It includes the final design, NMDOT final certification, some topo and boundary survey, the NMDOT utility certifications and other right-of-way certifications, bidding services, answering questions during bid, response to RFI's during construction, and as-built drawings upon completion of the project. Staff did a feasibility study on this project and pre-tax came in at \$633,000 without the contingency loaded in; with contingency it is around \$700,000. The bulk of the funding for the program will come from the New Mexico Transportation Alternatives Program. In

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response to a question from the Board asking if staff could do this in-house, Mr. Gatterman replied that there is quite a bit of specialized stuff to be done and some very tight constraints. Design staff is tied up on other projects right now and there is a limited time frame to get this design done in a fairly quick manner.

Mr. Thomas also stated that there is a tight time frame to meet the deadlines required by the NMDOT and Mr. Sanchez is currently fully obligated with work.

A motion was made by Steve House to approve the task order as presented. It was seconded by Michael Obrey and passed unanimously.

OTHER COMMITTEE REPORTS.

None.

ATTORNEY'S REPORT.

None.

CHAIRMAN'S REPORT.

None.

BOARD OF DIRECTOR'S COMMENTS.

Mr. Conkling stated that he has had staff prepare a map that will go on the wall that shows the entire trail system.

Mr. Fahey stated that he is going to leave everything like it is with regard to the standing committees for 2017.

PROPERTY MATTERS.

None.

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FOR YOUR INFORMATION.

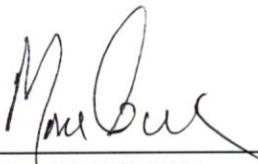
The lobbyist contract with Larry Horan Ltd. has been renewed with no changes for the second year.

OTHER BUSINESS.

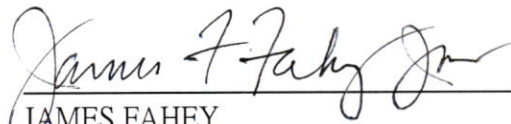
- Special Board Meeting is scheduled for Tuesday, January 3, 2017
- Next Regular Board Meeting is on Friday, January 20, 2017 at 9:00 a.m.

ADJOURNMENT.

With no further business, Mr. Fahey declared the meeting adjourned. Meeting adjourned at 10:00 a.m.



MARK CONKLING
Secretary



JAMES FAHEY
CHAIRMAN

DATE APPROVED: 1/20/17