

**SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY
(SSCAFCA)
MINUTES OF JULY 20, 1999
REGULAR BOARD OF DIRECTORS MEETING**

I. CALL TO ORDER

The regular meeting of the SSCAFCA Board of Directors was called to order by Dub Yarbrough, Chairman, at 1:03 p.m.

1. Role Call of Directors

Directors in attendance were John Chaney, James Dorn, Guy McDowell, and Dub Yarbrough. Bill Joiner was noted as absent. Staff members present were David Stoliker, Executive Director, and Karen Roybal, Receptionist. Bernard Metzgar, SSCAFCA's attorney, and members of the public were also present.

2. APPROVAL OF AGENDA

A motion was made by John Chaney to move the closed session after Number V of the Agenda. It was seconded by James Dorn and passed unanimously. A motion was made by John Chaney to approve the Agenda as amended. It was seconded by James Dorn and passed unanimously.

II. TREASURER'S REPORT

1. Approval of Tax Resolution 1999-5 for General Fund Tax Levy

Mr. Metzgar stated that he had corrected some items in both tax resolutions to clarify them and sent them to Perry Baird for his review.

A motion was made by John Chaney to approve Resolution 1999-5 as presented. It was seconded by James Dorn and carried unanimously.

2. Approval of Tax Resolution 1999-6 for Debt Service Tax Levy.

A motion was made by James Dorn to approve Resolution 1999-6 as presented. It was seconded by Guy McDowell and carried unanimously.

3. Budget and Budget Resolution

A motion was made by Guy McDowell to hold these matters in abeyance until after the closed session. It was seconded by John Chaney and carried unanimously.

III. BOND SALE RESULTS

Mr. Powers stated that since Board approval of the sale of the bonds, Hughes & Strumor mailed out the Notice of Sale to approximately 200 known bond buyers around the country. In addition, Dain Rauscher published in the Bond Buyer, the major facts surrounding the issue, which is distributed to a wide variety of bond buyers around the country. In response, SSCAFCA received five bids for the bonds.

The best bid was actually submitted by Dain Rauscher. The top three bids were about 4 basis points apart, which is quite good. The total dollar difference between the first and third bids is a little over \$5,000.00. FSA has provided an insurance low bid of \$10,000.00 premium. The bidder, at their option pays the insurance premium.

If all the bonds are sold at the yields Dain Rauscher thinks they will sell at, it will produce \$2,021,765.40. The \$21,765.40 is Dain Rauscher's markup. Moody's Investor Service rating of SSCAFCA is A2 and is based on the Authority's strong financial operations, moderate debt burden, rapid pay-out of debt burden, and rapidly growing tax base with favorable resident wealth levels.

Mr. Baird stated that in approximately 10 years SSCAFCA will pay off almost 82% of its principal, which is looked upon favorably. SSCAFCA is in the middle of the "A" rating category, which is at the high end in New Mexico.

IV. APPROVAL OF \$2 MILLION BOND ISSUE SALE

1. Approval of Bond Issue Resolution 1999-8

Mr. Strumor stated that Hughes & Strumor prepared Resolution 1999-8, which establishes the details of the bonds, awards the bonds to the best bidder, and provides that the bonds will be sold and delivered to the bidder.

A motion was made by Guy McDowell to approve Resolution 1999-8 as presented. It was seconded by James Dorn and carried unanimously.

V. LEGAL COUNSEL REPORT

1. Update on Sale of Excess Fragments

Mr. Metzgar stated that after approval by the Board of the sales, the next thing he needed in order to prepare the transfer documents was the metes and bounds descriptions for those properties. He stated that there was one parcel of excess property

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in Corrales and he had the metes & bounds on that property. He did the deed on that property and the sale on that property has been concluded.

The second parcel he was going to work on was Parcel 35. When Wilson & Company sent him the metes & bounds of that property, it turned out that the size of the property was larger than what had been estimated by the appraiser when he did the appraisal. The appraiser had estimated the parcel to be 19,024 square feet, less than half an acre, which he was told, could not be built on separately. The metes & bounds has the parcel at 21,725 square feet, which is 55 square feet smaller than a half acre, but which may be built on separately. Because of how large he thought the parcel was, the appraiser discounted the parcel by 85% because he figured its only use was to the adjacent property owner. The appraiser valued the property at \$3,200.00. When the actual size was brought to the attention of the City of Rio Rancho, they stated that the parcel was a buildable lot. Mr. Buckner is the adjacent property owner who wished to purchase the lot and had been told that the property would be sold to him as a fragment. When the half-acre question came up, Mr. Metzgar stated that he called Mr. Buckner and told him of the problem and that Mr. Buckner is in the audience today.

Mr. Yarbrough stated that he talked with Nora Romero at the Environment Department and she told him that anything platted prior to 1973 was grandfathered in to the smaller lot size. Anything after 1973 required a 3/4-acre lot size to build on. Mr. Yarbrough stated that she told him that if a government entity damages a lot for a project, they would recognize the original corners. The original plat was filed in 1969. Mr. Yarbrough stated that the property is too large to sell for \$3,200.00.

A motion was made by John Chaney that, if the Environment Department and the City of Rio Rancho says that any of the excess lots are buildable, SSCAFCA get new appraisals immediately. It was seconded by Guy McDowell and carried unanimously.

Mr. Yarbrough stated that there are excess lots that need appraisals on the upper part of the plat and that Lots 5A and 2A need to be replatted.

A motion was made by John Chaney to appraise the necessary lots and do the replat. It was seconded by Guy McDowell and carried unanimously.

2. Approval of Survey Monumentation Task Order for Wilson & Company

Mr. Stoliker stated that when Wilson & Company was informed

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that SSCAFCA needed metes & bounds descriptions of the excess parcels in Unit 17, Wilson & Company needed to put in the Monumentation to assure that there is a proper level of survey control. Wilson & Company has asked for an additional \$7,340.00 for the Monumentation.

Mr. Chaney asked if the matter could be put out for bid. Mr. Stoliker stated that surveying is covered under the professional services statutes and that selection must be qualifications based. Mr. Chaney questioned the cost of the task order. Mr. Stoliker stated that Wilson & Company had done the preliminary work on this project and that to bring in another firm would require redoing a substantial amount of the work. Mr. Stoliker stated that the cost presented by Wilson & Company was appropriate, in his experience, given the amount of monuments to be replaced and the level of difficulty. Mr. Chaney requested that Mr. Stoliker discuss this with Wilson & Company and provide him the results of this discussion.

A motion was made by Dub Yarbrough to approve adding \$7,340.00 to Wilson & Company's contract for the Survey Monumentation Task Order. It was seconded by James Dorn and carried 3-1. John Chaney opposed the motion.

VI. CLOSED SESSION

A motion was made by John Chaney to go into a closed session for purposes of discussing personnel matters and potential and pending litigation for Dams 4 to 1 Project and Urban Pond 4 Project. It was seconded by James Dorn. Roll call vote: John Chaney, yes; James Dorn, yes; Guy McDowell, yes; Dub Yarbrough, yes. Motion passed 4 to 0.

The Board went into closed session at 2:37 p.m.

VII. RESUMPTION OF OPEN MEETING

The Board reconvened in open session at 4:30 p.m.

The matters discussed in the closed meeting were limited only to those specified in the motion for closure.

Mr. Yarbrough stated that no action was necessary on the matters discussed in the closed session.

VII. EXECUTIVE DIRECTOR REPORT

1. Project Progress Reports

a. Urban Pond 4 Engineering Contract Modification

Mr. Stoliker stated that because of all the litigation and all the extra work done on Urban Pond 4, Leedshill-Herkenhoff is very close to using up all their money under their task order. Leedshill is asking for \$15,000.00 more under their task order. If everything goes well, Leedshill won't have to use any of it.

A motion was made by James Dorn to approve the addition of \$15,000.00 to Leedshill-Herkenhoff's task order. It was seconded by Dub Yarbrough and carried unanimously.

b. Tree Farm Pond Task Order Approval

Mr. Stoliker stated that the Tree Farm Task Order is a large contract. The contract is to do the same thing to Tree Farm Pond B that was done to Urban Pond 4. Upon review of the design plans and specs, it was determined that Tree Farm B was designed to allow bank erosion when the overflow exceeded the spillway capacity. This task order would change that design to provide armor plating of the bank to protect it if the overflow exceeded the spill way capacity.

A motion was made by James Dorn to approve the Tree Farm Pond Task Order, items A & B only at this time. It was seconded by Guy McDowell and carried unanimously.

c. Urban Pond 5 Task Order Approval

Mr. Stoliker stated that the oil/water separator is part of the Urban Pond system and is located in Alamos Road. It is not the correct place to have it. For \$5,925.00, Leedshill negotiated a contract change with Joiner where a new one would be bought and placed where it should be, which is in the outlet of Urban Pond 5.

A motion was made by Dub Yarbrough to approve the Urban Pond 5 Task Order. It was seconded by James Dorn and carried unanimously.

2. Sublease Agreement Approval

Mr. Stoliker stated that SSCAFCA wrote a letter to the Lessor and indicated that it wanted to renew the lease for one year, plus four six-month option extensions. He stated that he was contacted by Mr. Manganaro, who offered SSCAFCA a sublease of his lease in the building immediately north of SSCAFCA's present quarters. Mr. Manganaro will be out of the offices and SSCAFCA could move in by September 30, 1999, but he wants to retain a small office in the

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back of the quarters for a period up to six months.

Mr. Metzgar stated that the Sublease document has not been drafted yet. All of the terms of Mr. Manganaro's Lease Agreement will be the same, except for the lease term.

A motion was made by Guy McDowell to approve the sublease as proposed. It was seconded by James Dorn and carried unanimously.

3. USEPA Storm Water Regulations - Chapter 3

Mr. Stoliker pointed out that another chapter on storm water management is contained in the Board members' packet for their information.

4. Response to Chairman Yarbrough's Request for Information

Mr. Yarbrough stated that this matter should be tabled until the next meeting. Mr. Stoliker stated that the information was in the packet provided for this meeting. Mr. Yarbrough wants to go over it before further discussion.

5. Town of Bernalillo Drainage/Agreement with SSCAFCA

Mr. Stoliker stated that the Town of Bernalillo has executed and sent back the MOU on the Drainage Policy and appointment of a designee under the agreement. Mr. Metzgar has already signed it and it needs to be executed by SSCAFCA.

6. Drainage Report Checklist & Drainage Plan Checklist

Mr. Stoliker stated that he is sending a drainage report checklist to the different entities within SSCAFCA's boundaries which tells them what they need to submit with each set of plans. This will assist the engineers to make sure they have everything taken care of before they submit their plans to SSCAFCA. The Board had no problem with this being done administratively.

VIII. CHAIRMAN'S REPORT

1. Discussion of Office Hours

Mr. Yarbrough stated that the office does not have anyone answering the phone during the noon hour. Mr. Yarbrough suggested having a staggered lunchtime in order to have a person at the office during the lunch hour to answer the phones.

2. Montoyas Arroyo Temporary Construction Easement

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Mr. Stoliker stated that Mr. Yarbrough has signed a temporary construction easement on the Montoyas Arroyo for RMCI, Inc. who is constructing the new wastewater treatment plant for the City of Rio Rancho.

IX. DIRECTOR'S COMMENTS

None.

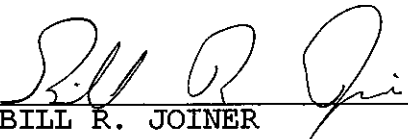
X. OTHER BUSINESS

None.

XI. ADJOURNMENT

A motion was made by James Dorn and seconded by Dub Yarbrough to adjourn the meeting. It was carried unanimously. Meeting adjourned at 5:15 p.m.


WM. C. YARBROUGH
Chairman


BILL R. JOINER
Secretary

DATE APPROVED: 8-17-99

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