

SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY
(SSCAFCA)
MINUTES OF JANUARY 18, 2000
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 1:05 p.m.

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

APPROVE AGENDA.

A motion was made by Bill Joiner to approve the Agenda as presented. It was seconded by James Dorn and passed unanimously.

II. SECRETARY'S REPORT.

1. Approve Minutes of December 7, 1999.

A motion was made by Bill Joiner to approve the minutes of December 7, 1999 as presented. It was seconded by James Dorn and passed unanimously.

2. Approve Minutes of December 21, 1999.

A motion was made by James Dorn to approve the minutes of December 21, 1999 as presented. It was seconded by Dub Yarbrough and passed unanimously.

III. TREASURER'S REPORT.

1. Approve Expenditures 07/01/99 - 07/31/99.

A motion was made by James Dorn to approve the expenditures for July 1, 1999 through July 31, 1999. It was seconded by Bill Joiner and passed unanimously.

2. Approve Treasurer's Report 07/31/99.

A motion was made by James Dorn to approve the Treasurer's Report dated July 31, 1999. It was seconded by Bill Joiner and passed unanimously.

3. Financial Status Update.

Mr. Stoliker stated the MIP financial system owned by SSCAFCA was a DOS based system, which he has been trying to upgrade to the Windows system. At the same time Mr. Stoliker hired two different people to do the financials but they didn't work out. The

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checkbooks have been kept up, but the financial reports weren't done because of the problem with the system and personnel. Mr. Stoliker stated that the budgets and the funding are sound. The only problem has been getting the reports to the Board for its approval.

Mr. Stoliker stated that SSCAFCA has advertised for another financial person. There are around 30 applicants for that position and they will be interviewed soon. He has reassigned Pam to help with the financials in the interim.

Mr. Stoliker stated that MIP owns and leases the software that SSCAFCA uses. MIP is no longer going to support the DOS based system and will only support the Windows system, that is the reason for the upgrade. Mr. Stoliker stated that the support system from MIP is used all the time. Mr. Dorn stated that the timeliness of the reports has been a personnel issue rather than the computer issue.

4. GASB 34 Discussion.

Mr. Stoliker stated that he and Pam attended a workshop last week on GASB 34 (Government Accounting Standards Board). There is a group in the government who decides how governmental units do financial forms and reporting. The government wants to make the financial information clearer to the public so the reporting format has been revised. It also wants to identify all infrastructure and have governmental units account for it.

The first step in having the public sector account for infrastructure is to not allow it to be carried as "no value." The government wants the cost assigned. Mr. Stoliker stated that SSCAFCA now has to go back and identify all the costs put into its projects. There will be a schedule set by the State to get this done.

Mr. Stoliker stated that if you have a project that cost \$1 million, you will have two options; either to maintain it at its cost of \$1 million and not depreciate it, or depreciate it at a certain amount every year and put that money away each year for replacement. It is going to be a policy decision on how the Board wants it to be treated.

IV. RESOLUTIONS FOR APPROVAL.

1. Resolution 2000-1 -- Notice of Meetings.

Mr. Stoliker stated that he has prepared the standard resolutions that are done each year. Mr. Metzgar stated that the

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notice is published once per year for the regular meetings and is exactly the same as before.

A motion was made by Bill Joiner to approve Resolution 2000-1 as presented. It was seconded by James Dorn and passed unanimously.

2. Resolution 2000-2 -- Designation of Official Newspaper(s).

Mr. Stoliker stated that this resolution identifies The Observer and the Albuquerque Journal as SSCAFCA's official newspapers.

A motion was made by Bill Joiner to approve Resolution 2000-2 as presented. It was seconded by James Dorn and passed unanimously.

3. Resolution 2000-3 -- Designation of Legal Holidays.

Mr. Stoliker stated that this resolution identifies the legal holidays recognized by SSCAFCA.

A motion was made by Bill Joiner to approve Resolution 2000-3 as presented. It was seconded by James Dorn and passed unanimously.

4. Resolution 2000-4 -- Banking Designation.

Mr. Stoliker stated that SSCAFCA's banking designation is the same as last year and shows the signatories on the account.

A motion was made by Bill Joiner to approve Resolution 2000-4 as presented. It was seconded by James Dorn and passed unanimously.

V. ELECTION OF OFFICERS.

1. Chairperson of the Board of Directors/President of the Authority.

Bill Joiner nominated Dub Yarbrough to continue as SSCAFCA's Chairperson and President. It was seconded by James Dorn. There were no further nominations. All voted in favor of Mr. Yarbrough.

2. Chairperson Pro Tem of the Board of Directors/President Pro Tem of the Authority.

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Bill Joiner nominated John Chaney to continue as SSCAFCA's Chairperson Pro Tem and President Pro Tem. It was seconded by James Dorn. There were no further nominations. All voted in favor of Mr. Chaney.

3. Secretary.

James Dorn nominated Bill Joiner to continue as Secretary of SSCAFCA. It was seconded by Guy McDowell. There were no further nominations. All voted in favor of Mr. Joiner.

4. Treasurer.

Guy McDowell nominated James Dorn to continue as Treasurer of SSCAFCA. It was seconded by Dub Yarbrough. There were no further nominations. All voted in favor of Mr. Dorn.

VII. EXECUTIVE DIRECTOR'S REPORT.

1. Approval to Advertise Tree Farm Pond Construction.

Mr. Dodge stated that the plans of the project have been sent to various people for review. The final plans are not ready to advertise yet. Mr. Dodge is requesting authority approval to advertise once the comments come back. He wants to get the construction done so the dam is not being worked on during the rainy season. The project remains basically as presented last time. The storage volume of Tree Farm Pond A is being increased. There is a soil cement cap to be constructed. The storm drain is being extended to connect to the existing storm drain on Meadowlark and setting it up so that the upper Tree Farm Pond can be abandoned.

The capacity of the pond is being increased by lowering the floor and raising the spillway. The pond will not be extended horizontally to increase the capacity.

Mr. Dodge stated that most of the material from the bottom will be placed on the face of slope on the downstream side. There will be a small amount left over which will be placed into the bottom of the upper pond. Mr. Yarbrough stated that he is opposed to importing any dirt to fill the pond. Mr. Dodge stated that they are proposing at this time to leave the existing inlet in place and connect it to the new storm drain as an interim facility until it is decided to fill in the pond for something. The surface water that currently runs into the pond has no way to get out if the inlet is taken out.

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Mr. Stoliker stated that he wants to include Lot 116 of the Dam 4 to 1 project in this bid package. Mr. Yarbrough stated that Lot 116 was to be used to capture some of the flow that the pipeline project didn't capture. At that time, SSCAFCA didn't have the right of entry, so it was deleted from the original first contract on the pipeline. It was a separate item on the Dam 4 to 1 project, but the swallows interfered and construction was put off. He stated that this now needs to get done and Mr. Stoliker has suggested that it be put into the Tree Farm Pond bid package. The only thing Mr. Yarbrough would like to see is that it's a separate bid item that can be deleted if the need arises.

Mr. Stoliker stated that the figures on the project went down compared to the budgetary estimate. The engineer's estimate came in originally at \$750,000 - \$800,000 and it is now down to \$631,000. Mr. Stoliker stated that he had a previous, very preliminary estimate that was at \$506,000. He thought it was way too low and asked Mr. Dodge to go back and look at the numbers, which he did and found some changes that needed to be made, and that changed the amount. Also, Lot 116 was added into the package and that is the difference in the cost.

Mr. Stoliker stated that the right-of-way with Intel still needs to be pursued. He has contacted them initially as part of the process and Intel is willing to work with SSCAFCA on it. He stated that SSCAFCA has a stub out that was proposed by Mr. Dodge to take run-off from Sara's Meadows so that there aren't two run-downs.

A motion was made by Guy McDowell to approve the advertisement of the Tree Farm Pond Construction, pursue ROW acquisition from INTEL and the cemetery and to provide a stub-out for Sara's Meadow. It was seconded by James Dorn and passed unanimously.

Mr. Stoliker stated that he would like to publish the engineer's estimate because it lets everybody know the same information.

Mr. Yarbrough stated that the general public does not usually read the advertisements. Mr. Stoliker thinks it will facilitate competition among the contractors and will also help those contractors not get involved if it is not the right scale for them. Mr. Stoliker stated that AMAFCA advertises the engineer's total estimate only. Mr. Dodge stated that AMAFCA takes a generalized estimate, which may be adjusted based on review before the "project cost" is put in the paper. There was general consensus by the

Board to publish the Engineer's estimate.

2. Sara's Meadow Agreement Ratification.

Mr. Stoliker stated that Sara's Meadow is across Meadowlark to the north of Tree Farm Pond A. It is approximately 15 acres. It had been proposed and agreed with Mr. Boyle (previous owner) to drain that site into Tree Farm Pond. The amount of run-off identified in the original 1995 Cinfran report was up to 49 cfs. The size of the development has been changed from 70 units to 88 units and the preliminary draft on the drainage plan indicates run-off of approximately 44 cfs.

Mr. Fossenier, from Cinfran Huitt-Zollars, is representing Mr. McClintick. Cinfran Huitt-Zollars is asking for ratification of the original agreement to drain into the pond for the amount of money contracted for at the time. The original agreement with Mr. Boyle was signed in April 1996. He stated that Cinfran's intent is to design the inlet structures on Meadowlark to pick up and intercept the balance of the 100-year flows that are not being directed into Tree Farm Ponds. All of the flows within the development will be directed into a storm drainage system that will enter into the pipeline that goes into Tree Farm Ponds. Mr. Fossenier does not anticipate significant flows draining off the project into the street. If they do, they will be accounted for and intercepted in the street. Rather than have two inlets in the pond, there will be one from SSCAFCA's project and Cinfran will intercept the flow and deliver it into the pond. Mr. Yarbrough stated that if SSCAFCA allowed the developer to do that, SSCAFCA would be saving the developer quite a bit of money. Mr. Fossenier stated that the developer would be willing to negotiate part of the cost of the structure.

Mr. Stoliker stated that Mr. Dodge is anticipating approximately 350 cfs to go into the pipeline flowing into Tree Farm Pond A in the 100-year event. Of that, 49 cfs would be from this project, which is about 1/6 of the total flow. Mr. Joiner stated that the developer should be responsible for 1/6 of the actual structure itself.

Mr. Chaney suggested that Mr. Stoliker calculate all the different ways the Board could look at cost sharing and bring it back to the Board so the Board could make an informed decision.

Mr. Fossenier stated that the maintenance of the pond had been negotiated in the previous agreement with Mr. Boyle. Mr. Fossenier stated that the money is in escrow to pay SSCAFCA and if SSCAFCA

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wants a reasonable amount of interest they will pay that also, and they will also pay the shared cost of inlet structures. Mr. Fossenier stated that they are scheduled to go to preliminary plat in early March. They can't obtain a grading permit before that. The developer then wants to go on a fast track starting in March. By the time they have the drainage connections it will probably be the middle of the summer, 2000.

Mr. Stoliker stated that the developer has offered to pick up the surface drainage on Meadowlark. He stated that SSCAFCA's estimated cost to put in a larger drop inlet to be around \$15,000.00. Mr. Fossenier stated that the developer is not able to make much change in the grade because they are only improving one half of the road. They will be putting in curb, gutters, sidewalks and street lights on the side adjacent to the project.

Mr. Yarbrough stated that SSCAFCA cannot allow any sewage spill into SSCAFCA's facility. Mr. Fossenier stated that there is none intended. The developer is planning to build a sanitary lift station. In addition to the normal requirements of a lift station, they will be putting in an additional detention facility.

Mr. Fossenier stated that the development will not cause any drainage to go into Corrales. In addition, the developer will intercept a lot of the drainage from the streets that already goes into Corrales. There is a preliminary drainage study that says the drainage will be less than 49 cfs. The developer will be making submittals to the City of Rio Rancho for the preliminary and final plats, which includes all the hydrology, drainage studies, etc. SSCAFCA will address the matter before it goes for final approval.

A motion was made by James Dorn to ratify the Agreement dated April 8, 1996 between Ed Boyle and SSCAFCA to allow the Sara's Meadow development to drain storm water run-off into Tree Farm Pond A with the understanding that the interest rate on the balance owed is subject to agreement and cost sharing on the structure will be negotiated. It was seconded by Guy McDowell.

Mr. Chaney stated that if Mr. Stoliker had been able to bring the Board the entire history as to the agreement he could have been able to come to a decision. He cannot make a decision based on the original letter agreement in front of him. Mr. Fossenier stated that the developer did not anticipate that SSCAFCA would want to renegotiate the original agreement.

Mr. Metzgar stated that the original letter agreement is not a contract that runs with the land. It was a personal contract

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between the developer at that time and SSCAFCA. He stated that it is not an enforceable contract by the present developer against SSCAFCA.

Mr. Stoliker stated that even though the developer is different, the engineer on the project is the same. SSCAFCA agreed with the original approach and has set aside a certain amount of storage in the Tree Farm Pond for that purpose. When the original contract was written, it was based on numbers available at that time. The proposed flow and volume are the same today, as they were when the original agreement was made.

Mr. Yarbrough stated that regardless of this development SSCAFCA would go ahead with the Tree Farm Pond project. He suggested that if the Board puts off a vote on this matter today that it be for a maximum of two weeks. Mr. Fossenier stated that the developer is in the process of doing the engineering and if the developer has to wait longer for SSCAFCA's decision, it postpones everything.

Mr. Dorn withdrew his motion and Mr. McDowell withdrew his second.

Mr. Stoliker stated that there is no engineering reason why the Board should deny the development the right to put its water into Tree Farm Pond.

A motion was made by John Chaney to allow the project to drain into Tree Farm Pond subject to a negotiated agreement between SSCAFCA and the developer, with conditions and cost sharing to be determined at a later date. It was seconded by Guy McDowell and passed unanimously.

It was decided that a committee would be appointed by Mr. Yarbrough to discuss this matter and meet with the developer. A committee meeting was scheduled for January 25, 2000 at 10:00 a.m. A special meeting of the Board was scheduled for February 1, 2000 at 1:00 p.m.

3. Discussion/Action on Section 457 Deferred Compensation Plan.

Mr. Stoliker stated that SSCAFCA does not offer deferred compensation to employees today. It is a plan where they can put some of their gross income into savings that is not taxable until they take it out or reach retirement.

The Board tabled this matter until Mr. Metzgar could review

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the Plan, prepare the resolution and present his recommendations to the Board.

4. Harvey Jones Channel/Dulcelina Curtis Channel Annual Report.

Mr. Stoliker stated that the annual report done with NRCS has been included in the Board packets. During the inspection, there were some hairline stress fractures found in the concrete, but they are not structural. Mr. Korzdorfer stated that there was nothing to do except continue with routine maintenance and continue to monitor the fractures with photographs.

Mr. Yarbrough asked if it was viable to fill in the rest of the basin at the Harvey Jones outlet as opposed to letting it fill in over time. Mr. Stoliker stated that it would eventually fill in over time if SSCAFCA can keep it from undercutting. Mr. Stoliker stated that it needs to be filled up to the top now because of the undercutting and that it will cost approximately \$10,000.00 - \$20,000.00 to fill it in. He stated that there is coarse sand at the inlet to the Harvey Jones, which can be picked up and trucked to the basin.

5. Appraisers/Title Services RFP Section Approval.

Mr. Stoliker stated that he has received six submittals on appraisal services, but has received no submittals on title services. Mr. Metzgar stated that most of the title services that SSCAFCA would ask for would be \$5,000.00 or less. Therefore, the best approach would be to contact at least three title companies with what was needed at the time and ask for bids then.

6. Enchanted Hills Development Resolution of Technical Issues.

Mr. Stoliker stated that he has met with Howard Stone and Clint Dodge and they have reviewed all the information required by SSCAFCA and agreed with about 95% of it. Enclosed are the technical issues that were to be changed based upon the input from Mr. Stone and Mr. Dodge. These changes will be incorporated into future technical reviews.

Mr. Fossenier stated that the developer is addressing all the review comments. He has indicated to Mr. Stoliker informally that they intend to satisfy his concerns. The staff is working on those at this time and hopefully they can submit them later this week.

CHAIRMAN'S REPORT.

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Mr. Yarbrough asked about the status of the 528 Channel. Mr. Dodge stated that they have gone out and done a field survey to figure out where the water at the intersections would go.

Mr. Yarbrough asked about the situation on office space with Ross Manganaro. Mr. Stoliker stated that he talked with him last week and he will be out either the 15th of February or the end of this month.

Mr. Yarbrough stated that the appraisals were done on the excess properties in Unit 17. Mr. Metzgar stated that he finally received the surveys from Wilson & Co. and that he has to review them and talk to the Department of Finance and Administration on the procedure for sale. SSCAFCA is considering an oral auction on the properties rather than sealed bids.

Mr. Yarbrough stated that SSCAFCA also needs to get started on the excess property that is owned along the original pipeline project. When SSCAFCA does that he would like to include the two lots at Dam 4 with the sale. Mr. Metzgar stated that when SSCAFCA is ready to determine what lots it can sell, SSCAFCA needs to also abandon the easements it does not need.

Mr. Yarbrough stated that the Sheriff ~~Passa~~ *to AB project* is still ongoing.

Mr. Yarbrough stated that Frank Marquez from Sandoval County has called Mr. Stoliker several times asking to buy excess fill from SSCAFCA. Mr. Stoliker stated that he told Mr. Marquez to write a request letter. Mr. Yarbrough stated that if the fill comes out of the Venada he doesn't want just any trucker or contractor to bring it out. Mr. Joiner stated that if the County has already contracted with Carl Longley to haul the dirt, the Venada would be safe.

Mr. Yarbrough asked about the status of helping Mountain View School with their drainage problems. Mr. Stoliker stated that he is meeting with the teacher and children on Thursday. He has contacted the City of Rio Rancho to have someone there also.

DIRECTOR'S COMMENTS.

None.

OTHER BUSINESS.

None.

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PUBLIC FORUM.

None.

CLOSED SESSION.

A motion was made by Bill Joiner to go into a closed session for purposes of discussing pending litigation on the Dam 4 to 1 Pipeline Project - Tapia/Solomon case, and potential litigation on Dams 4 to 1 Pipeline Project. It was seconded by Guy McDowell. Roll call vote: John Chaney, yes; James Dorn, yes; Bill Joiner, yes; Guy McDowell, yes; Dub Yarbrough, yes. Motion passed 5 to 0.

The Board went into closed session at 4:00 p.m.

RESUMPTION OF OPEN MEETING

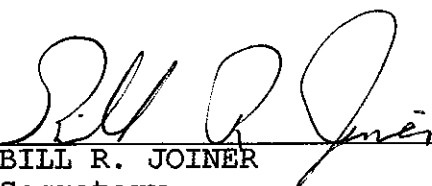
The Board reconvened in open session at 4:10 p.m.

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.

ADJOURNMENT.

A motion was made by Bill Joiner and seconded by Guy McDowell to adjourn the meeting. It was carried unanimously. Meeting adjourned at 4:15 p.m.



BILL R. JOINER
Secretary



WM. C. YARBROUGH
Chairman

DATE APPROVED: 2-1-00