

**SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY  
(SSCAFCA)  
MINUTES OF JANUARY 3, 2011  
BOARD OF DIRECTORS SPECIAL MEETING**

**CALL TO ORDER.**

The special meeting of the SSCAFCA Board of Directors was called to order by Mark Conkling, Chairman, at 9:05 a.m.

**ROLL CALL OF DIRECTORS.**

Directors in attendance were John Chaney, Mark Conkling, James Fahey, Steve House, Donald Rudy, and Dub Yarbrough. David Stoliker, Executive Director, and members of the public were also present. Bernard Metzgar, SSCAFCA's attorney, was absent.

**PLEDGE OF ALLEGIANCE.**

The Board was led in the Pledge of Allegiance by Mark Conkling.

**APPROVAL OF AGENDA.**

A motion was made by Donald Rudy to amend the Agenda to move Item J1 to just after the approval of the agenda. It was seconded by John Chaney and passed unanimously.

**ANNOUNCEMENTS.**

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

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**SWEARING IN NEWLY ELECTED BOARD MEMBERS, STEVEN M. HOUSE AND JAMES F. FAHEY.**

- Signing of the "Oath of Office."

Steven House and James Fahey were sworn into office.

**STAFF REPORTS.**

**Executive Engineer:**

1. Action/Discussion of City or Rio Rancho proposed changes to the Metropolitan Redevelopment Code.

Mr. Conkling stated that there are still many antiquated platted lots. One of the ways the City has been able to grow is to consolidate property. The legislature changed the law several years ago, which made the process very difficult. The City and its supporting groups are asking the legislature to consolidate antiquated platting into contemporary development schemes.

Mayor Swisstack of the City of Rio Rancho played a video regarding what is happening in Rio Rancho and the City's plans regarding the Metropolitan Redevelopment Code. He stated that not once did they ever condemn somebody's house and take it away. This piece of legislation is carefully narrowed down to minimize opposition, while at the same time trying to plan for growth. If a piece of property has a structure, it is off the table. However, the City is trying to pull together antiquated property throughout the City. Less than 20% of Rio Rancho's property has been developed.

James Jimenez, of the City of Rio Rancho, stated that they have tried to recognize the various concerns that have been expressed regarding eminent domain. He took the Board through the proposed bill which is in the Board's packets.

Mr. Chaney asked about the ability of the property owner to have an equity interest in the property. Mr. Jimenez stated that they heard from people in the community that they wanted to be able to participate in the development, if possible. Mayor Swisstack stated that there were requests that if they had the property and didn't want to sell the property, would they be in a position to partner with the developer and either share in the profits or the loss of the development. This is another tool that would be available that the public would have the option to be part of the solution of the antiquated platting.

Mr. Conkling stated that Cabezon was the last project that was done under the Redevelopment Code. The Cabezon project saved SSCAFCA hundreds of thousands of dollars in terms of its flood control. It is financially to the advantage of SSCAFCA to get behind this bill. On another issue, in Unit 17, a fully undeveloped lot requires newly regulated septic tanks, which are onerous, a water well that has to be a certain distance away. Many of the lots do not have electric, gas, cable, nor has drainage been addressed. From an accounting point of view, if a person buys all those things for an antiquated lot, they will spend considerably more than the land is worth.

Mayor Swisstack stated that it would need to be discussed with the property developer with regard to a person wanting to keep his lot in the development after it is developed. He stated that this could be an option and he will look into it. Mr. Rudy stated that if the public doesn't work with the developers and the City in trying to redevelop the lots, it is possible that they could possibly put themselves into a position where their lots will never be able to be developed.

A motion was made by Steve House to support the City's Resolution/Initiative with the Metropolitan Redevelopment Code changes as presented. It was seconded by Donald Rudy.

Mayor Swisstack stated that with regard to a moratorium, if the City is unsuccessful during this session, the governing body of the City will have to start discussions about whether or not it will try to freeze any further development until they are starting to be master planned. That could have a negative impact on the community. He knows the City will be criticized for that as well.

Mr. Stoliker stated that he asked Huitt-Zollars to prepare a cost estimate for what SSCAFCA is paying for regional drainage. It is around \$10 million per square mile. That number is taken out of the last three facility plans that were approved. In a redevelopment scenario, the developer more than pays for the drainage. Secondly, staff strongly supports what the City is promoting because it helps to solve SSCAFCA's flood control problems and the taxpayers are not burdened with that extra cost.

The motion passed unanimously.

Mr. Conkling directed David Stoliker to work with SSCAFCA's lobbyist and the City to support the City's initiative. It was the general consensus of the Board to do this.

**ELECTION OF OFFICERS.**

1. Chairman of the Board of Directors/President of the Authority  
= Passing of the gavel.
2. Chair Pro Tem of the Board of Directors/President Pro Tem of the Authority.
3. Secretary of the Board of Directors.
4. Treasurer of the Board of Directors.

Mr. Conkling asked for a motion to elect Mark Conkling Chairman, Donald Rudy as Pro Tem Chair, Steve House as Secretary and Jim Fahey as Treasurer without opposition.

A motion was made by Donald Rudy and seconded by John Chaney to unanimously elect Mark Conkling Chairman, Donald Rudy as Pro Tem Chair, Steve House as Secretary and Jim Fahey as Treasurer. The motion passed unanimously.

**ASSIGNMENT OF COMMITTEE MEMBERSHIPS BY THE CHAIRMAN.**

Mr. Conkling made the following committee appointments:

1. Executive Committee. Mark Conkling as Chair and Donald Rudy, Bernie Metzgar and David Stoliker as the Executive Committee, with John Chaney as alternate Board member.
2. Budget Committee. Mark Conkling appointed James Fahey as Chair and Steve House, Debbie Casaus and David Stoliker as the Budget Committee, with John Chaney as the alternate Board member.
3. Personnel Committee. Mark Conkling appointed John Chaney as Chair and Donald Rudy, Catherine Conran and David Stoliker as the Personnel Committee, with Mark Conkling as the alternate Board member.
4. Lobbyist Liaison and Legislative Committee. Mark Conkling appointed Donald Rudy as Chair and Catherine Conran, David Stoliker, and Steve House as the Lobbyist Liaison and Legislative Committee, with John Chaney as the alternate Board member.
5. Mid Region Council of Governments (MRCOG) Representative.
  - a. Water Resources Board. Mark Conkling appointed Donald Rudy to the Water Resources Board, with Steve House as the alternate.
  - b. Executive Board. Mark Conkling appointed Donald Rudy to the Executive Board, with Steve House as the alternate.
  - c. Metropolitan Transportation Board. Mark Conkling appointed Steve House to the Metropolitan Transportation Board, with David Stoliker as the alternate.

Mark Conkling opened the floor for any discussion.

**RESOLUTIONS FOR APPROVAL**

1. Resolution 2011-1, Notice for Meetings.

Mr. Stoliker presented Resolution 2011-1 and stated that there are no changes from the previous year. A motion was made by Jim Fahey to approve Resolution 2011-1 as presented. It was seconded by Donald Rudy.

Roll call vote: John Chaney, yes; Mark Conkling, yes; James Fahey, yes; Steve House, yes; Donald Rudy, yes. The motion carried 5-0.

2. Resolution 2011-2, Designation of Official Newspaper.

Mr. Stoliker presented Resolution 2011-2. He stated that staff recommends that the Albuquerque Journal be designated SSCAFCA's official newspaper and that The Observer be designated as an additional newspaper. A motion was made by Steve House to approve Resolution 2011-2 as presented. It was seconded by Jim Fahey.

Roll call vote: John Chaney, yes; Mark Conkling, yes; James Fahey, yes; Steve House, yes; Donald Rudy, yes. The motion carried 5-0.

3. Resolution 2011-3, Check Signing Authorization.

Mr. Stoliker presented Resolution 2011-3 and stated that there were no changes from 2010. A motion was made by Steve House to approve Resolution 2011-3 as presented. It was seconded by Jim Fahey.

Roll call vote: John Chaney, yes; Mark Conkling, yes; James Fahey, yes; Steve House, yes; Donald Rudy, yes. The motion carried 5-0.

4. Resolution 2011-4, Designation of Legal Holidays.

Mr. Stoliker presented Resolution 2011-4. A motion was made by Donald Rudy to approve Resolution 2011-4 as presented. It was seconded by Steve House.

Roll call vote: John Chaney, yes; Mark Conkling, yes; James Fahey, yes; Steve House, yes; Donald Rudy, yes. The motion carried 5-0.

5. Resolution 2011-5, Amendment to Sick Leave Policy.

A motion was made by John Chaney to approve Resolution 2011-5 as presented. It was seconded by Steve House.

Mr. Stoliker stated that the policy had stated that employees "may convert unused sick leave in excess of 1,200 hours to vacation leave or for early retirement." That language was removed, and it now reads, "Employees are encouraged to accumulate sick leave so that it is available in the event of a long term illness. Maximum sick leave accumulation will be 1,200 hours. Hours in excess of 1,200 hours shall be forfeited at the end of each calendar year."

Roll call vote: John Chaney, yes; Mark Conkling, yes; James Fahey, yes; Steve House, yes; Donald Rudy, yes. The motion carried 5-0.

**STAFF REPORTS (continued).**

**Executive Engineer:**

2. Action/Acceptance of Selection/Agreement for Professional Lobbyist Services.

Mr. Stoliker stated that Larry Horan and his father have been selected to be SSCAFCA's lobbyist again by the selection committee. The contract is identical to the one last year. Mr. Horan stated that he looks forward to the continued relationship with SSCAFCA. He always gets clear direction with regard to his instructions. He stated that the City of Rio Rancho's proposed legislation may be tough to get through the legislature. Mr. Fahey stated that it might be better to not use the word "condemnation" and use another word that is not so negative to the public.

A motion was made by Donald Rudy to approve the contract as presented. It was seconded by John Chaney and passed unanimously.

3. Action/Acceptance of contract renewals with no requests for changes.

Engineering  
Huitt-Zollars

Surveying

Appraisers

Huitt-Zollars  
Shipman/Foley & Assoc.

Bohannon Huston  
WHPacific  
Stantec

Bohannon Huston  
Community Sciences  
Surv-Tek

Mr. Stoliker stated that the above-referenced contracts were up for renewal. He stated that Mr. Metzgar has recommended that SSCAFCA not continue with Holzhauer and Associates because they have moved out of state. Mr. Stoliker is okay with that. Another RFP will be done for additional appraisers.

A motion was made by Steven House to approve all contracts as presented. It was seconded by John Chaney and passed unanimously.

4. Action/Approval of Fiscal Year 2010 Audit Report.

Mr. Stoliker stated that the audit was completed and submitted before the December 1 deadline. If it is approved, it will be used in SSCAFCA's next bond issue. It has an unqualified (or clean) opinion, which is the best that can be received. There is one finding which the Board has already corrected. There were four findings last year,

which have all been corrected. There was an increase in assessed valuation of approximately \$2 million.

On page 1, there is an independent auditor's report, which says it's unqualified and fairly represents everything that SSCAFCA is doing. On page 3, the comparative net assets are about \$75 million. Mr. Chaney stated that there is a GASB regulation which requires that everything that SSCAFCA builds has a value and must be listed. Mr. Stoliker stated that value is at the time that it's booked. He stated that for SSCAFCA to build the Harvey Jones Channel today is estimated at over \$100 million, yet it's booked at \$7 million. Ms. Debbie Casaus stated that any accounts payable that SSCAFCA has is listed as a liability, along with SSCAFCA's bond. Non-current liabilities are bonds, compensated absences (such as accrual of vacation leave), etc. The \$24 million in non-current liabilities consists mostly of SSCAFCA's bonds.

Mr. Stoliker stated that SSCAFCA is only paying interest on this next bond issue for the first five or seven years. He believes SSCAFCA has an opportunity to sell these bonds and do things that are wonderful for the community.

Mr. Stoliker stated that page 11 shows SSCAFCA's carryover. SSCAFCA really uses this to balance its budget. Right now, SSCAFCA's needs exceed its resources; therefore, SSCAFCA is restraining its needs by limiting hiring, etc. This year SSCAFCA exceeded \$2 million on its general fund, which is the first time that has happened. Near the end of the report, the findings, on page 38, show that the four findings from last year were corrected. The capitalization procedures have been changed to capitalize over \$5,000.00 to stay more in line with the State Auditor's rule, and were done at the State's request.

Mr. Rudy stated that with respect to the capitalization procedures, many of the findings were not criticisms, they were statements to the effect that SSCAFCA had procedures and policies, which although they were consistent, were not precisely in line with the controls that come down from the State. Rather than having to do any real change, SSCAFCA has done paper changes.

Mr. Stoliker stated that the next one is fixed assets. SSCAFCA had not been bringing them to the Board to have the Board approve them. That has been changed. There is also a requirement to document journal entries. Debbie Casaus and Sandy now have a log book to document all journal entries. The other was utilization of the GATSBY 34 fund. This is an audit issue. The auditor before last set up procedures for SSCAFCA. Its last auditor didn't like those procedures and wanted staff to use different procedures. Now, staff has the same auditor back to use the first procedures, and that was made a finding. SSCAFCA is now using the GATSBY accounting standards.

Mr. Stoliker stated that the issue they found this year was when SSCAFCA has a bond issue, it is supposed to budget those funds through a resolution and send it to DFA for approval. As soon as he found out about it, the budget resolution was brought to the Board for approval. Mr. House and Mr. Rudy sat in on the exit interview with the auditor. Mr. House stated that SSCAFCA does a really, really good job of keeping its books tight and clean. Mr. Chaney stated that on the 9.3 documentation, even though it's a double entry electronic book entry system, SSCAFCA is now keeping a paper journal entry of notes to keep adjustments as well.

A motion was made by John Chaney to accept the audit as presented. It was seconded by Jim Fahey and passed unanimously.

**CHAIRMAN'S REPORT.**

1. Action/Acceptance of task-order for Support Services from Bohannon Huston in the amount of \$48,700.
2. Action/Acceptance of Outreach and Education estimated costs Regarding Trash and Litter Reduction/Elimination in the SSCAFCA Watershed Parks from Edit House Productions.

Mr. Stoliker stated that this task order is for Jennifer Martinek's services for support of the Chair's initiative on the solid waste issue, which will be carried through Bohannon Huston. Mr. Conkling stated that one of the things that he got involved with early last season had to do with an ill fated bottle and can ordinance which might have some impact on clean water through SSCAFCA's jurisdiction. Since this might be one of SSCAFCA's most growing expenses over the next decade, he exercised some leadership on how to address litter. After a couple of meetings, he and Mr. Rudy met with a selected group of individuals to see about an alternative approach to going through the legislature. They came up with recycling plastic bottles in the curriculum that already goes to the grade schools, with a more powerful emphasis on the impact of those bottles through SSCAFCA's jurisdiction. It was suggested placing Dumpsters by its major projects to show the value of recycling. That could be used as an entry into the legislature. Staff has found the money for this within the existing budget, so the budget is not increased.

Mr. Rudy stated that he is impressed with staff's progress on this issue. At the same time, SSCAFCA has had essentially cooperative involvement from AMAFCA, the City of Rio Rancho, Waste Management, and others.

Mr. Chaney asked about lobbying for an ordinance just for its jurisdiction. Mr. Conkling stated that the grocery stores and brewers will fight it. Mr. Rudy stated that in order to get a volume of most recyclable materials, you have to get above a threshold. If things are limited in a local fashion, those problems are run into immediately. Mr. Chaney suggested that the progress be monitored so that when this comes up next year,



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the Board will know where it stands. Mr. Conkling stated that the task order includes aggressive searches for grant funds in line with recycling to help supplement what SSCAFCA is doing.

Mr. Chaney stated that he would like to leave this issue to the Chairman.

**BOARD OF DIRECTOR'S COMMENTS.**

Mr. House stated that SSCAFCA should think about updating its business plan. The recommendation is that the new Administrative Services Director dig out the business plan and start highlighting all issues that are relevant.

**ATTORNEY'S REPORT.**

None.

**FOR YOUR INFORMATION.**

Mr. Stoliker stated that the following was for Board information only and/or contained in the Board's packets:

1. Litter/Trash Committee meeting notes from November 30, 2010.
2. Transmittal of NPDES Phase II General Permit Annual Report for the period from July 2009 to June 2010.

**PUBLIC FORUM.**

None.

**OTHER BUSINESS.**

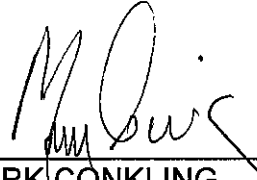
- Special Board Meeting Wednesday, January 19, 2011 at 1:00 p.m.
- Next Regular Board Meeting is on Friday, February 18, 2011 at 9:00 a.m.

**ADJOURNMENT.**

A motion was made by Jim Fahey and seconded by Steve House to adjourn the meeting. It was carried unanimously. Meeting adjourned at 10:26 a.m.

**BOARD OF DIRECTORS SPECIAL MEETING**

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MARK CONKLING  
CHAIRMAN



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STEVE HOUSE  
Secretary

DATE APPROVED: 3/18/11

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