

**SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY
(SSCAFCA)
MINUTES OF DECEMBER 19, 2014
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 9:05 a.m.

ROLL CALL OF DIRECTORS.

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

ANNOUNCEMENTS.

Announcements were made by Donald Rudy 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 Donald Rudy.

APPROVAL OF AGENDA.

Mr. Rudy stated that Item 5 under the Executive Engineer Report has been removed from the Agenda.

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

ACTION/APPROVAL OF THE MINUTES OF NOVEMBER 21, 2014.

A motion was made by Jim Fahey to approve the Minutes of November 21, 2014 as presented. It was seconded by Steve House and passed unanimously.

PUBLIC FORUM.

None.

STAFF REPORTS:

Executive Engineer:

1. Presentation on Upcoming Legislation.

Mr. Larry Horan stated that the focus of the Legislature was the election that occurred this past November. For the first time in 60 years, the Republican party took the majority in the House of Representatives. This will lead to lots of significant activity during the session, including changes in Speaker of the House and all the Committee Chairs and membership and Republican majorities will be on all committees. A new Speaker of the House has been elected, who will presumably be Representative Don Tripp from Socorro. The significance of the Speaker of the House is that he controls all committee membership, all committee chairmanship, and how legislation is referred during the session. His Chief of Staff is a man named Ryan Gleason, who is now the deputy secretary for Taxation and Revenue.

Mr. Horan stated that this session starts on January 20, 2015 and is a 60 day session. Any legislator can introduce any legislation on any topic without limitation. The amount of legislation is dependent upon revenues and also on who is in control of the majority. Unions and minimum wage will be an issue this session, along with driver's licenses for immigrants and third grade retention in education. The Senate is still controlled by Democrats. If they choose to work together, it could be a very productive session; if they choose not to work together, there might not be a lot that will get done.

Mr. Horan stated that the most impact to SSCAFCA is the budget. As oil prices drop, so do state revenues. The budget was done with an assumption that the price of oil would be \$88.00 a barrel; as of Tuesday, prices were \$55.00 a barrel. For every dollar that oil drops, New Mexico sees a negative impact to its budget in the amount of \$7 to \$9 million. This means that new money into the budget is reduced and New Mexico may have to dip into its reserves to fund the current budget. This impacts what SSCAFCA goes after every year, which is the capital outlay or severance tax bond appropriation. That pot of money shrinks as oil prices goes down. As of last Friday, they are looking at about \$158 million available for capital outlay appropriations. The way that SSCAFCA has received capital outlay appropriations in the past and the way that they have been spent works in SSCAFCA's favor because of the success in working with the legislators. Legislators see SSCAFCA as a model.

In response to a question from the Board, Mr. Horan stated that he believes that education and the unions will be major issues in this session. He stated that the Affordable Care Act and the expansion of Medicaid where lots of new people have come into the Medicaid system and where they are also operating at a deficit will also be big issues.

2. Presentation on Upper SLO Design.

Mr. Charles Thomas stated that this will be a presentation on the Upper SLO design by Pat Conley of Smith Engineering. The Upper SLO project is one of the projects for which SSCAFCA is seeking support from the Legislature. SSCAFCA is also seeking support from the Water Trust Board for this project. One of the aspects of this is to increase the funding quotient and meet the whole concept of "shovel ready" so SSCAFCA has engaged Smith Engineering to complete the design.

Pat Conley recognized the project team and thanked them for their service on the project. He stated that the project purpose was to reduce the peak flows from downstream to the basin, reduce the LEE line to allow people to develop more land closer to the arroyo and to create a basin to collect flows generated by future development and to control the sediment loads from the upstream arroyo, and enhance the area around the CNM campus. The peak flow is 1,477 cfs, which was reduced to 576 cfs through the principal spillway. The cost estimate for the project is at \$2.28 million without tax. This project has a little over 70,000 cubic yards of material to get rid of from the cut basin, but SSCAFCA staff is currently discussing with CNM the possibility of leaving that soil in the area for CNM to use in the future. This could generate some cost savings.

Mr. Conley showed the Board pictures and videos of the project. The step structure of the project provides some energy dissipation. This is the first inlet structure into a detention basin constructed of soil cement. There will be some sediment in the project, but when the peak storms move through, they will generate scour and move the sediment out of the basin and into the detention basin. The top is formed like a rake that will allow the maintenance personnel to move in and clean the structure quite easily.

In answer to a question by the Board on multi-use features, Mr. Thomas stated that the primary focus is to get the facility finished. Part of the agreement with CNM was to incorporate the downstream arroyo as part of a living classroom. The thought process is, as CNM gets into this phase of development, there will then be an opportunity to come back in and incorporate multi-use features. The design is oriented toward future inclusion of multi-use features, but SSCAFCA wants to work with CNM on this issue. This will be a secondary phase of the project and will be driven more on CNM's time frame for development of the campus. In response to a question by the Board, Mr. Thomas stated that staff has been keeping the City informed on the plans and the progress of the project. In the initial discussions, the City was actually considering providing some funding of the project, but since CNM is a two year college, they were unable to use certain funds.

3. Action/Acceptance of Resolution 2014-21 for Support and Commitment to Seek Funding From the Water Trust Board for Upper SLO Dam.

Mr. Charles Thomas stated that Resolution 2014-21 is for support and commitment to seek funding from the Water Trust Board for Upper SLO Dam. As part of the application process, there are always more applicants for the money than there is money to go around. Based on the initial application list, of which flood prevention is one, there is \$158 million worth of

requests for a pot of money that is roughly \$30 - \$31 million. One of the requirements by the Water Trust Board is to ensure that there is a formal commitment by the requestor and that the requesters are serious about the project. The award process will not happen until after the Legislature has closed the session. There is ample opportunity to modify the request before that time. At this point, there is funding available with bond funds to complete the project if necessary but this would pull the funds away from other projects that are slated for development.

A motion was made by John Chaney to accept Resolution 2014-21 as presented. It was seconded by Jim Fahey. Roll call vote: John Chaney, yes; Mark Conkling, yes; Jim Fahey, yes; Steve House, yes; Donald Rudy, yes. The motion passed 5-0.

4. Action/Acceptance of Resolution 2014-22 Commitment to Implement Asset Management.

Mr. Charles Thomas stated that Resolution 2014-22 is for the commitment to implement asset management requirement of the Water Trust Board. The Water Trust Board, in the process of their funding application, wants to ensure that each agency is managing their assets in a cost effective manner. This Resolution commits SSCAFCA to implement asset management as part of its process, which requires a plan. SSCAFCA's Business Plan is a key part in already completing this step.

A motion was made by Steve House to accept Resolution 2014-22 as presented. It was seconded by Jim Fahey. Roll call vote: John Chaney, yes; Mark Conkling, yes; Jim Fahey, yes; Steve House, yes; Donald Rudy, yes. The motion passed 5-0.

5. Action/Acceptance of Resolution 2014-23 for Support and Commitment to Fully Fund And Complete the Alberta Road Drainage Improvements.

Removed.

6. Introduction of New Engineering Intern - Adrienne Martinez.

Mr. Charles Thomas stated that Adrienne Martinez recently came to SSCAFCA from Smith Engineering. She is seeking other opportunities out of state and in the interim, there is a need for SSCAFCA to have someone monitor a hydraulic model at UNM which models the new off-channel proposal that SSCAFCA is moving forward with. A 1/60th scale model of the facility is being built to verify that the hydrology that SSCAFCA has modeled in the computer actually works as designed. Ms. Martinez's master thesis was running models for AMAFCA so she brings a wealth of experience to that. In addition, she has worked with SSCAFCA on several other projects, namely Guadalajara and Lisbon. Additionally she is working on some improvements to the Harvey Jones Channel.

7. Development Review.

Mr. Charles Thomas stated that the Vista Grande Elementary School addition has submitted a Preliminary Grading and Drainage Plan. SSCAFCA has not approved it yet. One of the concerns was the restrictions in place in the intervening drainage infrastructure between the main channel they are discharging into and the school. The quantity they want to discharge would go fine into the main channel, however, the intervening infrastructure is not sized to handle it. They have been asked to address those concerns and bring it back to the Board.

Mr. Thomas stated that the Broadmoor Boulevard Final Drainage Report Amendment has been delivered. It has not yet been approved. There are still some questions regarding the cross-flow drainage across Broadmoor. Because that road will be developed in an unimproved area, one of the concerns that has been raised is the increase in erosiveness from the downstream flow when they start to concentrate the flows from the upstream side. Staff is working with the City on ensuring that that energy is dissipated prior to discharge from the property off Broadmoor.

Mr. Thomas stated that the Solcito Subdivision Final Plat was approved. He stated that Tracts 27-A-1-A and A-1-B are being replatted and they are vacating some easements. It is a summary plat. At this point, there are no drainage concerns. Similarly, on Unit 16 near Southern and Unser, it's a summary plat combining lots and there is no further action from a drainage perspective needed.

Mr. Thomas stated that the final one which did have some drainage elements is where the City of Rio Rancho is looking at doing some improvements to the Waste Water Treatment Plant Number 1, which overlooks Corrales. They are looking at improving the drainage network. Right now, the drainage from the plant discharges out onto the unimproved land in that area and then drains down into an inlet that ties into the Tree Farm Pond. The City is looking at putting in the drainage improvements to capture that water as it leaves off-site, put it into a pipe so it goes down in a proper manner, and then tie into SSCAFCA's system.

Fiscal Services Director:

1. Recognition/Acknowledge of the Fiscal Services Report for November 30, 2014.

Deborah Casaus presented the Fiscal Services Report for November 30, 2014 in the Board's packets. SSCAFCA is now finished with collecting for tax year 2013 and is expecting its first distribution for tax year 2014. General fund expenditures year to date through November 30 are about 22% of the total budget and SSCAFCA is about 42% through the budget. Expenditures are occurring as expected. There are no surprises or changes in the budget. There were 24 single family residential permits issued by the City of Rio Rancho for the month of November, which is a total of 456 for the year. Interest earned on the State Treasurer's funds was at a rate of .151% for the month of November.

Ms. Casaus stated that SSCAFCA received a notification from the office of the State Auditor that the Audit was accepted and is ready to print. The Auditor will now print it and send it over to the State Auditor's office and then it will be approved. She stated that SSCAFCA has received \$3 million from FEMA this past week. There is a portion of that which will have to be returned that amounts to about \$150,000. It was a miscalculation on FEMA's part on doubling up invoices.

The Fiscal Services Report for November 30, 2014 was recognized and acknowledged by the Board.

2. Action/Acceptance of Selection/Agreement for General Facilities Maintenance Services With:
 - Santiago's Native Landscaping, LLC;
 - Black Forest Tree Service;
 - Heads Up Landscaping.

Ms. Deborah Casaus stated that SSCAFCA issued an IFP for this in the month of November. There were eight bids total, but three of them were declared non-responsive. From the remaining five bids, the three lowest were selected. These are Santiago's Native Landscaping, LLC; Black Forest Tree Service; and Heads Up Landscaping. Staff is asking approval of these three for general facilities maintenance services.

A motion was made by Jim Fahey to accept the selection for general facilities maintenance as presented. It was seconded by John Chaney and passed unanimously.

Environmental Services Director

1. Action/Acceptance of Selection/Agreement for Black Arroyo Trail Construction Project with Randy Sena Construction, Inc., contingent upon Department of Transportation's review and acceptance.

Mr. Dave Gatterman stated that SSCAFCA had a bid opening for this project on December 11, 2014. SSCAFCA received eight bids. The apparent low bidder for this project is Randy Sena Construction, Inc. Staff is currently waiting on the Department of Transportation's review and acceptance of the bids. Staff has reviewed the bids and they are all acceptable to SSCAFCA. The low bid, with the addition of additive one, which is concrete decking of the main span over the Black Arroyo, and gross receipts tax, is \$813,419.23. Staff requests that the Board approve moving forward with the award of the contract as soon as the DOT's review is complete. If the DOT does not approve Randy Sena, SSCAFCA would move to the second low bidder, Star Paving.

A motion was made by Jim Fahey to accept the agreement with Randy Sena Construction, Inc. as presented. It was seconded by John Chaney and passed unanimously.

2. Update on the Watershed Based MS4 Permit from EPA.

Mr. Dave Gatterman stated that late last week the EPA sent an email saying that they were issuing the new permit. After reviewing the permit over the last week, it is very similar to the draft permit that was issued this last summer, with a few notable exceptions. The first is that the annual storm as defined by the EPA permit, which was previously .44 inches provided by Chuck Easterling has been redefined to .6 inches based on the work done by the EPA consultants. This means that the storm water containment volume has been increased by the EPA. They have allowed for re-evaluation for different geographical areas because most of their information is based off of the gauges at the airport; however, you would have to use the EPA methodology.

Mr. Gatterman stated that another slight change is in the required sampling. For an agency that decides to go an independent route, they have added an additional sampling event over the five year period of the permit. This is to encourage the entities to work together rather than do their permits individually. There are seven sampling events over the cooperative permit. A technical advisory group was created which is composed of fourteen different entities that will be covered under this permit. The group will get together in January to go over the permit to find out how best to work together and share information and resources. The EPA has defined an eligible sampling event storm as a .25 inch rainfall. The EPA did not define the waters of the US in the permit. For the purposes of the MS4 permit, SSCAFCA is not considered the waters of the US; for the purposes of the Corps of Engineers and Section 404 of the Clean Water Act, SSCAFCA is considered waters of the US.

Mr. Gatterman had quick update for the Board on the Harvey Jones Channel. SSCAFCA is looking at notice to proceed on January 5, 2015. Contractors will be on the ground on that date.

OTHER COMMITTEE REPORTS.

Mr. Chaney asked Mr. Thomas to discuss SSCAFCA's new hire. Mr. Charles Thomas stated that the interview for the Real Estate Manager position has been completed. The background check is still pending, but assuming this final issue comes through fine, the position has been offered to James White. He brings a tremendous amount of experience that will be very helpful to SSCAFCA. In addition, although SSCAFCA's property needs are very significant and are taking up a lot of time right now, there will be a time in the future where that need will decrease. With that in mind, SSCAFCA was also seeking what other skill sets the applicants could bring to the table. In Mr. White's case, he is a certified urban planner, which can be a tremendous asset to SSCAFCA to continue its planning process. His official start date will be January 20, 2015.

In response to a question from the Board, Mr. Thomas stated that one of the key projects SSCAFCA was looking at was the Paseo del Volcan Project. There are four large drainage

structures that could be incorporated directly into the roadway and there should be an opportunity to leverage funding from not only federal highway funds for construction of that loop, but also with the U.S. Army Corps of Engineers for construction of those facilities. It is an opportunity to maximize funding opportunities. The new head of the Army Corps of Engineers has accepted an invitation to visit SSCAFCA and will do so on January 8, 2015. He will attend an orientation and a field tour of projects under construction, as well as looking at the Paseo del Volcan alignment.

Mr. Thomas stated that a large portion of SSCAFCA's funding ties in very well with FEMA's mandates and goals. Staff sees this as a funding source that they will continue to pursue. One of the issues is trying to educate the people in DC that New Mexico has a different climate and different issues associated with flooding. They need to know that they can't evaluate a wetter climate with one like New Mexico. He stated that staff had received correspondence from the Department of Homeland Security and the Emergency Management this past week. It was not in time to put on the Agenda for this meeting, but essentially, the state has indicated that it will be applying for the HUD Resiliency Grant. The state will work to identify specific projects and submit a collaborative package as part of that grant process. Because of the rural nature of New Mexico, the state has determined that the best route is to apply as a single entity at the state level and convene a working group of all eligible entities. SSCAFCA has been included on this list and will work with the state on the grant.

ATTORNEY'S REPORT.

None.

CHAIRMAN'S REPORT.

None.

BOARD OF DIRECTOR'S COMMENTS.

Mr. Conkling stated that it might be a good idea to update SSCAFCA's computer security and firewall protection. Mr. Rudy stated that SSCAFCA's personnel information should be encrypted as well.

PROPERTY MATTERS.

1. Action/Acceptance - Unit 17, Block 22, Lot 21 - 1.20 acres - Badger Dam.

Mr. Rudy stated that this property is being acquired by SSCAFCA for the indicated project. Mr. Thomas stated that the purchase of this lot completes the property that is needed for this project.

BOARD OF DIRECTORS REGULAR MEETING

DECEMBER 19, 2014

A motion was made by John Chaney to approve the property acquisition as presented. It was seconded by Jim Fahey and passed unanimously.

FOR YOUR INFORMATION:

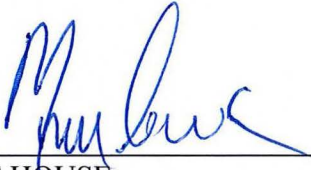
1. EPA Issues Albuquerque - Area Permit to Protect Rio Grande River (12/11/14).

OTHER BUSINESS.

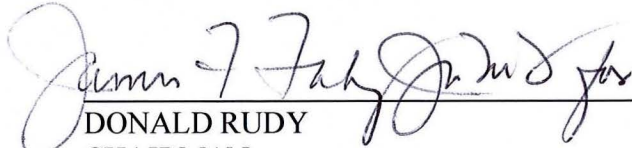
- Acknowledge Donald Rudy for his 12 years of service with SSCAFCA
- Special Board Meeting on Friday, January 2, 2015
- Next Regular Board Meeting is on Friday, January 16, 2015 at 9:00 a.m.

ADJOURNMENT.

A motion was made by John Chaney and seconded by Jim Fahey to adjourn the meeting. It was carried unanimously. Meeting adjourned at 10:52 a.m.



STEVE HOUSE
Secretary



DONALD RUDY
CHAIRMAN

DATE APPROVED: 1/16/15

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