

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 SSSCAFCA 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, SSSCAFCA'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 SSCAFCA 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. SSCAFCA 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. SSCAFCA 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.