

SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY
(SSCAFCA)
MINUTES OF OCTOBER 20, 1998
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 1:04 p.m.

Directors in attendance were John Chaney, Bill Joiner, Guy McDowell and Dub Yarbrough. Staff members present were David Stoliker, Executive Director, and Pam McGrath, Administrative Secretary. Bernard Metzgar, SSCAFCA's attorney, and members of the public were also present. James Dorn arrived at 1:10 p.m.

APPROVAL OF AGENDA.

A motion was made by Dub Yarbrough to move Item VIII and Item XIV of the Agenda below Item V and to approve the Agenda as amended. It was seconded by John Chaney and passed unanimously.

II. SECRETARY'S REPORT.

1. Approve Minutes of August 18, 1998.

A motion was made by Bill Joiner to approve the minutes of August 18, 1998. It was seconded by John Chaney and carried unanimously.

2. Approve Minutes of September 15, 1998.

A motion was made by Bill Joiner to approve the minutes of September 15, 1998. It was seconded by John Chaney and carried unanimously.

III. TREASURER'S REPORT.

1. Approve Expenditures 07/01/98 - 07/31/98.

A motion was made by Dub Yarbrough to approve the expenditures for July, 1998, as presented. It was seconded by Guy McDowell and carried unanimously.

2. Approve Treasurer's Report dated 07/31/98.

A motion was made by Dub Yarbrough to approve the Treasurer's Report dated July 31, 1998. It was seconded by Guy McDowell and carried unanimously.

3. Approve Expenditures 08/01/98 - 08/31/98.

A motion was made by Dub Yarbrough to approve the expenditures for August, 1998, as presented. It was seconded by Guy McDowell and carried unanimously.

4. Approve Treasurer's Report 08/31/98.

A motion was made by Dub Yarbrough to approve the Treasurer's Report dated August 31, 1998. It was seconded by Guy McDowell and carried unanimously.

IV. FINANCIAL PLANNING ADVICE.

Mr. Stoliker introduced Dale Okerlund from First Security Capital Markets to discuss financial planning. Mr. Okerlund stated that First Security Capital Markets is separate from First Security Bank, which facilitates their ability to deal in the capital markets in a way that is less regulated than a regular bank. They can underwrite general obligation bonds and municipal revenue bonds.

He stated that his review of the records presented to him shows that SSCAFCA has a nine (9) year capital improvement plan for \$17.5 million. SSCAFCA is into the plan by about \$5 million. First Security Capital Markets is interested in acting as a bond underwriter when and if SSCAFCA issues its bonds. First Security Capital Markets is wholly owned by First Security Corporation, which owns First Security Bank.

He said that some of SSCAFCA's accounts are placed in an investment pool with the State. All of SSCAFCA's money has been moved to Sandoval County banks at this point. SSCAFCA needs to plan on how to fund its projects in the long-distant future.

First Security Capital Markets proposes to enter into an investment banking agreement with SSCAFCA for a specified period of time. Under that agreement, First Security Capital Markets would do the financial planning with regard to capital formation that SSCAFCA wants. There is no charge for that service, however, if and when

SSCAFCA sells its bonds, First Security Capital Markets would want to be paid in that process.

Mr. Stoliker stated that SSCAFCA has two current contracts, one with Hughes & Strumor as its bond attorneys and one with Southwest Securities. Both contracts are expiring soon, SSCAFCA expects to issue bonds next year or the year after that for approximately \$2 million.

V. MONTOYAS ARROYO DMP REVISION TO TASK ORDER #4.

Howard Stone, of Bohannon Huston, stated that a couple of things have changed since the first discussion of the Montoyas Arroyo DMP and the subsequent approval of the Task Order on July 21, 1998. First, it was recently learned that the cost of the orthotopo mapping could be reduced because the City of Rio Rancho had completed some of the mapping on its own. Also, another big change was that the multi-use aspect of the master plan could be eliminated since Rio Rancho's Parks and Recreation Department had already done the study. If the Board approved incorporating Rio Rancho's multi-use master plan, which utilizes all of the arroyo's as multiple use open space, then this part of the project could be eliminated. Cost savings from these two areas would allow funding of Bohannon Huston's completion of Phase II under the existing contract, which is to do the recommendation portion of the DMP, which includes developed conditions.

A motion was made by Bill Joiner to change the scope of the Montoyas Arroyo DMP as presented. It was seconded by John Chaney and carried unanimously.

IX. NORTHERN MEADOWS DRAINAGE O & M AND OWNERSHIP, DISCUSSION AND APPROVAL.

Mr. Stoliker stated that Mr. Chaney had asked for estimated O & M costs on Northern Meadows at the last meeting. Mr. Stoliker requested that information from AMREP and was unable to obtain it, so he did it himself. It is a rough layout of revenues and operations and maintenance and debt service costs.

Part of the cost of ownership is dependent upon what SSCAFCA gets and the types of facilities (e.g., the cost of maintaining a natural channel will be substantially more than a concrete lined channel). For this presentation, Mr. Stoliker estimated the

capital cost at \$1.6 million with an estimated 50 year life. The joint ownership issue with Rio Rancho Parks and Recreation would save SSCAFCA money, up to 50%. Labor cost was estimated off the current contract with Mr. Campbell. The annual O & M, one week a month with a five man crew, plus equipment, is estimated at \$72,000.00. The annual material cost is estimated at \$28,000.00. The total is \$100,000.00, split in half with parks & recreation is \$50,000.00. The estimated revenues would be \$85,000.00 per year once it is fully built up. SSCAFCA would break even on the O & M costs with parks & recreation. For the end replacement cost, he took \$1.6 million, divided it by 50 years for expected life, which comes out to \$32,000.00 a year which would be put into the bank to pay for replacement.

Mr. Stoliker recommended that SSCAFCA take over control of the proposed detention ponds. Mr. Yarbrough stated that this will have to be discussed further when it is closer to signing an agreement. Mr. Metzgar stated that the SSCAFCA Board needs to give some indication to the City of Rio Rancho of what it is going to do.

Mr. Yarbrough stated that his understanding was that SSCAFCA would take the Montoyas, but it was still up in the air about the detention ponds. Mr. Fossenier has taken the position that SSCAFCA should be responsible for box culverts, bridges, or anything else that crosses the Montoyas. That issue has not yet been settled.

Mr. Chaney reiterated his suggestion that Mr. Stoliker go back to the City of Rio Rancho and ask them for their version of what they see happening with this project and bring it back to the Board so there is clarification. SSCAFCA should resist taking over the box culverts and bridges.

Mr. Stoliker stated that he will change the proposed letter to read, "The Board agreed that it would take over maintenance of the Montoyas Arroyo on a cost sharing basis with Rio Rancho (i.e., for multiple use). The operation and maintenance of the adjoining detention ponds and the box culverts need to be discussed further." There was general consensus that this is acceptable to the Board.

XI. ANNUAL INSPECTION.

Mr. Stoliker stated that it was set up with Mr. Korzdorfer to have the annual operation and maintenance inspection of the Harvey Jones and Dulcelina Curtis Channels on November 12, 1998 at 8:00 a.m. All Board members are invited to attend.

XIV. CLOSED SESSION.

A motion was made by James Dorn to go into a closed session for purposes of discussion of Dams 1 & 4 Outfall Phase I and II ROW acquisition and Urban Pond #4 (Trinity Estates) discussion. It was seconded by Bill Joiner. 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 2:25 p.m.

John Chaney left at 2:45 p.m.

XV. RESUMPTION OF OPEN MEETING.

The Board reconvened in open session at 3:45 p.m.

The matter discussed in the closed meeting was limited only to that specified in the motion for closure and Mr. Yarbrough stated that no official action was taken.

VI. APPROVAL BOSQUE CONSORTIUM PARTNERING AGREEMENT.

Mr. Stoliker stated that the Bosque Consortium Partnering Agreement does not commit SSCAFCA to any money, just to be involved in a process related to the bosque.

Mr. Korzdorfer stated that he has been working on this project for almost four years. Some of the things that are in the management plan are not very good ideas and have some bad science behind them. Mr. Korzdorfer said that the agreement as a partner is to help facilitate action in the bosque. He recommends that SSCAFCA participate and have somebody represent it at meetings.

A motion was made by Bill Joiner to become a member in the Bosque Consortium Partnering Agreement. It was seconded by James Dorn and carried unanimously.

VII. STORMWATER QUALITY DISCUSSION.

Mr. Stoliker stated that SSCAFCA has a letter from the Environment Department that says that the exemption of the Clean Water Act usually given to stormwater facilities does not apply to detention or retention ponds. He stated that AMAFCA, Bernalillo County, and the City of Albuquerque do not have any discharge permits for their ponds. Mr. Stoliker has a meeting scheduled with the Environment Department regarding this issue.

Mr. Stoliker stated that Mike Source visited with the Environment Department on Urban Pond #4. The Environment Department has visited Urban Pond #4 three times without telling SSCAFCA that they were doing so. Mr. Stoliker contacted the ground water, surface water and drinking water bureaus. Surface water and drinking water said they don't have any regulations that cover it and SSCAFCA was exempt. Only ground water said otherwise. The regulation states that discharge resulting from flood control systems is exempt, and Mr. Stoliker believes that SSCAFCA should be exempt. No direction was given by the Board. They will consider this item and for Mr. Stoliker to bring it back to the Board after his meeting with the Environment Department Groundwater Bureau.

IX. APPROVAL TO HIRE PART-TIME CLERK.

Mr. Stoliker stated that he is looking for somebody to come in once a week to file things. The amount of paperwork SSCAFCA is generating is escalating and Pam needs help with the filing.

A motion was made by Bill Joiner to hire a part-time clerk for 20 hours a week to help in the office. It was seconded by James Dorn and carried unanimously.

X. CHAIRMAN'S REPORT.

None.

XI. OTHER BUSINESS.

None.

XII. DIRECTOR'S COMMENTS.

None.


XIII. PUBLIC FORUM.


Mr. Korzdorfer stated that SSCAFCA's discussion on the ownership versus easement of the arroyos and the ponds has pros and cons. He believes that the land should be owned by the City as opposed to SSCAFCA and he does not feel that SSCAFCA should have liability for any roads or road crossings. Mr. Korzdorfer stated that the cost of maintenance on the detention ponds is minimal.

Mr. Metzgar stated that the policy of the SSCAFCA Board needs to be developed regarding the detention ponds. SSCAFCA shouldn't take over maintenance on detention ponds in one project and then not take maintenance on another project. This will probably cause problems with other governmental agencies.

XVI. ADJOURNMENT.

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


WM. C. YARBROUGH
Chairman


BILL R. JOINER
Secretary

DATE APPROVED: Jan 19, 1999

NOTE: The paragraph numbering in the minutes are in accordance with the amended agenda.