

**SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY  
(SSCAFCA)  
MINUTES OF MAY 19, 2006  
BOARD OF DIRECTORS REGULAR MEETING**

**CALL TO ORDER.**

The regular meeting of the SSCAFCA Board of Directors was called to order by John Chaney, Chairman, at 9:10 a.m.

**ROLL CALL OF DIRECTORS.**

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

**PLEDGE OF ALLEGIANCE.**

The Board was led in the Pledge of Allegiance by John Chaney.

**APPROVAL OF AGENDA.**

Mr. Chaney stated that he would like to remove items 3 and 5 from the Agenda shown under the Executive Director's Report.

A motion was made by Donald Rudy to approve the Agenda as amended removing items 3 & 5. It was seconded by Steve House and passed unanimously.

**ANNOUNCEMENTS.**

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

**EXECUTIVE DIRECTOR'S REPORT.**

1. Update on Sportsplex Dam Project.

Mr. Stoliker stated that they have started to advertise the Sportsplex Dam project. The first advertisement went out on Sunday, May 14, 2006.

Mr. Howard Stone, of Bohannon-Huston, stated that the budget shows that SSCAFCA's commitment to the project right now is \$4 million, Pulte Homes' commitment is \$1 million, and the City of Rio Rancho's commitment is \$150,000.00 for a total of \$5.15 million currently committed to the project for design and construction. They show a total estimated cost, including contingency, of \$4.3 million for the construction. They have in the bid three deductive alternates should they be

needed, for a total of a half million dollars. Right now, if the numbers are close, there is room to include at least one deductive alternate, and probably two. The hope is to get all three in depending on how the actual construction costs come in. They had a pre-bid meeting yesterday and had about five contractors show up for the pre-bid, which consisted of Triad, Salls Brothers, Twin Mountain, New Mexico Underground, Moore & Cowart, and David Montoya. Right now there is a small contingency of \$175,000 in the budget. The bids are due on June 9, 2006. That would mean construction would start about mid-July 2006. Everything would then be complete by April 2007.

Mr. Stone stated that a portion of the concrete spillway is going to be part of the road in terms of the final product. They still have a final submittal to the state engineer replying to their comments, along with the Corps of Engineers 404 permit process. The only thing holding it up right now is the final report that went back to SHPO, which was a result of their investigation in the field. There were two reports on the archaeological sites; the first being the first ground survey, and the second going in and doing some investigation with a backhoe to unearth any other possible sites. That work has been completed and they didn't find anymore sites that were probable sites. As soon as that report is approved by the State Historic Preservation Office (SHPO), the Corps can then release the 404 permit. He thinks that will occur prior to June 9, 2006.

Mr. Stone stated that this project is comprised of SCAFCA owned property, City of Rio Rancho property and Pulte property. Currently, SCAFCA has easements over the City of Rio Rancho property which gives SCAFCA the right to construct; and SCAFCA has easements over the Pulte property to construct. There is one piece of property that is not currently owned by one of the three entities, nor does SCAFCA have a right of entry. It is anticipated that ownership will be in place prior to July 2006. Mr. Stone stated that the \$4.3 million price for the project is without the deductive alternates. To add in the three alternates, it bumps up the price to \$5.3 million. If SCAFCA exercises a deductive alternate, it is removed from the bid.

Mr. Baird stated that the top three lines on his hand out show money in the bank. SCAFCA has money with the state treasurer's office in the amount of \$1.9 million, a CD at First Community Bank in the amount of \$3 million, and a net due from other funds, which gives SCAFCA money in the bank right now of \$4.8 million. This is the construction fund and includes bond proceeds and interest on bond proceeds. More interest is anticipated before the end of this fiscal year of about \$36,000.00. This is all of the construction fund money, not general fund. If all of this money is applied to this project, SCAFCA has no money to construct anything else. Mr. Baird stated that there is \$275,000.00 left on Howard Stone's contract for Sportsplex Dam as of the last invoice. Right-of-way is listed at \$152,000.00.

Under projects, a big one is Saratoga Road Crossing of \$350,000.00, which is the actual construction cost. Lomitas Negras Dam and Unser Dam also require some contract work. There is one remaining parcel needed for the Sugar Dam right-of-way. Another big one is 19th Avenue dam right-of-way of \$1.163 million. This is as of the latest counter-offers and the estimates for the remaining property. There is further work on a task order to ASCG for \$33,000.00; there is some watershed management plan work in La Barranca that is left on a task order. All of this takes SCAFCA's budget down to an estimated ending cash balance in the FY/06 column, before general fund is added, of \$2.485 million.

Mr. Baird stated that additional general fund resources have about \$100,000.00 in this year's O & M budget. No sedimentation removal was needed in the Harvey Jones Channel. There is some fencing money left, along with some improvements money left. There was a \$315,000.00 line item for right-of-way in this year's general fund and SSCAFCA has spent very little of it. There is about \$300,000.00 left on that line item. This brings SSCAFCA down to an ending cash balance, including the general fund, of \$2.885 million. This takes you to the top of the FY/07 column, where you start adding in estimated revenue from interest. Then you add in the Pulte City cost share of \$1.150 million. Resources available during FY/07 come to \$4.1 million. The Sportsplex Dam number is at \$4.335 million, which is from Howard Stone's construction bid estimate before the latest change, which looks to be about \$20,000.00 low. Mr. Stone has at the bottom of his sheet additional project costs for right-of-way acquisition, but SSCAFCA has already captured right-of-way acquisition in another line; the Huitt-Zollars AMREP survey is covered; the Bohannon-Huston design contract is already mostly paid for, as are the other items.

Mr. Chaney stated that the construction bid estimate of SSCAFCA's commitment of \$4 million has been exceeded by \$335,000.00 in Mr. Baird's projections for FY/07. SSCAFCA is \$217,000.00 short for the project, if the deductive alternates are built, plus the money that SSCAFCA has already retired against the budget. Mr. Stone stated that the reason they elected to have the deductive alternates is because they wanted to make clear with the contractor that SSCAFCA would hold them to the total base bid for everything. If you have an alternate, they are less inclined to have a good number for that if it's not part of the base that they're being measured against. They will bid more competitively because of the way it's worded.

Mr. Baird stated that the last general fund item that he's put in is at the very bottom, FY/07 right-of-way acquisition line item of \$500,000.00, which leaves SSCAFCA \$170,819.00 surplus if you don't count some of the other items discussed above.

Mr. Stone stated that the bidders are not typically supplied with the engineer's estimate; however, they have been provided with a number of roughly \$4 million. Mr. Stone stated that the bidders have been told that if the costs come out high and somehow exceed the budget, that SSCAFCA will exercise a deductive alternate.

Mr. Stone stated that this is not only a large project in terms of size, but also by location. At the same time, there are elements of the project that will be built by the City, which relate to sports facilities on the southern part of the dam. Pulte has put \$1 million to build most of those that, along with this project, will make it a nice showcase. They are motivated to try to build as much of this project as they can.

Mr. Stoliker stated that he is concerned about the Corps of Engineer permit because the archaeological has been done and approved. It is going through a bureaucratic issue right now to get SSCAFCA's approval from the Corps. The State Historic Preservation Office has to send a letter to

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the Corps; the Corps has to review it. Everybody agrees that it is all mitigated and okay, but the timing of that may actually force SSCAFCA to delay the bid opening. Mr. Stone stated that SSCAFCA has the option to delay it or not depending on how close it is. SSCAFCA can accept the bids if it wants to, but it can't exercise an actual contract. The project cannot be built without the 404 permit.

Mr. Metzgar stated that for the Sportsplex Dam right-of-way, there were five properties that had to be acquired. Pulte was obtaining them with SSCAFCA's agreement that SSCAFCA would pay Pulte for whatever they had to pay to acquire the property. Pulte has acquired four out of five. The one that is left, Lot 90, is supposed to be brought to him by Pulte for the condemnation process. There are also some technical mix-ups with regard to this property in terms of ownership. With a construction date in July, he believes that he will have the Permanent Order in place.

Mr. Yarbrough stated that SSCAFCA is not relieved of any downstream improvements, and there are still improvements that will be needed downstream from the dam. Mr. Conkling stated that if the dam is not built, the costs downstream will be substantially higher; but he agrees that SSCAFCA needs to continue with its analysis downstream.

### **2. Action/Acceptance of SSCAFCA/City of Rio Rancho Commitment on the Black Arroyo West Branch Tributary @ Unser and 19th Avenue.**

Mr. Stoliker stated that this property is west of Unser across from the 19th Avenue Dam. Staff is asking that the Board allow them to send a letter to the State Engineer for approval. This matter was tabled last month so that it could be brought back to the Executive Committee. The Committee feels pretty comfortable now that it is the right thing to do. This means that if the City can work out an agreement with the developer in that area, Curb, Inc., which owns the adjacent 11 acres, Curb, Inc. will build the box culvert in exchange for the property. If Curb, Inc. does not build the culvert, then SSCAFCA and the City are saying that they will be responsible at some point in the future. The City will sign along with SSCAFCA. This allows SSCAFCA to go forward with the 19th Avenue Dam right now and get it built. If it is not done right now and SSCAFCA has to build the dam in the future, Mr. Dodge has indicated that the cost would be enormous because SSCAFCA would have to ensure that the roadway will not breach. To do that is extremely tough given the new set of rules, which say that you've got to figure out how to fix it for the probable maximum flood.

Mr. Chaney stated that the Executive Committee discussed the impact of sending this letter on the developer's incentive to pay for the box culvert now. Mr. Stoliker stated that there is no commitment by the developer at this point; they are working their way through it. Mr. Chaney stated that there might be a downside to this letter in the sense that SSCAFCA would be committing to build the box culvert even if it can't get private funds. Mr. Metzgar stated that the Executive Committee felt that the developer probably can't wait until the time that SSCAFCA can do something. The chances are that this is not a downside. The developer wants to develop some

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property right in this area and in order to do so; he's got to put in box culverts. If he doesn't put it in, he can't develop it. The developer probably is not going to wait two or three years to do the project.

Mr. Chaney stated that on the map where it says, "Potential Future Expansion," it looks like SSCAFCA will not be able to expand in those areas. Mr. Dodge is going to take a look at where SSCAFCA might put in more capacity. The reason SSCAFCA can't expand into this particular area is because a developer has purchased the property and put in substantial improvements and has pre-sold homes in this area. Mr. Metzgar stated that neither the developer nor the person who sold it to him had any idea that SSCAFCA was going into that area. Mr. Stoliker stated that there is some property just to the north of this area where it might be possible to put in SSCAFCA's project in the future.

Mr. Stoliker stated that the impetus for this letter is from the City. If the SSCAFCA Board does not approve this, the State Engineer will not allow SSCAFCA to take dirt out, which will stop any contributions by the adjacent land owners. This is a potential loss of up to \$1.5 to \$2 million worth of work to SSCAFCA. This then puts SSCAFCA in conflict with its own Watershed Management Plan.

Mr. Chaney stated that the potential downside is that the developer might not see any incentive to build the box culvert. Since the developer is in rapid development mode, he needs to have it now.

A motion was made by Mark Conkling to allow staff to send the letter as it is, with no conditions. It was seconded by Donald Rudy and passed unanimously.

3. Action/Acceptance of Resolution 2006-08 Authorizing the Executive Director to Grant Easements for Utility Companies and Government Agencies.

Mr. Stoliker stated that Resolution 2006-08 authorizes the Executive Director to grant easements to utility companies and government agencies without bringing them to the Board for approval. Mr. Stoliker will then inform the Board of all such easements.

Mr. Stoliker stated that if other entities can help SSCAFCA, they will do so. Utilities are, in a way, quasi-government. In the granting of an easement, SSCAFCA tries to have the utilities do their projects in a manner that doesn't hurt any of SSCAFCA's facilities and the utility companies protect their own facilities. SSCAFCA does not typically ask for concessions from these companies in the granting of easements. Mr. Metzgar stated that when an entity asks for an easement, David Stoliker can make sure that the easement does not hurt any of SSCAFCA's projects. Mr. Stoliker stated that since the utility services the same public SSCAFCA does, they work together.

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A motion was made by Mark Conkling to accept Resolution 2006-08 as presented. It was seconded by Dub Yarbrough. Roll call vote: John Chaney, yes; Mark Conkling, yes; Steve House, yes; Donald Rudy, yes and Dub Yarbrough, yes. The motion carried 5-0.

### **CONSENT AGENDA.**

1. Action/Approval of the Minutes of April 21, 2006.

A motion was made by Steve House to approve the minutes of the April 21, 2006 meeting as presented. It was seconded by Mark Conkling and passed unanimously.

### **RECOGNITION/ACKNOWLEDGMENT OF THE TREASURER'S REPORT FOR APRIL 30, 2006.**

Mr. Rudy stated that the Treasurer's Report is ready for review by the Board. There were no questions on the report and it was accepted by the Board.

### **Action/Acceptance of Audit Selection.**

Mr. Rudy stated that SCAFCA has to replace its auditor because of a statute limiting the use of the same auditor. SCAFCA had submissions from a number of auditors. The Selection Committee members went over the auditors' submissions independently. They then had a meeting and each of the members had independently put the same individual at the top. Mr. Baird stated that the committee recommends the Chester Maddox firm.

A motion was made by Donald Rudy to approve the Chester Maddox firm as SCAFCA's new auditor. It was seconded by Steve House and passed unanimously.

### **CHAIRMAN'S REPORT.**

None.

### **BOARD OF DIRECTORS' COMMENTS.**

Mr. Yarbrough stated that the Personnel Committee met yesterday on David Stoliker's evaluation. The Committee came to the conclusion that the Board should renew his contract in August.

1. Invitation for the Board and Staff to ride on the Rail Runner June 1st at 9:30 a.m. departing from the station located at NM 550 and I-25.

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Mr. House stated that the Mid Region Council of Governments is having some private rides on the rail runner and they have invited SSCAFCA people to ride the train on June 1, 2006 at 9:30 a.m. He encouraged everybody from SSCAFCA to go.

### **ATTORNEY'S REPORT.**

1. **DFA Contractor Disclosure Form.**

Mr. Metzgar stated that this requirement was passed in the 2006 legislature and it states that any prospective contractor that deals with SSCAFCA or any other governmental agency must sign a form and file it with the DFA with regard to any contributions it made. It doesn't disqualify the contractor; it merely puts it on the record.

2. **Action/Acceptance of Agreement with Sonoran Holdings, LLC.**

Mr. Metzgar stated that the Board has previously agreed in concept with the Sonoran project. The contract sets forth in detail what each party must do with regard to the agreement.

Mr. Stoliker stated that it is part of SSCAFCA's Watershed Management Plan to bring the flow down, so by Sonoran taking the dirt out of the area as stated in the agreement; it provides a little more flood reduction in the Dulcelina Curtis Channel.

Mr. Metzgar stated that the contract has been signed by Marty Mares, as the manager of Sonoran Holdings. All it requires now is SSCAFCA's approval and signature.

A motion was made by Steve House to accept the agreement terms with Sonoran Holdings as set forth in the Agreement. It was seconded by Donald Rudy and passed unanimously.

Mr. Mares stated that he has retained Metric Corporation to do the 404 permitting, as well as the biological survey for D-1-C and his property. He has hired RTI to do the CLOMR for the site. He has been dealing with the Corps of Engineers on the 404 permit already. He is going forward with a complete box on the channel. The Corps is asking him to compromise as a second back up, which would be a half box channel with an open habitat corridor for wildlife. They have answered all of the mitigation issues for water. As far as the State Highway Department is concerned with regard to Highway 528 and 448, he has been working with the Coughlin Group to make sure that the City and the State Highway Department will approve the development.

### **PUBLIC FORUM.**

None.

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**FOR YOUR INFORMATION.**

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

1. March 22, 2006 Letter to Rudy Casaus Regarding the Corrales Baja Property Tax Assessments.

Mr. Stoliker stated that the Executive Committee has met and is working its way through this issue.

2. March 23, 2006 Correspondence from the State of New Mexico Office of the State Auditor Regarding Contracting for FY06 Agency Audit Services.
3. March 27, 2006 Budget Committee Meeting Minutes.
4. May 6, 2006 SSCAFCA will have a booth for the annual Earth Day Festival at the new Loma Colorado Recreation Field between Rio Rancho High School and Blades on Loma Colorado.

Mr. Stoliker stated that SSCAFCA staff will have a booth at the Earth Day celebration and he invited the Board members to visit the booth.

5. Saturday, June 3, 2006, SSCAFCA will hold our annual READS Breakfast from 8:30 - 10:00 to show our appreciation to all our volunteers!

Mr. Stoliker stated that there are about 20 to 30 people who show up for this breakfast and he invited the Board members to the breakfast to meet and talk with the storm monitors.

6. Sediment Sale Permit and Agreement with Universal Constructors, Inc.
7. Final 2005 Annual Report.
8. The following plats were signed by the Chair Pro Tem:
  - a. Summary Plat Parcels 1-3A & a-3B, Northern Meadows (Panta de Leon) was signed by the Chair Pro Tem on March 6, 2006;
  - b. Summary Plat Tract A, Lower Venada, was signed by the Chair Pro Tem on March 6, 2006;
  - c. Northern Meadows Unit 17 Subdivision Plat was signed by the Chair Pro Tem on March 9, 2006;
  - d. Diamond Ridge Subdivision Plat was signed by the Chair Pro Tem on March 9, 2006;



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The following infrastructure plans were reviewed and comments provided to the consulting engineer:

- a. Hawksite Offsite Phase I, comments were provided to the engineer on March 8, 2006;
- b. Northern Meadows Offsite Phase II, comments were provided to the engineer on March 8, 2006;
- c. Cabazon Tracts 10A & 6A, comments were provided to the engineer on March 15, 2006.

The following infrastructure plans were signed by the Executive Director:

- a. Ridgeline Estates, Phase I (Mariposa), the Executive Director signed the mylars on March 7, 2006;
- b. Mariposa Parkway Streetscape, the Executive Director signed the mylars on March 7, 2006;
- c. Los Rios Trail, the Executive Director signed the mylars on March 27, 2006;
- d. Hawksite Offsite Phase I, the Executive Director signed the mylars on April 4, 2006.

9. Arroyo Vista/SSCAFCA Agreement was signed on April 12, 2006.

10. A request from PNM for a construction easement was received on April 13, 2006.


11. Event Schedule for Board of Directors Election.

**OTHER BUSINESS.**

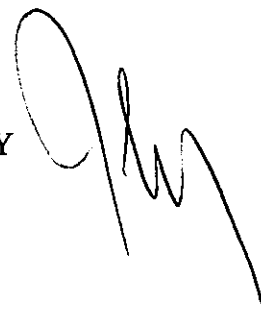
Mr. Stoliker stated that SSCAFCA is going through open enrollment on its health insurance, so if any Board member wanted insurance, now is the time to sign up.

**ADJOURNMENT.**

A motion was made by Donald Rudy and seconded by Mark Conkling to adjourn. It was carried unanimously. Meeting adjourned at 10:25 a.m.

  
 STEVE HOUSE  
 Secretary

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 JOHN CHANEY  
 Chairman



**DATE APPROVED:**

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