

**SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY
(SSCAFCA)
MINUTES OF JULY 20, 2018
BOARD OF DIRECTORS REGULAR MEETING**

CALL TO ORDER.

The regular meeting of the SSCAFCA Board of Directors was called to order by James Fahey, Chairman, at 9:00 a.m.

ROLL CALL OF DIRECTORS.

Directors in attendance were Mark Conkling, James Fahey, Steve House, Michael Obrey and John Chaney. Charles Thomas, Executive Engineer was present, as well as Laura Sanchez-Rivét, attending as SSCAFCA's attorney on behalf of Charles Garcia. Members of the public were also present.

ANNOUNCEMENTS.

An announcement was made by Chairman 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 Chairman Fahey.

APPROVAL OF AGENDA.

A motion was made by Steve House to approve the Agenda as presented. It was seconded by Michael Obrey and passed unanimously.

ACTION/ACCEPTANCE OF THE MINUTES OF JUNE 15, 2018.

A motion was made by Steve House to accept the minutes of June 15, 2018 as presented. It was seconded by John Chaney and passed unanimously.

PUBLIC FORUM.

Kathleen MacDonald stated that she wished to discuss the arroyo next to her property on Montego Court. She stated that she first came to the Board back in January of 2018 after her property had been flooded in late 2017. She stated that she was told a solution would be identified in four months and returned to the Board meeting in May to follow up. At the May Board Meeting, Ms. MacDonald stated that she had further requested a letter indicating that SSCAFCA would protect her home from flooding. Ms. MacDonald then requested a new letter

that specifically addressed her arroyo and what SSCAFCA was going to do to address the flooding. She indicated that the letter she received from SSCAFCA following the May Board meeting was too general and vague and referenced the neighborhood, not her property.

Marsha Hardeman also spoke on behalf of Ms. MacDonald. Ms. Hardeman indicated that she lives at 245 Montego Court, across the street from Ms. MacDonald. She stated that she has lived there for many years and has seen that corner lot flooded with mud and water more than four times over the past twenty years. She also indicated that Ms. MacDonald has worked hard to improve the property since she has been there. Ms. Hardeman stated that she believed regular cleaning of the culvert and channel would avoid a lot of the flooding that had occurred. She stated that they were requesting regular maintenance to be performed on that arroyo system to avoid flooding.

Ms. Hardeman stated that she understands SSCAFCA cannot make a blanket guarantee, but that they are dependent on the public agency responsible for maintaining the arroyo. She stated that Ms. MacDonald just wants some sort of assurance she can give to other prospective home owners for her property that the flooding is being addressed.

After an explanation of current project improvements provided by Mr. Thomas, Ms. Hardeman requested that the details of the improvements be included in the letter to Ms. MacDonald.

STAFF REPORTS.

Fiscal Services Director:

1. Action/Approval of Resolution 2018-06 Notice of Bond Sale and Delegation of Authority.

Ms. Casaus introduced Art Melendrez, the SSCAFCA Bond Attorney. Mr. Melendrez indicated that Resolution 2018-06 was a public notification of a pending sale of bonds, as well as a delegation of authority to the Executive Engineer to approve the best final offer on August 15, 2018.

Mr. Erik Harrigan, of RBC Capital Markets and SSCAFCA's financial advisor, presented additional information on the pending sale process. He stated that an underwriter would be selected based on response to a Request for Qualifications (RFQ) process. Mr. Harrigan stated that this bond sale would not result in an increase in the debt service tax rate. Barring any complications, Mr. Harrigan stated that the closing would occur by August 30, 2018, at which time the funds would become available.

A motion was made by John Chaney to approve Resolution 2018-06. It was seconded by Mark Conkling. Roll call vote: John Chaney, yes; James Fahey, yes; Mark Conkling, yes; Steve House, yes; Michael Obrey, yes. The motion carried 5-0.

2. Action/Acceptance of the Fiscal Services Report for June 30, 2018.

Ms. Casaus stated that the operating property tax revenue is 1.5% greater than last year at this same time, and the debt service property tax revenue is 0.9% greater than last year.

Ms. Casaus indicated that General Fund expenditures fiscal year-to-date through June 30, 2018 amount to 79% of the total available budget for the year. We are currently 100% through Fiscal Year 2018. There were 69 Single-Family Residential permits issued by the City of Rio Rancho for the month of June, about 23% higher than last year. Finally, she stated that interest was earned on funds invested in State Treasurer's Office local government program at a rate of 1.81% for the month of June. The current yield on a 90-day U.S. Treasury bill is 1.98%.

A motion was made by Mark Conkling to accept the fiscal services report as presented. It was seconded by Michael Obrey and passed unanimously.

3. Action/Approval of Resolution 2018-07 Budget for Fiscal Year Ending June 30, 2019. (FY 2019)

Ms. Casaus indicated that this Resolution is for approval of the next year's upcoming budget and is required by the Department of Finance and Administration (DFA). The only changes from the preliminary budget is the final tax collection adjustment adding in the final \$185,000 in collected revenue and adjustments to the construction fund and revenue for grants fund.

A motion was made by Mark Conkling to approve Resolution 2018-07. It was seconded by Steve House. Roll call vote: John Chaney, yes; James Fahey, yes; Mark Conkling, yes; Steve House, yes; Michael Obrey, yes. The motion carried 5-0.

4. Action/Approval of Resolution 2018-08 Ad Valorem Tax Levy for Tax Year 2018 (Fiscal Year 2019) Applicable to General Operating Fund.

Ms. Casaus stated that Resolution 2018-08 sets the mill levy rate for the general operating fund. Ms. Casaus stated that we are proposing to keep the rate the same at 0.828. She stated it could be adjusted by the State using the process known as Yield Control.

A motion was made by Steve House to approve Resolution 2018-08. It was seconded by John Chaney. Roll call vote: John Chaney, yes; James Fahey, yes; Mark Conkling, yes; Steve House, yes; Michael Obrey, yes. The motion carried 5-0.

5. Action/Approval of Resolution 2018-09 Ad Valorem Tax Levy for Tax Year 2018 (Fiscal Year 2019) Applicable to Debt Service Fund.

Ms. Casaus stated that Resolution 2018-09 sets the mill levy rate for the debt service fund. Ms. Casaus stated that we are proposing to keep the rate the same at 1.242.

A motion was made by Mark Conkling to approve Resolution 2018-09. It was seconded by Michael Obrey. Roll call vote: John Chaney, yes; James Fahey, yes; Mark Conkling, yes; Steve House, yes; Michael Obrey, yes. The motion carried 5-0.

6. Action/Approval of Resolution 2018-10 Final Quarter Financial Report for Year Ending June 30, 2018

Ms. Casaus stated that Resolution 2018-10 is the final quarter financial report for year ending June 30, 2018. SCAFCFA is required by the DFA to file quarterly reports. This is the final quarterly report for the year and certifies the cash balances carried forward to the 2019 budget.

A motion was made by Mark Conkling to approve Resolution 2018-10. It was seconded by Michael Obrey. Roll call vote: John Chaney, yes; James Fahey, yes; Mark Conkling, yes; Steve House, yes; Michael Obrey, yes. The motion carried 5-0.

Executive Engineer:

1. Action/Approval of Resolution 2018-11 FY 2020-2024 Infrastructure Capital Improvement Plan (ICIP).

Mr. Thomas presented the proposed 2020-2024 ICIP and closed the public comment period on the proposed ICIP. He noted that no public comment was received. He stated that the only change was renaming the High Range Pond Project to Lomitas Negras Phase 3, as it was determined to include additional improvements.

A motion was made by Mark Conkling to approve Resolution 2018-11. It was seconded by Steve House. Roll call vote: John Chaney, yes; James Fahey, yes; Mark Conkling, yes; Steve House, yes; Michael Obrey, yes. The motion carried 5-0.

2. Action/Approval of Resolution 2018-12 Accepting Grant Agreement and Authorizing Official Representative and Signatory Authorities (SAP 18-C4108-STBR)

Mr. Thomas stated that Resolution 2018-12 was required by the State as a condition of receiving \$44,493 in capital outlay funds. These funds were re-authorized from the Alberta Road Improvements Project as they were not needed to complete that project. The funds have been re-authorized to the Lomitas Negras Phase 2 project.

A motion was made by John Chaney to approve Resolution 2018-12. It was seconded by Mark Conkling. Roll call vote: John Chaney, yes; James Fahey, yes; Mark Conkling, yes; Steve House, yes; Michael Obrey, yes. The motion carried 5-0.

3. Action/Approval of Resolution 2018-13 Support and Commitment for a Planning Assistance To States Grant Project with the United States Army Corps of Engineers (USACE)

Mr. Thomas stated that Resolution 2018-13 is required from the USACE in order to request funding assistance through the Planning Assistance to States program. Mr. Thomas indicated that SCAFCFA is seeking up to \$50,000 in assistance to improve our hydrologic models in the jurisdiction.

A motion was made by Mark Conkling to approve Resolution 2018-13. It was seconded by John Chaney. Roll call vote: John Chaney, yes; James Fahey, yes; Mark Conkling, yes; Steve House, yes; Michael Obrey, yes. The motion carried 5-0.

4. Action/Approval of Task Order with Bohannon Huston, Inc. for the Lisbon Flood Prevention Project – Design Services, Bidding Services and Construction Phase services with the exception of providing a Resident Project Representative.

Mr. Thomas explained that this task order would cover the design of the Lisbon Flood Prevention project. This project has also received a grant from the Federal Emergency Management Agency (FEMA) of approximately \$1.22 million. The cost of the task order is \$174,133.38.

A motion was made by Steve House to approve award of the Task Order to Bohannon Huston, Inc. It was seconded by John Chaney and passed unanimously.

5. Action/Acceptance of Turnkey Agreement for Solcito Subdivision, Phase 3 & 4 – Edinburgh Storm Drain.

Mr. Thomas stated that this is a follow up agreement for phases 1 & 2. This agreement was delayed until the drainage deficiencies in the Phase 1 portion of the project were mitigated. In response to a question from the Board, Mr. Thomas stated that SCAFCA approval of final construction is required for final acceptance by SCAFCA.

A motion was made by Michael Obrey to accept the turnkey agreement. It was seconded by Mark Conkling and passed unanimously.

6. Action/Acceptance of Selection/Agreement with the Waite Company for On-Call Professional Public Relations and Outreach Services.

Mr. Thomas stated that SCAFCA had recently gone out with a Request for Proposals for public outreach services. The Selection Committee is recommending the Waite Company. In response to a question from the Board, Ms. Casaus stated that there were 5 respondents to the RFP with two of those being deemed non-responsive.

A motion was made by Mark Conkling to approve selection of the Waite Company and enter into an on-call contract. It was seconded by Steve House and passed unanimously.

OTHER COMMITTEE REPORTS.

None.

ATTORNEY'S REPORT.

None.

CHAIRMAN'S REPORT.

Mr. Thomas stated that the City of Rio Rancho Council and the Rio Ranch Public School Board recently had a joint Work Study Session. The purpose of the work study was to discuss the development of the Los Diamantes subdivision, which includes a business park. Mr. Thomas stated that the reason for the inclusion was that the school board was considering moving Joe Harris Elementary School to be adjacent to the proposed development. Additionally, for SSCAFCA, the Tributary A Pond is adjacent to the development and all of the facilities would drain to SSCAFCA's Saltillo Drainage Diversion to the Calabacillas Arroyo.

Chairman Fahey stated that it was impressive to see such a significant collaboration between SSCAFCA, the developer, the City of Rio Rancho and the Rio Rancho Public Schools.

BOARD OF DIRECTOR'S COMMENTS.

Director Chaney asked whether or not the City's recycled water rate has been adjusted. Mr. Thomas stated that at present, the City was considering lowering the recycled water rate to \$0.65 per 1,000 gallons purchased and had introduced a motion at a recent council meeting.

Mr. Thomas also stated that the ponds surrounding the Enclave have been drained.

PROPERTY MATTERS.

None.

FOR YOUR INFORMATION.

1. The General Counsel/Legal Services contract with the following contractors have been renewed for the third year with the same terms and conditions.
 - a. Crowley & Gribble, P.C.
 - b. Cuddy & McCarthy LLP
2. The Financial Advisor Professional Services contract with RBC Capital Markets has been renewed for the fourth year with the same terms and conditions.
3. Rio Rancho Observer Article, "City Looks at 65-Cent Recycled Water, Gives Final OK to Higher Sales Tax," (July 2, 2018)

OTHER BUSINESS.

- Next Regular Board Meeting is on Friday, August 17, 2018 at 9:00 a.m.

ADJOURNMENT.

The meeting was adjourned by Chairman Fahey at 9:58 a.m.



JAMES FAHEY
Chairman



STEVE HOUSE
Secretary

DATE APPROVED: 8/17/2018