

**SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY
(SSCAFCA)
MINUTES OF APRIL 24, 2019
BOARD OF DIRECTORS REGULAR MEETING**

CALL TO ORDER.

The regular meeting of the SSCAFCA Board of Directors was called to order by Michael Obrey, Chairman, at 9:06 am.

ROLL CALL OF DIRECTORS.

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

ANNOUNCEMENTS.

An announcement was made by Chairman Obrey 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 Obrey.

APPROVAL OF AGENDA.

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

ACTION/ACCEPTANCE OF THE MINUTES OF MARCH 21, 2019.

A motion was made by James Fahey to accept the minutes of March 21, 2019 as presented. It was seconded by Steve House and passed unanimously.

PUBLIC FORUM.

None.

STAFF REPORTS.

Executive Engineer:

1. Legislative Update.

Mr. Larry Horan stated that the recent session was a 60-day session and was the first session under Governor Lujan-Grisham. The session started on January 16th and ended on March 16th. In addition to a new Governor, there were 20 new legislators. Both the Executive and Legislature are now control by the Democratic Party. This session saw the first use of a "Rocket Docket", a collection of 42 bills that had passed both Houses unanimously last year and were vetoed by Governor Martinez. These bills were fast-tracked and passed very quickly.

Mr. Horan stated that the budget outlook was good with \$900 million in new money and an increase of \$1.1 billion projected for the upcoming year. This additional revenue may stay high for several years but it is still 'one-time' money.

The biggest item addressed at the Legislature this year was public education, and they identified significant additional funding for education. Tax reform, gun control, the film tax and criminal justice were some of the other issues addressed this year.

Regarding capital outlay, there was a desire to address infrastructure needs and the Legislature allocated about \$400 million to roads in the southern part of the State. For SSCAFCA, there were four projects submitted and all four projects were fully funded by the Legislature. The success of SSCAFCA's capital program in the past was essential to receiving this funding. The projects funded are the Coronado Arroyo Improvements at \$136,000, the Lisbon Project at \$408,000, Lomitas Negras Phase-3 at \$145,000 and Rio Mora Rd Drainage Improvements at \$200,000.

Mr. Horan advised that SSCAFCA begin planning for next year's requests as soon as possible. He indicated that next year is only a 30-day session, but the Legislature will have a similar amount of funding available. The Governor also directed much of her capital funding to large statewide projects. Mr. Horan suggested a different focus to look much more broadly and larger for funding so that we might received funding from the Governor's portion of the funds. Mr. Horan stated that the positive relationship SSCAFCA has with the Legislature is excellent and a key part of our success.

Mr. Horan indicated that the new Administration is much more open and willing to communicate than in previous years.

Regarding specific legislation, Mr. Horan stated the primary focus for SSCAFCA is capital outlay. However, there was some legislation that would have impacted SSCAFCA. One bill would have impacted the ability of SSCAFCA to use multi-year on-call contracts. The bill did not pass, but it may come back. Pension reform was also a topic of interest, but no actions was ultimately taken of any significance. In response to a question from the Board, Mr. Horan indicated that there was no discussion of local entities being able to set aside funds to support the retirement funds.

2. Action/Approval of Resolution 2019-08 Notice of Election.

Mr. Thomas stated that although the Local Election Act was passed last year, staff felt it was prudent to still issue a Notice of Election Resolution. The entire election process for SSCAFCA is now being executed through the Bureau of Elections at Sandoval County. In response to a question from the Board, Mr. Thomas stated that he felt the cost of the election to SSCAFCA would decrease under the Local Election Act.

Mr. Thomas indicated that the Resolution states that two Director positions are open for election.

A motion was made by James Fahey to approve Resolution 2019-08 as presented. It was seconded by Steve House. Roll call vote: Steve House, yes; Mark Conkling, yes; James Fahey, yes; Chairman Obrey yes. The motion carried 4-0.

3. Update on Lisbon Project.

Mr. Thomas summarized related actions from the April Board meeting, that a resolution was passed to commit to completing the Lisbon project in order to receive additional funding through Department of Homeland Security and Emergency Management (DHSEM). Mr. Thomas stated that the plan revisions to the Lisbon Channel Improvements design has been completed and is awaiting approval from the DHSEM prior to advertising.

Mr. Thomas indicated that these improvements were completed in-house, as the contracted consulting firm was unable to deliver an acceptable product and the task order with that firm was terminated. Mr. Thomas recognized Mr. Andres Sanchez and Ms. Kathy Fournier for taking on this unforeseen work and completing it in a timely fashion.

4. Update on EPA CWSRF Funding Applications.

Mr. Thomas stated that SSCAFCA has submitted two projects for funding under the current application cycle. The first application was for up to \$1 million for ROW acquisition to purchase the LEE Line area around arroyos. The second application was for up to \$4 million for improvements to the Lower Venada Bank Stabilization project. Submitting the applications does not commit SSCAFCA to moving forward if the terms of the offer are not advantageous to SSCAFCA.

5. Development Review.

Mr. Thomas stated that there isn't any new development of any significance, but there is a lot of activity on the large on-going development reported in previous months. One item of note is the A-1 Storage project, which is being coordinated with our Lower Montoyas Bank Stabilization funding application under the Pre-Disaster Mitigation program.

Fiscal Services Director:

1. Action/Acceptance of the Fiscal Services Report for the 3rd Quarter of FY 19.

Ms. Casaus stated that we are at 1.9% greater than last year for the operating property tax revenue collected at the same time last fiscal year, and the debt service property tax revenue is 2.1% greater than last year. The budget included a 1.5% increase, so revenue is higher than anticipated.

Ms. Casaus indicated that General Fund expenditures fiscal year-to-date through the 3rd Quarter of FY 19 amount to 62% of the total budget for the year. We are currently 75% through Fiscal Year 2019. There were 80 Single-Family Residential permits issued by the City of Rio Rancho for the month of January through March, which is down from last year. Finally, she stated that interest was earned on funds invested in State Treasurer's Office local government program at a rate of 2.46% for the month of December. The current yield on a 90-day U.S. Treasury bill is 2.42%.

A motion was made by Steve House to accept the fiscal services report as presented. It was seconded by James Fahey and passed unanimously.

2. Action/Acceptance of the Fiscal Year 2020 Preliminary Budget.

Ms. Casaus presented information on the proposed FY20 budget which begins in July of 2019. Ms. Casaus stated the preliminary budget is due to the Department of Finance and Administration by June 1, 2019.

We have an estimated cash carry over of \$2.37 million, based on anticipated expenditures through the end of the current fiscal year and final collection of taxes. We have budgeted our operating budget assuming a 2% growth in assessed valuation.

The personnel budget includes a cost of living adjustment of 2.4%, as well as an optional incentive performance of up to \$75,451 for completion of identified metrics which would be split among all staff. The health insurance premiums will be increased by 3.5%, much lower than the national average of 7-10%. The personnel budget does include two new positions to transition maintenance activities from contract labor to our internal staff.

Ms. Casaus stated that the reserve amounts remain the same, at \$750,000, since FY10. In the debt service, we are projecting a revenue of \$3,100,000, assuming the 2% growth in assessed valuation. In the construction fund, we are projecting a carryover balance of \$1.4 million. No increase in the tax rate is expected.

A motion was made by James Fahey to accept the Fiscal Year 2020 Preliminary Budget. It was seconded by Mark Conkling and passed unanimously.

Field Operations Director:

1. Update on the Lomitas Negras Phase 2 construction project.

Mr. Gatterman provided an update on the ongoing construction. The current contract is approximately \$3.4 million. The Notice to Proceed was issued on March 21, 2019 and is scheduled to be completed by October 7, 2019. Mr. Gatterman provide an overview of the project components.

Currently the contractor is performing earthmoving and did not expect to see soil cement construction until mid-June. Mr. Gatterman stated that the contractor is currently on-schedule. Mr. Gatterman indicated that he is working on a change order to include additional bank protection that can be covered under the original grant amount. The scope of work is currently under review by DHSEM.

2. Update of the Black Arroyo Bridge Scour Protection Project.

Mr. Gatterman explained that this work was not included in the original project due to cost and restrictions on the state and federal funding being used to construct the bridge. The project cost is just over \$300,000. The Notice to Proceed was issued on April 2nd and substantial completion is June 30th. Mr. Gatterman stated that the contractor is on schedule.

3. Overview of the Facility Maintenance Program.

Mr. Gatterman stated that since becoming Field Operations Director, he has been collecting information on the number of SSCAFCA facilities, the work completed and on-going maintenance needs.

Some key results of the analysis were as follows: (1) that there was no comprehensive list of facilities and (2) many facilities were identified with multiple different names. All of the facilities have now been coded into a uniform filing data management structure with a unique identifier. With

the hiring of Mr. Edmondson, Mr. Gatterman stated that we have now been able to do an on-site visit of the vast majority of flood control facilities owned or maintained by SSCAFCA.

Mr. Gatterman indicated one of the on-going difficulties is identifying when facilities would need maintenance because of the lack of a historic maintenance track record and maintenance markers at the facilities.

Mr. Gatterman stated that one goal will be the creation of an internal work crew, currently set at two fulltime positions, to address some of this on-going maintenance throughout the year. Mr. Gatterman stated that initial evaluations indicate that the transition to an internal work crew will result in a cost savings to SSCAFCA.

The Board commended Mr. Gatterman and Mr. Edmondson for the work they have done in organizing maintenance activities and developing a forward-looking operations plan for facility maintenance.

OTHER COMMITTEE REPORTS.

None.

ATTORNEY'S REPORT.

Mr. Garcia stated that he had no report.

CHAIRMAN'S REPORT.

None.

BOARD OF DIRECTOR'S COMMENTS.

None.

PROPERTY MATTERS.

1. Action/Acceptance – U17, Blk 32, Lot 9 – 1.19 acres – Aloe Pond.
2. Action/Acceptance – U17, Blk 35, Lot "PARK" Donation from AMREP – 2.63 acres – Teak Open Space.

Mr. Thomas stated that both properties are associated with the Lomitas Negras Phase 3 project, one of them being within the footprint of the Aloe Pond and the other located just downstream of the two crossing structures under Idalia Rd.

A motion was made by Mark Conkling to accept the properties as presented. It was seconded by James Fahey and passed unanimously.

FOR YOUR INFORMATION.

1. The contracts for Professional Surveying Services have been renewed for the second year with the following contractors with no requested changes: (m/o)
 - Bohannon Huston, Inc.

- Community Sciences Corporation
 - CSI – Cartesian Surveys, Inc.
 - WayJohn Surveying, Inc.
 - Wilson & Company
2. ABQ Journal Article, "Public Lands Package Protects 275K Acres in NM," (2/27/2019) (m/o)

OTHER BUSINESS.

1. Executive Session - Discussion regarding personnel matters pursuant to provisions of NMSA 1978, §10- 15-1 (H)(2).

CLOSED SESSION.

A motion was made by James Fahey to go into Closed Session to discuss personnel issues pursuant to correspondence from the Equal Employment Opportunity Commission. It was seconded by Mark Conkling. The Board went into Closed Session at 10:50 a.m.

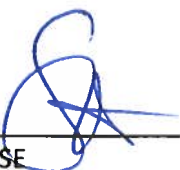
OPEN SESSION.

James Fahey made a motion to come out of Closed Session, it was seconded by Mark Conkling and passed unanimously. The Board reconvened open session at 11:02 a.m. Chairman Obrey stated that no votes or other action by the Board was taken during the closed session.

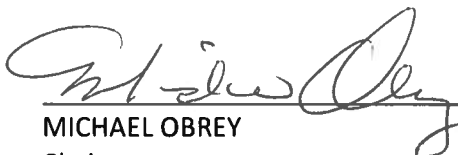
2. **Next Board Meeting is scheduled for May 16, 2019 at 9 a.m.**

ADJOURNMENT.

The meeting was adjourned by Chairman Obrey at 11:05 am.



STEVE HOUSE
Secretary



MICHAEL OBREY
Chairman

DATE APPROVED: 5/16/2019