

**SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY
(SSCAFCA)
MINUTES OF JULY 18, 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 9:04 am.

ROLL CALL OF DIRECTORS.

Directors in attendance were Michael Obrey, James Fahey and John Chaney. Steve House and Mark Conkling were 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 Director Fahey to approve the Agenda as presented. It was seconded by Director Chaney and passed unanimously.

ACTION/ACCEPTANCE OF THE MINUTES OF JUNE 20, 2019.

A motion was made by Director Fahey to accept the minutes of June 20, 2019 as presented. It was seconded by Director Chaney and passed unanimously.

PUBLIC FORUM.

Ron Abramshe, representing the Alegria HOA, presented information on the Venada Arroyo and recent rain events. He wanted to know who owned the Santiago Channel, requested comments on the recent rain event and stated there have been complaints about standing water in the Santiago Channel. Mr. Thomas stated that staff had received and reviewed the photos and had completed a field assessment of the area, including coordinating with the City of Rio Rancho on their walking path which was damaged by the flood event as well.

Alan Stevens of Alegria stated that the culvert draining is partially blocked and that residents should acquire flood insurance.

Mary Turner, president of Santiago Home Owners Association, wanted to know if there are other areas with standing water issues similar to Alegria. Mr. Thomas stated that yes, there are other areas, most significantly the Village of Corrales. Mr. Thomas also indicated that SSCAFCA does not own the Santiago Channel but only holds a Drainage Easement over the channel. In response to a question, Mr. Thomas stated that SSCAFCA is obligated to ensure that it functions and avoids inundation or overtopping outside of the channel.

STAFF REPORTS.

Executive Engineer:

1. Finance Plan Update (Erik Harrigan RBC Capital Markets)

Mr. Thomas stated that Erik Harrigan of RBC Capital Markets would present a finance plan update to the Board in preparation for an upcoming bond sale being proposed to the Board.

Mr. Harrigan presented information on SSCAFCA's current bonding capacity and bonding finance plan. Mr. Harrigan indicated that a key factor is the tax base and the capacity to issue bonds without raising tax rates. Mr. Harrigan stated that SSCAFCA has approximately \$19.5 million in outstanding bond debt.

Although the current plan did not anticipate a bond sale until 2020, the recent growth in Sandoval County tax base has made it possible to issue approximately \$3.0 million in new bonds. As part of the proposed bond sale, it is recommended that SSCAFCA also pursue refinancing approximately \$5.5 million on older bonds issued in 2009 and 2010 as part of this bond sale, which will generate \$168,000 in present value savings.

Mr. Harrigan stated that the bonds would go out for a Request for Qualifications for a Negotiated Sale in August, via a Resolution at the August Board Meeting to accept the most qualified applicant and allow the Executive Engineer to execute the final sale.

In response to a question from the Board, Mr. Thomas stated that it is necessary for the success of existing projects to proceed with the accelerated bond sale timeline.

2. Action/Approval of Resolution 2019-13 Infrastructure Capital Improvement Plan FY 2021-2025 (ICIP) (m/o)*

Mr. Thomas stated that Resolution 2019-13 is for the formal adoption of the 2021-2025 Infrastructure Capital Improvement Plan. Mr. Thomas stated that the plan was opened for mandated public comment last month and no comments were received.

A motion was made by Director Fahey to approve Resolution 2019-13 as presented. It was seconded by Director Chaney. Roll call vote: John Chaney, yes; James Fahey, yes; Chairman Obrey yes. The motion carried 3-0.

3. Action/Approval of Resolution 2019-14 Accepting Grant Agreement and Authorizing Official Representative and Signatory Authorities (CN C3193396) (Rio Mora Rd.) (m/o)*

Mr. Thomas stated that Resolution 2019-14 is to formally accept grant funds from the 2019 Legislative Session for the Mora Rd. improvements.

A motion was made by Director Fahey to approve Resolution 2019-14 as presented. It was seconded by Director Chaney. Roll call vote: John Chaney, yes; James Fahey, yes; Chairman Obrey yes. The motion carried 3-0.

4. Action/Approval of Resolution 2019-15 SCAFCFA Conflict of Interest Policy (m/o)*

Mr. Thomas stated that Resolution 2019-15 is to amend the existing SCAFCFA Personnel Policy to bring it in compliance with current requirements.

A motion was made by Director Fahey to approve Resolution 2019-15 as presented. It was seconded by Director Chaney. Roll call vote: John Chaney, yes; James Fahey, yes; Chairman Obrey yes. The motion carried 3-0.

5. Action/Approval to Abandon Certain Mariposa Drainage Easements (m/o)*

Mr. Thomas stated that this item is for the abandonment of an existing drainage easement in the Mariposa North drainage area. The easements only cover a small portion of the entire arroyo. This property is currently going through a new planning effort and brought into question the viability of the existing easements.

Mr. Thomas stated that after a review of the proposed development and the value/liability of the existing easements, it was staff's recommendation to abandon these easements. In response to a question from the Board, Mr. Thomas stated that the easements were granted to SCAFCFA as part of the original planning effort, which does not align with the current proposed planning.

A motion was made by Director Fahey to approve the Abandonment of Certain Mariposa Drainage Easements as presented. It was seconded by Director Chaney. Roll call vote: John Chaney, yes; James Fahey, yes; Chairman Obrey yes. The motion carried 3-0.

6. 2019 Monsoon Outlook (Gerhard Schoener)

Mr. Schoener presented information on the monsoon season in general and how the monsoon season is generated. Mr. Schoener stated that we had a weak El Nino in the winter and that summer temperatures are expected to be slightly cooler due to increased chances of precipitation. Following this, Mr. Schoener stated that we had a single storm event on July 6th. This storm generated about an inch of rainfall and runoff in the Venada Channel.

7. Presentation of Arroyo Safety Video

Mr. Thomas stated that as part of the Arroyo Safety grant with the Federal Emergency Management Agency, a local high school group recently completed one component, a safety video, which was presented to the Board.

In response to a question from the Board, Mr. Thomas stated that, yes, the video was currently being used as a Public Service Announcement at Premier Cinemas.

8. Development Review

Mr. Thomas stated that there are only two items for discussion, the Encino Solar Power Generation Site drainage plan and the Mariposa North Drainage Management Plan update. Both items are still under review.

Fiscal Services Director:

1. Action/Acceptance of the Fiscal Services Report for June 30, 2019 (m/o)

Ms. Casaus stated that we collected about \$148,000 greater than expected in the general fund and \$197,000 in the Debt Service Fund. Expenditures in the General Fund through the end of FY19 amounted to 84% of the total budget for the year. Ms. Casaus stated that we did have some expenditures from the Large Storm Clean Out set aside, in order to restore several facilities to 100% capacity. For the upcoming FY20 budget, the Large Storm Clean Out fund will be reduced to \$500,000.

Ms. Casaus stated that the number of single family home permits is down by 24% from this same time last year. The interest earned on State Treasurer's funds is 2.44% and the current yield on the 90 day U.S. Treasury Bill is 2.13%.

A motion was made by Director Fahey to accept the Fiscal Services Report of June 30, 2019 as presented. It was seconded by Director Chaney. Roll call vote: John Chaney, yes; James Fahey, yes; Chairman Obrey yes. The motion carried 3-0.

2. Action/Approval of Resolution 2019-16 Fiscal Year 2019 Budget Amendment (m/o)*

Ms. Casaus stated that Resolution 2019-16 was for approval of a final budget amendment to the FY 19 Budget, which consists of a single adjustment to increase the interest line item for the debt service by \$43,730 to account for the payment for our Clean Water SRF Loan.

A motion was made by Director Fahey to approve Resolution 2019-16 as presented. It was seconded by Director Chaney. Roll call vote: John Chaney, yes; James Fahey, yes; Chairman Obrey yes. The motion carried 3-0.

3. Action/Approval of Resolution 2019-17 Budget for Fiscal Year Ending June 30, 2020. (FY20) (m/o)*

Ms. Casaus stated that Resolution 2019-17 was to approve the budget for the fiscal year ending June 30, 2020. Ms. Casaus stated that the only changes from the preliminary budget was the reduction in cash balances carried over due to higher than expected end of year expenditures

A motion was made by Director Fahey to approve Resolution 2019-17 as presented. It was seconded by Director Chaney. Roll call vote: John Chaney, yes; James Fahey, yes; Chairman Obrey yes. The motion carried 3-0.

4. Action/Approval of Resolution 2019-18 Ad Valorem Tax Levy for Tax Year 2019 (FY 2020) Applicable to General Operating Fund. (m/o)*

Ms. Casaus stated that there was no increase in the mill tax levy projection for the general operating fund for FY20.

A motion was made by Director Fahey to approve Resolution 2019-18 as presented. It was seconded by Director Chaney. Roll call vote: John Chaney, yes; James Fahey, yes; Chairman Obrey yes. The motion carried 3-0.

5. Action/Approval of Resolution 2019-19 Ad Valorem Tax Levy for Tax Year 2019 (Fiscal Year 2020) Applicable to Debt Service Fund. (m/o)*

Ms. Casaus indicated that there was no change in the mill tax levy from FY19.

A motion was made by Director Fahey to approve Resolution 2019-19 as presented. It was seconded by Director Chaney. Roll call vote: John Chaney, yes; James Fahey, yes; Chairman Obrey yes. The motion carried 3-0.

6. Action/Approval of Resolution 2019-20 Final Quarter Financial Report for Year Ending June 30, 2019. (m/o)*

Ms. Casaus stated that Resolution 2019-20 was to certify the final cash balances carried over to FY20. The Department of Finance and Administration requires this balance to be certified by the Board.

A motion was made by Director Fahey to approve Resolution 2019-20 as presented. It was seconded by Director Chaney. Roll call vote: John Chaney, yes; James Fahey, yes; Chairman Obrey yes. The motion carried 3-0.

OTHER COMMITTEE REPORTS.

None.

ATTORNEY'S REPORT.

None.

CHAIRMAN'S REPORT.

None.

BOARD OF DIRECTOR'S COMMENTS.

None.

PROPERTY MATTERS.

1. Action/Acceptance Unit 17, Block 31, Lot 15 – 1.00 acres – Aloe Pond Project

Mr. Thomas stated that Lot 15 and Lot 19 are both for the Aloe Pond project and essentially complete the footprint for the proposed facility.

Director Fahey moved acceptance of Lot 15. It was seconded by Director Chaney and passed unanimously.

2. Action/Acceptance Unit 17, Block 31, Lot 19 – 0.96 acres – Aloe Pond Project

Director Fahey moved acceptance of Lot 19. It was seconded by Director Chaney and passed unanimously.

3. Action/Acceptance Unit 07, Block 22, Lot 15 – 0.50 acres – Playa Acquisition

Mr. Thomas stated that Lots 15, 27 and 28 are the first parcels acquired as part of the Playa Acquisition project. In response to a question from the Board, Mr. Thomas clarified that these properties would be left in permanent conservation to protect the recharge zones to the aquifer.

Director Fahey moved acceptance of Lot 15. It was seconded by Director Chaney and passed unanimously.

4. Action/Acceptance Unit 08, Block 52, Lots 27 & 28 – 2.0 acres – Playa Acquisition

Director Fahey moved acceptance of Lots 27 & 28. It was seconded by Director Chaney and passed unanimously.

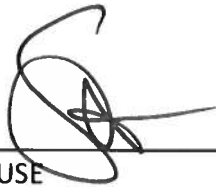
FOR YOUR INFORMATION.

1. The General Counsel/Legal Services contracts have been renewed for the fourth year with the following contractors with the same term and conditions.
 - a. Crowley & Gribble, P.C.
 - b. Cuddy & McCarthy
2. The Professional Public Relations and Outreach Services contract has been renewed for the second year with The Waite Company with the same terms and conditions.

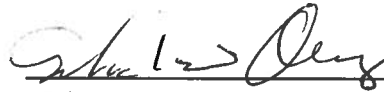
3. Rio Rancho Observer Article, "SSCAFCA Report Creates Humorous Flash-Flood Safety Video," (6/16/2019)
4. Albuquerque Business First Article, "The Difference Between Developing in Rio Rancho vs. Albuquerque," (6/21/2019)
5. Corrales Comment Article, "Village Administrator Derr Resigns; Staff Turnover Roils," (6/23/2019)
6. Rio Rancho Observer Article, "Campbell Becomes RR City Manager; Starts Monday," (6/27/2019)
7. Rio Rancho Observer Article, "Arroyo Project Underway to Prevent Future Flooding," (7/6/2019)

ADJOURNMENT.

The meeting was adjourned by Chairman Obrey at 10:10



STEVE HOUSE
Secretary



MICHAEL OBREY
Chairman

DATE ACCEPTED: 8/23/2019