

**SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY
(SSCAFCA)**

**MINUTES OF JUNE 17, 2021
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 Ronald Abramshe, John Chaney, Mark Conkling, and James Fahey. Charles Thomas, Executive Engineer was present, as well as Charles Garcia, attending as SSCAFCA's attorney. Director Michael Obrey was not present.

ANNOUNCEMENTS.

Due to the serious nature of all Board Meetings, Chairman Fahey asked that all cell phones or devices that may distract participants or disrupt the meeting be turned off.

PLEDGE OF ALLEGIANCE.

The Board was led in the Pledge of Allegiance by Chairman Fahey.

APPROVAL OF AGENDA.

Mr. Thomas stated that action item #5 under the Executive Engineer's staff report, needed to be removed. The Action/Approval of the Turnkey Agreement with Western Hills Real Estate & Development, LLC for Garza Property was not finalized in time for the June 17th board meeting and would be presented for approval at a later date.

A motion was made by Mark Conkling to approve the Agenda as amended. It was seconded by Ronald Abramshe.

Roll call vote: John Chaney, yes; Mark Conkling, yes; Ronald Abramshe, yes; James Fahey, yes. The motion carried 4-0.

ACTION/ACCEPTANCE of the minutes of the Regular Board Meeting of May 20, 2021 and minutes of the Special Board Meeting of June 3, 2021.

A motion was made by Mark Conkling to accept the minutes of the Regular Board Meeting of May 20, 2021 and minutes of the Special Board Meeting of June 3, 2021. It was seconded by John Chaney.

Roll call vote: Ronald Abramshe, yes; Mark Conkling, yes; John Chaney, yes; James Fahey, yes. The motion carried 4-0.

PUBLIC FORUM.

None.

STAFF REPORTS.***Executive Engineer:*****1. Rio Rancho Golf Course Open Space - Report on Board-directed Actions from June 3, 2021 Special Board Meeting**

Mr. Thomas provided the Board with a report on the Rio Rancho Golf Course Open Space Board-directed Actions from the June 3, 2021 Special Board Meeting. Mr. Thomas stated that the Board had two general requests for follow-up. The first request was to coordinate with the City of Rio Rancho (CORR) to review the ordinance that was specific to the Golf Course and determine what the options were for developing the Rio Rancho Golf Course Open Space. The second action was to evaluate what SCAFCA's potential costs would be to procure an acceptable development plan.

Mr. Thomas stated that as part of his coordination efforts with the CORR, he reviewed CORR Ordinance No. 4, passed on 4/18/2018, which amended a previous zoning classification for the 'Golf Course' (aka the former RR Golf Course) from *Special use for Golf Course* to *Special Use for Residential Development*. Mr. Thomas stated that the specific conditions for development of the 'Golf Course' would impact SCAFCA's decision in regards to accepting any of the open space donation. Mr. Thomas stated that the ordinance required a Master Plan that satisfied all of the provisions in Ordinance No. 4 prior to any subsequent actions. In response to a question from the Board, Mr. Thomas stated that to his knowledge, an acceptable Master Plan had not yet been submitted to the CORR. Mr. Thomas indicated that, in his opinion, if SCAFCA accepted any property, SCAFCA would have to either absorb the role of developer or be bound to a plan that is has not control over.

The Board expressed their concern regarding the new information presented by Mr. Thomas and how that new information negatively affects SCAFCA's future decision regarding acquisition of the open space.

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

Mr. Harrigan presented the Board with SCAFCA's 2021 Finance Plan Update. Mr. Harrigan stated that SCAFCA utilized a bond cycle which was dependent on two main factors, retirement of old debt and growth in the assessed valuation of the tax base. Mr. Harrigan stated that SCAFCA's existing debt would start to rapidly decline in 2024 and 2025 which would allow SCAFCA to amortize debt faster and increase future bonding capacity. Mr. Harrigan stated that the tax base was expected to continue to grow due to the strength of the residential housing market, however the long-term impact that the pandemic had on non-residential value was uncertain. Mr. Harrigan stated that after 6 years of no or slow growth in assessed value, SCAFCA saw a 3.0% average annual tax base growth over the past 4 years. Mr. Harrigan stated that State statute limits the amount of general obligation debt that SCAFCA can have outstanding. As of June 1, 2020, SCAFCA had \$15.425 million outstanding in general obligation bonds, which left SCAFCA approximately 25% bonded to capacity. Mr. Harrigan stated that some key areas of market focus included the \$1.9 Trillion American Rescue Plan Act along with the revised \$1.7 Trillion Americans Job Plan and \$1.8 Trillion American Families plan, which were still awaiting Congressional action. Mr. Harrigan stated that investors are staying focused on COVID-19, vaccines and the overall re-opening of the economy and how these factors will affect inflation. Mr. Harrigan stated that as of the first week of June 2021, Municipal Bond Fund inflows reported were reported at \$2.5 billion dollars, up from the previous week's \$997 million of inflows. In response to a question from the Board, Mr. Harrigan stated that Municipal Bonds inflows were up because they remain to be considered an overall stable investment.

3. Action/Approval of Resolution 2021-07 Reimbursement of Capital Expenditures with Bond Proceeds (m/o)*

Mr. Thomas stated that he was seeking Board approval of Resolution 2021-07 Reimbursement of Capital Expenditures with Bond Proceeds. Mr. Thomas stated that Resolution 2021-07 was more specifically a Declaration of Official Intent to reimburse SSCAFCA's Operational Fund with proceeds from a future Bond Sale currently scheduled for August of 2021. Mr. Thomas stated that the financed funds, an amount not to exceed \$500,000, would be used to cover the cost of constructing two projects – the 10th Street Drain Improvements and Harley's Pond, if the projects began before the funds from the bond sale became available. In response to a question from the Board, Mr. Thomas stated that this action was only needed due to exhausting the available bond funds from the 2019 Bond Sale and the timing of the two projects.

A motion was made by Mark Conkling to approve Resolution 2021-07 Reimbursement of Capital Expenditures with Bond Proceeds. It was seconded by Ronald Abramshe.

Roll call vote: Ronald Abramshe, yes; Mark Conkling, yes; John Chaney, yes; James Fahey, yes. The motion carried 4-0.

4. Recognition of Gerhard Schoener for publication in Journal of Hydrology – "Comparison of seven simple loss models for runoff prediction at the plot, hillslope and catchment scale in the semiarid southwestern U.S."

Mr. Thomas recognized Gerhard Schoener, SSCAFCA's Senior Hydrologist, for his publication in the Journal of Hydrology, "Comparison of seven simple loss models for runoff prediction at the plot, hillslope and catchment scale in the semiarid southwestern U.S." Mr. Thomas introduced Mr. Schoener who presented the Board with a brief overview his publication. Mr. Schoener stated that the purpose of his latest hydrology research was to evaluate how rainfall models were used in predicting runoff. Mr. Schoener stated that models were used to predict runoff because runoff events were rare and models helped to assess the impact of future urban growth. Mr. Schoener stated that the most crucial component of every model was the infiltration method. Seven different methods of modeling infiltration were used, as past infiltration research did not indicate which methods worked best in dry climates. The findings of the seven different infiltration methods indicated that soil moisture was crucial in predicting runoff, the rainfall simulator worked well to determine parameters, and further improvements could be made to existing models. Mr. Schoener concluded that with the creation of soil moisture mapping of different soil types, SSCAFCA could possibly predict near-real time flooding forecasts. In response to a question from the Board, Mr. Schoener stated that the ability to predict flood events based on soil conditions of a particular area, could influence how and where SSCAFCA places future flood control infrastructure. However, more research was needed as the runoff prediction modeling was still in the early stages of development. The Board thanked Mr. Schoener for his hydrology research efforts and Mr. Schoener thanked them for all their continued support.

5. Development Review (m/o)

Mr. Thomas stated the Lomas Encantadas Drainage Master Plan was approved. The 550-PDV Apartments Drainage Report and Construction Plans were still pending review. Mr. Thomas stated that the Los Diamantes Subdivision Conditional Letter of Map Revision Report (CLOMR) and the Vista Grande Subdivision Construction Plans had both been deferred to the City of Rio Rancho for approval.

OTHER COMMITTEE REPORTS.

None.

ATTORNEY'S REPORT

None.

CHAIRMAN'S REPORT.

None.

BOARD OF DIRECTOR'S COMMENTS.

Chairman Fahey stated that the meeting with the City of Rio Rancho regarding the former RR Golf Course was very informative. Director Conkling stated that he also thought that the additional information was very insightful and would help SSCAFCA with their decision-making process regarding the golf course acquisition.

PROPERTY MATTERS.

None.

FOR YOUR INFORMATION.

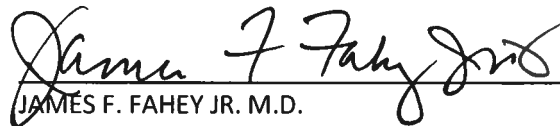
1. Rio Rancho Observer Article, "Intel Bringing 700 Jobs & \$3.5B to RR with Plant Expansion," (5-3-21) (m/o)

OTHER BUSINESS

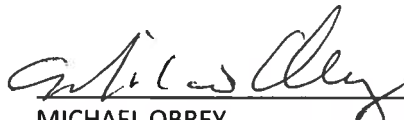
1. Next Regular Board Meeting is scheduled for July 15, 2021 @ 9:00 a.m.

ADJOURNMENT.

The meeting was adjourned by Chairman Fahey at 10:05 a.m.



JAMES F. FAHEY JR. M.D.
Chairman



MICHAEL OBREY
Secretary

DATE ACCEPTED: 7-15-2021