

EASTERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY

Minutes of Regular Meeting 13 April 2010

1. Called to Order at 6:01 PM.
2. Pledge of Allegiance led by Chairman Reyes
3. Roll Call: Chairman Reyes, Director Kilfoy, Director Sandoval and Director Torres were all present. Director Dennison is no longer on Board of Directors.
4. Chairman's Report- Chairman Reyes requested to move this item until later in the meeting.
 - a. Resignation of Dennison
 - b. Replacement Process
 - c. Other
5. Approval of Agenda- Director Sandoval Moved to Approve Agenda, Second by Director Torres.- Approved
6. Introduction of Guests- Angela Valdez- Wilson & Company, William Vreeke – self, Daniel Aguirre- Wilson & Company, Jock Embry- self, Bob Gorrell- self, Doris Faust – self, Jesse Dickson- Placitas, Larry Blair requested that everyone sign in who is in attendance.
7. Approval of Minutes – No Changes made. Motion to approve by Director Sandoval . Second by Director Kilfoy. Passed unanimously.
8. Financial Report – Accountant Gary Young gave quarterly Report as requested.
 - a. Expenditures are same for Young, Blair and Aguirre
 - b. 2% Evaluation Fee is paid to Sandoval County Treasurer Lorraine Dominguez
 - c. Director Sandoval questioned what the payment to Sandoval County is for? Young responded that an Administrative Fee is charged by Sandoval County to all agencies which receive tax revenue. Larry Blair confirmed that Bernalillo County also charges 1% and corrected the amount for Sandoval County to also be 1% per check.
 - d. Director Sandoval questioned amount of \$1000 to Town of Bernalillo. Young said that should be corrected to "0". Total other Current Liabilities should also be reduced to "0".
 - e. Profit & Loss
 - i. Page B- "0" Expenditures in a lot of accounts because of non-use.
 - ii. Legal Audit Accounting 0%
 - iii. Elections and Normal Affairs 32.2%
 - iv. Board of Directors per diem – Correction to be made to reduce to about 35%.
 - v. Contingency Misc. – 223%- Evaluation Fee for Tax Charge to Sandoval County applied here- Next Year will have specific line item for this.
 - f. Page D- Total Contractors 34%
 - g. Engineering Fee 187.2% is too high. A portion should have been charged to the Drainage Policy Consultant. This correction will appear in the April Report.
 - h. Director Sandoval asked what the Transfer of Debt Services, includes. Mr. Gary Young responded that he transferred \$300 to Debt Service from Operating Fund to open the account. It is being showed as an expense and it is actually "0". When time for audit

comes it will cancel. Operating, Project and Debt Services are actually treated as one fund for audit purposes, and will be discussed later.

- i. Page E- Summary of Bank Reconciliation
- j. Page F- Detail of Bank Reconciliation- Able to see every check written from ESCAFCA fund.
- k. Advertisements for Attorneys \$29.86 and \$83.59
- l. Deposit \$3029.13 Gross Amount for Taxes, then 1% Evaluation Fee is expensed
- m. Page L Ending Cash Balance of \$2,719, 463.02
- n. Page N- Most Expenditures are for Wilson & Company, except for the Bond Issue expenditure in the amount of \$44,020.41. Projects fund is only fund that does not close at end of year. Operating Fund and Debt Services fund will close-out at end of year.
- o. Page P- check \$23, 319. to Wilson & Company our main vendor for our Projects Fund
 - i. Deposit of \$581.78 is interest.
- p. Page V - Debt Service Fund- Balance \$435,504.01
- q. Page X- Tax Revenue 57.1 %. Should come up depending on April and May Tax Deposits.
 - i. Total Bond Expenditures 88% this will not change between now and end of year and will close and start over on July 1st.
 - ii. Fiscal Agent Fee for Zion's Bank – Annual charge of \$300 that Director Sandoval questioned earlier. This amount will not increase or decrease.

Director Sandoval questioned if ESCAFCA is meeting or exceeding our budget? Mr. Gary Young said we are going to meet it with the tax revenue budgeted at \$900k . So far we have collected \$513k. Taxes are due April 10th, delinquent on May 10th, should receive additional distribution to bring the revenue up to \$900k.

Tax Distribution Fee – The amount paid to Sandoval County for Tax Distribution.

Page Z- Deposit \$7,415.51 with \$91.34 Interest; rates are currently low.

Motion to Accept Accountants report by Torres , Kilfoy 2nd. All approved

Mr. Gary Young sent Financials to Roseanne Romero in Santa Fe. Next quarter is the quarter and year – end. ESCAFCA will need to contract for an auditor in May Preliminary year-end books will be turned over to auditor, and everything will be given to auditor after year end. Any audit entries or adjustments will be entered into Final Books for 2010 preliminary, and take those same entries and enter into 2011 while operating from 2011. State auditor will be sent Final Books for 2010 . Quarterly Financials are being posted on the web and Bank Reconciliation Detail is not sent to the State DFA; only Balance Sheet, Profit/Loss Statement and Budget Summary. If anything else needs to be posted, let Gary Young know.

Director Sandoval requested due date for auditor proposals. Mr. Gary Young was uncertain. The audit cannot begin until July 1st 2010 since books will not close until June 30th.

- 9. Resolution 2010-3- ESCAFCA 2010 Election- (2) positions up for election this Fall; Director Dan Dennison's position and Director Debbie Kilfoy's position. Both Directors drew 2-year terms

initially. This Elections Resolution is needed to start coordination and with County Clerk and legal notices. Advertisements will be placed in the Albuquerque Journal and Sandoval Signpost. Attachment No. 1 is a nomination petition, which can be made available on the website right away. Name must be filled in at the top then 50 signatures are required which is about 3 sheets. Director Kilfoy- asked if this must be done every time a person runs? Mr. Larry Blair responded yes, but only every 6 years. Attachments 2, 3 and 4 are affidavits that need to be executed by the Chairman and the Secretary in front of a Notary.

Key Dates:

All notices must be publicized by June 8th. Petitions are due in by June 22nd. Director Torres requested that this date be placed on Nomination Petition. These will be turned in to Ida Fierro – Bernalillo Town Clerk. Director Sandoval stated that this needs to be indicated on the petition form itself. Note: More than 50 signatures are advisable. If signatures are challenged the County Clerk will need to verify the validity of the signatures. Director Kilfoy asked If each Board member is elected, then it is for a 6-year term? Mr. Blair stated that is correct. Initial term was staggered so that all 5 are not at the same time. 2 years from now, terms will be up for Director Sandoval and Director Torres. Six years from now will be Chairman Reyes. Chairman Reyes requested a motion to vote on the resolution. Director Torres requested 2 sentences at bottom of petition should be changed to include the deadline information and to turn in the form to the Bernalillo Town Clerk so as to not confuse people with the different dates.

Director Sandoval Motion to approve. Second by Director Kilfoy.

A Roll Call vote was taken with the following results:

Director Sandoval- Yes

Director Reyes – Yes

Director Torres – Yes

Director Kilfoy – Yes

Resolution passes as written.

10. General Counsel Services – Chairman Reyes requested to move this to one of the last items of the agenda.

11. Drainage Policy –

- a. Fred Aguirre- Copy of draft was included in Director packets showing all the changes. Fred Aguirre- 7 sets of comments were received from a Consulting Firm, Sandoval County, (2) from Town of Bernalillo and(3) from individual citizens. Total number of comments was over 100, which took some time to review and incorporate. Definitions were added to policy. Some comments are still expected. Legal review is also needed. Director Sandoval asked what the majority of comments were regarding; Fred Aguirre’s reply was for definitions of terms, such as Public Benefits, and Master Plan Facilities. Did anyone speak to Town of Bernalillo or Sandoval County in regard to their comments? No, not yet, comments were reviewed first, plans are to discuss their comments with them. Fred Aguirre stated that the biggest issues are division of responsibilities; who is financially responsible and accountable; Funding; and Maintenance. Mr. Blair stated that the only agency comments that have not been received were from Coronado Soil and Water Conservation District. We will be meeting

with those agencies to resolve issues. Larry Blair stated that he will respond to each of those that sent comments.. Chairman Reyes requested what is next in terms of implementing this policy.

- b. Mr. Larry Blair stated that the next step is to put this on the website and ask for any further comments. There may be iteration or two before we get to a final draft. We will work with Sandoval County, Town of Bernalillo and Coronado Soil and Water Conservation District to resolve any issues they have. It is important to get some legal review in order to make sure it is not inconsistent or incompatible with other agencies or state law and review what enforcement procedures we might have. Chairman Reyes asked if the ESCAFCA jurisdiction included the incorporated areas or only outside incorporated areas? Fred Aguirre stated that it does include incorporated areas. In the past joint intergovernmental agreements were created that allow a working relationship so that duplication of effort is not made. Director Sandoval requested what if 2 years from now the entity that entered into the intergovernmental agreement , does not want to follow, are they allowed to get out of it and not have to follow it? Fred Aguirre replied that either entity may withdraw from the agreement, with notice. Chairman Reyes requested who from the County and Town of Bernalillo who has the authority to enter into these agreements? Mr. Larry Blair stated that a comment from Mr. Vigil was that an intergovernmental agreement would have to be entered with this Board and the County Commission. Mr. Larry Blair thought it to be appropriate for it to go before the Town Council. Fred Aguirre stated that based on comments received, we referenced SSCAFCA's DPM, which is on the internet. Director Sandoval- asked if the Town Planning and Zoning has received a copy of the Drainage Policy? The more comments we get back and the more comments we receive would benefit. Chairman Reyes requested a copy to be sent to the County and Town Planning and Zoning Committees for their review. Mr. Larry Blair stated that some comments did come from the Town of Bernalillo and Juan Vigil's staff, but unsure if Planning and Zoning was involved in the review.

12. Engineering Report- A letter from Wilson & Company was included in the Director packets.

- a. Task Orders

Task Order 6- Roadway Drainage Structure Design

Only project currently being worked on is the drainage facility along Tecolote Rd.

Task Order 9 – Los Romeros Rd.

A couple of other alternatives were requested to be reviewed by Chairman Reyes.

Task Order 10-Mid-Bernalillo Channel

Angela Valdez handed out a profile showing the grade that was surveyed, illustrating possibilities for gravity outfall, plus the possible need of pump station to get water into the river.

Task Order 11 - Las Huertas

Should see some results soon.

Chairman Reyes commented that the clear ditch looked like a good outlet. Director Kilfoy raised the question of what is the purpose of the clear ditch? Chairman Reyes responded that it lowers the water table. It would be great for our purposes, but MRGCD permission would be required. Daniel Aguirre stated that we may also need to coordinate with the Bureau of Reclamation. Chairman Reyes and Director Kilfoy think this option should be pursued since it is part of the MRGCD mandate for Flood Protection and Flood Control. Daniel Aguirre stated that this drain is lower than the river so if we could drain to the clear ditch it would work in most of the areas including Algodones. Mr. Larry Blair stated that there are cases where both irrigation facilities and drainage ditches have been used for stormwater, but it can be difficult and expensive. Chairman Reyes agreed that drainage ditches should be used.

13. Debt Service Budget- Revenue was reduced \$850k based on what is being taken in now. Principal and Interest payment of \$695k is due 1st of August. 1% tax distribution is also included in budget as mentioned by Gary Young. Another Interest payment due 1st of February 2011, plus Fiscal Agent fee.
14. Projects Budget –Starting balance was reduced to \$2.5 million in anticipation of another \$200k draw down. Categories of Engineering are the same, but reduced by \$100k. Floodplain studies was added for LOMRs that may need to be done to remove houses out of floodplains, particularly in the Town of Bernalillo. Total Expenses of 1,850,000 leaves \$650,000 balance. If USACE levee project comes to fruition, we would have money in the budget. Chairman Reyes asked if this money should be committed. Mr. Larry Blair stated that Deborah Foley will be at the next meeting to let us know the status of the 205 project. If needed the budget can be adjusted accordingly. If the 205 project gets rolling we should have a cooperative agreement with the Town of Bernalillo in the cost sharing. Chairman Reyes asked what should be done to get this started. Mr. Blair replied that the Resolution was sent to all elected officials and he received confirmation from Congressman Heinrich that he received it.
15. Preliminary Operating Budget- Mr. Larry Blair requested that the Board please look over to make sure nothing has been missed. Projections were for an ending balance of \$71,000 on June 30, 2010, but it will probably be \$100,000. Adding \$370k revenue gives a total \$470k for 2011. Administrative salaries have been indicated as \$180k, another \$80k for benefits. Chairman Reyes suggests continuing on a contract basis. Office and Building Operating Expenses are included in next year's program. \$10k for legal expenses and \$4k for an auditor are also included. Directors and Officers insurance to be due in another month will also be included in next year's budget. Chairman Reyes requested Mr. Blair to take care of this. Planning Engineering Research and Development are modest in amounts allocated. Contractors include Interim Executive Engineer; PR; Wilson & Company; Fred Aguirre; and Gary Young the accountant. Director Sandoval asked if these numbers for the audit are based on actual cost? Mr. Blair based this off of numbers from AMAFCA and SCAFCA, which are much higher and more complicated. He confirmed with Gary Young that \$4,000 should be enough to cover an audit. Input would be appreciated.

16. Executive Engineer Proposed Position Description- No action is required except for input from the Board. Mr. Blair suggested reduction in years of experience because of the size of the organization.
17. Old Business- Selection of Attorney-(Moved from Item 10) Mr. Blair discussed the tabulation of score for attorney services, in response to the RFP. A copy of the tabulation was available to the public. After brief discussion, Director Kilfoy moved to go into Executive Session to discuss proposals received. Director Torres suggested hearing Public Comment first, then going into Executive Session to discuss. Director Kilfoy moved to go into Closed Session for discussion to select an attorney. Second was made by Director Torres.

Roll Call vote required for Closed Session and the results were:

Chairman Reyes- In Favor

Director Sandoval – Yes

Director Kilfoy – Yes,

Director Torres - Yes .

Chairman announced Recess, followed by Public Comment, then Executive Session.

18. New Business – None

19. Executive Engineer’s Report

- a. MRCOG Lidar Mapping- Area will include all of Bernalillo up to the Interstate which covers area needed for revised floodplain mapping. Results should be available mid-Summer. This may involve joining MRCOG and paying dues.
- b. Executive Engineers for AMAFCA- John Kelly and SSCAFCA- David Stoliker have announced their retirement. Mr. John Kelly will be staying until the Fall. David Stoliker may need to stay on after July to help his support his staff through some recent changes.
- c. Mr. Larry Blair joined John Kelly on a trip to Las Cruces and briefed approx. 50 people. This included City Councilors, State Representatives and County Commissioners. They are considering forming a Flood Control District and asked for information. They have the City of Las Cruces, Elephant Butte Irrigation District, Dona Ana County Flood Commissioner, some entities from Hatch doing flood control, State Highway Department. Some dams are in bad shape and they may need to address this issue. Mr. Larry Blair wanted the Board to be aware of his trip since ESCAFCA was mentioned in his informative pitch.

20. Public Comment –

- a. Bob Gorrell- Placitas Resident- Expressed his concern of the Drainage policy not being applicable with Sandoval County being so large. He suggested sharing resources to be beneficial to all entities, thus avoiding the hiring of staff. Chairman Reyes responded that ESCAFCA currently has a part-time engineer instead of a full-time and that there are no immediate plans for hiring staff. Mr. Blair commented that not all of Sandoval County is covered;only the area east of the Rio Grande. Mr. Gorrell understood this and mentioned that working between agencies is a huge benefit. Chairman Reyes

mentioned that he hoped in the future to work closer with SSCAFCA since they are so similar.

- b. Doris Faust- Placitas Resident- Requested the Drainage Policy to be posted online and to also have the preliminary budgets placed there as well. Mr. Blair responded that both will be placed on the website.
- c. Bela Orban- Placitas Resident- Presented a written request for Chairman Reyes to sign for a copy of all Public Records. Mr. Orban requests copies of all records required by law in regard to Public Records and states that he has made this request for 3 months without a response. Chairman Reyes responds that this will be forwarded to legal counsel. Director Sandoval requests Mr. Orban to not threaten the ESCAFCA Board and that his request will be met.

Chairman Reyes – Presented departing Director Dan Dennison with a plaque and Letter of Appreciation from the Board of Directors. The Board then went into Executive Session.

Following the Executive Session, Chairman reopened the meeting, stating that the Board had not selected an attorney, but had decided to interview the top 3 firms at a Special Meeting to be held on April 27th @ 3 p.m.

4b. Director Replacement – Mr. Larry Blair opened discussion of replacement for Dan Dennison on the Board. The Governor must appoint, but will most likely request recommendations. The Board can make recommendations. It was also suggested that it be placed on the website that there is a vacancy on the Board and to have contact information. This position will be for a 6 or 7 month period with the possibility of getting another 6 yr term, which could be a commitment. Mr. Dennison has suggested Mr. Gorrell. Chairman Reyes commented that he expects to receive a letter from Mr. Gorrell on this request. Once the Board has a chance to review Chairman Reyes will contact County Commissioner Lucero if the Board is in agreement on a replacement. Mr. Blair confirmed that a letter may be sent from ESCAFCA directly to the Governor, which does not preclude any others going through another channel to also be recommended to the Governor. Director Torres questions if the advertisement for this position is going to be added to the website? Director Sandoval agrees that this should be advertised on the website. Director Torres suggests that applicants should submit their letter of interest to either Mr. Blair or Chairman Reyes.

21. Motion to adjourn was made by Director Sandoval. Second by Director Kilfoy at 9:15 pm.

Special Meeting will be held on Tuesday, April 27th at 3 PM in Bernalillo Town Hall.

Next regular meeting will be held on Tuesday, May 11th at 6 PM at Bernalillo Town Hall.

Submitted by Jeanice Padilla

Debbie Kilfoy, Board Secretary