



**Albuquerque Metropolitan  
Arroyo Flood Control Authority  
Regular Meeting Minutes  
August 27, 2009**

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**1. Call to Order and Roll Call**

Chairman Brown called the Regular Board Meeting to order at 10:02 a.m. Thursday, August 27, 2009. Roll was noted as follows:

Directors present:	Chairman Ronald D. Brown Director Janet Saiers Director Danny Hernandez Director Daniel Lyon
Director excused:	Director Tim Eichenberg
Others present:	John Kelly, Executive Engineer Christina Anaya, Attorney Staff Other attendees on file at AMAFCA

A quorum was present.

**2. Approval of Agenda**

Mr. Kelly noted that there were handouts on agenda items 6a, 6b, 6e, 6f, and 17.

Director Hernandez made a motion to approve the agenda as amended. Director Lyon seconded the motion, which passed (4-0).

**3. Meetings Scheduled**

- a. **Thursday, September 24, 2009, 10:00 a.m. – Regular Meeting**
- b. **Thursday, October 22, 2009, 10:00 a.m. – Regular Meeting**
- c. **Thursday, November 19, 2009, 10:00 a.m. – Regular Meeting**

There were no changes to the meetings as scheduled.

**4. Items from the Floor/Public Comment**

None.



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**5. Approval of Minutes**

**a. July 30, 2009**

Director Hernandez made a motion to approve the minutes of the July 30, 2009 Regular Board Meeting. Director Lyon seconded the motion, which passed (4-0).

**6. Financial Matters**

**a. Approval of July 2009 Expenditures**

Ms. Jeffries presented the July 2009 Expenditure Report. Mr. Kelly answered a question regarding the current mileage reimbursement rate, which had been changed by the state legislature earlier this year. Two staff members use AMAFCA vehicles; the others are reimbursed for use of their personal vehicles on AMAFCA business.

Director Lyon made a motion to approve the July 2009 Expenditure Report. Director Hernandez seconded the motion, which passed (4-0).

**b. Local Government Investment Pool Contingency Reserve Update**

Ms. Jeffries had provided a copy of a news release regarding the Local Government Investment Pool Contingency Reserve. Mr. Kelly stated that AMAFCA's exposure had not changed.

**c. Investment Report for July 2009**

For information. There were no questions.

**d. Financial Recap July 16, 2009, through August 15, 2009**

For information. She noted that \$600,000 in good faith deposits for the bond sale were included in the recap for the Construction Fund. Two deposits were subsequently returned.

**e. Financial Forecast August 16, 2009, through September 15, 2009**

Ms. Jeffries presented the Financial Forecast for the period August 16, 2009, through September 15, 2009. She noted that the forecast includes payments for three payroll periods from the Operating Fund and payments on three projects from the Construction Fund, as well as deposits of the bond sale proceeds to the Construction Fund and interest premium to the Debt Service Fund.



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Director Hernandez made a motion to approve the Financial Forecast. Director Saiers seconded the motion, which passed (4-0).

**f. Certification of FY-2010 Budget by DFA**

Ms. Jeffries stated the DFA had approved the FY-2010 budget. State law requires DFA approval of the budget be made a part of the minutes.

**7. Legal**

**a. Status Report**

Attorney Marcus Rael's memo briefed the Board on the status of various legal matters. Ms. Anaya, attending the meeting for Mr. Rael, answered several questions from the Board.

**8. Notification of On-Call Services Task Orders**

Mr. Kelly noted that no on-call services task orders had been issued in the past month, however there were two letter agreements as described in his memo. There were no questions.

***Consent Agenda (items 9-11):***

**9. Authorization to Issue Request for Proposals for On-Call Survey, Geotechnical and Environmental Engineering, Appraisal, Title, and Oblique Aerial Photography Services**

The memo from Loren Hines, AMAFCA Real Estate Manager, noted that the existing on-call contracts for the above services were let in 2005 and will expire in November and December, 2009, and have reached the end of their extensions. He requested authorization to issue a Request for Proposals for these on-call services. A log of the assignments under the current contracts was attached.

**10. 2000 Gallon Water Truck – Award of Bid to Roberts Truck Center**

The memo from Kurt Wagener, AMAFCA Field Engineer, stated five bids were submitted for the 2000 gallon water truck. One was deemed non-responsive for failure to include the AMAFCA Campaign Contribution Disclosure Form. Roberts Truck Center submitted the low responsive bid. They possess a Resident Bidder's Certificate and their bid met the specifications. Staff recommended award of the bid to Roberts Truck Center in the amount of \$87,745.00 plus New Mexico Gross Receipts Tax.



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**11. South Diversion Channel Storm Water Quality Facilities Phase I – Slick's Inlet Storm Water Quality Pond – Award of Construction Contract to Salls Brothers Construction, Inc.**

The memo from Mr. Wagener stated that seven contractors submitted bids on August 20, 2009. Salls Brothers Construction was the low bidder. Two bids had mathematical errors which did not affect the ranking of the bidders. Mr. Kelly stated that when mathematical errors are found, the unit price prevails. WHPacific and staff recommended award of the contract to Salls Brothers in the amount of \$204,415.89 plus NMGR. The required AMAFCA Campaign Contribution Disclosure Form was included with the bid.

There being no further items on the Consent Agenda, and there being no questions, Director Hernandez made a motion that the Board take the following actions on agenda items 9-11:

- Approve the issuance of the RFP for Geotechnical/Environmental, Surveying, Oblique Aerial Photography, Appraisal, and Title Services;
- Award the bid to Roberts Truck Center, Inc., and authorize the Executive Engineer to executive a purchase order for the purchase of the 2000 Gallon Water Truck in the amount of \$87,745.00; and
- Accept Salls Brothers Construction, Inc., as the lowest responsible bidder and authorize the Chairman to execute the contract with them for the construction of Slick's Inlet Water Quality Pond in the amount of \$204,415.89.

Director Lyon seconded the motion, which passed (4-0).

**14. AMAFCA North Diversion Channel Jurisdictional Determination – Further Discussion on Issues**

Mr. Kelly noted that Mr. Rael is working to schedule a meeting as directed at the August 24, 2009 Special Board Meeting.

**12. Approval of Resolution 2009-6, *Ad Valorem Tax Levy for Tax Year 2009, Applicable to General Operating Fund***

Mr. Kelly introduced Kevin Powers of RBC Capital Markets, AMAFCA's Financial Advisor. Mr. Powers described the process used to calculate rate pairs acceptable under the Yield Control Act and AMAFCA's enabling legislation, recommending that the mill levy be set at \$0.165 residential and \$0.488 non-residential. At a 98% collection rate, this rate pair brings revenue to within \$15,594 of the budgeted amount.



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Mr. Kelly noted that this was the first time that AMAFCA's enabling legislation had entered into the mill levy calculations. He suggested that AMAFCA may wish to seek to have the 0.50 cap removed during the 2011 legislative session. Mr. Powers added that when the cap was set, there was no yield control formula.

Mr. Kelly noted that, in order to maintain proportionality between residential and non-residential taxes, the yield control formula required the non-residential rate to go up, as non-residential appraisals had dropped. If the non-residential rate is kept the same as last year, the residential rate would have to drop, which would lead to a \$173,000 budget deficit.

After discussion, Director Hernandez made a motion that the Board adopt Resolution 2009-6, *Ad Valorem Tax Levy for Tax Year 2009, Applicable to General Operating Fund*, setting the mill levy at \$0.165 Residential and \$0.488 Non Residential. Director Saiers seconded the motion, which passed (3-1) on a roll-call vote. Director Lyon voted against the motion.

**13. Approval of Resolution 2009-7, *Ad Valorem Tax Levy for Tax Year 2009, Applicable to Debt Service Fund***

Mr. Powers recommended that the mill levy for the Debt Service Fund be set at 0.224 for the properties in Bernalillo County prior to the January 1, 2005 boundary change, and an additional 0.451 for the properties currently in Bernalillo County (totaling 0.675 for the properties still in Bernalillo County). There is four years left on the debt for the properties in the "Baja Corrales" area.

Mr. Kelly noted that the Resolution is similar to prior years, with additional language added to make it clear when the final payments on the bonds the "Baja Corrales" area is subject to will be made.

Chairman Brown noted that AMAFCA's bonds are paid off in seven years, as they are front-end loaded. Mr. Powers noted these are considered short-term bonds and are viewed very favorably in the bond market. Mr. Kelly added that Jerry Lovato is considering a request to increase the capitalization to \$12.5 million/year. This can be done by going to an eight-year payoff without increasing the mill levy. Mr. Powers stated this would still be considered "short-term."

Director Hernandez made a motion that the Board adopt Resolution 2009-7, *Ad Valorem Tax Levy for Tax Year 2009, Applicable to Debt Service Fund*, setting the Debt Service mill levy at \$0.224 for that portion of Sandoval County affected by the January 1, 2005 Bernalillo County/Sandoval County boundary change, and at 0.675 for the AMAFCA ratepayers within Bernalillo County. Director Lyon seconded the motion, which passed (4-0) on a roll-call vote.



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**15. Agency and Area-Wide Flood Control Maintenance Contract**

- a. Consideration of First Amendment to *Agreement for Design, Construction and Construction Engineering Services for Agency and Area-Wide Flood Control Maintenance Contract* between AMAFCA and the City of Albuquerque**
- b. Consideration of First Amendment to *Agreement for Design, Construction and Construction Engineering Services for Agency and Area-Wide Flood Control Maintenance Contract* between AMAFCA and the New Mexico Department of Transportation**

Mr. Kelly introduced Wilfred Gallegos and Dave Silva of the City of Albuquerque. Mr. Kelly summarized the work that has been done under this contract. He stated that the City, New Mexico Department of Transportation, and AMAFCA would like to extend their agreements for the Agency and Area-Wide Flood Control Maintenance. This would be done through amendments to the agreements between the parties, and a new RFP for engineering services, followed by bids for a new construction contractor next spring. The Amendment was still in legal review at the NMDOT, so would have to be approved "substantially the same as attached."

Discussion followed.

Director Lyon made a motion that the Board approve the First Amendment to "Agreement for Design, Construction and Construction Engineering Services for Agency and Area-Wide Flood Control Maintenance Contract" between AMAFCA and the City of Albuquerque, and authorize the Chairman to execute the same on behalf of AMAFCA. Director Hernandez seconded the motion, which passed (4-0).

Director Lyon made a motion that the Board approve the First Amendment to "Agreement for Design, Construction and Construction Engineering Services for Agency and Area-Wide Flood Control Maintenance Contract" between AMAFCA and the new Mexico Department of Transportation, substantially the same as attached, and subject to AMAFCA attorney's concurrence with any changes made by NMDOT's attorney, and authorize the Chairman to execute the same on behalf of AMAFCA. Director Hernandez seconded the motion, which passed (4-0).

- c. Authorization to Advertise RFP for Design and Construction Management Services**

Mr. Kelly requested authorization to advertise the RFP for Design and Construction Management Services for the project.



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Director Hernandez made a motion that the Board authorize advertisement of the Request for Proposals for Agency and Area-Wide Flood Control Maintenance Design and Construction Management Services Contract. Director Saiers seconded the motion, which passed (4-0).

**16. Real Estate**  
**a. Notice of Issuance of Six Recreational Licenses**

Mr. Hines stated that six short-term recreational licenses had been issued for cross country races and a charity walk. Each had provided an insurance certificate for their event.

Chairman Brown called a brief recess at 11:08 a.m. The meeting resumed at 11:16 a.m.

**17. Middle Rio Grande Levee Task Force Update**

Jerry Lovato, AMAFCA Drainage Engineer, briefed the Board regarding the Levee Task Force meeting on August 25. Directors Hernandez and Lyon had also been at the meeting. Director Hernandez reported that the Town of Bernalillo definitely wants to participate in an economic impact study, and Belen is considering it. Director Lyon also commented regarding the wide-ranging economic impact.

**18. Drainage Facility Planning Review – Review of Draft FY-2010 AMAFCA Project Schedule**

Mr. Lovato presented the draft FY-2010 Project Schedule if capitalization remains at \$10 Million a year. He stated 42% of the projects are committed projects, which leaves little room to bring in new projects. He stated that the mill levy rates could remain the same, with just a one-year extension on the bond payoff schedules, and capitalization could increase to \$12.5 Million a year.

Mr. Powers added that with sustained growth in the tax base, AMAFCA could work back to a seven year payoff. Seven and eight years are both considered rapid payoffs and the change would not affect AMAFCA's bond rating.

The Board supported seeing the additional sixteen projects that could be included in the Project Schedule if capitalization were to be increased to \$12.5 Million a year. Mr. Lovato stated he would present those projects to the Board at the September meeting. He then reviewed the projects in the draft Project Schedule, with additional comments from Roland Penttila of the City of Albuquerque, answering several questions from the Board.



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After brief discussion, the Board decided that the additional projects could be added to the Project Schedule for review, recognizing that the projects can remain unfunded if the Board decides to delay them.

**19. Field Highlights**  
**a. Construction Report**

Mr. Wagener's memo contained a summary of current construction projects. There were no questions.

**b. Field Report**

Mr. Wagener presented a slide show of current projects.

Due to a prior commitment, Director Hernandez left the meeting at 12:00 p.m.

**20. Unfinished Business**

None.

**21. New Business**

Mr. Kelly noted that AMAFCA attorney Marcus Rael, Jr., of Robles Rael & Anaya, had been named to the New Mexico Business Weekly's "Top 40 Under Forty" list.

**22. Adjourn**

There being no further business to come before the Board, Chairman Brown adjourned the meeting at 12:08 p.m.

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Danny Hernandez, Secretary-Treasurer 9/24/09

Recorded by Pam Woodruff, Secretary to the Executive Engineer