



**Albuquerque Metropolitan
Arroyo Flood Control Authority
Regular Meeting Minutes
March 23, 2017
Page 1**

1. Call to Order and Roll Call

Chair Thomson called the Regular Board Meeting to order at 10:02 a.m. Thursday, March 23, 2017. Roll was noted as follows:

Directors present:	Chair Bruce M. Thomson Director Cynthia D. Borrego Director Ronald D. Brown Director Tim Eichenberg (left at 12:45 p.m.) Director Deborah L. Stover
Directors excused:	None
Attorney present:	Attorney Robert White, Robles, Rael & Anaya
Others present:	Jerry M. Lovato, P.E., Executive Engineer Staff

A quorum was present.

2. Approval of Agenda

Director Brown made a motion to approve the revised agenda dated 3/20/2017. Director Stover seconded the motion, which passed unanimously (5-0).

3. Meetings Scheduled

- a. April 27, 2017, 10:00 a.m. – Regular Meeting**
- b. May 25, 2017, 10:00 a.m. – Regular Meeting**
- c. June 22, 2017, 10:00 a.m. – Regular Meeting**

Director Brown stated he would miss the April 27, 2017 meeting. Director Eichenberg mentioned he may miss as well due to Jury Duty. There were no changes made to the dates listed above.

4. Items from the Floor/Public Comments

No one signed up for Public Comment.

AMAFCA Regular Meeting Minutes

March 23, 2017

Page 2

5. Approval of Minutes

a. February 23, 2017

Director Eichenberg stated that under item **6 a. FY 17 Budget to Actual**, the minutes should read, AMAFCA will be utilizing the data collected by AMAFCA and will not be obligated to share work product.

Director Borrego made a motion to approve the minutes of February 23, 2017, as amended. Director Eichenberg seconded the motion, which passed (5-0).

6. Financial Matters

a. FY 17 Budget to Actual

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, summarized information provided in the memo. Responding to a question from Chair Thomson, Mr. Chavez stated that Mr. Kurt Wagener, retiring Field Engineer, is on the books and will continue for a few months into FY-2018. Responding to a question from Director Borrego, Mr. Chavez stated that Mr. Wagener is aware that he will not be receiving a Cost of Living Adjustment.

b. AMAFCA Cash & Investments

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, summarized information provided in the memo. Responding to a question from Chair Thomson, Mr. Chavez stated that the rounding of .09 cents noted on the report is a legitimate posting and he will look into getting the rounding taken care of.

c. Approval of February 2017 Expenditures

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, summarized information provided in the memo. Responding to a question from Director Brown, Mr. Jerry Lovato, AMAFCA Executive Engineer, stated that a pie chart, similar to the Services Chart, could be provided showing AMAFCA's service contracts. Responding to a question from Director Borrego, Mr. Chavez confirmed that Honstein Oil is still in business and a purchase recently took place. Responding to a question from Chair Thomson, Mr. Lovato stated that item 21389 for \$15K, listed as level logger monitoring, this was work done to put existing information into a report format and to develop the initial template for upward reporting to EPA and NMED. For the FY-2018 Budget, monitoring has been reduced by approximately \$100K. AMAFCA is considering doing some monitoring in-house, which will be dependent on personnel and workloads. Responding to a question from Chair Thomson, Mr. Chavez stated that invoices from the consultant went back to December and included multiple months. Mr. Patrick Chavez, AMAFCA Storm Water Quality Engineer, worked with the consultant to correctly identify work completed, so invoices could be paid. Responding to a question from Chair Thomson, Mr. Chavez stated there were 13 level loggers in inventory.

AMAFCA Regular Meeting Minutes

March 23, 2017

Page 3

Director Brown made a motion to approve the February 2017 Expenditure Report. Director Borrego seconded the motion, which passed (5-0).

d. Financial Position Recap February 16, 2017 through March 15, 2017 & Forecast March 16, 2017 through April 15, 2017

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, summarized information provided in the memo. Responding to a question from Chair Thomson, Mr. Chavez covered the delivery issues and other specifics pertaining to the new welding truck. Responding to a question from Director Eichenberg, Mr. Lovato stated that AMAFCA was concerned with depreciation on the vehicle and specifically requested a new 2018 truck.

Director Brown made a motion that the Board approve the Financial Forecast. Director Borrego seconded the motion, which passed (5-0).

e. Fiscal Agent Funds – Proof of Cash and Savings

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, summarized information provided in the memo. Responding to a request from Director Eichenberg, Mr. Chavez stated AMAFCA would look into the possibility of moving the Fiscal Agent Funds into the Local Government Investment Pool.

f. Approval of Resolution 2017-06 – Creation of the Saiers AMAFCA Acquisitions & Savings Fund

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, summarized information provided in the memo. Responding to a question from Chair Thomson, Mr. Lovato stated that the amount listed included the loader as well as other equipment. He further stated that it would be staffs responsibility to make sure that the fund is managed properly in order to save the required funds needed for large equipment purchases.

Director Brown made a motion that the Board approve and adopt Resolution 2017-06, Creation of the Saiers AMAFCA Acquisitions & Savings Fund, and authorize the Chair and Secretary to execute the same on behalf of AMAFCA. Director Stover seconded the motion, which passed unanimously (5-0) on a roll-call vote.

g. AMAFCA Health Insurance – Approval of Wellness Program

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, summarized information provided in the memo. He stated that all participants could benefit from the Wellness Program. Responding to a question from Director Eichenberg, Mr. Chavez stated the Wellness Program allows individuals and family members over 18 years of age, who participate in the Health Insurance Plan, the opportunity to visit a participating gym. Responding to a comment from Director Brown, Mr. Chavez confirmed that premiums would not decrease should AMAFCA not participate in the program. Responding to a question from Director Borrego, Mr. Chavez stated counseling services for employees fall under a separate wellness plan. CoA has their own

AMAFCA Regular Meeting Minutes

March 23, 2017

Page 4

counseling services and Presbyterian has one of their own. Responding to a question from Director Brown, Mr. Chavez stated that when an individual signs up for the Gym option it will be noted on their health card. Responding to a question from Chair Thomson, Mr. Chavez agreed that anyone who is a participant of the Health Plan would have the opportunity to sign up for the gym option, under the Wellness Program.

Director Borrego made a motion that the Board approve AMAFCA's participation in the City of Albuquerque's Health Insurance Work Place Wellness Program. Director Brown seconded the motion, which passed (5-0).

7. Legal

Attorney Robert White briefly recapped the items listed on the Legal Status report. Responding to questions from Chair Thomson and Director Borrego, Mr. Lovato stated that another subpoena for the same project had been received. He confirmed that AMAFCA was not a party to the suit; however, a request for information was received.

8. Executive Engineer's Report

a. Notification of Past Month's Activities

Mr. Jerry Lovato, AMAFCA Executive Engineer, introduced Mr. Elias Archuleta, Technical Services Director with Bernalillo County (BernCo). Mr. Archuleta thanked the Board and stated he will be attending AMAFCA Board meetings as the BernCo representative.

Mr. Lovato highlighted significant activities from the past month:

- **Kirtland Air Force Base (KAFB) Drainage at Gibson and Louisiana:** AMAFCA is working with KAFB to gain access to the Base to start the On-call surveying and preliminary design work for the pond at Gibson and Louisiana. AMAFCA met with CoA concerning possible funding and engineering support for the Louisiana pond and a possible pond located east of San Mateo and north of Gibson. Both ponds would reduce the amount of water that gets into the San Mateo storm drain.
- **University of New Mexico (UNM) North Golf Course:** AMAFCA was contacted by UNM concerning the joint project. AMAFCA has been informed that the proposal is under legal review at UNM. This project will take care of some flood plain north of the golf course and some erosions that are getting in the North Diversion Channel (NDC). Staff will keep the Board apprised of any further developments.
- **City of Albuquerque (CoA) Moon Mini DMP – Inundation Mapping Update:** The Inundation project has started and anticipated completion is June 2017. The Board had approved the Drainage Management Plan with the caveat that the Inundation Mapping be modified.

AMAFCA Regular Meeting Minutes

March 23, 2017

Page 5

Marble Arno Pump Station Update: AMAFCA and CoA staff have been in discussions regarding modifying the scope of work to include storm drain work on Lomas that would allow flows into the temporary pond, making sure Phase I would not impede construction of Phase II (putting in the pump station), and additional funding for the first phase of construction. The temporary pond at Broadway and Lomas may not be removed if the new pond at Marble Arno does not have the required volume to address the flood plain.

Regional Flood Control and Water Quality Improvements at the Barelas / Alcalde Pump Station Update: AMAFCA is moving forward with the biological assessment of the Bosque. Staff is working with the US Army Corps of Engineers (USACE) on the scope of work. Staff is hoping to modify the scope to reduce the cost of the assessment.

Caravan Site – Regional Flood Control and Water Quality Improvement Update: CoA is interested in addressing flooding along the Dallas Storm Drain, therefore is interested in the possibility of sharing in the funding for the Caravan Pond site. CoA may step in and take the lead on this project. Responding to a question from Chair Thomson, Mr. Lovato stated the pond will be 30 acre feet. Responding to a question from Director Borrego, Mr. Lovato stated CoA purchased two lots and the west lot has been identified as a Library. The drainage pond will be joint use. The main issue will be who will maintain and build. AMAFCA will build and maintain a flood control facility, but cannot maintain the park.

- **AMAFCA Yard Modifications:** Mr. Nolan Bennett, AMAFCA Field Engineer, has done a great job utilizing On-call engineers, contractors, and AMAFCA crew to move the project forward.

Agency and Area-Wide Contract: During the scoping of the 2018 Contract with the New Mexico Department of Transportation (NMDOT), it became apparent that some of the language from the 2008 agreement had become dated and needs to be modified to address how the contract is being utilized today.

AMAFCA Intern: Mr. James Fluke, AMAFCA Intern, has been recognized by the National Science Foundation (NSF) as an outstanding graduate student. Mr. Fluke has received a NSF Graduate Fellowship for the next three years. NSF received over 13,000 applications, and made 2,000 award offers. The work that Mr. Fluke is involved in as an AMAFCA Intern was highlighted in his application to the NSF. It was noted that receiving this prestigious Fellowship showcased the quality of work Mr. Fluke is doing for AMAFCA.

b. Notification of On-Call Services Task Orders

Mr. Lovato referred to the memo for task orders that had been issued the prior month. There were no questions.

AMAFCA Regular Meeting Minutes

March 23, 2017

Page 6

Chair Thomson stated that agenda **Items 9 through 12** were on the Consent Agenda. Director Eichenberg made a motion that the Board accept the items on the Consent Agenda. The motion taken approved the following:

- Authorized the Executive Engineer to extend the contract with Modrall, Sperling, Roehl, Harris & Sisk, P.A. for a one-year term, as per the provisions of the agreement, with no change in fees;
- Authorized the Executive Engineer to extend the contract with George K. Baum and Company for a one-year term, as per the provisions of the agreement, with no change in fees;
- Approved the first extension with Robles, Rael & Anaya, P.C. to provide general counsel services for an additional year at the same rate; and
- Authorized out of state travel and expenses for two AMAFCA staff members to attend the Extreme Precipitation Tool Workshop 4 in Denver, Colorado, not to exceed \$3,900.00.

Director Brown seconded the motion, which passed (5-0).

13. Regional Flood Control and Water Quality Improvements for the Bear Arroyo – Consideration of Funding Agreement with the City of Albuquerque

Mr. Patrick Chavez, AMAFCA Storm Water Quality Engineer, summarized information provided in the memo and stated that the document had been through AMAFCA's legal counsel and is currently going through CoA legal review. Responding to a question from Chair Thomson, Mr. Chavez stated AMAFCA is the lead agency, funding will consist of \$500K between CoA and AMAFCA for the design, planning and feasibility, and \$600K each, for construction.

Director Stover made a motion that the Board approve the Agreement for Funding the Design and Construction of the Regional Flood Control and Water Quality Improvements for the Bear Arroyo and Bear Tributary Arroyo, substantially as attached, and authorize the Chair to sign on its behalf. Director Brown seconded the motion, which passed (5-0).

14. AMAFCA Projects Update

a. Upper Piedras Marcadas Drainage & Water Quality Master Plan – Project Update

Mr. Bradley Bingham, AMAFCA Drainage Engineer, summarized information provided in the memo. Mr. Lovato stated the operational changes for the Piedras Marcadas Dam would make the dam more sustainable and easier to maintain. By utilizing telemetry, an automated gate will be installed at the Corrales Main to divert flows in the Corrales Main to the Rio Grande, therefore allowing the Piedras Marcadas Dam outfall pipe to be ungated. In addition to removing the gated outlet, four new regional ponds in the upper watershed will divert flows out of the basin thereby insuring that the Piedras Marcadas Dam will contain 100-year storm for a fully developed condition. Responding to a question from Director Brown, Mr. Lovato stated that the

AMAFCA Regular Meeting Minutes

March 23, 2017

Page 7

Middle Rio Grande Conservancy District (MRGCD) was made aware of the change and AMAFCA already has a maintenance responsibility on Corrales Main. Responding to a question from Director Brown, Mr. Bingham stated that the area will be shotcreted. Responding to a question from Chair Thomson, Mr. Bingham covered the locations and specifics of the four pond locations. Responding to questions from Director Brown, Mr. Bingham stated the upper limit of the watershed is at Universe and the two ponds, built by the Trails Subdivision, control close to 700 acres of runoff and outlet 62 cubic feet per second (cfs), down Universe into the Boca Negra Dam. The ponds further west are for the Calabacillas and the upper watershed is fully contained. There was a brief discussion on the other ponds, ownerships of the ponds, and how the design and operational flow could be used to divert water out of the watershed. Responding to questions from Director Borrego, Mr. Bingham stated that the automated gate will be on the Dam outlet, the canyon channel is approximately 30 feet lower than the subdivision, and no flooding is anticipated. With the modification, the current 400 cfs entering the canyon will change to 100 cfs. The park in the area is separated from the flow path and will not absorb water from the upper watershed. The Board agreed with utilizing the four ponds as presented and the draft proposal prepared by Wilson and Company.

Item 15 was moved up due to the Bond Sale.

15. 2017 General Obligation Bond Sale

a. 2017 Bond Sale Briefing by George K. Baum

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, stated there was a handout from Standard and Poor (S&P) in their folder. He stated that the AAA outlook was stable. Mr. Archuleta stated the AAA with both Moody and S&P was maintained. He noted that for the current Bond Sale, there was little supply of AAA municipal bonds, turmoil in Washington D.C. with the new Administration, and a high demand for municipal bonds may lead to a good interest rate for AMAFCA. With 10 bidders showing interest, normally the average is 5 to 6; it is another indicator that AMAFCA should see a favorable overall interest cost. The interest rate mentioned in February was 2.25%. Mr. John Archuleta introduced Mr. Raheel Hirji with George K. Baum and Company, and Ms. Katherine Creagan with the Modrall (Modrall) Law Firm. There was a brief discussion regarding the recent Rating calls and how both rating agencies were extremely complimentary and confident in AMAFCA. Mr. Lovato referred the Board to page 2 of the Moody's report and stated AMAFCA received extremely high compliments. AMAFCA was compared to other AAA rated companies and it was noted that flood control is different than any other AAA entity in the country. He further stated that S&P's report had stated that they (S&P) did not expect to change the rating (AAA) during the two year pricing outlook.

b. Bond Sale

Mr. Raheel Hirji pulled up the IPREO Parity platform. A list of potential bidders was shown. Hutchinson, Shockey, Erley, and Company was noted as the lowest bidder for the AMAFCA Bond Sale. The interest rate came in at 1.96%. Ms. Creagan stated Modrall would prepare the Resolution, which would be covered under Item 19. Responding to a question from Director

AMAFCA Regular Meeting Minutes

March 23, 2017

Page 8

Brown, Mr. Archuleta stated a Reoffering means the investor is offering a premium to get the 4% coupon; paying \$1,077.87. There was a brief discussion on how the estimated premium would be used toward the upcoming February interest payment so there would not be access money in the Debt Service Fund. Chair Thomson thanked George K. Baum and AMAFCA staff for the work done and the great results.

b. Tijeras Arroyo Facility Management Plan – Project Update

Mr. Jerry Lovato, AMAFCA Executive Engineer, stated that the Plan is approximately 90% complete and is in a key portion of the southeast area. Ms. Lynn Mazur, AMAFCA Development Review Engineer, summarized information provided in the memo. Responding to a question from Chair Thomson, Ms. Mazur confirmed there were 26 grade control structures. Mr. Lovato stated that the cost is estimated to be between \$200K to \$400K a piece with \$200K for additional slope protection. He further stated that the Facility Management Plan (FMP) is being used to identify things to stabilize the arroyo today. AMAFCA does not own property or easements. CoA, KAFB, and the State of New Mexico do. However, AMAFCA is looking at the big picture. Smith Engineering came up with a great idea of using sediment to fill the arroyo to elevations previously seen 30 to 40 years ago. The original costs of AMAFCA's typical design were approximately four times higher. Mr. Pat Stovall with Smith Engineering, stated that the cost went up to \$800K, depending on concrete / shotcrete, upstream / downstream protection. Responding to a question from Chair Thomson, Mr. Lovato stated there is a small piece of property in the unincorporated area. Responding to a question from Director Eichenberg, Mr. Lovato stated KAFB does not have the staff or technical ability to do facility plan in the manner that AMAFCA has done. It was the concurrence of the Board to advertise a public meeting and provide the FMP document on the AMAFCA website with a link for public comment.

16. Colorado-New Mexico Regional Extreme Precipitation Study – Project Update, Workshop #3

Mr. Kevin Troutman, AMAFCA GIS Manager, summarized information provided in the memo. It was mentioned that spillways are designed (PMP or half PMP) with criteria set by the Office of the State Engineer (OSE) using technologies from the 1970s and early 1980s. The speculation is that with the new data, understanding of atmospheric physics, and higher resolution radar data, will provide a much better understanding of a PMP. Chair Thomson noted that as a storm water manager, AMAFCA needs to have the best information possible to be responsible when designing a facility. Many of the same people who did the analysis for this study also were involved with the Texas, Wyoming, and Arizona studies. The Texas Study overlaps into southern New Mexico. An arroyo in the area, managed by Elephant Butte Irrigation District, utilized the 1980s technology and showed peak flow at approximately 30,000 cfs. When using the new PMP analysis done by the updated Texas Study, the peak flow was approximately 8,000 cfs. The financial consequences are staggering. The CO-NM Regional Extreme Precipitation Study may be finished by summer of 2018. Responding to a request from Director Borrego, Mr. Troutman stated he would pass on the information to the Espanola City Manager regarding this Study.

AMAFCA Regular Meeting Minutes

March 23, 2017

Page 9

17. 2017 New Mexico Legislative Session Update – Briefing by Alarid Consulting

Ms. Vanessa Alarid with Alarid Consulting referred to her handout that was sent to Mr. Lovato covering the various Bills that passed. There were 1,473 Bills introduced, 311 passed both Houses, 99 were sent to the Governor, and 29 had been signed by the Governor.

There was a brief discussion regarding the change in the Local Election Act, those for / against, voter turnout, and the implications for AMAFCA, conservancy districts, school districts, and municipalities. Responding to question from Director Eichenberg, Ms. Alarid stated that CoA may not be able to change their Election date, there are specific Election Days, and a 50 day opt out rule. Responding to a question from Director Borrego, Ms. Alarid stated that the Act was to go into effect in July; however, it will now go into effect in 2018. Responding to a question from Chair Thomson, Mr. Lovato stated that AMAFCA does not get any CIP funds; however, some of AMAFCA's partners do receive those funds and AMAFCA wanted to be aware of those constraints.

18. AMAFCA Field Highlights

a. Field Report

Mr. Nolan Bennett, AMAFCA Field Engineer, gave a report of various projects and events over the past few months. The slides opened with a coyote at the Calabacillas, continued with a picture from the REPS CO-NM meeting held February 28 through March 2, 2017 at AMAFCA, a couple pictures from the Engineer Week Luncheon noting Mr. Jerry Lovato was the Keynote Speaker, a Pipe Line / Dam Safety Training video along with various coordination pictures with AFD, NMDOT, BernCo, and CoA at the NDC Embayment Outfall, drone video and numerous slides at the Tijeras Sediment Retention Project Phase I, multiple pictures at the final for the Isleta Drain Diversion Structure and Singer Project, before and during pictures of the CoA West Fields, Holly Estates, Sports Plex, Sandia Educators Credit Union, and various pictures of the West I-40 Channel Phase IV project. Responding to a question from Chair Thomson, Mr. Chris Perea with Wilson and Company, stated that the material was concrete reinforced fiberglass pipe. Responding to questions from Director Borrego, Mr. Bennett stated the project was approximately two months old, the shotcrete and volcano will be done before the summer. Responding to a question from Chair Thomson, Mr. Bennett stated that he anticipates the volcano would work should there be rain. The presentation continued with pictures of the Agency and Area-Wide Project and closed with a few pictures of the Global AMAFCA bear taken along on employee vacation(s). Responding to a question from Director Brown, Mr. Lovato stated that grouting rip rap is incorporating the weight of the entire structure. When using smaller rocks it acts as a bigger one. Wire tied rip rap is flexible and able to move. Using wire tied rip rap is hard when trying to maintain with loaders with rubber tires. Responding to a question from Director Brown, Mr. Bennett stated AMAFCA addressed various failures on Agency and Area-Wide Project, including full depth reconstruction (overlay). Responding to a question from Director Borrego, Mr. Lovato stated the Telemetry Project had been suspended until the equipment has been built. AMAFCA will pay the invoices once the equipment has been installed and is working. The contract schedule time has not changed.

AMAFCA Regular Meeting Minutes

March 23, 2017

Page 10

b. Construction Report

There was no discussion or questions on this item.

Chair Thomson introduced Mr. Charles Thompson, Bureau Chief with the Office of the State Engineer. Mr. Thompson thanked the Board for the financial support provided to the OSE for the Study and AMAFCA staff for the help during the recent Extreme Precipitation Study Work Shops that were held at the AMAFCA office. He stressed participation is needed to help make the Study a success.

19. Approval of Resolution 2017-07 - General Obligation Bond Award

Ms. Creagan with Modrall provided the Board with a copy of the Resolution and advised that pages two and four covered the maturity schedule.

Director Stover made a motion that the Board accept the Bond sale bid and approve Resolution 2017-07, General Obligation Bond Award, and authorize the Chair and Secretary to execute the same on behalf of AMAFCA. Director Borrego seconded the motion. The motion passed unanimously (5-0), on a roll-call vote.

20. Real Estate

a. Verizon Wireless Facility on AMAFCA Property – Consideration for Approval of Lease

Mr. Jeffrey Willis, AMAFCA Real Estate Manager, summarized information provided in the memo.

Responding to a question from Director Brown, Mr. Willis stated that if Verizon has the need for more sites, AMAFCA will have a plan for negotiation.

Director Eichenberg made a motion that the Board authorize the Executive Engineer to execute the Lease, substantially as attached, with Verizon Wireless. Director Brown seconded the motion. The motion passed (5-0).

21. AMAFCA FY-2018 Budget

a. Surplus Property Report

Mr. Jeffrey Willis, AMAFCA Real Estate Manager, summarized information provided in the memo. All leases are current with no change from last year. The potential Verizon Lease approved at this Board meeting was added. He stated that AMAFCA and Mr. Keeran are still in negotiations for a trade for the Signal Dike Property for properties he has accumulated in the same area that would allow AMAFCA to continue the flood control channel. The Board concurred that AMAFCA should hold off on Disposal of Excess Lands until a specific use and / or project arises.

AMAFCA Regular Meeting Minutes

March 23, 2017

Page 11

b. AMAFCA Equipment and Fleet Evaluation

Mr. Nolan Bennett, AMAFCA Field Engineer, summarized information provided in the memo. AMAFCA has changed the way the crew is organized, the number of jobs being worked on at the same time at different locations, and how to streamline the process for efficiency. It has become apparent that an additional vehicle is needed in addition to Unit 101. Responding to a question from Chair Thomson, Mr. Bennett stated that AMAFCA would continue to use Unit 101 as a secondary option. The vehicle, even with high mileage, has uses and proves beneficial for homeless camp cleanup, AMAFCA errands, site visits, etc. If Unit 101 develops serious problems it will be disposed of in accordance with Resolution 2006-16. The other vehicle tows the gooseneck trailer and is utilized for many different purposes and it would be beneficial to have another vehicle to tow the gooseneck trailer. Responding to a question from Director Borrego, Mr. Chavez stated that AMAFCA policy requires AMAFCA to attempt to sell or dispose of the equipment to another government agency. If no government agency wants the vehicle it would be taken to the auction block after it has been weighed at a scrap yard to see what would be offered for scrap material in order to get a minimum amount to expect for auction. AMAFCA had utilized Copart for the previous three auctions. Mr. Bennett stated a spreadsheet is utilized as a tool to track all units, the hours utilized, how long the equipment is expected to last, mileage, etc. While not a perfect process, it is flexible and allows AMAFCA to estimate how long equipment will last.

c. FY-2018 Revenue Projections

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, summarized information provided in the memo. He pointed out that AMAFCA is still consistently exceeding the Budget while still taking a conservative approach as to projections into actuals. Mr. Chavez referred the Board to the page 3 of the memo regarding the projected estimates in the assessed values for non-residential. Responding to a question from Chair Thomson, Mr. Chavez covered what are considered Centrally Assessed Properties. Mr. Chavez stated that he would track down the latest assessments that are scheduled to be mailed on / around April 1, 2017. Responding to a question from Director Eichenberg, Mr. Chavez stated he averaged the previous five years to get the Property Tax estimates. There were no changes made to the budget as presented.

d. Draft FY-2018 Operating Fund Budget

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, summarized information provided in the memo. Mr. Chavez clarified that under Expenses, two Drainage Review Engineers are included for the majority of FY-2018. He further stated Ms. Lynn Mazur announced that she will be retiring in September 2017 and will be utilizing Early Retirement. Responding to a question from Chair Thomson, Mr. Chavez stated a balanced budget should occur in 2021, pending that the Contingency Funds are adequately funded. Mr. Lovato stated that at the end of the year the projected fund balance is \$2.4M. Capital Outlay was briefly discussed covering Capital Needs, Orthophotography, Elections, and Compliance Monitoring Cooperative (CMC) line items. There were no changes made to the budget as presented.

AMAFCA Regular Meeting Minutes

March 23, 2017

Page 12

e. Draft FY-2018 Contingency Fund Budget

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, summarized information provided in the memo. Responding to questions from Director Brown, Mr. Chavez recapped how each Contingency Fund Line item could be used and the difference between Available Reserves and Infrastructure Reserves. Responding to a question from Chair Thomson, Mr. Chavez stated that if AMAFCA was sued due to a failure, the New Mexico Self Insurers fund would handle the claim, but AMAFCA would be responsible for the deductible. Responding to a question from Director Brown, Mr. Lovato stated the overlay on the diversion channel would be covered with Bond Construction money. There were no changes made to the budget as presented.

f. Draft FY-2018 Construction Fund Budget

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, summarized information provided in the memo. Responding to a question from Director Brown, Mr. Chavez explained what encompassed the \$25M Bond amount. Responding to questions from Director Borrego, Mr. Lovato explained what goes into developing an Emergency Action Plan (EAP), why it is needed, and the budget amount listed in the budget is only a portion of the total needed (phased worked). He further stressed it does not cover the entire urban area; it is a plan (document). There were no changes made to the budget as presented.

g. Draft FY-2018 Saiers Acquisitions & Savings Fund Budget

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, summarized information provided in the memo. A bank account will be opened for this fund. Director Borrego asked that the record reflect she had a concern with naming funds after people. Responding to questions from Chair Thomson, Mr. Chavez explained that the budget line items listed would be transfers from the General Fund. At the end of the year the fund will have a zero balance. Responding to a question from Chair Thomson, Mr. Lovato explained the reasoning for the CMC budget line item is for compliance and not monitoring purposes. The CMC compliance has a five year budget timeframe. There were no changes made to the budget as presented.

h. Draft FY-2018 Debt Service Fund Budget

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, summarized information provided in the memo. The budget will be updated to include the Bond Sale. There were no questions.

i. Draft FY-2018 Unassigned Funds Budget

Mr. Herman Chavez, AMAFCA Finance and Administration Manager, summarized information provided in the memo. Responding to a question from Chair Thomson, Mr. Chavez explained the budget timeline and advised a Resolution would need to be approved in May for submittal to the Department of Finance and Administration by the June 1, 2017 deadline.

AMAFCA Regular Meeting Minutes

March 23, 2017

Page 13

Responding to questions from Director Brown, Mr. Lovato stated that a Resolution could be brought to the Board next month to change the name of the Saiers Acquisitions & Savings Fund Budget. There were no changes made to the budget as presented.

22. Unfinished Business

None.

23. New Business

None.

24. Adjourn

There being no further business to come before the Board, Chair Thomson adjourned the meeting at 1:15 p.m.

Deborah L. Stover, Assistant Secretary-Treasurer, 4/27/17