

**Albuquerque Metropolitan
Arroyo Flood Control Authority
Regular Meeting Minutes
March 24, 2005**

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1. Call to Order and Roll Call

Chairman Brown called the Regular Board Meeting to order at 9:00 a.m. Thursday, March 24, 2005. Roll was noted as follows:

Directors present: Chairman Ronald D. Brown
 Director Daniel Lyon
 Director Tim Eichenberg
 Director Janet Saiers
 Director Danny Hernandez

Others present: John Kelly, Executive Engineer
 Sam Bregman, Attorney
 Staff

A quorum was present.

2. Approval of Agenda

John Kelly, AMAFCA Executive Engineer, stated there were no changes to the agenda.

Director Hernandez made a motion to approve the agenda. Director Eichenberg seconded the motion. Chairman Brown stated that because of the number of guest present for items 12 and 13, he would move those two items for discussion after item 4. The motion to approve the agenda passed unanimously (5-0).

3. Meetings Scheduled

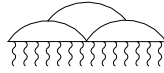
- a. **April 21, 2005, 9:00 a.m. – Regular Meeting**
- b. **May 26, 2005, 9:00 a.m. – Regular Meeting**

Mr. Kelly requested a special meeting to award the construction contract for the Lyon Boulevard Storm Drain Project. The Chairman set the meeting on May 5, 2005 at 8:30 a.m. There were no other changes to the meeting schedule as set forth.

4. Approval of Minutes

- a. **February 24, 2005**

Director Eichenberg made a motion to approve the minutes of the February 24, 2005, Regular Board Meeting. Director Hernandez seconded the motion, which passed unanimously (5-0).



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12. Boca Negra Detention Dam – Briefing by Wilson & Company on Project and Proposed Cost Sharing Plan

Mr. Kelly introduced Steve Metro of Wilson and Company, project engineer. Mr. Kelly stated that the Boca Negra/Mariposa DMP showed the need for an upstream detention facility. Mr. Metro reviewed the Boca Negra Detention Dam Project and developer contributions. Mr. Kelly discussed further details of the project and the proposed cost-share breakdown. Both then answered questions from the Board.

Chairman Brown introduced Richard Leonard, formerly of AMAFCA, and Scott Schiabor and Ken Lucas, representatives of the developers. John Andrews of the Larkin Group was also introduced. All stated their support of the project and appreciation for AMAFCA's involvement.

The Board reviewed the cost sharing proposal and gave extensive input regarding the project and proposal.

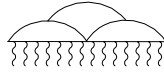
Board consensus was that staff should verify the value of land acquired for the dam site; set contributions on a proportional basis, with AMAFCA's contribution at \$1 million; and design a method to handle cost overruns so that AMAFCA would not be the only party at risk. Staff was directed to proceed with negotiating and drafting a cost share agreement for the Board to review at a later meeting.

13. Kinney Dam and North Domingo Baca Park – Briefing by City of Albuquerque on Project and Proposed Cost Sharing Plan

Mr. Kelly introduced Colleen Frenz of the City of Albuquerque. Ms. Frenz presented the revised Master Plan for the Kinney Dam and North Domingo Baca Park. She stated that the City prefers to put the channel in a box culvert to provide more land for park development. The City also desires to purchase 4 AMAFCA lots which were not included in the 1997 agreement.

Director Lyon left at 10:23, due to a prior engagement.

Following discussion, Board consensus was that staff should consider the value of the 4 lots to determine an appropriate sale price, considering original acquisition cost and 5% interest per year, as was done with the original 18 floodplain lots held for the park; AMAFCA should contribute \$1 million towards construction of the box culvert; and platting costs should be shared between AMAFCA and the City. Staff was directed to proceed with drafting a cost share agreement for the Board's consideration at a later meeting.



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Chairman Brown deferred items 5, 6, and 7 to later in the meeting.

8. 2005 Legislative Session – Briefing by New Mexico Outsourcing

Mr. Kelly introduced Maurice and Mary Hobson, who briefed the Board on the 2005 Legislative Session. They discussed relevant bills passed during the session, which ended March 19, 2005.

Chairman Brown briefly left the meeting, turning the meeting over to Director Eichenberg in his absence.

9. Amole Arroyo, Phase II - Amole Dam to Amole Bend – Award of Construction Contract

Loren Meinz, AMAFCA Drainage Engineer, reported that six bids for the Amole Arroyo, Phase II - Amole Dam to Amole Bend Project were received, and one was declared non-responsive. The bids were reviewed and tabulated by the Larkin Group NM, Inc. The apparent low bidder was Salls Brothers Construction, Inc., with a bid of \$991,830.70. He stated that staff and the Larkin Group recommend the construction contract be awarded to Salls Brothers. John Andrews of the Larkin Group was present, and commented briefly.

Chairman Brown returned at this point.

Director Eichenberg made a motion that the Board accept Salls Brothers Construction, Inc., as the lowest responsible bidder and authorize the Chairman to execute a contract with Salls Brothers Construction, Inc., in the amount of \$991,830.70 for the Amole Arroyo, Phase II - Amole Dam to Amole Bend Project.

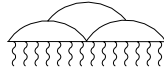
Director Hernandez seconded the motion.

The motion passed (3-0). Director Saiers was not present for the vote.

10. Lyon Boulevard Storm Drain

a. Approval of Agreement for Service with PNM

Lynn Mazur, AMAFCA Development Review Engineer, reviewed the Lyon Boulevard Project and the need for an agreement with PNM regarding moving the existing gas line. She stated that the existing gas line is in the middle of an easement which pre-dates the roadway dedication. Staff recommends approval of the Agreement with PNM to move the gas line.



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Director Saiers made a motion that the Board authorize the Executive Engineer to execute the Agreement for Service with Public Service Company of New Mexico and the Addendum to Agreement for Service in the amount of \$88,885.76. Director Hernandez seconded the motion.

Discussion followed. Director Eichenberg stated his displeasure that AMAFCA would not be able to seek competitive bids, but was bound by PNM's estimate of the cost to move the gas line. A question arose as to whether the cost was fixed, or could it vary as the work was done. Attorney Bregman pointed out the agreement stated the fee was a sum certain, and that the fee was non-refundable.

The motion passed (3-1), Director Eichenberg dissenting.

**b. Approval of Contract Amendment with Wilson and Company for
Construction Engineering Services**

Ms. Mazur presented Amendment No. 4 to the Construction Engineering Services contract with Wilson and Company for the Lyon Boulevard Storm Drain Project. Mr. Kelly stated staff felt that the fee request of \$161,499 was reasonable. Discussion followed.

Mr. Kelly explained that these services were part of the original agreement, with the exact scope and fee to be determined when the design was completed and the construction schedule set.

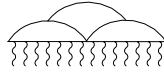
Director Hernandez made a motion that the Board approve Amendment No. 4 to the Agreement with Wilson & Company for the Lyon Boulevard Storm Drain Extension Project Design and Construction Engineering Services in the amount of \$161,499, excluding NMGRT. Director Saiers seconded the motion.

The motion passed (3-1), Director Eichenberg dissenting.

c. Authorization to Advertise Project for Construction Bids

Ms. Mazur requested that the Board authorize advertisement for construction bids for the Lyon Boulevard Storm Drain Project.

Director Eichenberg made a motion that the Board authorize the Executive Engineer to advertise for construction bids for the Lyon Boulevard Storm Drain Project. Director Hernandez seconded the motion, which passed (4-0).



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11. North Camino West of I-25 – Consideration of Turnkey Agreement with MCT Industries for Design and Phased Construction of Channel

Mr. Kelly introduced Frank Duran, Chief Financial Officer of MCT Industries, Inc.; Bruce Stidworthy, MCT's engineer; Charles Price, representing Blue Cross/Blue Shield; and Brad Bingham, Hydrology Section Head of the City of Albuquerque Planning Department. Mr. Kelly presented the proposed turnkey agreement with MCT Industries, Inc., for Design and Phased Construction of Channel for a portion of the North Camino, between San Mateo and I-25.

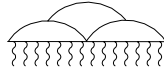
Mr. Kelly stated that the Real Estate Committee had taken a look at the property. The City is involved in the turnkey agreement for platting issues as well as holding the financial guarantee.

Director Eichenberg stated his belief that AMAFCA should not negotiate anything that the City does regarding impact fees. He also stated that in 1997, when AMAFCA agreed to let MCT realign the channel along the back of their property, AMAFCA and MCT had also agreed that the channel would be improved as the property developed. He stated his preference that the channel be built all at once.

Mr. Kelly stated that the City is a party to the turnkey agreement, and that language regarding impact fees is the same as that included in the recent agreement with Mr. Keeran along the La Cueva. He explained that this is an issue between the City and the private parties, not an AMAFCA issue.

Mr. Kelly stated that the Blue Cross/Blue Shield tract is the easternmost 11 acres, and that Blue Cross/Blue Shield will build the portion of the channel adjacent to that property, and have a transition structure to the interim channel. MCT owns, operates, and will continue to maintain the interim channel. The maintenance agreement includes an indemnity clause holding AMAFCA harmless for any damages resulting from erosion of the channel. The channel would be developed as the property was developed.

Mr. Kelly stated that the important feature of this agreement is that the entire channel will be guaranteed through a municipal lien on Tract B. He also stated that this channel is on AMAFCA's long range plan as a project that will be needed coincident with development. However, it was not included in the FY2005 Project Schedule.



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Extensive discussion followed. Questions arose regarding the sufficiency of a municipal lien on Tract B to ensure completion of Phase II of the channel improvements, given the floodplain on Tract B, and the lack of a definite timeline for when the improvements would be completed. A two-year limit was proposed.

Mr. Duran stated that MCT owns additional property to the south that could be added to the lien to ensure sufficient property value. Mr. Duran also stated he would contact Mr. Martinez, President of MCT Industries, for his opinion regarding a two-year deadline for completion of the channel improvements. A decision on this matter was deferred to later in the agenda, in order to allow Mr. Duran time to contact Mr. Martinez.

14. City of Albuquerque San Juan Chama Drinking Water Project – Approval of License Agreement for Raw Water Conveyance Pipeline and Project Communications Conduit within AMAFCA Right of Way

Martin W. Eckert, Jr., AMAFCA Real Estate Manager, brought the license agreement for the City of Albuquerque San Juan Chama Drinking Water Project before the Board.

Director Eichenberg made a motion that the Board authorize the Executive Engineer to sign the License Agreement for Raw Water Conveyance Pipeline and Project Communications Conduit within AMAFCA North Diversion Channel Right of Way.

Director Hernandez seconded the motion, which passed (4-0) after brief discussion.

15. West I-40 Phase III Diversion Channel – Authorization of Contract Amendment with Wilson and Company for Construction Engineering Services

Jerry Lovato, AMAFCA Field Engineer, recommended that the Board approve the amendment to Supplement Agreement Six with Wilson and Company for Construction Engineering Services on the West I-40 Channel Phase III Project, to address additional costs caused by the contract taking longer than originally anticipated. Discussion followed.

Director Hernandez made a motion that the Board approve the amendment to Supplement Agreement Six with Wilson and Company for the West I-40 Channel Phase III Project in the amount of \$118,000, to address additional Construction Engineering Services.

Director Saiers seconded the motion.

The motion passed (3-1), Director Eichenberg dissenting.



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16. Real Estate

a. Quitclaim/Release of Easement and Encroachment Permit for Lot 7, Block 9, Tract 3, Unit 2, North Albuquerque Acres

Chairman Brown read aloud the summary of the Quitclaim/Release of Easement and Encroachment Permit for Lot 7, Block 9, Tract 3, Unit 2 North Albuquerque Acres.

Director Eichenberg made a motion that the Board authorize the Chairman to execute the Quitclaim Deed/Release of Easement and Encroachment Permit for Lot 7, Block 9, Tract 3, Unit 2, North Albuquerque Acres.

The motion was seconded by Director Hernandez, and passed (4-0).

b. Quitclaim of Easement, Desert Ridge Trails, Unit One, and Transfer of Maintenance to City of Albuquerque for El Camino Storm Drain

Lynn Mazur stated that the Quitclaim of Easement would transfer the AMAFCA easement to the City of Albuquerque, who would maintain the El Camino Storm Drain in this area.

Director Eichenberg made a motion that the Board authorize the Chairman to execute a Quitclaim Deed to the City of Albuquerque to transfer the 30-foot Public Drainage Easement, granted to AMAFCA by the Plat for Desert Ridge Trails Subdivision, Unit 1, Document No. 2002017575 on February 8, 2002, in Book 2002C, Page 46.

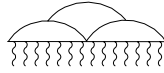
Director Hernandez seconded the motion, which passed (4-0).

c. La Cueva Arroyo, East of Barstow – Preliminary Approval of Sale of Surplus Property

Mr. Eckert reviewed the sale of surplus property on the La Cueva Arroyo, east of Barstow, as presented at an earlier Board meeting.

Director Eichenberg made a motion that the Board authorize the Executive Engineer to execute the Vacant-Land Sale Agreement for Preliminary Sale Approval, with the understanding that the preliminary sale approval is subject to the requirements of AMAFCA Resolution 2003-4, *Disposal of Excess Lands*, including all necessary notice requirements that must be met prior to this item being presented to the Board at a subsequent meeting for final approval.

Director Hernandez seconded the motion. After brief discussion, the motion passed (4-0).



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17. FY 2006 Budget

a. AMAFCA Equipment and Fleet Evaluation

Mr. Lovato reviewed his evaluation of the AMAFCA fleet. Staff recommendation is to include funds for the purchase of a 6 cubic yard dump truck in the FY 2006 Operating Fund budget, to replace Unit 205. This replacement had been scheduled for an earlier year, but was deferred due to replacement of the water truck having a greater urgency at that time.

Director Eichenberg made a motion that the FY 2006 Operating Budget include the purchase of a 6 Cubic Yard Dump Truck. Director Hernandez seconded the motion, which passed (4-0).

b. Surplus Property Report

Mr. Eckert reviewed the surplus property report, stating that two properties are being leased out, and four sales transactions are in progress. He also reported on the status of several other potential sales, and other potential surplus property. The Board provided input for budgetary purposes.

Director Hernandez suggested fencing off potential lease parcel 1 prior to it being offered for lease, so that adjacent companies would realize its value and be willing to lease it for a greater sum.

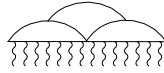
Mr. Kelly stated that potential sale parcel 2 could be improved by creating a storm drain system rather than keeping it as an open channel, resulting in a parcel that would be worth far more than it currently is. Director Hernandez requested a cost analysis. Mr. Kelly will follow up.

c. Draft Operating Budget

Mr. Kelly presented the Board with the first draft of the FY 2006 Operating Fund Budget. Discussion followed, with the Board providing input on the draft budget.

Director Saiers requested that informational signs and a brochure be developed for joint-use projects where AMAFCA has provided the land, detailing the history of AMAFCA's involvement in the project. She requested that the brochure be started in FY 2006.

Mr. Kelly stated this would be covered under "Special Projects". The Board expressed support of the idea.



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d. Draft Construction Fund Budget

Mr. Kelly presented the Board with the first draft of the FY 2006 Construction Fund Budget. Discussion followed, with the Board providing input on the draft budget.

11. North Camino West of I-25 – Consideration of Turnkey Agreement with MCT Industries for Design and Phased Construction of Channel

Mr. Duran reported that he had not been able to contact Mr. Martinez. Chairman Brown stated that further consideration of the agreement would be deferred to a Special Board Meeting to be held at 8:00 a.m. on Wednesday, March 30, 2005.

7. Approval of First Year Extension of Contacts

- a. Financial Advisor Services with RBC Dain Rauscher**
- b. Bond Counsel Services with Modrall Law Firm**
- c. Manual Trash and Debris Removal with R.P. Construction Company**
- d. Mechanical Trash and Debris Removal with Southwest Sewer Service**

Mr. Kelly stated that the contracts for Financial Advisor Services, Bond Counsel Services, Manual Trash and Debris Removal, and Mechanical Trash and Debris Removal were up for their first one-year extensions, all with no increase in fees for the respective services. Director Eichenberg stated his willingness to renew all four contracts in one motion.

Director Eichenberg made a motion that the Board extend each of the above-listed contracts for one additional year. Director Hernandez seconded the motion, which passed (4-0).

6. Legal

- a. Status Report**

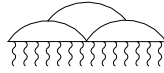
Attorney Sam Bregman gave the Board a brief report on the status of various legal matters.

5. Financial Matters

- a. Approval of February 2005 Expenditures**

Irene Jeffries, AMAFCA Business Manager, presented the February 2005 Expenditure Report. Director Saiers made a motion to approve the February 2005 Expenditure Report. Director Hernandez seconded the motion, which passed (4-0).

Director Eichenberg left the meeting at this point (12:05 p.m.), due to a prior engagement.



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b. Investment Report

For Information.

c. Financial Recap February 16, 2005 through March 15, 2005

For Information.

d. Financial Forecast March 16, 2005 through April 15, 2005

Ms. Jeffries presented the Board with the Financial Forecast for the period March 16, 2005 through April 15, 2005. Director Saiers made a motion to approve the Financial Forecast. Director Hernandez seconded the motion, which passed (3-0).

18. Field Highlights

a. Construction Report

b. Field Report

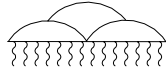
Mr. Lovato presented a slide show depicting current projects. He showed slides of the West I-40 Diversion Channel Phase III Project, and a graph showing progress to date and the revised construction schedule.

Mr. Mainz discussed progress on the Bear Canyon Arroyo 2004 Water Quality Retrofits, and showed an illustration from the Water Quality public education program being developed by Cooney Watson.

Mr. Lovato then showed a picture of the AMAFCA maintenance crew using AMAFCA's new tractor and chipper to get rid of salt cedar in the Calabacillas Arroyo below Cottonwood Mall. He also showed pictures depicting cleaning box culverts at the South Diversion Channel with a vactor. A damaged pipe at Ladera Dam 11 was discovered during vactor cleaning, and the AMAFCA crew patched the broken pipe.

19. Unfinished Business

None.



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20. New Business

a. Distribute Proposals Received for General Legal Counsel Services

The Board was provided with General Legal Counsel Services proposals received from the Bregman Law Firm and Sutin, Thayer & Browne. The Board as a whole will serve as the Selection Advisory Committee, and will meet at the April Board meeting to review the proposals and make its recommendation. Mr. Kelly asked Board members to score the proposals before the April meeting.

Director Lyon returned to the meeting at 12:20 p.m.

b. New Mexico Municipal League – Municipal Officials Leadership Institute Spring Program

Mr. Kelly provided information on the New Mexico Municipal League's Leadership Institute, to be held April 14-16, 2005 at the Albuquerque Sheraton Old Town. Director Hernandez expressed an interest in attending.

21. Items from the Floor / Public Comment

None.

22. Adjourn

With no further business to discuss, Chairman Brown adjourned the meeting at 12:22 p.m.

Janet Saiers, Asst. Secretary-Treasurer 4/21/05

Recorded by Pam Woodruff, Secretary to the Executive Engineer