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1. Call to Order and Roll Call

Chairman Eichenberg called the Regular Board Meeting to order at 10:02 a.m. Thursday, March 28, 2013. Roll was noted as follows:

Directors present: Chairman Tim Eichenberg
Director Danny Hernandez (arrived late)
Director Bruce M. Thomson (arrived late)
Director Ronald D. Brown
Director Daniel F. Lyon

Directors excused: None

Others present: Jerry M. Lovato, P.E., Executive Engineer
Staff
Other attendees on file at AMAFCA

A quorum was present. Attorney Marcus Rael, Jr., was not present due to an appearance before federal court.

2. Approval of Agenda

Mr. Lovato stated that there were no changes to the agenda, but late mailouts had been delivered for agenda items 9a, 20, 22b, 22c, 22d, 22e, and 22f.

Director Thomson arrived at 10:02 a.m.

Director Lyon made a motion to approve the agenda. Director Brown seconded the motion. The motion passed (4-0).

Director Hernandez arrived at 10:03 a.m.

3. Meetings Scheduled

- a. Thursday, April 25, 2013, 10:00 a.m. – Regular Meeting
- b. Thursday, May 23, 2013, 10:00 a.m. – Regular Meeting
- c. Thursday, June 27, 2013, 10:00 a.m. – Regular Meeting

There were no changes to the meeting schedule as presented at this time, however, later in the meeting a Special Meeting was scheduled for 8:30 a.m. on Tuesday, May 14, 2013. The revised schedule was:



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- a. Thursday, April 25, 2013, 10:00 a.m. – Regular Meeting**
- b. Tuesday, May 14, 2013, 8:30 a.m. – Special Meeting**
- c. Thursday, May 23, 2013, 10:00 a.m. – Regular Meeting**
- d. Thursday, June 27, 2013, 10:00 a.m. – Regular Meeting**

Director Brown stated that he may have a conflict with the May 23 and June 27 meeting dates due to family obligations. He will have more information as the dates draw closer.

4. Items from the Floor/Public Comments

None.

5. Approval of Minutes

- a. February 28, 2013 Regular Meeting**

Director Lyon made a motion to approve the minutes of the February 28, 2013 Regular Board Meeting. Director Brown seconded the motion, which passed unanimously (5-0).

6. Financial Matters

- a. Approval of February 2013 Expenditures**

Ms. Jeffries presented the February 2013 Expenditure Report. In response to a question from Director Thomson regarding the GIS Cloud Computing expense, Kevin Troutman, AMAFCA GIS Manager, stated that this includes hosting the GIS mapping server application, including firewall. This avoids the necessity of having additional IT staff on-site to protect AMAFCA's networked computer system. By hosting this application offsite, AMAFCA's internal computer infrastructure, including accounting software, is not open to the public. The online GIS application, which is open to the public, is thus completely isolated from AMAFCA's computer network.

Director Thomson made a motion to approve the February 2013 Expenditure Report. Director Brown seconded the motion, which passed unanimously (5-0).

- b. Investment Report for February 2013**

Ms. Jeffries presented the investment report for February 2013.

There were no questions, and no Board action was required.



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c. Financial Recap February 16, 2013, through March 15, 2013

Ms. Jeffries presented the Financial Recap for February 16, 2013, through March 15, 2013.

Director Thomson noted that this month, the forecast expenditures were very close to actual expenditures. He congratulated Ms. Jeffries on her accurate forecasting.

There were no questions, and no Board action was required.

d. Financial Forecast March 16, 2013, through April 15, 2013

Ms. Jeffries presented the Financial Forecast for the period March 16, 2013, through April 15, 2013. She noted that the Operating Fund forecast includes payroll for five pay periods. The City of Albuquerque had a change in personnel, and was catching up on their billing for past pay periods. The Construction Fund forecast includes payment to the contractor on one construction project and the payment of several engineering invoices.

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

7. Legal

Chairman Eichenberg noted that Attorney Rael was not in attendance due to an appearance in federal court that day. He stated that Mr. Lovato and staff would answer any questions.

a. Status Report

The memo from Attorney Marcus Rael, Jr., briefed the Board on the status of various legal matters. There were no questions.

8. Audit

a. Restated FY 2012 AMAFCA Financial Statements

Mr. Lovato introduced Herman Chavez, of Ricci and Company, AMAFCA's Auditors.

Mr. Lovato stated that a small classification error had been discovered in AMAFCA's Audit as sent to the state for approval. The error, on page 14, was corrected. AMAFCA now needed to restate the audit.



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Ms. Jeffries explained the change. Fund balances on the balance sheet for "Government Funds" were not classified correctly in their respective category. Page 14 had listed \$221,713 which was applied to Unassigned General Funds that should have been applied to Restricted – *Flood Control Construction and Maintenance*. This was a classification change only on the restated financial statements. The State Auditor and bond rating agencies had been notified, and had received the revised financial statements.

Mr. Chavez stated that it was easier to restate the corrected financial statements than it would have been to explain why that figure had fluctuated, as in the past the bond rating agencies have asked why it was so small. The change was something that the auditor would consider to be "immaterial."

In response to a question from Director Thomson about the "Capital Projects" fund as listed on the financial statements, Mr. Chavez confirmed that this was the same fund as the "Construction Fund" in the AMAFCA Board reports. He stated that "Capital Projects" was a GASB accounting term. By definition, construction projects are Capital Projects.

After brief discussion, Chairman Eichenberg suggested that the AMAFCA Board report refer to "Construction/Capital Projects Fund" in order to reduce future confusion.

In response to another question from Director Thomson about the balance in the Construction Fund, Mr. Lovato stated that money had been spent from that account since June 30, but that additional funds had been deposited as a result of property taxes collected over the winter months. The net result was the appearance that very little had been spent from that account.

Mr. Chavez stated that AMAFCA received the majority of its funds from property taxes twice a year, in December/January, and in May/June. As the months go by, that balance goes down, until the next influx of property tax funds.

Director Thomson asked about the large balance in the Construction Fund. Director Brown noted that the balance was, in part, why AMAFCA received such excellent bond ratings, and thus low interest rates.

Mr. Lovato explained that the construction fund budget shows additional expenditures of \$8 million by the end of the fiscal year, but that the funds are not formally encumbered until projects are approved by the Board.

Director Brown made a motion that the Board approve the restated financial statements. Director Hernandez seconded the motion, which passed unanimously (5-0), on a roll-call vote.



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b. Authorization to Advertise Request for Proposals for Audit Services

Ms. Jeffries stated that the State Audit Rule limits audit contracts to one year with two one-year extensions. As Ricci and Company has come to the end of their second extension, it is time for AMAFCA to advertise a Request for Proposals (RFP) for Audit Services for the FY-2013 audit.

She stated that written notification that AMAFCA could procure audit services was received from the State Auditor's Office (SAO) on March 4, 2013. The Board's recommendation is due to the SAO on May 15, 2013, which did not allow much time for advertising and selection of a firm.

In response to a question from Director Brown, Ms. Jeffries stated that audit firms are limited to performing the audit twelve consecutive years. Ricci and Company are eligible to submit a proposal in response to the RFP.

Responding to a question from Chairman Eichenberg about increasing the advertisement period to give new firms more time to prepare their proposals, Mr. Chavez stated that, under the new Audit Rule, a late auditor recommendation would be considered an audit finding.

After further discussion, consensus of the Board was to extend the advertisement period to April 21, and extend the due date to noon on May 3, 2013. The Board, serving as a Committee of the Whole, would serve as the Selection Advisory Committee at a Special Meeting on Tuesday, May 14, 2013, at 8:30 a.m. At that meeting, the Board would make and accept their recommendation for audit services, so that the selection could be delivered to the SAO by May 15, 2013.

Director Brown made a motion that the Board authorize the Executive Engineer to advertise a Request for Proposals for Audit Services. Director Lyon seconded the motion, which passed unanimously (5-0).

9. Executive Engineer's Report

a. Notification of Past Month's Activities

The Executive Engineer's Report highlighted significant activities of the past month.

Between the memo and further information given in the meeting, Mr. Lovato covered the following:



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- **Corps of Engineers (COE)** – *Southwest Valley Flood Reduction Project Phase II*. No additional information was available on the progress of the submitted Amendment II to the PCA agreement sent to Division for approval. The amendment addresses the construction of new roadway crossing structures along the Los Padillas Drain.

Clean Water Act 404 Jurisdictional Determinations. The Albuquerque District Office requested that AMAFCA submit a formal Freedom of Information Act (FOIA) request to obtain jurisdictional determination information. The FOIA request was sent on March 18, 2013, and a database was received on March 27, 2013. Staff will sort the database to obtain and map the information needed by AMAFCA. A meeting will be scheduled between AMAFCA and COE staff for the week of April 1, 2013.

In response to several questions from Chairman Eichenberg, Mr. Lovato stated that the information received is complete for AMAFCA's needs, and was received within about five days, once the COE understood what AMAFCA needed. Responding to a question from Director Hernandez, Mr. Lovato stated that requiring a FOIA request seems to be standard operating procedure when the COE thinks they may be party to a lawsuit. Chairman Eichenberg countered that the requirement may simply be to more easily track cost centers and justify the employee expense of fulfilling a request for information.

- **US Environmental Protection Agency (EPA)** – *Jurisdiction issues concerning MS4*. EPA Region 6 has indicated that the new MS4 watershed permit will identify channels and arroyos deemed waters of the U.S. AMAFCA staff has been in contact with other stakeholders concerning the ramifications and the possible increase in costs to monitor and comply with the new permit. EPA Region 6 is encouraging AMAFCA and the COE to discuss the possibility of a regional permit that would allow the current monitoring locations identified in the current MS4 permit to be used in the future. This will require the Albuquerque District to address the conflicting determinations that have been issued to date.

MS4 Watershed Based Permit. EPA Region 6 has tentatively scheduled three public meetings to be held in Sandoval County, Bernalillo County, and Valencia County one of the following days: May 14, 15, and/or 16, 2013.

- **Office of the State Engineer (OSE) – Dam Safety Bureau** – *Probable Maximum Precipitation Analysis*. The OSE met with Easterling and Associates to discuss issues and comment on the extensive data reduction effort that was done for the draft of the White Paper. The draft White Paper was the subject of a later Board meeting agenda item.



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b. Notification of On-Call Services Task Orders

Mr. Lovato stated that three on-call task orders had been issued since the last Board meeting, as listed in his memo. He gave further details on each, answering several questions from the Board. There were several questions regarding the water level and testing at Valle de Oro.

Director Thomson noted that the University of New Mexico operates several piezometers at Shirk Lane on the Rio Grande approximately a half mile upstream of the Valle de Oro project, and offered to share that data with AMAFCA. Mr. Lovato gratefully accepted the offer.

No Board action was required.

Consent Agenda:

Chairman Eichenberg noted that agenda items 10 through 12 were on the consent agenda, reading the title of each. He also acknowledged representatives of AMAFCA's Bond Counsel and Financial Advisor, who were in attendance.

10. Consideration of First Extension of *Bond Counsel Services Agreement* with Modrall Sperling

The memo from Mr. Lovato stated that the first year of the *Bond Counsel Services Agreement* with Modrall Sperling expires on April 26, 2013. The agreement was a standard one-year agreement with three one-year extensions possible upon mutual agreement of the parties. The Modrall firm agreed to extend the agreement for one year with no increase in fees, and had provided the required AMAFCA Campaign Contribution Disclosure Form. The memo requested that the Board approve the extension for an additional year at the same rate.

11. Consideration of First Extension of *Financial Advisor Services Agreement* with George K. Baum & Co.

The memo from Mr. Lovato stated that the first year of the *Financial Advisor Services Agreement* with George K. Baum & Company expires on April 26, 2013. The agreement was a standard one-year agreement with three one-year extensions possible upon mutual agreement of the parties. George K. Baum & Company agreed to extend the agreement for one year with no increase in fees, and had provided the required AMAFCA Campaign Contribution Disclosure Form. The memo requested that the Board approve the extension for an additional year at the same rate.



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12. Award of Compact Track Loader with Bucket

The memo from Kurt Wagener, P.E., AMAFCA Field Engineer, stated that five bids were received from four bidders for the Compact Track Loader with Bucket. Golden Equipment Company was the low bidder. They listed no exceptions to the specifications, and included the AMAFCA Campaign Contribution Disclosure Form. Their bid was \$56,178.00 not including New Mexico Gross Receipts Tax. The current FY 2013 budget included \$57,420.00 for the purchase of this piece of equipment.

There being no further items on the Consent Agenda, and there being no questions, Director Lyon made a motion that the Board take action on consent agenda items 10-12, as follows:

- Approve the first extension with Modrall Sperling, to provide bond legal counsel services for one additional year with no increase in fees;
- Approve the first extension with George K. Baum & Co. to provide financial advisor services for one additional year with no increase in fees; and
- Award the bid for Compact Track Loader with Bucket to the low bidder, Golden Equipment Company, and authorize the Executive Engineer to execute a purchase order for the purchase of the Compact Track Loader with Bucket in the amount of \$56,178.00, not including New Mexico Gross Receipts Tax.

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

Chairman Eichenberg thanked the Modrall Sperling and George K. Baum and Company representatives for attending the meeting.

Regular Agenda:

13. Request for Travel Authorization – EPA Region 6 Stormwater Conference, June 16-21, 2013, New Orleans, Louisiana

Mr. Lovato stated that the EPA Region 6 Stormwater Conference would be held June 16-21, 2013, in New Orleans, Louisiana. The conference will address and discuss the various issues and challenges of managing municipal stormwater, as well as new and upcoming rules and regulations.

He stated that he would like to send the new Storm Water Quality Engineer to the conference. The sessions to be held would be valuable to AMAFCA and to the new Storm Water Quality Engineer. The new employee will also be introducing AMAFCA's new permit to EPA.



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His memo provided estimated attendance for the conference, including registration, airfare, other transportation, lodging at the conference hotel for five nights, and meals for six days. The total was estimated at \$2,785.00.

Director Brown made a motion that the Board authorize out of state travel and expenses for the Storm Water Quality Engineer to attend the EPA Region 6 Stormwater Conference that will be held in New Orleans, Louisiana, June 16-21, 2013, not to exceed \$3,000.00, pursuant to Resolution 1998-16. Director Hernandez seconded the motion.

In response to a question from Director Hernandez, Mr. Lovato stated that interviews with prospective Storm Water Quality Engineers had been held that week, with the final interview scheduled for the next day. Responding to a comment from Chairman Eichenberg, Mr. Lovato stated that the trip was a working conference, not a vacation.

Chairman Eichenberg noted that the airfare estimate seemed high. Mr. Lovato explained that this was due to the fact that the reservation could not be made until the new employee was hired. The airfare was estimated on the high end to account for fewer discount fares being available as AMAFCA got closer to the travel dates.

Chairman Eichenberg requested that AMAFCA choose a cheaper airfare when the reservation is made.

The motion passed (4-1), with Director Lyon voting against the motion.

**14. Upper Piedras Marcadas Drainage and Water Quality Management Plan –
Consideration of Engineering Services Agreement with Wilson & Company, Inc.**

Brad Bingham, AMAFCA Drainage Engineer, stated that the Board had authorized the Executive Engineer to commence negotiations with Wilson and Company, Inc., for Engineering Services for the Upper Piedras Marcadas Drainage and Water Quality Management Plan. He stated that the fees were split into two categories: Phase I tasks, totaling \$34,683.00, and Phase II tasks, totaling \$84,951.00, for a grand total of \$119,634.00 plus New Mexico Gross Receipts Tax. This amount is covered in the FY 2013 Construction Fund budget and the proposed FY 2014 Construction Fund budget. The agreement had been reviewed by Attorney Rael.

Mr. Bingham stated that this agreement was a little different from most engineering services agreements due to the fact that in addition to doing the drainage and water quality management plan, Wilson and Company would be researching and investigating a reimbursement mechanism with the benefitting property owners, similar to what was done



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with the Chamisa Storm Drain last month. This involves some additional investigation, communication, and coordination activities built into the timeframe of the contract.

In response to a question from Director Brown, Mr. Bingham described the boundaries of the area and showed them on an aerial map. He stated that this plan would address capacities in the Lyon Storm Drain and the Paseo del Norte Storm Drain.

Mr. Lovato added that the study would also address downstream limitations and deficiencies.

Director Brown made a motion that the Board approve the *Agreement for the Upper Piedras Marcadas Watershed Drainage and Water Quality Management Plan Engineering Services* with Wilson & Company and authorize the Chairman to execute the same on behalf of AMAFCA. Director Hernandez seconded the motion.

Responding to a question from Chairman Eichenberg, Mr. Bingham stated that the budgeted total cost for the study was \$130,000. The contract amount was close to the budgeted amount, and utilizes previous work done by Wilson and Company in the area to keep the costs low. This was a smaller watershed than many of the others in the area, and some of the work had already been done.

In response to a question from Director Lyon, Mr. Bingham stated that Wilson and Company will identify suitable areas for facilities to be located. At that point, AMAFCA will have the rock depths in those locations investigated via an AMAFCA geotechnical on-call contract. The resulting data will be given to Wilson and Company for them to complete their report.

Responding to a follow-up question, Mr. Bingham and Mr. Lovato stated that using an AMAFCA on-call contractor for the geotechnical investigation would give AMAFCA greater control over the testing process.

Director Lyon stated that the rock depth has been an issue with other projects in the area, and opined that it should be a bigger focus in this contract.

Mr. Lovato stated that the purpose of the contract with Wilson and Company was to cover the hydrology of this area, including the water quality facilities that would be needed to protect the Petroglyph Monument. Once the potential locations are selected, they would be further investigated as to rock depth.

Director Hernandez stated that he was interested in learning more about possible reimbursement strategies. Some of the ideas might be able to be used retroactively on other facilities which have been approved but have not been built yet.



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The Board discussed the use of an on-call contractor for rock investigation.

Mr. Lovato noted that this was planned so that AMAFCA would have more control over the investigation. Because of what happened at Boca Negra, AMAFCA would like to have more holes put in to test rock depth. It would be difficult to negotiate that cost today as a part of the Wilson and Company contract, because too many variables would be involved, and as a result the cost would probably be too high. It would save AMAFCA money to have another party test as few or as many locations as AMAFCA deemed necessary, once the preliminary part of the Wilson study was complete. The data would then be given to Wilson and Company to complete their report. This would fully identify the existing conditions.

Mr. Bingham added that AMAFCA could then control whether 10 locations were bored, or only three. AMAFCA could ask for as many borings as was appropriate, through the on-call contractor.

Director Lyon stated that he wanted to be certain that AMAFCA had foreseen potential liabilities and had taken steps to protect itself in the contract.

The motion passed unanimously (5-0).

15. Extreme Precipitation Analysis Tool (EPAT) White Paper Discussion

Mr. Bingham gave the Board a brief history of the determination of the Probable Maximum Precipitation (PMP) storm. He stated that high-hazard dams that fall under the jurisdiction of the Office of the State Engineer (OSE) must satisfy criteria that their spillways pass a flood that would result from the PMP. As a result, newer dams have large, expensive spillways, and as development occurs around older dams, making them higher hazard, they need to be modified to have their spillway "brought up to code." Many AMAFCA dams have spillways designed for less than the full PMP.

He noted that the PMP is currently derived from the Hydrometeorological Reports (HMRs) produced by the National Weather Service (NWS) for the entire United States. New Mexico falls under HMR55A, created in 1988. Efforts to replicate HMR55A have failed, even when using the same storm library and the methodology described in the HMR55A documentation.

Mr. Bingham stated that in response to the general feeling that the current HMR55A PMP rainfall values are unreasonably large and unreliable, especially at higher elevations, the OSE undertook the development of the Extreme Precipitation Analysis Tool (EPAT) that would produce a site-specific PMP event for a dam watershed. This tool would be more reliable because it would utilize 30 additional years of precipitation data and a better understanding of storm physics than was used to create HMR55A.



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He added that, to date, EPAT has not been accepted by the OSE due to limited testing of the model by their staff and the perception that the site specific PMP values are much smaller than the values calculated by HMR55A. The OSE in the past has felt that the values obtained from EPAT are not conservative enough.

Mr. Bingham noted that, as AMAFCA owns and operates 51 dams, 21 of which are OSE jurisdictional, AMAFCA has a keen interest in the development of a site-specific tool that would provide reasonable and reliable precipitation values. To that end, AMAFCA initiated a task order with Easterling and Associates to develop a "White Paper" documenting the feasibility and suitability of either fully using EPAT to create realistic PMP rainfall for the Albuquerque area, or a statewide update of HMR55A.

He continued, stating that the White Paper identified that the work that has been done to date on EPAT is still viable, but it needs to be updated. Both options, revising HMR55A or updating EPAT, were viable, but updating EPAT would be more cost effective.

Mr. Bingham added that the Executive Summary of the White Paper suggested several actions: do peer review of meteorology and climatology records, update the EPAT program to run on current operating systems (Windows 7 and 8), expand EPAT to work on elevations below 5500 feet, and do additional testing to verify consistent, reliable results. These tasks are estimated to cost approximately \$175,000. Access also needs to be addressed, as the program currently runs on a standalone computer in the OSE's office.

Mr. Lovato added that EPAT takes into account how it rains in New Mexico (brief, heavy rains in one area and none a short distance away), so it is a valuable tool for those with dams in New Mexico. He stated that he was not asking the Board for full funding for the additional work on the EPAT tool, but was asking for concurrence with his plan to take the White Paper "on the road" to get more funding via cooperative funding agreements with other agencies.

Director Hernandez supported this approach, because it also increases "buy-in" from other agencies.

Referring to a series of figures he had printed out from the EPAT White Paper, Director Thomson noted that New Mexico's HMR55A is right in the middle of two well-defined weather patterns. In contrast, the weather pattern and the local climate here is very complicated, and changes seasonally. He stated that a lot has changed since the 1980s in regard to understanding weather patterns and weather forecasting, and in regard to computing ability. This will necessarily change PMP forecasting. EPAT takes advantage of the new knowledge and computing ability, including the ability to map storms better.



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Director Thomson stated that the ratio of the PMP to the 100 year storm is about 2:1 in Texas, in the northeast United States it is a little higher, and is really high, approximately 19:1 or 20:1, in New Mexico. He stated that peer review is very important. He opined that PMP forecasting needs to be done by local people with knowledge of New Mexico and its weather patterns. He enthusiastically supported the refinement of EPAT, especially the concept of peer review. He stated he and Mr. Lovato had discussed other agencies that he thought would help fund further refinement of the EPAT tool, including the Elephant Butte Irrigation District, and the people in Roswell.

Mr. Lovato pointed out that AMAFCA's dams are generally designed for approximately half the PMP, and the current standard is full PMP. AMAFCA will save a considerable amount of money if it does not have to upgrade existing dams' spillways, which would cost a total of about \$44 million. If the real PMP is 9 or 10 inches, those dams will not need to be modified. If it really is 17 inches, AMAFCA will modify the dams.

Director Hernandez noted that the cost to benefit ratio was incredible.

Director Thomson stated that, in order to adequately fulfill its mission to protect the public, AMAFCA needed to know what the PMP event is for its dams. Director Hernandez agreed, stating that there needed to be local standards.

Director Thomson noted that AMAFCA's dams can hold half PMP to the full PMP, depending on when they were built. In contrast, he stated, it turned out that the New Orleans levees which failed in Hurricane Katrina were designed to hold less than the 100 year storm.

Director Brown supported moving forward with the recommendations in the White Paper.

Director Thomson asked if the OSE would help fund the refinements of EPAT. Mr. Lovato stated that he was unaware of any OSE funding for EPAT in this fiscal year or the next.

Director Thomson stated that it was important to have state buy-in, even if in "in-kind" services, so that the resulting tool is accepted by the OSE Dam Safety Bureau. He also added that the UNM climatology staff had contributed to the project already, by reviewing the storm data.

Chairman Eichenberg noted that the consensus of the Board was to proceed with developing and refining EPAT. At Chairman Eichenberg's request, the three exhibits from the EPAT White Paper referenced by Director Thomson have been included in the minutes below.



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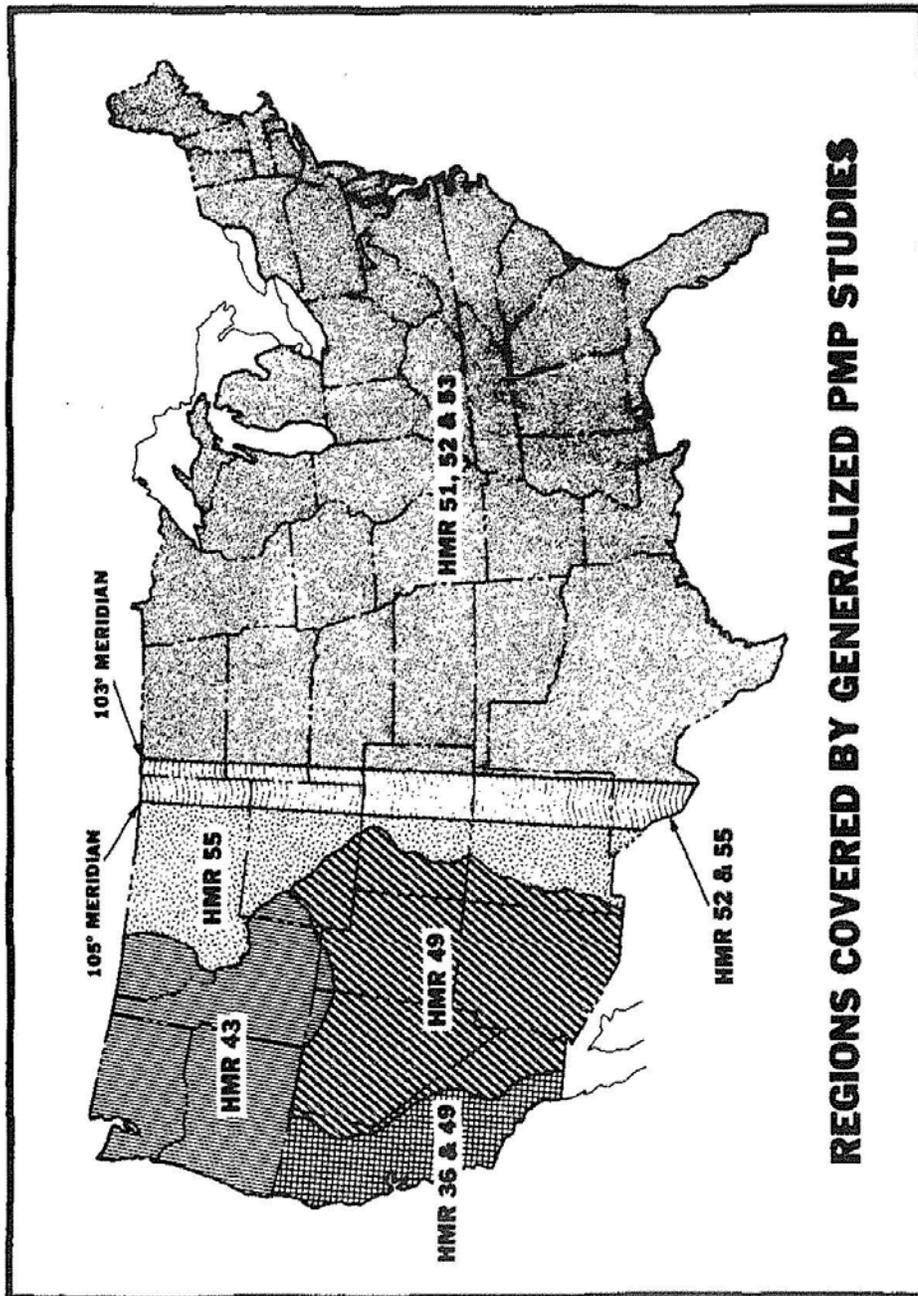
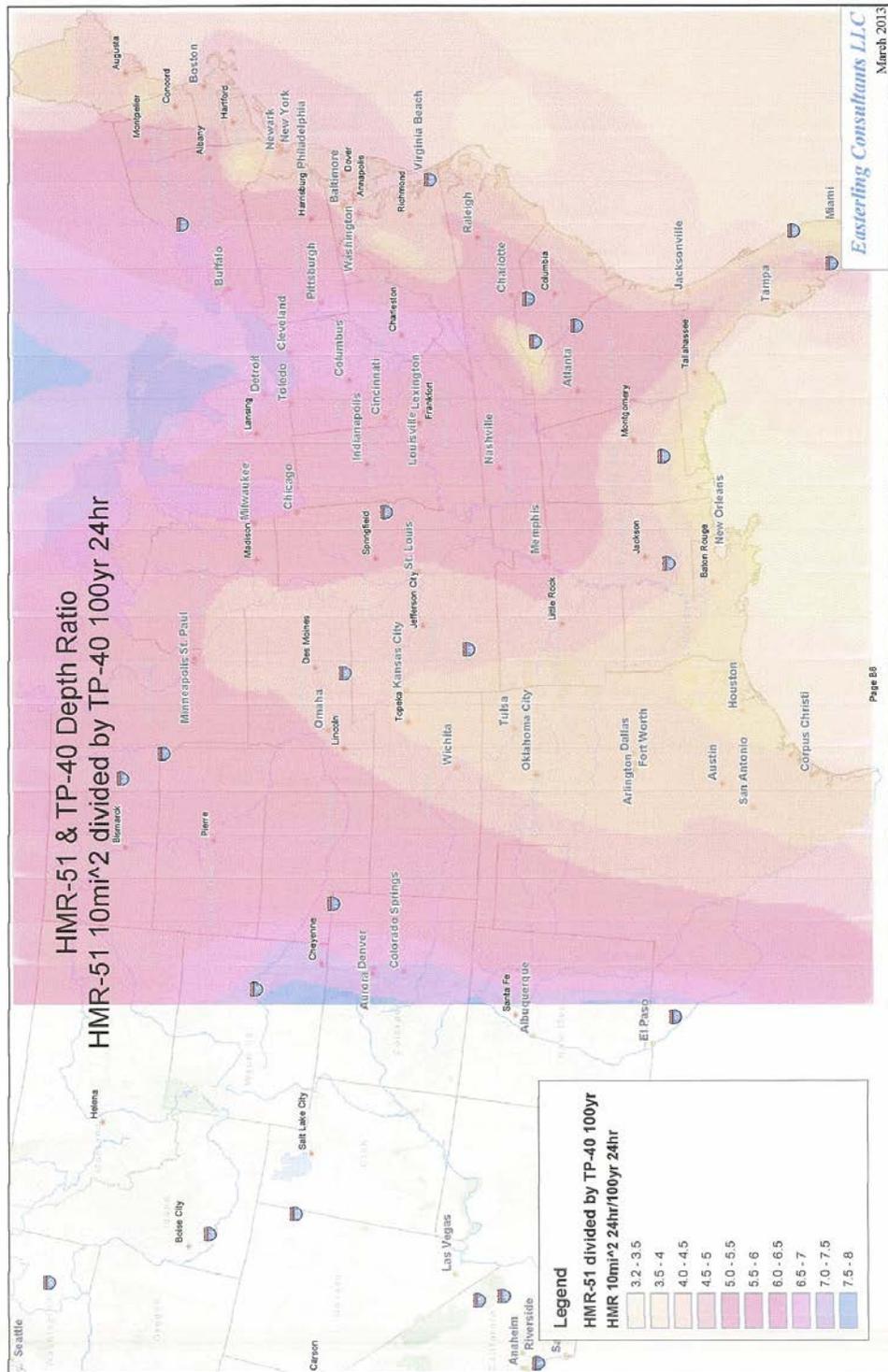


Figure 1.1.—Regions of the contiguous United States for which PMP estimates are provided in indicated Hydrometeorological Reports. See Appendix A for description of geographical region covered and scope of each report.



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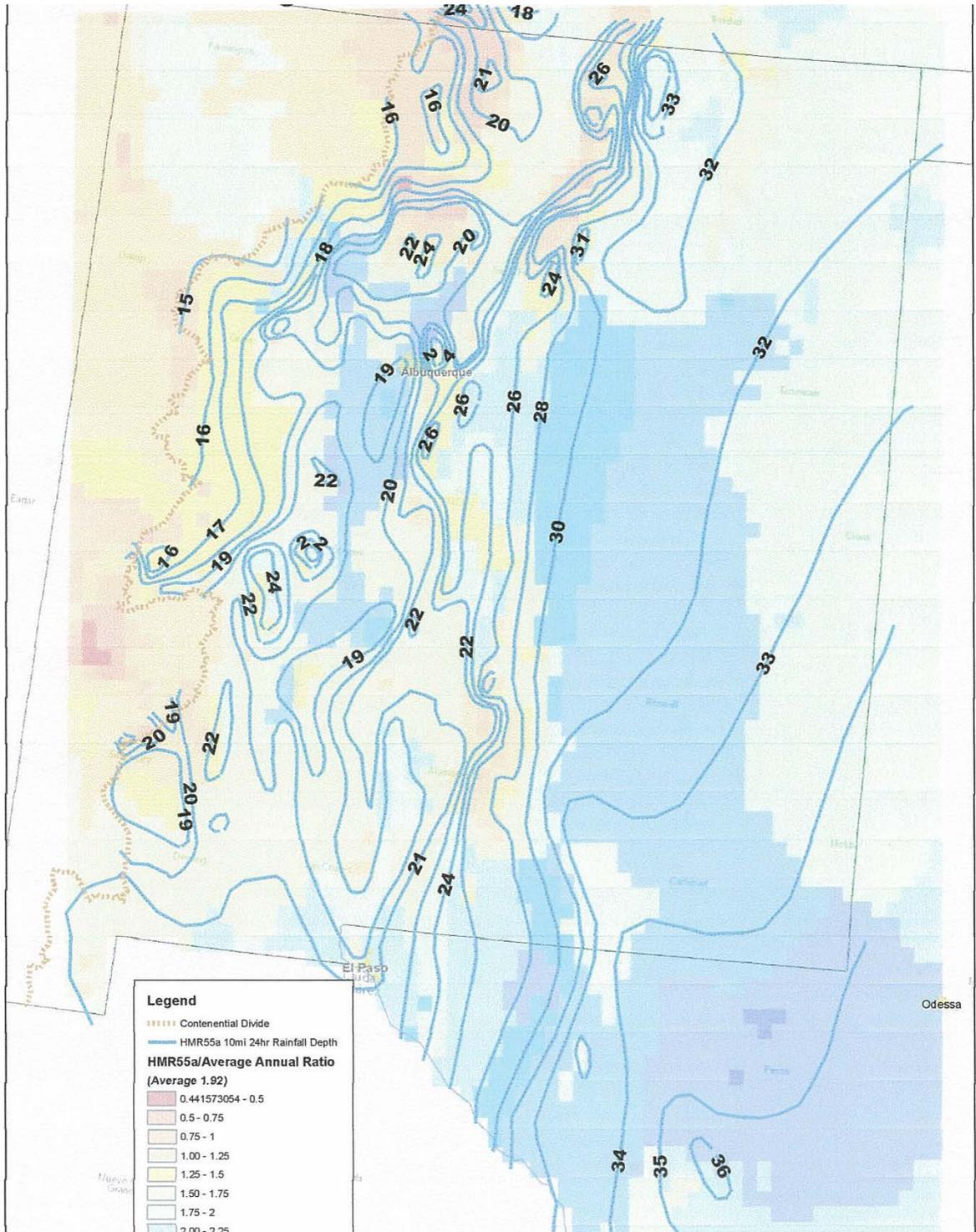
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16. Avenida Cesar Chavez Structure over South Diversion Channel Rehabilitation Project – briefing by Kevin Daggett, P.E., Storm Drainage Section Manager, City of Albuquerque

Kurt Wagener, AMAFCA Field Engineer, introduced Kevin Daggett, Storm Drainage Section Manager of the City of Albuquerque, along with Kellie Shaw, the Project Manager at the City for this project, and Melissa Lozoya, Engineering Division Manager of the City of Albuquerque.

Mr. Wagener briefed the Board on the background of this project. He stated that the south Diversion Channel crossing structure at Avenida Cesar Chavez, then Stadium Boulevard, was built by AMAFCA in conjunction with the State Highway Commission, now the New Mexico Department of Transportation, in the mid to late 1960s. The crossing structures were contracted by AMAFCA and were some of the first projects built by AMAFCA. The City took over the roadway in the 1990s, and the City and AMAFCA shared costs to construct a large diameter storm drain east on Stadium/Cesar Chavez in the mid to late 1990s. This storm drain intercepted flows in the roadway and directed them to the South Diversion Channel.

He noted that, due to the stress on the steel grating, many of them have degraded and sometimes a grate will pop off due to traffic. He showed a video of the grates jumping around as traffic passed overhead. His memo noted that the City has had numerous maintenance issues with the grating over the concrete box culvert. The City has hired a consultant to assess the structure and grating, and the consultant is analyzing the flow to the structure so as to make recommendations as to what modifications or reconstruction could be done to make the structure safer and still maintain the drainage function.

Mr. Daggett stated that the stress of traffic on the grating is causing them to bow, and occasionally pop off. With the construction of upstream facilities, it is possible that a lot of the water that used to get to the grates no longer does so. The City is studying its options, and may replace the grates with a traditional concrete bridge deck.

He stated that the City would have more information in about a month, once the study is complete.

Recounting a bicycle incident years ago, Director Hernandez stated that grates like these are extremely slick when even slightly wet. He stated that they are dangerous for those on two-wheeled vehicles, especially when on a curve as they are in this situation. Cornering through the turn causes accidents on the grates.



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In response to a question from Chairman Eichenberg, Mr. Wagener stated that new storm drains are cutting off the flow upstream of the grates. Additional storm drain inlets could be added as well, if necessary.

Mr. Wagener noted that deterioration due to ASR (Alkali-Silica Reaction) is starting to show up in the concrete at this crossing. He stated that ASR treatment, similar to that done at I-40 in the Embudo Channel, should be included in the rehabilitation of this crossing structure. He noted that AMAFCA built the structure, therefore it is his recommendation that the Board consider participating in the funding for rehabilitation of the box culvert and water proofing.

17. Review and Comment on Turnkey Agreement for 7-Bar Channel Improvements as Related to Broadstone Cottonwood Apartments – briefing by Kurt Browning, Titan Development

Mr. Lovato introduced Kurt Browning of Titan Development, current owners of the property to be discussed.

Lynn Mazur, AMAFCA Development Review Engineer, gave the Board some background on the property. She stated that the site is approximately 13 acres, west of NM 528 and south of AMAFCA's 7-Bar Channel, which is concrete lined in this reach. The property, which sits below the grade of the channel, has sat vacant for years due to access and grading issues. The owners have recently obtained access via Cibola Loop.

She stated that Titan proposes removing some excess embankment soil along the northern edge of the property, which forms a berm next to AMAFCA's maintenance road. She noted that this berm is not needed for channel stability or freeboard. Currently, the southern embankment of the channel could be considered a levee by FEMA. Titan proposes building a retaining wall on the lower portion and grading the upper portion to a 3:1 slope, which will help stabilize the slope and improve the existing conditions. Titan will also grade a swale adjacent to the regarded maintenance road, which will drain into the channel via a new concrete rundown. This will improve the existing drainage within AMAFCA's right of way.

Ms. Mazur noted that AMAFCA proposes that the developer give AMAFCA a slope easement along the slope, and an access easement off NM 528 for equipment turnaround and equipment storage during maintenance. The owner will also grant AMAFCA right of entry through the property via Cibola Loop for maintenance and inspection purposes.

Mr. Browning addressed the Board, stating that the planned project is 250 resort-style apartments. He noted the property sat empty for twenty years due to access issues. The owners recently gained access via Cibola Loop which allows development of the property. Their goal is to begin construction in August.



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In response to a question from Chairman Eichenberg, Mr. Lovato stated that the maintenance costs to AMAFCA will be reduced, as loose dirt from the berm falling into the channel (and needing to be removed) will be virtually eliminated. The new run-down will also help reduce erosion, further reducing maintenance costs. AMAFCA will also gain a spot to park and turn around maintenance equipment. Expenses to Titan will include the construction of the rundown and swale.

Mr. Browning answered a series of questions from Director Lyon, stating that these units will be month-to-month apartment rentals rather than being sold as condominiums. He also stated that Ron Bohannon of Tierra West, who could not be at the meeting, had done the engineering on the site since 1997.

Director Brown stated he supported the proposed project. He noted that the area falls within the 7-Bar Homeowners Association.

Chairman Eichenberg concluded that the consensus of the Board was to move forward with the project.

18. Consideration of Approval of Turnkey Agreement for Side Inlet Channel Improvements on the South Diversion Channel as Related to Valero Gas Station

Chairman Eichenberg briefly left the meeting at 11:28 a.m. Vice Chair Danny Hernandez chaired the meeting in his absence.

Ms. Mazur gave the Board a brief history of the site, noting that in November 2011 the Board had approved a similar turnkey agreement for this site, but the project had fallen through. She stated that this project was for a Valero Gas Station at the northwest intersection of Broadway and Rio Bravo, just to the east of the South Diversion Channel.

She noted that the site will produce a 100-year runoff rate of 8 cfs and will be built up with fill so that offsite flows will not enter the property. Onsite flow will be collected via a storm drain system into a water quality inlet in the northwest corner of the property. The 24-inch outfall pipe will drain to a secondary water quality facility, a manhole with a sump and baffle plate or similar device, that will serve as an oil/water separator. The outfall pipe from the manhole will drain to a riprap pad that will connect to the existing side inlet to the South Diversion Channel.

Ms. Mazur noted that the improvements will be constructed through a Turnkey Agreement similar to those done for other development in the South Broadway area. AMAFCA retains the right of entry onto the property to inspect the water quality facilities. If they are deficient,



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the Bernalillo County Drainage Engineer will be notified and can enforce clean-up under the County's Maintenance Covenant.

She stated that the preliminary plan had been approved by the County and AMAFCA, and the draft turnkey agreement had undergone review by AMAFCA's attorney.

Director Brown made a motion that the Board approve the Agreement, substantially the same as attached, and authorize the Chairman to execute the *Turnkey Agreement for Side Inlet Channel Improvements on the South Diversion Channel as Related to Valero Gas Station*. Director Lyon seconded the motion, which passed (4-0). Chairman Eichenberg was not present at the time of the vote.

19. Storm Water Quality – MS4 Permit Update

Mr. Lovato briefed the Board on the status of the MS4 Permit. He stated that AMAFCA's 2012 Report had been delivered to the City of Albuquerque earlier that day, and would be submitted to EPA by the City later that day.

Chairman Eichenberg returned to the meeting at 11:31 a.m. and resumed chairing the meeting.

Mr. Lovato stated that the annual EPA Report had been done differently this year. Each agency prepared their own agency report, and the City of Albuquerque was assembling them into one annual report. EPA was in favor of this approach for the report as it is leaning toward the watershed based permit, where each agency will be required to do its own annual reporting.

He stated that AMAFCA had conducted conversations with EPA Region 6 concerning this permit, and looked forward to working with them on the next permit.

Director Lyon briefly left the meeting at 11:32 a.m.

Mr. Lovato noted that he had requested a joint meeting with US Fish and Wildlife and one was being set up. This ongoing meeting is required by monitoring, regarding missing data from the sondes at the North Outfall. He stated he would report on the meeting next month.

In response to a question from Director Thomson about a probe, Mr. Lovato stated the sondes are operated by USGS, and AMAFCA does not get the data very quickly. When there is a problem, it can be 60 days before AMAFCA learns of the problem. AMAFCA purchased a portable probe to test for dissolved oxygen, so that it can go out and test and be certain that the USGS probe is working properly.



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Chairman Eichenberg summarized that AMAFCA was monitoring the monitor, and Mr. Lovato agreed. Director Thomson stated that the old probes can suddenly stop working, or can give data that is not reliable. He suggested that testing with the portable probe was a good job for the AMAFCA engineering intern.

20. Legislative Update – Briefing by Alarid Consulting

Chairman Eichenberg introduced Vanessa Alarid of Alarid Consulting, who briefed the Board on the Legislative Session which had recently ended.

Director Lyon returned to the meeting at approximately 11:35 a.m.

Ms. Alarid stated that a total of 1,245 bills were introduced in this 60-day session, but only 298 were passed and sent to the Governor. This is only the second time since 1985 that fewer than 300 bills passed in a 60-day session. She noted that as of March 21, twenty-seven bills had been chaptered (signed) and five bills had been vetoed. The Governor has until noon on April 5 to sign the bills or veto them. She has twenty days from passage to sign or pocket veto the bills passed within the final 72 hours, which is the majority of the bills passed.

She noted that \$1,114,500 in capital outlay money for Bernalillo County was earmarked for Valle de Oro in a show of bipartisan support. Individual legislators earmarked anywhere from \$29,000 to \$100,000 for this project. She requested letters of support be sent to the Governor so that this money is not vetoed. The Governor's office will be looking at the capital outlay bill April 3-5, 2013. She stated that every single letter of support will be helpful.

Ms. Alarid stated that both the Senate and the House had passed certificates recognizing AMAFCA's 50th Anniversary. She thanked Senator Linda Lopez and Representative Ernie Chavez for their work to get the certificates through their respective houses, and she thanked those who helped them get these bills passed.

She summarized the changes made to PERA (Public Employees Retirement Association) in Senate Bill 27, which will help PERA regain and maintain solvency. A change from 2-year vesting to 7-year vesting will be phased in. Pensions will be based on a 5-year high instead of a 3-year high. Previously, public safety officers could retire at 20 years; now it is 25 years, with the pension based on the top 6 years instead of 5 years. There are additional employee and employer contributions, and the annual service credit is lowered by 0.5%. Employees are encouraged to work longer, with a maximum pension increased to 90% instead of 80%. Earned service credits were also adjusted. PERA COLAs account for a huge amount of the PERA liability, so COLAs were decreased from 3% to 1%, saving the fund about \$1 billion.



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Her associate and consultant, Mark Fleisher, arrived at 11:42 a.m. Mr. Fleisher also commented on the capital outlay money for Valle de Oro, and cautioned that it may still be vetoed. He stated that he had given Jerry a summary of the PERA changes.

Ms. Alarid stated that the PERA fund should reach solvency in 2042 with these new numbers.

Ms. Alarid noted that a number of bills passed in the last 72 hours of the session. One of the biggest bills to pass was the tax package, which the Governor has indicated she will sign. It includes the film credit, big box taxes, procurement for manufacturing, and corporate income tax. One big change is the removal of the hold harmless provision that municipalities were not held liable for not collecting Gross Receipts Tax on food and medicine. Municipalities will have to make up these funds, and can collect up to 3/8 of 1% over the next 15 years in order to do so. Funding for the Paseo del Norte intersection was included in the capital outlay bill, but may be reduced or vetoed. The Governor was primarily interested in regional projects, which would benefit a large number of people.

She stated that water issues were also addressed, as New Mexico is in the third year of a drought. The legislature discussed the need to additionally conserve water. A new working group was formed which will study water issues over the summer. Mr. Fleisher added that a list of all water-related bills had been provided to Mr. Lovato.

In response to a question from Director Hernandez about the bill that increases the required notice of a public meeting, Ms. Alarid stated that the agenda must be posted 72 hours before the meeting, but can always be amended at the meeting if there is an emergency. Director Hernandez and Chairman Eichenberg noted that AMAFCA gives much more notice of meetings than this already.

Chairman Eichenberg inquired if NAIOP could send a letter of support for the Valle de Oro capital outlay. Director Brown stated that he believed they had done so already. Chairman Eichenberg commented that NAIOP is an organization that the Governor looks to for information on economic issues, and the project would create jobs and serve a lot of people.

Mr. Fleisher cautioned that Governor Martinez may still veto the funding.

Chairman Eichenberg acknowledged that Governor Martinez is conservative when it comes to spending money.

Ms. Alarid suggested that as many letters of support as possible be sent in support of the funding for Valle de Oro.



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Director Thomson suggested that AMAFCA send a letter with the Chairman's signature to the Governor, stating that AMAFCA strongly supports the Valle de Oro project, and has contributed \$1.85 million towards the project already. The letter should state that it is crucial to environmental protection, flood control and future economic development in the area. The other Directors supported this suggestion.

Chairman Eichenberg stated that it would be his preference to have the letter sent by the Executive Engineer, Jerry Lovato, "on behalf of the Board of Directors," stating that the Board supports the Valle de Oro project for the reasons cited by Director Thomson. The other Directors agreed.

In response to a question from Director Lyon, Roger Paul, of Bernalillo County, stated that he thought that the County had already sent a letter of support – but if they hadn't, he would make sure that they send such a letter.

Director Thomson asked about the makeup of the water issue study group which is being formed. Ms. Alarid stated that the initial committee is an interim legislative committee, but it may change form to include others. Director Thomson volunteered to serve on the committee if it opens to the public.

Director Lyon floated his opinion regarding the Rio Grande Compact, stating that Albuquerque should be allowed to keep the water that used to soak into the soil, but now runs off due to rooftops and asphalt. He called this "new water" and stated that a strong argument could be made that runoff that used to go to the soil isn't a part of the Rio Grande Compact and that Albuquerque should be allowed to keep it. Director Thomson stated that this idea had been floating around for twenty years. Director Lyon stated maybe it could be seriously discussed if Director Thomson gained a spot on the committee.

Chairman Eichenberg thanked Ms. Alarid for her report, and asked Mr. Lovato to write letters to Greg Hiner and Richard Romero thanking them for their work on the Valle de Oro capital outlay, expressing AMAFCA's appreciation. Chairman Eichenberg indicated that he would sign these letters.

Chairman Eichenberg called a short recess at 11:57 a.m. The meeting resumed at 12:06 p.m.

21. Field Highlights

a. Construction Report

The memo from Kurt Wagener, AMAFCA Field Engineer, contained a summary of current construction projects. There were no questions.



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b. Field Report

Mr. Wagener gave a report of various projects and events over the past month, answering several questions from the Board during his presentation. In particular, they discussed the rock blasting at the Boca Negra Dam, and owl habitat remediation. He noted that the entire AMAFCA crew is now certified as forklift operators.

22. AMAFCA FY 2014 Budget

a. Surplus Property Report

Jeffrey Willis, AMAFCA's Real Estate Manager, gave the Board a report on potential surplus property. He stated that AMAFCA has four current leases, which will be continued in FY 2014. Three are agricultural leases, and one is a parking lease. Revenue from these leases are included in the FY2014 budget. In addition, the "Miranda" property was being advertised for lease as directed by the Board at the February 28, 2013 Board meeting. As the lease amount is unknown at this time, this revenue was not included in the draft budget.

He listed the 9 potentially surplus properties owned by AMAFCA. These were the same properties that were on the list last year. He noted that parcel #9 received an unsolicited offer in January, however, the property is still needed for sediment storage. It was included on the list simply because the offer had been received.

Director Brown stated that the properties were not surplus at the current time. If the Board were to declare them surplus and made them available for sale, the Board would have to get an appraisal before listing them for sale, so that a price could be put on the parcel. If they did not sell, there would be the expense of appraising them every year.

He suggested that the Board could declare them as "in excess of AMAFCA drainage requirements," then, if someone was interested in a parcel, AMAFCA could get that parcel appraised then. This would save AMAFCA money spent on unnecessary appraisals, and would tell AMAFCA if the offer was an appropriate price.

Director Brown suggested parcels 1, 2, 3, 5 and 6 might be parcels that could be handled this way.

Director Lyon stated that if AMAFCA is currently using a parcel and has a use for it, then it is not available for purchase. He agreed that if a party was seriously interested in purchasing a parcel, an appraisal could be done at that point. He noted that Mr. Willis is a Certified Appraiser, and stated that perhaps Mr. Willis could do an initial evaluation of the property to



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see if the offer is a serious and reasonable offer. If it is, the offer could be brought to the Board for declaration and formal appraisal.

Director Brown stated parcels 5 and 6 along Wyoming would complete a subdivision, and the developer would be required to complete a section of roadway, which would also benefit the public.

Chairman Eichenberg commented that if the parcels were sold, they would be returned to the tax rolls. He also noted that Mr. Willis' estimates of value for each parcel.

Mr. Lovato requested confirmation that the budget should not show revenue from any property sales, but that staff should remain open to offers.

Director Brown agreed, stating that any offers received should be brought to the Board to see if they desired to declare that parcel as surplus.

Director Hernandez stated that he always viewed AMAFCA property as "land banking" for a future "rainy day" when AMAFCA might need the money. He noted that it is not currently a rainy day, and the real estate market was depressed, so it is not a good time to sell.

Director Brown stated that the land along Wyoming would sell for a good price, as there is development going on in that area. There would not be a distressed property valuation for parcels 5 and 6.

Chairman Eichenberg asked the Board if they wished to actually encourage the possibility of sale by declaring that AMAFCA has no beneficial use for these parcels, or leave it as is, waiting to hear from potential buyers.

Director Brown stated that he would like the parcels to be identified as having the potential to be reconsidered as perhaps excess to AMAFCA's needs.

Mr. Lovato stated that parcel 9 is currently needed for sediment removal and storage for the Pino Dam. This is an issue because AMAFCA does not own the Pino Dam property, but has an easement. He stated that he could re-evaluate the property to see if there is another design modification possible that would allow all or a portion of this parcel to be excess to AMAFCA's needs.

Chairman Eichenberg stated that the Board would support staff's opinion as to whether a parcel was needed by AMAFCA. If parcel 9 is needed now, then it is not surplus property and is not available for sale. The party making the offer could be told that the Board of Directors is not entertaining offers on the parcel at this time.



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b. AMAFCA Equipment and Fleet Evaluation

Mr. Wagener presented the Equipment and Fleet Evaluation. Between his comments at the meeting and the memo to the Board, he made the following statements.

Mr. Wagener stated that although the AMAFCA Equipment schedule does not show any equipment being replaced in FY 2014, the drive shaft on the 1983 Ingersol Rand air compressor recently snapped. It would cost over \$12,000.00 to repair it, and the original purchase price was around \$10,000.00. It was his recommendation to replace the air compressor at an anticipated cost of \$20,000.00, which would include a "trade-in" of the old air compressor. The newer compressors are quieter, safer, and have many improvements.

Mr. Wagener commented that the Case compact track loader which did not meet specifications had been returned, and he appreciated the Board's approval earlier in the meeting to purchase a new compact track loader that met the specifications. He noted that in the past year, a dump truck had been purchased to replace two old 6cy dump trucks, one of which was donated to Corrales. The other was retained as a backup unit.

He noted that the AMAFCA Fleet Schedule shows that it is time to replace Unit 202, the remaining 1999 International 6cy dump truck. He recommended that Unit 202 be retained for use as a backup unit and on bigger hauls, and that it be replaced in daily use with a new single-axle dump truck with rock bed, at an anticipated cost of \$110,000.00.

Mr. Wagener stated that the Fleet Schedule also shows that it is time to replace Unit 106, a Dodge 4x4 ¾ ton pickup used by the Executive Engineer. Staff recommends that the pickup be replaced with a Sport Utility Vehicle (SUV), at an approximate cost of \$40,000.00. Unit 106 would be sold at auction. If the Executive Engineer were to need a pickup, there is a backup pickup available in the fleet. With the many field tours the Executive Engineer gives to representatives of other agencies, an SUV would be a more practical vehicle.

In response to a comment from Chairman Eichenberg, Mr. Wagener stated that the State Purchasing Contract does not currently include any SUVs, but the state is bidding this out and an SUV may be available through the State Purchasing Contract by the time AMAFCA is ready to purchase the vehicle. He had based the price estimate on his own experience vehicle shopping the year before. Bidding the purchase out, he anticipated that a Jeep Grand Cherokee or Ford Explorer, or a similar vehicle, would cost approximately \$40,000.00.

Director Brown stated that the purchase of an air compressor, dump truck, and SUV were reasonable requests to include in the budget, if the money is available. The Board concurred.



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c. FY-2014 Revenue Projections

Ms. Jeffries stated that the FY 2014 revenue projections utilized computations of tax revenue based on 2011 assessed valuations, the most recently-available official valuations. The 2011 assessed value was computed by adding the Total Unprotested Taxable Value plus half the Total Protested Value for both residential and non-residential property.

She also introduced John Archuleta, of George K. Baum and Company, AMAFCA's Financial Advisors.

Mr. Archuleta briefed the Board on his FY 2014 Finance Plan. He stated that the New Mexico Department of Finance and Administration (DFA) anticipates a 3.65% increase in total growth in assessed value in 2012 over 2011. AMAFCA will be able to maintain its current debt service mill levy rates with \$12.5 million bond sales in approximately September 2013 and March 2014.

He noted that the finance plan uses a very conservative projection of 4% interest on these bond sales, but the actual interest rate will be significantly lower. Ten year and shorter AAA rated municipal bonds are currently selling at about 1.15% to 1.20%.

d. Draft FY-2014 Operating Fund Budget

Ms. Jeffries presented the first draft of the FY-2014 Operating Fund Budget. She noted that the budget line items had been expanded to better correspond with the SAGE accounting software, and to provide better transparency.

She stated that the property tax revenue of \$3,369,227.00 was computed using 2011 assessed valuations and the current mill levy rates with a zero growth factor. AMAFCA's financial advisor hopes to have updated assessed valuations available for the budget presentation next month. Total other revenues are projected at \$137,450.00 which includes sediment sales, \$2,000.00 for the sale of Unit 106, and a transfer of \$108,000.00 from the Building & Yard Improvement Fund to fund the purchase of the property north of the AMAFCA office. The purchase would provide for the expansion of the AMAFCA maintenance yard and the installation of fencing and security lighting. A \$50,000.00 transfer to the Contingency Fund is also included.

Ms. Jeffries noted that Exhibit A is the cover page of the proposed FY-2014 budget which is sent to DFA once the Board approves the budget in May.



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She stated that the overall budget has increased by 1.9%, excluding the purchase of land and proposed improvements to the AMAFCA maintenance yard, and including the purchase of the additional equipment covered earlier.

In response to a question from Director Hernandez questioning the yard improvements, Mr. Lovato reminded the Board that 18 months earlier, the Board had been briefed on the fact that as AMAFCA maintains more facilities and does more projects such as the Embayment Project and modifying the Los Padillas Extension, the increase in equipment has made the maintenance yard very cramped.

He stated that AMAFCA used to own the parcel just to the north, and sold it sometime in the early to mid-1980s. The entire parcel is encumbered by a drainage easement, and it is landlocked, with a shared access easement. Last year AMAFCA spoke with the owners, who expressed some interest in selling. At that time, \$108,000.00 towards the purchase was put into the Building and Yard Improvement Fund budget for FY2013, so that those funds could be used for the purchase in FY2014.

Mr. Lovato opined that the new parcel would be a good place to park AMAFCA's dump trucks, freeing space in the yard for additional storage. The new parcel also would be a good central location for a roll-off trash container. It currently takes an average of two hours for a dump truck to make a round trip to the City's landfill. Having a roll-off available at the AMAFCA yard would save time and allow the maintenance crew to get more work done.

He also noted that there is currently no ponding in the parcel just to the north of the maintenance yard. He stated that the parcel just to the east of the hotel, which is owned by the hotel, is currently experiencing occasional use as overnight parking for semi-tractor trailers. AMAFCA may wish to purchase all or a portion of this parcel as well.

Responding to a question from Chairman Eichenberg, Mr. Willis opined that a surface drainage easement on a parcel reduces its value approximately 60% of what the unencumbered value would be. An underground easement reduces the value less.

Director Hernandez stated that 40% of value of a landlocked property sounded cheap. Chairman Eichenberg stated that AMAFCA may be able to get it for less, as the owners may be willing to donate it for a tax deduction.

Mr. Lovato stated that staff proposed increased lighting for better security, as increased lighting in the yard may have prevented the steel theft about 6 or 7 months ago. Having roll-offs available would improve crew efficiency. Security fencing would also be expanded, and the existing bike trail extension relocated. He estimated that the total cost, including improvements, would be approximately \$350,000.00.



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Chairman Eichenberg noted that the parcel was probably not buildable, as it was too small. It would not be useful for commercial development.

The Board briefly discussed which parcel(s) should be purchased. The Board supported exploring purchasing the parcel between AMAFCA and the restaurant, and possibly also the parcel to the east of the hotel.

Director Hernandez stated that he was satisfied that the land purchase would be a good idea.

Ms. Jeffries stated that Exhibit B is a summary of the budget, and Exhibit C is the proposed budget by line item. The general ledger account numbers are included to better track budget expenses.

There were no further questions regarding the draft Operating Fund Budget.

e. Draft FY-2014 Contingency Fund Budget

Mr. Lovato presented the first draft of the FY-2014 Contingency Fund Budget. He noted that revenues consisted of \$50,000.00 transferred from the General Operating Fund, and \$8,992.00 interest revenue. Expenditures include the normal estimate of \$400,000.00 for emergency repairs.

In response to a question from Director Hernandez regarding the \$400,000.00 for emergency repairs, Mr. Lovato stated that he is authorized to spend the \$400,000.00 in this line item in an emergency without getting Board approval first. Everything else requires Board approval.

Responding to a question from Director Brown, Mr. Lovato stated that this money is identified and fenced for use in emergency situations only.

There were no other questions about the draft Contingency Fund Budget.

f. Draft FY-2014 Construction Fund Budget

Mr. Lovato presented the first draft of the FY-2014 Construction Fund Budget. The budget shows, at the end of FY2014, approximately \$1.8 million in planning, design engineering, and surveys; \$990,000.00 in right of way acquisition; just under \$23.8 million in construction; and \$160,000.00 in bond sale expenditures. The majority of the projects are AMAFCA-centric and the budget includes more AMAFCA-only projects. Proposed cost shares with the City of Albuquerque and Bernalillo County are still possible.



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He noted that with the passage of the \$25,000,000 bond question in 2012, the FY2014 Construction Fund Budget includes two bond sales, outside funding sources under current contracts, and interest income. A summary of projects and funding sources has been added for clarity to the Construction Fund Budget, which is in a declining balance form.

Mr. Lovato stated that the construction schedule is aggressive, with AMAFCA projects and possible joint projects over the next 15 months listed. Bond sales will be needed in September 2013 and March 2014. Approximately 87 construction projects are proposed for the next 15 to 18 months.

Chairman Eichenberg asked the Board to study the project list and be aware of the projects in their districts listed there.

Directors Brown and Hernandez stated that they supported putting out \$23 million in work in the next 18 months.

Director Brown noted that skilled operators and skilled construction workers were leaving Albuquerque due to the lack of work. He opined that AMAFCA needs to help do something to retain them, or Albuquerque will not have the skilled laborers needed for construction projects. He also noted that AMAFCA could obtain good construction prices now, and it would be a long-term benefit to the community.

Director Hernandez agreed. He stated that AMAFCA needed to have more construction projects being built.

Chairman Eichenberg, noting that not all the invited dignitaries were present, called a brief recess at 1:02 p.m. The meeting resumed at 1:13 p.m.

23. AMAFCA 50th Anniversary Senate Certificate

Chairman Eichenberg introduced State Senator Linda Lopez, who had introduced the AMAFCA 50th Anniversary Certificate in the Senate, and Representative Larry Larrañaga, who was also present. Chairman Eichenberg stated that Representative Ernie Chavez, who had introduced the House Certificate, was unable to attend the meeting due to another obligation.

Mr. Lovato, speaking for all the Executive Engineers and staff of AMAFCA, stated it was quite an honor to work at AMAFCA. He thanked the Board for allowing AMAFCA to do what it does, and do it very well. He then read the Senate Certificate, which was greeted by applause from those in attendance.



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Chairman Eichenberg introduced Richard Leonard, Larry Blair, and John Kelly, former Executive Engineers who were in attendance, and Geneiva Meeker and Janet Saiers, former Board Chairs. Former Board member Sheila Garcia was also in attendance. Ms. Saiers stated that as far as she knew, original Board member W.C. Scrivner was still alive. Ms. Garcia noted that original Board member Reginald Garcia was also still alive.

Senator Lopez addressed the Board, thanking AMAFCA for the opportunity to attend the 50th Anniversary celebration, and for the honor of introducing the Anniversary Certificate in the Senate. She recounted her experiences with AMAFCA, and thanked AMAFCA for all it has done for the greater Albuquerque area. She especially appreciated the intergovernmental work that AMAFCA has done. She presented the Board with individual copies of the certificate, then cut AMAFCA's official birthday cake.

Other comments were made by those in attendance.

Retired Executive Engineer John Kelly noted with pleasure that the tumbleweed snowman was mentioned in the official certificate. He stated that he had been at the 30th anniversary as an employee, the 40th as Executive Engineer, and the 50th as a guest.

Geneiva Meeker stated that AMAFCA was only five years old when she began working at AMAFCA. She recalled a story about the first trucks purchased for the maintenance crew, which were old Fort Wingate trucks – two without windshields, and with slick tires, driven to Albuquerque in a snowstorm.

Representative Larrañaga stated that he had a long association with AMAFCA in his many different professional capacities over the years. He noted that AMAFCA was always small and efficient with a great mission, and stated it should be proud of over 50 years of great success in the community.

Chairman Eichenberg noted that Director Brown was the longest-serving current Board member, and asked him to address the group.

Director Brown stated that he had served on the Board nearly 24 ½ years. He stated that AMAFCA has been a great organization to be a part of, both the people and its accomplishments.

Director Hernandez, the third-longest serving current Board member, stated that when he was elected to the Board, he was pleasantly surprised to see the long-standing tradition and vision of what AMAFCA should do for the community – and its willingness to adapt and change. He stated that his main focus had been on multi-use of public facilities, because AMAFCA



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only uses them when it rains. This effort was begun by Chairman Eichenberg before him. He also appreciated the fact that AMAFCA was extremely efficient with its resources.

Director Lyon thanked the legislators and other public servants who were present. He stated that they were all civic-minded, good people who were trying to do what is right. He noted that sometimes we forget to thank them for doing what they do.

Director Thomson noted that he had only been on the Board a little over two years. There was a running joke about how many of the engineers in town that he has taught engineering to. He stated that whenever he ran into a former student, they were all in agreement that AMAFCA is a wonderful organization. He was pleased to now be associated with AMAFCA, stating it was a great honor.

Chairman Eichenberg thanked Albuquerque City Councilor Isaac Benton for attending. Mr. Benton congratulated the current and all former Boards for reaching this milestone anniversary. He stated he spoke for the entire City Council when he congratulated AMAFCA for reaching 50 years. He said it was a great milestone, and a great organization.

Chairman Eichenberg, the second longest-serving current Board member, stated that everyone there was involved in doing the best they could for the organization they work for, and the community. All were motivated by the desire to serve. He thanked Senator Lopez for getting the Certificate through the Senate and for attending, and Representative Larrañaga and Councilor Benton for attending.

24. Unfinished Business

Mr. Lovato noted that AMAFCA had received an autographed picture from the stars of "Breaking Bad" as a thank you for allowing the television show to film at various AMAFCA facilities over the years, and to congratulate AMAFCA on reaching its 50th Anniversary.

25. New Business

None.



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26. Adjourn

There being no further business to come before the Board, Chairman Eichenberg adjourned the meeting at 1:38 p.m. This was greeted with applause from the audience.

Bruce M. Thomson, Secretary-Treasurer, 4/25/13

Recorded by Pamela Woodruff, Executive Administrative Assistant