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FISCAL IMPACT REPORT

ORIGINAL DATE 2/26/15

SPONSOR Campos LAST UPDATED _____ HB _____

SHORT TITLE Northeastern NM Park & Lake Renovation SB 625

ANALYST Armstrong

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		
	\$19,000.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 340

SOURCES OF INFORMATION

LFC Files

Responses Received From

Office of the State Engineer (OSE)

SUMMARY

Synopsis of Bill

Senate Bill 625 appropriates \$19 million to OSE for expenditure in fiscal year 2016 for planning, design, and flood hazard studies required to renovate the Morphy lake, Springer lake, Bradner, James Wallace Park, Cimarroncito, Lake Alice and Lake Maloya dams.

FISCAL IMPLICATIONS

The appropriation of \$19 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2016 shall revert to the general fund.

SIGNIFICANT ISSUES

OSE raised two major concerns with the language in SB 625. First, \$19 million is more than is necessary for the bill's limited scope of planning, design, and flood hazard studies. For example, the Morphy Lake and Springer dams require additional funds to either start construction or

complete construction of improvements. OSE suggests adding construction to the bill’s listed purposes to better reflect the status of the projects included for funding.

Second, the bill requires the \$19 million appropriation to be expended in fiscal year 2016 or revert to the general fund. OSE states “SB 625 would place severe time constraints on completion of necessary procurement of design and study services before the money expires. It is highly likely that a significant amount of the proposed funding would revert at the end of FY16 because the owners would not be able to complete meaningful work in the time allotted.”

The table below shows the condition and status for improvements of the dams listed in the bill:

DAM NAME	PURPOSE	CONDITION (OSE Inspection)	MAJOR REMEDIAL ACTION NEEDED	ESTIMATED REHAB COST (thousands)	STATUS
Morphy Lake Dam	Irrigation and Recreation	Poor	Spillway deficient, Outlet gate inoperable; Local collapse of upstream slope, Maintenance Needed	\$3,000	Design underway and could be completed in FY15 with Acequia Water Storage funds (13-1145)
Springer Dams No. 1 & 2	Water Supply	Poor	Spillway deficient--capacity 22% of required, Stability Issues, Woody vegetation & rodents	\$3,000	Construction funding needed to complete regulatory spillway. Construction underway on embankment and outlet reconstruction.
Bradner Dam	Water Supply	Fair	Spillway deficient, 56% of required, Woody vegetation, rodents, erosion	\$34,000 -- FUNDED 2014 STB, WTB, SRF	Design and permitting activities are underway. Construction date TBD.
Janes-Wallace Park (Power Lake Dam)	Recreation	Un-satisfactory	Spillway deficient--capacity 4% of Required, Woody vegetation, Lack of maintenance.	\$6,000-8,000	Dam partially breached. Design for rehabilitation currently on the shelf.
Cimarron cito Dam	Water Supply	Poor	Spillway deficient--capacity 24% of required.	\$6,000-8,000	Owners need to apply existing funds to rehabilitation analysis and planning – added design need unknown.
Lake Maloya Dam	Water Supply	Poor	Spillway deficient--16% of required, Rodents, Woody vegetation, Lack of documentation.	\$8,000-10,000	Outlet works investigation is underway. Engineering Investigations, Design and Construction funds are needed for multiple deficiencies.
Lake Alice Dam	Water Supply	Poor	Spillway capacity 13% of required flood, Rodents, Woody Vegetation, Lack of design documentation	\$4,000-6,000	Engineering Investigations, Design and Construction funds are needed for multiple deficiencies.

RELATIONSHIP

Senate Bill 340 appropriates nearly \$2.8 million from the general fund to the Office of the State Engineer (OSE) for expenditure in FY16 for planning, design, construction, and flood hazard studies required to renovate Morphy Lake dam.