

SOUTHERN SANDOVAL COUNTY ARROYO FLOOD CONTROL AUTHORITY
(SSCAFCA)

MINUTES OF OCTOBER 21, 2016
BOARD OF DIRECTORS REGULAR MEETING

CALL TO ORDER.

The regular meeting of the SSSCAFCA Board of Directors was called to order by James Fahey, Chairman, at 9:00 a.m.

ROLL CALL OF DIRECTORS.

Directors in attendance were John Chaney, Mark Conkling, James Fahey, Steve House, and Michael Obrey. Charles Thomas, Executive Engineer, Bernard Metzgar, SSSCAFCA's attorney, and members of the public were also present.

ANNOUNCEMENTS.

An announcement was made by James Fahey that all electronic devices needed to be turned off during the meeting and that the microphones are voice activated.

PLEDGE OF ALLEGIANCE.

The Board was led in the Pledge of Allegiance by James Fahey.

APPROVAL OF AGENDA.

A motion was made by Steve House to approve the Agenda as presented. It was seconded by John Chaney and passed unanimously.

ACTION/APPROVAL OF THE MINUTES OF SEPTEMBER 23, 2016.

A motion was made by Mark Conkling to approve the minutes of September 23, 2016 as presented. It was seconded by Michael Obrey and passed unanimously.

PUBLIC FORUM.

None.

STAFF REPORTS.

Executive Engineer:

1. Legislative Update.

Mr. Charles Thomas introduced attorney Larry Horan. Mr. Horan, SCAFCA's legislative lobbyist, stated that the legislature convened in a special session on September 30, 2016. This was called to deal with the budget shortfall for FY16 and the pending budget shortfall for FY17. The Constitution requires a balanced budget for the state, so they had to act. What finally pushed them into calling the special session is because Moody's was going to look at downgrading the bond rating for the state. All 112 legislators are up for re-election this November, and they are prohibited from fund raising while they are in session, so they were dragging their feet on a session and looking at the issues. The special session was limited to what the Governor calls for the session. In addition to the budget matters, the Governor also put a slew of crime bills on the special sessions call. There was some hot button political issues on the session. The crime bills were introduced, along with the budget shortfall. They swept money from state funds, swept money from public school capital outlay funds, and did a swap from severance tax money. Some of the projects had been funded with general fund or operations money, and they swapped those with some severance tax money. They had to sweep back money from projects that had been approved but work had not yet begun on them. They also had a tax package with some fixes which freed up some money, and also cut some state agencies and universities. The Senate passed its entire packet of budget legislation while the House was discussing the crime bills. The House worked throughout the week and heard crime bills and budget bills. The one with impact to SCAFCA is the capital outlay sweep bill. They looked at capital outlay projects funded in the 2014 session and didn't have a notice of obligations signed on these projects. SCAFCA had the Alberta Project on that list. The Notice of Obligation had not been signed by the imposed deadline prior to the special session. Nobody was notified by the state agencies about the deadline, but there was a meeting on September 20th where they decided that any project that didn't have a signed Notice of Obligation prior to September 9th was going to be put on the sweep list. When the legislation was passed, the Alberta Project was on the list. In a special session, there is limited opportunity to make changes to the legislation. Once SCAFCA found out that the Alberta Project was on the list, staff took action to find out why the project was on the list. Because the legislation that contains the sweeps is an appropriation bill, the Governor has the authority to line item veto pieces of that legislation. Staff started working on providing information to the Governor's office and to SCAFCA's legislative sponsors that this project should not have been put on the sweep because the project is ready to go and was simply a matter of timing and waiting on some obligations from the state. The contract has been signed and the project is ready to proceed. Now, SCAFCA is waiting for information from the Governor's office to see if this project has been removed from the legislation by line veto.

Mr. Horan recommended that SCAFCA continues with its plan to identify a project that can be finished for the upcoming regular session, and continue to look at the reduced amount of money under the assumption that money will be available. This is the second time in the past six or seven years that they have used a sweep like this if there is a budget shortfall, so spending money as