

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON LONG RANGE PLANNING & NATURAL RESOURCES

Call to Order: By Chairperson Mary Ellen Connelly, on February 14, 1989, at 8:00 a.m.

ROLL CALL

Members Present: All members of both subcommittees were present.

Members Excused: None.

Members Absent: None.

Staff Present: Carroll South, LFA; Carl Schweitzer, LFA; Jane Hamman, OBPP; Claudia Montagne, Secretary to Long Range Planning Subcommittee; Donna Grace, Secretary to Natural Resources Subcommittee

HEARING ON DEPARTMENT OF NATURAL RESOURCES

List of Proponents and Group they Represent 64:A (001)

Dave Darby, DNRC

Jo Brunner, Montana Water Rights Association

Dave Darby, Deputy Director, Department of Natural Resources and Conservation, made the presentation on behalf of the Department. He introduced Karen Barclay, the new Director of that Department.

Mr. Darby stated that when the Subcommittee on Natural Resources had met to consider the department's budget, spending authority had been approved on all but one item. However, no action was taken at that time on funding sources. He stated that the department, as well as both committees and the budget office, were becoming concerned because if funding were to follow traditional patterns, there would not be enough RIT or RID funding going into projects and might effectively make several programs not very workable.

Mr. Darby said that the department has asked for the opportunity to go back and look at the executive proposal for funding and what they thought were realistic estimates for the grant programs and come up with an alternative to the LFA analysis and the executive budget. The department's proposal is attached as Exhibit 1.

Mr. Darby then proceeded to describe the proposed programs for the Reclamation and Development Grants Program, the Water

Development Account and the Renewable Resource Development Account. He did emphasize the point that the figures relative to revenues were estimates and could be off one way or the other by as much as 15 to 20 percent. In going over the executive allocation for the RIT, he recognized that an attempt was being made to leave a little more money in the grant program. They were projecting \$1.7 million in RIT even with using the LFA estimate and recognizing that there are several bills that are looking at RIT funds. With water development, if the executive's carry over estimate is correct, they were looking at a water development program of about \$50,000 for the biennium. They felt it was necessary to leave more money than that for grant funds. However, taking the figures proposed by the Department of Natural Resources, there would be approximately \$2,000,000 available in the Reclamation and Development Grants Program and \$451,700 for Water Development.

Mr. Darby stated that the executive office supports this funding scheme, recognizing that when they try to add the numbers up, if they can't balance the budget they will come back to the grant program anyway. However, this was the best they could come up with recognizing the committees' concern for general funding.

Again, Mr. Darby stated that there is some question about this estimate but this would allow some credibility in the grant program. In conclusion, Mr. Darby stated that they had increased the grant program by about \$600,000 and of that amount \$200,000 is using the LFA estimate instead of the executive, \$350,000 would be additional general funds, the remainder would come from the executive budget.

Mr. Darby did clarify that some funds had been reallocated from vacancy savings in the water planning process. It is a high priority of the Governor and would require two FTE and \$150,000 and this is included in the proposal. All of the other figures reflect the executive action taken by the Natural Resources Committee. Where issues were not raised, they have used the LFA recommendations. Mr. Darby stated that he felt it would be appropriate for the OBPP, the LFA and the department to look at these numbers and come back to the committee.

Senator Jergeson asked if the budget addressed two other issues - the additional funding for the water adjudication program and the economic development program in rural areas. Mr. Darby said that both issues were outside the proposed budget. Mr. Darby said it was impossible to cut any program further to allow for funding of the water adjudication program.

Representative Hims1 questioned the amount of revenue available for grant programs. He said it was his understanding that approximately \$2,500,000 would be available for grants. Mr.

Darby said the latest estimate of revenue was \$1.7 million. Representative Swift asked whether a decision had been made to fund the silicosis program from general funds which would free up almost \$900,000 from the reclamation and development grants program. Ms. Hamman stated it was her understanding that the Human Resources Committee had funded the program with general fund; however, that subcommittee has not finished everything up and this could change during the next week.

Representative Swift said that the committee should be looking at the water adjudication program and in the event the extra money is available this program should be considered. The program was cut in half by the last legislature, it is an important project, and should be continued.

Mr. Schweitzer made the observation that on the reclamation and development grants, using RIT funds, the committee has not made any decision as to what funding should be used for any program except for \$57,500 for a saline seep grant. Every other RIT decision has been held in abeyance. The committee has determined how much the program should be supported at, the level of support, but they haven't made a decision as to whether it should be general fund, RIT or a mix. Mr. Darby has shown one option for funding this program with RIT and basically how much would be left for grants. A couple of things the subcommittee has not made a decision on was the expansion of the Reserve Water Rights Compact Commission. Currently the Compact Commission is funded 50% with general funds and 50% with RIT. The committee has added approximately \$400,000 to the Commission's budget and it has not been determined if that will be general funds or a 50/50 mix as it currently is. If they use the 50/50 match, about \$203,000 would have to go into administration. The other item is that the House Appropriations Committee has voted for zero percent vacancy savings and that would add about another \$90,000 of RIT money into the administrative portion. The last item on which there has not been a decision is on the water adjudication which has been presented to the committee but no decision has been made to fund it, or at what level, and there was also a conservation districts economic development program on which no decision has been made. Mr. Schweitzer stated that the reason he was mentioning these was that it was possible that the conservation districts are funded entirely by RIT and it would be a potential funding source for this program also.

In water development there is a substantial difference in revenue. Mr. Schweitzer passed out a sheet, Exhibit 2, which shows the differences.

Mr. Schweitzer said the difference is in the cash flow in the water development account and he explained the differences between the methods of calculating the differences in revenue which amount to a \$815,000 difference. The LFA

stated that they had told the department that they could accrue the revenue from the 5th quarter so that at the end of the year they would have five quarters of revenue available to them instead of four quarters which they are now estimating. They are using a cash accounting system and the LFA is telling them that they can use an accrual accounting system which would provide the additional revenue. The other place where there is a difference is in the amount coming from the RIT interest as the LFA has a higher estimate of about \$200,000.

Mr. Schweitzer continued, under expenditures, the sub-committee has not made any decision on how the water management would be financed. The executive has recommended that \$338,000 of water development funds be used for the program and that is one of the decisions that has been held in abeyance. Mr. Schweitzer concluded that the bottom line was that there was a difference of almost \$900,000 in what would be available for grants.

Mr. Darby stated that it would be his recommendation to keep the department on a cash basis because he felt it was an easier way to run the grant programs. Under GAAP both methods are appropriate and most other agencies do operate on an accrual basis.

Representative Hims1 asked when Long Range Planning could expect to hear from the Natural Resources Subcommittee regarding the funding of operations for the DNRC so that they could make allocations for grants in the Long Range Planning Committee. Mr. Darby stated that it would depend on the Natural Resources Subcommittee "buying" the proposal being made by the DNRC. He said they are dealing with tax estimates that are going up and down; however, he thought the figures being used were valid. That is, higher LFA estimate on RIT and somewhat lower estimate in water development. He recommended that Long Range Planning should recognize in planning its projects that it should "hedge the bet" by at least several hundred thousand dollars just in case some water development projects don't sell.

Representative Spaeth, Chairman of the Natural Resources Subcommittee, said that most of the action had already been taken by the subcommittee and there were only two or three issues still to be considered. They should be completed on Thursday of this week.

Mr. South stated that from the LFA's perspective, the committees do need to make a decision on the accounting method to be used by this department.

Executive Action:

The issue would be a change from a cash accounting system to an accrual system. It is true that there would be a windfall

and if the windfall was used for ongoing expenditures there would be a problem in the next biennium. If it was used for grants there would not be that problem. It would make an \$815,000 difference for the coming biennium.

MOTION: Representative Bardanoue stated he thought it was a decision to be made by the combined committees and he therefore made a motion that the current (cash) accounting system be continued. Representative Thoft stated that he would support that position because, as far as grants were concerned, it was easier for the public to understand.

VOTE: MOTION PASSED. All members of both committees voted in favor of the motion.

HEARING ON DEPARTMENT OF FISH, WILDLIFE AND PARKS

List of Proponents and Group they Represent

Don Hyppa, Fish, Wildlife and Parks
Ron Marcoux, Fish, Wildlife and Parks

State Parks 65:B (113)

Mr. Hyppa, Administrator of the Parks Division, stated that the subcommittee appointed to study the state parks proposal had met and discussed the problems identified by the Natural Resources Subcommittee. He proceeded to explain the action recommended by the committee. The Committee's recommendations are outlined in Exhibit 3. Basically, the recommendations were to drop six low-use sites from the list of areas where a fee would be charged so that there would be 37 fee areas and 29 non-fee areas. Regarding the federal sites, the recommendation was to retain Canyon Ferry, retain Hell Creek, give the department discretion to make a decision on Lost Creek after they get a better feel for what the people in the area would prefer, give the department discretion over Kipp until a plan can be completed to return management to federal management and return Nelson Reservoir to federal management. The committee also recommended that a \$75,000 study be completed to determine the long range development and management of Canyon Ferry.

Discussion followed. Chairman Spaeth asked which committee would approve the money for the study and Mr. Hyppa said it would be built into the capital budget. Chairman Spaeth stated that it could also be allocated in the operations budget. If it were put into the capital budget it would require the involvement of the Department of Administration and he didn't think they needed to be involved with this. Representative Spaeth said he would call it to the attention of the Appropriations Committee. Mr. Hyppa said that very little development has taken place at Canyon Ferry and use has doubled or tripled. Facilities are inadequate and some areas are serving inappropriate purposes. He said that

prior to the time the department made the proposal to give Canyon Ferry back to the federal government for management there was some concern about state management and the Lewis and Clark County Commissioners and the Canyon Ferry Recreation Association had agreed that it was a good time to start a comprehensive planning process. They estimate that \$5 million is needed for capital improvements but it might be better to put that off until there was a plan for the wisest use.

Executive Action:

MOTION: Representative Thoft made a motion to accept the subcommittee's recommendation on the federal park sites. There was no further discussion.

VOTE: MOTION PASSED. The vote was unanimous in favor of the motion.

In regard to the Highway Gas Tax revenue which is expected, the committee's recommendation was that the money should be placed in the capital program rather than the operations budget. Supplies and material costs for the Montana Conservation Corps would come from the capital program if the bill supporting this program is passed, while operations would be funded in the budget to be considered by the Natural Resources Subcommittee. The subcommittee also recommended that there be a reduction from \$1.5 million to \$1 million for the model parks program.

Discussion followed relative to the highway gas tax revenue which is expected. This is a new item in the budget proposal. Approximately \$84,000 is expected per year and the figure is arrived at by taking the number of miles of parks roads that need improvement and comparing it to the number of miles in the state highway system which need improvement. The previous governor agreed to this proposal. The executive has questioned whether this money should be in the operations or the capital budget. A budget modification in the operations budget would use a part of this money for routine road maintenance. Since the time the budget modification was requested, the department has suggested that the money be shifted to capital budget for use in capital improvements at the model parks sites if they are approved.

Representative Spaeth asked if this money had been taken out of the operations budget and transferred to long range planning. He said he would ensure that this action would be considered again by the full appropriations committee. Mr. Hyppa said it was the department's preference to keep it in the capital budget.

The next item discussed was the Montana Conservation Corps and the subcommittee's recommendation was that the capital

budget could be used to buy construction supplies and materials in the amount of \$112,000 for the project. It would not change the line item in the capital program but makes it clear that in addition to contracting with building contractors they could go out on the open market and bid on construction supplies for the Montana Conservation Corps. The operations budget for the Conservation Corps, however, is in the Natural Resources Subcommittee. Representative Hims1 stated that he thought the expenses should all be in one budget so that it could be monitored more closely. Mr. Hyppa said he would then suggest that if it was the committee's opinion, that the amount of the supplies and materials be moved from the capital budget to the operations budget.

Executive Action:

MOTION: Representative Hims1 made a motion that the budget for supplies and materials in the amount of \$112,000 for the Montana Conservation Corps be held together in once place, the operations budget.

VOTE: MOTION PASSED. All members of both committees voted yes.

Mr. Hyppa then discussed the Model Parks issue. The original proposal the department had made to the subcommittee included an item for Model Parks which would focus sufficient attention in some key destination parks so that enough could be done so people would see some visible progress. The subcommittee, however, was concerned that putting too much money in too few areas might be a mistake, particularly since a fee would be charged at 37 sites. The subcommittee asked that the department look at the possibility of reducing the \$1.5 million to a lower figure. The department said it would like to see that figure set at no less than \$1 million. They suggested that this money be spent at Makoshika and Flathead Lake. Representative Thoft commented that if this plan was approved, he would certainly want an accounting of how the money was spent. Senator Devlin said he also had some problems with the model parks program because the more buildings being built, the higher the maintenance costs would be. Mr. Hyppa said that a lot of the money would go for refurbishing existing facilities.

Discussion followed relative to how the fee money would be spent. A request was made of Mr. Hyppa to give a more complete breakdown of what improvements were planned for the two areas proposed in the Model Parks program. Mr. Hyppa said it would cost over a million dollars to do what they would like to do at Makoshika but for \$500,000 they could do a nice entrance facility, a visitors center and a small museum to house the many fossil relics found there. He said the community feels that is important. A good destination campground is also needed at Makoshika as well as to complete a good, all-weather road but they would propose

deferring that because the paved road now extends to the proposed campground location. On Flathead Lake they could easily spend \$1 million per site on just basic facilities. \$500,000 spread between the Flathead Lake sites is not going to do all the department would like to do. The most important are good boating facilities, a good road system, decent water and toilet facilities and decent camp spurs.

Again, Representative Thoft requested that Mr. Hyppa provide the written information he had just verbally expressed.

Mr. Hyppa stated that it was important for the legislature to determine what they wanted the park system to offer. If they want to offer uncontrolled use of a natural area that is one approach; if they want to provide more, which the committee had indicated it did, they will have to provide more money.

Senator Jergeson stated that, although he had made the motion in the subcommittee to accept the state parks plan, he was still concerned about the cost of building visitor centers running at a quarter of a million dollars and he didn't think they were needed. However, he did feel that a lot of money had to go into the other parks.

The last item was the Land and Water Conservation Fund. The issue before the subcommittee in this regard was that it had been the traditional practice of the department to allocate one-half of this money to local communities for local projects and half for state parks projects. Because of the difficult circumstances in state parks, the department recommended that for the coming biennium all of the Land and Water Conservation money go to state parks. Mr. Hyppa indicated that even if they were to do this, the local community's share, historically, was still greater than the amount spent on state parks. The committee concurred with this recommendation.

Mr. Schweitzer asked what would happen if the \$168,000 was not received from the highway gas tax and how that would affect the Model Parks program. Mr. Hyppa replied that it would mean that there would have to be some fund shifting. There would have to be funds from somewhere else to match the \$250,000 Wallop Breaux funds and there is also \$320,000 of land and water conservation funds that have to be matched and most of the match money comes from the gas tax and parks coal tax. If they lost that money they would have to be very careful about where that match goes. Ms. Hamman stated that the Highway Department does have this proposal included in their budget.

Mr. Marcoux suggested a clarification regarding the fees. When the committee takes action on the state parks system budget he assumed that the fee earnings would be included in that budget.

Representative Swift asked when the Commission would be meeting to take action on setting the fees. The answer was March 3. Mr. Marcoux said they could call a special commission meeting however. Mr. Marcoux suggested that the committee might want to anticipate the potential amount of fees and approve expenditures up to that amount. If the commission were to reduce the fees for whatever reason, the funding would not be available for spending.

No action was taken at this time.

Executive Action:

Chairperson Connelly asked what the committee's wishes were concerning the highway gas tax funds.

MOTION: Representative Thoft made a motion to incorporate the gas tax money into the capital program. Senator Jergeson said he would support that issue.

VOTE: MOTION PASSED. All present voted in favor.

Representative Thoft said he didn't think any action was necessary regarding model parks. Representative Swift said that he still felt that more information, i.e., a breakdown of what was actually planned, was necessary.

Mr. Schweitzer stated that for the most part this was in the capital program which the Long Range Planning Committee would deal with. The Natural Resources Subcommittee will have to decide what to do with the additional \$400,000 or \$500,000 which is shown for the operations portion.

Mr. Hyppa said it would also be a help to the department if the joint committee would concur with the bottom line. There may be some adjustment of funds and funding sources, particularly with respect to model parks, but if they know how much money would be going into the capital program they would know how to stretch the balance for operations. He requested that the committee approve the level of funding with the understanding that it would be reduced by \$112,000 to go to operations for conservation projects.

Senator Jergeson raised the issue of the \$75,000 for the Canyon Ferry study plan. He questioned whether it should be in operations or in capital. Mr. Schweitzer stated that he thought it should be in the operations budget. Mr. Hyppa asked that the motion also indicate the acceptance of the budget outlined in Exhibit 4 as a message to the Fish and Game Commission that the committee was willing to go along with the park fee system. Basically the reason the commission deferred action was that certain legislators wanted them to defer action until the legislature could take up the issue.

Executive Action:

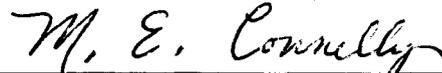
MOTION: Representative Thoft made the motion to approve \$2,426,000 as the funding level for state parks minus the \$112,000 for Conservation Corps projects and the \$75,000 for the Canyon Ferry Study project.

VOTE: MOTION PASSED. All present voted in favor of the motion.

Announcements/Discussion: None.

ADJOURNMENT

Adjournment At: 10:20 a.m.



REP. MARY ELLEN CONNELLY, Chairman

MEC/dg

3826.mina

RECLAMATION AND DEVELOPMENT
GRANTS PROGRAM

Available Revenues		6,625,700 ¹
<u>Proposed Allocation:</u>		
Department of Natural Resources:		
Water Resources Division		
Water Management	700,000	
Administration	180,000	
Dam Safety	271,400	
Reserved Water Rights	200,000	
Conservation Districts	637,300	
Centralized Services	242,300	
R & D Grant Administration	120,000	
Executive Action:		
R & D Grant Administration	31,500	
CDD Position (step 7)	5,200	
Saline Seep Increase	<u>57,500</u>	
Subtotal DNRC		2,445,200
Department of State Lands:		
Reclamation Administration	118,840	
Open Cut Bureau	139,000	
Coal and Uranium Bureau	452,188	
Hard Rock Bureau	<u>489,972</u>	
Subtotal State Lands		1,200,000
Governor's Office:		
Clark Fork Coordination		-0-
Worker's Compensation:		
Silicosis Benefits		<u>976,300²</u>
Total Non-RDGP Grant Allocation		<u>4,621,500</u>
Available for Grants		2,004,200 =====

¹ Numbers rounded to nearest 100. Revenue estimate is LFA's.

² Based upon 1988-89 funding. If funded with general fund in 1990-91 biennium, this amount would be available for additional grants or funding other programs in lieu of general fund.

WATER DEVELOPMENT ACCOUNT

Anticipated Revenue		6,295,600 ¹
<u>Proposed Allocation:</u>		
Department of Natural Resources		
Centralized Services	280,500	
Water Resources Division		
Administration	180,000	
Engineering	2,123,400	
Water Management	300,000	
Water Development	441,500	
Executive Action:		
High Hazard Dams	80,000	
Missouri Basin Reservations	<u>200,000</u>	
Subtotal DNRC		3,605,400
Bond Debt		1,212,900
Emergency Water Projects		125,000
Water Courts		<u>900,600</u>
Total Non-grant Allocation		<u>5,843,900</u>
Available for Grants		<u>451,700</u> =====

¹ Numbers rounded to nearest 100. Revenue estimate is OBPP/DNRC's.

EXHIBIT

1

DATE 2-14-89

Executive Budget/DNRC Working Proposal HB2/6/89 100

RENEWABLE RESOURCE DEVELOPMENT ACCOUNT

Anticipated Revenue		1,819,100 ¹
<u>Proposed Allocation:</u>		
Department of Natural Resources		
Centralized Services	29,000	
CDD-Watershed Planning	131,200	
RRD Administration	<u>260,000</u>	
Subtotal DNRC		420,200
Bond Debt Service		<u>229,900</u>
Total Non-grant Allocation		<u>650,100</u>
Available for Grants		1,169,000 =====

¹ Numbers rounded to nearest 100. Revenue estimate is OBPP/DNRC's.

EXHIBIT 1
 DATE 2-14-89
 HB 100
 Working
 Proposal
 1990/1991

GRANT HISTORY

	<u>1984/1985</u>	<u>1986/1987</u>	<u>1988/1989</u>	<u>Executive Budget</u>	<u>Working Proposal 1990/1991</u>
Water Development	1,900,000 ¹	1,360,000	460,000	50,000	450,000
Renewable Res. Dev.	<u>1,280,000</u>	<u>760,000</u>	<u>410,000</u>	<u>1,170,000</u>	<u>1,170,000</u>
Subtotal	3,180,000	2,120,000	870,000	1,220,000	1,620,000
Rec. & Dev. Grants	--	<u>4,200,000</u>	<u>3,490,000</u>	<u>1,780,000</u>	<u>2,000,000</u>
TOTAL GRANTS		<u>6,320,000</u> =====	<u>4,360,000</u> =====	<u>3,000,000</u> =====	<u>3,620,000</u> =====

¹ Numbers rounded to nearest 10,000

EXHIBIT 1
 DATE 2-14-89
 HB 100

DNRC 1990-91 FUNDING PROPOSAL

ACCOUNTING ENTITY	A/E NAME	1986-87 APPROP.	1986-87 EXPEND.	1988-89 APPROP.	1990-91 PROPOSAL *
01100	GENERAL FUND	8,529,600	8,329,273	7,661,933	6,091,582 **
01100 a.	INDIRECT TO GENERAL FUND				97,750
01100 b.	ALT. ENERGY TO GENERAL FUND				2,396,275
02052	RANGELAND IMPROVEMENT	390,869	53,171	30,024	24,000
02104	DNRC-RIT	2,052,505	2,035,380	2,617,084	2,445,200
02428	MFSA-MEPA	2,146,757	338,330	2,082,125	2,060,052
02430	WATER RIGHT APPROP	157,787	154,496	157,500	159,000
02432	OIL & GAS	1,879,908	1,619,545	2,087,372	2,323,361
02433	GRAZING DISTRICTS	22,046	13,750	13,000	13,000
02434	CONSERVATION DIST. GRANTS	447,023	396,144	462,511	187,373
02435	WATER DEVELOPMENT	3,095,848	3,002,894	3,405,628	3,605,400
02436	RENEWABLE RESOURCES DEV.	268,453	214,926	278,349	420,200
02437	ALT. ENERGY RESEARCH DEV.	3,347,429	2,372,009	558,032	364,777
02458	NATURAL RESOURCES GRANT			34,089	
02825	BWVC	71,276	56,211	60,000	60,000
02094	1984 COAL SEV. PROCEEDS	7,300,000	28,074		
03033	ED FEDERAL PROGRAMS	2,163,051	1,541,354	2,055,690	1,190,622
03034	WRD FEDERAL PROGRAMS	4,143,880	7,725	4,093,750	
03035	CDD FEDERAL PROGRAMS	5,310	4,844	5,406	10,000
03036	CSD INDIRECT	416,529	414,034	342,228	
03094	FEMA	86,203	75,559	85,600	100,000
03137	LAKE BROADVIEW MITIGATION	113,000	79,200	40,000	40,000
03178	ROCK CREEK MITIGATION	1,650,000	41,364	1,650,000	1,650,000
03161	WARNER AMENDMENT	86,487	86,425	10,000	50,000
03218	DIAMOND SHAMROCK			104,708	121,900
03211	EXXON-SECP				185,910
03212	STRIPPER-SECP				65,629
03213	STRIPPER-SBP				188,794
03216	EXXON-ICP				360,000
03217	EXXON-EES				5,000
03997	MISSOURI BASIN FPSR				42,000
02977	BROADWATER POWER PROJECT				600,000
02978	MISSOURI BASIN FPSR				140,000

* Funds personal services assuming a 2% vacancy savings.

** Includes 400,262 increase in RWRCC and 54,000 increase in water adjudication not proposed in executive budget.

Water Development Account
 1991 Biennial Cash Flow

	Column A	Column B	Column C	Column D
	Original Executive Budget	LFA's Revenue Level	Executive Revenue	Differences Column C Minus Column B
Balance From Previous Biennium	149,400	885,876	149,400	(736,476)
Coal Tax	459,000	483,048	459,000	(24,048)
Loan Repayments	892,800	892,800	892,800	0
Interest on Bond Proceeds	40,000	40,000	40,000	0
30 % RIT Interest	4,178,400	4,376,843	4,178,400	(198,443)
Project Rehab.	175,000		175,000	175,000
Project Revenues	383,000	404,000	383,000	(21,000)
Administrative Fees	18,000	29,000	18,000	(11,000)
Available Revenues	<u>6,295,600</u>	<u>7,111,567</u>	<u>6,295,600</u>	<u>(815,967)</u>

Expenditures	Subcommittee Decisions To Date	Revised Department Recommendation	
Debt Service	1,212,912	1,212,912	(12)
Department of Natural Resources			
Water Resources Division			
Water Management	338,771	0	300,000
Administration	237,100	237,100	180,000
Engineering	1,348,390	1,348,390	1,348,400
State Water Projects	775,000	775,000	775,000
Water Development	560,342	560,342	441,500
High Hazard Dam	80,000	80,000	80,000
Missouri River Reservations	360,276	360,276	200,000
Centralized Services	235,500	235,500	280,500
Subtotal DNRC	<u>3,935,379</u>	<u>3,596,608</u>	<u>3,605,400</u>
Water Courts	900,582	789,458	900,600
Emergency Grants	125,000	125,000	125,000
Total Expenditures	<u>6,173,873</u>	<u>5,723,978</u>	<u>5,843,900</u>
Unallocated Balance	<u>121,727</u>	<u>1,387,589</u>	<u>451,700</u>

2/14/89

PARKS CAPITAL PROGRAM

Budget Issues Resolution

Fees

- °dropped 6 low-use sites
- °37 fee areas
- °29 non-fee areas

Federal sites

- °Canyon Ferry - retain
- °Hell Creek - retain
- °Lost Creek - department discretion
- °Kipp - department discretion
- °Nelson - return to federal management

Highway Gas Tax

- °in capital program rather than operations budget

Montana Conservation Corps

- °supplies and materials costs come from capital program as needed

Model parks

- °reduced from \$1.5 million to \$1.0 million -
Makoshika and Flathead Lake

LWCF - local government share to parks system for the biennium

dh±ParkCap.Pro

STATE PARK SYSTEM AND AFFILIATED LANDS
 (66 AREAS)

Major Entrance Fee Areas¹

- 1 Ackley Lake
- 2 Bannack
- 3 Beavertail Hill
- 4 Black Sandy
- 5 Canyon Ferry
- 6 Chief Plenty Coups
- 7 Cooney
- 8 Deadman's Basin
- Flathead Lake:
 - 9 Big Arm
 - 10 Elmo
 - 11 Finley Point
 - 12 Wayfarers
 - 13 West Shore
 - 14 Wild Horse Island
 - 15 Yellow Bay
- 16 Frenchtown Pond
- 17 Giant Springs
- 18 Greycliff Prairie Dog Town
- 19 Hell Creek
- 20 Holter Lake
- 21 James Kipp
- 22 Lake Elmo
- 23 Lambeth
- 24 Lewis & Clark Caverns
- 25 Logan
- 26 Lone Pine
- 27 Lost Creek
- 28 Makoshika
- 29 Madison Buffalo Jump
- 30 Nelson
- 31 Pictograph Cave
- 32 Placid Lake
- 33 Salmon Lake
- 34 Spring Meadow Lake
- 35 Thompson Falls
- 36 Tongue River Reservoir
- 37 Whitefish Lake

Non-fee Areas²

- 1 Anaconda Smelter Stack
- 2 Beaverhead Rock
- 3 Blackfoot River
- 4 Bridger Mountain
- 5 Clarks Lookout
- 6 East Gallatin
- 7 Elkhorn
- 8 Fort Maginnis
- 9 Granite
- 10 Homestead Centennial Acre
- 11 Lake Josephine
- 12 Les Mason
- 13 Little Bitterroot Lake
- 14 Missouri River Road
- 15 Montana Agric. Center
- 16 Natural Bridge
- 17 Parker Homestead
- 18 Pirogue Island
- 19 Sluice Boxes
- 20 Smith River
- 21 Ulm Pishkun
- 22 Whittecar Rifle Range
- 23 Wild Missouri River

Minor Entrance Fee Areas³

<u>Area</u>	<u>First Year Fee System Cost</u>	<u>First Year Revenue⁴</u>
1 Chief Joseph Battleground of the Bears Paw	100	975
2 Council Grove	600	650
3 Fort Owen	600	500
4 Medicine Rocks	3,916	1,088
5 Painted Rocks	600	1,225
6 Rosebud Battlefield	2,579	925

Footnotes:

¹Annual visitation over 8,500

²Annual visitation less than 3,500 or special management situation

³Annual visitation 3,500-8,500

⁴Revenue = visitation X 50% turnaround X 50% underage X daily fee

dc:feeareas
February 13, 1989

MONTANA STATE PARKS
 FY 90-91 CAPITAL PROGRAM

2-13-89
 DRAFT

PROJECT 2-14-89
 HB 100

	PARKS ERA	REAL(1) PROPERTY TRUST	DJ(2) WALLOP BREAUX	PARKS COAL TAX	FEDERAL LMCF	HIGHWAY GAS TAX	FG LICENSE	TOTAL
Maj. Maint./Improvements								
Statewide	400,000	100,000		106,000				606,000
Canyon Ferry Plan	75,000							75,000
Hell Cr Water	15,000							15,000
East Gallatin	--/100,000	donation/--						-0-
L&C Caverns				80,000				80,000
Model Parks	100,000							
Flathead Lake				250,000	162,000	320,000	168,000	1,000,000
Makoshika								
Parks Boat Facil.				487,500				487,500
Finley, Silos, etc.								
TOTALS	590,000	100,000	737,500	348,000	320,000	168,000	162,500	2,426,000

(1)Included in Department "Property Maintenance" capital project totals
 (2)Included in Department boat facilities capital project totals

MONTANA STATE PARKS
FY 90-91 CAPITAL PROGRAM

PROJECT	PARKS ERA	REAL(1) PROPERTY TRUST	DJ(2) WALLOP BREAUX TAX	PARKS COAL TAX	FEDERAL LWCF	HIGHWAY GAS TAX	FG LICENSE	TOTAL
<u>Maj. Maint./Improvements</u>								
Statewide	400,000	100,000		106,000				606,000
Canyon Ferry Plan	75,000							75,000
Hell Cr Water	15,000							15,000
East Gallatin	--/100,000 donation/--							-0-
<u>L&C Caverns</u>				80,000				80,000
<u>Model Parks</u>	100,000		250,000	162,000	320,000	168,000		1,000,000
Flathead Lake Makoshika								
<u>Parks Boat Facil.</u>			487,500				162,500	650,000
Finley, Silos, etc.								
<u>TOTALS</u>	590,000	100,000	737,500	348,000	320,000	168,000	162,500	2,426,000

EXHIBIT 4
DATE 2-14-89
HB 100

(1)Included in Department "Property Maintenance" capital project totals
(2)Included in Department boat facilities capital project totals

