

STATE ADMINISTRATION  
MARCH 27, 1981  
RM 436

EXECUTIVE SESSION 10:00 a.m.

SENATE BILL 325-

BE CONCURRED IN  
AS AMENDED

Senate Bill 325 was heard in committee on March 9, 1981. No executive action was taken because it was the understanding of the committee that this bill would be merged with another bill, possibly SB 50, but this was not done.

Representative Dussault said that SB 50 was reported out of Local Government Committee with the cost-of-living increase set at 70% of the Consumer Price Index. She said that most of the elected officers feel that the discretionary feature would lead to more problems. The only ones that wanted the variance were the commissioners because they need this discretion in some of the smaller counties. Representative Dussault said that the intent was to provide some type of equalization across the counties. If the flexibility was left in you would have people coming in session after session trying to get adjustments in salary. The 70% would allow an inflationary margin.

Representative Spilker said that she had trouble with setting these salaries on the basis of the Consumer Price Index. She agreed that it might help to keep them from coming back every session but with the proposed budget cuts to curb inflation we could be talking about a CPI of a negative figure. What would happen if they had to take a drop in salary.

Representative Sales said that it would be looked at again in two years.

Representative Dussault said that it is important to remember that we are attempting to coordinate about 3 or 4 bills which will probably end up in a conference committee where all these problems can be worked out.

Representative Dussault moved that SB 325 be amended to strike on page 1, line 23, "not more than". A roll call vote was taken and carried with 10 YES, 7 NO and 2 members absent. See roll call vote sheet.

Representative Briggs moved that SB 325 BE CONCURRED IN AS AMENDED. A vote was taken and carried unanimously.

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Chairman Feda said that the subcommittee working on the resolution for a study on centralized procurement would meet following the adjournment of the meeting.

A motion was made to adjourn at 11:00 a.m.

Respectfully submitted,

  
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G. C. "JERRY" FEDA, Chairman

Cathy Martin-Secretary

# New job office seen too fancy

By ERIC WILTSE  
Chronicle News Editor  
One local contractor laments it "a Taj Mahal for people just trying to get a paycheck."

Other Bozeman residents, including taxpayers, realtors and landlords, are also angry about the new Job Service building, a potential million dollar project that will be built on a prime business lot on the west end of town.

Taxpayers think the building is too expensive and they are concerned about the loss of property taxes to the city.

Realtors are angry about the loss to the city tax base and point out that the Job Service could have found land in the same area for less than half the \$271,500 paid for the .929-acre lot at the corner of Main and 19th.

Landlords think the state would have been better off renting other office space if it was dissatisfied with its current office in the Martel Plaza. They point out that renting would not corrode the tax base, while a government-owned building is tax free.

However, state officials who were involved in the purchase of the lot and the design of the building claim that the Job Service building will be the most inexpensive housing for them.

"I'm surprised at the sudden resistance and opposition to the project," said Fred Barrett, administrative officer of the Employment Security Division in Helena.

"The property has already been

purchased. This has been going on for two years. It's all an open book as far as the process is concerned."

Barrett said that all the required steps were followed in the purchase, including public announcements and hearings. The Legislature passed funding for the project in 1979. The state will then be reimbursed with federal funds, making the building a state-federal partnership.

He explained that the current office is too small to meet the Job Service's needs, and that rising rent in the Martel Plaza prompted the office to seek a permanent headquarters. Martel currently rents 5,330 square feet of space to the Job Service for \$44,565 per year, which includes heat, lights, taxes and janitorial service.

"We looked all over Bozeman for comparable rentals, and we didn't find any to fill our needs at a comparable price," Barrett said.

"With the hike in rental values, we took another look at the long range plans, and decided we were better off going to our own facility."

The state chose the lot at 19th and Main, which had been sought by other businesses, but rejected as too expensive, according to local real estate agents.

However, Barrett said the \$271,500 price tag was "a good, decent price."

"According to the appraisal, it was a fair market price," he said. "With the knowledge that this is a public business,

the property was purchased with the best interest of the public and the taxpayer in mind."

However, there are other lots in the same area that permit zoning for office buildings and are considerably less expensive than the lot chosen by the state.

One realtor lists a 1½-acre lot, zoned for residential and office use, near the corner of College and 19th. The price is \$120,000. According to the city planning office, the area would permit a structure such as the Job Service office.

A 1.3-acre lot was available on 19th near the Law and Justice Center. That cost \$180,000 and was zoned for residential and office use. There also is an acre lot available at the corner of West Babcock and 19th.

There are also several vacant buildings downtown. Gambles, with nearly 6,000 square feet of floor space on the main floor, is selling for about \$250,000.

The Penney's building was recently purchased for a similar price. It has about 13,000 square feet of space.

Both buildings would have required renovation, but still would have been less expensive than the \$786,585 base bid received on the construction for the new Job Service building.

The new building will have 8,000 square feet on the main floor and a similar sized basement, which was not budgeted but was added to allow for expansion in the future.

The bids ran high, according to the

state architectural and engineering office, by about \$135,000 because of the added basement. Since the Legislature appropriated \$680,000 for the total project, the state is now studying its next step.

The building also received a \$76,000 grant from coal tax funds for a passive solar heating system. It will be the second state building to incorporate that type of system.

According to the county assessor, property taxes on the vacant lot this year would have been \$546. However, if a private business had bought the lot and constructed a \$700,000 building, the tax would have increased to well over \$10,000 dollars, estimated the county appraisal office.

Several Bozeman residents have publicly expressed their disapproval of the project.

Labeling the building "a monument," Jan Hintzpetter wrote in the March 20 Chronicle that "the government has gone too far."

"Are there other options we can consider for use of the taxpayer-owned property on West Main?" Hintzpetter asked.

Realtor Rick Skaarer in the March 22 Chronicle accused the state of buying "the most expensive building lot in Bozeman."

Skaarer said "there is a glut of commercial office space for rent in Bozeman" and criticized the state from changing from "tenant to landlord," and thus eroding the tax base.

## LETTERS TO THE EDITOR

### Monument

Right now, here in the city of Bozeman, plans are being made to erect a monument. It will be placed in a prominent location on West Main and will pay tribute to bigger and more costly government.

This is happening just as President Reagan is asking Americans to wean themselves from the myriad of government services which have driven our nation to near bankruptcy. His calls for cutbacks are meeting with overwhelming approval across the country, and judging by the large margin with which he carried the electorate of Gallatin County, one would assume that popular sentiment here would favor his cost-wise plans for reducing rather than ex-

panding and entrenching such programs.

The monument to which I refer is the future home of the unemployment office, or Bozeman's branch of the so-called government "job service." The building is estimated to cost \$800,000, and with the cost-overruns we have come to accept with new construction, that's close to a million dollars.

Since the agency involved boasts in its advertising that there are "no fees charged to the user," where will these construction funds be coming from? Look no further than your own paycheck, for every time you and your employer pay into your unemployment insurance and every time Uncle Sam extracts his tithe from your salary, you are subsidizing this government bureau.

The price tag on the building itself is only the tip of the iceberg. Salaries for agency employees, telephones, supplies, etc., all add up to a staggering cost for "free" services.

No longer does a citizen have to travel to Washington, D.C., to view the stone structures to which our "getting something for nothing" mentality has given birth.

Now we, like countless other Americans, can drive by these obscene edifices in our own home towns — nice places like Bozeman which used to take pride in handling their own affairs, but are now little more than regional arms of a federal octopus, taking orders from Washington and administering federal handouts on the local level.

I am outraged. Moreover, I

am ashamed that our community continues to cry, "Give me more," when the time for restraint has clearly arrived.

Am I the only beleaguered taxpayer who thinks government has gone too far?

Mr. Wills, would you be willing to poll the community on this question? Can you find out from those hired to run our government if this building project can be stopped before bids are decided and ground is broken?

Are there other options we can consider for use of the taxpayer-owned property on West Main?

If we who are forced to foot the bill for government have no say whatever in the decision making, then we are worse off than any of us have imagined.

Jan Hintzpetter,  
Bozeman

## Job sue

It has come to my attention that the State Director of Job Service stated in the Chronicle that the current 5,330 square foot Bozeman Job Service office is too small and that later over KBMN radio news he said that the office has 16 to 20 employees. That is approximately 300 square feet of office space per employee.

Job Service wants to build a million dollar facility with our taxes. This building is for a service that does not pay its own way and will have to be supported. In the world of private business people must justify expansion by providing a profitable service.

My question is why should the taxpayers be subjected to building such an expensive project when everyone is aware of the need to economize.

I'm also wondering why the over-burdened taxpayer has been overlooked by not having the opportunity to decide at the polls whether we want such a facility or not.

Mark Parker Jackson,  
Bozeman

## No service

Just reading your "Letters to the Editor" column. The bold print "Job Service," really caught my eye.

After reading the letter, I can't help but agree with Ray Whittaker 100 percent. I have had the same kind of luck.

While sitting in the employment office one day, I was reading some of their "material." They did have information available if one had any complaint about how the employment office was being run, and you could call Fred Barrett in Helena.

I eventually did write them. They did eventually call the guy at the Bozeman branch. Things haven't changed much except they have gotten a little friendlier.

Instead of cutting the welfare and low income benefits which are badly needed, especially with the employment office being as it is, why don't they abandon the job office altogether?

Let them fight for their jobs like everyone else.

The private employment offices work harder at finding you a job because they get a certain percentage, whereas job service is discriminative.

I agree with Ray Whittaker that the line "and no service rendered" should be added to their slogan.

I am sure there are many more out there who feel the same way.

Sylvia Luetke  
Bozeman

## Burglary

We the citizens of Bozeman are on the verge of being burgled again by the government.

As accurately reported by the Bozeman Chronicle this week, combined governmental services are in the process of funding a million-dollar facility for the Bozeman Job Service.

But did you know that:

1. The location of the building on the corner of 19th and Main is the most expensive building lot in Bozeman, valued in the neighborhood of \$250,000.

2. Several individuals have tried to build businesses on that site but their feasibilities failed because the site cost was prohibitive. Apparently the government is less concerned with cost (especially when it's only our money) than is private enterprise.

3. Currently the Job Service is a tenant renting space in the Martel Center. If they require more room for expansion it is a simple matter to rent more space.

4. Today there is a glut of commercial office space for rent in Bozeman. The surplus indicates that lack of space is no criteria for changing status from tenant to landlord.

5. If the Job Service must become "an owner" by buying their own building, there are several downtown properties for sale at less than the cost of the vacant lot at 19th and Main.

6. Once the government builds on this site, that location can never contribute to our local tax base.

I am asking do we really need a million dollar Job Service building and are the already tax-burdened citizens of Bozeman best served by this project?

Rick Skaarer,  
Bozeman

## Job office

I am writing to express my concern over the new government building scheduled to be built on West Main in Bozeman. As a taxpayer who already feels bled dry by the bureaucratic demands on my paycheck, this \$0.8 million job service boondoggle has me totally incensed.

It is inconceivable to me that in a town the size of Bozeman a project of this size, cost and unconstitutional measure would be undertaken for just one progressive government agency.

I am beginning to feel swallowed alive by bureaucrats!

Why should a government (taxpaid) bureau be able to afford what apparently no private businessman in town can?

Why is it that government ends up with all the money when independent businesses are the ones who earn it?

It has been calculated that the average American now works five and a half months of the year just to pay his taxes, so the government can pass his taxes back to him in the form of an \$800,000 "plus lot cost" office building for local bureaucrats.

Well I am one taxpayer who is fed up with it all. I am fed up with all the federal strong-arm tactics that foist huge expenditures on local citizens who neither need nor want the projects in the first place.

Bozeman already has one monstrosity, the federal building which dominates the landscape.

I am fed up with power-mad bureaucrats bent upon building their empires with my hard-earned money and in my hometown.

Citizens of Bozeman, this outrage must be stopped.

Steven Colon  
Bozeman

## Job service

I am writing to object strenuously to the advertising tactics of the local government "Job Service" office, as seen in your newspaper and elsewhere.

As a former job seeker who sought the services of both Job Service and a private employment agency, I can unequivocally state that there is no comparison as to the service and personal attention one receives from the public versus the private sectors.

If a person wants to sit and wait — and wait — and wait to see somebody, only to discover that the person you'd just waited two hours to see can't help you anyway and couldn't care less, then go to Job Service. It is the quickest way I know to become totally discouraged and totally frustrated, all in one morning.

On the other hand, if you are serious about finding permanent employment, I have found the private agency to be an excellent option available to the job hunter.

They seem to take a real interest in people and spend the time necessary to find out what you really want. Furthermore, as private businesses, they have a strong motive for helping you — profit — and what's wrong with that?

Consequently, you can really count on a private agency to take action in your behalf — which is exactly what the weary job seeker needs. Sure you pay a fee, but only if the agency is successful in securing you employment, and, after all, what's a good job worth?

I am not impressed by the continual claims of "no fees charged" by Job Service. They should add one line: "and no services rendered." I learned quickly that the person who expects to get something for nothing will end up getting exactly what he paid for — nothing.

My main concern about Job Service advertising is that people are being intentionally misled into believing that Job Service is a "free" substitute for private employment agencies. More and more their radio and TV advertising has that kind of thrust.

Moreover, it has been obvious to me that the classified ads in your paper are being written to purposely imitate those of the private services.

The tragedy of this situation is that many frustrated job seekers go through life thinking that Job Service is the only answer and never consider contracting the professional services of a private agency.

How sad! Private service can't guarantee results, but they can greatly increase your chances of landing the job you want.

In my opinion, Job Service intentionally misrepresents itself to the public through its advertising, and in so doing, causes a lot of harm to a lot of people.

Yet by striving to superficially look like a private agency, Job Service is sending everyone an important message. After all, no one imitates losers, do they? Only imitate winners.

Ray Whittaker  
Bozeman