

MINUTES OF THE MEETING OF THE JOINT APPROPRIATIONS SUBCOMMITTEE  
ON LONG RANGE BUILDING  
February 10, 1981

The meeting was called to order by JACK K. MOORE, Chairman at 5:05 p.m. in Room 104. All Committee members were present except Rep. Hurwitz. Also in attendance was Bob Robinson, Legislative Fiscal Analyst.

Testimony was given by Colonel Steve Keim, General Duffy, National Guard; Leo Berry, Director of Department of Natural Resources; Phil Hauck, Director of Department of Architecture and Engineering; John Driscoll and Mr. Ellis, County Commissioners.

THE CHAIRMAN stated they would be discussing the Department of Military Affairs, Department of Natural Resources, and the Public Service Commission in that order.

DEPARTMENT OF MILITARY AFFAIRS

GEN. DUFFY explained the problems with the auxiliary heating system at Fort Harrison. He stated the old hot water system goes out 90 feet around the entire facility and has been leaking so that it is necessary to use the other system which makes this quite energy inefficient. He stated the figures for the Combined Support Maintenance Shop on the list would be \$5,000 in the Bond, Proceeds and Insurance account and \$15,000 in the Federal Private Revenue account.

COL. KEIM explained in the Capitol Construction book on Page 215, or Exhibit A, B, and C, included the entire capitol construction projects put together by the Department of Military Affairs along with A&E. He noted there were originally 12 projects plus 5 additions. The total package is \$3.3 million with state funds \$2.1 million and \$1.2 million federal funds. He explained there are 7 projects in the program and 6 of those are maintenance type projects. He referred to Exhibit A, Page 2, regarding the major Helena Armory improvements for a total of \$92,000. That was disapproved by the Governor's recommendation, but his department is trying to salvage the heating plant out of the No. 4 project which amounts to \$40,000. The existing boiler is 50 years old, and it was used at the time the Armory was built. He noted it was originally an old coal fired boiler, and he read the report by the inspector, Mr. Rafferty, regarding the problems with it. The inspector's bottom line recommendation is that it be replaced as soon as possible because at this time there is only 45% heat efficiency. He then referred to #3 CSMS project number, Exhibit B, Page 2, which General Duffy had been explaining. He noted about 30 years ago, when the CSMS was built, a hot water line was built under the concrete floor and the line was placed on top of the brick.

Over the years there has been many leaks in that system, so part of the shop floor had to be hammered out, which left that section of the shop without any heat. To replace the heat in that section of the shop would be about \$20,000 item. The Dept. tried to get 100% funding on this but the National Guard Bureau sent it back stating it would have to have state support on it because it was an operations and maintenance item. He explained the Wash/Work Slabs Exhibit B, Page 1. In every armory there is a security compound and all vehicles are stored at the rear of the armory. The Department would like to put in concrete slabs 17' X 42' and over 8" deep. The purpose of the slab would be to put the vehicles on to wash and work on. He stated they would be able to do this at 17 Armories at \$1000 each, with the use of troop labor, at a total cost of \$17,000. He explained Seal-coat Taxiways #35, Exhibit B, Page 1. He stated they are asking for funds to seal all existing taxiways, helipads and ramps. This would involve around 9000 square yards at an estimated cost of \$1.20 a square yard. The original construction has not been chip and sealed for around 20 years and without the sealing cost this does deteriorate. He noted this was a matching fund 75% federal funding so would involve \$3,000 state money, \$9,000 federal. He explained #44 regarding the Fuel Dispensing Facility, has less priority than the boiler in the Helena Armory so they would be able to forego this facility if the boiler could be authorized.

Deer Lodge Armory, Exhibit C, Page 1, refers to a boiler which is about 25 years old. He stated that they have had a lot of problems with the boiler, and the inspector stated that the boiler should be replaced, because of its age and condition and a red tag situation has been put on this boiler. He explained that once an Armory is built and becomes the property of the state, even though it is constructed with 75% federal money, the Department of Defense turns that building over to the state for life time maintenance. The Harlowton Armory, Exhibit C, Page 1 refers to an old motor vehicle storage building that has been used as an armory for the last 30 years. It is cinder block construction and the south east wall is settling and there are open cracks throughout. What needs to be done is repair or replace the concrete block and give it a good coat of sealer, which is a good waterproof coating. He noted the estimate he had at the time he submitted this to the governor's office was \$12,000. He stated there are additional repairs that should be done before the seal is placed on it. What they would like to do is put a ceiling over the communications room, supply room and the kitchen and this would make the latest estimate \$38,000. He stated last month's heat bill was around \$800 per month because it is heated with overhead heaters. He explained that this armory was never designed as an armory and lacks every functional area of an armory. It is a 55 member unit.

Fort Harrison Armory, Helena, Exhibit C, Page 1, also has a wall cracking, which would involve stabilizing and repairing. He noted he put the estimate at \$5,000 but does not have any way to estimate that particular project except for the experience factor. He noted if the project appears to be higher than that, they would try to make the difference up in another area. He stated the other areas were not recommended by the Office of Budget and Program Planning, so are not recommended to the committee. The CHAIRMAN stated that HB 497 would be postponed until the meeting of Feb. 17th.

DEPARTMENT OF NATURAL RESOURCES.

MR. BERRY explained #19 Priority to provide funds for various maintenance and energy conservation projects at the Forestry division facilities. He noted the agency requested \$60,000, and the governor's office recommended \$25,000 for this project. The Agency did request 5 items and it would be their decision where their priorities lie for the \$25,000 repair and maintenance. Some of the requests would be for providing electricity to the vehicle sheds, fencing to some of the areas for security purposes and providing modification to some of the buildings in Missoula. He stated this area involves a lot of small catch up repair items and could not be taken out of the Operating budget, because it is currently \$625,000 in the red. He explained the Division was around 1.2 million in the red as of the end of this fiscal year.

The Planning for the DNRC Building, #48 was explained. The Department of Natural Resource is currently in 4 different locations. The majority of the staff is housed in the former St. John's hospital and it was never designed to be office space. The current staff is around 200 people in 4 buildings and they are paying anywhere from \$3.20 square foot to \$9.12 a square foot for these buildings. He stated the difficulty in coordinating activities when the buildings are scattered around town. Besides administration problems, he feels there are indeed fire and safety problems to the staff currently being housed in the basement of the old hospital. He stated after seeing the current office space, he requested a new building, but was told by the governor's office that it is not possible at this time. The money requested is to bring the process up to the bid phase, and then come back to the 1983 legislature with the design and request the new construction. He stated before they can sit down and design the building, they need to know what staffing level the legislature is going to approve for the agency. Also there are some bills to reorganize the Dept. of Natural Resources, so this will affect the construction of the DNR building.

He noted he had looked at several location sites, and he preferred the lot south of the SRS building. The building could range anywhere between 200 employees to 350.

MR. HAUCK stated they just finished some numbers on this estimate. The lot south of the SRS building is adequate for this type of building and his office has come up with a need for 72,000 square feet of space. The base option for just the Department of Natural Resources Department is \$6,600,000. He explained if the re-organization came about this would add an additional 120 people to the building, and this option adds 2.8 million for a total project amount of 9.4 million.

MR. BERRY stated this was the outside figure that administrators have requested relating to single and double office space.

MR. HAUCK stated this amount is projected to a bid date of '83 so does have inflation rates built into it. He noted that the Public Service Department would also like to be in this building, and projecting the additional people this would require, this would add another \$921,000 to the amount, with a total outside figure of \$10,395,000. The project cost estimates \$92 a square foot, and the construction costs run \$62 a square foot. REP. BARDANOUE asked about the efficiency of the open space concept, and if this had been considered. MR. HAUCK noted he has accepted this theory for many years and built the A & E building with this theory to sell it to others. He noted not only was it cheaper to put in mechanical and maintenance systems, but it simplified arranging when offices had to be moved.

#### PUBLIC SERVICE COMMISSION

MR. DRISCOLL stated he and Commissioner Ellis have checked on management improvements by TEMPLE, BARKER AND SLOAN and the number one recommendation is the energy policy in Montana is too fragmented. He noted when the coal fired plant comes on this summer, this will increase the electrical rates around 53%. He explained the necessity on getting on renewable energy management, and feels the advantage of working closely with the DRN people. He would like to have some type of computer capability to build a data base for rate cases, transportation planning etc. and could possibly share this with DNR. He stated that in their present location, there is not additional space for increased staff. He feels this should be an energy building and designed with that in mind. SEN. THOMAS asked if the Public Service Commission was expanding their scope to encompass the Natural Resource Department. MR. DRISCOLL stated they would hopefully be able to work with them. He stated they are so involved with renewables that it is getting necessary to bring themselves closer to others with an expertise in this area.

MINUTES OF THE MEETING OF THE JOINT APPROPRIATIONS SUBCOMMITTEE  
ON LONG RANGE BUILDING  
February 10, 1981

Page 5

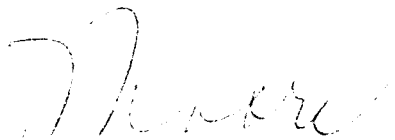
MR. BERRY stated he knew nothing about this until early this morning, and he had no idea what MR. DRISCOLL alluded to in combining functions. He stated he is willing to cooperate with the Public Service Commission in any way that is possible. He feels at this time it is premature to look at computer capabilities.

THE CHAIRMAN asked what the rent was currently for the Public Service Commission.

MR. DRISCOLL said it was \$4.70 a square foot and now is \$5.80 a square foot.

MR. BERRY stated the annual rental cost for the 4 buildings for DNR is \$250,000 a year including utilities and janitorial service. MR. ELLIS stated the importance of combining the Public Service Commission with the Department of Natural Resources because the priority of energy in the future.

There being no further discussion or comments the meeting was adjourned at 6:30 p.m.



---

JACK K. MOORE, Chairman

mg

# BUILDING PROGRAM REQUESTS

## BY FUNCTION AND AGENCY

1981 - 1983 BIENNIUM

Priority	FUNCTION and AGENCY	FUNDS					Total
		Bond Proceeds & Insurance Clearance	Earmarked Revenue	Federal & Private Revenue	Local		
	<b>2. POLSON JOB SERVICE</b>						
	Construct a new building to house local Job Service functions for the Polson area.	0	0	755,000	0	0	755,000
	<b>DEPARTMENT OF LABOR &amp; INDUSTRY</b>						
	<b>SUBTOTAL</b>	0	0	1,510,000	0	0	1,510,000
	<b>DEPARTMENT OF AGRICULTURE</b>						
	<b>1. CONSTRUCT ARMORY, HARLOWTON</b>						
	Construct a new armory having adequate training and storage facilities to replace the present accommodation which consist of a motor vehicle storage building.	179,500	0	415,500	0	0	595,000
	<b>2. NEW ARMORY, HAVRE</b>						
	Construct a new armory to replace the unsatisfactory condition of sharing space with Northern Montana College. Due to the limited space available a good administrative and training program is difficult.	164,500	0	415,500	0	0	580,000
	<b>3. EMERGENCY OPERATIONS CENTER</b>						
	Alter and modify the existing space in the basement of the Helena Armory to provide an Emergency Operations Center complete with all communications for operations in the event of any type of disaster.	150,000	0	150,000	0	0	300,000

# BUILDING PROGRAM REQUESTS

BY FUNCTION AND AGENCY

1981 - 1983 BIENNIUM

Priority	FUNCTION and AGENCY	FUNDS				Total
		Bond Proceeds & Insurance Clearance	Earmarked Revenue	Federal & Private Revenue	Local	
4.	HELENA ARMORY IMPROVEMENTS Improvements to the 1940 structure such as painting, interior remodeling, paving and replacement of the heating plant are necessary to adequately maintain the building.	40,000 92,000	0	0	0	40,000 92,000
5.	INSTALL WASH/WORK SLABS Construct concrete wash slabs at seventeen National Guard Armories for washing, servicing or repairing vehicles.	17,000	0	0	0	17,000
6.	OSHA IMPROVEMENTS Eliminate unsafe working conditions in National Guard shops as noted in 1977 OSHA inspection.	100,000	0	100,000	0	200,000
7.	ENLARGE VEHICLE SECURITY COMPOUNDS Expand vehicle security areas at fourteen National Guard Armories which are too small to provide adequate storage space for Military vehicles under present Federal Guidelines for equipment storage.	20,000	0	36,000	0	56,000
8.	IMPROVE PARKING AREAS Pave armory parking lots at fifteen locations to reduce dust and mud problems and provide a finished appearance for the armories.	225,000	0	0	0	225,000

# BUILDING PROGRAM REQUESTS

## BY FUNCTION AND AGENCY

1981 - 1983 BIENNIUM

Priority	FUNCTION and AGENCY	FUNDS					Total
		Bond Proceeds & Insurance Clearance	Earmarked Revenue	Federal & Private Revenue	Local		
	9. INSTALL FUEL DISPENSING FACILITIES						
	Install fuel dispensing facilities at eighteen National Guard Armories to prepare units for a high degree of readiness.	15,750	0	47,250	0	63,000	
	10. ENERGY CONSERVATION PROGRAM						
	Alter and modify existing National Guard Armories to conserve energy.	1,000,000	0	0	0	1,000,000	
	11. MODIFY HEATING SYSTEM, CSMS, FORT HARRISON						
	Install new heating units to make up heating capacity lost due to break-down of existing radiant floor slab system.	5,000	0	15,000	0	20,000	
	12. SEAL COAT TAXIWAYS						
	Seal coat and minor repairs to existing taxiways, helpads and ramps to prolong life.	3,000	0	9,000	0	12,000	
	DEPARTMENT OF MILITARY AFFAIRS						
	SUBTOTAL	1,971,750	0	1,188,250	0	3,160,000	
	NATURAL RESOURCES & CONSERVATION, DEPARTMENT OF						
	1. ENERGY RETROFIT						
	Implement energy retrofit in existing buildings. Install...						



PROJECT DESCRIPTION BY AGENCY  
EXECUTIVE BUILDING PROGRAM PROPOSAL  
FUNDED WITH CURRENT REVENUES  
1981-1983 BIENNIUM

Priority	Agency/Project	Accounting Entity	Bond Proceeds & Insurance Clearance	Earmarked Revenue	Federal & Private Revenue	Total
34.	Install Wash Work Slabs, Armories: Provide minimal facilities for maintenance and washing of vehicles at seventeen National Guard Armories. ✓	06142	17,000	0	0	17,000
35.	Sealcoat Taxiways, Military Affairs: Seal and repair existing taxiways, helipads, and asphalt ramps at the Army Aviation Support Facility in Helena.	06142 04530	3,000	0	9,000	12,000
44.	Fuel Dispensing Facilities, Military Affairs: Install fuel dispensing facilities at eighteen National Guard armories to end credit card purchasing and to improve the degree of readiness at each location. ✓	06142 04530	40,000 15,750	0	47,250	63,000
TOTAL - Department of Military Affairs			\$38,250	\$0	\$63,750	\$102,000

UNIVERSITY SYSTEM

4. University System Maintenance: Provide funds for maintenance and minor improvements at the units of the university system. A major part of this project is to repair and replace roofs on university facilities.

06142 1,065,550 0 0 1,065,550

PROJECT DESCRIPTION BY AGENCY  
EXECUTIVE BUILDING PROGRAM PROPOSAL  
FUNDED WITH CURRENT REVENUES  
1981-1983 BIENNIUM

Priority	Agency/Project	Accounting Entity	Bond Proceeds & Insurance Clearance	Earmarked Revenue	Federal & Private Revenue	Total
43.	<u>Enlarge Pharmacy, Center for the Aged: Increase size of pharmacy to implement unit dose system and to provide adequate storage to meet state regulations.</u>	06142	20,000	0	0	20,000
45.	<u>Expand Prison Industries: Expand existing facilities and purchase initial equipment for inmate employment program that should become self supporting.</u>	06142	202,165	0	0	202,165
	TOTAL - Department of Institutions		<u>\$2,993,715</u>	<u>\$ 0</u>	<u>\$1,059,188</u>	<u>\$4,052,903</u>
DEPARTMENT OF JUSTICE						
13.	<u>Miscellaneous Repairs, Registrar's Bureau: Repair entrance and exterior of the Deer Lodge Facility. Sidewalks will also be repaired and replaced.</u>	06142	10,000	0	0	10,000
	TOTAL - Department of Justice		<u>\$10,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$10,000</u>

**DEPARTMENT OF MILITARY AFFAIRS**

3.	<u>Auxiliary Heating System, Fort Harrison: Install heating system in Combined Support Maintenance Shop to heat a portion of the facility that can no longer be heated with the old hot water system.</u>	06142	2,500	0	7,500	10,000
		04530				

NG-FAC

14 January 1981

State of Montana  
Office of the Governor  
ATTN: Budget & Program Planning - Mr. Huntington  
Capitol Station  
Helena, Montana 59601

Dear Mr. Huntington:

Reference is made to the Long Range Capitol Construction program, submitted by the Department of Military Affairs for the 81-83 biennium.

Since the submission of the program documents to the Division of Architecture and Engineering, Facility Planning Bureau, last July, we have identified additional emergency requirements at several of our National Guard facilities.

These additional requirements have become necessary during the past six months, and are described below, with an estimated cost:

- a. Army Aviation Support Facility, City - County Airport, Helena.  
Installation of sewer line per engineers estimate and justification attached. \$50,000.
- b. Deer Lodge Armory, Deer Lodge.  
Boiler replacement per estimate and justification attached. \$15,000.
- c. Harlowton Armory (MVS), Harlowton.  
Major repairs to exterior walls, per estimate and justification attached. \$12,000. *25,000.*
- d. Fort Harrison Armory, Helena.  
Repairs to south wall, per estimate and justification attached. \$5,000.

C 1

NG-FAC  
Mr. Huntington

- e. Billings Armory, Billings.  
Installation of sewer line, per attached. \$120,000.

It is therefore requested that the above projects be included or added to, the Long Range Capital projects for the Department.

Sincerely,

JAMES W. DUFFY  
MG, MT ARNG  
Adjutant General

CC:  
Dept. Admin. A&E (2)

DEPARTMENT OF MILITARY AFFAIRS  
PROPOSED AMENDMENTS TO THE  
LONG RANGE BUILDING PROGRAM

Add:

Bond Proceeds and Insurance  
Clearance Account

<u>Replace Boiler, Deer Lodge Armory</u>	<u>15,000</u>
<u>Repair Walls, Harlowton Armory</u>	<u>12,000</u>
<u>Repair Walls, Fort Harrison</u>	<u>5,000</u>

