

MINUTES OF THE MEETING
HIGHWAYS AND TRANSPORTATION COMMITTEE
MONTANA STATE SENATE

February 19, 1981

The eleventh meeting of the Highways and Transportation Committee was called to order by Chairman Mark Etchart on the above date in Room 410 of the State Capitol Building at 12:30 p.m.

ROLL CALL: Present: Senator Etchart, Senator Hager, Senator Elliott, Senator Graham, Senator Healy. Excused: Senator Hazelbaker, Senator Tveit, Senator Manning, Senator Stimatz.

CONSIDERATION OF SENATE BILL NO. 462:

Senator Hager, chief sponsor of the bill, told the committee this is an act to revise the method used by the Department of Highways to sell an interest in real property. He introduced Mr. William Glaser.

Mr. Glaser, told the committee this bill will take away certain privileges that the Highway Department has in their right to choose how they sell their land. It will have them advertise the same way the rest of the state agencies do when they sell surplus land. He told the committee how this problem came about. In 1970 the Highway Department commenced construction on the Interstate 90 highway east of Billings from the Pryor creek off ramp to the county line. During this construction phase the Highway Department made certain purchases and commitments pertaining to Georgia H. Blake, who is now doing business under the name of Indian Creek Ranch, Inc.

He further said the Highway Department in the process of building the highway, cut the winter range of Indian Creek Ranch in two, separating grass from water and because of the hardship imposed by the highway, agreed to provide Georgia Blake a certain sum of money and four egresses in seven miles under the interstate for the ranches' equipment, personnel and livestock.

Three of these egress points were in the form of tubes under the interstate. All three of which have water flowing through them in the spring so the cattle cannot use them. Furthermore, the ranch trucks, even a pickup with a stock rack cannot safely go through these tubes. One is so small you must lead your horse through it, if he'll go. The fourth is in the form of an underpass at the point where the county road goes under the interstate, approximately in the middle of the range. This is the only egress usable by all trucks, personnel, livestock and equipment, even then the tool bars must be folded and the drills

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regged for towing in order to go from one side of the interstate to the other.

Keep in mind eleven years ago this was one piece of land, open range before the road split grass from water.

There were only 40 acres along the whole right of way where there was other than ranch property. This was the point the Highway Department, contrary to the ranches wishes decided to put that underpass. Due to the lay of the land it saved the Highway Department considerable money to locate it there and they stressed the convenience for the cattle, the accessibility of the underpass and the desirable location for the livestock to get from feed to water.

On January 26, 1981 Robert E. Champion of the Highway Department Right of Way Bureau wrote Georgia H. Blake informing her that the lease she had taken out on this small piece of land was being cancelled and that the ranch was to remove any fences or personal property from said property. A crude way of telling someone to get off a piece of land that the Highway Department had agreed to allow egress when they shut off the seven miles of previous open access.

After contacting the Highway Department it was learned that the Highway Department intends to sell this small piece of land. Furthermore, we have not been able to determine whether or not the highway department intends to inform the bidders of the ranches egress rights. We were informed that the land had been appraised at a much higher rate than the adjoining land use.

It is our strongest opinion that the before mentioned items should be again brought forward and studied for their merits by elected officials answerable to the public. It is our experience that the Highway Department Right of Way Bureau has not been fair or has not used good judgement when dealing with our rights and the rights of individuals.

Mr. Glaser told the committee that just this morning the Highway Department finally agreed to sell him a right of way.

Senator Etchart asked if there were any other proponents. There were none. Senator Etchart asked if there were any opponents.

Jim Beck, Department of Highways, said Senate Bill 462 appears to be designed to cure the problem of one landowner. Before you act on this particular bill I think it would be wise to consider its impact upon the Department of Highways.

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Mr. Beck said at the present time the legislature has empowered the Department to sell interests in real property that it no longer needs. In order to insure that such sales are conducted in a prudent manner the law requires that an appraisal be made of every parcel of property having a value in excess of one hundred dollars. This appraisal must be made within three months prior to the date of sale. The law requires that a sale may not be made for less than 90% of its appraisal value.

At the present time section 60-4-202, MCA permits the sale to be at public auction or by sealed bid. The provisions of 60-4-203, MCA still apply. It cannot be sold for less than 90% of its appraisal value. This bill would require that all sales of property be made by auction.

This could have the effect of the Department not receiving top dollar in every instance, especially if there were only a small number of bidders.

More importantly it would make the sale of small parcels more cumbersome and expensive. At the present time it is a relatively simple procedure to ask for sealed bids, follow the statutory procedure and then sell the property. This bill would require the conduct of an auction in every instance.

Section 2 of this bill requires that notice shall be published for 4 weeks. It also provides that notice contain the information required by 77-2-322, MCA. This causes no problem inasmuch as the ad that the Department publishes already contains this information.

Mr. Beck passed out a copy of 77-2-322, MCA, to the Committee. He also passed out a copy of the ad that was placed in the Billings Gazette regarding this piece of property.

Senator Etchart asked if the Committee had questions.

Senator Graham asked Mr. Beck about the unusual appraisal value. He said he knew this was grazing land and when they bought the land it was grazing land. He stated he did not know how they came up with the appraisal price.

Mr. Beck said if the appraisal is wrong, then no one will bid on it. He also said it is within eight (8) miles of Billings. I have reviewed the appraisal and I am satisfied with that appraisal. If the appraisal is too high, no one will bid on the property.

Senator Graham stated it seems to him that when you cut a man's ranch in half that you hurt him.

Senator Elliott asked how many pieces of land they pick up and how many they eventually sell.

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Mr. Beck said that in 1980, they sold 8 pieces of land above appraisal and 2 at appraisal.

Senator Elliott asked if they have any other way of disposing of lands.

Mr. Beck said yes. We can transfer them to Fish and Game and other agencies of State government.

Mr. Glaser closed the hearing by saying he was not here for private reasons, but to represent the public.

ADJOURNMENT:

There being no further business of the Highways and Transportation Committee, the meeting was adjourned at 1:10 p.m. The next meeting will be on Saturday at 8:00 a.m. on February 21st in Room 410 to take executive action on SB462, SB471, SB472, SB473.

Mark Etchart
Senator Mark Etchart, Chairman

ROLL CALL

SENATE HIGHWAYS & TRANSPORTATION COMMITTEE

47th LEGISLATIVE SESSION - - 1981

Date _____

NAME	PRESENT	ABSENT	EXCUSED
SENATOR MARK ETCHART	/		
SENATOR TOM HAGER	/		
SENATOR FRANK W. HAZELBAKER			/
SENATOR ROGER H. ELLIOTT	/		
SENATOR LARRY J. TVEIT			
SENATOR DAVE MANNING			
SENATOR CARROLL GRAHAM	/		
SENATOR JACK HEALY	/		
SENATOR LAWRENCE G. STIMATZ			
VERDON - Legislative Council	/		

Each day attach to minutes.

2/10

Washburn

VISITORS' REGISTER

[illegible]

(Please leave prepared statement with case)

INDIAN CREEK RANCH
Box 145
Billings, Montana 59103

February 11, 1981

In 1970 the Highway Department commenced construction on the Interstate 90 Highway east of Billings from the Pryor creek off ramp to the county line. During this construction phase the highway department made certain purchases and commitments pertaining to Georgia H. Blake, who is now doing business under the name of Indian Creek Ranch, Inc.

The Highway Department in the process of building the highway, cut the winter range of Indian Creek Ranch in two, separating grass from water and because of the hardship imposed by the highway, agreed to provide Georgia Blake a certain sum of money and four egresses in seven miles under the interstate for the Ranches' equipment, personell and live-stock.

Three of these egress points were in the form of tubes under the Interstate. All three of which have water flowing through them in the spring so the cattle cannot use them. Furthermore the ranch trucks, even a pickup with a stock rack cannot safely go through these tubes. One is so small you must lead your horse through it if he'll go. The fourth is in the form of an underpass at the point where the county road goes under the interstate, approximately in the middle of the range. This is the only egress usable by all trucks, personell, livestock and equipment, even then the tool bars must be folded and the drills regged for towing in order to go from one side of the interstate to the other.

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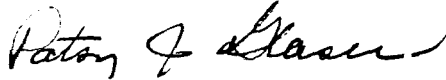
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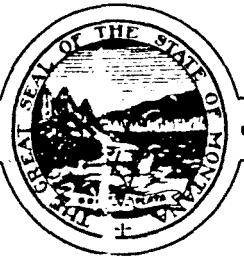
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INDIAN CREEK RANCH

A handwritten signature in cursive script, reading "Patsy J. Glaser". The signature is written in dark ink and is positioned above the printed name and title.

Patsy J. Glaser
Secretary/Treasurer

DEPARTMENT OF HIGHWAYS



TED SCHWENDEN, GOVERNOR

2701 Prospect

STATE OF MONTANA

Helena, Montana 59620

January 26, 1981

I 90-8(32)
Parcel 9-B.I.A.
Ref: 68-GDF

Mrs. Georgia H. Blake
P.O. Box 145
Billings, Montana 59103

Dear Mrs. Blake:

The Department of Highways proposes to offer for sale the 27 acre tract of land in the SE1/4SE1/4 Section 34, Township 1 North, Range 28 East, in Yellowstone County which you are leasing from the State.

This letter is notification that the said lease, dated February 17, 1977, from the State of Montana, as Lessor, and yourself, as Lessee, covering the above-described land, will be terminated as of March 30, 1981. Any personal property, including fencing, must be removed at your expense by said date.

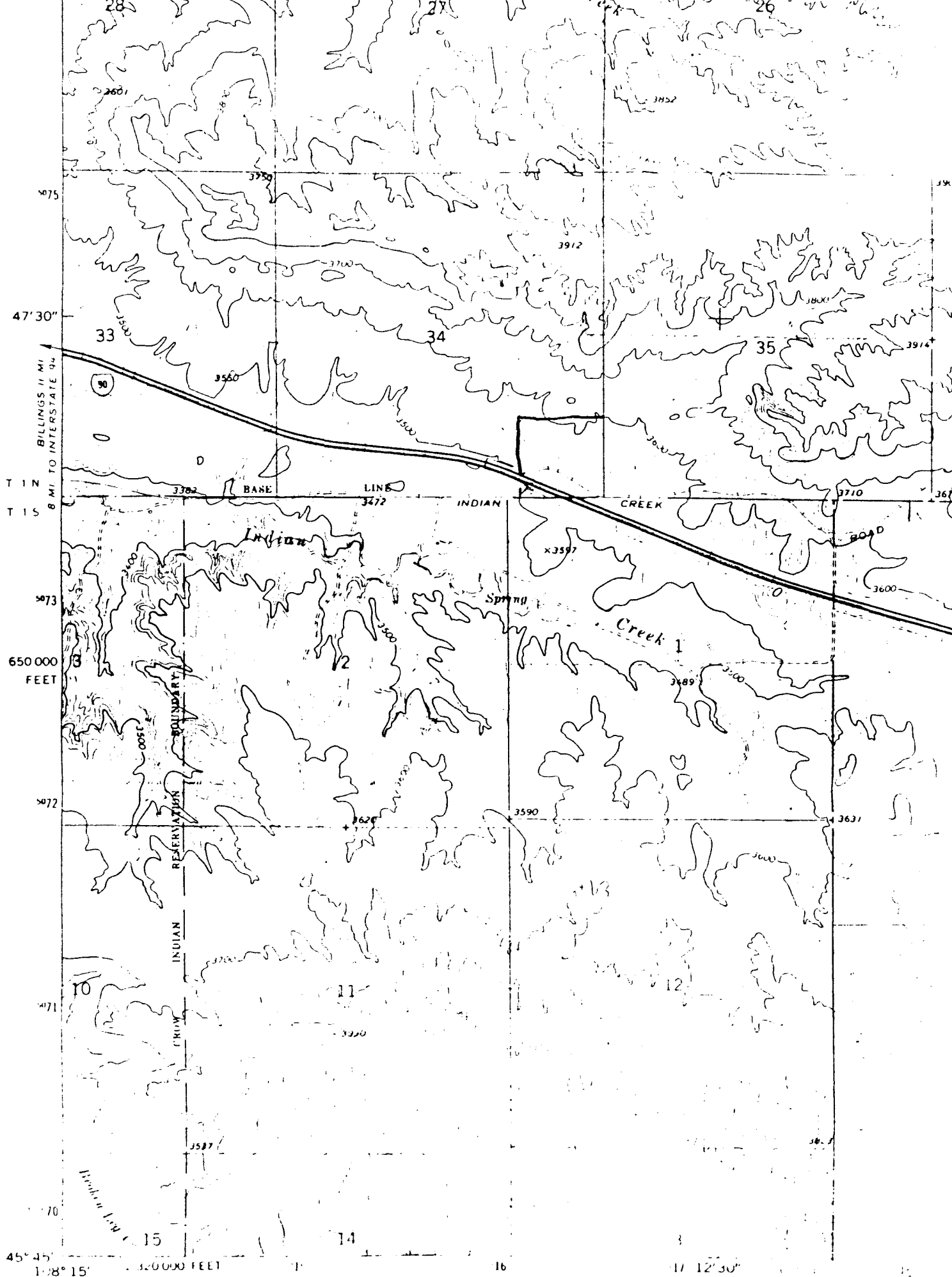
If you have any questions, please contact the Supervisor - Land Section, Right of Way Bureau, 2701 Prospect Avenue, Helena, Montana 59620 or phone 449-2004.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert E. Champion".

Robert E. Champion, P.E.
Chief - R/W Bureau

REC:WS:nr/1E
cc: Supervisor - Field R/W Section, Billings
Mail & File Unit



Mapped, edited, and published by the Geological Survey

U.S. GEOLOGICAL SURVEY

SW 1/4 SE 1/4
Sec. 34

SE 1/4 SE 1/4
Sec. 34

SW 1/4 SW 1/4
Sec. 35

Sta. 490+00 is South 42.3 feet and West
4345.6 feet, more or less, from found
Northeast corner section 1.

Sta.
480+00

SECTION CORNER
NOT FOUND

T. 1 N. R. 28 E.

T. 1 S. R. 28 E.

LOT 4
Sec. 1

2

RIGHT OF WAY CENTERLINE
S 69° 15' 18" E

Sta. 481+13

485+00

430'

490+00 R/W

R/W

360'

Sta. 494+68

SECTION CORNER
NOT FOUND

170'

360'

34

35



STATE OF MONTANA
DEPARTMENT OF HIGHWAYS
PROPERTY PLAT


PROJECT NO. 1-90-8 (32) 461

YELLOWSTONE

COUNTY, MONTANA

LEGEND

OWNERSHIP BOUNDARY..... ACCESS CONTROL LINE

TRACT CONVEYED  SCALE: ONE INCH= 200 FEET

THIS PLAT IS PREPARED FROM THE STATE OF MONTANA, DEPARTMENT OF HIGHWAYS
RIGHT OF WAY PLAN ON FILE IN THE OFFICE OF THE COUNTY CLERK AND RECORDER

SHEET NO. OF

Senate Bill No. 462 appears to be designed to cure the problem of one landowner. Before you act on this particular bill I think it would be wise to consider its impact upon the Department of Highways.

At the present time the legislature has empowered the Department to sell interests in real property that it no longer needs. In order to insure that such sales are conducted in a prudent manner the law requires that an appraisal be made of every parcel of property having a value in excess of one hundred dollars. This appraisal must be made within three months prior to the date of sale. The law requires that a sale may not be made for less than 90% of its appraisal value.

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works or transmission or distribution of electric energy shall, upon application to the board, be sold and conveyed to the United States at the price per acre fixed by the board of appraisers appointed by the United States to appraise and value lands to be included within such projects and needed by the United States in the construction thereof, subject, however, to the approval of the board and the price limitations of The Enabling Act and the state constitution.

(2) Lands needed by the United States for any of the purposes specified in subsection (1) or 77-2-108 may be appraised or reappraised without appraising the remaining state lands in the county in which they are located. The lands shall be appraised at their full market value.

(3) The provisions of this section, 77-2-108, and 77-2-304(2) governing the sale of state lands to the United States also apply to the sale of state lands for projects financed by the United States under the administration of the department of natural resources and conservation, except as to appraisal by the United States.

History: En. Sec. 56, Ch. 60, L. 1927; amd. Secs. 1, 2, 3 and 4, Ch. 37, Ex. L. 1933; re-en. Sec. 1805.56, R.C.M. 1935; amd. Sec. 1, Ch. 80, L. 1945; amd. Sec. 52, Ch. 428, L. 1973; R.C.M. 1947, 81-801(1), (5), (6).

77-2-317 through 77-2-320 reserved.

77-2-321. Sales to be at public auction. All sales of state lands shall be only at public auction held at the county courthouse of the county in which the lands are located. In case no suitable room can be found in such courthouse at the time for holding the sale, then the sale may be transferred to a more convenient place within a reasonable distance of such courthouse by public announcement made at the courthouse at the time fixed for beginning the sale.

History: En. Sec. 72, Ch. 60, L. 1927; re-en. Sec. 1805.72, R.C.M. 1935; amd. Sec. 3, Ch. 184, L. 1961; R.C.M. 1947, 81-909.

77-2-322. Notice of sale. (1) The department shall give notice of each sale by publication in a newspaper of general circulation in the county where the sale is to be held, once each week through the 4 consecutive weeks preceding the date of sale. The notice shall give the day, date, and time of the beginning of the sale and contain a list of all the tracts to be offered for sale showing the township and range in which they are located, describing them with reference to section number and subdivision of the section or with reference to block and lot if surveyed, the number of acres in unplatted lands, and the appraised value per acre and the appraised value of each lot. As a general rule, nonirrigable farming lands shall be listed in quarter sections; grazing lands may be listed in larger tracts not exceeding one section.

(2) For the convenience of the bidders, the department may assign to the tracts advertised a consecutive series of sales numbers and show the sales number of each tract in the notice of sale.

(3) The notice shall also give the terms and conditions of sale and any additional information the department considers useful.

History: En. Sec. 73, Ch. 60, L. 1927; re-en. Sec. 1805.73, R.C.M. 1935; amd. Sec. 4, Ch. 184, L. 1961; amd. Sec. 57, Ch. 428, L. 1973; R.C.M. 1947, 81-910.

Light-heavy fight Feb. 28
 ATLANTIC CITY, N.J. (AP) — Matthew Saad Muhammad will defend his World Boxing Council light-heavyweight title against Vonzell Johnson at Bally's Park Place Casino Feb. 28, it was announced Tuesday.
 The 15-round fight will be televised nationally on CBS, said Newark promoter Murad Muhammad.
 Saad Muhammad is from Philadelphia and Johnson, lives in Indianapolis.

the first time around.
 Boise State played Portland State in a Wednesday game Friday. Idaho State is at BSU in the Kibbie Dome.

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- Spectacular Color Graphics and Exciting Sound
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SO OTHER TRS-80 COMPUTERS NEEDS FROM \$249 TO \$10,000.

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TRACER MAIL ORDER INDIVIDUAL STORES

REAL ESTATE FOR SALE Yellowstone County, Montana

The Montana Department of Highways will receive sealed bids in Helena, Montana, until 11:00 a.m., March 10, 1981, and sell to the highest bidder for CASH the following described real estate:

That portion of the SE1/4, Section 34, Township 1 North, Range 28 East, Yellowstone County, Montana, lying northerly of the right of way of Interstate Highway 90, approximately 4 miles east of the Pryor Creek interchange, containing 27 acres, more or less.

The tract of land is appraised at \$15,750.00

NO bids for less than 90% of the appraised value can be accepted. Purchaser to have possession April 1, 1981. Full information, conditions, bid forms, and bid envelopes pertaining to this sale may be obtained from the Supervisor, Field Right of Way Section, Montana Department of Highway, Billings, Montana, phone 252-3682, or Supervisor-Land Section, Right-of-Way Bureau, Montana Department of Highways, Helena, Montana, phone 449-2004.

**STATE OF MONTANA —
 DEPARTMENT OF HIGHWAYS**
 Right of Way Bureau
 Helena, Montana