

MINUTES OF THE MEETING OF THE APPROPRIATIONS SUB-COMMITTEE ON  
ELECTED OFFICIALS AND HIGHWAYS

March 3, 1983

(Tape 97, Side B, 98, 99,  
100, 101, and 102, Side A)

The Appropriations Sub-committee on Elected Officials and Highways met at 7:00 a.m. on Thursday, March 3, 1983 in Room 437 with Chairman Quilici presiding. The following members were present:

Chairman Quilici  
Rep. Connelly  
Rep. Lory

Senator Dover  
Senator Keating  
Senator Van Valkenburg  
Senator Stimatz

Also present: Terry Cohea, OBPP, Leo O'Brien, LFA.  
Representing the Department of Highways; Gary Wicks, Bill Salisbury, Russell Rygg and Don Gruel.

WORK SESSION

DEPARTMENT OF HIGHWAYS

Maintenance

Mr. O'Brien told the committee that one of the major differences between the two budgets was "Rent". The agency has made a request for a substantial increase for "Rent" primarily associated with equipment. The increase for the additional rent is based on a new rental rate structure and according to the agency, does not include any additional equipment. It relates only to the current level fleet size.

He also told the committee that under "Contracted Services" the first major difference is data processing costs that were not broken out in the initial request.

Ms. Cohea said there was a one-time cost of \$107,000 in 1982 for a portion of the Equipment Study that was done. Since that will not be done again she took that cost out of the base. Senator Dover made a MOTION that the committee accept the OBPP budget except for "Supplies" and that this figure would be taken from the LFA's budget.

Discussion.

The Chairman asked Mr. Wicks to give the committee a breakdown on the FTE's. Mr. Wicks said that before he discussed the FTE's he would like to tell the committee that the vacancy savings is an important part of the budgeting process and that the agency is required by the Legislature to have vacancy savings. For instance, when someone retires the vacation time that he has accrued has to be made up out of vacancy savings. This year,

because of the reductions in staff the department is running a vacancy savings of only 2% which is much lower than it was in 1982. He said they had a real problem here in terms of people. They are, when positions do open, going two or three months in keeping these positions open. They have to do this to realize the vacancy savings. In "Maintenance" they show 16 positions vacant. All of those are either filled or will be filled or they are temporary positions.

Senator Van Valkenburg said he could appreciate Mr. Wicks' desire to utilize the vacancy savings to make ends meet but he said there are still positions that stay open far too long and he wonders if there is any desire by the department to fill those positions. Senator Van Valkenburg cited a number of positions which had remained open since July of last year. There were several positions which have been vacant since September. He said he didn't feel these positions were really occupied. He said by appropriating money for these vacant positions is providing a sort of slush fund for the department to move around where it wants to. He said he didn't think we can do that given our budgetary situation.

Mr. Wicks said he objected strongly to the use of the language "slush fund to move positions around". He said this department, in the last two years, has reduced more FTE's than any other department in state government. He said he felt they had come to the committee with a fairly honest budget and to suggest that they are setting up a slush fund is pretty objectionable to him. He said this was an over-statement and absolutely incorrect. He addressed several positions Senator Van Valkenburg had mentioned and explained where each of these positions were now filled. Senator Van Valkenburg said he thought Mr. Wicks was responding emotionally and that the use of "slush fund" was used commonly in the Legislature and does not imply that this is unethical or anything of that nature but he said he felt it is a generally used term used to indicate that someone has more money than they need. Senator Van Valkenburg said the committee needs to have specific information to understand why these positions need to be filled.

Senator Van Valkenburg cited several positions from the Position Roster which indicated these positions have been vacant for many months. Mr. Wicks responded that they are going to keep these positions open as long as they can and if it takes from September to the busy season, they are going to do it. They don't have any choice, they have to do it. The alternative if they don't recognize vacancy savings to meet their salary obligations is that then they start laying people off.

The Chairman noted that it was his understanding that the Executive Branch wants to fund pay increases by a 3.5% vacancy savings. Mr. Wicks said that was correct.

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Mr. Wicks said that even under the old pay plan it was expected that certain salaries had to be funded from vacancy savings. This time the Executive Branch proposes that they fund all the salary increases out of vacancy savings. He said they are going to have to do a good job of managing these positions and wherever possible, for two weeks, or two months, they are going to have to leave those positions open. Last time, Mr. Wicks said, they had some flexibility, but this time they are down so low that meeting that vacancy savings goal, as they have indicated to date, they are at 2%, it is going to be difficult.

The Chairman noted that when the committee sees these positions unfilled for four or five months they wonder why they aren't filled. There must be a reason for it.

Mr. Wicks said he had never objected to giving the Legislature the information they want but he took objection again with the use of the term "slush fund". Discussion of terminology.

Senator Keating asked if in the "Maintenance" division, they used any of the appropriation for personnel in operating expenses. Mr. Wicks answered, "no".

In answer to a question from the Chairman, Ms. Cohea said that in FY82 and FY83 the "Equipment" bureau had to raise its rent on most of the equipment which is used by the Maintenance Division by 14.88%. The reasons for that is that there was a bill last session which allowed the proceeds for sale of equipment to go back to the revolving account, not the earmarked account. Through a legislative snafu, they thought they had a July 1st effective date on the bill. They did not--it was an October 1st effective date. They had sold some equipment, thinking they could put it into the revolving account, set the rate and then the budget office pointed out the effective date meaning that they couldn't hold those proceeds. What happened is that their rental rate then was inaccurately set and they had to do a "catch-up" and raise the rates 15%. That is what is impacting this budget. (short break) (250)

Senator Dover restated his motion.

It was noted that there is some boilerplate that should be included here.

Bill Salisbury explained that this problem occurred from their problem of allowing "Personal Services" in the Stores Program. In order to get a true cost in the Stores Program they had to create a negative expenditure in this program and a positive expenditure in "Contracted Services" in the Stores Program.

"Personal Services" is to be transferred from all programs, including Stores. This amount of money would be included in the "Personal Services" category for "Maintenance" and reduce the Stores Program in "Contracted Services" by a like amount.

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Rep. Lory noted another boilerplate to be included.

Mr. O'Brien said since the committee had already passed on the Stores budget, they could go in and reduce "Contracted Services" in Stores by that \$237,781.

The OBPP and LFA were asked to supply the committee with the language for these two boilerplates.

Senator Dover said he would include these two boilerplates in his original MOTION. Motion carried. Senator Van Valkenburg voted "no". (302)

#### BUDGET MODIFICATIONS

The Chairman noted that there are two modifieds to bring before the committee.

The Bridge modification was brought before the committee. Mr. Wicks noted that it has been 1969 since these bridges have been painted. (Exhibit 1)

Rep. Lory made a MOTION that the committee approve the Bridge modification.

In answer to a question from Senator Keating, it was noted that this has been included in the Governor's budget.

Discussion. Question being called for, the motion carried.

The second modification brought before the committee was for reimbursement in "Contracted Services" by Bonneville Power for changing the lighthouse of 2,000 street lights to an energy efficient street light. (Exhibit 2)

Discussion. In answer to a question from the Chairman, Mr. Gruel said this is almost all west of the divide.

Senator Keating made a MOTION that we amend the budget by adding \$400,000 in FY84 and \$200,000 in FY85 to "Contracted Services" and reduce the 1985 utilities appropriation by \$75,000. Discussion. There should be some language in here to show where it is coming from and where it should go. 02459 "Other Funds" would receive this money. This would not be run through the regular Highway Earmarked Account. Ms. Cohea will draft the proper language for this.

Senator Keating AMENDED his MOTION to include "the appropriation will be taken from the Stores Inventory as reimburses by Bonneville Power Administration".

Question being called for, the motion carried. (416) Discussion.

### Equipment

The Chairman asked Mr. O'Brien to explain the differences in this budget. Mr. O'Brien said one of the differences was in "Supplies". The OBPP has adjusted the base to include additional money for gas and diesel fuel. The agency based their request on the fact that because of a mild winter and for additional activities which will go on in the coming biennium they will need an additional \$34,136 in gasoline and an additional \$45,516 in diesel fuel.

The difference in "Communications" is due to the fact that the LFA deflated the communications costs while the OBPP increased them.

The difference in "Utilities" is due to the fact that the OBPP increased the base to include amounts for the Equipment shop located here in Helena. (Tape 98, Side A) In "Repairs and Maintenance" the difference is \$271,920 in FY84 and \$20,000 in FY85 to replace cutting edges on various pieces of equipment. Mr. O'Brien said the major difference is the "Equipment" budget itself. The agency has requested a substantial amount of money based on the Equipment Needs Analysis that Mr. Wicks has referred to. That recommendation has not been included in the LFA budget and has been presented as an issue. The primary reason for this is that the Governor's Council on Management has made a recommendation that the equipment fleet be reduced by 75 passenger cars and trucks, 38 dump trucks, 35 motor patrol units and a number of loaders. The Equipment Needs Analysis recommends that the equipment fleet be maintained at current level.

Mr. O'Brien said that the people who did conduct the Equipment Needs Analysis have pointed out, because of the lack of time that they had to conduct a thorough analysis, many of the pieces of equipment have been grouped together in classifications. Secondly, the Equipment Needs Analysis in Chapter 6, page 1 states "The analysis which is included in this report was a time consuming and in some respects an imprecise procedure. This was due in part to the unavailability or inconvenient display of data concerning the operation of the equipment fleet."

Senator Dover made a MOTION to pass the OBPP budget except for "Travel" and "Rent" which would be LFA budget in the "Equipment Budget." Discussion. The Chairman said we would take everything except "Equipment" and discuss this separately.

Senator Keating inquired about the difference in FTE's. Discussion. Mr. Gruel explained that the one FTE referred to in the Motor Pool, the LFA reduced the Motor Pool by one FTE and they are interchanged between Equipment and Motor Pool. The mechanic works in both areas. In answer to a question from Senator Van Valkenburg, Mr. Wicks said that position 43017 which shows an Administrative Assistant position vacant, that this position would be used for a position in the Equipment Management System as mandated by House Bill 500.

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The system is not yet operational and so this position is not filled. When it does become operational in June this position will be filled. Discussion. Mr. Wicks explained that this position existed before but they have changed the duties of that position.

In answer to a question from Senator Keating, Mr. Wicks said that in FY82 they were appropriated 120.85 FTE's and they actually used 119. Discussion.

In answer to a question from Senator Van Valkenburg, Mr. Rygg said the historical levels of usage for gasoline and diesel were as follows:

<u>Gasoline</u>	<u>Gallons</u>	<u>Total Cost</u>	<u>Cost per Gallon</u>
1982	1,988,634	\$ 2,418,000	\$ 1.22
1981	1,882,000	2,161,000	1.15
1980	1,982,000	1,867,000	.94
1979	2,411,000	1,386,000	.58
1978	2,387,000	1,248,000	.52

Diesel

1982	433,000	474,589	1.10
1981	365,000	351,571	.96
1980	401,000	303,096	.76
1979	568,000	277,358	.49
1978	498,853	260,469	.52

The Chairman asked what their projections were for cost of gas and diesel for the next year. Mr. Rygg said that when they put the budget together the cost was \$1.27. Since then the price has dropped.

Mr. Wicks said that their concern was that they have the amount of gasoline and diesel fuel to get the job done so if the committee would want to work some language up that ties the figure to gallons that would be acceptable to the agency. He said they are asking for about 2.2 million gallons of gasoline and 550,000 gallons of diesel fuel in FY84 and 600,000 gallons of diesel fuel in FY85. He noted that the reason for the increase in diesel fuel in the second year is that their truck fleet will be moving more into diesel.

In answer to a question from Senator Keating, Mr. Wicks said that most of the equipment they would be buying is replacement equipment and they would be using relatively the same amount of fuel. Discussion.

In answer to a question from Senator Van Valkenburg which was addressed to Mr. O'Brien, Ms. Cohea told the committee that in setting up the budget there was a 1% deflation between FY82 and FY83, then an 8% inflation for FY84 and 11% for FY85 so at \$1.27

for FY82 it would be \$1.35 in FY84 and \$1.50 in FY85. This is what the budget was based on. (264)

Discussion.

Senator Van Valkenburg expressed concern that if we are appropriating money that is not necessary we are taking it away from something else where it is needed. "This theory may work fine in a financial situation which says you have plenty of money to spend but we don't. There are other things that need to be funded with that money." Discussion. Mr. Wicks noted that this was a revolving account so that if it isn't spent they don't charge "Maintenance" for it.

Senator Van Valkenburg said that since this is a revolving account we would have to go back and reduce other budgets if we are going to reduce this. In response to the fact that is is earmarked and not general fund, he said we could go back to the big issue of the highway earmarked account and decide whether we are going to utilize some of that money to pay Highway Patrol salaries. If we can do that we are saving general fund money.

Discussion.

Ms. Cohea suggested that perhaps they could put in the gallon usage and also indicate the dollars per gallons that you base the estimate on, then add language saying that if gasoline goes to \$2.00 a gallon you would anticipate a budget amendment. This would give them the authority to budget amend for this cost but would allow the committee to appropriate less here. The Chairman thought that would be logical.

Senator Dover made an AMENDMENT to his MOTION that we set this on gallonage: 2.2 million gallons of gasoline for each year of the biennium and 550,000 gallons of diesel in FY84 and 600,000 gallons of diesel in FY85. (385)

Discussion of setting price per gallon per estimate. Mr. Rygg noted for the committee that the reason the diesel fuel is up in the second year of the biennium is because of the proposed construction. He said they have been on a reduced construction program for the past year and a half and this is reflected in their gasoline usage as far as construction activities are but not as far as maintenance. After some discussion, the committee decided that for both gasoline and diesel they would project \$1.15 in FY84 and \$1.30 in FY85. Discussion.

Senator Dover ADDED the above projections to his MOTION and included reference to a Budget Amendment possibility in case the price of gasoline and diesel fuel exceeds the projected cost per

gallon. He also ADDED to his MOTION that this projection should be reflected in reducing the other budgets which this projection would impact. Ms. Cohea is to work out the language for the committee. Discussion. (Tape 98, Side B) Motion carried.

### Equipment

In answer to a question from the Chairman, Mr. Rygg said that when any equipment is purchased it is delivered directly to the Helena shop and they check it for specifications, put identification numbers on it and do any service that is needed before it is shipped to the using division. Then when the using division receives it they bring in the trade-in. Senator Van Valkenburg asked Mr. Wicks what his response was to the Council on Management's recommendation that the fleet be reduced.

Mr. Wicks said they had the consultant for several months for the Equipment Needs Analysis and the Council on Management spent even less time on their evaluation. The agency disagreed with the Council on Management's specifics but the general thrust would be that they would evaluate the equipment fleet and make some adjustments.

In further discussion between Senator Van Valkenburg and Mr. Wicks, Senator Van Valkenburg said the agency is coming in for a request for \$4.7 million in new equipment while the Council on Management recommended a \$1.1 million reduction.

Mr. Wicks also told the committee that he felt the difference between the two studies was that the Council on Management was composed of business people from communities who were concerned with cost effectiveness and did not address what Mr. Wicks felt was the important purpose of the department which is service to the people of the state. Mr. Wicks said they have to have snow plows out there whether or not it is economically efficient to do so. Mr. Wicks said they wanted to make sure that any changes in their equipment fleet did not result in a decrease in service to the public. He felt that the analysis made by one of the most respected firms in the United States which is more familiar with the operations of a department which is providing service to the people of the state, was the better of the two studies. The committee discussed specific types of equipment which are included in this request.

(The second analysis of the equipment fleet referred to by Mr. Wicks as the "Byrd Study" is the "Montana Equipment Utilization Study" by Byrd, Tallany, McDonald and Lewis, a consulting firm from Falls Church, Virginia.)



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In answer to a question from Senator Dover regarding the brooms Mr. Rygg said there are 50 in the fleet now, this is current level, they will maintain 46 after they buy 4 each year. He also said the reductions will come in the smaller brooms and not in the big sweepers.

Mr. Wicks said that the "Equipment" budget has been one that has always suffered from cuts in the past and it has only been in FY82 and FY83 that they have been able to start replacing some of the equipment that is 30 years old or older. He said he would not like to see this progress stopped; he said he felt the Byrd Study would help them to do a better job but it can't be done if they go back to equipment expenditures they had in FY80 and FY81 and beyond. He felt they would be putting off this problem and it would catch up with them. Discussion of dump trucks, the basic maintenance unit.

In answer to a question from the Chairman, Ms. Cohea said that the federal government will not pay for depreciation so the Equipment Bureau cannot set their rates to the totally recovered costs. What they have needed historically is earmarked revenue to help replace equipment because they cannot build up a revolving account because of that federal problem. However, with the change in the bill you passed last session they can put the option receipts, when they sell the used equipment, into this revolving account. She said the \$300,000 figure for auctions would be the most they have ever raised. The depreciation figure is the amount the feds will allow them to recover. The \$300,000 is what they anticipate they will get from selling the equipment. The difference is the amount of earmarked funding to purchase this equipment. In answer to a question from Senator Dover, Ms. Cohea said the committee will have to appropriate the \$4,700,000 as it is a revolving account.

Senator Dover made a MOTION that the committee approve the \$4,700,000 and \$4,168,000 for Equipment. He commented that since the Highway Department has had the Byrd Study completed, they are taking the recommendations and putting them into place. He also mentioned that if they don't pay for the replacement equipment they will have larger repair bills. He felt the department needs this equipment budget to get their plans underway.

Discussion by the committee. The committee discussed the difference in the two studies done for the equipment. The agency felt that the Byrd Study took into account the service to the public factor which the Management Council's study did not. Senator Dover noted that with the Byrd Study's recommendations, there would be a change in the types of equipment the department would be using and although there is an initial cost in purchasing some of this equipment, there would be a savings, perhaps not right now, but in the future. Mr. Wicks agreed. Mr. Gruel noted that with the ten replacements on the motor patrol with a figure of \$75,000 each and replacing them with the two hot plants at \$500,000, there is a \$250,000 savings in this biennium. Ms. Cohea called the committee's

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attention to the reduction in repair in the second year from \$1.6 to \$1.5.

Senator Van Valkenburg expressed concern that the committee has labored over equipment expenses in small amounts for other agencies and has asked them where they can get along with less and has cut their equipment requests and now with the large amount of money and equipment in the Highway Department the committee does not even go over the equipment list and inquire if they can get along with less. He said if every agency had an equipment study done they would come in with a list of equipment just like this. Just because an equipment study has been done doesn't mean that they need all this equipment in times when the state has budgetary problems. Mr. Wicks responded that the agency did not just go out and get an equipment study. The Legislature last time mandated that they spend the money to do the study. The agency has complied with that mandate and is now presenting to the committee the information that was mandated in House Bill 500. Senator Keating asked to respond to Senator Van Valkenburg. He said the point was well taken and stated that he doesn't know what the agencies know about how they can best get the job done. He said all he can do is perceive the public need and in weighing those budgets that is what he tries to do. He said the highways are extremely important to our society as a means of commerce and as a means of travel for our citizens. We need safety out there. Senator Keating said that in looking at the different budgets we have to decide what is important to have highways safe or to have another microscope in a lab? He told the committee that what he has seen in the past two years in the Highway Department is a remarkable turn-around from what it was the years before. He said the department has shown an intelligence and a patriotism, or a dedication to duty in trying to correct a situation that has been a thorn in the side of this state for a long time. He said they have demonstrated a willingness to do the job.

He said you come back to public need or public service. Rep. Connelly said she agreed with Senator Keating and as she had worked for the department she has seen a difference in the day-to-day operations since Mr. Wicks has taken over. She also questioned whether the people on the Governor's Council on Management were cognizant of the services provided by the agency.

Discussion.

Motion carried. Senator Van Valkenburg voted "no".

Senator Dover made a MOTION that the committee approve the "Equipment" budget as amended. Motion carried.

The Chairman asked Mr. O'Brien to help with the language and get it to the committee.

The committee recessed briefly.

The committee reconvened.

Motor Pool

Senator Dover made a MOTION that the Motor Pool Budget be approved in all categories down to "Equipment" category. Discussion. Mr. Wicks explained that the position of one FTE which is in question is a position which is used in both the Equipment and Motor Pool Divisions. In answer to a question from the committee, Mr. Wicks said that this position would have to be either added in the "Equipment" budget or in the "Motor Pool" budget but that they would prefer that this position be left in the "Motor Pool" budget. Discussion.

Motion carried. (Tape 99, Side A)

The "Equipment" category of the Motor Pool budget was brought before the committee. Both the LFA and the OBPP recommended that the fleet be reduced so the budget figures reflect the Council on Management's recommendation that the fleet be reduced by 40 vehicles. Ms. Cohea said the agency reduced 42 in FY84 and 1 in FY85; these vehicles will be transferred to the Department of Institutions. The remaining vehicles are designed to meet 90% of customer demands in accordance with the Legislative Audit recommendation. That is why "Operating Expenses" are reduced; they anticipate 10% fewer miles driven.

In answer to a question from Senator Dover, Mr. Rygg said that the units being given to Institutions are the high mileage units. Discussion by the committee.

In answer to Senator Stimatz' statement that he has received a lot of complaints about the Motor Pool, the condition of the cars and the operation of the pool, Mr. Wicks replied that the Legislative Auditor reported some problems in that area and they have repeatedly had their own audit unit go back and check the Motor Pool. The last check was about a month ago and they indicated that most of those problems have been corrected.

Senator Stimatz said that price-wise, it has been said that it is cheaper to use personal cars. Mr. Wicks said that is an accurate statement but they are required to charge what it costs to operate the Motor Pool including these expenses. That is one of the problems. The usage on the Motor Pool is dropping and that is one of the justifications for lowering the number of vehicles in the fleet. They have reported to the Legislative Auditor that the Legislature should take a look at this. It is a problem the way the Motor Pool is structured and the way the rates for personal car use have been structured by statute.

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In answer to Senator Dover's question, Mr. Rygg said that they are buying 12 new units this year and taking 54 out of service. They are doing the reduction ahead of the next biennium. Mr. Rygg said they will maintain a fleet of 160. He said they are putting 20,000 miles a year on the cars. Discussion.

Senator Dover made a MOTION that the committee approve the budget for "Equipment" of \$280,100 in FY84 and \$203,700 in FY85. Discussion. The agency is buying 12 units in FY83, 35 in FY84 and 26 in FY85.

Discussion. The committee discussed abolishing the motor pool and what would be the result of doing so. Ms. Cohea replied that every single budget in state government is based on renting from the Motor Pool and they have to figure out how to transfer the vehicles and buy extra ones. The committee noted that this problem could be looked at before the next biennium and an interim study could be done. Senator Van Valkenburg noted that there are still all kinds of agencies that have no business having one car but there are times when they need to have access to a car. Discussion.

Question being called for, the motion carried. Rep. Connelly voted "no".

Overtime and Differential

Ms. Cohea explained Exhibit 3 which shows the OBPP and LFA recommendations for FY84 and FY85. In G.V.W. the concentrated enforcement project would bring officers from all over to one location where they have been having trouble, run 24 hours on that location and act as a deterrent. They have found that they pick up more in fines than the over-time they spend.

The other large item which nearly doubles is in "Preconstruction". The reason for that is the high right-of-way acquisition load. They have an unusual amount of parcels they have to buy in FY84 and FY85.

In answer to a question from Senator Dover, Ms. Cohea said that these figures are included in the OBPP budget recommendation. In answer to a question from Senator Dover, Ms. Cohea said that the committee has approved the FTE levels and given Mr. O'Brien and Ms. Cohea the authority to work out exactly what they have to pay. The LFA has no recommendation on over-time and these figures are contained in the OBPP budget. Mr. O'Brien said that in reviewing these figures almost all of them are at current level, and in many instances are below current level. The only ones that are different are, as Ms. Cohea pointed out, in "GVW" and "Preconstruction". He also expanded on Ms. Cohea's remarks by saying that part of the additional overtime in the "GVW" program is for the additional officers who have to go to training at night. Ms. Cohea said that was correct but not in this parti-

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cular set of figures. This would be in the modification figures which have already been approved. Discussion.

Senator Dover made a MOTION that the committee accept the Overtime and Differential Figures in Exhibit 1. Question. Motion carried.

Ms. Cohea told the committee that they would like to have approval of the committee on some boilerplate. "In the event additional federal funding becomes available, additional appropriation authority and additional FTE may be requested through budget amendment." This is historically the kind of boilerplate which has been used.

Rep. Lory made a MOTION that the committee approve on this boilerplate. Question being called for, the motion carried. Ms. Cohea asked for the committee's approval on the funding split. For example, in "Contruction" it is 22% earmarked, 78% federal. This is based on an historical split and also what they anticipate in projects. Each year the Legislative Auditors question the appropriateness of the funding split when there is a slight miscalculation and they have to do a hurry-up budget amendment at the end of each year saying that they were off by one tenth of one percent on the funding split. Every year this is an estimate which is approved by the Legislature and there is always a slight variation. They would like to make up language such as "adjustments in the Highway Earmarked Account and the federal funding is requested because funding is dependent on project workload and something about being able to budget amend that small amount of difference at the end of each fiscal year." This would not increase total spending authority. It would shift the funding split.

Rep. Lory made a MOTION that the committee request that Ms. Cohea and Mr. O'Brien make up the language to include this in the boilerplate.

Senator Van Valkenburg questioned that this is a wise decision. They may like to have this identified for the Legislative Auditor but he felt there would be some problems in putting such general language in allowing that change in the funding split as it opens the door for a much bigger difference than one tenth of one percent. He felt we would be better off to let them know in the committee minutes here that they can come back and say they brought that to the attention of the sub-committee and they weren't concerned about it and we did our job of identifying it in that fashion.

Discussion. Ms. Cohea said that since the Legislature had approved the funding split, if they had to shift a half million dollars into the Earmarked Fund and subtract this amount from the federal fund, it is always a question in their minds if they are within the legislative intent.

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The Chairman suggested putting this in the Appropriations Report rather than in the Appropriations bill.

Ms. Cohea said that would be fine as long as they could say that it was clearly the sub-committee's understanding that there would have to be slight adjustments in the splits. Question being called for, the motion carried.

Mr. Wicks told the committee there was one more item for the committee's consideration and that is the FTE level in "Preconstruction", and "Construction" and "General Operations".

Preconstruction

Mr. Wicks said that in Preconstruction there are 10 positions vacant. One is an administrative assistant, this position was deleted and one position was created. He also identified a road plan checker which was filled February 5th. An engineer Civil IV and a design technician I, will both be filled by May 1, 1983. Those were positions they had not filled before but now that the bridges have to be redesigned these positions will be filled. With the federal increase in bridge money, this is very important. In the Right-Of-Way Bureau they have three positions, one is to be deleted on July 1, 1983, this is a vacant position. There is a civil engineer manager that is in right-of-way that they are keeping open. They will evaluate this position to comply with the recommendations of the Council on Management and the auditor that they centralize right-of-way. The Secretary II position was filled on February 7; the clerk in Missoula is a temporary seasonal employee; in Butte there is a stenographer position that was filled February 5; in Great Falls there is a review appraiser position which they are evaluating as to whether or not it will be filled.

Senator Van Valkenburg said that action on 214 FTE's to be reduced to 211 FTE's which the committee passed yesterday included the reduction of the positions of a review appraiser, the office clerk and the civil engineer IV. Senator Van Valkenburg said that Mr. Wicks has just said that the review appraiser position is still open until the re-organization of the bureau; the clerk position is a temporary seasonal position and the civil engineer IV may be needed to be filled in May because of the bridge construction. There is one other, the civil engineer I position, which depends on the re-organization of the Right-of-Way Bureau. Senator Van Valkenburg felt that this is so nebulous that there is no reason to change the action we took yesterday in terms of reducing this from 214 to 211. Mr. Wicks told the committee that the bridge engineer is absolutely needed. The clerk position is already there. He felt this was not nebulous; that is just what they have done before over the past two years.

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Senator Dover said he felt this department has shown some real credibility. They had 281 FTE's in FY81 and they knocked that down to 252 FTE's; they are asking now for 214 FTE's. He felt they need a little bit of a margin. Discussion.  
(Tape 99, Side B)

Senator Dover made a MOTION that the committee reconsider their action on the FTE's on the previous day.

Question being called for, the motion passed. Senator Van Valkenburg and the Chairman voted "no". Discussion.

Senator Dover made a MOTION that the committee approve 214 FTE's in the Preconstruction program. Motion carried. Senator Van Valkenburg and the Chairman voted "no".

### Construction

Mr. Wicks said that in Construction most of these positions which show "vacant" are positions that are needed in the next construction season. Mr. Wicks said he would identify where these positions are if Mr. O'Brien wanted to give him specific position numbers.

Senator Van Valkenburg said he felt this wouldn't be necessary since the committee obviously felt that these vacant positions were not a problem and it would be a waste of the committee's time to do this. The only alternative would be to go to the full committee and say the vacancy savings factor here is 3% or 4% and therefore reduce the bottom line of "Personal Services" by a like amount. He felt that this was not a good method. He said instead of identifying the vacant positions and dealing with that, the committee apparently feels it is not necessary, and Mr. Wicks feels it is not necessary. He said that it was a waste of time to go over position by position if the committee, in the end, says he's done a great job in the last two years of reducing FTE's and therefore we should give him everything he wants.

Senator Dover noted that some of these positions are aggregate positions.

Mr. Wicks said he had the list which shows numerous temporary positions and that he would be glad to identify any of these positions if he knew which ones the committee would like him to identify. Mr. Wicks said he didn't feel the committee or anybody else should be in a position of just accepting what they ask for but he couldn't give the answer until he knows what the position is that we are arguing about. He said he was quite certain that these FTE's are defensible and if he knows the specific one he can make the argument for it.

Senator Dover asked Senator Van Valkenburg if he had specific positions he would like to ask about.

Senator Van Valkenburg said there was a Position No. 55014 Engineering Tech I, vacant since July 9 of last year. Mr. Wicks said that position is vacant and they intend to fill it as soon as contracting begins in the spring.

Rep. Lory asked if it was the intent of the Legislature that there be zero vacancy savings in every department.

The Chairman said he didn't know. They are contemplating vacancy savings and are going to use 3.5% for salaries. The Chairman said he didn't think this was going to work.

Mr. Wicks said he didn't know if it was going to work and that was a decision of the Budget Office and the Governor's office but that they had always paid built-up vacation out of vacancy savings. The Legislature has several times been asked to fund that problem but they never have and the agency has taken this expense out of vacancy savings.

Discussion by the committee of vacancy savings. Mr. Wicks told the committee that the workload goes up substantially in the summer time and drops in the fall and what they are trying to do with the Construction Management Program, is to set a permanent FTE level at a level which they can justify in terms of work throughout the year and then do the rest with temporary people.

In answer to a question by Senator Keating, Mr. Wicks said the over-all average of vacancy savings for the department is 2%, in "Construction" to date it is 4%.

Mr. Wicks said the point he was trying to make is that they didn't have a management system in place when they were making the cuts. In a lot of cases it was done by the judgment of people in the field, the agency's judgment and in some cases it was arbitrary. He said it was critical with the amount of money we are talking about putting into the construction of Montana's highways, both at the federal and state level, that they have the people to do the job that is needed to make sure that money is spent the way it should be spent. He said, "We aren't talking about office people here--we're talking about people who actually go out and get the work done on the ground." Mr. Wicks said he was worried, as Senator Dover had expressed his concern earlier, that they may be getting too low in some areas and he wants to be able to make sure that they can respond to the amount of money the federal government has given them in the current program. He said they are at the lowest level they have been since the 1950's and he was concerned that taking it down any further would cause problems for them. Senator Dover made a MOTION that the committee accept the 472.75 FTE's for FY84 and FY85. Question being called for, the motion carried. Senator Van Valkenburg voted "no".



### General Operations

Mr. Wicks said that yesterday 12 positions had been identified that had been vacant for some time. Mr. Wicks went through all 12 positions and told the committee whether they had been eliminated, filled or remained vacant. The Chairman noted that this budget has been approved and no further action is necessary. Discussion.

The committee recessed briefly.

The committee reconvened. (262)

### Department of Administration

#### Communications

Mr. Roessner explained to the committee that the Communications Division is proposing a state-wide communications network to satisfy the needs of all the agencies who have remote or mobile communications. He said that the sub-committee formed from this sub-committee, chaired by Senator Dover, has held several meetings and requested the Communications Division to put together a package as to the cost for the telecommunications system. After some discussion Senator Van Valkenburg noted that the handout Mr. Neraas gave the committee does not concern the telecommunications system but addresses the high band radio conversion costs.

The Chairman noted that this is one program that may have to have a committee bill and put it in Long Range Building to see if it could be funded through bonding.

After some discussion, Senator Dover made a MOTION the sub-committee make a committee bill on the \$3 million to put in long range. (Second page of Exhibit 4) (The actual figure is \$3,035,792.)

Discussion. It was noted that this bill would have to be a full Appropriations Committee bill.

Mr. Brusett told the committee that there is a long range building bill already in and this could be an amendment to this existing bill. He said that basically what is in that bill now is the Governor's proposed bonding for the next two years. It is being heard now.

The Chairman noted that it would be much simpler to amend the bill rather than to have the sub-committee recommend to the full committee with a committee bill.

Senator Dover WITHDREW his MOTION and "change it to do that and then it gets back to the department to put that in their bill."

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Mr. Brusett reminded the committee that to fund the long range building program would require a tax increase. House Bill 511 raises the liquor tax and the cigarette tax. It only raises it enough to cover the present programs so the committee would have to decide, if you're going long range with this \$3 million, you would be competing with other projects.

Discussion.

Senator Dover made a MOTION that the Communications Program be amended into the bill.

Mr. Roessner noted that if this doesn't go through on Long Range Building it does leave the agencies without any money in their operating budgets to purchase any radio equipment.  
(Tape 100, Side A)

Discussion. The Chairman noted that if we put all of this in the Long Range Program there might be some agencies who would have to go without any radio service.

The committee discussed whether or not they had approved the Highway radios in the previous budget sessions.

Hiram Shaw showed the committee with charts where the site locations are and where they are proposing shared facilities.

Discussion. Senator Van Valkenburg noted that the local law enforcement agencies are on low band and the Patrol is on high band and they can't talk to each other. It would appear that the Patrol would have to have both high and low band radios in their units. Col. Landon said he had not seen the survey that was taken but that to his knowledge there are several counties who have switched over that the Patrol cannot communicate with now. The trend is to switch to high band and the Patrol should have done this ten years ago. If local law enforcement is going to be doing it, the Patrol should be doing it, too. Senator Van Valkenburg said that he didn't see how the locals could do this conversion because they don't have any money to do it.

Col. Landon said a survey taken some time ago indicated that over 50% of local law enforcement (which includes police departments) have already switched over.

Senator Keating requested clarification as to whether or not these figures were plugged into the budget. The Chairman said they were not, with the exception of a portion of the Highway Patrol. Senator Keating wondered if the committee had not asked for this over-all telecommunications program, would the committee have approved these expenses piece-meal in each agency budget.

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The Chairman noted that there are several ways to approach these proposed expenses but the problem is the funding. (310)

Discussion. Senator Dover noted that there are replacement radios for the Highway Patrol that are included in this (Exhibit 5, page 2) that will have to be approved if the total package is not approved.

Senator Van Valkenburg said that there are new FTE's in this package which were not in the original proposal in coordinating these regions. Discussion.

The Chairman said that this committee can only address those agencies which have their budgets heard by this committee. Gary Brown, representing State Lands, said that he felt the sub-committee who heard their budget have the radios in the budget already. John Skufca, Department of Livestock, said this would be an additional \$50,000 added to their budget for radios. This \$50,000 was requested as a modified. Irv Kent, from Fish, Wildlife and Parks, said the expenditure for radios is in their sub-committee's budget, as a modified request.

The Chairman said that he felt this committee should just address the Highway Department and the Highway Patrol. Senator Dover said he felt that part of this should be addressed as a modified and part that they will have to have.

Senator Dover made a MOTION that the Highway Patrol and Highway Department budget be approved as follows: "Equipment" for Highways, \$834,495 and for "Personal Services", \$22,171. For Highway Patrol for "Equipment" \$190,618, for "Dispatching Equipment" \$76,195 and for "Personal Services" \$382,550. (Tape 100, Side B) (See page 2 of Exhibit 5) Senator Dover INCLUDED in his MOTION that the LFA double check for the committee to be sure that the replacement radios for the Highway Patrol either have been or are approved before this budget is closed. Col. Landon said he felt the committee had already approved money for replacement radios of \$48,000 each year. The Chairman requested the LFA check this out.

The question being called for, the motion carried. Senator Van Valkenburg and the Chairman voted "no".

In answer to a question from Senator Dover, the Chairman said he would speak with Rex Manuel, Chairman of the Long Range Building Program Committee, and see about the possibility of putting this program in the Long Range Building Program's bill.

Senator Dover said there was some boilerplate the committee should consider. (Page 4 of Exhibit 4)

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Mr. Neraas explained this to the committee. (Page 3 of Exhibit 4) (Certificates of Participation) Discussion by the committee. The Chairman said that this issue would take up more time than the committee has today and that consideration of this should be looked at by the full committee. Mr. Neraas said that was fine, the committee has this information for future action.

Mr. Brusett said that Chairman Bardanouve of the full Appropriations Committee had suggested that the sub-committee look at this and that the full committee would address it also. Chairman Quilici said that he would prefer that the full committee vote on this issue.

Senator Dover said the boilerplate on page 5 of Exhibit 4 is something the committee should address.

Senator Dover made a MOTION that the committee approve the coordination of the acquisition of land mobile radio equipment and systems by approving the amendment as written on page 5 of Exhibit 4. In answer to a question from the Chairman, Col. Landon said he would support this amendment. Discussion. Question being called for, the motion carried. (137)

After some discussion the Chairman told the committee that the Telecommunications Package would be heard at 8:00 a.m. tomorrow.

#### Computer Services Division (156)

Mr. Roessner told the committee that the Department of Justice has requested a new switcher. (See Exhibit 6 for explanation and budget figures) Discussion. Susan Hansen distributed Exhibit 6 which relates to the Department of Justice's LENS Switcher. Ms. Hansen went through Exhibit 6 for the committee. She said that one figure doesn't show on Exhibit 6 and that is \$150,000 which they pay to the Department of Administration for communications costs. Those are current level services. They pay them directly to Mountain Bell. This is a pass-through and is already in their current level services budget.

In answer to a question from the Chairman, Col. Landon said that this is their top priority, not only for the Highway Patrol but for the whole law enforcement community and the criminal justice community. Without this, he said, the law enforcement community cannot communicate on the teletype system.

In answer to a question from Rep. Lory, Mike Trevor of the Computer Services Division, said that this proposal they have made is to provide a separate computer to handle the message switching. The central processor would be used as a back-up. The existing switching equipment would be obsolete. He said this would be a back-up system if the main frame went down. Discussion.

Senator Dover made a MOTION that the committee approve \$88,200 for FY84 and \$291,000 in FY85 to the Department of Administration,

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Computer Services Division.

Discussion. Mr. Trevor said these figures reflect a complex situation but they are making the assumption that they will handle this with current level FTE's. In answer to Senator Van Valkenburg's question as to whether they are going to have to ask for more money in the next biennium, Mr. Trevor said he felt \$45,000 would be sufficient to program this and make it operational but he said that down the line when they have the basics working there is going to be a need for enhancements which he feels will be cost effective. "You will see requests to add functions to the kinds of information that are provided across this network. I would like to say that now so that when it comes up it isn't looked at as being off at this point in time."

Sheriff O'Reilly told the committee that, as he had testified before, all the law enforcement associations in the state stand 100% behind this. It is their number one priority. He told the committee that this would allow them to keep up with the crooks who have improved their technology and technique and they would like to be able to keep up with them. He said this would bring them up to date and they are solidly behind it.

Question being called for, the motion carried.

Senator Dover made a MOTION that the Justice Budget Modification of \$223,000 in FY84 and \$192,000 in FY85 be approved as it is set out in Exhibit 6. Discussion. Senator Van Valkenburg noted that they requested a biennial appropriation. Ms. Hansen said this was because they would like to have the flexibility to get the best possible deal on leasing or purchasing in dealing with the vendors.

Senator Dover AMENDED his MOTION to read "a total of \$415,000 which is a biennial appropriation and line item it for the LENS switcher." In answer to a question from Senator Keating, Ms. Hansen said this was a modification which was not included in the Governor's budget because he didn't include any modifications for elected officials' budgets.

Discussion. (Tape 101, Side A)

Senator Van Valkenburg asked Mr. Trevor if we were not looking at something different than what the committee originally had before them. He said, "The cost then was about \$90,000 for each year of the biennium and then Justice came in and said they wanted to have their own system and they had figures that went up to \$380,000. Now we're going back and doing it another way except that we are providing you with some additional abilities that you don't have now. And the cost is now \$415,000." Senator Van Valkenburg said he thinks that is what we should do but he isn't sure that the committee is prepared to explain to

the rest of the members of the Legislature why the Executive budget says that this can be done for \$180,000 and yet we're going to approve a \$415,000 expenditure.

Mr. Trevor explained that in the beginning they had assumed that they would be able to use additional software at no extra charge; they have since found out that they are going to be charged for that. Regarding the modified figure in the Dept. of Justice budget, he said he felt partly responsible for that figure being too low. He explained that the Dept. of Justice had some turn-over in their data processing and the person who had originally worked on setting up this budget left and there was a period of time when they didn't have a data processing manager. He went over to help Susan Hansen put together some of these figures. His best explanation is that he only put in what Computer Services would be charging the Dept. of Justice. It didn't address several other things that were an important part of the budget.

Discussion. Susan Hansen said that when they started to put together the figures that had been prepared by the person who had left the department, they thought some of these were pass-through costs and they weren't. She said this was a mistake they had made and they were sorry about it.

Question being called for, the motion carried.

#### Budget Modification (LENS)

The LENS Modification for the Criminal History File Access was brought before the committee. (Exhibit 7)

Mr. Roessner explained that in the original budget approval for LENS the committee approved the LFA budget for "Contracted Services". The LFA budget maintained a current level for access costs for the Criminal History File Access and for the LENS network. When we were discussing the Computer Services Budget, Senator Van Valkenburg asked JanDee, Marlene, and Cliff to get together to examine the costs within this budget for the coming biennium. They examined rates and usage and this is the result of that meeting. In answer to a question from Senator Keating, Mr. Roessner said part of this was in the Governor's budget. Discussion. In answer to a question from Senator Van Valkenburg Ms. May said the original request was low. Senator Van Valkenburg asked Mr. Roessner if the \$116,000 and the \$119,000 at the top of the page of Exhibit 7 was the adjusted current level instead of the \$98,000 and \$104,000 that the LFA had previously identified as current level. Mr. Roessner said that was correct. Senator Van Valkenburg then said that the \$4,000 for each year at the bottom of Exhibit 7 was the only issue. Mr. Roessner said that was correct.

Senator Van Valkenburg made a MOTION that the committee reconsider its action with respect to the "Contracted Services" portion of the LENS program. Question. Motion carried.

Senator Van Valkenburg made a MOTION that the committee substitute the figures of \$120,597 in the first year and \$124,528 in the second year of the biennium in "Contracted Services", and adjust the totals accordingly, and approve the budget as amended. Discussion. Question. Motion carried.

Discussion. In answer to a question from Senator Keating, Ms. Hansen said that the committee had not yet taken any action on the funding. Senator Van Valkenburg noted that in the Executive Budget as opposed to the Attorney General's budget it was recommended that the local fees be increased by 10% per year and that the general fund pick up the additional 10% that the total level would require as opposed to the historical split. This is somewhat in between what the AG had asked for and the LFA had recommended. This would mean a little bit of help for the local government.

Senator Van Valkenburg made a MOTION that the committee accept the Executive Budget funding split in this program. Discussion. Senator Van Valkenburg CLARIFIED his MOTION: to approve the Executive Budget funding split in this program with the same ratio that existed in the original presentation and to apply that ratio to whatever the amended figures are. Question. Motion carried.

Discussion.

JanDee May said this is taking the actual collections times the 10% rate with the general fund picking up the rest. Last year there was never a clear cut split between what the locals paid for. Last year it was determined that the locals would pay for all line costs and maintenance costs, 100%. Because the costs have increased so much you would have to actually increase their fees 20% if you still wanted them to cover 100% of those costs. The Budget Office's recommendation is to split the difference 10 and 10. Discussion.

#### Drivers Licensing Program (Tape 101, Side B)

Ms. May explained to the committee that there are two different laws on the books. House Bill 500 requires that any balances in the Motor Vehicle Account be deposited to the General Fund on a yearly basis at the end of each fiscal year. There is a statute on the books that requires the same thing only on a biennial basis. House Bill 136 addresses this statute eliminating that requirement. In that way we can directly appropriate those monies to the Department of Justice. It is a wash. You're not going to really pick up any general fund money. It is a matter of whether you want to appropriate the Motor Vehicle Account and offset the general fund in drivers licensing. Now

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you would be able to offset the general fund approximately \$600,000 a year. Your revenue estimate in Miscellaneous has this deposit included there. One paper you're using other funds and not general funds. So don't think that \$1.2 million of general fund is going to appear. It is just appropriating it here rather than redepositing it and becoming part of general fund. The budget office thinks it would be a cleaner way to do it and get it up front.

In answer to a question from the Chairman, Ms. May said the balance would be maintained within the Motor Vehicle Account. Discussion. Senator Van Valkenburg said that we have to find out where our priorities are. We have this same issue with respect to the earmarked accounts and the coal tax. This is the other side of the general philosophical argument. Whether you want to take the earmarked money and limit it to just spending it on earmarked purposes or whether you want it to go to the general fund.

In answer to a question from Senator Keating, Ms. May said the source of these funds is mainly registration fees when you register your vehicles, registration of snowmobiles, etc. Senator Van Valkenburg felt this was setting up their own tax base and the program will build on that tax base and the more they tax, the bigger the program. Whereas, if the money goes to the general fund then we review the program to see to what degree it is necessary.

The Chairman noted that this bill has passed the House and is still in the Senate. He said that rather than be premature in one way or the other we could see how this bill travels through the Senate and then let it be addressed in the full Appropriations Committee rather than change this budget.

The committee decided not to take any action on this matter.

Motor Vehicle Registration Bureau

Mr. Roessner told the committee that when the committee took the LFA budget on this program, in the area of "Communications", the LFA had left out the inflation for the out-of-town long distance telephones. In taking this budget you are actually underfunding "Communications" by \$2,578 in FY84 and \$3,622 in FY85.

Senator Keating made a MOTION that the committee reconsider its action on this budget. Question being called for, the motion carried. Senator Dover made a MOTION that the committee put in \$2,578 in FY84 and \$3,622 in FY85 in "Communications". This would in effect be taking the OBPP figures. Motion carried.

Field Services Division

Mr. Roessner passed out Exhibit 8 to the committee. He told the



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committee that during Executive Action on Field Services Division's budget the committee approved the purchase of 67 patrol cars. After that action was taken some committee members requested a letter be sent to Col. Landon requesting updated information so that Fiscal Analyst's office could analyze it and come up with a recommendation of vehicle purchases. That is the subject of Exhibit 8.

Mr. Roessner said, "The question they would like to have considered is the Department would like to replace vehicles after every 60,000 miles and get on a three-year replacement schedule. The issue before you is should vehicles be replaced every three years or should there be a different replacement schedule based on the fact that after so many miles it appears that maintenance costs don't increase more than when the vehicles had fewer miles on them." In fairness to Col. Landon, Mr. Roessner said that there are computer errors in the report and perhaps Col. Landon could explain this.

Col. Landon said that in the committee's notebooks there is a list of each automobile in the fleet. We are taking a look at each particular car and the costs. They do not automatically replace a car because it has high mileage. As far as the computerized report is concerned the reason that they "scrapped" it was that they couldn't rely on it and they went to a manual system. This report is misleading and does not address the problem. There are entry errors in this report and keypunch errors. That is why they went to the manual system. He said the fleet is not large enough to do data processing anyway. He felt they could do it cheaper and more efficiently with the manual system. They are looking at each particular automobile, its mileage, maintenance, they don't want to replace anything this isn't necessary. Discussion.

Col. Landon said that when a car approaches a maintenance problem they park it and don't use it so that is why some of the high mileage cars don't show any maintenance. Discussion. The Chairman said that they are having one of the toughest sessions regarding budget and revenue. They have to make some cuts but they don't want to hurt the Patrol.

Col. Landon replied that they had originally requested 70 cars. They tried in good faith to make that effort. He said they have cut their request down to what they can barely get by with now.

Discussion.

Senator Van Valkenburg made a MOTION that the committee maintain their approval of the 67 cars. Question. Motion carried. The Chairman voted "no".

Highway Patrol Funding (Tape 102, Side A)

Discussion by the committee. The Chairman said he was going to meet with Chairman Bardanouve. (Tape 102, Side B) The committee discussed funding the Patrol out of the General Fund, funding the Patrol with Highway Earmarked Revenue Account and also funding the Patrol with a 50-50 split. After some discussion the Chairman said the committee would take up this subject tomorrow along with Telecommunications. The committee will meet at 7:00 a.m. tomorrow.

The meeting adjourned at 12:15 p.m. (63)

  
Joe Quilici, Chairman

dm

REPORT EBSR100  
DATE : 01/08/83  
TIME : 16/26/30

OFFICE OF BUDGET & PROGRAM PLANNING  
EXECUTIVE BUDGET SYSTEM  
AGENCY/PROGRAM/CONTROL --- BUDGET WORKSHEET

PAGE 110

AGENCY : 5401 DEPARTMENT OF HIGHWAYS  
PROGRAM : 03 MAINTENANCE PROGRAM  
CONTROL : 05000 BRIDGES

*Painting Bridges*

*3/3/83* MODIFIED LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 84	LFA FY 84	DIFF. FY 84	SUB-CMT. FY 84	OBPP FY 85	LFA FY 85	DIFF. FY 85	SUB-CMT. FY 85
2100	CONTRACTED SERVICES	500,000		-500,000		500,000		-500,000	
	TOTAL LEVEL	500,000		-500,000		500,000		-500,000	
	TOTAL PROGRAM	500,000		-500,000		500,000		-500,000	
02422	HIGHWAYS EARMARKED SP. REV.	500,000		-500,000		500,000		-500,000	
	TOTAL PROGRAM	500,000		-500,000		500,000		-500,000	

COMMENTS :

Maintenance Program  
Modified Request  
1984 - 1985 F.Y.'s

Accounts Receivable

2100 - Contracted Services - Bonneville Power will reimburse the Department of Highways for changing the lighthouse of 2,000 street lights to an energy efficient street light.

	<u>FY 84</u>	<u>FY 85</u>
2,000 x \$300 =	\$400,000	\$200,000

Maintenance

2600 - Utilities - Decrease electricity for 2,000 lights for 3/4 of 1985 F.Y.

1985      2,000 x \$50 x 3/4 yr. = \$75,000

WGS/dk/cp/212F

# OVERTIME

	FY82 Actual	OBPP Recommendation FY84	FY85
01-General Operations	\$ 11,236	\$ 14,882	\$ 11,172
122-GVW	15,348	40,050	40,050
02-Construction	361,128	394,801	406,001
03-Maintenance	788,805	834,753	860,683
05-Preconstruction	9,784	19,752	19,752
06-Service Revolving	4,316	4,985	5,234
07-Motor Pool	1,655	1,655	1,755
08-Equipment	33,323	38,488	40,412
Total	<u>\$1,225,595</u>	<u>\$1,349,366</u>	<u>\$1,385,059</u>

# DIFFERENTIAL

	FY82 Actual	OBPP Recommendations FY84	FY85
122-GVW	\$ 1,384	\$ 1,139	\$ 1,139
02-Construction	15,843	15,843	15,843
03-Maintenance	137,908	135,891	138,036
05-Preconstruction	2,047	2,047	2,047
06-Service Revolving	874	874	874
07-Motor Pool	0	0	0
08-Equipment	8,501	8,121	8,501
Total	<u>\$166,557</u>	<u>\$163,915</u>	<u>\$166,440</u>



STATE OF MONTANA

DEPARTMENT OF ADMINISTRATION

# Memorandum

3-3-83

TED SCHWINDEN  
GOVERNOR

TO: Senator Harold L. Dover

FROM: John Neraas, Administrator  
Communications Division

A handwritten signature in cursive script, appearing to read "John Neraas".

DATE: March 2, 1983

SUBJECT: State Agency High Band Radio Conversion Costs

Attached is a summary of total costs required to finance conversion of State agency radios from low band to high band frequencies.

encl.

JUSTIFICATION: STATEWIDE HIGH BAND RADIO SYSTEM -SUPPORT DOCUMENT

<u>STATE AGENCY</u>	<u>% CONVERSION COMPLETE</u>	<u>COST</u>
Aeronautics	0	\$11,351
Boulder School	0	7,008
Board of Crime Control	0	10,115
Commerce	100	-
Disaster & Emergency Services	100	-
DHRC	80	111,906
Eastern Montana College	100	-
Emergency Medical Service	100	-
Fire Marshal	0	21,675
Fish, Wildlife & Parks	0	248,945
Galen State Hospital	0	16,030
General Services (Administration)	0	16,637
Highway Department	13	1,561,735
Highway Patrol	16	473,559
Institutions	0	72,250
Investigations Bureau	0	52,762
Livestock	0	74,437
Montana State University	63	21,249
Montana Tech	80	8,461
Mountain View School	100	-
Northern Montana College	0	24,858
Pine Hills School	0	25,801
Revenue	0	35,908
State Prison	0	69,841
Swan River Youth Facility	0	14,301
University of Montana	75	26,670
Warm Springs	0	20,358
Worker's Comp	0	4,335
Total Materials		\$2,930,192
Labor, Travel, Contracts		105,600
State Agency Total	26	\$3,035,792

*Memorandum*TED SCHWINDEN  
GOVERNOR

TO: Dave Ashley, Deputy Director  
Department of Administration

FROM: John Neraas, Administrator  
Communications Division

DATE: March 1, 1983

SUBJECT: Certificates of Participation

The Department of Administration and Centel Business Systems have executed a Lease Agreement for the replacement of the existing telephone systems at Eastern Montana College (Billings), Montana State University (Bozeman), University of Montana (Missoula), State Forester (Missoula), and the State government operations in Helena. That agreement "may be converted in whole or in part to a Lease with Option to Purchase...". A method to provide the capital to fund a conversion is known as "Certificates of Participation". Each Certificate represents a direct and proportionate interest in rental payments to be made by the State. The Lease can be terminated in the event that sufficient funds are not appropriated and therefore the State's obligation constitutes a current expense and does not constitute an obligation or debt of the State.

The Certificates operate mechanically like municipal bonds and are purchased by an underwriter and sold to investors. The proceeds are deposited with a Trustee (typically a large bank's trust department). The proceeds are then distributed to the Vendor (Centel) upon direction of the State. Upon completion of the installations and acceptance by the State, the equipment is titled to the Trustee. The State pays the Trustee on a regular basis who, in turn, pays the investors. Upon redemption of all Certificates, title is transferred to the State.

The current Lease Agreement is financed at 14%. If the Agreement is in force for its term, interest costs are estimated to be approximately \$6.7 million. The effective rate on Participation Certificates is estimated to be 7.3%. The Certificate transaction would establish a 15% reserve for the benefit of the Certificate holders. This reserve is held by the Trustee and invested for the term of the Lease. The earnings from this reserve are used to lower the effective rate to the estimated 7.3%. This would result in interest costs estimated at \$3.6 million for the same 10 year term. A resultant savings of \$3.1 million dollars is projected through the use of this alternate financing method.



AMENDMENT NO. 1 - HB 447

Following line 4, page 38, Insert: "If the Department of Administration exercises its right to convert the existing Lease Agreement between the State and Centel Business Systems to a lease with an option to purchase as provided in section 16.12 of the Lease Agreement, then the Department is authorized, in its discretion, to issue lease participation certificates to finance such purchase option in a manner and form determined to be in the best interests of the State. The Department is further authorized to employ financial consultants and counsel deemed necessary to issue lease participation certificates, the cost of which may be paid from the proceeds of said certificates."

Following line 4, page 38, insert: "The Department of Administration shall review and approve or disapprove all acquisition of land mobile radio equipment and systems for all agencies of State government. In approving such equipment or systems, the Department shall:

1. Consult with and consider the recommendations and advice of the executive heads of the various State agencies.
2. Ensure compliance with state-wide planning efforts."

LAND/MOBILE RADIO PROGRAM: FY 84-85

EXECUTIVE SUMMARY

The attached table summarizes funds requested by radio user agencies and recommendations by the Department of Administration.

Except for the Department of Institutions, all radio equipment is either a conversion to high band frequencies or replacement of old high band equipment.

All high band radios will have access to mutual aid frequencies enabling intragency communications. Frequencies will be available to all state and local users. A frequency utilization plan will assure future economical uses of available frequencies.

Site sharing was achieved in all appropriate cases. This enabled a reduction in the Highway Patrol's request, by combining Patrol and Highway Department sites.

The Highway Patrol proposes regional dispatch, which will also enable after hours dispatch for the Highway Department and Department of Fish, Wildlife & Parks, and full service dispatch for the Department of Livestock.

A statewide transmission network would enable better coverage and save costs of telephone communications between dispatch centers and radio users over longer distances, and reduce costs of operating the LETS network.

During FY 84 - 85, the Department of Administration will develop a permanent system for review, coordination, and recommendations for modifications in the state's radio network. The adoption of SB 117 will enable improved frequency utilization and better input from local radio users.

LAND MOBILE RADIO PROGRAM FY 84 - 85

COST SUMMARY

RADIO EQUIPMENT

<u>Department</u>	<u>Request</u>	<u>Recommendation</u>
Fish, Wildlife & Parks	\$ 158,205	\$ 158,205
Highways	834,495	834,495
Highway Patrol	236,143	190,618
Institutions	35,567	35,567
State Lands	164,850	164,850
Livestock	<u>50,500</u>	<u>50,500</u>
TOTALS	\$1,479,760	\$1,434,235

DISPATCHING EQUIPMENT

<u>Department</u>	<u>Request</u>	<u>Recommendation</u>
Highway Patrol	\$ 100,195	\$ 76,195
TOTALS	<u>\$ 100,195</u>	<u>\$ 76,195</u>

PERSONAL SERVICES & OPERATING EXPENSES

<u>Department</u>	<u>Request</u>	<u>Recommendation</u>
Highways	\$ 22,171	\$ 22,171
Highway Patrol	<u>479,176</u>	<u>382,550</u>
TOTALS	\$ 501,347	\$ 404,721
TOTAL PROGRAM COSTS	\$2,081,302	\$1,915,151

DEPARTMENT OF FISH, WILDLIFE & PARKS

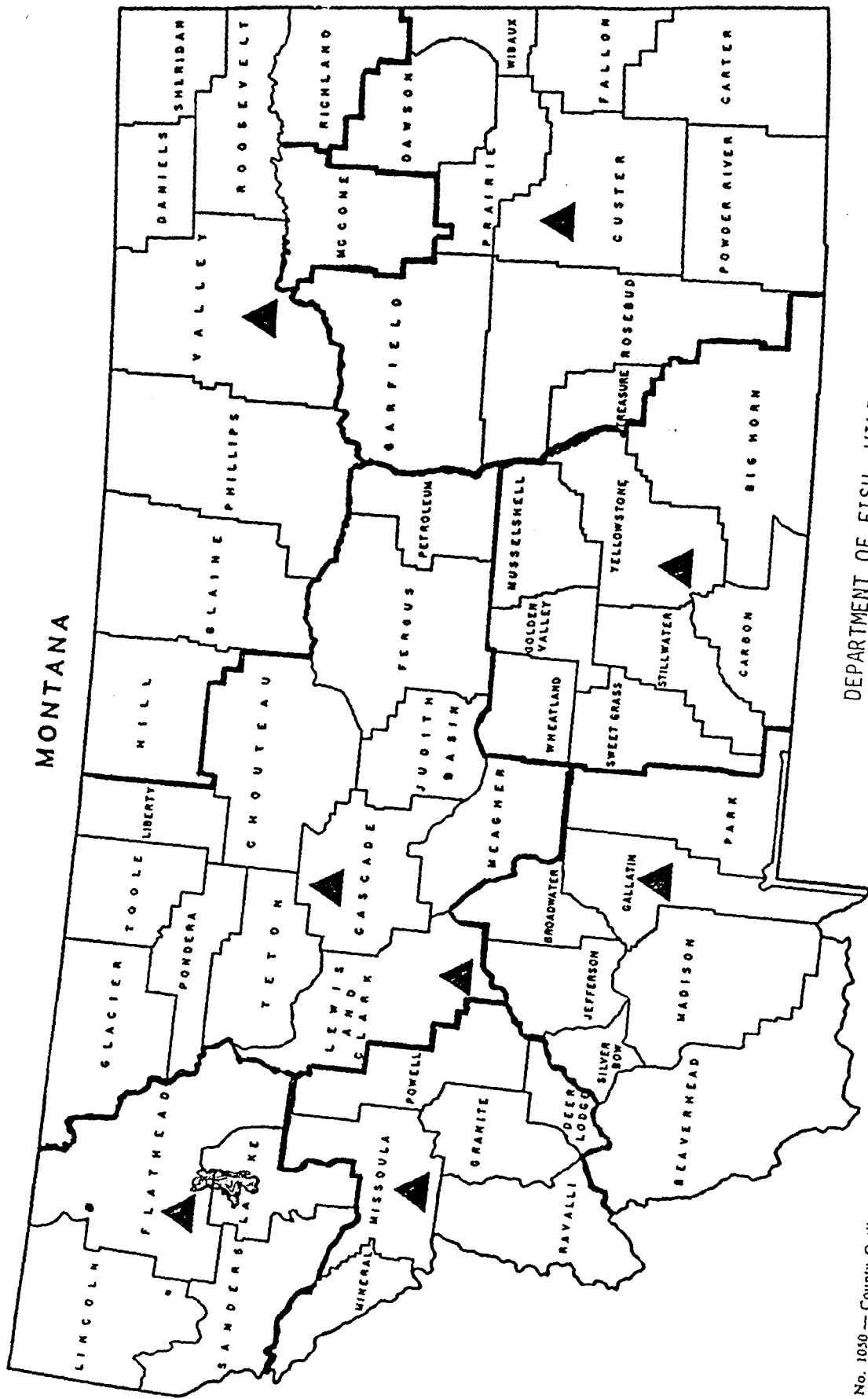
	<u>FY 84</u>	<u>FY 85</u>	<u>RECOMMENDATION</u>
85 Vehicles Mobile Radios	\$110,967		\$110,967
10 Boat Mobile Radios		\$13,054	13,054
16 Portable Radios		14,800	14,800
8 Base Stations		19,384	19,384
TOTAL	<u>\$110,967</u>	<u>\$47,238</u>	<u>\$158,205</u>

JUSTIFICATION: DEPARTMENT OF ADMINISTRATION

The Department will make a 100% conversion from low band to high band frequencies. This will require \$158,205 in FY 84-85 and \$55,620 in FY 86-87, for a total of \$213,825.

Approximately 60% of existing low band radio equipment is over six years old.

Fish, Wildlife, and Parks will convert each of its existing 8 base stations to high band. These base stations enable regional dispatch of game wardens. The Highway Patrol will provide after hours dispatch capability for 24-hour coverage. Base stations are located in each of seven regional offices and in Helena.



No. 1050 — County Outline Map  
 State of Montana, Co. Helena, Mont.

DEPARTMENT OF FISH, WILDLIFE AND PARKS



▲ - 3 Base Stations ---One Per District and Helena

Prepared by Communications Division 2-83

DEPARTMENT OF HIGHWAYS

I. HAVRE DIVISION

<u>Requested</u>	<u>FY-84-85</u>	<u>Recommended</u>
4 Base Stations	\$ 8,100	\$ 8,100
80 Vehicle Mobiles	108,000	108,000
3 Mobile Relays	11,400	11,400
2 UHF Controls	3,000	3,000
1 UHF Repeater	<u>3,600</u>	<u>3,600</u>
TOTALS	\$134,100	\$134,100

II. LEWISTOWN DIVISION

<u>Requested</u>	<u>FY 84-85</u>	<u>Recommended</u>
4 Base Stations	\$ 8,100	\$ 8,100
80 Vehicle Mobiles	108,000	108,000
2 Mobile Relays	7,600	7,600
1 UHF Control	1,500	1,500
1 UHF Repeater	<u>3,600</u>	<u>3,600</u>
TOTAL	\$128,800	\$128,800

III. WOLF POINT DIVISION

<u>Requested</u>	<u>FY 84-85</u>	<u>Recommended</u>
6 Base Stations	\$ 13,200	\$ 13,200
80 Vehicle Mobiles	108,000	108,000
3 Mobile Relays	11,400	11,400
1 UHF control	1,500	1,500
1 UHF Repeater	<u>3,600</u>	<u>3,600</u>
TOTAL	\$137,700	\$137,700

IV. GLENDIVE DIVISION

<u>Requested</u>	<u>FY 84-85</u>	<u>Recommended</u>
5 Base Stations	\$ 9,600	\$ 9,600
80 Vehicle Mobiles	108,000	108,000
3 Mobile Relays	<u>11,400</u>	<u>11,400</u>
TOTAL	\$129,000	\$129,000

## V. MILES CITY DIVISION

<u>Requested</u>	<u>FY 84-85</u>	<u>FY 84-85</u>
3 Base Stations	\$ 6,600	\$ 6,600
80 Vehicle Mobiles	108,000	108,000
3 Mobile Relays	11,400	11,400
1 UHF Control	1,500	1,500
1 UHF Repeater	<u>3,600</u>	<u>3,600</u>
TOTAL	\$131,100	\$131,100

## VI. BILLINGS DIVISION

<u>Requested</u>	<u>FY 84-85</u>	<u>FY 84-85</u>
3 Base Stations	\$ 6,600	\$ 6,600
80 Vehicle Mobiles	108,000	108,000
3 Mobile Relays	11,400	11,400
1 UHF Control	1,500	1,500
1 UHF Repeater	<u>3,600</u>	<u>3,600</u>
TOTAL	\$131,100	\$131,100

## VII. MISCELLANEOUS

<u>Requested</u>	<u>FY 84-85</u>	<u>Recommended</u>
20 Portable Radios	\$ 20,000	\$ 20,000
Extra Hardware	5,000	5,000
Vehicle Rental	2,695	2,695
Site Acquisition	15,000	15,000
1 F.T.E.	<u>22,171</u>	<u>22,171</u>
TOTAL	\$ 64,866	\$ 64,866

## SUMMARY

<u>Requested</u>	<u>FY 84-85</u>	<u>Recommended</u>
480 Vehicle Mobile Radios	\$648,000	\$648,000
20 Portable Radios	20,000	20,000
26 Base Stations	55,800	55,800
4 Repeaters	14,400	14,400
17 Mobile Relays	64,600	64,600
6 Controls	9,000	9,000
Site Acquisition	15,000	15,000
One F.T.E.	22,171	22,171
Miscellaneous	<u>7,695</u>	<u>7,695</u>
TOTAL	\$856,666	\$856.666



JUSTIFICATION: DEPARTMENT OF ADMINISTRATION

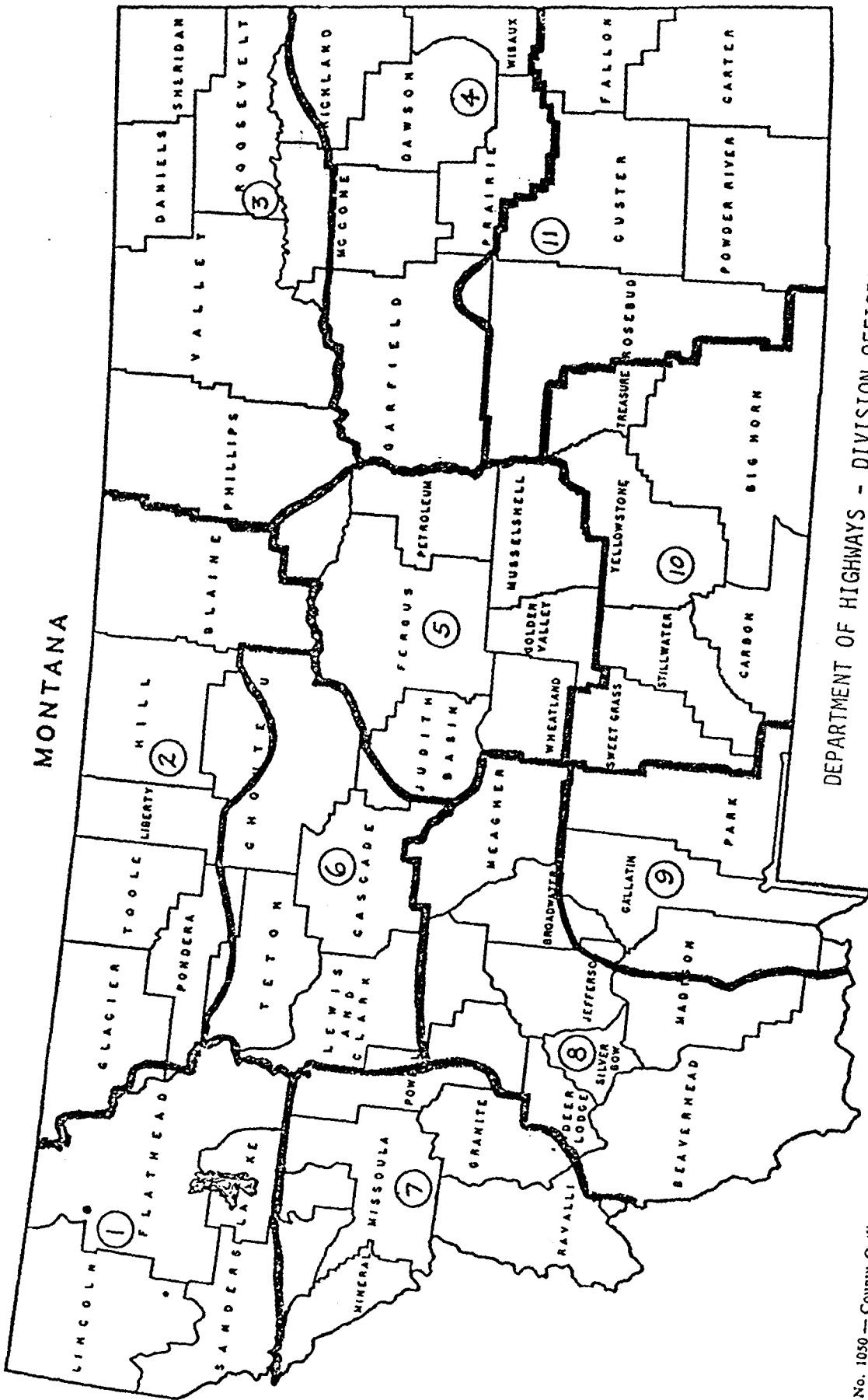
The Department of Highways maintains the most extensive radio network statewide. Many of its facilities can be shared, as is planned in the expansion of the Highway Patrol's system.

It is recommended that the remainder of the Department's low band radio system be converted to high band.

Areas to be converted would coincide with the Highway Patrol's proposed coverage in Lewistown, Glendive, Miles City and Billings, as well as conversion of the Havre and Wolf Point districts.

An estimated \$857,000 would be requested for FY 86-87 to complete conversion of the Kalispell, Missoula, Butte and Bozeman Divisions.

# MONTANA



## DEPARTMENT OF HIGHWAYS - DIVISION OFFICES

- |               |               |
|---------------|---------------|
| 1-Kalispell   | 7-Missoula    |
| 2-Havre       | 8-Butte       |
| 3-Wolf Point  | 9-Bozeman     |
| 4-Glendive    | 10-Billings   |
| 5-Lewistown   | 11-Miles City |
| 6-Great Falls |               |

No. 1050 — County Outline Map  
State Department of Highways

Prepared by Communications Division 2-83

# HIGHWAY PATROL

## I. RADIO EQUIPMENT

### REGION II - NORTHCENTRAL AND CENTRAL - FY 84

<u>Requested</u>	<u>FY 84</u>	<u>Recommended</u>	<u>FY 84</u>
1 Base Station (Lewistown)	\$ 4,957	1 Base Station	\$ 4,957
10 Vehicle Mobiles	14,450	10 Vehicle Mobiles	14,450
4 Antennas	800	3 Antennas	750
3 Duplexers	2,118	2 Duplexers	1,950
3 Mobile Relays	11,757	2 Mobile Relays	5,000
3 Towers	3,000	0 Towers	-0-
2 UHF Antennas	400	1 UHF Antenna	200
2 UHF Links	<u>8,000</u>	1 UHF Link	<u>4,000</u>
TOTALS	\$45,482		\$31,307

### REGION IV - EASTERN - FY 84

<u>Requested</u>	<u>FY 84</u>	<u>Recommended</u>	<u>FY 84</u>
1 Base Station (Glendive)	\$ 4,957	1 Base Station	4,957
1 Base Station (Miles City)	4,957	1 Base Station	4,957
28 Vehicle Mobiles	40,460	28 Vehicle Mobiles	40,460
5 Antennas	1,000	6 Antennas	1,500
3 Duplexers	2,118	4 Duplexers	3,900
3 Mobile Relays	11,757	4 Mobile Relays	10,000
3 Towers	3,000	1 Tower	2,000
5 UHF Antennas	1,000	3 UHF Antennas	600
5 UHF Links	<u>20,000</u>	3 UHF Links	<u>12,000</u>
TOTALS	\$ 89,249		\$ 80,374

### REGION V - SOUTHCENTRAL - FY 85

<u>Requested</u>	<u>FY 85</u>	<u>Recommended</u>	<u>FY 85</u>
1 Base Station (Billings)	\$ 4,957	1 Base Station	\$ 4,957
39 Vehicle Mobiles	56,255	39 Vehicle Mobiles	56,255
5 Antennas	5,000	4 Antennas	1,000
4 Duplexers	2,824	3 Duplexers	2,925
4 Mobile Relays	15,676	3 Mobile Relays	7,500
4 Towers	4,000	1 Tower	2,000
3 UHF Antennas	600	1 UHF Antenna	200
3 UHF Links	<u>12,000</u>	1 UHF Link	<u>4,000</u>
TOTALS	\$101,312		\$78,837

## II. DISPATCHING EQUIPMENT

### REGION II - NORTHCENTRAL AND CENTRAL - FY 84

<u>Requested</u>	<u>FY 84</u>	<u>Recommended</u>	<u>FY 84</u>
1 Printer	\$ 3,000	0 Printer	-0-
1 Dispatch Console (Helena)	20,000	1 Dispatch Console (Helena)	\$20,000
1 Video Terminal	1,565	1 Video Terminal	1,565
2 Tape Recorders	12,500	1 Tape Recorder	500
Test Equipment	<u>20,000</u>	Test Equipment	<u>10,000</u>
TOTALS	\$57,065		\$32,065

### REGION IV - EASTERN - FY 84

<u>Requested</u>	<u>FY 84</u>	<u>Recommended</u>	<u>FY 84</u>
1 Dispatch Console (Glendive)	\$20,000	1 Dispatch Console (Glendive)	\$20,000
1 Video Terminal	1,565	1 Video Terminal	1,565
	<u>          </u>	1 Tape Recorder	<u>500</u>
TOTALS	\$21,565		\$22,065

### REGION V - SOUTHCENTRAL - FY 85

<u>Requested</u>	<u>FY 85</u>	<u>Recommended</u>	<u>FY 85</u>
1 Dispatch Console (Billings)	\$20,000	1 Dispatch Console (Billings)	\$20,000
1 Video Terminal	1,565	1 Video Terminal	1,565
	<u>          </u>	1 Tape Recorder	<u>500</u>
TOTALS	\$21,565		\$22,065

## III. OPERATING EXPENSES FY 84-85

<u>Requested</u>	<u>FY 84-85</u>	<u>Recommended</u>
Contracted Services	\$ 5,300	\$ 5,300
Supplies & Materials	4,802	4,802
Communications	44,764	44,764
Travel	11,250	11,250
Rent	5,241	5,241
DES Moving Expense	10,000	10,000
REPS. & MNT	12,162	12,162
Other Expenses	<u>2,184</u>	<u>2,184</u>
TOTALS	\$95,703	\$95,703

#### IV. PERSONAL SERVICES - FY 84 85

<u>Requested</u>	<u>F.T.E. FY 84</u>	<u>Recommended</u>	<u>F.T.E. FY 84</u>
	7.65		7.00
Salaries	\$127,016	Salaries	\$ 95,508
Employee Benefits 20%	<u>25,403</u>	Employee Benefits 20%	<u>18,702</u>
TOTALS	\$152,419		\$114,210

<u>Requested</u>	<u>F.T.E. FY-85</u>	<u>Recommended</u>	<u>F.T.E. FY-85</u>
	12.00		11.00
Salaries	\$192,545	Salaries	\$95,508
Employee Benefits 20%	<u>38,509</u>	Employee Benefits 20%	<u>28,773</u>
TOTALS	\$231,054		\$172,637

	<u>Requested</u>	<u>Recommended</u>
TOTAL FY-84/85	\$383,473	\$286,847

#### SUMMARY

<u>Requested</u>	<u>FY 84-85</u>	<u>Recommended</u>	<u>FY 84-85</u>
4 Base Stations	\$ 19,828	4 Base Stations	\$ 19,828
77 Vehicle Mobiles	111,265	77 Vehicle Mobiles	111,265
14 Antennas	6,800	13 Antennas	3,250
10 Duplexers	7,060	9 Duplexers	8,775
10 Mobile Relays	39,190	9 Mobile Relays	22,500
10 Towers	10,000	2 Towers	4,000
10 UHF Antennas	2,000	5 UHF Antennas	1,000
10 UHF Links	<u>40,000</u>	5 UHF Links	<u>20,000</u>
SUBTOTAL	\$236,143		\$190,618

1 Printer	\$ 3,000	0 Printer	-0-
3 Dispatch Consoles	60,000	3 Dispatch Consoles	\$ 60,000
3 Video Terminals	4,695	3 Video Terminals	4,695
2 Tape Recorders	12,500	3 Tape Recorders	1,500
Test Equipment	<u>20,000</u>	Test Equipment	<u>10,000</u>
SUBTOTAL	\$100,195		\$76,195

	<u>Requested FY 84-84</u>	<u>Recommended FY 84-85</u>
TOTAL EQUIPMENT	\$336,338	\$266,813
OPERATING EXPENSES	95,703	95,703
PERSONAL SERVICES	<u>383,473</u>	<u>286,847</u>
TOTAL	\$815,514	\$649,363

JUSTIFICATION: DEPARTMENT OF ADMINISTRATION

✓ The Highway Patrol total radio equipment request of \$336,338 for FY 84 - 85 can be reduced to \$266,813 through sharing of Highway Department sites where possible and regional dispatch. The attached maps show shared locations.

The Patrol's request is to expand the high band pilot project to the Lewistown, Glendive, Miles City and Billings areas, and provide regional dispatching of these areas from the Helena, Glendive and Billings offices. It is estimated that an additional \$170,838 in radio equipment and \$44,130 in dispatching equipment would be required in FY 86 -87 to complete the state covering Missoula, Kalispell, Butte and Bozeman.

The Patrol would provide after hours dispatch for the Highway Department and Department of Fish, Wildlife and Parks, and full dispatch for the Department of Livestock, Brand Enforcement Division.

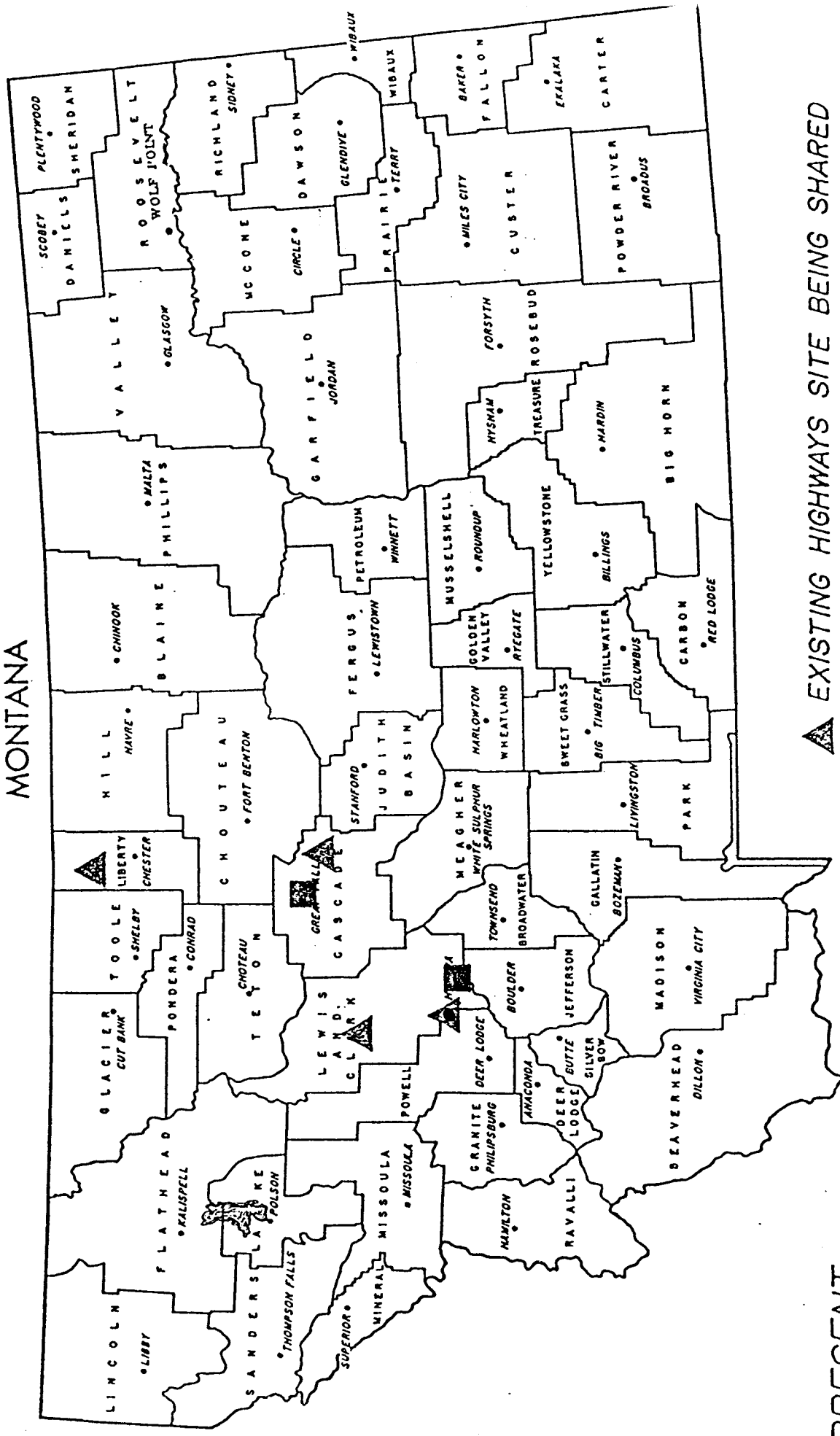
Telephone linkages between regional offices could be replaced through the implementation of a statewide microwave radio network.

All radio equipment purchased would be high band and UHF equipment.

✓ Dispatching would require 2 additional F.T.E. in Helena and 5 F.T.E. in Glendive for FY 84 and 4 F.T.E. for Billings in FY 85.

Operating expenses for FY 84 includes the move of the LETS Bureau to the Disaster and Emergency Services Division at the National Guard Armory.

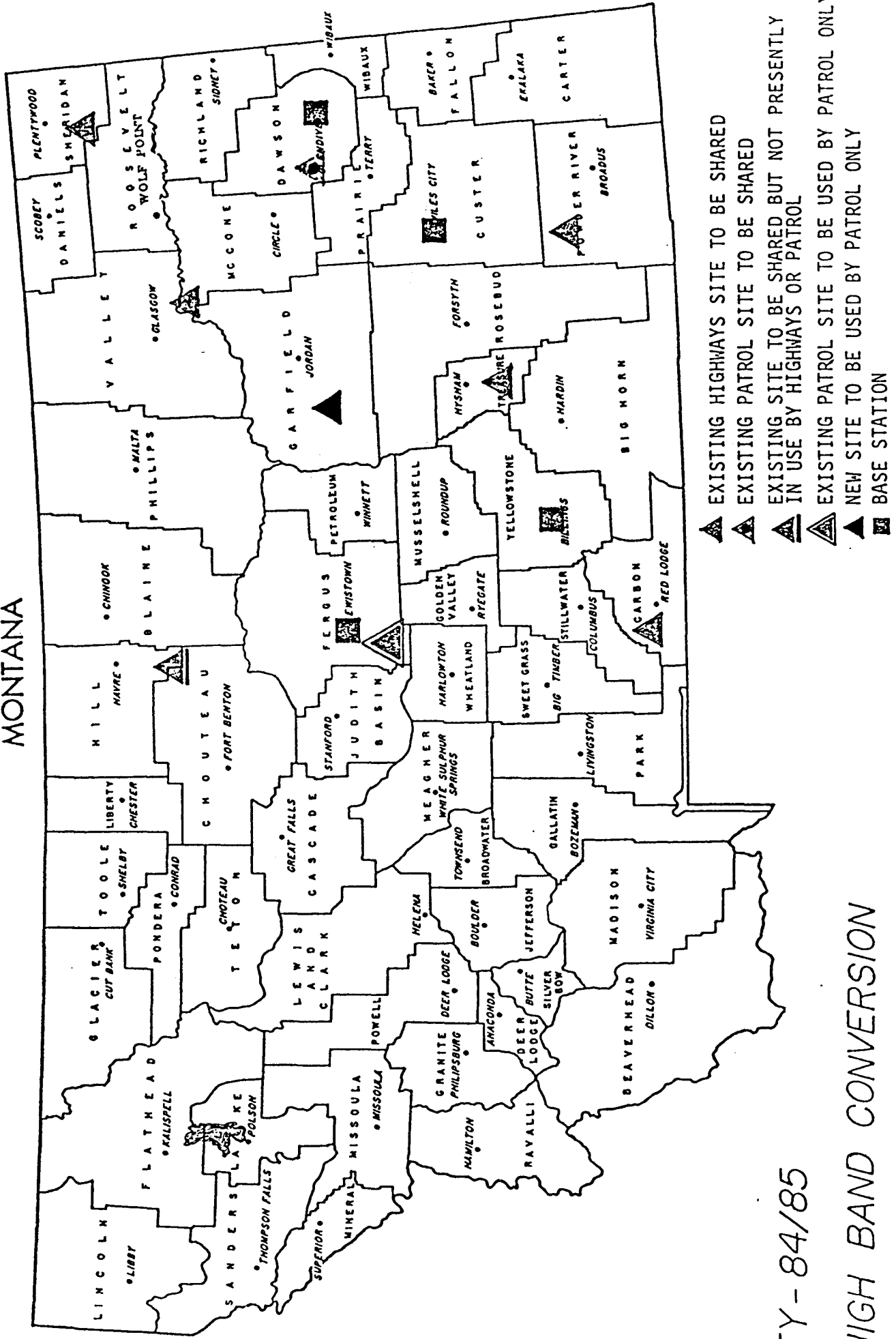
# MONTANA



- ▲ EXISTING HIGHWAYS SITE BEING SHARED
- ▲ EXISTING PATROL SITE BEING SHARED
- BASE STATION

PRESENT  
HIGH BAND SYSTEM  
HIGHWAY PATROL

# MONTANA

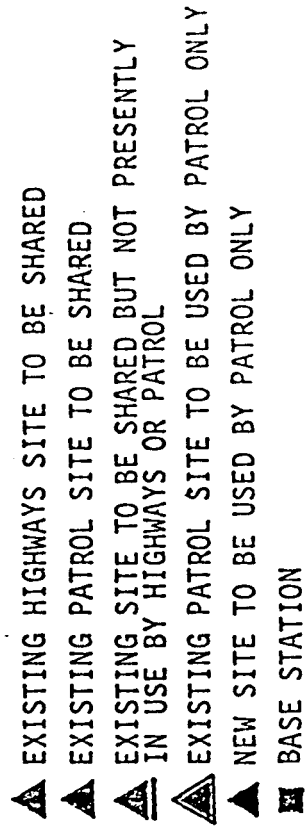


FY - 84/85

HIGH BAND CONVERSION

HIGHWAY PATROL





HIGHWAY PATROL

# DEPARTMENT OF INSTITUTIONS

## I. CORRECTIONS DIVISION

<u>Requested</u>	<u>FY 84</u>	<u>FY 85</u>	<u>Recommended</u>
14 Vehicle Mobiles	\$16,067		\$16,067
Billings - 4			
Bozeman - 1			
Butte - 2			
Great Falls - 1			
Helena - 2			
Missoula - 3			
Sidney - 1			
TOTALS	\$16,067		\$16,067

## II. PINE HILLS

<u>Requested</u>	<u>FY 84</u>	<u>FY 85</u>	<u>Recommended</u>
3 Vehicle Mobiles	\$ 2,452		\$ 2,452
4 Portable Radios	2,993		2,993
1 Base Station		1,118	1,118
TOTALS	\$ 5,445	\$ 1,118	\$ 6,563

## III. WARM SPRINGS

<u>Requested</u>	<u>FY 84</u>	<u>FY 85</u>	<u>Recommended</u>
11 Pagers (Convert)	\$ 880		\$ 880
28 Pagers	5,488		5,488
1 Base Station	4,133		4,133
Cable, Antenna, Etc.	1,636		1,636
TOTALS	\$12,137		\$12,137

## IV. WOMEN'S LIFE SKILL CENTER

<u>Requested</u>	<u>FY 84</u>	<u>FY 85</u>	<u>Recommended</u>
1 Portable Radio	\$800		\$800
TOTAL	\$800		\$800

## SUMMARY

<u>Requested</u>	<u>FY 84</u>	<u>FY 85</u>	<u>Recommended</u>
17 Vehicle Mobiles	\$18,519		\$18,519
5 Portable Radios	3,793		3,793
28 Pagers	5,488		5,488
11 Pager Conversion	880		880
2 Base Stations	4,133	1,118	4,133
Miscellaneous	<u>1,636</u>	<u></u>	<u>1,636</u>
TOTALS	\$34,449	\$ 1,118	\$35,567

## JUSTIFICATION: DEPARTMENT OF ADMINISTRATION

The priority requirement for Department of Institutions personnel is to communicate with local law enforcement. Therefore, until a conversion to high band occurs, most equipment requested by the Department is low band.

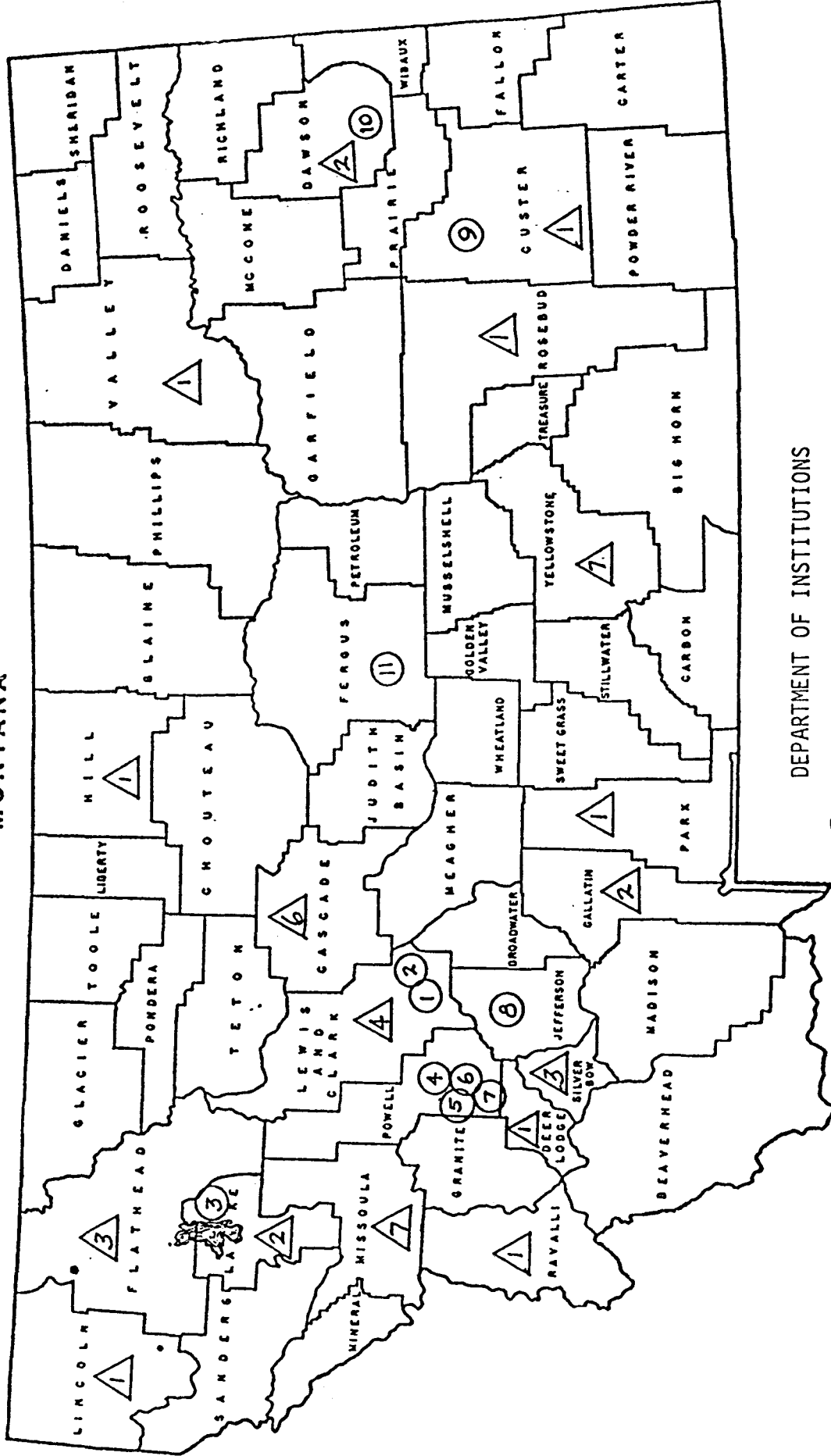
CORRECTIONS: The 14 vehicle mobiles requested are for officers currently without radio equipment. With the exception of Bozeman, all radios requested are low band.

PINE HILLS: The primary local contact is the Miles City Police Department which operates on F.M. radio. Therefore, requested radio equipment, to replace out dated, poorly operating equipment, is F.M.

WARM SPRINGS: The request is to install a new base station for the hospital's paging system, convert 11 pagers to the Warm Springs frequency, and purchase and additional 28 paging receivers. The equipment is low band, as is the Powell County Sheriff's Office.

WOMEN'S LIFE SKILL CENTER: The request is for one additional portable radio to provide adequate coverage for this facility. The radio is low band, as is the Powell County Sheriff's Office.

# MONTANA



## DEPARTMENT OF INSTITUTIONS

- - 1-Department Headquarters
- - 2-Mountain View School
- - 3-Swan River Youth Camp
- - 4-State Prison
- - 5-Galen State Hospital
- - 6-Warm Springs State Hospital
- - 7-Women's Skill Center
- - 8-Boulder River School
- - 9-Pine Hills School
- - 10-Eastmont Human Services Center
- - 11-Center for the Aged
- △ - Community Corrections Officers

No. 1050 — County Outline Map  
State Publishing Co. Helena, Mont.

Prepared by Communications Division 2-83

DEPARTMENT OF JUSTICE: LAW ENFORCEMENT SERVICES DIVISION

The Law Enforcement Services Division includes:

- Criminal Investigation Bureau
- Fire Marshal Bureau
- Law Enforcement Academy
- Identification Bureau

COMMENTS: DEPARTMENT OF ADMINISTRATION

The Division is not requesting radio equipment at this time. Existing equipment includes low and high band vehicle mobile and portable radios. Conversion to high band is estimated at \$96,112. Most radios are over 10 years old, so future purchases should take high band conversion into consideration for interagency communications.

Statewide central and regional dispatching plans should take into consideration the ability of Division personnel, such as those involved in arson investigations and covert operations, to have access to the dispatch network.

## DEPARTMENT OF STATE LANDS

	FY 84	FY 85	RECOMMENDATION
25 Vehicle Mobile Radios	\$22,800	\$31,800	\$ 54,600
38 Portable Radios	32,200	21,600	53,800
5 Base Stations	9,000	8,000	17,000
4 Repeaters	9,100	9,000	18,100
3 Mobile Relays	4,500	14,000	18,500
Miscellaneous	2,150	700	2,850
TOTAL	79,750	85,100	\$164,850

### JUSTIFICATION: DEPARTMENT OF ADMINISTRATION

The Department of State Lands has converted most of its radio equipment to VHF high band frequencies. This request is to replace older equipment and expand the Department's (principally, the Forestry Division) coverage of areas requiring five services. This will require \$164,850 in FY 1984-85.

The new base station and repeater in Lincoln County will enable coverage of a new protection area, previously under control of the U.S. Forest Service.

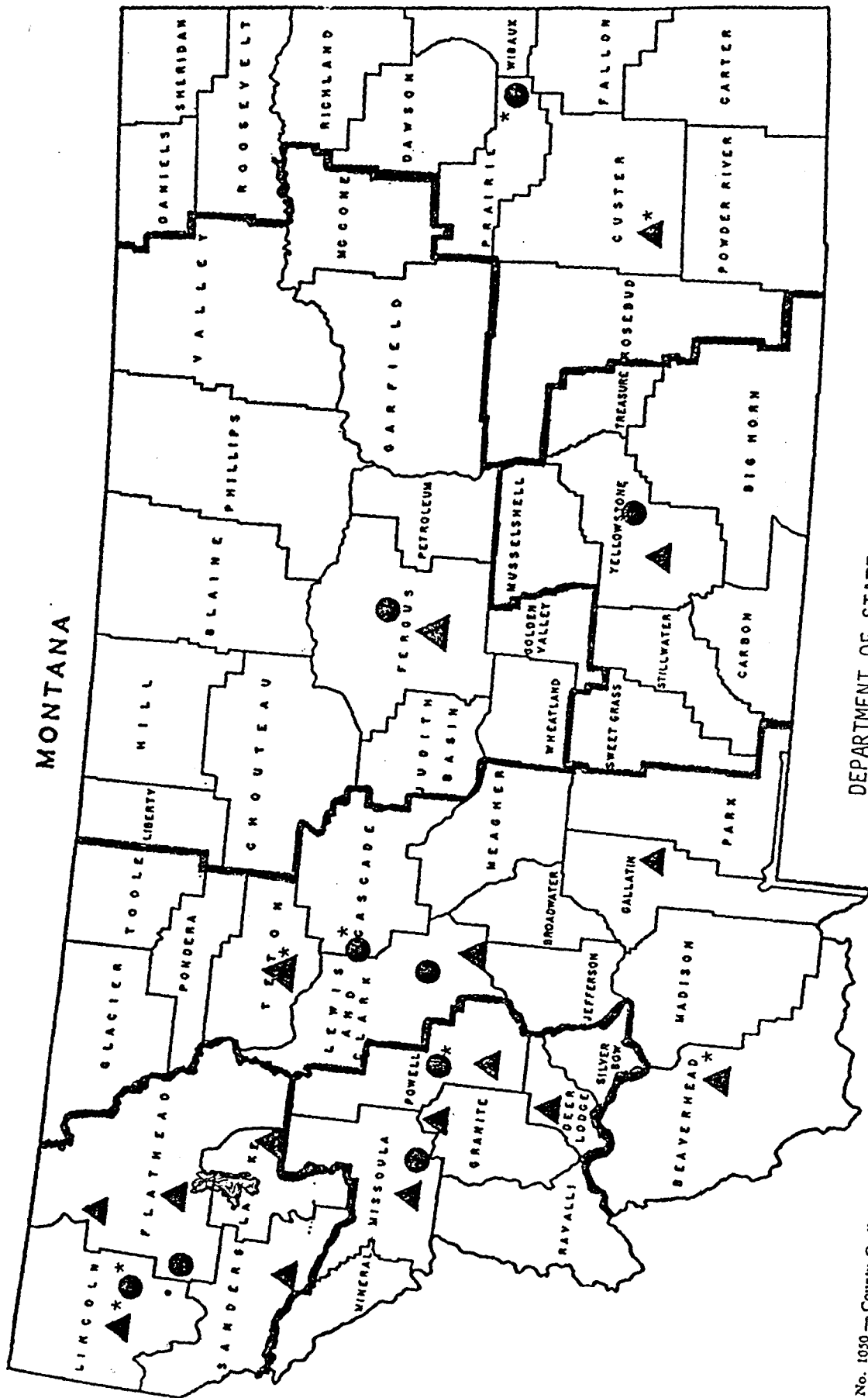
The new Teton - Cascade counties base and repeater will enable coverage in the north central area.

The new repeater in Powell County will extend coverage from the Garrison base station.

The Custer-Prarie counties new base and repeater system will enable coverage of the eastern area.

Almost all repeater locations are shared with other state agencies, the U.S. Forest Service, Bureau of Land Management, or private industry. Most base stations are located in local offices, or fire stations. The requirements for fire fighting command and control methods do not readily lend themselves to combined dispatch opportunities.

# MONTANA



No. 1050 — County Outline Map  
State Publishing Co. Helena, Mont.

Prepared by Communications Division 2-83

## DEPARTMENT OF STATE LANDS

- ▲ - 16 Base Stations (4 new\*, 1 replacement)
- - 9 Repeaters (4 new\*)

Six Area Office Regions

DEPARTMENT OF LIVESTOCK

	<u>FY 84</u>	<u>FY 85</u>	<u>RECOMMENDED</u>
32 Vehicle Mobile Radios	\$48,000	-	\$48,000
1 Base Station	<u>2,500</u>	<u>-</u>	<u>2,500</u>
TOTAL	\$50,500	-	\$50,500

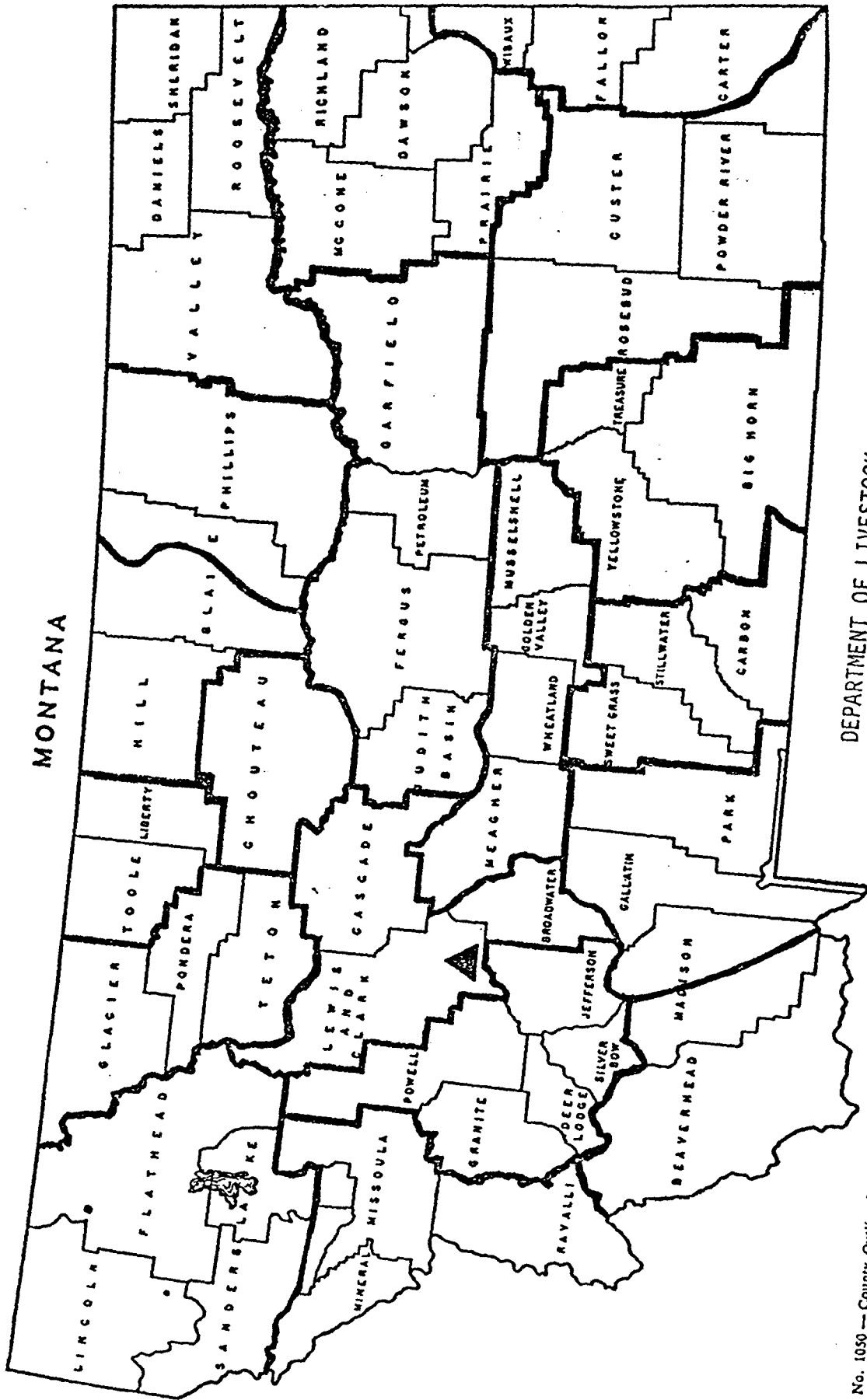
JUSTIFICATION: DEPARTMENT OF ADMINISTRATION

The Department of Livestock will make a 100% conversion from low band to high band frequencies. This will involve replacing vehicle mobile radios and one base station during FY 84 for \$50,500.

Most equipment is over 10 - 20 years old.

Brand Inspectors in the Department's 18 districts will be dispatched by the Highway Patrol. The base station in Helena is used primarily for administrative purposes, communicating with state and local agencies in the Helena area.





No. 1050 — County Outline Map  
 State Publishing Co. Helena, Mont.

Prepared by Communications Division 2-83

DEPARTMENT OF LIVESTOCK

▲ -1 Base Station -- Helena  
 18 Brand Inspection Districts

DEPARTMENT OF REVENUE

LEGAL AND ENFORCEMENT DIVISION

COMMENTS: DEPARTMENT OF ADMINISTRATION

The Department of Revenue's radio activity is located in the Legal and Enforcement Division. That Division currently has 14 low band vehicle mobile units for use by field investigators communicating with local law enforcement and to enable contact by the Helena office with investigators in the field through local law enforcement.

The Department notes problems in communicating where local law enforcement is high band. Conversion estimates to high band for the Department are \$20,230. However, until all local agencies are high band, the Department would need to carry both types of radios.

Central and regional dispatch plans should take this Department's needs into consideration, particularly to enable communications with field personnel.

LFA PAGE 140

OBPP Page 130

LENS SWITCHER  
BUDGET MODIFICATION - 1985 BIENNIUM

	<u>FY 84</u>	<u>FY 85</u>
<b>FTE</b>		
<u>Personal Services:</u>		
Salaries		
Employee Benefits		
Total		
<u>Operating Expense:</u>		
Contracted Services		
CSD Operations	\$ 15,000	\$100,000
Software Development	45,000	
Supplies & Materials		
Communications		
Travel		
Rent		
Repairs & Maint.		
Facility Site Prep.	72,000	32,000
Site Maint.	4,000	10,000
Software Maint.	4,000	12,000
Other Exp.		
Total	<u>140,000</u>	<u>154,000</u>
<u>Equipment:</u>		
4 Protocol Converters	40,000	
Cable	8,000	
Tapedrive & Printer	35,000	
Disk & Controller		26,000
Hardware & Cable		12,000
Total	<u>83,000</u>	<u>38,000</u>
<u>Total Program:</u>	\$223,000	\$192,000
<u>Funding:</u>		
General Fund	\$223,000	\$192,000

**Narrative:**

This modification would fund a cooperative project between Justice DPD and Administration CSD to provide a processor/switcher for the LENS Bureau to replace the System 7 switcher which is the heart of the Law Enforcement Telecommunications Network. The existing switcher no longer meets the needs of the law enforcement community. The new switching system must provide switching services, backup switching capabilities, increase the internal capacity of the law enforcement telecommunications system to allow

the addition of new user terminals, and provide security for terminals and files.

The need for a new switcher is clear. The existing switcher is antiquated, vendor support for repair and maintenance cannot be guaranteed, the switcher is at full capacity preventing the addition of new users, it has no backup switching capabilities and there is no security for either terminals or files. If the switcher is not replaced there is an unacceptably high risk of a total failure of the law enforcement telecommunications system during the 84-85 biennium.

Request a line item appropriation for the biennium in the amount of \$415,000.

LENS Current Level Budget  
(2103) Contracted Services

	<u>FY82</u>	<u>% Increase</u>	<u>FY83</u>	<u>% Increase</u>	<u>FY84</u>	<u>% Increase</u>	<u>FY85</u>
Fixed Costs	16,879	200.2	* 50,712	-1.2	* 50,124	-0-	* 50,124
User Related File Access	43,960	25.9	55,327	20.0	66,393	5.0	69,712
<b>TOTAL</b>	<u>60,839</u> (base year)		<u>106,039</u>		<u>116,517</u>		<u>119,836</u>

LENS With Modification

Criminal History File Access

	<u>FY84</u>	<u>% Increase</u>	<u>FY85</u>
Fixed Costs	-0-		-0-
User Related File Access	4,080	15.0	4,692
<b>GRAND TOTAL</b>	<u>120,597</u> ✓		<u>124,528</u> ✓

- \*1. FY83. Non-fluctuating charge for modems used on LETS network = \$26,508/yr. Prior to FY83 these costs were paid as lease costs(2503); funds were simply transferred. Non-fluctuating costs incurred to tie LETS network into main processor at CSD/DOA = \$10,860/yr. Fluctuating costs that are directly related to programmer activity, i.e., file maintenance, program development; also, on-line disk space, special report & statistical needs, tape storage costs = \$13,344/yr.
- \*2. FY84. The criminal history record data base has been completed, therefore the additional on-line disk space originally requested in the "modify" is currently being paid for and needs to be considered in "current level" services rather than in the requested \$13,560 modification.
- \*3. FY85. No major file maintenance projects or file modifications are anticipated which would require substantial programming activity.



JUDY RIPPINGALE  
LEGISLATIVE FISCAL ANALYST

STATE OF MONTANA  
*Office of the Legislative Fiscal Analyst*  
STATE CAPITOL  
HELENA, MONTANA 59620  
406/449-2986

March 3, 1983

TO: Subcommittee, Elected Officials & Highways  
Representative Quilici, Chairman

FROM: Cliff Roessner, Senior Analyst

SUBJECT: Field Services Division's Vehicle  
Purchase Request

During executive action the subcommittee approved the purchase of 67 patrol cars and related equipment at a cost of \$698,319 in fiscal 1984 and \$710,673 in fiscal 1985. Subsequent to that action a letter was sent to the Field Services Division requesting updated information on the vehicle fleet of the patrol. Table 1 summarizes the analysis made of that updated information.

The division has stated that it would like to be on a three year replacement schedule which means that vehicles would be relieved in the 60,000 mile class. Table 1 demonstrates that repair costs for vehicles in the 60,000 to 89,999 class have less maintenance cost than do vehicles in the 50,000 to 59,999 class.

Issue:

Should patrol vehicles be replaced every three years or would a four year replacement schedule be more reasonable?

Table 1  
Highway Patrol Vehicle Mileage & Maintenance Costs  
As of January 1, 1983

<u>Vehicle Class</u>	<u>Number Vehicles</u>	<u>Total Maintenance Cost</u>	<u>Maintenance Cost Per Vehicle</u>
New -less than 10,000 miles	70	\$14,590*	\$208
10,000 - 19,999	12	3,678	307
20,000 - 29,999	10	1,593	159
30,000 - 39,999	20	8,545	427
40,000 - 49,999	27	6,885	255
50,000 - 59,999	33	13,601	412
60,000 - 69,999	23	4,994	217
70,000 - 79,999	28	10,788	385
80,000 - 89,999	5	1,963	393
90,000 - & over	<u>1</u>	<u>327</u>	<u>327</u>
Total	229 ===	\$66,964 =====	\$292 =====

\*Includes Purchase of new equipment.

The patrol has purchased 68 new vehicles for the current year. If the vehicles that are replaced are the high mileage vehicles, there would be 22 left in the 50,000 to 59,999 mile class and 139 vehicles left with less than 50,000 miles.

LJA:CR:cm:d

OFFICE OF THE GOVERNOR  
BUDGET AND PROGRAM PLANNING



TED SCHWINDEN, GOVERNOR

CAPITOL BUILDING

STATE OF MONTANA

(406) 449-3616

HELENA, MONTANA 59620

M E M O R A N D U M

TO: Representative Joe Quilici, Chairman

FROM: David M. Lewis, Director *David M. Lewis*  
Office of Budget and Program Planning

RE: Department of Revenue Budget

DATE: March 1, 1983

I want to assure you that the modified budget requests for the Department of Revenue, which are recommended by this office, are included in the Governor's anticipated General Fund budget.

As discussed earlier, any presently anticipated reduction in General Fund revenue would affect our recommendation for agency budgets in only two areas. These areas are general fund for the Highway Patrol and the "new" money in the local block grant program.

The remaining budgets, including modifications would not be affected. In addition we continue to reserve \$4 million for elected officials budget modifications.

DAVE3:EE/1



## VISITOR'S REGISTER

HOUSE \_\_\_\_\_

COMMITTEE \_\_\_\_\_

BILL \_\_\_\_\_

DATE 3/3/83

SPONSOR \_\_\_\_\_

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
Dave Wiley	Helena	Do of Admin		
Dutch Meyer	✓	Patrol		
Ken Haraseth	✓	Highways		
Don Grauel	✓	Highways		
Hiram Shaw	"	D. of Admin.		
Mike Trevor	"	D of A CSD		
Amy PALMER	"	D of A CSD		
Larry Petersen	✓	Board of Crime Control		
Pat Driscoll	✓	Do of J.		
Susan Hansen	✓	Do of J.		
MARLENE PETERSEN	✓	JUSTICE / LENS		
Jamie May	✓	OBPP		
R.W. Landon	✓	Hiway Patrol		
Gary H. Brown	Missoula	State Forester Dept. of State Lands		
John Skufca	Helena	Dept. of Livestock		
Tim JOHNSTON	"	D of A Comm Div.		

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.