

MINUTES OF THE MEETING
LONG-RANGE PLANNING SUBCOMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

March 19, 1985

The meeting of the Long-Range Planning Subcommittee was called to order by Chairman Robert Thoft on March 19, 1985 at 6:20 p.m. in Room 108 of the State Capitol.

ROLL CALL: All members were present.

HOUSE BILL 928, PROPOSED AMENDMENTS TO THE BILL

Department of Administration: Chairman Thoft asked Tom O'Connell to speak about the Department of Administration's (DOA) proposed amendments to the bill which deal with maintenance requirements.

Tom O'Connell (85:A:016), Chief, Facility Planning Bureau, Architecture and Engineering (A&E) Division, DOA said several state departments have strong feelings about striking part of line 2, page 2. This sentence pertains to major maintenance which has been performed in the last 5 years.

Chairman Thoft (85:A:030) said the committee is trying to build a larger base for maintenance plans and long-range planning of maintenance. He said the committee is not intending to place state departments in an impossible position.

Senator Fuller (85:A:038) asked if the material being requested is available in A&E's files. Mr. O'Connell said much of it is available in accounting records. He said any appropriation made by this subcommittee in the past and channeled through DOA will be on file. Mr. O'Connell said the universities have some questions regarding what should be considered major maintenance. He said the universities feel the long-range plan should concentrate on the future and not the past.

Chairman Thoft asked if there are objections to extending the six year schedule for the long-range maintenance plan. He said he is somewhat surprised that the universities are not keeping easily retrievable records on major maintenance. Mr. O'Connell said some departments could go to a ten year maintenance plan, but he does not realistically expect to get meaningful information if the plan is projected too far into the future. He said A&E tried to tie requirements for the major maintenance plan to the same requirements used for the long-range building plan. The departments already submit a six year plan for this.

Senator Fuller (85:A:073) asked which departments do not like this part of the bill. Mr. O'Connell said the University System and the Department of Military Affairs both have concerns about it. He said these two departments have the largest number of buildings to do a maintenance plan on.

EXECUTIVE ACTION: Senator Fuller (85:A:083) made a motion to amend House Bill 928 as follows:

Page 2, line 2
Following: "the"
Strike: "5 previous years"
Insert: "previous biennium"

The motion passed unanimously.

Department of Institutions: Curt Chisholm (85:A:100), Deputy Director, Department of Institutions (DOI) gave the committee an amendment to House Bill 928 for the sale of an additional piece of land (EXHIBIT 1). He said this amend will become subsection 5, on page 10, between lines 18 and 19. The piece of land has been appraised for \$61,000. Mr. Chisholm also offered one other amendment to the bill as follows:

Page 10, line 13
Following: "approximately"
Strike: "10"
Insert: "1"

Mr. Chisholm said originally the Valiton Ranch was ten acres, but 9 of the acres were sold some time ago.

EXECUTIVE ACTION: Senator Fuller (85:A:147) made a motion to adopt the DOI amendments to House Bill 928. The motion passed unanimously.

Department of Fish, Wildlife and Parks: Don Hyyppa (85:A:166), Administrator, Parks Division, Department of Fish, Wildlife and Parks (FW&P) suggested the acquisition of the Fort Benton property be moved into the section of the bill which deals with FW&P. Mr. Hyyppa said if DOA is going to acquire the property the language pertaining to the purchase should remain where it is in the bill. He said he was under the impression, from previous meetings, that the committee wanted FW&P to acquire the property for the agricultural museum. He also recommended that appropriation authority for receiving \$35,000 in private matching funds be added to the "Other" column in the bill.

EXECUTIVE ACTION: Representative Bardanouve (85:A:191) made a motion to include the language pertaining to the Fort Benton museum purchase in the FW&P section of House Bill 928 and to include appropriation authorization for \$35,000 of private matching funds.

Senator Van Valkenburg (85:A:197) asked why the Fort Benton purchase is included under DOA. Madalyn Quinlan, Staff Analyst, Office of the Legislative Fiscal Analyst said the original bill (House Bill 509) on the project was written with DOA responsible for the acquisition of the property.

The motion passed unanimously.

Representative Bardanouve asked if language should be included for authority to spend more than \$35,000 on private funds. He wondered if more funds are raised if they could be used on the project. Mr. Hyyppa said if the committee is anticipating to receive more than \$35,000 in private funds for the acquisition the department will need authority to receive the money. Chairman Thoft said other private funds are involved, but they will be used for maintenance and operation of the museum.

Representative Bardanouve (85:A:239) asked if an attorney has been consulted about the language to be used in the lease contract between the state and the city of Fort Benton for the museum property. Mr. Hyyppa said the department has not gone this far with the project, but language about liability, maintenance and operations will be included in the contract.

Mr. Hyyppa also gave members three options for language concerning the Wildlife Habitat Acquisition in House Bill 928 (EXHIBIT 2). The options include language for discretionary authority in spending federal dollars for wildlife habitat acquisitions. The language will allow FW&P to use state license revenues in place of federal dollars, if the revenue estimate for federal monies is actually lower than projected.

Chairman Thoft (85:A:268) asked if the state license money could be increased from \$250,000 to \$1,000,000. Mr. Hyyppa said this will only happen in the very worst case and the department is not expecting this. Mr. Hyyppa said the department will want to use the federal funds if they become available.

Representative Bardanouve (85:A:277) said he thought the fish hatcheries were to be funded from state license dollars, but recently he has heard the projects

will be funded by the federal government. Mr. Hyyppa said the hatchery program will cost \$5.4 million and is to come from revenues generated by the fishing license increase and from the federal Dingle-Johnson Program. The Dingle-Johnson money will contribute 60% of the project cost and the state money 40%.

Representative Bardanoue (85:A:306) asked why FW&P is saying the hatchery program is in trouble because President Reagan is keeping the federal funds in an effort to balance the budget. Mr. Hyyppa said the Office of Management and Budget has held up the distribution of the Dingle-Johnson funds. He said Congress is against the seizure of these funds and the prognosis is that the money will be released. Mr. Hyyppa said if the federal funds are not released the hatchery program is in jeopardy.

Senator Tveit (85:A:319) asked what will happen to the hatcheries if the state fishing license increase is not approved by the Legislature. Mr. Hyyppa said the department will adjust the term of the bonds and one of the new regional headquarters may have to be bonded. Chairman Thoft said with the passage of the license increase the hatcheries will be done in a 5 year bonding program and if it does not pass, they will be done in a 7 year bonding program.

Chairman Thoft (85:A:337) said, if the federal money for wildlife habitat is not received, \$1 million in license fees will be tied up in habitat acquisition, and he wondered if this will threaten the hatchery program. Mr. Hyyppa said the hatcheries are contingent upon the federal money and if it is not available there will be a problem with the program. However, the department does not anticipate this will happen. He said FW&P is not asking for spending authority to offset federal funds on the hatcheries. He said the federal money for the two projects comes from different sources. The hatcheries program uses Dingle-Johnson funds and the habitat program uses Pitman-Robertson funds.

Mr. Hyyppa said the Pitman-Robertson funds have decreased for some unidentifiable reasons, but they are not being seized by the Reagan Administration.

Senator Van Valkenburg (85:A:380) said he does not have any problem with what FW&P is proposing, but he does not care for the language being offered. He said the language does not force the department to use federal money first to the extent it is available. Mr. Hyyppa said FW&P receives federal participation in operations

and habitat programs. The language was selected in the three options because FW&P could then decide if it is more important to use federal money as match for operating funds.

EXECUTIVE ACTION: Senator Van Valkenburg (85:A:412) made a motion to amend the first FW&P option as follows:

Following: "aggregate."

Insert: "State license funds shall not exceed \$250,000 unless the federal funds are unavailable in the biennium, for this purpose, beyond that amount, up to \$1,000,000."

Senator Van Valkenburg (85:A:455) made a substitute motion to change the wording of the amendment as follows: "State license funds shall not exceed \$250,000 unless the federal funds are unavailable in the biennium, for this purpose, beyond such amount."

Senator Van Valkenburg asked Mr. Hyyppa if he understands what the intent of the amendment is. Mr. Hyyppa said yes, but he is not certain the amendment actually says what Senator Van Valkenburg intends.

Senator Van Valkenburg (85:A:472) withdrew his substitute motion and made another substitute motion to adopt the first amendment offered by FW&P on the Wildlife Habitat Acquisition. Senator Van Valkenburg said he will get together with the Fiscal Analyst's Office and work out language which will further amend House Bill 928 to the effect that federal funds must be spend prior to state funds on habitat acquisition. The motion passed unanimously.

1983 Appropriation for the Mansfield Center: Chairman Thoft (85:A:498) asked someone to present the amendment for the 1983 appropriation to the Mansfield Center.

Lee Heiman (85:A:515), Legal Staff, Legislative Council said the appropriation says the center shall be placed at Polson and it is not possible for it to be there. The center can be placed in Lake County, but not in Polson. The bill needs to be amended to strike "Polson" and insert "Lake County". Mr. Heiman said the amendment will be very simple.

Representative Bardanouve (85:A:535) said Steven Browning, Attorney, for the Mansfield Foundation has approached him about this amendment. The foundation was fearful that Senator Turange may have been offend-

ed, since he wrote the language, if the center was not located in Polson. Representative Bardanouve said the foundation talked to Senator Turnage about this and he is agreeable to the amendment.

Representative Bardanouve said the foundation will be able to look for an appropriate site in a larger area and the language will not tie the foundation's hands by narrowing the site to Polson. He said several pieces of land have been reviewed and as soon as the seller realizes the foundation is the prospective buyer the land doubles in price. The new amendment will enlarge the area to be looked at and put the foundation in a better bargaining position.

Chairman Thoft (85:A:567) asked the Legislative Council to prepare the amendment and present it to the full Appropriations Committee for its approval. Mr. Heiman said he will do this.

EXECUTIVE ACTION: Representative Bardanouve (85:A:589) made a motion that House Bill 928 AS AMENDED, DO PASS.

Funding for the Forensic Unit: Madalyn Quinlan (85:A:594) said House Bill 928, as presently written, is over the revenue estimate because the committee has not made all the cuts needed to fund the Forensic Center.

Tom O'Connell (85:A:605) gave members information on further cuts needed if the Forensic Center is to be fully funded in the next biennium (EXHIBIT 3). Mr. O'Connell explained the two options available for cutting long-range maintenance program projects. An additional \$419,000 is needed to fully fund the Forensic Unit out of the Long-Range Building Cash Account.

Tom O'Connell (85:B:008) said DOA would like to be given the latitude to reinstate the first three projects listed, to be cut in both options, if the revenue estimate is actually higher than anticipated.

Chairman Thoft (85:B:017) asked if the Forensic Unit is written into House Bill 928 using the low inflation rate. Mr. O'Connell said yes. Chairman Thoft asked if the projects listed on the first page of the handout will have to be cut if the Forensic Unit costs are estimated with the same low inflation rate. Mr. O'Connell said yes. Chairman Thoft asked if the option listed on page two of the handout is to wait until 1987 to fully fund the project. At this point architectural plans would be complete and a bid in hand. Mr. O'Connell said the second page will still fund the.

entire project in the 1986-87 biennium, but with a higher inflation factor used in the cost estimate.

Chairman Thoft (85:B:051) asked how much money the forensic project received from the 1983 Session. Mr. O'Connell said \$1,678,464. He said this money is still available for the project, but it is not included in DOA's revenue estimate on the Long-Range Cash Account.

Chairman Thoft (85:B:064) asked if the committee could designate a certain amount of money to be carried over into the 1987 Session for the project. He said this will lessen the impact on the maintenance program and more projects could be funded for maintenance this session. Mr. O'Connell said yes. Chairman Thoft said this will delay the construction of the unit for two more years, but A&E will have an architectural and engineering plan done and a firm bid in hand. Mr. O'Connell said this would only delay construction by one year assuming the 1987 Session made an appropriation for the remaining costs.

Senator Tveit (85:B:086) asked if the Fire Protection Project at the Capitol complex is for improvements or maintenance. Mr. O'Connell said this project only included specific fire protection deficiencies noted by the Fire Marshall. He said the only buildings which will have to be cut from the project are the DOI building and the Records Management building. Ellen Feaver, Director, DOA said if the revenue estimate is higher than projected these two buildings will be the first to be funded for fire protection. She said DOA feels this project is very important and, if DOA is given authority to use funds above the projected revenue estimate, it will fund this project first.

Chairman Thoft (85:B:114) says he thinks additional cuts will harm the maintenance program too much. He said he feels the forensic project should only receive partial funding now and the remaining funds from the 1987 Session. This will lessen the impact on the maintenance program this year and in the next session.

Senator Van Valkenburg (85:B:138) said the unit might be built depending on the 1987 Legislature. He said this committee has no way of knowing what the priorities will be for the maintenance program in 1987. He said the purpose of cutting more projects now is to see if it is possible to get the unit built in the coming biennium.

Chairman Thoft (85:B:148) asked how much of the 1983 appropriation is available. Mr. O'Connell said .

\$169,000 has been spent from this appropriation. Chairman Thoft said the good faith effort on this project has been going on now for two sessions and it could go on for one more.

Senator Fuller (85:B:160) asked Ms. Quinlan what the total cost is for the two options available for funding of the unit. Ms. Quinlan said the total cost will be \$5,005,477, if all the funds are appropriated this session. If the funding is delayed, it will cost \$6,297,300 using a 5% inflation rate.

Curt Chisholm (85:B:190) said a decision needs to be made on which inflation rate to use for the project. Until this is decided it will be difficult to determine which funding method is proper for the project. He said DOI is comfortable with using the 5% inflation rate because of the work already done by architects.

Chairman Thoft (85:B:210) asked if a one year delay is all that critical to the project. Mr. Chisholm said he thinks the net effect of delaying the project until 1987 will cause inflation to become more of a factor in the cost of the unit. He said if the money is appropriated this session the bid will be let by late 1986 or the Spring 1987. If the 1987 Session has to appropriate the remainder of funds needed for the project the construction process will be delayed a year, but inflation will be eating away at the principal.

EXECUTIVE ACTION: Senator Van Valkenburg (85:B:243) made a motion to adopt the low inflation factor cost estimate and the recommendations, of A&E, for project deletions and provisions for a contingent appropriation if the revenue estimate exceeds the currently anticipated amount. (See page 1 of Exhibit 3). The motion passed. Chairman Thoft voted no on this motion.

University Planning Funds: Senator Van Valkenburg asked if the University of Montana had any problem with the language adopted by the committee earlier for planning funds. Glen Williams, Fiscal Affairs Vice President, University of Montana said he was not aware of any problems concerning the language in House Bill 928 for planning funds. Senator Van Valkenburg asked if Montana State University isn't also asking for authorization for planning funds. Ms. Quinlan said the university does not want this authorization now.

EXECUTIVE ACTION: Representative Ernst (85:B:307) made a motion that House Bill 928 AS AMENDED, DO PASS.

Senator Van Valkenburg (85:B:312) said he supports the bill as is, but assumes the Chairman will want to

pursue other methods of funding the Forensic Unit as the bill goes through the legislative process. Chairman Thoft (85:B:319) said the Senator's assumption is not correct. He said other people will be exploring other funding options and he will present the facts on each option.

The motion passed unanimously.

EXECUTIVE ACTION ON HOUSE BILL 156, 199, 220, 296, 325, 703, 741 AND 920: Chairman Thoft (85:B:360) said he would like to see the committee table the remaining building bills. He said he realizes there is not money available now for construction of new buildings, but if funds do become available later on in the session this would leave an opportunity for them to be funded.

HOUSE BILL 156: Senator Van Valkenburg (85:B:371) moved that House Bill 156 be TABLED. The motion passed unanimously.

HOUSE BILL 220: Senator Van Valkenburg (85:B:377) moved that House Bill 220 be TABLED. The motion passed unanimously.

HOUSE BILL 199: Senator Van Valkenburg (85:B:389) moved that House Bill 199 be TABLED. The motion passed unanimously.

HOUSE BILL 296, 325, 703 AND 741: Senator Van Valkenburg moved that House Bills 296, 325, 703 and 741 be TABLED. The motion passed unanimously.

HOUSE BILL 920: Senator Van Valkenburg (85:B:433) moved that House Bill 920 be TABLED. The motion passed unanimously.

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES,
RENEWABLE RESOURCE DEVELOPMENT PROGRAM:

Other Category, Project 1, Gallatin County, Bear Proof Refuse Containers: Senator Tveit (85:B:457) made a motion that the bear proof garbage containers must be made in Montana. The motion passed unanimously.

There being no further business before the subcommittee the meeting was adjourned at 7:39 p.m.


ROBERT THOFT, Chairman

Exhibit # 1

3-19-85

HB 928

DOI

- e. Approximately 5 acres of land commonly known as the Old Brickyard which is located south of Deer Lodge on the Eastside Road.

Exhibit #2
3-19-85
HB 928
FW&P

LONG RANGE BUILDING PROGRAM
SUGGESTED AMENDMENT LANGUAGE

OTHER

1. Wildlife Habitat Acquisition	02409 =	\$1,000,000
	03097 =	750,000

Expenditures from these sources shall not exceed \$1,000,000 in aggregate.

2. Wildlife Habitat Acquisition \$1,000,000

From Account 02409, or at Department of Fish, Wildlife and Parks discretion,
up to \$750,000 from Account 03097.

3. Statement of Intent

This appropriation is for a total of \$1,000,000. Expenditures may be
entirely from Account 02409, or at the Department of Fish, Wildlife and
Parks discretion may be matched with Federal funds in Account 03097.

Exhibit #3
3-19-85
HB 928
DOA

PROPOSED MODIFICATIONS FOR
LONG RANGE BUILDING APPROPRIATIONS BILL

Project modifications to allow full funding of the Forensic Building approved in Option A (Low inflation).

Delete the following funds

C.P.F.

- | | |
|---|---------|
| *1. Fire Protection, Capitol Complex | 60,500 |
| *2. Land Acquisition & Parking Improvements,
Capitol Complex | 248,680 |
| *3. Asbestos Survey and Abatement, Statewide | 66,000 |

*(If these projects are deleted or reduced,
we would request that the following language
be included as an amendment to the bill.)

Any excess revenues in the capital projects
fund received over the amount appropriated
herein are appropriated to the Department
of Administration for Fire Protection, Capitol
Complex (60,500); Land Acquisition & Parking
Improvements, Capitol Complex (248,680);
Asbestos Survey and Abatement, Statewide (66,000)
in an amount not to exceed \$375,180.

- | | |
|---------------------------|---------------|
| 4. DSL Fire Crew Quarters | <u>44,000</u> |
|---------------------------|---------------|

TOTAL DELETIONS

\$419,180

Project modifications to allow full funding of the Forensic Building presented in Option A (High inflation):

Delete the following funds:

1. Total from low inflation scheme	\$419,180
2. Environmental Management Lab, MSU	80,000
3. Fort Benton Ag Museum	55,000
4. MSP Warehouse with Equipment	195,500
5. Brick Repair, EMC	25,000
6. Install New Flooring, Pine Hills	<u>9,900</u>
 TOTAL DELETIONS	 \$779,580

VISITORS' REGISTER

LONG-RANGE PLANNING SUB COMMITTEE

BILL NO. WORK SESSION - Long-Range DATE MARCH 19, 198
Planning Approp. Bill,
SPONSOR HB 156, HB 199, HB 296, HB 325
HB 508, HB 703, HB 741 and HB 920

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Phil Hauck	HELENA		
DON HYPPA	HELENA - DFWP		
Tom O'Connell	Helena		

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.