MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON LONG RANGE PLANNING

Call to Order: By Chairperson Connelly, on February 1, 1989, at 8:05 a.m.

ROLL CALL

Members Present: All

Members Excused: None

Members Absent: None

Staff Present: Claudia Montagne, Secretary; Carroll South, Staff Researcher, Legislative Fiscal Analyst's Office

Announcements/Discussion: None

REP. CONNELLY discussed the memorandum (EXHIBIT 1) offered by Rep. Thoft for users of the Montana State Library's Natural Resource Information System and the Heritage Program, asking them about their willingness to pay a fee for the service. SEN. MCLANE and SEN. MANNING both said they thought it was a good idea.
Motion: SEN. MCLANE moved to send the memo to users of the Montana State Library programs, NRIS, Heritage, and the Montana Water Information System.
Vote: The motion CARRIED, with Rep. Bardanouve voting no.

RENEWABLE RESOURCE DEVELOPMENT GRANT PROGRAM

No Tape

TOWN OF HYSHAM, RANKING 13, Hysham Water System Improvement Project.
CARALEE CHENEY, DNRC, entered a letter from Hysham into the record (EXHIBIT 2), stating that they had been unable to make the hearing.

REP. BARDANOUVE commented that it bothered him that Renewable Resource money went into city water systems, and SEN. HIMSL agreed, stating that cities and towns were political entities. MS CHENEY responded, stating that they did have the capability of increasing user fees. She said that the department had reduced their funding from 100% to 50% match for these projects, and to 25% for construction projects. SEN. HIMSL clarified that the cities could apply for loans up to $200,000, and MS CHENEY said they could if they did not get a grant.

REP. THOFT said that he too agreed, but that what had caused this was the lack of repayment ability by agriculture. He said that agriculture was no longer making applications.

WHITEFISH COUNTY WATER AND SEWER DISTRICT, RANKING 14, Swift Creek Clay Banks Stabilization.
REP. CONNELLY spoke in favor of this project, and REP. BARDANOUVE commented that it would be a good use of the monies.

EAST GLACIER WATER AND SEWER DISTRICT, RANKING 16, Midvale Creek Diversion.
MS CHENEY said that the district had received $10,000 to $20,000 from the Blackfeet Public Utilities Commission. The work with the reservation was going well.

YELLOWSTONE COUNTY, RANKING 17, Valley Creek/Calamity Jane Dam Feasibility Study.
It was announced that REP. HANNAH would be in to testify for this project. The project would allow for an offstream reservation of water instead of bringing the water in by ditch for 20 miles.

CITY OF GLASGOW, RANKING 18, Water and Wastewater Master Plan.
REP. TED SCHYE, House District 18, testified for the project, stating that the mayor and city engineer could not make it to the hearing due to the weather. He said that he understood the concerns of the committee regarding Renewable Resource Grants being awarded to municipalities for projects such as these, but felt that for this grant period, this application met the stipulations of the program for a 50% match. REP. SCHYE said that communities were tied to agriculture as well, and were in a similar situation. He said that Glasgow's system was old, having been built in the 1920's, and it averaged 16 breaks per year. Additional testimony had been faxed in from the Mayor of Glasgow, Willie Zeller, EXHIBIT 3, and City Engineer, Brent Magill, EXHIBIT 4.

REP. SCHYE explained that they would be televising the lines, and that with the $25,000, they would do the oldest areas, or those without accurate mapping. SEN. HIMSL requested clarification regarding the match amount, and REP. SCHYE said that it would be a $25,000 grant with an equal state match. However, he said, the city was planning to put in $50,000 and that the total cost was $119,000.

DEPARTMENT OF STATE LANDS, RANKING 19, Integrated Forest Resource Information System (IRIS).
JEFF YAHNKE, Division of Forestry, DSL, spoke for the project as set forth in EXHIBIT 5.

SEN. HIMSL asked if the University had the expertise to do this, and MR. YAHNKE said yes, and added that it was an area in which the School of Forestry had specialized. SEN. HIMSL asked if the inventory of state lands had been completed, and MR. YAHNKE said yes, that the last region had been done in 1984. He said that the information generated in this inventory would be used in this IRIS.

SEN. MANNING asked about the scope of the inventory, and MR. YAHNKE said that the first inventory had been broadly done, and consisted of 5 volumes. The second inventory was more stand-specific, and was on computer.

REP. THOFT asked if DSL wanted to know the timber resources on state lands, and MR. YAHNKE said not exactly. He said that they wanted to know how much timber was in a specific stand, information on access to the stand, water quality in the area, and which stand would be most cost effective to harvest. REP. THOFT said that there were people across the state at the present time who would know this information. MR. YAHNKE said that was true, but that in large areas, it was a complex problem, and that they felt they could improve what the department's foresters do with IRIS.

SEN. HIMSL asked about the federal Forest Service activities in this area, and MR. YAHNKE said that their process was different in that it dealt with policy. IRIS would be the next step for them once policy was determined in a final plan.

REP. BOB REAM, House District 54, Missoula, testified on behalf of the Dean of the School of Forestry, stating that they were willing to put their own resources into the project. He said that he served on the faculty of the School of Forestry at UM, and had spoken to Dave Jackson of the School of Forestry regarding this project. He said that during the 1985 interim, he had served on a committee, in which they recommended an increase in allowable cuts on state lands. He said that this project would involve a close association between UM and DSL's Division of Forestry. REP. REAM said that this project would encourage this relationship which was a positive step, especially since the School of Forestry would and did function as a research arm of the division.

CITY OF COLUMBIA FALLS, RANKING 20, Water Master Plan Phase II. REP. CONNELLY, House District 8, Kalispell, spoke in favor of the project. She said that the reservoir was open, which caused problems for the community. She referred the committee to page 123 of the book, and spoke about the history of the project. She said that the community, which was growing at a rate of 17% per year in 1988, was seriously working on its water problems. REP. CONNELLY encouraged the committee to approve funding for the project.

DNRC, CONSERVATION DISTRICTS DIVISION, RANKING 23, Water Reservation Development Program.
RAY BECK, Administrator of the Conservation Districts Division of DNRC, testified as set forth in EXHIBIT 6.

REP. BARDANOUVE asked about the $50,000 from 1987 that had not been used. MR. BECK said that they would like to carry over this amount and add it to the $32,000 recommended this biennium. He said that it had not been used because of the downturn of agriculture, and because they had not yet gotten into it yet in the Missouri River Basin. REP. THOFT asked what reservations they had completed, mentioning that he thought the Yellowstone Basin had been completed and the reservations were in the 10 year review process by the Board of Natural Resources. MR. BECK said that they were working on the Upper and Mid Missouri, and the Clark Fork. He added that they had done the Yellowstone Basin in its entirety, but would do the Missouri in sections, ultimately including the entire basin and its tributaries.

SEN. HIMSL commented that he thought the state's water had been appropriated, and even over appropriated. MR. BECK said that this process dealt with unappropriated water given to a conservation district to reserve for future agricultural use. STEVE SCHMITZ, DNRC, Water Development Bureau, clarified that these reservations were junior to existing water rights holders. He said that in the Clark Fork and Missouri Rivers, the water availability, both physical and legal, was being determined in the EIS process. He said there was water in the Yellowstone, but there may not be in these other basins.

MR. BECK clarified the reservation for the future agricultural use process, saying that the planning process included determination of any potential irrigable land, as well as the amount of water that land would need. The plan would go before the Board of Natural Resources, and they would determine the amount of water available, considering all other users. REP. THOFT asked if the department could legally hold this water, and MR. SCHMITZ said that the Board had granted the reservations for 30 years with a 10 year review on the Yellowstone.

MONTANA STATE UNIVERSITY-EASTERN AGRICULTURAL RESEARCH CENTER, RANKING 22, Groundwater Nitrates Under Irrigated Agriculture.
SEN. LARRY TVEIT, Senate District 11, testified for the project which would study the movement of nitrates into the groundwater under irrigated lands in the Yellowstone Valley. He said that the EPA would be coming in with strict limits on contaminants in the groundwater, and that the information would be needed.

REP. BARDANOUVE commented that there must be a high water table in the area, and SEN. TVEIT said that it was 8 to 10 feet below the surface with many gravel veins. He said that they needed to monitor possible over-fertilizing.

SEN. HIMSL asked if they might be over-irrigating and wasting water, and SEN TVEIT said that a farmer might not reset the water at 3:00 a.m., resulting in water running off the field and into the ground water as well as the Yellowstone. The problem was that the water was taking both nutrients and nitrates into the groundwater and the river. SEN. HIMSL asked if this authorized the individual who would eventually run the project to go onto anybody's farm to test for the nitrates, and SEN. TVEIT replied that there would be an agreement with individual farmers for testing. He added that testing would also occur on the Agricultural Research Center's Farm.

WHITEFISH COUNTY WATER AND SEWER DISTRICT, RANKING 14, Swift Creek Clay Banks Stabilization.
BILL LEONARD testified for the grant which would support a clay bank armament project on Swift Creek, a main feeder channel into Whitefish Lake. He referred the committee to page 109 in the book, and said the banks sloughed in the spring, causing sediment in the stream and on into the lake. He said that due to the 100 years of timbering in the Swift Creek drainage, this sedimentation, which comprised 70% of the total silt in Whitefish Lake, could kill the lake. He disputed the department's figures quoted for soluble phosphorus, saying that their researchers had found significantly higher levels. He reminded the committee that the lake was pH limited. MR. LEONARD continued to describe the project, and said that it was supported by the Dept. of Fish, Wildlife and Parks.

REP. BARDANOUVE asked how deep the stream was in the spring, and how long it was, and MR. LEONARD said that it was 40 miles long, 8 miles of which comprised the problem area. He said that the depth was not so remarkable as the width and rate of flow. He said that they planned to use the natural vegetation indigenous to the area to vegetate the banks. REP. BARDANOUVE asked if there was livestock grazing in the area, and MR. LEONARD replied that there were 10 to 12 acres of pasture right off the shore of Whitefish Lake, which did not cause any problems. He said that the solution was a state approved, Corps of Engineers approved, rip rap armament, with jetties on the turn.

SEN. HIMSL asked if there had not been work done on this already, and MR. LEONARD said that studies had been conducted for the past 30 years, but that no construction had been done.

REP. BARDANOUVE asked for the cost estimate for the total project, and MR. LEONARD said that they did not have a firm estimate, but that based on other work, they anticipated it to be approximately $500,000. He said that after the pilot study was completed, there would be the possibility of EPA nonpoint source pollution project funding, Project 319. The pilot project proposed in the grant application before the committee would prove this to be a viable solution.

LEWIS AND CLARK COUNTY, RANKING 25, Voluntary Agricultural Land Conservation Program.
LINDA STOLL ANDERSON, Lewis and Clark County Commissioner, testified for the project and stated that the idea had started 10 years ago when the rapid development of agricultural land in the Helena Valley started. She said that the zoning approach was not popular, and that this concept was developed, in which there could be a purchase and exchange of development rights. She said that the value of developed land could be double that of agricultural land. If a farmer or rancher wanted to subdivide his/her land, he/she could be given that difference in either money or land. The net effect would be the purchase of an easement on the property to keep the land in agricultural use.

SEN. HIMSL asked if this program was used elsewhere in the state, and MS ANDERSON said that it was not used in Montana but was in effect in other parts of the country.

YELLOWSTONE COUNTY, RANKING 17, Valley Creek/Calamity Jane Dam Feasibility Study.
REP. TOM HANNAH, House District 86, spoke in favor of the project and referred the committee to page 116 of the program book. He said that last session, the legislature had passed a resolution calling for the consideration of an offstream storage facility in Yellowstone County within 30 miles of Billings. He said that of the two sites proposed in this grant application, Calamity Jane could be stricken, with Valley Creek on the west side and Froze to Death Creek on the east side still viable for consideration. He said that the county would like to increase the funding level. He said that they had a good baseline, and that if the committee were to review water policy standards, they would see that offstream storage was highly recommended.

REP. HANNAH said that the wild card in this project was the recreational value of offstream storage. He said that the county felt the recreational value of either of these sites would be great, being within driving distance of 1/7 of the population of the state. He asked for $100,000 for the feasibility study, after which the county could go to the federal government for the rest of the costs. He said that the chances were good for matching funds with Senator Burns now serving on the Water Development Committee. REP. HANNAH suggested that a provision be added that the money would revert if the federal funding was not received.

SEN. HIMSL asked if this plan fit in with Sen. Dave Manning's studies of offstream storage, and if that data was available. REP. HANNAH said yes, but that this would be a site specific study, while the Manning study identified 19 possible sites. SEN. HIMSL commented that Sen. Dave Manning's idea had been to divert floodwater into reservoirs for irrigation or return to the river. He acknowledged that the reservation could be a multipurpose reservoir as well. REP. HANNAH said that at the time, the project wasn't economically feasible, and thus was not

considered, but now, with the recreational value added on, it may be.

CASCADE COUNTY PARK BOARD, RANKING 24, Silver Crest Cross Country Ski Area.
MR SOUTH said that the representatives of the board were unable to attend due to the weather.

MISSOULA COUNTY, RANKING 21, Emergency Response/Aquifer Protection Enhancement.
TOM ZEIGLER, Missoula Rural Fire District, submitted a letter to the committee in support of the project (EXHIBIT 7).

SEN. MANNING suggested that the people who were unable to attend due to weather could testify at a later date, with resulting postponement in executive action on the Renewable Resource Development Grants.

REP. SWYSGOOD reported on the amount of money individuals and groups had contributed to the match on Water Development Project ranked 3, the Beaverhead and Mile High Conservation Districts' Big Hole River Channel Stabilization Project. He said that between the conservation districts, the Grange, Rebeccah Lodge and the 4-H Club, $14,000 had been collected, an amount by which the grant could be reduced. SEN. MANNING credited Rep. Swysgood for his efforts, and REP. THOFT suggested to Ms Cheney that this approach be used in the future.

ADJOURNMENT

Adjournment At: 10:10 a.m.

M. E. Connelly
REP. CONNELLY, Chairperson

MEC/cm

2725.min

DAILY ROLL CALL

Long Range Planning SUBCOMMITTEE

DATE 2-1-89

NAME	PRESENT	ABSENT	EXCUSED
Rep. Mary Ellen Connelly, Chair	✓		
Sen. Matt Himsl, Vice Chair	✓		
Rep. Francis Bardenouve	✓		
Sen. Harry McLane	✓		
Sen. Richard Manning	✓		
Rep. Bob Thoft	✓		

Form CS-30A
Rev. 1985

EXHIBIT 1
DATE 2-1-89
HB Renewable Resource Programs

DRAFT

MEMORANDUM

TO: Users of the Natural Resource Information System (NRIS) and the Natural Heritage Program

FROM: Representative Bob Thoft (R) Stevensville, District 63

RE: Funding Sources/Fees for Data

As many of you know, the NRIS/Heritage Program is largely dependent on grant money for its operation. For the 1990/1991 Biennium, funds were requested through the Renewable Resource Development Program and from the Reclamation and Development Grants Program.

In addition, NRIS/Heritage has contracted with various entities, including (among others) the Bonneville Power Administration, the Department of Health and Environmental Sciences, the Department of State Lands, and the Department of Fish, Wildlife and Parks to provide data management services.

Although some grant funds are available and these contractual agreements are expected to continue, it appears unlikely that the NRIS/Heritage Program will generate sufficient money to fully cover its costs. Therefore, the Long Range Planning Committee of the Montana Legislature has recommended further study regarding potential funding formats and/or sources. This option could involve an investigation into general fund, user fees and other potentials for long-term funding. Participation by committee member(s), the Legislative Fiscal Analyst, or other persons/entities are all possibilities.

As users of the NRIS/Heritage Program and its valuable data bases, you are in a position to provide support. As beneficiaries of the services offered through these programs, we are interested in your views regarding the possibility of paying for the servcies rendered. In other words, would you pay for the information and services, and how much? If you would be willing to provide support to the programs through some sort of user fee (subscription, small grant, etc.), we may be able to sustain the current program at present levels in the long term.

Please let me know your thoughts. Your input is crucial to sustaining these two valuable programs.

EXHIBIT 2
DATE 2-1-89
HB Renewable Resource Grants

TOWN OF HYSHAM

P.O. BOX 228
HYSHAM, MONTANA 59038

January 31, 1989

Representative Mary Ellen Connelly
Long-Range Planning Committee
State of Montana

Through: Caralee Cheney, DNRC

Dear Representative Connelly
and Fellow Committee Members,

It is with a great deal of regret that we are unable to attend the Long-Range Planning Committee hearing, because DNRC funding for the Hysham Water Project is critical to our Community. Unfortunately, poor weather conditions have forced us to cancel travel plans and provide this letter as a substitute.

As you are undoubtedly aware, the Town of Hysham has been placed on a "health advisory" by the Department of Health and Environmental Sciences, Water Quality Bureau. As a consequence, the Town is mandated to make improvements described in our application.

DNRC funding is extremely important for this project because we are a small rural community with only 208 water users, including both commercial and residential. Of those residential water users, 36% are 65 years of age or more and an additional 29% are between the ages of 50 and 64. In 1988, it was estimated that more than 70% are below HUD's low and moderate income guidelines, and of those, 25% are clearly very low income.

While we have taken actions that will nearly double the water rates and reduce past deficits, the fact remains that less than 200 families, many of whom are retired, cannot afford to make payments or long-term financial commitments required for construction, without additional assistance in the form of grants and lower interest loans.

We sincerely appreciate the consideration given our community in the DNRC ranking process; however, this is to request that the Long-Range Planning Committee provide Hysham the highest possible ranking to ensure the project can be completed this year and to utilize other grant funding essential to the project.

In 1987, the Community Development Block Grant awarded a $375,000 grant to the Town, contingent upon the receipt of matching funds in the amount of $90,000. It was anticipated that the Town would sell bonds to provide the matching funds; however, since that time, EPA regulations changed to a point where it is necessary for the Town to complete additional work on the water system at a much

higher cost. Because the CDBG grant award is contingent upon timely implementation, and also because health is a major consideration, it is extremely important that this project be bid this summer and that construction be started this year.

Our concern is that by being ranked 13th on the DNRC recommended list of priorities, our Community is low enough that we may not be eligible for funding until next year. That would place the CDBG grant in jeopardy, allow for inflation to increase the cost of the project, and subject Community residents to continued health problems and even greater financial burdens.

On behalf of the Town, I would like to thank your Committee for hearing our concerns and for any favorable recommendation or re-ranking you can offer. We are a community with few financial resources and sincerely need any assistance you can provide.
If you have any questions, please do not hesitate to contact me.

Sincerely,

Larry Fink

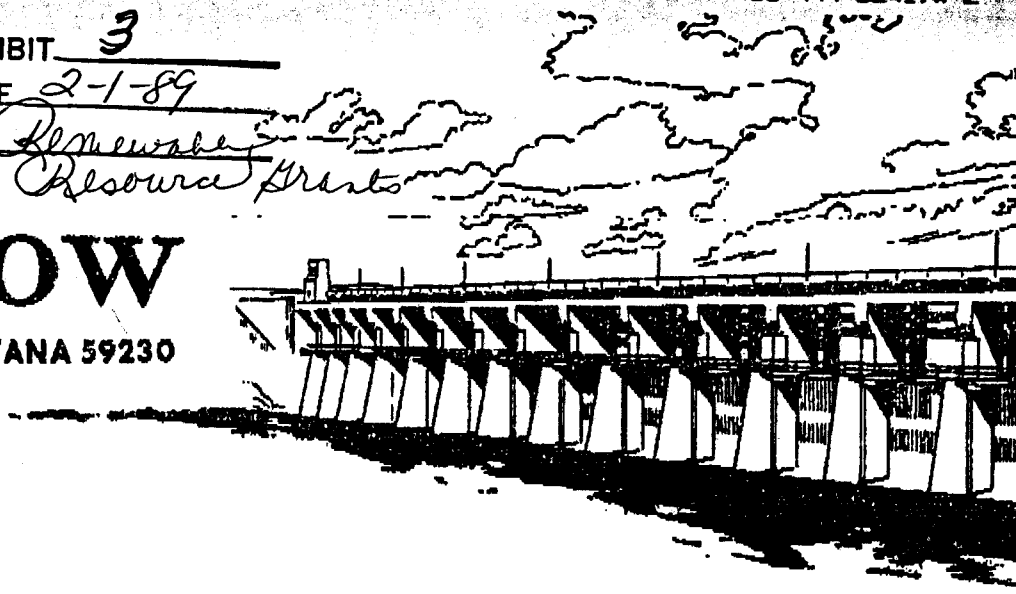
Larry Fink
Mayor

cc: Montana Department of Commerce
Montana DHES-WQB

EXHIBIT 3
DATE 2-1-89
HB Renewable Resource Grants

City of Glasgow

GLASGOW, MONTANA 59230



JANUARY 31, 1989

TO: TED SCHYE, REPRESENTATIVE
FAX NUMBER 444-4200 (SENATOR BOB WILLIAMS)

FROM: WILLIE ZELLER, MAYOR
CITY OF GLASGOW

DEAR TED,

DUE TO THE WEATHER CONDITIONS, WE ARE UNABLE TO CHARTER INTO HELENA TOMORROW MORNING AS PLANNED TO PRESENT OUR TESTIMONY ON FEBRUARY 1ST.

WE ARE THEREFORE FAXING OUR TESTIMONY, WHICH WAS PREPARED FOR THE HEARING ON GLASGOW'S APPLICATION FOR A DNRC GRANT. THIS TESTIMONY WAS TO BE PRESENTED TO THE LONG RANGE PLANNING SUB-COMMITTEE IN ROOM 317 OF THE STATE CAPITOL. THE HEARING IS SCHEDULED BETWEEN THE HOURS OF 8:00 A.M. AND 11:00 A.M., WITH TESTIMONY TO BE PRESENTED IN ACCORDANCE WITH THE RANKING OF THE APPLICATIONS. APPLICANT NO. 13 WAS TO PRESENT THEIR TESTIMONY AT 8:00 A.M., AND GLASGOW'S APPLICATION IS RANKED NO. 18. THEREFORE, IF EVERYONE SHOWS UP FOR THEIR RESPECTIVE TESTIMONY, THE CITY OF GLASGOW SHOULD BE ON AT 9:15 P.M. AS EACH APPLICANT IS GIVEN 15 MINUTES FOR TESTIMONY.

THANK YOU FOR PRESENTING THE INFORMATION TO THE SUB-COMMITTEE ON OUR BEHALF. WE TRULY APPRECIATE THE FACT THAT YOU ARE REPRESENTING OUR EFFORTS ON THIS ISSUE.

SINCERELY YOURS,

Willie F Zeller

WILLIE ZELLER, MAYOR

LONG RANGE PLANNING SUB-COMMITTE MEMBERS ARE: REPRESENTATIVES MARY ELLEN CONNELLY, BOB THOFT, FRANCIS BARDANOUVE; AND SENATORS MATT HIMSL, HARRY McLANE, DICK MANNING

APPLICANT - CITY OF GLASGOW

PROJECT TITLE- WATER AND WASTEWATER SYSTEM
COMPREHENSIVE MASTER PLAN

PURPOSE- The purpose of the master plan is to evaluate the existing municipal water distribution and storage system and wastewater collection and treatment system, and to devlop a document for use in completing a capitol improvement program.

PROJECT DESCRIPTION -The master planning will begin with a research of previously completed studies, documents, and data on the water system and wastewater system. Layout maps of the municipal facilities will be updated. Representative sections of water mains will be flow tested to evaluate condition of the pipe. A computer model of the water system will be created for use in the analysis. Both static conditions and dynamic conditions may be evaluated with extended period simulations of the water system computer model. Selected sanitary sewer mains will be cleaned and televised after the collection system has been inventoried. Treatment pond capacities will be evaluated.

HISTORY - The City has repaired an average of 16.6 water main breaks per year for the past ten years. Residents have experienced numerous sewer main back-ups/basement flooding in recent years. The City has committed 3.7 million dollars in capitol improvements of the water and wastewater systems in the last six years.

PROJECT BENEFITS

A. WATER SYSTEM

- Create or update the water distribution layout map
- Identify problem areas such as low pressure areas, low flow capacities, and inadequate pipe network.
- Determine the ability of the system to provide adequate fire flow capacities
- Use results of the analysis to improve ISO rating and possible fire insurance premium reductions
- Planning tool for analysis of future developments
- Properly size and locate future improvements, water main replacements, and storage facilities
- Identify more efficient pump use and size to minimize electrical operating costs
- Help minimize water use rates by more efficient planning and best use of available funding

B. WASTEWATER SYSTEM

- Locate water infiltration points
- Find deposits/buildups in sewer mains
- Locate root intrusion areas
- Minimize excavation expenses by proper location of deficiencies
- Spot illegal service connections
- Inspect condition of sewer mains
- Plan repair requirements for more accurate maintenance program
- Evaluate treatment pond conditions to improve quality of treated effluent
- Create or update wastewater collection system layout map
- Help minimize sewer use rates by more efficient planning and best use of available funding

COST PROJECTIONS

A PROJECT COST ESTIMATE

TASK	ESTIMATED COSTS
1. Water system analysis, sewer system inventory/evaluation, and Master Plan (Consulting Engineer)	$ 22,925.
2. Wastewater System cleaning/televising (Specialized Contractor-bid)	67,425.
3. In-kind services (Director of Public Works and City Planner)	19,050.
4. Contingency Fund	10,000.
Total Estimated Project Cost	$119,050.

B. CURRENT GRANT RECOMMENDATION

DNRC has indicated a policy of 50% grant participation in Master Plan Projects and recommends a grant of up to $25,000 for this project. With a total estimated project cost of $119,050, the $25,000 grant is a 21% grant. A 50% match for the project would include a $59,525 grant.

TIME CONSIDERATION/URGENCY

As indicated, the City of Glasgow has committed 3.7 million dollars to water and wastewater facility improvements in the past 6 years. The City is scheduled to complete two additional water main replacement projects this summer, at an estimated cost of $170,000. The master plan is needed as soon as possible for use in a capital improvements plan to assure the best use of available funding.

EXHIBIT 4
DATE 2-1-89
HB RRD Grants

January 31, 1989

APPLICATION: CITY OF GLASGOW

PROJECT TITLE: WATER AND WASTEWATER COMPREHENSIVE MASTER PLAN

SUBMITTED BY: BRENT W. MAGILL, CITY ENGINEER-DIRECTOR OF PUBLIC WORKS

HISTORY OF GLASGOW:

The City of Glasgow had its beginning on a grassy plain located in the Milk River Valley on a June day in 1887, when Jim Hill establish Siding 45 in his construction of the Great Northern Railroad. Siding 45 was located adjacent to the Milk River which provided ample water for the residents, workers and employees of the Great Northern Railroad. The Milk River also provided water necessary for steam engines and related railroad construction.

With the establishment of Siding 45 and a railhead in the Milk River Valley, the surrounding area became accessible and desirable for settling and development into a ranching and farming community. As farming and ranching continued to prosper with the coming of the homesteaders, Siding 45 continued to grow. In 1893 the existing community and surrounding area was surveyed and platted and became incorporated as the Glasgow Original Townsite. In the early part of the 19th century, Glasgow continued to grow and prosper as an agricultural and ranching community. The Milk River continued to be the main source of water for the community and outdoor privies were prevelant as sanitary facilities. The population of Glasgow increased to approximately 2,000 by 1920. In 1921, the first municipal well was drilled in the City of Glasgow. A masonry water tank was constructed on the butte overlooking the townsite of Glasgow. Wooden pipelines were constructed between the well and the tank; the main business district was served by a water storage system. The construction of the water storage system transmission line and well became the forerunner of the Glasgow municipal water system.

With the onset of the drought in the 1920's, farmers, homesteaders and ranchers alike were driven from the land. As the depression and the drought entered the early 1930's,the future of Glasgow looked awfully bleak. In 1933, the Roosevelt Administration established the Fort Peck Dam Project. As the Fort Peck Project grew in scope, people and workers were drawn from throughout the country to the local area. Glasgow once again began to prosper and the population of the town began to increase. With the increasing population, it became necessary to establish some type of sanitary disposal system. Sewer lines were installed within the business district terminating at the banks of the Milk River and the Milk River became the disposal plant for the city. Many of the original lines installed in the early 1930's or prior are still in existance within the City today. As the City of Glasgow continued to grow during the 1930's, additional water lines were installed. The type of material for the construction of the water mains was generally cast iron which was the best material available at the time. Also lead lines were installed as distribution lines within the city. Sanitary sewer lines installed were generally vitrified clay tile. The Sewer System became a combination storm water and sanitary sewer. As the Fort Peck Dam neared completion, workers no longer needed on the project exited the area and Glasgow experienced a decline in population and a decline in the economic stability of the community.

In the face of declining economic conditions within the town of Glasgow, the country was engulfed in World War II. In 1942 the original Glasgow Air Force Base was constructed adjacent and on the buttes overlooking Glasgow. With the activity of the Glasgow Air Force Base during war years, Glasgow once again experienced a population growth that exeeded 4,000 within the corporate limits of the town of Glasgow. The increase and growth of Glasgow in this period once again necessitated the construction of water and sewer facilities within the town. The material used in materials during this time were of inferior quality due to the war effort. Cast iron continued to serve as a mainstay for water transmission lines and sewer lines were constructed of a low quality non-reinforced concrete. At the end of the war in 1945, Glasgow Air Force Base was deactivated and once again, Glasgow experienced an exodus of its population.

The population of Glasgow continued to decline until 1948 when once again, farming, ranching and agriculture became increasingly profitable. In 1950 it became evident that the City of Glasgow would have to construct additional water storage facilities to serve the town. In 1953 a new 1½ million-gallon, concrete storage tank was constructed to serve the needs of the town. Additional cast iron water mains were placed into service in the residential areas as new subdivisions became prevelant. In the mid 1950's, the second Glasgow Air Force Base was constructed and in 1958, became a S.A.C. Bomber Base and Fighter Group. With the construction of the second Glasgow Air Force Base, additional subdivisions and housing developments were constructed. In 1958 the first Sanitary Sewer Lagoon was constructed and placed in operation. The original lagoon was replaced by an aeration lagoon in 1974. The development of these subdivisions added to the water and sewer system network. Many of these subdivisions were constructed to minimum standards at the time to maximize gross profits to the developers. Upon completion of the subdivisions and their incorporation into the municipal limits of the City of Glasgow, the City of Glasgow became responsible for the maintenance and updating of the existing facilities.

By 1965 the Glasgow town population had exceeded 8,000. As the town expanded to absorb the additional population, the government announced the forthcoming closure of the Glasgow Air Force Base. The closure of the Glasgow Air Force Base proceeded over a four-year period and by 1969 the Air Force Base as such ceased to exist. The closure of the Air Force Base once again plummeted the City of Glasgow into a depressed area. In the early 1970's, the agricultural stabilization and economic situation within the Glasgow area improved to and the population once again had increased to better than 5,000. The economic situations within Glasgow at this time remained constant for a number of years until the early part of 1980 when once again, the economic situation began to decline. The drought of the last four years has severely impacted the agricultural community and the economic situation within the State of Montana has caused the population to decline to approximately 3,500.

Many of the original water and sewer projects constructed within the City of Glasgow were recorded on the old-type blueprints. The blueprints have deteriorated over the years and are no longer useable. Grades and elevations of existing utility lines shown on these older drawings have changed over the years due to the cutting and re-grading of existing roadways and street construction. Plans provided by developers of subdivision and housing areas constructed in the late 50's and 60's have proven to be inaccurate and not keeping with actual conditions found to exist within the subdivision.

Soil conditions within the Glasgow area are not compatable with metallic substances. Electrolysis that are encounted within the local soils are very destructive to cast iron pipes and caused wide spread deterioration of the Glasgow Water System over a period of years. The inferior materials used in construction of utility work during the war years has also deteriorated causing not only problems with the water distribution system but with also the sewer collection system. Twenty four hundred feet of sanitary sewer had to be replaced in 1987.

The City of Glasgow has embarked on a water main replacement project that has spanned a period exceeding 35 years. Many of these water replacement projects encompassed large areas and at other times one or two blocks have been replaced by city maintenance personnel as funds are available. Over the years existing cast iron piping water pipe has been replaced until there is only approximately 86 blocks of cast iron pipe remaining in existance. In the early part of 1960 until approximately 1980, cast iron water mains were replaced with asbestos cement water pipe. The asbestos controvery that emerged in the 1980's, resulted in the replacement of water mains with plastic water pipe. Many of the old cast iron water mains were of four-inch (4) diameter. The City of Glasgow has tried to upgrade this system by increased pipe size in its replacement projects. In 1969 the City placed a new water treatment plant in operation. In 1999 a new water supply was constructed to divert Fort Peck Reservoir water from the Old Glasgow Air Force Base line to the City of Glasgow.

During the 1950's and 1960's, the City of Glasgow averaged from 42-50 water breaks per year. With replacement project which the City of Glasgow has engaged in over the last 35 years, we have decreased water main repairs due to breaks frm 42 to approximately 16 per year. In the last three years prior to 1988, we have decreased water main breakage to 12 and less. In 1988 water main repairs again soured to 22.

SUMMARY:

The City of Glasgow has experienced an erratic growth in development and economic conditions. The up and down growth development of the City of Glasgo has been detrimental to the development of an efficient utility system. The plans for the existing system are deteriorated to the extent that they are totally unuseable. Plans supplied by developers during the construction and activity at the Glasgow Air Force Base have proven to be inaccurate and of little value. The City of Glasgow has undertaken a project to upgrade plans and records of existing utility lines. The City feels that with the development of a Master Water and Waste Water System Comprehensive Master Plan, it will maximize the effectiveness of the City's replacement of deteriorating utilities and minimize the cost of construction.

EXHIBIT 5
DATE 2-1-89
HB Renewable Resource Grants

TESTIMONY

DEPARTMENT OF STATE LANDS
FORESTRY DIVISION

Support of RRD Grant Proposal: An Integrated Forest Resource Information System for State Forest Lands

The Department of State Lands, Forestry Division, manages approximately 590,000 acres of school trust lands. The goals of this management, as provided for by law, are to manage the trust lands to provide for the greatest long-term income to the trust, while also complying with all State laws related to the management of those lands.

In recent years, it has become increasingly difficult to meet the management goals for trust lands because of greater demands for timber and non-timber resources. Montanans are demanding more from a static land base, and the only way to meet those demands is through innovative management.

The RRD grant proposal titled "An Integrated Forest Resource Information System for State Forest Lands" describes the development of a management tool needed to meet the current and future demands on State Lands. The Integrated Resource Information System or IRIS will allow foresters to make more informed management decisions by integrating forest resource inventory data, estimates of current and future timber value, road building costs and non-timber resource considerations. This integration will be possible with the use of computer data storage and decision software combined with a Geographic Information System or GIS.

The IRIS for use in managing State Lands will benefit all Montanans by increasing the financial returns to the Trust. Researchers have estimated the financial benefits of such a system at $100 per acre. Even if only one-quarter of the State's timberlands could benefit from these improved planning techniques the financial return would be nearly $15,000,000.

The benefits of the IRIS tool will also be realized by all Montanans in the management of non-timber resources. The Forestry Division considers the impacts of its management activities on all resources, including water, fish and wildlife. This consideration is for direct effects, and also for the cumulative impacts that may result from management activities on several adjacent ownerships. An analysis of cumulative impacts requires the ability to view management activities over time, with consideration for spatial relationships. The proposed IRIS will allow such an analysis and ultimately provide the high quality management of non-timber resources that Montanans are demanding.

The development of an IRIS for State Land Management is a complex task involving the use of sophisticated mathematical techniques and advanced computer technology. It could not be developed using only the expertise found in the Department of State Lands. A cooperative approach between the Department and the University of Montana, School of Forestry, was the only cost-effective option. The importance of this project to the Department and the University is best exemplified by the Forestry School's committment of substantial McIntire-Stennis funds, and the Deparment's committment of in-kind services.

Tomorrow's challenge in managing Montana's resources will be to meet ever increasing demands. We believe that challenge can be met with the proper tools. The proposed IRIS is essential, if we are to meet the resource management challenges of today, and the future.

Ray Beck
DNRC - Water Reservations

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

STAN STEPHENS, GOVERNOR

1520 EAST SIXTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

EXHIBIT 6
DATE 2-1-89
Renewable Resource Grant

Madam Chairman, Members of the Committee:

For the record, my name is Ray Beck. I'm the Administrator of the Conservation Districts Division of DNRC.

The division is requesting grant funds from the RRD program to provide monies to Conservation Districts upon request for preparations of water reservation applications.

WHAT IS A WATER RESERVATION?

When the Montana Water Use Act was passed in 1973, the option to reserve water for future beneficial uses became a component of our water codes. Section 85-2-316, , Montana Codes Annotated, allows public entities to apply to the Board of Natural Resources and Conservation to reserve water for existing or future beneficial uses or to maintain a minimum flow, level, or quality of water.

The reservation law allows only public entities, such as the conservation district, to apply for a water reservation. Conservation Districts are responsible to reserve water for future agricultural use. Once a conservation district is granted a water reservation, individual farmers and ranchers may apply to the conservation district to use a portion of the reserved water.

A reservation, once granted by the board of Natural Resources and Conservation, is a water right. If applied for by a conservation district, the right is held by the district on behalf of the individual users. Individual irrigators will then apply to the district when they are ready to put water to use. Users of reserved water receive legal authorization to use the water. That authorization cannot be taken away arbitrarily.

The main advantage of a water reservation over individual water use permits is that once approved, the reservation sets aside water for a particular use. Those eligible to use reserved water have a longer time period to put the water to beneficial use and still maintain the early priority date. Hence, the reservation allows for planning and allocation of water for future use.

DISADVANTAGES?

In order to justify the need for a reservation, an applicant such as the CD must prepare a detailed water use plan that identifies all future water users and their estimated water needs. This requires a great deal of time and research on the part of the applicant, but it also assures that water will be reserved for needs, on the basis of this plan, for up to 30 or more years.

The Renewable Resource Development Act originally anticipated that CDs would need additional funds for water reservation development by earmarking 10 percent of the funds for such purposes; however, the 1987 Legislature removed all earmarked funding under RRD.

That is why we are going through the application process here today.

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

STAN STEPHENS, GOVERNOR

1520 EAST SIXTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
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HELENA, MONTANA 59620-2301

During the next biennium, as many as 17 conservation districts above Fort Peck Dam will be involved in the preparation and review of the comprehensive EIS on all water reservation requests in the upper and middle Missouri River Basin. Also they will be involved with the review of water reservation applications submitted this biennium, and the preparation for the contested case hearing on the water reservation applications.

To reduce the potential for perceived conflicts of interest in the various processes involved in the water reservation proceeding, the districts will need to hire independent staff rather than relying on department staff for certain functions. An engineer will be required to review applications, to prepare potential objections on behalf of the districts, and to review and comment on the draft EIS. The services of an attorney will most likely be needed to begin preparation of testimony to be presented at the contested case hearing.

In addition, all conservation districts state-wide have the potential to need funding for water reservation activities. Yellowstone River Basin districts may need substantial funding to accelerate the development of the reservations they received in 1978. The Board of Natural Resources and Conservation is in the midst of the first ten-year review of those reservations and may require a showing of increased attempts to put that reserved water to beneficial use. In addition, there may be increased water reservation activity in other basins in the state. For the most part, the state's conservation districts can not afford to be involved in this important work without the availability of grant funds from the Conservation Districts Division.

I would ask that you support our request for funding.

DNRC/Water Development Bureau
February 1, 1989

The following table describes the previous Renewable Resource Development Program grants and subsequent expenditures for water reservation development projects:

1983 RRD Grant---$76,000.00
Expenditures:

$4,541.15	To Sheridan County Conservation District for partial funding of a groundwater study and a groundwater reservation application.
$9,234.85	To Granite County Conservation District for partial funding of a water reservation application.
$9,000.00	To Roosevelt County Conservation District for partial funding of a water reservation application.
$4,300.00	To Mile High Conservation District for assessing the feasibility/need of preparing a water reservation application.
$45,000.00	To the Lower Yellowstone Conservation District Development Committee for completion of studies on development of high lift reserved water irrigation projects and reservation projects utilizing existing canals
($3,924.00)	Unexpended grant funds returned to the RRD Program.

1985 RRD Grant---$70.000.00
Expenditures:

$2,700.00	To Mile High Conservation District for completion of a water reservation application feasibility/need assessment.
$24,364.00	To Upper-Missouri River basin conservation districts/DNRC for consultant preparation of water reservation applications.
$3,631.23	To Missouri River basin cd's for landowner interest surveys.
$28,021.00	To Granite Conservation District for partial preparation of a water reservation EIS.
$3,100.00	To McCone Conservation District for investigation of potential reserved water irrigation projects.
($8,183.77)	Unexpended grant funds returned to the RRD Program.

1987 RRD Grant---$50,000.00
Expenditures: None to date.

MISSOULA RURAL FIRE DISTRICT
2521 SOUTH AVENUE WEST MISSOULA, MT 59801 (406) 549-6172

February 1, 1989

EXHIBIT 7
DATE 2-1-89
HB RRD Bills

TO: Mary Ellen Connolly, Chairperson

FROM: Tom Zeigler, Firefighter
Hazardous Materials Team Member
Missoula Rural Fire District

RE: WD/RRD Grant

The Missoula valley aquifer serves as the sole source of drinking water for 65,000 people in the Missoula valley. In 1988 the Environmental Protection Agency designated Missoula valley aquifer as a "sole source aquifer". Thereby recognizing the need for special protection. Any pollution resulting from a chemical release is likely to affect some water users in the valley. A chemical release could adversely effect the municipal supply well and thousands of people, plus the community's only source of drinking water. Chemical spills and releases do occur, and will continue to do so. A prevention and remediation program may prevent catastrophic loss of an entire community's water supply.

From 1986-1987 Missoula County Hazardous Materials Team responded to twenty five (25) incidents involving spill or release of toxic chemicals, which resulted in localized contamination of Missoula's valley aquifer. The Hazardous Materials Team's primary objective is protection of life, property, and widely recognizing negative effect to human health and welfare due to environmental degradation from original releases. Quick response and proper control activities may dictate the amount and severity of the resulting environmental pollution due to hazardous materials spills. In some cases proper action can prevent pollution altogether.

The purpose of this grant is to train the Hazardous Materials Team through general ground flow and pollution control course work, Missoula valley aquifer course work, ground water monitoring and pollution control equipment use, and monitoring equipment for the Hazardous Materials Team.

This project will positively impact the environment by minimizing the impact of individual hazardous materials spills, not only in Missoula valley aquifer but also in other areas and communities because Missoula County Hazardous Materials Team is often called upon to respond and/or advise other agencies in other parts of the state.

So, as you can see, our grant is much needed; not only for our safe aquifer protection but also as a resource that can be used by the entire state if needed.

VISITOR'S REGISTER

Long Range Planning SUBCOMMITTEE

AGENCY(S) _____ DATE 2-1-89

DEPARTMENT RRD Grants

NAME	REPRESENTING	SUP-PORT	OP-POSE
Ray Beck	CDD / DNRC #23	X	
Steve Schmitz	WDB / DNRC #23	X	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT.
IF YOU HAVE WRITTEN COMMENTS, PLEASE GIVE A COPY TO THE SECRETARY.

FORM CS-33A
Rev. 1985