

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON LONG RANGE PLANNING

Call to Order: By Chairperson Connelly, on February 28, 1989, at
7:05 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

WATER DEVELOPMENT GRANT PROGRAM EXECUTIVE ACTION

Tape 44:A:000

DALY DITCHES IRRIGATION DISTRICT, RANKING 1, Republican West
Diversion Replacement.

Motion: SEN. MANNING (44:A:017) moved the Daly Ditch Irrigation
District Project, and Rep. Bardanouve seconded it.

General Discussion: MR. SOUTH (44:A:026) said that there would
be \$808,073 worth of projects in the Water Development Grant
Program, listed in EXHIBIT 1, Renewable Resource and Water
Development Programs, and based on what the subcommittees have
done and the LFA estimates of revenues, the account would have
approximately \$1,000,000 available. Because of the decision by
the committee to stay with the cash accounting system, \$500,000
would have to be taken out of that total, leaving approximately
\$500,000 to spend. MR. SOUTH said that all of these figures were
subject to change because the pay plan would have to come out of
there, and there were at least 4 bills introduced which would
have impacts on the Renewable Resource Grant and Water
Development Grant Programs. MR. SOUTH said that his
recommendation was to approve several more programs than there is
funding for, and to establish priorities.

MR. SOUTH (44:A:058) added that some of the projects in the Water
Development program that could not be funded could go into the
Renewable Resource Program funding. He suggested that except for
the private applicants, these applicants and funds could be
looked at as one unit.

Discussion: SEN. HIMSL (44:A:076) expressed concern that 20% of what was available in the Water Development Program was going to one project, Daly Ditches.

Vote: The motion CARRIED with Sen. Himsl voting no.

MS. CHENEY (44:A:100) offered EXHIBIT 1, a combined list of the Water Development and RRD projects with a running total. The two private applicants, Montana Rural Water for \$60,000, and Eastgate for \$29,000, would not be on this list, but were in the bill.

REP. THOFT asked for the total amount of revenue, and MR. SOUTH said that the combined total of revenues for RRD and Water Development Grants would be \$1,700,000, using the cash accounting system for the water development program.

PRIVATE APPLICANT, RANKING 2, (44:A:165), Water System Technical Advisor.

Motion: REP. BARDANOUVE moved the project, and Rep. Thoft seconded.

Discussion: REP. BARDANOUVE spoke in favor of the project, stating that it provided technical advice across the state, and MS CHENEY clarified that they happen to be private because of the nature of their federal funding.

Vote: The motion CARRIED, with SEN. HIMSL voting no.

BEAVERHEAD AND MILE HIGH CONSERVATION DISTRICTS, RANKING 3, (44:A:175), Big Hole River Channel Stabilization.

MR. SOUTH clarified that the grant figure for project #3 was now \$18,317, due to contributions from the private sector. REP. THOFT said that he would like to see a portion added back in, at least \$75.00.

Motion: REP. BARDANOUVE moved the Beaverhead and Mile High Conservation Districts' project, and REP. THOFT made a substitute motion for \$18,400.

Vote: The motion CARRIED unanimously.

PRAIRIE COUNTY CONSERVATION DISTRICT, RANKING 4, (44:A:218), Watershed Demonstration/Management Practices.

The project was discussed by REP. THOFT and MS CHENEY.

Motion: REP. BARDANOUVE moved \$65,000, and Sen. Manning seconded.

Vote: The motion CARRIED unanimously.

PARK COUNTY CONSERVATION DISTRICT, RANKING 5, (44:A:232), Park Branch Sediment Diversion.

REP. BARDANOUVE commented that this group had resources and could do this themselves. Their O & M was discussed, which varied from \$2.85 to \$6.00 per acre.

Motion: REP. THOFT moved that the project not be funded.

Vote: The motion CARRIED.

CARBON CONSERVATION DISTRICT, RANKING 6, (44:A:265), Rushwater Creek Erosion Control.

REP. BARDANOUVE asked about their resources, and MS CHENEY clarified their O&M charges as well as construction costs and

their contributions to this project.

Motion: REP. THOFT moved the Rushwater Creek project.

Vote: The motion CARRIED unanimously.

EASTGATE VILLAGE WATER AND SEWER ASSOCIATION, RANKING 7,
(44:A:288), Wastewater Pond Effluent Irrigation System.

REP. BARDANOUVE asked how much they were paying for their water and sewer, and MS CHENEY said that their charges were \$13/month for water and \$14/month for sewer, and that there would be an increase in fees with their contribution to this project.

Motion: REP. BARDANOUVE moved \$25,000.

Vote: The motion CARRIED unanimously.

CARBON CONSERVATION DISTRICT, RANKING 8, (44:A:313), Rock Creek
Decreed Water Distribution.

Motion: SEN. MCLANE moved funding at \$30,000.

Vote: The motion CARRIED unanimously.

HUNTLEY PROJECT IRRIGATION DISTRICT, RANKING 9, (44:A:330), Main
Canal Measuring and Flow Control.

REP. BARDANOUVE asked what they paid per acre, and REP. CONNELLY said that they paid \$18/acre, with an additional amount for construction costs.

Motion: SEN. MANNING moved the project at \$44,268.

Vote: The motion CARRIED unanimously.

MR. SOUTH reported that project #10 was not recommended, and #11, Greenfields Irrigation District would move into the RRD list.

SHERIDAN COUNTY, RANKING 12, (44:A:360), Carroll Dam Feasibility
Study.

REP. BARDANOUVE asked if the money were for engineering studies. MS CHENEY said that the plan was to identify the elements of the project that would make it not go, and to address those up front. The entire \$84,000 would not be spent if there were hurdles they couldn't overcome. Cost of construction and ability to pay would be addressed early in this study. She also said that there may be a major water right problem, and that would be resolved before there were any expenditures of money.

Motion: SEN. HIMSL moved no funding for the project, stating that they were not ready.

Vote: The motion CARRIED unanimously.

TOWN OF DUTTON, RANKING 13, (44:A:404), Streambank Stabilization
Study.

REP. BARDANOUVE asked how the rest of the project would be funded, and MS CHENEY said that the rest would be paid with user fees.

Motion: SEN. MANNING moved the project.

Vote: The motion CARRIED unanimously.

TOWN OF POPLAR, RANKING 14, (44:A:430), Water Treatment Facility.

MS CHENEY said that if the committee continued down the list,

they would be funding projects that would not otherwise be funded if they were to be moved over to the RRD list, where their ranking would be too low.

She said that projects with higher priority rankings on the RRD would then be precluded from funding. SEN. MANNING asked how much money had been spent, and MR. SOUTH said that the amount was \$467,168. He said that Poplar's project was in the bill under RRD. MS CHENEY said that it was, and that any action beyond this point would upset priorities.

Motion: SEN. MCLANE moved the project for the town of Poplar.

Vote: The motion CARRIED unanimously.

Motion: REP. BARDANOUE (44:A:482) moved to fund no additional projects in the Water Development Program past Poplar.

Vote: The motion CARRIED unanimously.

RENEWABLE RESOURCE DEVELOPMENT GRANT PROGRAM

Tape 44:A:515

GALLATIN CONSERVATION DISTRICT, RANKING 1, East Gallatin State Recreation Area.

REP. BARDANOUE commented on the Bozeman community getting behind their project.

Motion: REP. BARDANOUE moved the project at \$100,000.

Vote: The motion CARRIED unanimously.

FLATHEAD BASIN COMMISSION, RANKING 2, Forest Practices/Water Quality Coop Program, (44:A:552).

Motion: REP. BARDANOUE moved the project at \$25,000.

Vote: The motion CARRIED unanimously.

MONTANA STATE LIBRARY, RANKING 3,4 & 5, (44:A:558), Montana Natural Resource Information System (NRIS), Montana Water Information System, and Montana Natural Heritage Program respectively.

Motion: REP. BARDANOUE moved the NRIS project.

Discussion: REP. THOFT asked the director of the State Library, Richard Miller, to come forward, and asked him when the funding at this level, or some reduced level, would come to a halt. MR. MILLER responded that the program had proven its worth, and was continuing to do so. He said that his preference would be to look at general fund support as a more stable source of funds. With regards to no longer asking for RRD or WD funds, his preference was to work over the next biennium on getting as much of this funding from the general fund as possible.

REP. THOFT (44:A:596) said that some amendments had been drawn, EXHIBIT 2, addressing charges to the private sector for these services, and REP. CONNELLY mentioned the letters she had received indicating a willingness to pay a fee of some kind. REP. THOFT said that the thrust of this was that if the service was worth anything, someone should start paying for it, and if it

wasn't worth anything, it shouldn't be funded at the level the legislature was funding it.

REP. BARDANOUVE (44:A:654) stated that he realized the concern of the gentleman who requested the amendment, but said that this was a wide, public service, and part of the library system. He said that the state told industry and others to prepare Environmental Impact Statements and other research documents, and then the state was told that they were burdening industry. He suggested that this would be the warehouse or source of all the information. He stated that the general concept of the library was that it would be free to the public. He said that the service would reduce the cost of preparation of the reports required, and said that he would like to see it continue. REP. BARDANOUVE did state that properly, if there were more general fund money, a case could be made for the funding of these programs from the general fund. He added that the reality was that there were no general fund monies, and that the state had robbed Peter to pay Paul for several years. He closed, stating that this was one way to finance a public service and that he would like to see it continue.

REP. THOFT (44:A:710) said that he didn't see it as a public service, but as a generation of information for private business for profit. He added that the amendments addressed the possible precedent setting impact of the charges. Number 3 specifically stated that the charges were limited to the Natural Resource Information System and the Natural Heritage Program. He said that he agreed that library services were assumed to be free to the public, but that this was a different situation wherein the state spent money to generate information for private industry to use to make money. In that sense, he did not think that charging a fee was unreasonable.

SEN. HIMSL (44:A:732) questioned who did the research, and asked for clarification on the assembling of the data base, as opposed to the actual gathering of needed data for someone. He indicated that the user should pay for the research service, but not for the assembling of the data base. MR. MILLER said that at the moment, their staff did the research, but hoped to get to the point where the system was more user friendly, allowing the individual to do his/her own research from within the data base.

REP. DAVE BROWN (44:B:003) went through the amendments, stating that if the state could afford it, it should provide this service. He said that it is equally good for the environmental and business side. With the language clarifying that this in no way sets a pattern for user fees for the library system, he saw the amendments as reasonable. The only difference with Rep. Thoft that remained was with the 5th amendment, regarding where the collected funds would be deposited. He said that Rep. Thoft wanted to put the collected funds into the general fund, while Rep. Brown preferred the option set forth in the amendment.

REP. THOFT (44:B:037) said that there were several issues: 1) whether or not private industry should pay for a service; 2) whether the money collected go on top of the money appropriated or go back into the general fund; and 3) how much longer would the library come back for this type of funding. REP. BARDANOUVE asked why this issue bothered Rep. Thoft so much, and REP. THOFT replied that it was because the State Librarian, Sara Parker, came in last session and said that would be the end of the funding. He also said that it took money away from other projects.

Motion: SEN MCLANE moved the amendments on all three Montana State Library projects, Rankings 3, 4, and 5.

Vote: The motion CARRIED, with REP. BARDANOUVE voting no.

Motion: SEN. MANNING made a motion for all motions pending that \$99,806 be granted to Montana State Library for the NRIS Program, and that any monies received by the end result of the amendments revert back to the general fund.

Discussion: REP. BARDANOUVE said that the committee had already adopted the amendment which dealt with the issue. SEN. MANNING withdrew his motion. SEN. HIMSL clarified that the amendment indicated that if the program were funded, additional monies raised from charges for the service would revert to the RRD account. SEN. MANNING agreed, and seconded Rep. Bardanoue's original motion.

Vote: The vote on REP. BARDANOUVE's original motion to fund the NRIS Program CARRIED unanimously.

MONTANA STATE LIBRARY, RANKING 4 and 5, Montana Water Information System and Montana Natural Heritage Program, (44:B:142), REP. THOFT clarified that all three projects were similar, in that they performed different aspects of the same service.

Motion: REP. BARDANOUVE moved the two grant applications at \$45,510 and \$99,450 respectively, and REP. THOFT seconded.

Discussion: SEN. HIMSL asked if the amendments applied to these two projects, and it was determined that a vote on the amendments on these projects was necessary. SEN. HIMSL moved the amendments, and REP. THOFT seconded.

Vote: The motion on the amendments CARRIED, with REP. BARDANOUVE voting no.

Substitute Motion: REP. BARDANOUVE moved the projects ranked 4 and 5, the Montana Water Information System and the Montana Natural Heritage Program, be funded as amended, and SEN. MANNING seconded.

Vote: The motion CARRIED unanimously.

UNIVERSITY OF MONTANA, RANKING 6, Management Guidelines/Riparian Site Types, (44:B:180).

Motion: SEN. MCLANE moved the project at \$41,733.

Discussion: REP. THOFT asked if the EQC carried out this function, and MS CHENEY said that there was no overlap with EQC's activities, and that this completed a project that was done before.

REP. THOFT suggested that the committee mark this project, and

said that if another water project needed doing, they should reconsider the funding of the University of Montana project.

Vote: The motion CARRIED unanimously.

MONTANA DEPARTMENT OF AGRICULTURE, RANKING 7, Monitor Agricultural Chemicals in GroundWater, (44:B:227).

Motion: SEN. MANNING moved the project at \$93,550.

Vote: The motion CARRIED unanimously.

FLATHEAD VALLEY COMMUNITY COLLEGE, RANKING 8, Outdoor Education and Conference Center, (44:B:237).

REP. BARDANOUVE stated that he didn't think this project was something they should get into, and SEN. HIMSL agreed with him. A discussion followed on the appropriate uses for the Renewable Resource Fund.

Motion: REP. BARDANOUVE moved no funding.

Vote: The motion CARRIED, with REP. CONNELLY voting no.

LEWIS AND CLARK COUNTY, RANKING 9, Hydrogeologic Evaluation of the Helena Valley, (44:B:269).

REP. THOFT asked if there was funding for this, and it was agreed that the county had a real problem.

Motion: SEN. MANNING moved the project at \$100,000, and REP. THOFT seconded.

Vote: The motion CARRIED unanimously.

MONTANA DEPARTMENT OF STATE LANDS, RANKING 10, Pilot Urban Forestry Project, (44:B:290).

There was discussion of the project, the counties served, and the high price of the trees to be used. MS CHENEY said that the committee had funded Butte for this type of project last session, and that the high cost of trees was due to using larger, acclimated trees.

Motion: REP. BARDANOUVE moved to not fund the project.

Vote: The motion CARRIED unanimously.

CITY OF BELGRADE, RANKING 11, Meter Installation and Water Main Replacement, (44:B:327).

REP. BARDANOUVE asked for their current charges for water, and MS CHENEY said that they paid \$21 now, and would pay \$23.23 with this project.

Motion: SEN. MANNING moved the loan, \$150,000, and the grant, \$50,000.

Vote: The motion CARRIED.

MONTANA DEPT. OF FISH, WILDLIFE AND PARKS, RANKING 12, Wildlife Habitat/Conservation Reserve Program, (44:B:384).

REP. THOFT asked what would be done with the money, and MS CHENEY said that the Conservation Reserve Program cost shares 50% for putting in permanent vegetation for habitat enhancement. Of the remaining 50%, this would pay half.

Motion: SEN. HIMSL moved that the project not be funded, stating that there were other means to fund this, and that RRD money

should not be used to fund this. REP. THOFT seconded.

Vote: The motion CARRIED unanimously.

TOWN OF HYSHAM, RANKING 13, Hysham Water System Improvement Project, (44:B:413).

REP. BARDANOUE asked how much they were paying for water, and MS CHENEY said that with this project, the charges would increase from \$9 to \$16.

Motion: REP. THOFT moved both the loan and the grant for a total of \$200,000, and SEN. MANNING seconded.

Vote: The motion CARRIED unanimously.

WHITEFISH COUNTY WATER AND SEWER DISTRICT, RANKING 14, Swift Creek Clay Banks Stabilization, (44:B:432).

Motion: SEN. HIMSL moved the project at \$73,440, and SEN. MANNING seconded.

Vote: The motion CARRIED unanimously.

CITY OF MILES CITY, RANKING 15, Water Distribution System Master Plan, (44:B:440).

REP. BARDANOUE suggested that this engineering project could be carried by a town the size of Miles City. SEN. MANNING asked if they had run out of other sources of funds, and what their water and sewer rates were. MS CHENEY responded that they could use general funds or user rates. REP. BARDANOUE stated that this project was part of the role of city government.

Motion: REP. BARDANOUE moved no funding.

Vote: The motion CARRIED unanimously.

EAST GLACIER WATER AND SEWER DISTRICT, RANKING 16, Midvale Creek Diversionm, (44:B:475).

Motion: SEN. MANNING moved both the loan for \$66,380 and the grant for \$50,000.

Substitute Motion: REP. BARDANOUE moved that the loan be increased to \$76,380 and the grant reduced to \$40,000 and SEN. MANNING seconded.

Vote: The motion CARRIED unanimously.

YELLOWSTONE COUNTY, RANKING 17, Valley Creek/Calamity Jane Dam Feasibility Study, (44:B:506).

Motion: SEN. MANNING moved the project at \$10,000.

Vote: The motion CARRIED with SEN. HIMSL and REP. BARDANOUE voting no.

CITY OF GLASGOW, RANKING 18, Water and Wastewater Master Plan, (44:B:525).

Motion: REP. THOFT moved no funding for this project since it was another master plan, two of which they had turned down already.

Vote: The motion CARRIED unanimously.

MONTANA DEPARTMENT OF STATE LANDS, RANKING 19, Integrated Forest Resource Information System, (44:B:533).

Motion: REP. BARDANOUE moved the project at \$89,121.

Vote: The motion CARRIED unanimously, followed by discussion regarding the production of income by the project.

CITY OF COLUMBIA FALLS, RANKING 20, Master Water Plan, Phase II, (44:B:560).

Motion: SEN. MANNING moved the project at \$20,000.

Discussion: REP. THOFT asked how this project differed from the others they had not funded, and MS CHENEY said it was similar to the projects of Miles City and Glasgow. REP. CONNELLY said that Columbia Falls was practically bankrupt, and MS CHENEY said that they had put their own money into the first phase of this project.

Vote: The motion CARRIED unanimously.

MISSOULA COUNTY, RANKING 21, Emergency Response/Aquifer Protection Enhancement, (44:B:593).

MS CHENEY described the project, saying that they wanted to train their interagency hazardous materials team to respond more immediately to spills or releases of toxic chemicals in order to protect their water supply.

Motion: SEN. MANNING moved the project at \$45,000.

Vote: The motion CARRIED on a recorded vote.

MONTANA STATE UNIVERSITY, EASTERN AGRICULTURAL RESEARCH CENTER, RANKING 22, Groundwater Nitrates Under Irrigated Agriculture, (45:A:019).

Motion: REP. BARDANOUE moved the project at \$10,700.

Vote: The motion CARRIED unanimously.

MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION, CONSERVATION DISTRICT DIVISION, RANKING 23, Water Reservation Development Program, (45:A:031).

Motion: SEN. MCLANE moved the project at \$32,000.

Vote: The motion CARRIED unanimously.

CASCADE COUNTY PARK BOARD, RANKING 24, Silver Crest Cross Country Ski Area, (45:A:038).

Motion: SEN. MANNING moved the project at \$30,000.

Discussion: REP. BARDANOUE stated that he had read in the Great Falls Tribune that the Silver Crest group had purchased a snow machine. MS CHENEY stated that the money would revert back to the fund if they had purchased a snow machine. SEN. HIMSL said that he didn't think it an appropriate use of the monies, to which MS CHENEY responded that recreation was one of the RRD criteria.

Vote: The motion FAILED on a tie.

LEWIS AND CLARK COUNTY, RANKING 25, Voluntary Agricultural Land Conservation Program, (45:A:072).

Motion: REP. THOFT moved that the project receive no funding.

Discussion: There was a discussion about the project, with MS CHENEY offering an explanation of the program. REP. THOFT questioned the use of the money for the purchase of development rights.

Vote: The motion to not fund CARRIED unanimously.

MISCELLANEOUS EXECUTIVE ACTION
WATER DEVELOPMENT GRANT PROGRAM
RENEWABLE RESOURCE DEVELOPMENT GRANT PROGRAM

Tape 4:A:108

REP. BARDANOUE asked for an explanation of the BOYNE USA project, and discovering that it was a private applicant, made no motion on the project.

SEN. HIMSL (45:A:132) asked about the LAKESIDE WATER DISTRICT request, ranking 19, WD, for \$28,500. MS CHENEY gave an overview.

Motion: SEN. HIMSL moved the Lakeside Water District Project, Stoner Creek Road and Woodacres Main Extensions, into the RRD account.

Vote: The motion CARRIED unanimously.

REP. CONNELLY (4:A:171) asked to talk about WHITEFISH COUNTY WATER AND SEWER DISTRICT, ranking 30, RRD. She said that there was a problem with septic systems draining into Whitefish Lake. MS CHENEY described the project. The grant request was for \$89,520.

REP. THOFT (4:A:204) said that he would like to bring up Trout Creek, the GREEN MOUNTAIN CONSERVATION DISTRICT, ranking 18, WD, and Park City, the STILLWATER CONSERVATION DISTRICT ranking 16, WD. MS CHENEY said that these two projects were recommended and described the projects.

Motion: REP. THOFT moved the Green Mountain Conservation District project for \$18,720.

Vote: The motion CARRIED unanimously.

WHITEFISH COUNTY WATER AND SEWER DISTRICT, RANKING 30, RRD (45:A:229).

Motion: REP. BARDANOUE moved \$50,000 for the project, stating that it had not been approved.

Discussion: MS CHENEY stated that earlier studies had not indicated that groundwater is the problem relative to Whitefish Lake, and the department felt that enough studies had been done. REP. BARDANOUE withdrew his motion, and SEN. HIMSL agreed that the project should not be funded.

Motion: REP. BARDANOUE moved that the committee not fund any more projects, and REP. THOFT seconded the motion.

Vote: The motion CARRIED with Rep. Connelly and Sen. Manning voting no.

MR. SOUTH (45:A:297) described the remaining motions necessary on the Water Development/Renewable Resource bill.

Motion: SEN. MANNING moved approval in advance to DNRC to grant

loans to private applicants (page 5, section 4).

Vote: The motion CARRIED unanimously.

MR. SOUTH (45:A:338) discussed the motion needed on page 6, section 5, regarding the carryover projects from the last biennium.

Motion: (45:A:338) REP. BARDANOUVE moved the re-authorizations of the carryover projects, except for Sun River.

Vote: The motion CARRIED unanimously.

Motion: REP. THOFT (45:A:404) moved some language in the bill for future legislatures to put RRD and WD monies into one account for the purpose of prioritizing grants and loans.

Discussion: REP. BARDANOUVE said that he supported the motion in principle, but that the accounts were set up in statutory law, and they couldn't amend statute in the appropriation process. REP. THOFT said that his intent was to have the WD and RRD lists combined with combined priorities. MS CHENEY said that the ranking criteria for the two programs were different, so their combined list was their best shot at simplifying the process, without changing the enabling legislation. REP. THOFT withdrew his motion.

It was decided that the motion to adopt the bill as amended would be made after the bond counsel, Mae Nan Ellingson, addressed the committee the following day.

MR. SOUTH (45:A:465) said that the committee needed to take up the EAST BENCH IRRIGATION DISTRICT'S request for a 3% Coal Severance Tax Loan, which the committee had directed the LFA to review. MR. SOUTH distributed their budget, EXHIBIT 3, and invited the representative of the Irrigation District, Mr. Earl Love, to speak. MR. SOUTH reviewed the exhibit.

EARL LOVE (45:A:538), member of the East Bench Irrigation District, Dillon, spoke on behalf of Dick Kennedy, manager of the district who was not able to attend the hearing. Mr. Love said that he had done the design work on the project and described the financial ramifications of the loan from the state. He said that the payments on the federal loan were \$13.07, and the payments for the state loan at 3% would be \$3.03. He added that if the state loan were much higher than 3%, the amount of power savings (\$17.00) would be exceeded, jeopardizing the federal loan. He said that their two other projects for gravity feed systems had worked well, with ability to repay proven. MR. LOVE also addressed the opportunity cost issue raised earlier by Mr. South.

REP. BARDANOUVE said that more money in the form of subsidized loans had been put into this small area than in many other areas. REP. THOFT suggested that they take the loan at 4% or not at all.

REP. THOFT (45:A:007) stated that this would be the end of it for East Bench. ED MALESICH, Director of the East Bench Irrigation District, added that the bids were not out yet, so the costs were not set. However, if the costs were lower than expected, it would be possible that they would be able to live with a higher interest rate.

RECLAMATION AND DEVELOPMENT GRANT PROGRAM

Tape 45:B:054

MR. SOUTH (46:B:065) stated that there was \$2,400,000 in the Reclamation and Development fund (R&D) from which the pay plan and miscellaneous expenses would have to be taken. He said that this was enough money to go through priority #10.

LEWIS AND CLARK COUNTY CONSERVATION DISTRICT, RANKING 1,
Blackfoot River Abandoned Mines, (45:B:070).

Motion: REP. BARDANOUVE moved the project for \$300,000.

Vote: The motion CARRIED unanimously.

MONTANA DEPT. OF STATE LANDS, RANKING 2, Elkhorn Creek Water
Quality Improvement Project, (45:B:076).

Motion: REP. BARDANOUVE moved the project for \$300,000.

Vote: The motion CARRIED unanimously.

MONTANA DEPARTMENT OF STATE LANDS, RANKING 3, Wood Chute Creek
Basin Water Quality Improvements, (45:B:090).

Motion: SEN. MANNING moved the project for \$300,000.

Vote: The motion CARRIED unanimously.

MONTANA STATE UNIVERSITY RECLAMATION RESEARCH UNIT, RANKING 4,
AND MONTANA BUREAU OF MINES AND GEOLOGY, RANKING 5, The Fate of
Cyanide in Soils and Heap-Leach Pads, and Land Application of
Cyanide Leach Solutions, (45:B:099).

MR. SOUTH said that if the university system were to get these grants, they would need indirect costs added in the amounts of \$28,444 and \$10,628 respectively.

Motion: REP. THOFT moved the two projects at \$140,243 and \$91,161 respectively, with no indirect costs allowed.

Discussion: REP. BARDANOUVE spoke in favor of the project, citing the increased use of cyanide in mining in the state.

Vote: The motion on projects ranked 4 and 5 CARRIED unanimously.

MONTANA SALINITY CONTROL ASSOCIATION, RANKING 14, Salinity
Control, a Nonpoint Source Pollution Management Program,
(45:B:125).

SEN. MCLANE asked that this project be considered at this point and moved into the 6 ranking position. He noted that they have permanent funding, so that the amount could be reduced to \$200,000. REP. BARDANOUVE asked where he would get the money and

what projects would be left out. SEN. MCLANE said that the money would come from the lower priority projects.

Motion: SEN. MCLANE moved the Salinity Control project, ranked 14, up to ranking 6 at \$200,000.

Discussion: REP. BARDANOUE asked to look at the project ranked 6, Department of State Lands, Middle Fork Warm Springs Creek Reclamation Project, and said that the state lost more land to salinity, so the salinity project could be moved up.

Vote: The motion CARRIED unanimously.

It was decided by the committee to complete the Reclamation and Development Grant Program at the next meeting, to be held March 1, 1989.

ADJOURNMENT

Adjournment At: 9:45 a.m.



REP. CONNELLY, Chairperson

MEC/cm

4725.min

Long Range Planning

DATE _____

[illegible]

EXHIBIT 1
DATE 2-28-89
HB RRD Grant
Program

RENEWABLE RESOURCE DEVELOPMENT PROGRAM 1990-1991
PRIORITY RANKING AND FUNDING RECOMMENDATIONS

APPLICANT	PROJECT NAME	PUBLIC BENEFIT	NEED AND URGENCY	STATUTORY APPLICATION	PREVIOUS FUNDING	RENEWABLE RESOURCE TOTAL	RECOMMENDED DEV GRANT	RECOMMENDED LOAN	ACTUATIVE GRANT TOTAL
1 GRILLATIN CONSERVATION DISTRICT	E. GRILLATIN STATE RECREATION AREA FOREST PRACTICES/WATER QUALITY CODE PROGRAM	25	10	2	5	43	\$100,000		\$100,000
2 PLATEAU BASIN COMMISSION	MT NATURAL RESOURCE INFORMATION SYSTEM	25	8	4	5	43	\$25,000		\$125,000
3 MONTANA STATE LIBRARY	MONTANA WATER INFORMATION SYSTEM	24	9	5	5	43	\$25,000		\$125,000
4 MONTANA STATE LIBRARY	REPUBLICAN WEST DIVERSION REPLACEMENT	23	6	2	3	41	\$35,806		\$224,806
5 HOLY DITCHES IRRIGATION DISTRICT	MONTANA NATURAL HERITAGE PROGRAM	23	6	2	3	41	\$45,510		\$270,316
6 MONTANA STATE LIBRARY	MANAGEMENT GUIDE/INVESTIGATION SITE TYPES	22	7	3	3	39	\$100,000		\$370,316
7 UNIVERSITY OF MONTANA	ELIGIBLE RIVER CHANNEL STABILIZATION	22	8	4	3	37	\$33,450		\$455,766
8 RESEARCHER & MILE HIGH CTS	MONITORING OF DRAINAGE IN GRASSLANDS	22	7	2	3	36	\$41,733		\$511,499
9 FARMINGTON MONTANA DIST OF	OUTDOOR EDUCATION AND CONFERENCE CENTER	21	10	4	3	36	\$31,742		\$543,241
10 FLATHEAD VALLEY COMMUNITY COLL.	HYDROLOGIC EVALUATION OF HELMAN VALLEY	20	5	4	3	34	\$33,550		\$538,791
11 PARK CONSERVATION DISTRICT	PARK BRANCH SEDIMENT DIVERSION	19	6	4	3	34	\$72,000		\$708,791
12 LEWIS AND CLARK COUNTY	PILOT USER FORESTRY PROJECT	18	10	4	3	33	\$24,857		\$733,648
13 STATE LARGE DIST OF	RUSHWATER CREEK EROSION CONTROL	18	4	4	3	32	\$100,000		\$833,648
14 CROOK CONSERVATION DISTRICT	WATERSHED DEMONSTRATION/MANAGEMENT PRACTICES	18	5	4	3	32	\$68,991		\$902,639
15 PARK COUNTY CONSERVATION DIST	ROCK CREEK DECEASED WATER DISTRIBUTION	17	6	4	3	32	\$30,000		\$1,092,639
16 CROOK CONSERVATION DISTRICT	METER INSTALLATION & WATER MAIN REPLACEMENT	17	7	3	3	32	\$50,000	\$150,000	\$1,142,639
17 BELLEVILLE CITY OF	MAIN CONVE. MEASURING & FLOW CONTROL	13	4	3	3	31	\$44,268		\$1,186,907
18 HUNTERLY PROJECT IRRIGATION DIST	MULTI-USE WATERSHED/CONSERVATION RESERVE PROGS	18	4	4	3	31	\$50,000		\$1,236,907
19 FISH, WILDLIFE & PARKS, DEPT. OF	HYDRA. WATER SYSTEM IMPROVEMENT PROJECT	15	9	2	3	31	\$50,000	\$150,000	\$1,286,907
20 HYSHAM, TOWN OF	SWIFT CREEK CLAY BANKS STABILIZATION	15	6	2	3	29	\$73,440		\$1,360,347
21 WHITEFISH CO. WATER & SEWER DIST	MIDWATER CREEK DIVERSION	15	6	0	3	29	\$50,000	\$65,380	\$1,410,347
22 EAST BLACKIE WATER & SEWER DIST	WATER DISTRIBUTION SYSTEM MASTER PLAN	15	7	2	3	29	\$15,500		\$1,425,847
23 MILES CITY, CITY OF	VALLEY CREEK/COLUMBIA LONG DOG DEFS. STUDY	17	4	3	3	26	\$10,000		\$1,435,847
24 YELLANDINE COUNTY	INTEGRATED FOREST RESOURCE INFO SYSTEM	15	5	3	3	28	\$89,121		\$1,524,968
25 STATE LANDS, DEPT. OF	WATER & WASTEWATER MASTER PLAN	15	5	2	3	28	\$20,000		\$1,544,968
26 GLASCO, CITY OF	WATER MASTER PLAN PHASE II	15	6	2	3	27	\$20,000		\$1,570,968
27 COLUMBIA FALLS, CITY OF	EMER RESPONSE/AQUIFER PROTECTION ENHANCEMENT	13	5	1	3	25	\$45,000		\$1,615,968
28 MISSOULA COUNTY	GROUNDWATER NITRATES UNDER IRRIGATED AG	10	8	2	3	25	\$10,700		\$1,626,668
29 WEST-ESTERN AG RESEARCH CENTER	CARROLL DAM FEASIBILITY STUDY	14	7	2	3	24	\$84,500		\$1,711,168
30 SHERIDAN COUNTY	WATER RESERVATION DEVELOPMENT PROGRAM	10	7	2	3	24	\$32,000		\$1,743,168
31 DUNN-CONSERVATION DISTRICTS DIV	SILVER CREEK CROPS COUNTRY SKY AREA	15	5	0	3	21	\$24,500		\$1,767,668
32 DUTTON, TOWN OF	WATER TREATMENT FACILITY	11	5	2	3	21	\$30,000		\$1,797,668
33 CASCADE COUNTY PARK BOARD	VOLUNTARY AG LAND CONSERVATION PROGRAM	11	5	2	3	21	\$50,000		\$1,847,668
34 POPP, TOWN OF	GREENFIELDS IRRIGATION REHABILITATION	12	2	3	3	20	\$85,000		\$1,932,668
35 LEWIS AND CLARK COUNTY	WATER SYSTEM IMPROVEMENTS	11	5	2	3	20	\$43,082		\$1,975,750
36 GREENFIELDS IRRIGATION DISTRICT	PARK CITY WATER DEVELOPMENT	8	5	1	3	18	\$19,150		\$1,994,900
37 TOWN, CITY OF	STONER CREEK RD & HOODCHES MAIN EXTENSIONS	8	4	1	3	18	\$13,330	\$45,474	\$2,008,230
38 STILLWATER CONSERVATION DISTRICT	FIRE HYDRANTS FOR TROUT CREEK WATER SYSTEM	5	2	1	3	13	\$28,500		\$2,036,730
39 LAKESIDE WATER DISTRICT	WATER QUALITY CRITERIA FOR RANGE WATERSHEDS	0	0	0	0	0	\$16,720		\$2,053,450
40 GREEN MOUNTAIN CONSERVATION DIST	FLATHEAD COUNTY GROUNDWATER STUDY	0	0	0	0	0	None		
41 MONTANA STATE UNIVERSITY	FLATHEAD COUNTY GROUNDWATER STUDY	0	0	0	0	0	None		
42 FLATHEAD CONSERVATION DISTRICT	BROADWATER TRAINING CENTER	0	0	0	0	0	None		
43 MT BUREAU OF MINES & GEOLOGY	FORESTRY BMP EDUCATION PROJECT	0	0	0	0	0	None		
44 STATE LANDS, DEPT OF	GEOLOGY/GROUNDWATER RESOURCES	0	0	0	0	0	None		
45 WHITEFISH CO WATER & SEWER DIST		0	0	0	0	0	None		

GRANT'S REQUESTED AMOUNT
Governor's Budget

2/15/89

Amendment No. 1 -- Bill for the Water Development/Renewable
Resource Development Grants Program

Requested by Representative Dave Brown

For the proposals by the Montana state library to the renewable resource development grant program for funding of the natural resource information system and heritage program, the following contingencies apply:

(1) Beginning October 1, 1989, the Montana state library shall charge:

(a) a minimum rate of \$25.00 per hour to private sector users of the natural resource information system and heritage program services;

(b) a subscription fee to private sector users; or

(c) based on the recommendation of the natural resource data system advisory committee, develop a different charging method which results in an equitable cost to private users.

(2) The levying of charges developed pursuant to subsection (1) may not apply to government agencies or public users of natural resource information system or heritage services.

(3) Charges under subsection (1) are limited to charges for services of the natural resource information system and heritage program, and do not establish a precedent for setting charges for other library services.

(4) The natural resource information system and heritage program of the Montana state library shall develop and utilize a record-keeping system to specify the private sector users of its data bases and services. The use data must be provided to appropriate entities of the legislature for use in decisions on the long-term funding of the natural resource information system and heritage programs.

(5) If full funding is received for the natural resource information system and heritage operations, money collected from the charging system developed under subsection (1) must be deposited in the renewable resource development account. If less than full funding is received for these programs, money collected from the charging system developed under subsection (1) must be deposited in the Montana state library account and used to offset costs for natural resource information system and heritage operations.

Amendment No. 1 -- Bill for the Reclamation and Development Grants Program

Requested by Representative Dave Brown

For the proposal by the Montana state library to the reclamation and development grant program for funding of the natural resource information system and heritage program, the following contingencies apply:

(1) Beginning October 1, 1989, the Montana state library shall charge:

(a) a minimum rate of \$25.00 per hour to private sector users of the natural resource information system and heritage program services;

(b) a subscription fee to private sector users; or

(c) based on the recommendation of the natural resource data system advisory committee, develop a different charging method which results in an equitable cost to private users.

(2) The levying of charges developed pursuant to subsection (1) may not apply to government agencies or public users of natural resource information system or heritage services.

(3) Charges under subsection (1) are limited to charges for services of the natural resource information system and heritage program, and do not establish a precedent for setting charges for other library services.

(4) The natural resource information system and heritage program of the Montana state library shall develop and utilize a record-keeping system to specify the private sector users of its data bases and services. The use data must be provided to appropriate entities of the legislature for use in decisions on the long-term funding of the natural resource information system and heritage programs.

(5) If full funding is received for the natural resource information system and heritage operations, money collected from the charging system developed under subsection (1) must be deposited in the reclamation and development account. If less than full funding is received for these programs, money collected from the charging system developed under subsection (1) must be deposited in the Montana state library account and used to offset costs for natural resource information system and heritage operations.

EXHIBIT 3
DATE 2-28-89
HB Coal Serv. Tax
Cost Bench
Fryer's Distr.

WHOLE FARM COST AND RETURN BUDGET

GROSS INCOME

SPRING WHEAT 66 AC @ 70 BU/AC @ \$2.82/BU	\$13,928.40
FEED BARLEY 72 AC @ 70 BU/AC @ \$1.54/BU	\$7,761.60
MALT BARLEY 54 AC @ 67BU/AC @ \$4.50/BU	\$16,281.00
ALFALFA HAY 228 AC @ 3.8T/AC @ \$58.00/T	\$50,251.20
GRASS HAY 20 AC @ 2.7T/AC @ \$58.00/T	\$3,132.00
STRAW 192 AC @ .39T/AC @ \$29.00/T	\$2,171.52
GRAZING 521 AUM @ \$9.50/AUM	\$4,949.50

TOTAL INCOME

\$97,575.22

VARIABLE COSTS

SEED	\$1,948.28
FERTILIZER	\$7,783.86
CHEMICALS	\$3,585.30
MACHINERY VARIABLE COST	\$12,168.00
CROP INSURANCE	\$1,558.80
IRR ENERGY	\$8,032.00
HIRED LABOR	\$5,060.16
CUSTOM HARVEST	\$4,300.80
CUSTOM STACK	\$5,158.29
MISCELLANEOUS	\$1,503.05
INTEREST ON OP COSTS	\$3,066.03

TOTAL VAR COSTS

\$54,166.57

FIXED COSTS

ALFALFA EST	\$2,250.36
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MACHINERY

DEPRECIATION	\$7,521.00
OPPORTUNITY COST	\$6,176.00
TAXES, PERSONAL PROP	\$2,786.00
INSURANCE	\$284.00

SUBTOTAL

\$16,767.00

BUILDINGS

DEPRECIATION	\$6,119.64
OPPORTUNITY COST	\$7,136.91
TAXES, PERSONAL PROP	\$1,086.95
INSURANCE	\$1,190.00

SUBTOTAL

\$15,533.50

IRRIGATION OVERHEAD

\$4,769.00

REAL ESTATE

OPPORTUNITY COST	\$20,523.00
TAXES, REAL ESTATE	\$1,305.63

SUBTOTAL

\$21,828.63

TOTAL FIXED COSTS

\$61,148.49

TOTAL COSTS

\$115,315.06

RETURNS TO FAMILY SUPPLIED
LABOR AND MANAGEMENT

(\$17,739.84)

Project Cost \$ 4,310,000

Bur. of Rec. loan \$ 3,879,000 - 0% interest - 40 years

Coal Tax loan \$ 431,000 - 3% interest - 30 years

Federal loan payment - \$96,995.00 annually - 0%

State loan payment - \$21,989 annually - 3%

Annual Payments on State loan @:

4%	- \$24,925
5%	- \$28,037
6%	- \$31,312
7%	- \$34,753

ENTERPRISE BUDGET

CROP: SP WHEAT

ACRES:

66

GROSS INCOME

66 ACRES	70	BU/A	\$2.82	\$/BU
66 ACRES	0.43	AUM/A	\$9.50	\$/AUM
66 ACRES	0.39	TON/A	\$29.00	\$/TON

ACRE	TOTAL
\$197.40	\$13,028.40
\$4.09	\$269.61
\$11.31	\$746.46

TOTAL INCOME

\$212.80	\$14,044.47
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VARIABLE COSTS

SEED	100	LB/AC	\$12.00	\$/CWT
FERTILIZER				
CHEMICAL				
MACHINERY VAR COSTS				
CROP INS				
IRR ENERGY				
HIRED LABOR				
CUSTOM HARVEST				
CUSTOM STACK				
MISCELLANEOUS				
INT ON VAR COST				

\$12.00	\$792.00
\$17.55	\$1,158.30
\$16.85	\$1,112.10
\$21.40	\$1,412.40
\$6.00	\$396.00
✓\$16.00	\$1,056.00
\$10.08	\$665.28
\$22.40	\$1,478.40
\$3.43	\$226.38
\$1.01	\$66.66
\$7.34	\$484.23

TOTAL VARIABLE COST

\$134.06	\$8,847.75
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RETURNS ABOVE VARIABLE COSTS

\$63.34	\$4,180.65
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FIXED COSTS

MACHINERY

DEPRECIATION
OPPORTUNITY COST
TAXES, PERSONAL PROP
INSURANCE

\$10.21	\$674.00
\$9.53	\$629.00
\$4.35	\$287.00
\$0.44	\$29.00

SUBTOTAL

\$24.53	\$1,619.00
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BUILDINGS

DEPRECIATION
OPPORTUNITY COST
TAXES, PERSONAL PROP
INSURANCE

\$7.64	\$504.24
\$8.91	\$588.06
\$1.36	\$89.76
\$1.49	\$98.34

SUBTOTAL

\$19.40	\$1,280.40
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IRRIGATION OVERHEAD

\$9.50	\$627.00
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LAND

OPPORTUNITY COST
TAXES, REAL ESTATE

\$26.10	\$1,722.60
\$1.63	\$107.58

SUBTOTAL

\$27.73	\$1,830.18
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TOTAL FIXED COSTS

\$81.16	\$5,356.58
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TOTAL COST

\$215.22	\$14,204.33
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RETURN TO FAMILY SUPPLIED
LABOR AND MANAGEMENT

(\$2.42)	(\$159.86)
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ENTERPRISE BUDGET

CROP: FD BARLEY

ACRES:

72

GROSS INCOME

72 ACRES	70	BU/A	\$1.54	\$/BU
72 ACRES	0.43	AUM/A	\$9.50	\$/AUM
72 ACRES	0.39	TON/A	\$29.00	\$/TON

ACRE	TOTAL
\$107.80	\$7,761.60
\$4.09	\$294.12
\$11.31	\$814.32

TOTAL INCOME

\$123.20	\$8,870.04
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VARIABLE COSTS

SEED	75	LB/AC	\$11.00	\$/CWT
FERTILIZER				
CHEMICAL				
MACHINERY VAR COSTS				
CROP INS				
IRR ENERGY				
HIRED LABOR				
CUSTOM HARVEST				
CUSTOM STACK				
MISCELLANEOUS				
INT ON VAR COST				

\$8.25	\$594.00
\$6.64	\$478.08
\$14.60	\$1,051.20
\$24.68	\$1,776.96
\$7.60	\$547.20
✓\$16.00	\$1,152.00
\$10.08	\$725.76
\$22.40	\$1,612.80
\$3.43	\$246.96
\$1.01	\$72.73
\$6.88	\$495.46

TOTAL VARIABLE COST

\$121.57	\$8,753.15
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RETURNS ABOVE VARIABLE COSTS

(\$13.77)	(\$991.55)
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FIXED COSTS

MACHINERY

DEPRECIATION	
OPPORTUNITY COST	
TAXES, PERSONAL PROP	
INSURANCE	

\$12.10	\$871.00
\$12.89	\$928.00
\$5.88	\$423.00
\$0.60	\$43.00

SUBTOTAL

\$31.46	\$2,265.00
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BUILDINGS

DEPRECIATION	
OPPORTUNITY COST	
TAXES, PERSONAL PROP	
INSURANCE	

\$7.64	\$550.08
\$8.91	\$641.52
\$1.36	\$97.92
\$1.49	\$107.28

SUBTOTAL

\$19.40	\$1,396.80
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IRRIGATION OVERHEAD

\$9.50	\$684.00
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LAND

OPPORTUNITY COST	
TAXES, REAL ESTATE	

\$26.10	\$1,879.20
\$1.63	\$117.36

SUBTOTAL

\$27.73	\$1,996.56
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TOTAL FIXED COSTS

\$88.09	\$6,342.36
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TOTAL COST

\$209.66	\$15,095.51
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RETURN TO FAMILY SUPPLIED LABOR AND MANAGEMENT

(\$86.46)	(\$6,225.47)
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ENTERPRISE BUDGET

CROP: MALT BARL

ACRES:

54

GROSS INCOME

54 ACRES 67 BU/A \$4.50 \$/BU
54 ACRES 0.43 AUM/A \$9.50 \$/AUM
54 ACRES 0.39 TON/A \$29.00 \$/TON

ACRE TOTAL
\$301.50 \$16,281.00
\$4.09 \$220.59
\$11.31 \$610.74

TOTAL INCOME

\$316.90 \$17,112.33

VARIABLE COSTS

SEED 85 LB/AC \$12.25 \$/CWT
FERTILIZER
CHEMICAL
MACHINERY VAR COSTS
CROP INS
IRR ENERGY
HIRED LABOR
CUSTOM HARVEST
CUSTOM STACK
MISCELLANEOUS
INT ON VAR COST

\$10.41 \$562.28
\$18.62 \$1,005.48
\$16.85 \$909.90
\$19.94 \$1,076.76
\$11.40 \$615.60
✓\$16.00 \$864.00
\$10.08 \$544.32
\$22.40 \$1,209.60
\$3.43 \$185.22
\$1.01 \$54.55
\$7.81 \$421.66

TOTAL VARIABLE COST

\$137.95 \$7,449.36

RETURNS ABOVE VARIABLE COSTS

\$163.55 \$8,831.64

FIXED COSTS

MACHINERY

DEPRECIATION
OPPORTUNITY COST
TAXES, PERSONAL PROP
INSURANCE

\$9.54 \$515.00
\$8.80 \$475.00
\$4.00 \$216.00
\$0.41 \$22.00

SUBTOTAL

\$22.74 \$1,228.00

BUILDINGS

DEPRECIATION
OPPORTUNITY COST
TAXES, PERSONAL PROP
INSURANCE

\$7.64 \$412.56
\$8.91 \$481.14
\$1.36 \$73.44
\$1.49 \$80.46

SUBTOTAL

\$19.40 \$1,047.60

IRRIGATION OVERHEAD

\$9.50 \$513.00

LAND

OPPORTUNITY COST
TAXES, REAL ESTATE

\$26.10 \$1,409.40
\$1.63 \$88.02

SUBTOTAL

\$27.73 \$1,497.42

TOTAL FIXED COSTS

\$79.37 \$4,286.02

TOTAL COST

\$217.32 \$11,735.38

RETURN TO FAMILY SUPPLIED LABOR AND MANAGEMENT

\$79.57 \$5,376.95

ENTERPRISE BUDGET

CROP: ALFALFA

ACRES:

228

GROSS INCOME		ACRE	TOTAL
228 ACRES	3.8 TON/A \$58.00 \$/TON	\$220.40	\$50,251.20
228 ACRES	0.43 AUM/A \$7.50 \$/AUM	\$4.09	\$951.38

TOTAL INCOME	\$224.48	\$51,182.58
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VARIABLE COSTS

FERTILIZER	\$15.00	\$3,420.00
CHEMICAL	\$2.25	\$513.00
MACHINERY VAR COSTS	\$24.40	\$5,563.20
IRR ENERGY	\$116.00	\$3,648.00
HIRED LABOR	\$10.08	\$2,298.24
CUSTOM STACK	\$18.58	\$4,235.73
MISCELLANEOUS	\$5.41	\$1,234.19
INT ON VAR COST	\$5.50	\$1,254.74

TOTAL VARIABLE COST	\$97.22	\$22,167.10
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RETURNS ABOVE VARIABLE COSTS	\$123.18	\$28,084.10
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FIXED COSTS

ESTABLISHMENT COSTS

SEED	\$5.92	\$1,349.76
FERTILIZER	\$3.95	\$900.60

SUBTOTAL	\$9.87	\$2,250.36
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MACHINERY

DEPRECIATION	\$14.17	\$3,231.00
OPPORTUNITY COST	\$13.92	\$3,174.00
TAXES, PERSONAL PROP	\$6.34	\$1,446.00
INSURANCE	\$0.64	\$146.00

SUBTOTAL	\$35.07	\$7,997.00
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BUILDINGS

DEPRECIATION	\$7.64	\$1,741.92
OPPORTUNITY COST	\$8.91	\$2,031.48
TAXES, PERSONAL PROP	\$1.36	\$310.08
INSURANCE	\$1.49	\$339.72

SUBTOTAL	\$19.40	\$4,423.20
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IRRIGATION OVERHEAD

	\$9.50	\$2,166.00
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LAND

OPPORTUNITY COST	\$26.10	\$5,950.80
TAXES, REAL ESTATE	\$1.63	\$371.64

SUBTOTAL	\$27.73	\$6,322.44
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TOTAL FIXED COSTS	\$101.57	\$23,159.00
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TOTAL COST	\$198.80	\$45,326.10
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RETURN TO FAMILY SUPPLIED
LABOR AND MANAGEMENT

\$25.69 \$5,856.48

ENTERPRISE BUDGET

CROP: GRASS HAY

ACRES: 20

GROSS INCOME

20 ACRES 2.7 TON/A \$58.00 \$/TON
20 ACRES 0.43 AUM/A \$9.50 \$/AUM

ACRE	TOTAL
\$156.60	\$5,132.00
\$4.09	\$81.70

TOTAL INCOME

\$160.69	\$5,213.70
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VARIABLE COSTS

FERTILIZER

\$21.00	\$420.00
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CHEMICAL

\$0.00	\$0.00
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MACHINERY VAR COSTS

\$25.85	\$517.00
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IRR ENERGY

\$16.00	\$320.00
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HIRED LABOR

\$10.08	\$201.60
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CUSTOM STACK

\$13.20	\$264.00
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MISCELLANEOUS

\$3.85	\$76.92
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INT ON VAR COST

\$5.40	\$107.97
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TOTAL VARIABLE COST

\$95.37	\$1,907.47
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RETURNS ABOVE VARIABLE COSTS

\$61.23	\$1,224.51
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FIXED COSTS

MACHINERY

DEPRECIATION

\$14.70	\$294.00
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OPPORTUNITY COST

\$12.75	\$255.00
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TAXES, PERSONAL PROP

\$5.80	\$116.00
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INSURANCE

\$0.60	\$12.00
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SUBTOTAL

\$33.85	\$677.00
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BUILDINGS

DEPRECIATION

\$7.64	\$152.80
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OPPORTUNITY COST

\$8.91	\$178.20
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TAXES, PERSONAL PROP

\$1.36	\$27.20
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INSURANCE

\$1.49	\$29.80
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SUBTOTAL

\$19.40	\$388.00
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IRRIGATION OVERHEAD

\$9.50	\$190.00
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LAND

OPPORTUNITY COST

\$26.10	\$522.00
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TAXES, REAL ESTATE

\$1.63	\$32.60
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SUBTOTAL

\$27.73	\$554.60
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TOTAL FIXED COSTS

\$90.48	\$1,809.60
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TOTAL COST

\$185.85	\$3,717.09
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RETURN TO FAMILY SUPPLIED LABOR AND MANAGEMENT

(\$25.17)	(\$503.39)
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ENTERPRISE BUDGET

CROP: IRR PASTURE ACRES: 62

				ACRE	TOTAL
GROSS INCOME				\$42.75	\$2,650.50
62 ACRES	4.5	AUM/A	\$9.50 \$/AUM		
TOTAL INCOME				\$42.75	\$2,650.50
VARIABLE COSTS					

FERTILIZER				\$21.00	\$1,302.00
CHEMICAL				\$0.00	\$0.00
MACHINERY VAR COSTS				\$13.23	\$820.26
IRR ENERGY				\$16.00	\$992.00
HIRED LABOR				\$10.08	\$624.96
INT ON VAR COST				\$3.62	\$224.35
TOTAL VARIABLE COST				\$63.93	\$3,963.57
RETURNS ABOVE VARIABLE COSTS				(\$21.18)	(\$1,313.07)
FIXED COSTS					

MACHINERY					
DEPRECIATION				\$7.00	\$434.00
OPPORTUNITY COST				\$5.29	\$328.00
TAXES, PERSONAL PROP				\$2.42	\$150.00
INSURANCE				\$0.24	\$15.00
SUBTOTAL				\$14.95	\$927.00
BUILDINGS					
DEPRECIATION				\$7.64	\$473.68
OPPORTUNITY COST				\$8.91	\$552.42
TAXES, PERSONAL PROP				\$1.36	\$84.32
INSURANCE				\$1.49	\$92.38
SUBTOTAL				\$19.40	\$1,202.80
IRRIGATION OVERHEAD				\$9.50	\$589.00
LAND					
OPPORTUNITY COST				\$26.10	\$1,618.20
TAXES, REAL ESTATE				\$1.63	\$101.06
SUBTOTAL				\$27.73	\$1,719.26
TOTAL FIXED COSTS				\$71.58	\$4,438.06
TOTAL COST				\$135.51	\$8,401.63
RETURN TO FAMILY SUPPLIED LABOR AND MANAGEMENT				(\$92.76)	(\$5,751.13)

VISITORS' REGISTER

COMMITTEE

~~BILLING.~~

Easter Development

DATE _____

2-28-89

SPONSOR

✓ RR Project

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Long Range Planning

DATE 2/28/89 AGENCY Renewable Resource Development Grant Projects NUMBER #21

[illegible]

4-2

Claudia Montez
Secretary

M. E. Connelly
Chairman

Motion:

Motion: To accept grant of \$45,000 for
Missouri County's Emergency Response
Ginger Protection Enhancement Project