

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON LONG-RANGE PLANNING

Call to Order: By CHAIR MARY ELLEN CONNELLY, on January 16, 1991, at 8:00 a.m.

ROLL CALL

Members Present:

Rep. Mary Ellen Connelly, Chair (D)
Sen. Bob Hockett, Vice Chair (D)
Rep. Francis Bardanouve (D)
Sen. Ethel Harding (R)
Sen. J.D. Lynch (D)
Rep. Bob Thoft (D)

Staff Present: Jim Haubein, Principal Fiscal Analyst (LFA)
Jane Hamman, Senior Budget Analyst (OBPP)
Claudia Montagne, Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Announcements/Discussion:

HEARING ON LONG RANGE BUILDING PROGRAM

Jim Haubein distributed and reviewed a fund analysis and capacity worksheet, an historical record of the Long Range Building Cash Account. **EXHIBIT 1** He then distributed a reference copy of HB 202, the bill which added the \$.02 to the cigarette tax during the 1989 session. He referred to Section 2 of the bill, in which no sunset was mentioned. **EXHIBIT 2** Mr. Haubein passed out the report from Carroll South, LFA, prepared for the Legislative Finance Committee, which gives the background on the \$1,000,000 given to the Mansfield Center. **EXHIBIT 3** The money was given on April 4, 1985; therefore, they had the money for five years. Mr. Haubein said that the \$6,000,000 they raised had all been obligated, and that the interest on the \$1,000,000 would not be retrievable. REP. BARDANOUVE asked if they had paid anything for the office space at the UM Library, and Mr. Haubein said he would find out.

He handed out a report out of the LFA Office showing all General Obligation Bonds for the State of Montana as they exist now, both the balance remaining and the annual debt service on each of the GO Bonds. **EXHIBIT 4** Last, Mr. Haubein distributed a spread sheet describing the methods of payment for the Department of Fish, Wildlife and Parks' proposed projects. **EXHIBIT 5** He said

the LfA's only concern was the \$2,900,000 for the Parks Program. He added that they had not identified where that money would come from when the LFA prepared its budget report.

HEARING ON UNIVERSITY SYSTEM

Tape No. 1:A:220

MR. HAUBEIN distributed the University System's priority lists, divided into "Must Do List", "Deferred Maintenance List", and "New Construction and Major Remodeling List", **EXHIBITS 6, 7 & 8**, and reminded the committee that this represented a different agenda from that set forth in the Executive Priority List.

Informational Testimony:

Bill Mathers, Chair, Board of Regents from Miles City, introduced himself and **Cordell Johnson**, newest member of the Board of Regents. He gave an overview of the University requests and discussed the serious nature of the Deferred Maintenance Program. He gave the example of the gas line rupture at MSU this past fall, an event that could have been catastrophic, and the problems experienced at Northern Montana College (NMC) with their gymnasium.

Dr. John Hutchinson, Commissioner of Higher Education, addressed the major maintenance issues with the aid of slides showing examples of building and grounds deterioration. He stated 60% of college bound students interviewed cite the appearance of a campus as a major determinant in their choice of colleges. With the interest in keeping brighter students in state, it would behoove the state to spend more money on maintenance.

Dr. Hutchinson reviewed the "Must Do List", **EXHIBIT 6**, and said they addressed safety issues, the preservation of the integrity of the building, federal requirements (handicap access), and instances of contaminants. He said the list totaled approximately \$8,000,000, \$5,000,000 of which is secured through other funds. Capital Project funds would be needed in the amount of \$7,700,000 to complete this list.

Dr. Hutchinson then referred to the "Deferred Maintenance List", **EXHIBIT 7**, which contains maintenance items that would become critical over the next several years unless there is some action on them. The total is \$19,000,000. Deferred maintenance for the University System desperately needs a continuous revenue stream in order for these projects to be taken care of as they emerge. A bonding program for this purpose is supported by the Governor. There were requests for new construction funded by bonds, and that if the bonding program needed to be kept in the \$50,000,000 to \$60,000,000 range, they would be willing to give up the renovation of Apsaruke Hall at EMC, allowing the University System to add some deferred maintenance and take care of the "Must Do List".

Dr. Hutchinson said there was a desperate need for new construction as well, and referred to **EXHIBIT 8**. The development of buildings capable of providing state of the art instruction and high quality research are important dimensions of quality education. No new buildings with state funds have been built for nearly a decade. In the exhibit are listed projects for which other funds can be found, and others for which a bonding program is desired. The first priority is the Engineering/Science Complex at MSU. Second on the Regents' priority list is the Business Administration Building at UM, while third is the expansion of a general classroom/office building at EMC. The remodel of Apsaruke Hall was not on the Regents' priority list, and would be sacrificed for a funded deferred maintenance program. Fourth and fifth on the Regents' priority list are the renovations of the Metallurgy Building at Montana Tech and Donaldson Hall at NMC. The Governor had also included the construction of a gymnasium/P.E. Center at NMC. Funds for that particular facility would be secured by funds outside of the bonding program proposed by the University System.

830

Dr. Hutchinson then addressed the issue of private match for 15% of the total cost of the new buildings at UM and MSU. The Board of Regents and the Commissioner of Higher Education as well as the campuses are opposed to that idea for two reasons. One, it would be in violation of Regents' policy which states that projects of this sort (instructional buildings) are the state's obligation; and two, since the capacity to raise money varies from campus to campus, inequality between campuses could be produced. He suggested the possibility of funding these buildings through a College Savings Bond Program.

Dr. Hutchinson concluded with a quotation by Ernest Boyer, Chair of the Carnegie Foundation for the Advancement of Teaching. "The buildings that we erect today also reflect our priorities as a people, and as we invest in education, as we build our cathedrals of learning, we are in fact affirming the university and college as a place where civilization will be preserved, where learning will be highly prized, and where the potentialities of every student will be served."

Questions From Subcommittee Members:

SEN. HARDING asked about the College Savings Bond Program, and **Dr. Hutchinson** said they could give an overview in an hour at a future date. **REP. BARDANOUVE** said they had looked at it last session, and that it had not been received favorably. **Dr. Hutchinson** responded that these would be popular bonds, at relatively low cost, and could be paid off when the state has a better capacity to do so. **SEN. HARDING** asked if these bonds were similar to those available to local governments. **Ken Heikes, Administrative Vice President, Eastern Montana College**, said they would be tax exempt to both federal and state, and were similar to municipal bonds.

HEARING ON MONTANA STATE UNIVERSITY

Tape No. 1:A:1080

Informational Testimony:

Mike Malone, Acting President, Montana State University, stated it is standard practice to invest 1 to 2% of the replacement value of facilities in maintenance, which would bring to MSU \$2,000,000 to \$4,000,000 per year. Instead they receive \$400,000 per year, an amount which merely forces them to react to crises. He described the loss of the air conditioning unit in the University Library, which has a replacement value of \$100,000, and the gas main eruption in the fall of 1990, for which they are now carrying a \$130,000 - \$150,000 deficit.

Dr. Malone then reviewed the Regents' number 1 priority, the construction of the Engineering/Physical Science Building. He spoke of the 20-25% increase in the engineering student body, and the threatened loss of accreditation due to the inadequacy of the facility. He said the their Foundation is now raising \$1,000,000 for equipment, but that "bricks and mortar" are seldom funded privately. He added that raising the 15% would be virtually impossible for the building itself.

Dave Gibson, Dean of the College of Engineering since 1983, described the Engineering School, saying that it was the single largest college within the University System. He distributed a brochure on the complex, **EXHIBIT 9**. He cited their instructional and research activity, funded both by the state and by outside grants and contracts, the largest of which is their new Engineering Research Center, recently funded by \$7,500,000 by the National Science Foundation. With the match, the amount totals \$15,000,000 over the next five years. He described the three component buildings, Roberts Hall, built in the '20s, Cobbleigh Hall, occupied in 1970, and Ryon Lab, built in the '20s and the '50s. Both Roberts Hall and Ryon Lab are inadequate for today's technologies.

1:B:005

Sandra Anderson, Senior from Big Horn County in the College of Engineering, spoke to the needs of the student in the College of Engineering, and the inadequacy of the physical facilities in particular laboratory facilities to meet those needs.

Rick Archiletta, Kalispell, Master's Degree Candidate in Chemical Engineering and Student Body Vice President, addressed issues of safety and lack of space. He spoke specifically about the need for improved computer facilities.

Bill Rose, Director of Physical Plant, MSU, distributed and reviewed the Executive Summary the 1991 Biennium LRBP Requests. **EXHIBIT 10** He referred to the \$20,000,000 needed system wide for deferred maintenance as the tip of the iceberg, and said that in excess of \$30,000,000 was needed at MSU alone for deferred

maintenance and renovations, a figure representing long and short term needs. As he reviewed MSU's top priority projects in the exhibit, he answered questions from the committee.

Questions From Subcommittee Members:

REP. BARDANOUVE agreed that the Long Range Building Program Fund be reserved for maintenance. Regarding MSU Budget Priority 2, Executive Priority 13, Replacement and Protection of Campus Steam and Condensate Lines, **SEN. HOCKETT** asked what kind of savings in operating costs could be anticipated with this, and **Mr. Rose** said with the leakage of the water out of the damaged pipes, \$40,000 to \$50,000 is being lost per year in water costs, water treatment costs, chemical costs and energy loss. Therefore they anticipate significant operational savings. **REP. BARDANOUVE** asked about their statement that if the bond program ran into trouble, they had additional money. **Mr. Rose** said that there were some funds in the cash LRBP program that are proposed to be used for the planning of the new University facilities. If they weren't used for that, they will be available for maintenance.

SEN. HARDING and **REP. BARDANOUVE** asked about the life of the pipes, and how much of the system would be replaced. **Mr. Rose** said that critical areas had been identified, more would be identified by a leak detection study, and repair histories identified other weak points. The \$695,000 represents only the first step by protecting what they had with cathodic protection and replacing some pipe that has already deteriorated. Eventually, tunnels should be installed, a recommendation shared by A&E.

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Mr. Rose reviewed the deck or Plaza Repair Project, MSU Priority 3, and Executive Priority 6.

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Mr. Rose said the structural repairs for Cobleigh Hall would be included in the Engineering/Physical Science Building bond; therefore, the project was not in the Executive Budget Priority list. However, it is MSU Project Priority 4. If the bond program was not successful, the project would still need to be done. The cost would be \$170,000.

Mr. Rose said that the Gaines Hall Fire Detection System, MSU Priority 11, was another project to be included in the Engineering/Physical Science Building bond. He requested LRBP funding for this project too if the bond program failed.

Mr. Rose presented testimony on behalf of the Agricultural Experiment Station (AES), in particular on their project priority 1. This project does not appear in the Executive Priority List; however he said it had been before the committee for the last two biennia. He described the facility, and said it served as the repair shop for 1,000 acres around the campus, and 14,000 acres at the Red Bluff Ranch, 15 miles away.

952

Mr. Rose completed his testimony with a review of the Centennial Mall Project, a request for authorization. The first part of this project had been funded last session. **REP. BARDANOUVE** asked where the money came from, and **Dr. Malone** said funds came from the Second Century fundraising campaign. The original project which included a renovation of Montana Hall, for a total of \$3,000,000, was now at a \$2,000,000 level, with the striking of the renovation. When **REP. BARDANOUVE** questioned the private donations, **Dr. Malone** said that the groves and landscaping were salable to donors, while bricks and mortar were not.

REP. BARDANOUVE asked if any of MSU's priorities were higher than A&E's, or the Executive Priorities, and if they disagreed with any of those priorities. **Mr. Rose** said that one most critical difference was on the scope of the steam and condensate project. A&E recommended \$400,000 instead of the \$695,000. **Mr. Rose** added they understood the funding difficulties, and asked the committee's consideration to go to the full scale project if the bond program fails. Both MSU and A&E were in agreement that something needed to be done with the steam and condensate lines, the Johnson Hall Plaza roof, the Cobleigh Hall structural improvements, and Gaines Hall fire detection system.

1310

SEN. HOCKETT asked about the Johnson Hall Plaza, and why it was not on the Board of Regents' lists. **Mr. Rose** said the critical nature of that project came after the Regents had set their priorities.

REP. BARDANOUVE commented on the state's problem with its latitude for bonding due to the crunch that is expected in 1994 and 1995. He said that if the University System saved over \$1,000,000 by giving up Apsaruke Hall, and if there is a fundamental disagreement about the 15% match requirement, the "sacrificial lamb" would not make up that difference. The question would remain as to how to raise that 15%. He again cited the problem UM had with raising funds for the Fine Arts Building. If the Legislature did not follow the Executive recommendations, and needed more money than is in Apsaruke Hall, they would either have to cut back or raise a significant amount in additional bonding. He did not know how much additional bonding the governor's office would support, and the bonding debt payoff would hit the state's general fund at a time when the state has heavy obligations. He added after that time, the state would be in a better position to incur bonded indebtedness.

2:A:000

Dr. Malone said they were raising \$1,000,000 for equipment, much of which would go into the Engineering/Physical Science facility. He said they would not be able to raise the \$3,300,000, the 15% match proposed by the Governor. **REP. BARDANOUVE** reiterated his concern about the heavy obligation, especially at a time when the nation was entering into a recession and a war.

SEN. HOCKETT asked if any of the older buildings would be torn down. **Dr. Malone** said the new facility would wrap around of the Ryon facility, and some improvement of the newer Cobbleigh and Roberts. He said some help for A.J.M. Johnson and Gaines Halls. **REP. BARDANOUVE** asked for use percentages, office space vs academic space. **Dean Gibson** said 2/3 of the space was instructional and academic use, included offices; 1/3, general shared educational space, support areas and research labs.

93

Dr. Hutchinson asked to respond to Rep. Bardanouve's suggestion regarding the inconsistency of raising money for Centennial Mall and opposing the 15% requirement for the other buildings. They felt it was a state obligation for those buildings that are at the heart of the mission of the institution.

HEARING ON THE UNIVERSITY OF MONTANA, MISSOULA AND DILLON

Tape 2:A:120

Informational Testimony:

George Dennison, President, University of Montana, with campuses at Missoula and Dillon (Western Montana College or WMC), introduced Hugh Jesse, Director of Facility Services, Sylvia Weisenburger, Acting Vice President for Finance Administration, Don Hobbe, Provost and Academic Vice President, Sheila Stearns, Vice President for University Relations, Larry Gianchetta, Dean of the School of Business, and Michael Easton, Provost, WMC. **Dr. Dennison** distributed the summaries of the University of Montana's requests, complete with priorities set by the Board of Regents. **EXHIBITS 11 and 12** He spoke of the maintenance needs of the University, and the lack of funds available to deal with them.

Dr. Dennison quoted from a study focusing on the infrastructure of campuses, completed this year by the University of Wisconsin system: "The major challenge of the 1990's will be to protect, maintain and enhance the quality of the infrastructure available to support the educational mission of the University. The problems facing the infrastructure include a major backlog of deferred maintenance and under-funded routine maintenance problems, an obsolete information management technology, a need to effectively manage existing space, an overly complex process to repair and replace facilities, and inadequate funding to do exterior development on the campuses."

Dr. Dennison said this quote characterized the situation in the Montana system. They had not had the maintenance funds to deal with these types of problems, and as a result had to be reactive rather than proactive. Their summary list, **EXHIBIT 11**, represented a plan providing the necessary means to protect the investment the people of Montana have made. In his review of this summary document, he proposed to briefly address two categories of maintenance, the "Must Do's" and the "Deferred Maintenance" areas, and then to move on to the major construction and authorization projects. On the "Must Do" list, he said all

of the projects related to the health of safety of the people who work in those buildings, handicap accessibility, and basic protection of the facility.

Dr. Dennison distributed a fact sheet on the proposed Business Administration Building for the UM campus at Missoula. **EXHIBIT 13** He gave a history of the project, beginning in 1983, when \$50,000 was authorized to begin planning, as well as an historical sketch of the School of Business.

80% of the new building would be classroom space, with 20% for faculty offices. **Dr. Dennison** said the old structure would house faculty now dispersed across the campus, as well as provide general assignment and classroom space.

495

Dr. Hutchinson said the Business Administration Building was the number 2 construction priority for the Board of Regents, and represented a \$15,484,000 project, \$600,000 of which would come out of the Capital Project Fund for design. He mentioned the Governor had proposed that 15% of the remainder be raised with private funds. They had questions about that proposal, and introduced Sen. Crippen to speak to this issue.

SEN. BRUCE CRIPPEN, SD 45, Billings, former President, UM Foundation, spoke regarding the matching requests on construction costs. He supported the Governor's program as far as bonding for the buildings within the University System. However, he opposed the 15% provision for two reasons:

a) It sets a dangerous precedent. The state, not the private sector, is responsible to provide the physical surroundings in which our children are educated. Such a precedent could only lead to a further erosion of the state's responsibilities.

b) In the history of raising money for University projects, and in particular for public institutions, his experience was that large givers are hesitant to give money for "sticks and stones" for the same reason - that construction is the responsibility of the state. Their rationale is that their money is best suited for special projects. He gave the example of the Fine Arts Center, for which the private sector was charged with raising in excess of \$1,000,000. The Foundation was unable to raise that money, and ultimately the students bailed them out.

c) This was not the business of the Foundation. The Foundation serves the purpose of providing sums of money for projects that provide a little extra to make an average University into a superior one.

SEN. CRIPPEN urged elimination of the 15% provision.

Questions from Subcommittee Members:

REP. THOFT asked what had been the cost escalations in both of these buildings proposed for construction since the beginnings of the projects in 1983, and what the cost has been to wait. An answer was to be provided at a later time by representatives of the University System.

Informational Testimony:

770

Larry Gianchetta, Dean, School of Business, discussed the new building, its design and value to the school and to the campus in general. He gave a few statistics: 25% of the degrees awarded, almost 2,000 majors, and an 11% growth rate compared to a University growth rate of 3 to 4%, all attributable to the School of Business. He asked how long this sustained growth will continue without changes. He spoke to the scattering of faculty, the concerns regarding accreditation, the lack of classroom space to accommodate the large enrollment, the need for facilities to deliver the MBA Program to Billings and possibly to other communities through interactive television, and the need to house the Montana Entrepreneurship Center.

1080

Dr. Dennison addressed the projects requiring authorization only. EXHIBIT 12 & 13 He discussed in particular the planning (which once completed, would be followed by a reconsideration as to how to implement) for the Life Science Building which would bring together and promote interaction between faculty in the Division of Biological Sciences and graduate students, and in the process provide laboratory space for Biotechnology. He also discussed the authorization to use student fee revenue at Dillon to remodel the Student Union.

In summary, Dr. Dennison said there was \$9,000,000 in the "Must Do" area of maintenance, all of which had to do with the previously mentioned basic needs with the exception of the Chem/Pharm renovation, which would allow the University to modernize the laboratories for present day use and instruction. He stressed the need for the Business Administration Building, primarily an instructional facility, and asked for elimination of the 15% requirement. Regarding the authorization only category, he said they would be back to the committee if they needed any additional state monies, and emphasized that the Dillon project was to be funded with private funds only.

Questions from Subcommittee Members:

SEN. HARDING asked for an explanation for "authorization only". Dr. Dennison said that private funds would be authorized to be used for planning and assessment; if additional state funds were needed, they would re-appear before the Legislature.

REP. BARDANOUVE asked if there was enough money generated at WMC to fund the renovation of the Student Union.

Dr. Dennison said he was confident there was enough, citing the increase in enrollment, particularly in Freshmen this year, at WMC. Mike Easton, Provost, WMC, said this was about 1/2 the size of the project brought before the committee in the last session. Their current revenue stream could support this project with an

enrollment prediction from 2 years previous.

2:B:035

REP. BARDANOUE asked if the University System would be able to give up the Business Administration Building in the event that the worst case scenario occurs with respect to bonding authority.

Dr. Dennison said that if they did give up the Business Administration Building, they would be creating more of the same problems they were trying to solve. He would prefer to think there was sufficient bonding authority to do both major projects.

SEN. HOCKETT asked about the innovations within the School of Business, the interactive MBA program, and the Entrepreneurship Center. He asked if the building would allow them to do anything else that they were not able to do at all at the present time.

Dr. Dennison said they were moving into more areas in response to the needs of the business community across the state, and the local communities. Those innovations happen when faculty members are brought together, and therefore it would be difficult to say exactly what would occur. He did predict more in the area of research, and more interactive and inter-disciplinary projects, such as the project with the Forestry faculty to explore value added forest products.

Dean Gianchetta responded to Rep. Thoft's earlier question, saying that in 1983, the estimated cost of the building was \$9,500,000. The project has increased in increments of \$2,000,000 each session. **REP. THOFT** said he wanted the escalation of costs and the bond indebtedness rate; in other words, he wanted to know if it had cost the state money to be conservative. Again the information was promised by the Regents.

HEARING ON EASTERN MONTANA COLLEGE

2:B:135

Informational Testimony:

Bruce Carpenter, President, Eastern Montana College, EMC, introduced **Dr. Ron Sexton, Academic Vice President, Ken Heikes, Administrative Vice President, and Ed Whipple, Student Affairs Vice President,** and said they could answer most questions. He addressed the bonding program, since EMC had the third priority in new construction, the classroom/office building. He emphasized that this project had initially been estimated at \$18,500,000 in 1983, and was now projected at a lower cost of \$16,500,000. The building for the Montana Center for Handicapped Children was originally constructed in 1973 so that it could be expanded an additional 9 floors. Campus expansion could only go up due to their landlocked location. This expansion would accommodate their Schools of Business and Education and Human Services.

Dr. Carpenter said there were ways to phase the project in if the \$16,500,000 were too large. \$10,100,000 could allow for the

basics to be completed, and each additional floor could be completed at a cost of \$1,000,000 per floor.

Dr. Carpenter addressed an issue which was not included in the Regents' priority listing, but was listed in the Governor's budget, the renovation of Apsaruke Hall. He described the project, but added that, in light of the need system-wide for deferred maintenance, he would support the use of those funds in other areas, if that would help get the priority construction projects underway.

Dr. Carpenter addressed some of the Deferred Maintenance needs, one of which was the electrical vault as described in the Capital Construction Program book, the Governor's number 1 priority. They had run into additional difficulties, as described by the engineers in **EXHIBIT 14**, and would be back for \$350,000. The project this biennium addresses the most serious of the problems. Roofs were an issue, especially the Education Building which is leaking. This was included the Regents' Priority listing, and was the Governor's Priority 6.

He went on to address roofs and asbestos in their Physical Education Building, which was an instructional facility. He gave the committee a history of the building, its construction, its financing by student fees, and roof related problems. He had a division of costs for repair that was manageable in some ways, and unmanageable in others. **Dr. Carpenter** said the building belonged to the state, despite the fact that it was paid for by student fees, and the state was liable for potential asbestos damages. It was unfair to ask that the students now fix it.

Kirk Lacey, President of the Student Body, EMC, addressed the critical condition of many of the system's buildings, and the impact of these conditions on the most basic educational process. He asked that the needs be addressed now. He also had three brief comments about the Physical Education Building:

a) He thought it inappropriate that the students originally paid for the building, and were now being asked to fix it through a fee increase.

b) The students had accepted four substantial increases in student fees within the last year, and a 14% tuition increase the year before. They could not continue to take on this burden, especially with regards to state buildings.

c) He described the profile of the student body at EMC, which has an average age of 28 to 29. These students often have families of their own and do not have the capacity to take on these fees, especially for costs that he believed were the responsibility of the state.

REP. THOFT asked for a description of the building expansion at the reduced cost of \$10,100,000. **Dr. Carpenter** said it would be

a complete shell with no interior separations. It would be sufficiently completed so as to not deteriorate from non-use.

HEARING ON MONTANA INSTITUTE OF TECHNOLOGY

2:B:770

Lindsay Norman, President, Montana Tech, distributed a summary of Montana Tech's projects and narrated a video presentation of same prepared by Ed Ayers, Physical Plant Director. EXHIBIT 15 On page 1 of the exhibit, he said there were listed almost \$5,000,000 in deferred maintenance projects, with the ones marked by an asterisk being brought before the committee and this Legislature. These were on the Regents' List. He drew the committee to the \$4,845,000 cost of the Metallurgy Building renovation, the ultimate in deferred maintenance. This project had originally come before the committee with a price tag of \$3,000,000, and cautioned the committee that deferred maintenance costs could outrun the state's ability to bond or tax. His presentation with the video element documented the serious need at the campus, following the text of the exhibit. EXHIBIT 15

HEARING ON NORTHERN MONTANA COLLEGE

Tape 2:B:1365

William Daehling, President, Northern Montana College, NMC, referred the committee to page 281 of the Capital Construction Program, EXHIBIT 1, 1/14/91, and said they had submitted 16 projects for a total of \$22,000,000, \$17,000,000 of which was for new construction.

Tape 3:A:000

He reviewed the projects that had been listed in the Regents' priorities for NMC, beginning on page 257 of the exhibit: replacement of windows, Cowan Hall, (\$200,000); sidewalk repair, (\$23,000); the corrosion control study, (\$26,000); renovation of the heating system of Cowan Hall, (\$73,000); and exterior repairs to Pershing Hall, (\$92,500). In the Capital Projects major remodeling area, he reviewed the renovation of Donaldson Hall.

Dr. Daehling turned to the replacement of the PE Building and Gymnasium, a project not within the Regents' priority list, but in the Governor's Budget. He referred the committee to page 185 of the Capital Construction Program, and gave a brief history of recent problems with the building. In May of 1990, the swimming pool was closed due to extensive deck deterioration. The main gym was closed due to the deterioration on the ends of the roof beams, causing a relocation of classes and athletic events for 3 - 4 weeks while emergency repairs were made. After reception of a report on the lower gym and swimming pool area in December of 1990, they were advised not to use the facility when there is more than 4 inches of snow on the roof, and after January 1, 1991, not to use the facility at all until the roof and supporting beams are repaired.

Dr. Daehling said it would take \$1,000,000, the total costs of

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all projects, to maintain the present facility, which is simply worn out. They had asked the Board of Regents for authorization to do the preliminary architectural study for a new facility, for which the Foundation had allocated \$50,000. They hoped to have a more precise estimate of the cost of replacement of this facility before the end of the session. Dr. Daehling said their rough estimate at this time was \$8,800,000, with the Governor's request at \$8,000,000; both requests were without a funding scheme. It was important to receive authorization at this time so they could explore other funding mechanisms.

Dr. Daehling discussed funding, saying that he felt it important that all units within the University System be treated fairly with respect to revenue streams. He mentioned the fact that Land Grant funds did not come to Northern Montana College, which were available to the other five units for the repayment of bond issues. He expressed a hope that during this Legislative Session, a creative approach in identifying a revenue stream to assist the institution in paying off the bond issue to replace this building would be found. The community is willing to participate, possibly through revenue bonding at the county level, as well as the students, through part of their fees, and the private sector, through major donations, in the financing of this project.

Questions from the Subcommittee:

REP. BARDANOUVE asked if the new facility was enlarged in comparison with the present gym. Dr. Daehling said it was, and described the planning committee, which had come back from the community with the information that they would like to have a facility with a seating capacity 5,000 for regional and divisional tournaments could take place there. REP. BARDANOUVE suggested that it would be difficult for the Legislature to support a regional fieldhouse. He mentioned the recent legislative participation in a municipal swimming pool project, for which \$1,000,000 worth of bonds were issued, a project which later failed.

Dr. Daehling said they had looked at an institution in South Dakota that had built a facility jointly with the community. NMC's primary priority for replacement was satisfaction of the instructional requirements of the institution. He viewed enlargement of the facility for community use as a responsibility outside of the Legislature. REP. BARDANOUVE said the committee would need a defined scope of the project, source of funding, and percentage of the project necessary for the college itself. He said that it was not the custom of the Legislature to fund gymnasiums, and added that student fees and the NMC Foundation would not be able to raise that amount of money, with the interest alone running \$500,000 per year.

Dr. Daehling agreed, but restated the issue of the Land Grant money, which could be spent by sister institutions to pay the

bond issues on athletic facilities. REP. BARDANOUE asked to have a report on which institutions received Land Grant money. Dr. Hutchinson said he would get the exact information on the Land Grant monies. NMC was the only unit of the senior units in the University System that received no Land Grant.

SEN. HARDING asked for a total of NMC's requests. Dr. Daehling said they totaled approximately \$414,500, exclusive of the gymnasium.

REP. BARDANOUE reiterated his previous comments on the gymnasium, adding that the committee would need the concrete figures and plans by April 1 at the latest. The Land Grant argument would not carry much weight since it happened before this time, and was not part of this solution. At the time the Land Grants were made, this area of the state was classified as aboriginal territory.

REP. BARDANOUE asked if Dr. Daehling had a figure for renovation that would enable the facility to be used for 10 to 15 years. Dr. Daehling said some of their current requests for repair had been in before the Legislature for several biennia. The bottom line figure to make the facility usable would be over \$2,500,000. They would be looking at that cost more precisely, as well as the usable life of the present facility.

Dr. Hutchinson closed the hearing on the University System Capital Projects Program, and in response to Rep. Bardanoue's earlier question, said the Regents' principal priority was deferred maintenance rather than new construction. REP. BARDANOUE thanked him for an honest answer.

ADJOURNMENT

Adjournment: 12:00 p.m.



REP. MARY ELLEN CONNELLY, Chair

CLAUDIA MONTAGNE, Secretary

MEC/cm

HOUSE OF REPRESENTATIVES
LONG-RANGE PLANNING SUBCOMMITTEE

ROLL CALL

DATE 1-16-91

NAME	PRESENT	ABSENT	EXCUSED
REP. FRANCIS BARDANOUVE	✓		
SEN. ETHEL HARDING	✓		
SEN. BOB HOCKETT, VICE-CHAIRMAN	✓		
SEN. J.D. LYNCH	✓		
REP. BOB THOFT	✓		
REP. MARY ELLEN CONNELLY, CHAIR	✓		

HR:1991
CS10DLRLCALONGRP.MAN

EXHIBIT

DATE

HB

1-16-91
Long Range Building
Program

FUND ANALYSIS AND CAPACITY WORKSHEET

Accounting Entity	05007				
Accounting Entity Name	Long-Range Bldg Cash				
	FY 88	FY 89	FY 90	FY 91	1993 Biennium
Beginning Balance	\$8,301,964	\$5,728,874	\$3,962,248	\$4,424,032	\$1,183,003
Revenues					
1. Cigarette Tax	\$2,283,861	\$2,250,400	\$3,028,489	\$3,404,814	\$6,841,100
2. Supervisory Fees	\$30,071	\$76,689	\$60,936	\$61,000	\$122,000
3. Investment Earnings	\$414,366	\$281,930	\$331,927	\$200,000	\$629,100
4. Sale of Mdse	\$10,021	\$79,314	\$33,990	\$10,000	\$20,000
5. Other	\$255,000	\$144,900	\$1,153,258	\$0	\$1,000,000
Total Revenues	\$2,993,319	\$2,833,233	\$4,608,600	\$3,675,814	\$8,612,200
Disbursements					
1. A&E Operating	\$549,508	\$548,568	\$499,636	\$0	\$1,341,800
2. A&E Audit	\$492	\$1,432	\$364	\$0	\$0
3. Projects	\$5,091,594	\$4,031,634	\$3,646,338	\$0	\$0
4.					
5. Appropriations Balances				\$6,916,843	
Total Disbursements	\$5,641,594	\$4,581,634	\$4,146,338	\$6,916,843	\$1,341,800
Adjustments					
1. PY Revenue					
2. PY Expenditures					
3. Misc	\$75,185	(\$18,225)	(\$478)		
Total Adjustments	\$75,185	(\$18,225)	(\$478)	\$0	
Ending Balance	\$5,728,874	\$3,962,248	\$4,424,032	\$1,183,003	\$8,453,400

1 HOUSE BILL NO. 202

2 INTRODUCED BY PAVLOVICH

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO TEMPORARILY INCREASE
5 THE CIGARETTE TAX BY 5 2 CENTS TO PAY COSTS OF STUDIES A
6 STUDY CONDUCTED BY THE BOARD-OF-VETERANS-APPAIRS DEPARTMENT
7 OF MILITARY AFFAIRS IN CONSIDERING LOCATIONS FOR THE
8 CONSTRUCTION OF A STATE NURSING HOME OR DOMICILIARY HOME FOR
9 VETERANS AND TO PROVIDE REVENUE FOR CONSTRUCTION AND
10 REMODELING COSTS OF SUCH FACILITIES; TO PRORATE THE TAX IN
11 CERTAIN INSTANCES; PROVIDING-FOR-A-STATUTORY-APPROPRIATION
12 TO APPROPRIATE MONEY FOR THE STUDY, CONSTRUCTION, AND
13 REMODELING; AND AMENDING SECTIONS 16-11-111, 16-11-119, AND
14 17-5-408, AND-17-7-502, MCA; AND PROVIDING A-TERMINATION
15 PROVISION AN EFFECTIVE DATE AND-A-TERMINATION-PROVISION."

16
17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

18 NEW SECTION. Section 1. Veterans APPROPRIATION FOR
19 VETERANS home ----study-----CONSTRUCTION-----appropriation
20 PROJECT. There-is-an-account-in-the--state--special--revenue
21 fund---Money INTO--WHICH--MUST--BE-DEPOSITED-11-111-OP-THE
22 MONEY collected-from--the 5-cent 2-CENT increase--in--the
23 cigarette-tax-pursuant-to-16-11-111-MONEY-IN-THE-ACCOUNT is
24 statutorily-appropriated,-as-provided-in-17-7-502,-to:

25 (1) THE FOLLOWING MONEY IS APPROPRIATED FOR THE

1 BIENNIUM ENDING JUNE 30, 1991, FROM THE CAPITAL PROJECTS

2 FUND:

3 (A) \$30,000 TO the board--of--veterans--affairs
4 DEPARTMENT OF MILITARY AFFAIRS THE-AMOUNT-OF-\$30,000 to, pay
5 costs of studies A STUDY conducted by the board DEPARTMENT
6 to consider locations for the construction of state nursing
7 homes and domiciliary homes for veterans in Montana; AND
8 (2)(B) \$1,991,897 TO THE DEPARTMENT OF
9 ADMINISTRATION THE-BALANCE-OF-16-111-OTHER-EXCEPTIONS--UNDER
10 SECTION-11 FOR CONSTRUCTION OR AND REMODELING, INCLUDING
11 LAND PURCHASE AND DESIGN COSTS, OF STATE NURSING HOMES AND
12 DOMICILIARY HOMES FOR VETERANS IN MONTANA.

13 (2) THERE IS APPROPRIATED TO THE DEPARTMENT OF
14 ADMINISTRATION FOR THE BIENNIUM ENDING JUNE 30, 1991,
15 \$3,699,237 IN SPENDING AUTHORITY FROM FEDERAL SPECIAL
16 REVENUE RECEIVED FROM THE VETERANS' ADMINISTRATION.

17 Section 2. Section 16-11-111, MCA, is amended to read:

18 "16-11-111. Cigarette sales tax. There is hereby
19 levied, imposed, and assessed and there shall be collected
20 and paid to the state of Montana upon cigarettes sold or
21 possessed in this state the following excise tax which shall
22 be paid prior to the time of sale and delivery thereof of
23 cigarettes: 16 21 18 cents on each package containing not
24 more--than 20 cigarettes and, when packages contain more OR
25 LESS than 20 cigarettes, then a tax on each cigarette equal

DATE 1-16-91
3 Long Range
Building Program
HIB 2
202/03

1 to 1/20th the tax on a package containing not more than 20
2 cigarettes."

3 **Section 3.** Section 16-11-119, MCA, is amended to read:
4 "16-11-119. Disposition of taxes -- retirement of
5 bonds. All moneys collected under the provisions of
6 16-11-111, less the expense of collecting all the taxes
7 levied, imposed, and assessed by said section, shall be paid
8 to the state treasurer and deposited as follows: 79-75%
9 69-76% 70-89% in the long-range building program fund in the
10 debt service fund type and 20-25% 15-43% 18% AND 29-11% in
11 the long-range building program fund in the capital projects
12 fund type--and 23-81% 11-11% in the state special revenue
13 fund-to-be-used-for-the-purposes-of-section-11."

14 **Section 4.** Section 17-5-408, MCA, is amended to read:
15 "17-5-408. Percentage of income, corporation license,
16 and cigarette tax pledged. (1) (a) The state pledges and
17 appropriates and directs to be credited as received to the
18 debt service account 10% of all money received from the
19 collection of the individual income tax and 11% of all
20 money, except as provided in 15-31-702, received from the
21 collection of the corporation license and income tax as
22 provided in 15-1-501, and such additional amount of said
23 taxes, if any, as may at any time be needed to comply with
24 the principal and interest and reserve requirements stated
25 in 17-5-405(4).

1 (b) No more than the percentages described in
2 subsection (1)(a) of such tax collections may be pledged for
3 the purpose of 17-5-403(2). The pledge and appropriation
4 herein made shall be and remain at all times a first and
5 prior charge upon all money received from the collection of
6 said taxes.
7 (2) The state pledges and appropriates and directs to
8 be credited to the debt service account 79-75% 69-76% 70-89%
9 of all money received from the collection of the excise tax
10 on cigarettes which is levied, imposed, and assessed by
11 16-11-111. The state also pledges and appropriates and
12 directs to be credited as received to the debt service
13 account all money received from the collection of the taxes
14 on other tobacco products which are or may hereafter be,
15 levied, imposed, and assessed by law for that purpose,
16 including the tax levied, imposed, and assessed by
17 16-11-202. Nothing herein shall impair or otherwise affect
18 the provisions and covenants contained in the resolutions
19 authorizing the presently outstanding long-range building
20 program bonds. Subject to the provisions of the preceding
21 sentence, the pledge and appropriation herein made shall be
22 and remain at all times a first and prior charge upon all
23 money received from the collection of all taxes referred to
24 in this subsection (2)."

25 **Section 5.** --Section --17-7-502, MCA, is amended to read:

EXHIBIT 2
DATE 1-16-91
Long Range Budget
Program

HB 0202/03

HB 0202/03

1 "17-7-502;--Statutory appropriations-----definition-----
2 requisites--for--validity;--(1)-A-statutory-appropriation-is
3 an-appropriation-made-by-permanent-law--that--authorizes
4 spending-by-a-state-agency-without-the-need-for-a-biennial
5 legislative-appropriation-or-budget-amendment;
6 (2)--Except--as--provided--in-subsection-(4);--to-be
7 effective;--a-statutory-appropriation-must-comply-with-both
8 of-the-following-provisions:
9 (a)--The-law-containing-the-statutory-authority-must-be
10 located-in-subsection-(3);
11 (b)--The-law-or-portion-of-the-law-making-a-statutory
12 appropriation-must-specifically-state-that-a-statutory
13 appropriation-is-made-as-provided-in-this-section;
14 (3)--The-following-laws-are-the-only-laws--containing
15 statutory--appropriations;--2-9-202;--2-17-105;--2-18-812;
16 10-3-203;--10-3-312;--10-3-314;--10-4-301;--13-37-304;
17 15-25-123;--15-31-702;--15-36-112;--15-65-121;--15-70-101;
18 16-1-404;--16-1-410;--16-1-411;--17-3-212;--17-5-404;--17-5-424;
19 17-5-804;--19-8-504;--19-9-702;--19-9-1007;--19-10-205;
20 19-10-305;--19-10-506;--19-11-512;--19-11-513;--19-11-606;
21 19-12-301;--19-13-604;--20-4-109;--20-6-406;--20-8-111;
22 23-5-610;--23-5-1027;--33-31-212;--33-31-401;--37-51-501;
23 39-1-2504;--53-6-150;--53-24-206;--67-3-205;--75-1-1101;
24 75-7-305;--76-12-123;--80-2-103;--80-2-228;--82-11-136;
25 90-3-301;--90-3-302;--90-3-412;--90-4-215;--90-9-306;--90-15-103;

1 section-13; House-Bill-No.-861; laws-of-1985; and-section-17
2 Chapter-454; laws-of-1987; and-(section-11;
3 (4)--There-is-a-statutory-appropriation--to-pay-the
4 principal-interest; premiums; and-costs-of-issuing; paying;
5 and-securing-all-bonds; notes; or-other-obligations; as-due;
6 that-have-been-authorized-and-issued-pursuant-to-the-laws-of
7 Montana; Agencies--that-have-entered--into--agreements
8 authorized--by--the--laws--of--Montana--to--pay--the--state
9 treasurer; for-deposit-in-accordance-with-17-2-101--through
10 17-2-107;--as--determined--by--the--state-treasurer; an-amount
11 sufficient-to-pay-the-principal-and-interest-as-due--on--the
12 bonds--or--notes--have-statutory-appropriation-authority-for
13 such-payments;--(in-subsection-(3)); pursuant-to-sec.-15-61;
14 607; b.-1987; the-inclusion-of-15-65-121-terminates-June-30;
15 1989; pursuant-to-sec.-107; Ch.-664; b.-1987;--the--inclusion
16 of-33-31-2504-terminates-June-30; 1991; and-pursuant-to-sec.-
17 67; Ch.-454; b.-1987; the-inclusion-of-sec.-17; Ch.-454; b.-
18 1987; terminates-July-1; 1988;)"

19 NEW SECTION. SECTION 5. EFFECTIVE DATE. [SECTIONS 3
20 AND 4 OF THIS ACT] ARE EFFECTIVE NOVEMBER 1, 1989.

21 NEW SECTION. SECTION 7. TERMINATION. [THIS ACT]
22 TERMINATES ON THE DATE ON WHICH THE BOARD OF VETERAN'S
23 AFFAIRS DEPARTMENT OF MILITARY AFFAIRS AND THE DEPARTMENT OF
24 ADMINISTRATION CERTIFIES TO THE GOVERNOR THAT THE COSTS
25 INCURRED BY THE STATE OF MONTANA IN EXECUTING THE PROVISIONS

HB 0202/03

1 OP-SECTION-11 ARE COMPLETELY PAID:

-End-

HB 202

-7-

EXHIBIT 2

DATE 1-16-91

HB

1814

MONTANA SESSION LAWS 1989

Ch. 681

WHEREAS, a thorough feasibility study that uses current economic conditions in evaluating the recreational, water supply, wildlife, and possible hydropower benefits associated with reservoir development may describe a very attractive project for federal or private funding; and

WHEREAS, construction of a reservoir in the Billings area would provide valuable off-stream storage, recreational, and other benefits.

Be it enacted by the Legislature of the State of Montana:

Section 1. **Appropriation.** There is appropriated \$7,500 from the general fund to eastern Montana college to use as money in conducting an economic analysis with the United States bureau of reclamation on the current economic value of the commitment by the United States congress to promote water development in the Upper Missouri Basin states pursuant to the Pick-Sloan Missouri Basin program established by the Flood Control Act of 1944.

Approved May 16, 1989.

CHAPTER NO. 681

[HB 202]

AN ACT TO INCREASE THE CIGARETTE TAX BY 2 CENTS TO PAY COSTS OF A STUDY CONDUCTED BY THE DEPARTMENT OF MILITARY AFFAIRS IN CONSIDERING LOCATIONS FOR THE CONSTRUCTION OF A STATE NURSING HOME OR DOMICILIARY HOME FOR VETERANS AND TO PROVIDE REVENUE FOR CONSTRUCTION AND REMODELING COSTS OF SUCH FACILITIES; TO PRORATE THE TAX IN CERTAIN INSTANCES; TO APPROPRIATE MONEY FOR THE STUDY, CONSTRUCTION, AND REMODELING; AMENDING SECTIONS 16-11-111, 16-11-119, AND 17-5-408, MCA; AND PROVIDING AN EFFECTIVE DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. **Appropriation for veterans home project.** (1) The following money is appropriated for the biennium ending June 30, 1991, from the capital projects fund:

(a) \$30,000 to the department of military affairs to pay costs of a study conducted by the department to consider locations for the construction of state nursing homes and domiciliary homes for veterans in Montana; and

(b) \$1,991,897 to the department of administration for construction and remodeling, including land purchase and design costs, of state nursing homes and domiciliary homes for veterans in Montana.

(2) There is appropriated to the department of administration for the biennium ending June 30, 1991, \$3,699,237 in spending authority from federal special revenue received from the veterans' administration.

Section 2. Section 16-11-111, MCA, is amended to read:

"16-11-111. Cigarette sales tax. There is hereby levied, imposed, and assessed and there shall be collected and paid to the state of Montana upon cigarettes sold or possessed in this state the following excise tax which shall be paid prior to the time of sale and delivery of cigarettes: 18 cents on each package containing 20 cigarettes and, when packages contain more or less than 20 cigarettes, then a tax on each cigarette equal to 1/20th the tax on a package containing 20 cigarettes."

Section 3. Section 16-11-119, MCA, is amended to read:

"16-11-119. Disposition of taxes — retirement of bonds. All moneys collected under the provisions of 16-11-111, less the expense of collecting all the taxes levied, imposed, and assessed by said section, shall be paid to the state treasurer and deposited as follows: 70.89% in the long-range building program fund in the debt service fund type and 29.11% in the long-range building program fund in the capital projects fund type."

Section 4. Section 17-5-408, MCA, is amended to read:

"17-5-408. Percentage of income, corporation license, and cigarette tax pledged. (1) (a) The state pledges and appropriates and directs to be credited as received to the debt service account 10% of all money received from the collection of the individual income tax and 11% of all money, except as provided in 15-31-702, received from the collection of the corporation license and income tax as provided in 15-1-501, and such additional amount of said taxes, if any, as may at any time be needed to comply with the principal and interest and reserve requirements stated in 17-5-405(4).

(b) No more than the percentages described in subsection (1)(a) of such tax collections may be pledged for the purpose of 17-5-403(2). The pledge and appropriation herein made shall be and remain at all times a first and prior charge upon all money received from the collection of said taxes.

(2) The state pledges and appropriates and directs to be credited to the debt service account 70.89% of all money received from the collection of the excise tax on cigarettes which is levied, imposed, and assessed by 16-11-111. The state also pledges and appropriates and directs to be credited as received to the debt service account all money received from the collection of the taxes on other tobacco products which are or may hereafter be levied, imposed, and assessed by law for that purpose, including the tax levied, imposed, and assessed by 16-11-202. Nothing herein shall impair or otherwise affect the provisions and covenants contained in the resolutions authorizing the presently outstanding long-range building program bonds. Subject to the provisions of the preceding sentence, the pledge and appropriation herein made shall be and remain at all times a first and prior charge upon all money received from the collection of all taxes referred to in this subsection (2)."

Section 5. **Effective date.** [Sections 3 and 4 of this act] are effective November 1, 1989.

Approved May 16, 1989.



TERESA OLCOTT COHEA
LEGISLATIVE FISCAL ANALYST

STATE OF MONTANA
Office of the Legislative Fiscal Analyst
STATE CAPITOL
HELENA, MONTANA 59620
406/444-2986

EXHIBIT
DATE 1-16-91
HB Long Range
Building Program

April 7, 1990

TO: Legislative Finance Committee

FROM: Carroll South
Associate Fiscal Analyst

SUBJECT: Legislative Appropriation for Mansfield Center

This report provides an update on the status of the appropriation made by the Legislature to assist in the construction of the Mansfield Center.

HISTORY

House Bill 833, 1983 legislative session, appropriated \$1.0 million from the Bond Proceeds and Insurance Clearance Account to assist in the construction of a memorial in honor of Mike Mansfield. The funds were appropriated to the Department of Commerce which was to enter into a contract with the Mansfield Foundation. The funds were to be paid to the Foundation, only after the receipt of at least \$6.0 million by the Foundation from other sources. The bill stated that the appropriated funds, "must be used exclusively for the construction of the Mansfield Center for Pacific Affairs at Polson, Montana." Narrative contained within the bill justifies state support for the project by indicating that the Center would, "generate important economic development of the state by direct employment, attraction of visitors, and establishment of expanded trade opportunities."

million was not used to purchase the property. The financial statement lists the grant as deferred revenue until such time as the conditions of the grant are met. (The grant requires the funds be used exclusively for construction of the Mansfield Center.)

The bill appropriating the \$1.0 million for the Mansfield Center does not specify a time frame in which the Center must be completed, or what becomes of the \$1.0 million and interest earnings on the grant if the project is never completed. The agreement under which the \$1.0 million was granted is also silent on these matters.

On January 31, 1990, the Legislative Finance Committee sent a letter to Mr. Francis L. Dale, President of the Mansfield Foundation Board of Directors, soliciting information on the future status of the Mansfield Center. Mr. Dale responded to the committee's letter on April 2, 1990.

FUTURE STATUS

Mr. Dale reports that the Executive Committee of the Board met on March 29 and unanimously approved a proposal to utilize the \$1 million state grant for educational purposes, rather than construction. The educational proposal contemplates investing the \$1 million grant in a perpetual endowment and using the income to partially fund a two-part education program consisting of: 1) The Mansfield Fellows Program; and 2) the Montana Forums Program.

The Mansfield Fellows Program will award one-year scholarships to eight to ten graduate students who demonstrate leadership capabilities as future leaders in public and/or Asian affairs. The Montana Forums Program, sponsored by the Mansfield Center for Public Affairs, will produce forums around the state on current issues of importance to Montana and Asia/Pacific Rim countries.

The Maureen and Mike
MANSFIELD FOUNDATION

EX-100 0
DATE 1-16-91 RECEIVED
HB Long Dam Building
DEC 11 1989
Program

Mansfield Library
University of Montana
Missoula, Montana 59812
406-243-2215 (phone)
406-243-2181 (fax)

LEGISLATIVE
FISCAL ANALYST

December 8, 1989

Mr. Carroll South
Legislative Fiscal Analyst
Capitol Station
Helena, MT 59620

Dear Mr. South:

This is in response to your request on behalf of the Finance Committee for an update on what plans we have for the development of a conference center in Lake County on Flathead Lake.

The Mansfield Foundation and the Mansfield Center for Pacific Affairs continue to search for and pursue every opportunity to fulfill the purposes of the grant from the State of Montana.

As you know, the Foundation has contracted to purchase 27.7 acres on the shore of Flathead Lake near Lakeside and the final payment on that purchase is due January 1, 1992. In addition the Foundation has received as a gift an additional 38.3 acres adjacent to the property being purchased which increased the value of all the property and increases the options for development.

The Board of Directors of the Foundation and I consider this a matter of importance and opportunity for us and the State of Montana as a whole. While we have several options as to how to proceed and even have some inquiries from prospective developers there is nothing definite that we can report on at this time.

Rest assured that if and when significant development occurs we will inform you and the committee of our intention in a timely manner.

Sincerely,


Francis L. Dale
President

FLD/sp

OF MONTANA ATION BOND PRINCIPAL

oligation bonds from fiscal year 1984 through 1996. The full faith, credit, and
tion bonds. The outstanding debt includes bonds sold through January, 1990.
; are shown directly under each column heading. The "% yearly change" column

TABLE G1
TE OF MONTANA
IGATION BOND PRINCIPAL
RS 1984 THROUGH 1996

NT E	FISH, WILD, PARKS	CAP LAND GRANT	WATER DEVELOPMENT	RENEWABLE RESOURCES	AERONAUTICS DIVISION	GENERAL FUND	TOTAL	% YEARLY CHANGE
%	(100.00)%	(100.00)%	(68.85)%	(100.00)%	(100.00)%	(95.23)%	(90.48)%	
	NA	NA	(9.26)%	NA	NA	(22.39)%	(17.80)%	
	-0-	-0-	405,000	-0-	-0-	3,698,209	10,036,829	(54.43)
	-0-	160,000	870,000	200,000	270,000	13,403,077	22,024,403	(34.58)
	66,250	720,000	1,335,000	400,000	720,000	22,077,354	33,664,285	(26.55)
	857,083	1,235,000	1,775,000	575,000	1,135,000	30,770,824	45,836,002	(18.60)
	1,598,750	1,710,000	2,165,000	725,000	1,515,000	38,033,282	56,311,899	(15.14)
	2,785,417	2,150,000	2,555,000	850,000	1,865,000	44,534,533	66,362,142	(13.91)
A)	5,200,000	2,560,000	2,990,000	900,000	2,185,000	50,649,391(A)	77,085,560	(7.56)
0	3,750,000	2,940,000	3,410,000	950,000	2,490,000	55,087,680	83,390,491	(8.90)
0	5,215,000	3,290,000	3,285,000	1,000,000	2,775,000	60,289,233	91,542,280	(7.91)
0	6,605,000	3,615,000	3,595,000	1,050,000	2,890,000	65,093,889	99,401,625	(6.94)
0	7,895,000	4,030,000	3,890,000	1,100,000	3,000,000	69,536,497	106,814,166	5.95
	2,770,000	4,415,000	2,050,000	-0-	1,300,000	73,646,912	100,835,486	(4.40)
	3,075,000	4,770,000	1,300,000	-0-	1,300,000	77,449,997	105,481,118	

DATE 1-16-91
HB
Long Range
Building
Program

ing pool bonds to the Long Range Building Cash Program and became a repayment obligation of the
payment until the bonds are repaid.

STATE OF MONTANA

Table G1 shows the principal outstanding on the state's general obligation bonds from fiscal year 1984 through 1996. The full faith, credit, and taxpaying power of the state are pledged for payment of general obligation bonds. The outstanding debt includes bonds sold through January, 1990. Total percentage changes during the period, and average yearly changes are shown directly under each column heading. The "% yearly change" column shows the percentage in the total column each year.

TABLE G1
OF MONTANA

FISCAL YEAR	HIGHWAY HEADQUARTERS BUILDING	SRS BUILDING	WORK COMP BUILDING	EMP SECURITY BUILDING	MONT STATE UNIVERSITY	EAST MONT COLLEGE	WEST MONT COLLEGE	FISH, WILD, PARKS	CAP LAND GRANT	WATER DEVELOPMENT	RENEWABLE RESOURCES	AERONAUTICS DIVISION	GENERAL FUND	TOTAL	% YEARLY CHANGE
TOT %	(100.00)%	(94.56)%	(100.00)%	(96.08)%	(5.67)%	(31.59)%	(100.00)%	(100.00)%	(100.00)%	(68.85)%	(100.00)%	(100.00)%	(95.23)%	(90.48)%	
AV %	NA	121.55%	NA	(23.66)%	(0.49)%	(3.11)%	NA	NA	NA	(9.26)%	NA	NA	122.39%	(17.80)%	
1996	-0-	71,831	-0-	46,789	4,905,000	910,000	-0-	-0-	-0-	405,000	-0-	-0-	3,698,209	10,036,829	(54.43)
1995	600,000	234,404	280,000	136,922	4,905,000	965,000	-0-	-0-	160,000	870,000	200,000	270,000	13,403,077	22,024,403	(34.58)
1994	1,165,000	383,035	660,000	222,646	4,905,000	1,010,000	-0-	66,250	720,000	1,335,000	400,000	720,000	22,077,354	33,664,285	(26.55)
1993	1,700,000	518,919	1,010,000	304,176	4,905,000	1,050,000	-0-	857,083	1,235,000	1,775,000	575,000	1,135,000	30,770,824	45,836,002	(18.60)
1992	2,205,000	643,149	1,335,000	281,718	4,905,000	1,095,000	-0-	1,598,750	1,710,000	2,165,000	725,000	1,515,000	38,033,282	56,311,899	(15.14)
1991	2,685,000	756,725	1,635,000	505,467	4,905,000	1,135,000	-0-	2,785,417	2,150,000	2,555,000	850,000	1,865,000	44,534,533	66,362,142	(13.91)
1990	3,135,000	860,560	1,910,000	620,609	4,905,000	1,170,000	-0-(A)	5,200,000	2,560,000	2,990,000	900,000	2,185,000	50,649,391(A)	77,085,560	(7.56)
1989	3,560,000	955,491	2,165,000	732,320	4,905,000	1,205,000	1,240,000	3,750,000	2,940,000	3,410,000	950,000	2,490,000	55,087,680	83,390,491	(8.90)
1988	3,965,000	1,042,280	2,400,000	835,767	4,910,000	1,235,000	1,300,000	5,215,000	3,290,000	3,285,000	1,000,000	2,775,000	60,289,233	91,542,280	(7.91)
1987	4,345,000	1,121,625	2,615,000	936,111	4,920,000	1,265,000	1,350,000	6,605,000	3,615,000	3,595,000	1,050,000	2,890,000	65,093,889	99,401,625	(6.94)
1986	4,705,000	1,194,166	2,815,000	1,028,503	4,930,000	1,290,000	1,400,000	7,895,000	4,030,000	3,890,000	1,100,000	3,000,000	69,536,497	106,814,166	5.95
1985	5,045,000	1,260,486	3,000,000	1,113,088	4,945,000	1,290,000	-0-	2,770,000	4,415,000	2,050,000	-0-	1,300,000	73,646,912	100,835,486	(4.40)
1984	5,270,000	1,321,118	3,170,000	1,195,003	5,200,000	1,330,000	-0-	3,075,000	4,770,000	1,300,000	-0-	1,300,000	77,649,997	105,481,118	

(A) Approximately \$1.1 million in unspent bond proceeds was transferred from Western's swimming pool bonds to the Long Range Building Cash Program and became a repayment obligation of the general fund. Western will contribute 6.7 percent of each annual principal and interest payment until the bonds are repaid.

STATE OF MONTANA GENERAL OBLIGATION BOND PAYMENTS

Table G1a shows the principal and interest payments on the state's general obligation bonds from fiscal year 1984 through 1996. The payment schedule reflects bond sold through January, 1990. Total percentage changes during the period, and average yearly changes are shown directly under each column heading. The "% yearly change" column shows the percentage change in the total column each year.

TABLE G1a
STATE OF MONTANA
GENERAL OBLIGATION BOND PAYMENTS
FISCAL YEARS 1984 THROUGH 1996

FISCAL YEAR	HIGHWAY BUILDING	SRS BUILDING	WORK COMP BUILDING	EMP SECURITY BUILDING	MONT STATE UNIVERSITY	EAST MONT COLLEGE	WEST MONT COLLEGE	FISH, WILD, PARKS	CAP LAND GRANT	WATER DEVELOPMENT	RENEWABLE RESOURCES	AERONAUTICS DIVISION	GENERAL FUND	TOTAL	% YEARLY CHANGE
TOT %	8.58%	0.00%	115.45%	57.40%	88.65%	132.33%	100.00%	100.00%	115.03%	1646.84%	352.13%	761.09%	283.61%	211.15%	
AV %	0.69%	0.00%	6.61%	3.85%	5.43%	7.28%	NA	NA	11.35%	26.92%	16.29%	19.65%	11.86%	9.92%	
1996	630,000	177,072	292,775	95,957	468,427	142,767	-0-	-0-	167,300	521,397	207,600	280,260	10,475,581	13,459,136	(4.80)
1995	623,250	177,072	422,413	95,957	468,428	137,153	-0-	70,391	599,450	557,748	222,600	487,755	10,275,071	14,137,288	(9.97)
1994	620,000	177,072	424,412	95,956	468,427	135,900	-0-	844,401	601,574	567,607	211,300	485,560	11,069,844	15,702,053	4.96
1993	615,250	177,072	428,200	95,956	468,428	144,725	-0-	841,589	603,797	549,147	197,850	480,049	10,358,141	14,980,204	(2.80)
1992	614,250	177,072	429,075	147,993	468,427	143,550	-0-	1,348,872	606,677	578,464	182,381	476,517	10,218,657	15,391,935	(8.74)
1991	606,750	177,072	427,988	146,809	468,428	141,925	-0-	2,695,124	610,802	654,020	113,337	470,278	10,354,394	16,866,927	1.18
1990	603,000	177,072	430,512	150,319	468,427	145,075	-0-(A)	2,426,469	612,198	678,841	116,575	477,238	10,384,296(A)	16,670,022	4.51
1989	602,845	177,072	431,338	148,751	473,666	143,000	155,167	1,769,177	611,397	607,895	119,575	476,872	10,233,173	15,949,928	1.43
1988	596,085	177,072	430,462	152,154	479,383	145,700	148,817	1,790,228	613,398	566,111	122,937	319,608	10,183,216	15,725,171	(0.55)
1987	592,645	177,072	433,100	150,338	480,337	143,175	152,667	1,789,371	732,997	581,680	126,787	321,980	10,130,604	15,812,753	12.03
1986	587,945	177,072	434,463	148,102	486,531	119,300	61,012	727,614	734,998	355,763	45,916	166,392	10,069,955	14,115,063	1.93
1985	587,245	177,072	434,550	150,652	739,424	161,100	-0-	510,965	734,597	254,636	-0-	92,642	10,004,699	13,847,582	220.13
1984	580,208	177,072	135,887	60,963	248,300	61,450	-0-	71,705	196,899	29,848	-0-	32,547	2,730,764	4,325,643	

(A) Approximately \$1.1 million in unspent bond proceeds was transferred from Western's swimming pool bonds to the Long Range Building Cash Program and became a repayment obligation of the general fund. Western will contribute 6.7 percent of each annual principal and interest payment until the bonds are repaid.

CAPITAL PROGRAM 1991 LEGISLATIVE SESSION List of Proposed Projects

PROPOSAL		STATE REVENUE										FEDERAL REVENUE		TOTAL
Licenses	Trust	River Rest.	F&S Acquis.	Wild. Maint.	Wild. Acquis.	Wapiti	Big Sheep	Parks Rev.	Hwy. Rev.	Private	Other	D-J	LWCF	TOTAL
02409	02410	02149	02415	02469	02114	02085	02086	02411	02422	02051	02551	02097	03095	TOTAL
DEPARTMENT WIDE														
Remove Underground Storage Tanks	\$150,000													\$150,000
Building Maintenance and Dev.	\$35,000													\$35,000
Department Property Development	\$360,000													\$360,000
PARKS PROGRAM														
State Parks Maint. and Dev.	\$201,500	\$100,000						\$200,000	\$188,000	\$200,000	\$2,929,000	\$804,500	\$320,000	\$4,923,000
FISHERIES PROGRAM														
Fish Hatchery Maintenance	\$37,500											\$112,500		\$150,000
Fishing Access Site Maintenance	\$555,000											\$555,000		\$1,144,000
Motorboat Access Facilities	\$67,000											\$201,000		\$268,000
River Restoration		\$261,000												\$261,000
Fishing Access Site Acquisition			\$381,000											\$381,000
WILDLIFE PROGRAM														
Wildlife Habitat Maint. (HB 526)			\$304,000											\$304,000
Wildlife Habitat Acquis. (HB 526)				\$4,523,356										\$4,523,356
Wapiti Habitat Improvement						\$532,500								\$532,500
Big Horn Sheep Program							\$43,500							\$43,500
TOTAL	\$827,000	\$450,000	\$761,000	\$304,000	\$4,523,356	\$532,500	\$43,500	\$200,000	\$188,000	\$200,000	\$2,929,000	\$1,175,000	\$320,000	\$11,637,356

BOARD OF REGENTS PRIORITY by campus
Health & safety, major maintenance, handicap access and renovation projects

CAMPUS	PRIORITY	PROJECT DESCRIPTION	CAPITAL PROJECT FUNDS	OTHER FUNDS	TOTAL	REMARKS Governor's Recommendation
"MUST DO LIST"						
U/M	2	INSTALL FIRE ALARM	\$70,000		\$70,000	Install fire alarm system in Continuing Education, Fine Arts, Rankin Hall, Schreiber Gym and Botany Annex and connect fire alarm to BCC
	3	ROOF REPAIR/REPLACEMENT	\$280,000		\$280,000	Schreiber Gym \$208,000; Botany Building \$72,000
	11	SPRINKLER SYSTEM VARIOUS CAMPUS PROJECTS	\$632,000		\$632,000	
	13	HEALTH & SAFETY VARIOUS CAMPUS PROJECTS	\$345,000		\$345,000	
	14	STAIR ENCLOSURES & SECOND EXITS	\$280,000		\$280,000	
	16	FIRE ACCESS & HYDRANT UPGRADES	\$182,000		\$182,000	\$63,00 to fund the most serious problems
	19	RENOVATION, CHEM/PHARM	\$668,000		\$668,000	\$50,000 to prepare preliminary plans
	20	SIDEWALK REPLACEMENTS AND UPGRADES	\$367,920		\$367,920	

EXHIBIT 6DATE 1-16-91HB Long Range Building Program

LONG RANGE BUILDING PROGRAM

Bill Lannan

BOARD OF REGENTS PRIORITY by campus
Health & safety, major maintenance, handicap access and renovation projects

CAMPUS	PRIORITY	PROJECT DESCRIPTION	CAPITAL PROJECT FUNDS	OTHER FUNDS	TOTAL	REMARKS
MSU	6	REPLACE AND PROTECT STEAM AND CONDENSATE LINES	\$446,885	\$248,115	\$695,000	Partially funded at \$200,000 Capitol Projects Funds and \$200,000 Auxiliary Funds
	12	GAINES HALL FIRE DETECTION SYSTEM	\$288,000		\$288,000	
	18	RENNE LIBRARY RENOVATION	\$399,000		\$399,000	
EMC	3	ROOF REPLACEMENT/REPAIR	241000	\$350,000	\$591,000	Education Building \$91,000; HPER \$500,000
	9	VARIOUS CAMPUS PROJECTS	\$325,000		\$325,000	
	10	SCIENCE BUILDING FUME HOOD	\$11,000		\$11,000	
TECH	15	MAIN HALL RESTROOMS	\$59,400		\$59,400	
WMC	1	ELIMINATE PCB	\$70,000		\$70,000	
	3	REPLACE ROOF, ARTS & CRAFT BUILDING	\$20,330		\$20,330	Roof replacement \$20,330
BGVTC	3	COAT ROOF	\$20,000		\$20,000	Coat roof \$20,000
BVTC	3	COAT ROOF	\$15,000		\$15,000	Coat roof \$15,000
GFVTC	3	REPLACE ROOF	\$400,000		\$400,000	Replace roof \$400,000
	5	REPLACE CARPET	\$60,000		\$60,000	Replace carpet \$60,000
MVTC	17	RENOVATION, INSTRUCTIONAL KITCHEN	\$65,000		\$65,000	

LONG RANGE BUILDING PROGRAM

Bill Lannan

BOARD OF REGENTS PRIORITY by campus
Health & safety, major maintenance, handicap access and renovation projects

CAMPUS	PRIORITY	PROJECT DESCRIPTION	CAPITAL PROJECT FUNDS	OTHER FUNDS	TOTAL	REMARKS Governor's Recommendation
MUS/VT	3	REPLACE ROOF ON BUILDING "C"				
	3	REPLACE AND UPGRADE UNDERGROUND STORAGE TANKS	\$319,100		\$319,100	
	4	HANDICAP ACCESS	\$1,500,000		\$1,500,000	Handicap Access \$335,000
	8	ASBESTOS ABATEMENT	\$359,000		\$359,000	
	21	FACILITIES AUDIT	\$305,600		\$305,600	
		TOTAL ("MUST DO")	\$7,729,235	\$598,115	\$8,327,350	

FUNDS FROM CONTINGENCY SAVINGS ON OTHER
MUS/VT ROOF PROJECTS.

EXHIBIT 6
DATE 1-16-91
H. Long Range Building
Program

LONG RANGE BUILDING PROGRAM

Bill Lannan

BOARD OF REGENTS PRIORITY by campus
Health & safety, major maintenance, handicap access and renovation projects

CAMPUS	PRIORITY	PROJECT DESCRIPTION	CAPITAL PROJECT FUNDS	OTHER FUNDS	TOTAL	REMARKS Governor's Recommendation
"DEFERRED MAINTENANCE"						
UM	23	TUCKPOINTING & CAULKING	\$267,200		\$267,200	
	32	REPLACE LIBRARY HUMIDIFICATION SYSTEM	\$3,828,000		\$3,828,000	
	41	LIBRARY SHELVING PHASE I	\$353,500		\$353,500	
	45	LIBRARY FURNISHING PHASE I	\$240,000		\$240,000	
	52	MAJOR UTILITIES	\$165,000		\$165,000	
	53	RESTORE UNIV THEATER	\$300,000		\$300,000	
	55	TEMPERATURE CONTROLS	\$365,000		\$365,000	
	65	REPLACE WINDOWS, RANKIN HALL & CHEM/PHARM	\$264,000		\$264,000	
	69	RENOVATION, LAW SCHOOL BASEMENT LIBRARY	\$390,000		\$390,000	
	70	RENOVATION, SCIENCE COMPLEX	\$482,700		\$482,700	
	71	INSTALL AIR CONDITIONING CLINICAL PSYCHOLOGY BLD	\$65,000		\$65,000	

EXHIBIT

7

DATE

1-16-91

48

Long Range Building
Program

LONG RANGE BUILDING PROGRAM

Bill Lannan

BOARD OF REGENTS PRIORITY by campus
Health & safety, major maintenance, handicap access and renovation projects

CAMPUS	PRIORITY	PROJECT DESCRIPTION	CAPITAL PROJECT FUNDS	OTHER FUNDS	TOTAL	REMARKS Governor's Recommendation
72		RENOVATION, ART ANNEX	\$348,300		\$348,300	
73		CEILING REPAIRS AND REPLACEMENTS, VARIOUS CAMPUS PROJECTS	\$282,200		\$282,200	
74		MISC. RENOVATIONS	\$111,600		\$111,600	
75		ELEVATOR INSTALLATIONS, VARIOUS BUILDINGS	\$1,888,000		\$1,888,000	
**		REPLACE WATER MAINS				Project was funded during the 1989-91 biennium but requires an additional \$70,000 to complete
TOTAL U/M			\$9,350,500	\$0	\$9,350,500	

LONG RANGE BUILDING PROGRAM

Bill Lannan

BOARD OF REGENTS PRIORITY by campus
Health & safety, major maintenance, handicap access and renovation projects

CAMPUS	PRIORITY	PROJECT DESCRIPTION	CAPITAL PROJECT FUNDS	OTHER FUNDS	TOTAL	REMARKS Governor's Recommendation
MSU	22	REPAIRS & REPLACEMENTS FOR CENTRAL HEATING PLANT	\$1,490,000		\$1,490,000	
	33	REPLACE NATURAL GAS MAIN	\$98,000		\$98,000	This project has been completed because of emergency gas leaks.
	40	RENOVATE AND REPAIR CLASSROOMS	\$464,000		\$464,000	
	51	REPLACE WINDOWS, LINFIELD HALL	\$400,000		\$400,000	
	54	REPLACE FUEL & OIL TANKS	\$100,000		\$100,000	
	56	REPLACE WINDOWS, MONTANA HALL	\$110,000		\$110,000	
	60	REPLACE VENTILATION SYSTEM, REID HALL	\$880,000		\$880,000	
	66	RENOVATION, LINFIELD HALL	\$245,000		\$245,000	
	67	RENOVATION, HERRICK HALL	\$370,000		\$370,000	
	**	JOHNSON PLAZA ROOF REPAIR				Project was recommended after Regents determined priorities. \$300,000 funding from prior biennium (\$186,00) and Capitol Project Funds (\$113,220)
TOTAL MSU			\$4,157,000	\$0	\$4,157,000	

1-16-91
Long Range Building
Program

LONG RANGE BUILDING PROGRAM

Bill Lannan

BOARD OF REGENTS PRIORITY by campus
Health & safety, major maintenance, handicap access and renovation projects

CAMPUS	PRIORITY	PROJECT DESCRIPTION	CAPITAL PROJECT FUNDS	OTHER FUNDS	TOTAL	REMARKS
EMC	24	PRIMARY ELECTRICAL DISTRIBUTION	\$350,000		\$350,000	\$31,000 to move the Primary Electrical Vault
	34	LAB TABLES/TEACHING STATIONS, SCIENCE BLD.	\$25,000		\$25,000	
	35	HEATING & COOLING SYSTEM EDUCATION BUILDING	\$435,000		\$435,000	
	42	ART AREA MODIFICATIONS	\$55,000		\$55,000	
	46	WINDOW REPLACEMENT	\$297,000		\$297,000	
	57	AUTO BRIDGE	\$156,000		\$156,000	
	61	RENOVATION, HEATING PLANT SYSTEM	\$73,000		\$73,000	
	62	RENOVATION, EDUCATION BUILDING	\$50,000		\$50,000	
		TOTAL EMC	\$1,441,000	\$0	\$1,441,000	

LONG RANGE BUILDING PROGRAM

Bill Lannan

BOARD OF REGENTS PRIORITY by campus
Health & safety, major maintenance, handicap access and renovation projects

CAMPUS	PRIORITY	PROJECT DESCRIPTION	CAPITAL PROJECT FUNDS	OTHER FUNDS	TOTAL	REMARKS Governor's Recommendation
TECH	25	TUNNEL FLOOR & LEAK REPAIR	\$41,400		\$41,400	
	26	TUNNEL SUBSIDENCE	\$16,000		\$16,000	
	36	WINDOW RETROFIT MUSEUM BUILDING	\$142,000		\$142,000	
	39	INSULATE THREE BUILDINGS	\$18,800		\$18,800	
	47	REPLACE CARPET, MINING GEOLOGY & LIBRARY	\$51,300		\$51,300	
	48	ELECTRICAL LOOP	\$414,000		\$414,000	
		TOTAL TECH	\$683,500	\$0	\$683,500	

EXHIBIT 7
DATE 1-16-91
Hohng Range Building
Program

LONG RANGE BUILDING PROGRAM

Bill Lannan

BOARD OF REGENTS PRIORITY by campus
Health & safety, major maintenance, handicap access and renovation projects

CAMPUS	PRIORITY	PROJECT DESCRIPTION	CAPITAL PROJECT FUNDS	OTHER FUNDS	TOTAL	REMARKS
WMC	28	HEATING SYSTEM REPAIRS	\$135,500		\$135,500	\$57,900 will provide emergency power generator for boilers & replace valves on main steam boiler.
	37	WATER & SEWER SURVEY AND REPAIRS	\$30,000		\$30,000	
	43	HEATING CONTROLS & STEAM TRAP REPAIRS, OLD MAIN	\$21,000		\$21,000	
	49	MISC. REPAIRS & PAINTING	\$77,000		\$77,000	
	50	HOT WATER TANK & HEATER REPAIRS	\$12,500		\$12,500	
	63	REPLACE CARPET, OFFICE/CLASSROOM BLD.	\$31,000		\$31,000	
	64	REMODEL CLASSROOMS OLD MAIN HALL	\$100,000		\$100,000	
	68	REMODEL OLD MAIN HALL	\$2,695,000		\$2,695,000	
		TOTAL WMC	\$3,102,000	\$0	\$3,102,000	

LONG RANGE BUILDING PROGRAM

Bill Lannan

BOARD OF REGENTS PRIORITY by campus
Health & safety, major maintenance, handicap access and renovation projects

CAMPUS	PRIORITY	PROJECT DESCRIPTION	CAPITAL PROJECT FUNDS	OTHER FUNDS	TOTAL	REMARKS Governor's Recommendation
NMC	27	REPLACE WINDOWS COWAN HALL	\$200,000		\$200,000	
	38	SIDEWALK REPAIR BROCKMAN CENTER	\$23,000		\$23,000	Repair sidewalk \$23,000
	44	CORROSION CONTROL STUDY	\$26,000		\$26,000	Corrosion Control Study \$26,000
	58	HEATING SYSTEM RENOVATION, COWAN HALL	\$73,000		\$73,000	
	59	EXTERIOR REPAIRS, PERSHING HALL	\$92,500		\$92,500	
TOTAL NMC			\$414,500	\$0	\$414,500	

EXHIBIT 7
DATE 1-16-91
NEH Long Range Building
Program

LONG RANGE BUILDING PROGRAM

Bill Lannan

BOARD OF REGENTS PRIORITY by campus
Health & safety, major maintenance, handicap access and renovation projects

CAMPUS	PRIORITY	PROJECT DESCRIPTION	CAPITAL PROJECT FUNDS	OTHER FUNDS	TOTAL	REMARKS Governor's Recommendation
BGVC	30	EXHAUST SYSTEM, DIESEL LABORATORY	\$10,000		\$10,000	
		TOTAL BGVC	\$10,000	\$0	\$10,000	
BVTC	31	FOOD SERVICE & COMMONS RENOVATION	\$84,000		\$84,000	
		TOTAL BVTC	\$84,000	\$0	\$84,000	
HVTC	29	REFINISH STUCCO FACING AIRPORT SITE	\$25,000		\$25,000	
		TOTAL HVTC	\$25,000	\$0	\$25,000	
		TOTAL (DEFERRED MAINTENANCE)	\$19,267,500	\$0	\$19,267,500	

** NOT INCLUDED IN BOARD OF
REGENTS RECOMMENDATIONS

LONG RANGE BUILDING PROGRAM

Bill Lannan

BOARD OF REGENTS PRIORITY by campus
New construction and major remodeling
and authorization only projects.

CAMPUS	PRIORITY	PROJECT DESCRIPTION	BOND PROCEEDS	OTHER FUNDS	REMARKS
U/M	2	NEW BUSINESS ADMINISTRATION BUILDING	\$15,486,000		CPF \$604,705; BP \$12,558,395; OF \$2,322,900
		LIFE SCIENCES BUILDING		\$16,500,000	
		RENOVATE FOSSIL STORAGE ROOM SCIENCE BUILDING		\$100,000	Recommended
		RENOVATE STADIUM LOCKER ROOM		\$500,000	Recommended
		RENOVATE CENTENNIAL OVAL		\$1,000,000	Recommended
		VARIOUS CAMPUS PROJECTS		\$175,000	Recommended
		REPLACE UNDERGROUND STOR TANKS		\$180,000	Recommended
		CONSTRUCT UNDERGROUND ST LINE TO U.C. AND ABER HALL		\$100,000	Recommended
		RENOVATE BOILER TO ALTERNATE FUEL		\$229,000	Recommended
		RENOVATE TENNIS COURTS		\$300,000	Recommended
		TOTAL U/M	\$15,486,000	\$19,084,000	

EXHIBIT 8
DATE 1-16-91
Long Range Building
Program

LONG RANGE BUILDING PROGRAM

Bill Lannan

BOARD OF REGENTS PRIORITY by campus
New construction and major remodeling
and authorization only projects.

CAMPUS	PRIORITY	PROJECT DESCRIPTION	BOND PROCEEDS	OTHER FUNDS	REMARKS
MSU	1	ENGINEERING/PHYSICAL SCIENCES BUILDING	\$22,235,000		CPF \$1,165,290; BP \$17,734,460; OF \$3,335,250
		CENTENNIAL MALL		\$1,600,000	Not recommended
		TOTAL MSU	\$22,235,000	\$1,600,000	
EMC	3	EXPANSION OF GENERAL CLASSROOM/OFFICE BLD	\$16,500,000		
**		ABSARUKE HALL REMODELING			CPF \$71,640; BP \$1,228,360 Total \$1,300,00
TECH	4	METALLURGY BUILDING RENOVATION	\$3,845,000		Planning funds \$50,000
WMC		REMODEL STUDENT UNION BLD		\$600,000	Recommended

LONG RANGE BUILDING PROGRAM

Bill Lannan

BOARD OF REGENTS PRIORITY by campus
New construction and major remodeling
and authorization only projects.

CAMPUS	PRIORITY	PROJECT DESCRIPTION	BOND PROCEEDS	OTHER FUNDS	REMARKS
NMC	5	DONALDSON HALL RENOVATION	\$1,296,685		
		CONSTRUCT GYM		\$8,000,000	Recommended
		TOTAL NMC	\$1,296,685	\$8,000,000	
HVTC	6	DONALDSON BUILDING ADDITION	\$1,296,685		
GFVTC	7	FINISH SOUTHWESTERN PORTION OF BUILDING	\$525,000		
MVTC	8	CAMPUS DEVELOPMENT PLANNING	\$200,000		
		TOTAL MUS/VTC	\$100,402,055	\$57,968,000	
	**	NOT INCLUDED IN BOARD OF REGENTS RECOMMENDATIONS.			
	CPF-	CAPITOL PROJECT FUNDS			
	BP-	BOND PROCEEDS			
	OF-	OTHER FUNDS			

EXHIBIT 8
DATE 1-16-91
HB Long Range Building Program

EXHIBIT 9

DATE 1-16-91

HB Long Range
Building Program

Creating Montana Opportunities Today



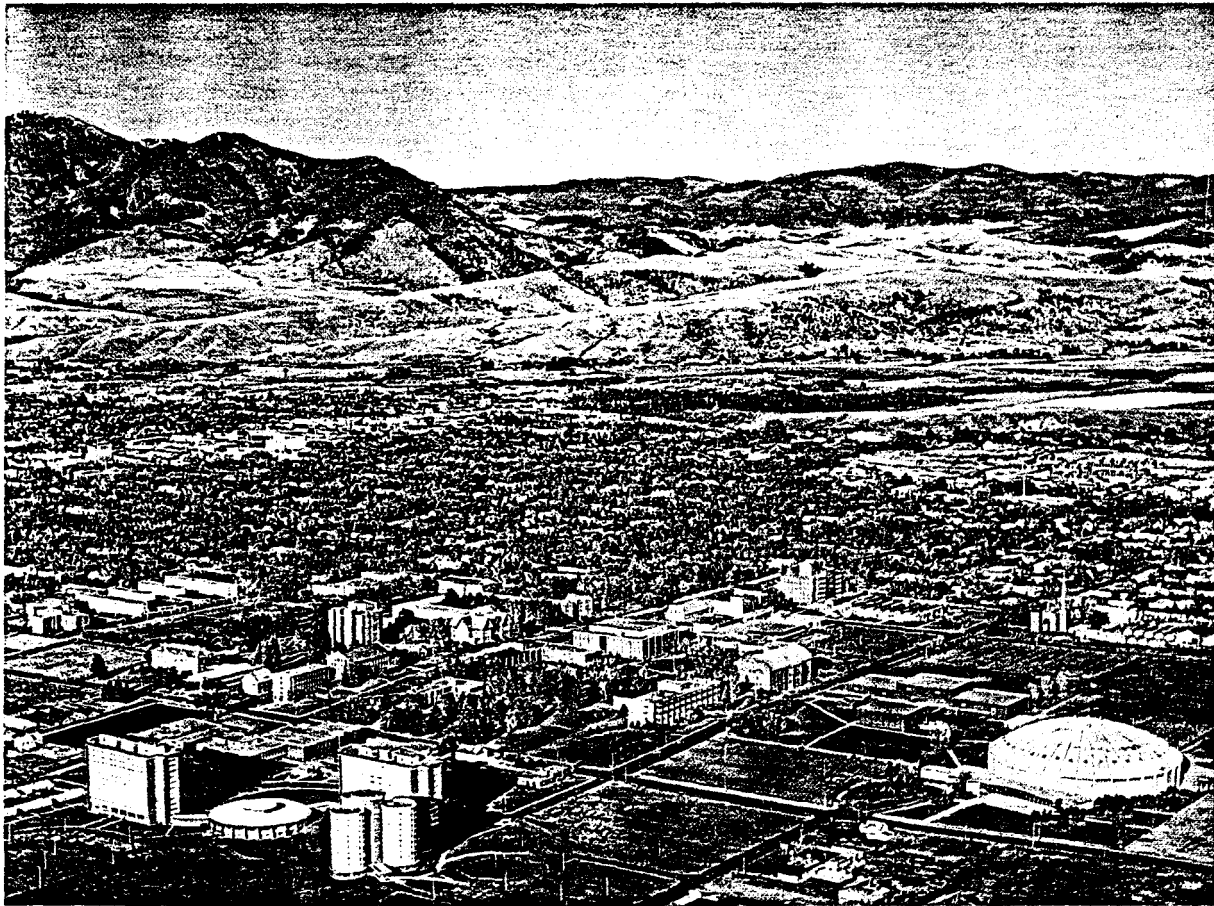
Engineering/Physical
Sciences Complex

Montana State University
Bozeman, Montana

EXHIBIT 10
DATE 1-16-91
HB Long Range Building
Program

**MONTANA STATE UNIVERSITY
1991 BIENNIUM LRB REQUEST**

**EXECUTIVE SUMMARY FOR
LONG-RANGE PLANNING SUBCOMMITTEE**



**MONTANA STATE
UNIVERSITY**



BOZEMAN, MONTANA 59717

MONTANA UNIVERSITY SYSTEM
LONG RANGE BUILDING PROGRAM
1993 BIENNium
REGENT PRIORITIES

EXHIBIT 11
DATE 1-16-91
HB Long Range Building Program

THE UNIVERSITY OF MONTANA
AND
WESTERN MONTANA COLLEGE
OF
THE UNIVERSITY OF MONTANA

"MUST DO"

CAMPUS	PROJECT DESCRIPTION	AMOUNT	PRIORITY
HEALTH AND SAFETY			
WMC	ELIMINATE PCB	\$70,000	1
UM	INSTALL FIRE ALARMS	70,000	2
UM/WMC	REPLACE UNDERGROUND STORAGE	180,600 UM 38,500 WMC	3
WMC	ASBESTOS ABATEMENT	159,000	8
UM	SPRINKLER SYSTEM UNIVERSITY HALL RANKIN HALL	632,000	11
UM	CAMPUS PROJECTS TRANSOMS SAWDUST COLLECTOR FIRE ALARMS TO BCC STAIR ENCLOSURES FIRE ACCESS & HYDRANT UPGRADES	737,000	13,14,16

**MONTANA UNIVERSITY SYSTEM
LONG RANGE BUILDING PROGRAM
1993 BIENNIUM
REGENT PRIORITIES**

**THE UNIVERSITY OF MONTANA
AND
WESTERN MONTANA COLLEGE
OF
THE UNIVERSITY OF MONTANA**

"MUST DO"

CAMPUS	PROJECT DESCRIPTION	AMOUNT	BOR PRIORITY
HANDICAPPED ACCESSIBILITY			
UM/WMC	HANDICAPPED ACCESSIBILITY ELEVATOR MODIFICATIONS MAGNETIC DOOR HOLDERS RESTROOM ACCESSIBILITY LIFTS HAND RAILS EXITS	317,370	4
MAJOR MAINTENANCE			
UM/WMC	ROOF REPAIR SCHRIEBER GYM BUILDING 32 SCIENCE COMPLEX BOTANY	582,000 UM	7
	ROOF REPAIR INDUSTRIAL ARTS	83,130 WMC	
UM	CHEMISTRY/PHARMACY RENOVATION	668,000	19
UM	SIDEWALKS	367,920	20
	TOTAL	<u>3,905,520</u>	

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 HB Long Range Building
Program

**MONTANA UNIVERSITY SYSTEM
 LONG RANGE BUILDING PROGRAM
 1993 BIENNIUM
 REGENT PRIORITIES**

**THE UNIVERSITY OF MONTANA
 AND
 WESTERN MONTANA COLLEGE
 OF
 THE UNIVERSITY OF MONTANA**

DEFERRED MAINTENANCE

\$5,905,300

CAMPUS	PROJECT DESCRIPTION
UM	TUCKPOINTING & CAULKING
WMC	HEATING SYSTEM REPAIRS
UM	REPLACE LIBRARY HUMIDIFICATION SYSTEM
WMC	WATER & SEWER SURVEY & REPAIRS
UM	LIBRARY SHELVING PHASE I
WMC	HEATING CONTROLS & STEAM TRAP REPAIRS, OLD MAIN
UM	LIBRARY FURNISHING PHASE I
WMC	MISCELLANEOUS REPAIRS & PAINTING
WMC	HOT WATER TANK & HEATER REPAIRS
UM	MAJOR UTILITIES
UM	RESTORE UNIVERSITY THEATER
UM	TEMPERATURE CONTROLS
WMC	REPLACE CARPET, OFFICE/CLASSROOM BUILDING
WMC	REMODEL CLASSROOMS, OLD MAIN
UM	REPLACE WINDOWS, RANKIN HALL & CHEM/PHARM
WMC	REMODELING, OLD MAIN
UM	RENOVATION, LAW SCHOOL BASEMENT LIBRARY
UM	RENOVATION, SCIENCE COMPLEX
UM	INSTALL AIR CONDITIONING, CLINICAL PSYCHOLOGY
UM	RENOVATION, ART ANNEX
UM	CEILING REPAIRS & REPLACEMENTS, VARIOUS
	CAMPUS PROJECTS
UM	MISCELLANEOUS RENOVATIONS
UM	ELEVATOR INSTALLATION, VARIOUS BUILDINGS

THE UNIVERSITY OF MONTANA
AND
WESTERN MONTANA COLLEGE
OF
THE UNIVERSITY OF MONTANA

LONG RANGE BUILDING PROGRAM
1993 BIENNium

AUTHORIZATION ONLY

CAMPUS	PROJECT DESCRIPTION	OTHER FUNDS
UM	LIFE SCIENCES BUILDING	\$12,000,000
UM	RENOVATION: FOSSIL STORAGE ROOM 320 SCIENCE COMPLEX	100,000
UM	LOCKER ROOM: WASHINGTON GRIZZLY STADIUM	500,000
UM	RENOVATION: CENTENNIAL OVAL	1,000,000
UM	STUDENT BUILDING FEE PROJECTS	175,000
UM	REPLACE UNDERGROUND STORAGE TANKS	180,600
UM	CONSTRUCT UNDERGROUND STEAM LINE TO U.C. AND ABER HALL	100,000
UM	RENOVATE BOILER TO ALTERNATE FUEL	229,000
UM	RENOVATE TENNIS COURTS	300,000
WMC	STUDENT UNION REMODEL	600,000
	TOTAL	<u>\$15,184,600</u>

12
EXHIBIT
DATE 1-16-91
HB Long Range
Building Program

BOARD OF REGENTS
LONG RANGE BUILDING PROGRAM
1991-1993

University of
Montana



Consider
Building
Program

Why Does The University of Montana Need a New Business Administration Building?

In the mid-1970s, the business building reached its capacity with approximately 850 students and 20 faculty. Today the number of business majors has increased to 1,900 and full-time faculty is 35. With a program that represents 20% of the student body, the building is completely inadequate for current and future needs. The University is attempting to obtain \$15.5 million dollars in appropriations from the state legislature for a new business building and here are the reasons why:

Enrollment has doubled since the mid-1970s...

The old 1950-business building cannot adequately house faculty or students. With a new business building, there would no longer be a shortage of available classrooms and business classes would no longer be held in other buildings across campus. Faculty would no longer be housed in three different buildings. Centralization would also enhance student advising.

Maximum occupancy of current rooms is either 50 or 80 students. In the new building, up to 200 could enroll in introductory business classes and more students could hear visiting guest lecturers. Smaller classrooms in the new building would accommodate graduate seminars.

A new building would provide disabled students with access to faculty and classrooms located on the second and third floor. At present, only the first floor is reachable.

More space will allow us to help more Montanans...

A new building would provide space for the Montana Entrepreneurship Center (MEC). The University of Montana is the state MEC headquarters for linking Montana business owners and entrepreneurs with a newly designed, comprehensive data base. Its purpose is to use the strengths of Montana's university system to address business development and economic diversification by providing information that will encourage and support entrepreneurship. Three locations (Missoula, Bozeman and Billings) facilitate accessibility by business people and entrepreneurs throughout the state. Currently the MEC is located in the Physical Education Building.

A new building would provide adequate space for the Bureau of Business and Economic Research. The Bureau services Montana by providing vital state and local economic analyses and also conducts research projects for government agencies, private organizations and various industry groups. The Bureau has outgrown its present office space.

A new building would provide adequate room for the Small Business Institute (SBI) which provides consulting services to established businesses and to individuals who are planning to start a business. Over 100 seniors and graduate students annually provide analyses and consultation to Montana businesses through SBI, which is currently located in the corner of a faculty office.

A new building would provide space for the innovative telecommunications facility necessary for satellite transmission of the MBA program to eastern Montana. Under present conditions, live telecourses must be temporarily set up for each class period--and done in a building outside of the business school!

CON'EER ENGINEERING INCORPORATED

DATE 1-16-91
1629 1/2 AVENUE D, SUITE 7C
BILLINGS, MT 59102
406-252-3237

MECHANICAL/ELECTRICAL PROFESSIONAL ENGINEERS

January 8, 1991

Eastern Montana College
1500 North 30th
Billings, MT 59103

Attn: Mr. Dick Hedman

Re: 4160 Volt
Campus Electrical Service

Dear sir:

This day, I have performed a refresher walk through of the main electrical distribution vault and comment as follows:

We feel that the main campus switching vault, located below Rimrock Hall, is a safety hazard to your maintenance personnel or anyone entering the vault.

Working clearances and equipment spacings and elevations are the major problems. Specific violations of the current National Electrical Code (NEC) are as follows:

1. Unguarded, energized parts exist well below the 8'-6" minimum required by the NEC.
2. The required 5' working clearance is not maintained where live parts exist on both sides of the working space.
3. There is only one entrance to the vault. An entrance is required at each end if distribution equipment is over 6' wide.
4. The minimum required working clearance is not maintained between the vault exit and certain pieces of electrical distribution equipment.

There are also working clearance violations in many of the building transformer vaults throughout the campus.

Our final concern is the existence of any exposed, energized 4160 volt bus in the switching vault. Because the vault door is locked and accessible to campus or utility company employees only, the NEC does not prohibit this type of installation. However, we do not believe the campus can justify the cost of employing a qualified high-voltage electrician and helper to access these switches when needed. An accidental grounding to these voltages is normally fatal, and campus personnel are normally not qualified to work in this environment.

Sincerely,

CON'EER ENGINEERING, INC.



Scott A. Ritter, P.E.

SAR:ckd

DATE 1-16-91
HB Long Range
Smiley Program

MONTANA TECH

LRBP PROPOSAL

52nd. MONTANA LEGISLATURE

MONTANA TECH

MAJOR DEFERRED MAINTENANCE PROJECTS

Tunnel subsidence study	16,000*
Main Hall electrical project	72,000
Main Hall general maintenance	75,000
Remodel Main Hall toilets	59,400*
Main Hall heating system maintenance	63,000
Petroleum Building general maintenance	45,000
Raze stack at Mill Building	10,000
Roof repair, Mill Building	15,000
Remove old boilers, Mill Building	15,000
Electrical retrofit, Mill Building	22,000
Repair exterior concrete steps	18,000
Repair tunnel floors and paint	41,400*
Replace Museum Building windows	142,000*
Exterior paint, two buildings	10,000
Sidewalk repair (incl. steps behind Library)	50,000
Resurface academic and recreational locker room floors	18,000
Repair roads and drives	85,000
Replace shades, blinds in classrooms	15,000
Replace carpet, M.G. bldg and Library	51,300*
Engineering Hall renovation	224,000
Metallurgy Building renovation	3,845,000*
Repair soffets, Engineering Bldg, Main Hall	15,000
Preventative Maintenance Program	<u>37,000</u>
	\$4,944,100

PRIORITY #1

EXHIBIT 15
DATE 1-16-91
HB Long Range Planning
Program

Project Title: Tunnel floor and leak repair/Subsidence study

Project Description: This item combines repair of a section of the walk-through tunnel and the study of a utility tunnel to determine the danger of further settling.

Cost: \$57,400 combined cost (pedestrian tunnel repair-\$41,400; subsidence study-\$16,000)

Justification and Benefits: Sections of the tunnel that are used by students, faculty, and staff on a regular basis (it also houses utilities) are leaking badly and the floor is uneven enough to cause a tripping hazard. The leaks need to be stopped to prevent further deterioration of the concrete. The subsidence study is of a section of utility tunnel that has settled and cracked over the last several years. If much more settling occurs the steam lines could rupture endangering lives and damaging property.

PHOTOS OF TUNNEL DETERIORATION AND SETTLING



PRIORITY #2

Project Title: Window retrofit, Museum Building

Project Description: Replace existing windows with modern, energy efficient windows.

Cost: \$142,000

Justification and Benefits: The existing windows are metal framed factory type windows installed when the building was built in the late 1930's. They are warped with age and do not shut properly. This warpage and the fact that the frames are metal and the glass is single pane make them very inefficient. Replacing the windows will save considerable energy and improve comfort for the students, faculty, and staff. The improved temperature control will also reduce operating difficulties with large amount of seismographic and computer equipment in the building.

PHOTOS OF THE MUSEUM BUILDING WINDOWS



EXHIBIT 15
DATE 1-16-91
HB Long Range Planning
Project

PRIORITY #3

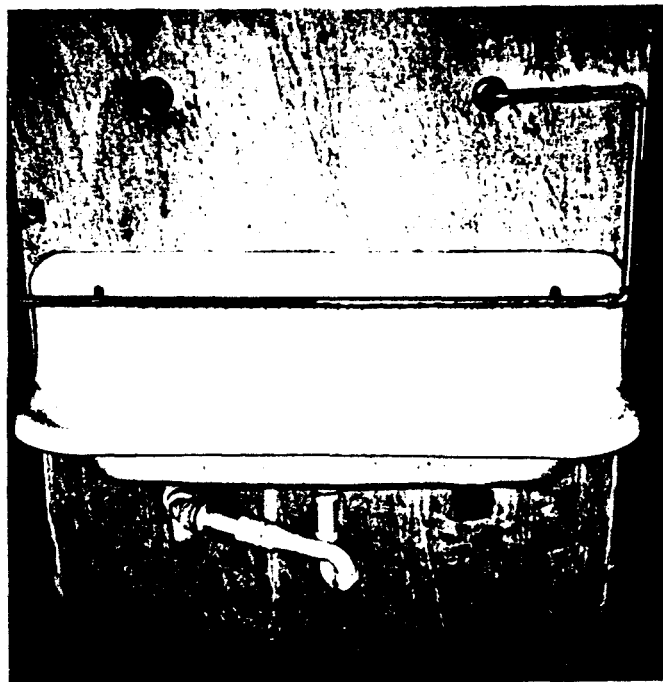
Project Title: Main Hall Restrooms

Project Description: The project is to modernize and upgrade the men's toilet in the basement of Main Hall.

Cost: \$59,400

Justification and Benefits: Main Hall is the oldest campus building, completed in 1906. It houses the Bureau of Mines as well as faculty offices and classrooms and has considerable traffic by visitors and campus personnel. The only public toilets are in the basement and the men's toilet is in deplorable condition. Repair and upgrade will make the facility more sanitary and more presentable to the public.

PHOTOS OF THE MAIN HALL MEN'S RESTROOM



PRIORITY # 4

Project Title: Handicapped access, University System request.

Project Description: As a portion of the system-wide effort, this would provide access to the upper floors of two heavily used campus buildings.

Cost:	Engineering Hall	\$75,000
	Museum Building	\$156,800

Justification and Benefits: Each of these buildings has activities on the upper floor(s) that involve students and faculty. The Museum involves the public access also. At present mobility impaired people can access the first floors only. The projects priced above would install a chair lift only in Engineering Hall and a small elevator in the Museum Building. The Main Hall is not handicapped accessible either but was not included in this request because the scope of the solution is considerably more than either of the above and will be submitted in a future session as a separate item.

PRIORITY #5

Project Title: This page lists three projects requested in our submittal. They are important items, but of lower priority than those previous.

Insulation: This request would insulate the attic of Main Hall, under the floor of Engineering Hall, and miscellaneous other areas in the older buildings

Cost: \$18,800

Electrical Loop: This request is to provide the capability to "back feed" electrical power to campus buildings in case of failure of underground cable or circuit components. At present the campus buildings are strung out on single line feeders. A failure of one of those feeders could leave one or more buildings without power, causing us to cancel classes and/or sustain serious damage due to lack of heat. Had that happened in the recent cold spell Tech would have had problems similar to those suffered by Carroll College as a result of the train accident and resultant power outage several years ago.

Cost: \$414,000

Floor Coverings, Mining/Geology and Library: The carpet in both of these buildings is the original (Mining/Geology-1972; Library-1977). The Mining/Geology Building is particularly bad and both buildings need floor covering replaced soon.

Cost: \$51,300

PRIORITY: Board of Regents Capitol Construction Priority #4

Project Description: This request is to renovate the existing Metallurgy Building. The work will modernize the utilities, repair the years of deterioration, and remodel the interior to house the Chemistry Department and other departments that use similar facilities and materials.

Cost:	Design, Administrative Fees	\$ 353,300
	Moveable and Fixed Equipment	160,000
	Construction Cost, temporary relocation	<u>3,331,700</u>
	<u>Est Total</u>	\$3,845,000

Justification and Benefits: The Metallurgy Building (now called the Chemistry Building) was built in 1928 and little interior renovation has taken place since. It is structurally sound, has a good roof, has had the windows replaced within the last 15 years, and has been made 90% accessible to the handicapped. The exterior remains attractive and in good condition.

Unfortunately, the interior is terribly outdated and deteriorated, especially the laboratories. The electrical service and plumbing are just short of being unsafe. Utilities do not come close to meeting the needs of the Chemistry Department and certainly cannot meet the demands that will result by moving in other functions. Floors have been patched, in some places very poorly, and rooms are very large and often do not meet today's concept of lab size and arrangement.

The remodeling would allow Montana Tech to update the Chemistry facilities to meet today's demands and would allow us to move departments such as Biology, Environmental Engineering, and the Analytical Laboratory into the building. This would free space in other buildings which are now overcrowded. It would also combine several activities that use similar labs and would centralize the storage and use of chemicals and other potentially hazardous materials. Most important, the proposed renovation would rectify a potentially unsafe and hazardous situation in a heavily used space.

Photos (next page): Clockwise from upper left: basement hall ceiling, freshman chem lab, 3rd floor grad student lab, main floor research lab

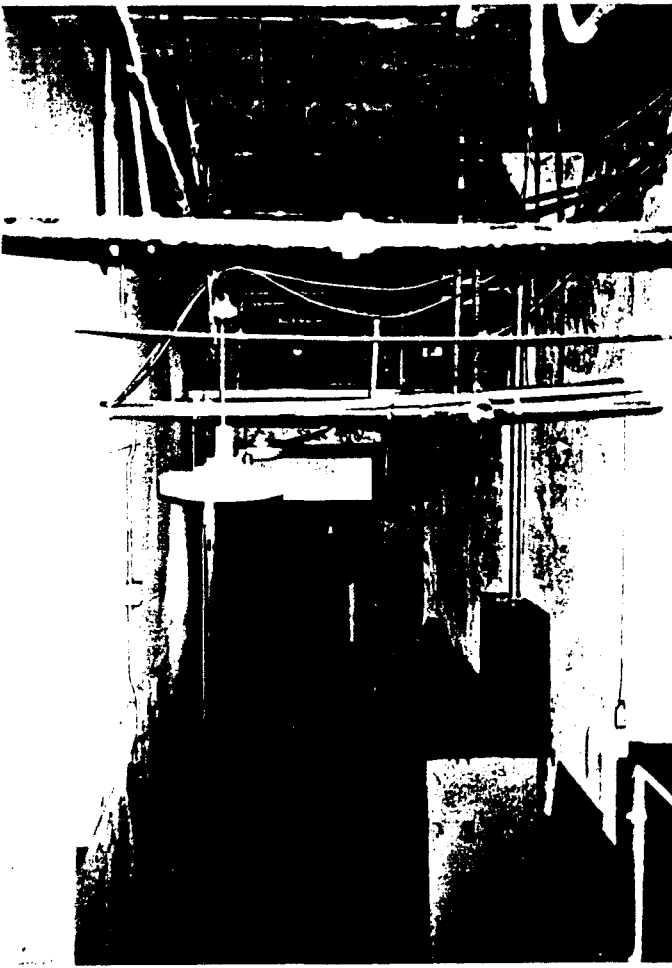


EXHIBIT 15

DATE 1-16-91

HB Long Range Building Project

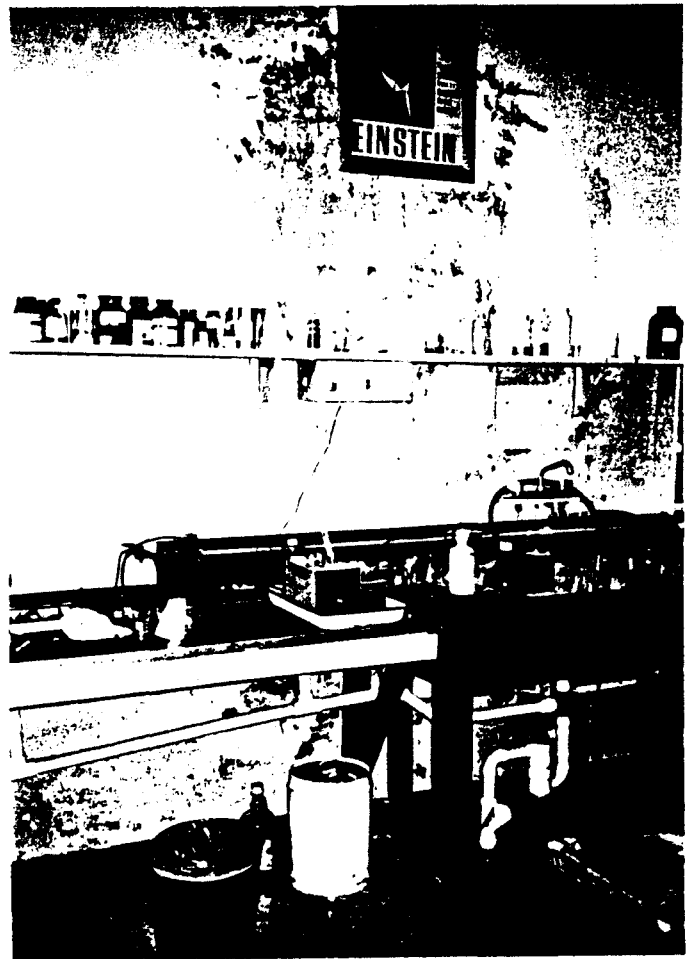
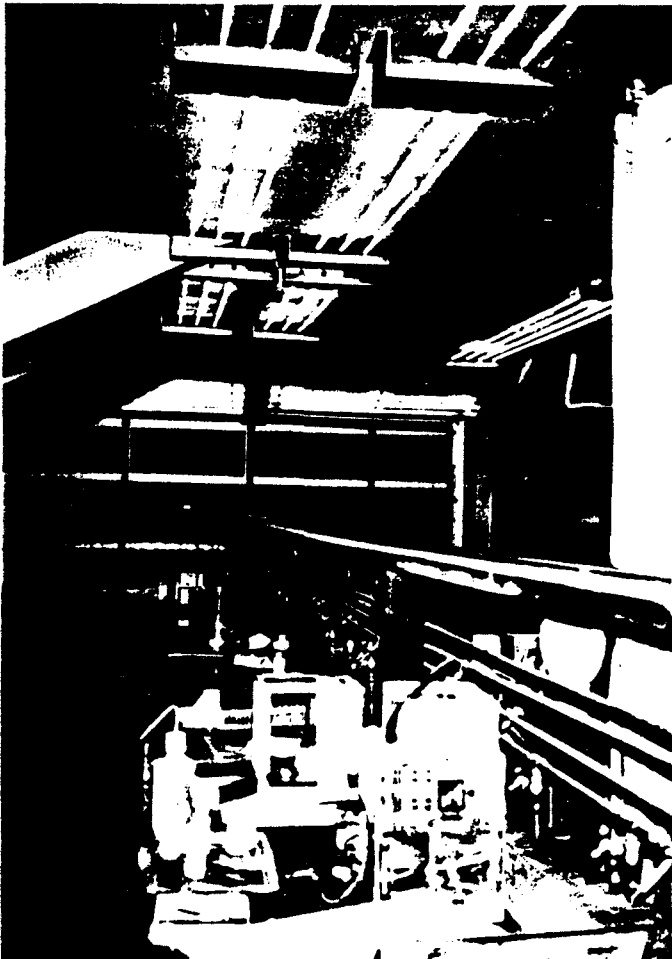
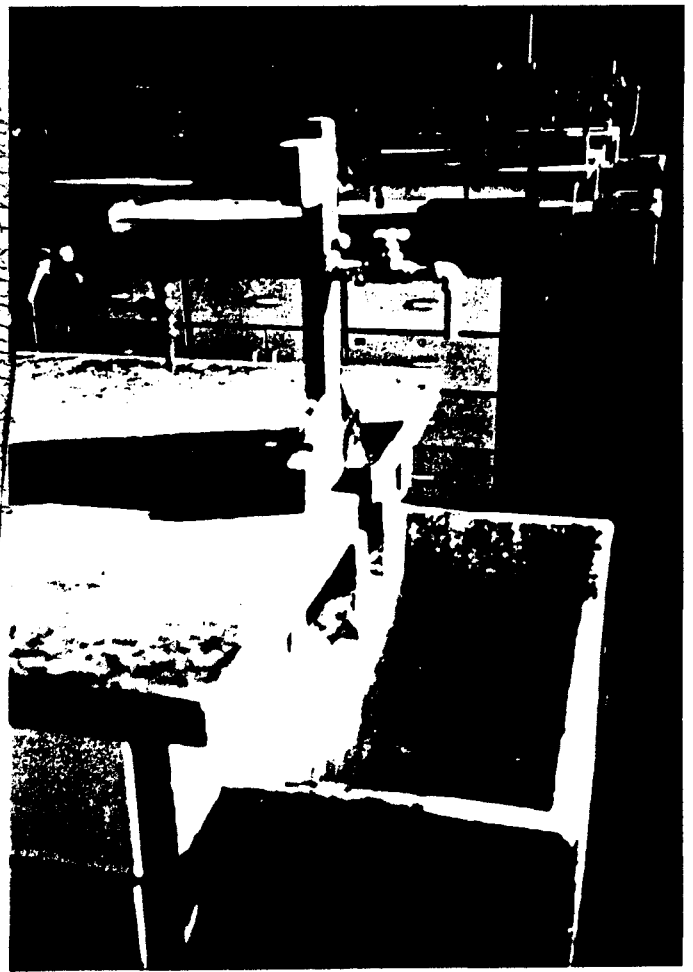


Exhibit 15 contains a map of Montana Tech campus. The original is available at the Montana Historical Society, 225 North Roberts, Helena, MT 59601. (Phone 406-444-4775)

VISITOR'S REGISTER

AGENCY (S)

Long Range Planning
University System

SUBCOMMITTEE

DATE

1-16-91

DEPARTMENT

NAME	REPRESENTING	SUP- PORT	OP- POSE
Bill Lanner	Mont. Univ. System	-	
John M. Hutchinson	"	✓	
Lana Guanchetta	UM		
Tom Connell	AE	✓	
Tom Connell	AE	✓	
Patrick M. Wilson	UM	✓	
Kirk Fey	EMC / MAS	✓	
Ed Whipple	EMC	✓	
Bill Markham	Board of Regents		
Don Labat	UM	✓	
Tom Connell	UM	✓	
Don Connell	EMC	✓	
Ken Heikes	EMC	✓	
Bradley R. Schumann	OCHE / MAS	✓	
Ron Saxon	EMC	✓	
John W. Schumann	UM	✓	
John Starke	UM	✓	
W. Schumann	WMC	✓	
W. Schumann	WMC	✓	
W. Schumann	WMC	✓	

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

VISITOR'S REGISTER

AGENCY(S) Long Range Planning SUBCOMMITTEE
University System DATE 1-16-91
DEPARTMENT _____

NAME	REPRESENTING	SUP- PORT	OP- POSE
Phil Rouse	MSU	✓	
Carroll Johnson	Bd of Regents	✓	

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