

**2013 HOUSE ENERGY AND NATURAL RESOURCES**

**HB 1206**

# 2013 HOUSE STANDING COMMITTEE MINUTES

House Energy and Natural Resources

Pioneer Room, State Capital

HB 1206  
Jan 24, 2013  
17712

Conference Committee



Relating to the state Water Commission

**Minutes:**



**Rep. Porter:** We will open the hearing on HB 1206.

Rep. Schmidt: I would like to cover my experiences with the water resources. There are 2 agencies in the federal government that deal with water projects. One is the Corp of Engineers and other one is the Natural Resources Conservation Service. The NRCS for which I worked with for 33 years and directly responsible for flood control project planning in the state of Washington and Alaska and 5 years in the state of North Dakota. I have been involved in water for a number of years in my career.

This bill was initiated after one of our water interim meetings and started a meeting with Senator George Nodland and Senator Fischer and myself. The need that we were looking was because of the increased water issues. HB 1206 does 2 things; it changes the process of how the State Water Commission members are appointed. It establishes the process to prioritize water projects that are requesting state funds, it establishes the state engineer and staff as a state agency without changing any other duties and it also requires a cost benefit analysis equal to the difficulty of those projects. On page 2 to line 13 (see bill)

Rep. Anderson: I am in the Mouse river Basin; we have with the counties up stream draining water into the downstream county which I live in. Would this help us?

Rep. Schmidt: I believe it would help you because this involves all of those within that drainage area to prioritize those projects within that drainage area.

Rep. Hofstad: Let's assume that there are some farmers that decide that this is a drainage project that we think that we need so they go to the local water resource board and they outline the project to the water resource board. The water resource board takes a vote on it they determine that there is a need there and they go to that group of farmers and they say" we agree that there is a need you have the choice of bonding for the upfront expenses of the project or we will incur them. Now that project goes forward they hire the people to develop the area. If they go to the people and they do get that approval from the vote. It looks to me like now they have to go to one of your boards that would be a jurisdictional board. So now we have been stopped in that process and now we get them involved in this process which really midstream because they haven't be involved in this process up to this point. So how does this help this process?

Rep. Schmidt: We had that issue regarding the lower Missouri River with a sand bar. We went to the vote of the people that were benefiting by it. They voted yes for it and we had the funds to go ahead and do that. I don't believe that kind of activity is the same as some of the others ones that are requesting larger number funds from the state itself.

Rep. Hofstad: There is a level of participation from the State Water Commission there is a grant process with most of these small projects. At some point that group goes to the State Water Commission to coordinate that funding. How does this river basin fit into that mix? It seems to me that we now have an obstacle on the way to construction of that project.

Rep. Schmidt: I don't plan for this to be an obstacle.

Rep. Keiser: This may be a great concept but we are trying to understand it. As I read through it currently the State Water Commission is the state (interrupted)

Rep. Schmidt: We came forth with that proposal had to go to the association and the association then takes it to the water coalition for consideration. What this would be is the Missouri River is that we would take the \$600.000 dollars request and take it to the lower Missouri River Basin Commission and work through that way.

Rep. Damschen: Referring back there really wouldn't be another layer it would be going to a different water commission.

Rep. Schmidt: That is correct.

Rep. Damschen: There has been a push toward watershed government and in other camps there has been strong resistance to that idea. Does this move us closer to farther from that?

Rep. Schmidt: I don't want to push the idea of watershed based planning because our jurisdictional boundaries for water boards is on the county level and needs to stay like that.

Rep. Silbernagel: We have been involved in quit a number of emergency flooding events in the last years. How would this address the flexibility of to respond quickly to needs of the water districts? Would this enhance it?

Rep. Schmidt: I would let the legislative process deal with that because I do not want to take away any of the need for the emergency action.

Rep. Hofstad: We are talking about different pools of money. The water commission's budget is kind of divided into different pools. I am not sure how this prioritization process works. It doesn't work when we talk about irrigation projects or those project funds because those funds are in policy with the State Water Commission. Are you looking at different parts of that budget and different prioritizations within that budget or are you looking at it overall from top to bottom?

Rep. Schmidt: I would be more selective.

Mike Dryer: I represent North Dakota Water Resource District; this is an uncomfortable situation because as Rep. Schmidt he is a water manager so I am representing one of my clients. The North Dakota Water Resource District opposes HB 1206 for a number of reasons. We do believe this create another level of government. Another reason we are opposed is because of the extra expense. You may be talking about \$400,000 for each one of these river basin commissions to do this work. I know North Dakota is in a favorable economic climate but we don't think this would be a justifiable expense when the legislature says "we do want a water broads to work together" The final thing is that you do have such different water projects. Most of the seventeen western states have state engineers and few states have gone to the department of water resources and North Dakota we have the state engineer

who is the chief engineer and a secretary of the water commission. Other western states feel we have done it right.

Rep. Keiser: Clearly there are some projects that are large that they shouldn't be in the priority of these river basins. For our current system and the way it is organized is there any degree of frustration that one of those water districts" we really want that project but we can't get it prioritized by the state water commission" Is that happening?

Mike Dryer: No the projects have not gotten money because they haven't been prioritized by the joint board. There have been no frustrations on the part of water boards in terms of lack of priorities.

Jeff Frith: I am the manager of the Devils Lake Basin Joint Water Resource Board; I am here to testify in opposition of HB 1206. We do feel that this bill is adding another government and not sure what the bill would accomplish. The other issue I would like to point out about the 6 water basins is lumping together the Sheyenne and the James. The Sheyenne drains into the Red River the James drains into the Missouri there is a bit of conflict of interest there.

Loran Dewitz: I am a retired farmer from Kidder County; the system that we have has worked well. When I read this bill my first reaction was " is this a solution looking for a problem"

Rep. Porter: We will close the hearing on HB 1206.

# 2013 HOUSE STANDING COMMITTEE MINUTES

House Energy and Natural Resources

Pioneer Room, State Capital

HB 1206  
February 14, 2013  
18953

Conference Committee

*Eminette*

Relating to the State Water Commission

**Minutes:**

Rep. Porter: We will open HB 1206

Rep. Schmidt: What we have is HB 1206 and it is a hog house amendment it was first drafted by the State Water Commission and the Governor's staff. From that point I reviewed with a number of co-signers of the bill and you have that before you. I would like to briefly go over those points that we added after the State Water Commission drafted this amendment.

The underlined part the 3<sup>rd</sup> line down where it says "development plan organized" we added on a river basin perspective meaning that when a plan is developed by the State Water Commission that those projects that are listed there will be put together based on a river basin.

The next part comes down to where it says "over \$500,000" the line above that added in "including a project cost benefit analysis for projects over \$500.000.

Rep. Hofstad: I think this brings us to a better place in water management and water development in our state. I support this we need to continue and work on this and make the policy come from us the policy makers. The State Water Commission doesn't have the guidance right now they do it by committee.

Rep. Porter: We have a motion by Rep. Schmidt and a second by Rep. Nathe Voice to move the amendment. Voice vote motion carries.

Rep. Porter: We have a motion for a do pass as amended to HB 1206 from Rep. Schmidt and a second from Rep. Hofstad Motion carried.

Yes 12 No 0 Absent 1 Carrier Rep. Schmidt

February 14, 2013

2/14/13  
JMC

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1206

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact section 61-02-01.3 of the North Dakota Century Code, relating to development of a comprehensive water development plan; and to provide for a legislative management study.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1.** Section 61-02-01.3 of the North Dakota Century Code is created and enacted as follows:

**61-02-01.3. Comprehensive water development plan.**

Biennially, the commission shall develop and maintain a comprehensive water development plan organized on a river basin perspective, including an inventory of future water projects for budgeting and planning purposes. As part of the commission's planning process, in order to facilitate local project sponsor participation and project prioritization and to assist in project cost-benefit analysis for projects expected to cost more than five hundred thousand dollars, the commission shall develop a policy that outlines procedures for commissioner-hosted meetings within the Red River, James River, Mouse River, upper Missouri River, lower Missouri River, and Devils Lake drainage basins.

**SECTION 2. LEGISLATIVE MANAGEMENT STUDY - WATER PROJECT PRIORITIZATION.** During the 2013-2014 interim, the legislative management shall conduct a study to evaluate current water project prioritization processes for effectiveness in determining high priority water projects for state water commission funding. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly."

Renumber accordingly

Date: 2-14-13  
Roll Call Vote #: 1

**2013 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1206**

House Natural Resources Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Rep Schmidt Seconded By Rep Nathe

Representatives	Yes	No	Representatives	Yes	No
Chairman Todd Porter			Rep. Bob Hunsakor		
Vice Chairman Chuck Damschen			Rep. Scot Kelsh		
Rep. Jim Schmidt			Rep. Corey Mock		
Rep. Glen Froseth					
Rep. Curt Hofstad					
Rep. Dick Anderson					
Rep. Peter Silbernagel					
Rep. Mike Nathe					
Rep. Roger Brabandt					
Rep. George Keiser					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

*to move the amendment*

*Vote Carrier*



Date: 2-14-13  
 Roll Call Vote #: 1

**2013 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. 1206**

House Natural Resources Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Rep Schmidt Seconded By Rep Hofstad

Representatives	Yes	No	Representatives	Yes	No
Chairman Todd Porter	✓		Rep. Bob Hunskor	✓	
Vice Chairman Chuck Damschen	✓		Rep. Scot Kelsh	✓	
Rep. Jim Schmidt	✓		Rep. Corey Mock	✓	
Rep. Glen Froseth	✓				
Rep. Curt Hofstad	✓				
Rep. Dick Anderson	✓				
Rep. Peter Silbernagel	✓				
Rep. Mike Nathe	✓				
Rep. Roger Brabandt	✓				
Rep. George Keiser	✓				

Total (Yes) 12 No 0

Absent 1

Floor Assignment Rep Schmidt

If the vote is on an amendment, briefly indicate intent:

Do pass as amended to HB 1206

**REPORT OF STANDING COMMITTEE**

**HB 1206: Energy and Natural Resources Committee (Rep. Porter, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1206 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact section 61-02-01.3 of the North Dakota Century Code, relating to development of a comprehensive water development plan; and to provide for a legislative management study.

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Renumber accordingly

**2013 HOUSE APPROPRIATIONS**

**HB 1206**

## 2013 General Discussion

(Check appropriate box)

- Committee on Committees
- Rules Committee
- Confirmation Hearings
- Delayed Bills Committee
- House Appropriations
- Senate Appropriations
- Other

Date of meeting/discussion: February 8, 2013

Recorder Job Number: 18580

Committee Clerk Signature



Minutes:

**Chairman Skarphol:** We had a number of technology issues yesterday. Does the administrative part of the water commission run on a pc platform?

**Lisa Feldner, ND Information Technology Department:** I'm think the administrative side runs on pc.

**Chairman Skarphol:** Would it seem logical that they should be migrating toward the common standard that we've been using? Should we just let them operate on that unique environment? How do you feel about their security of their hardware?

**Lisa Feldner:** They had been talking with us a while back about putting some of their equipment in the data center. (Showing a map of the data center)

**Chairman Skarphol:** Would that be a more secure area than what they're currently in?

**Lisa Feldner:** Yes.

**Chairman Skarphol:** Do we have issues with regard to security on the others? What conversations are taking place there?

**Lisa Feldner:** I talked with the PSC about putting their stuff in the data center; instead of having it in the tower; and it wasn't very well received.

**Mike Ressler, Deputy CIO, ND Information Technology Department:** When we had the power outage, we upgraded that data center; and we created that second room. Agencies that said they had an exemption or waiver still had the opportunity to put their equipment in a facility that was secure. We won't let agencies go into the main data center; that is only for ITD staff. After that became available, we went to each agency and offered that service; understanding that they'd probably pay more to put their stuff in their than they would pay to keep it their own location. Nobody took us up on the offer.

**Representative Grande:** You want the server boxes all in a certain room?

**Lisa Feldner:** Yes.

**Representative Grande:** You're saying oil and gas theirs over in their building down the street?

**Mike Ressler:** Correct.

**Representative Grande:** But the PSC wants to keep theirs in their offices?

**Mike Ressler:** They have theirs upstairs.

**Representative Grande:** How hard is it to move it from there to there?

**Mike Ressler:** Very easy; there's just additional cost.

**Representative Streyle:** Is there enough room in that for the industrial commission, water commission?

**Mike Ressler:** There's plenty of room.

**Lisa Feldner:** Cyber security is a really critical thing right now; and the Chinese and the Russians are targeting oil and gas infrastructure. That's what they're after when they're attacking servers and things like that; that's what they're looking for. They want to know where those pipelines are and the valves; and we have servers sitting out in a building unsecured.

**Representative Grande:** What difference does it make? Are we talking about the fact that somebody would go in and steal that box?

**Lisa Feldner:** They could.

**Representative Grande:** I always thought that this cyber thing that we were dealing with was that somebody typed in all these different codes, like on the movies; and broke in and stole stuff.

**Lisa Feldner:** That's correct. Here's how easy it would be up there; all you have to do is go in an unsecured wiring closet in the building, and plug something into the circuit on the wall with their computer and they're half way home.

**Representative Grande:** It will download into their computer?

**Lisa Feldner:** Yes, if they have enough hacking tools.

**Chairman Skarphol:** If you physically locate that hardware in the facility down the hall, what's to prevent them from plugging into that same jack in that same office and accessing this information? What makes it more secure?

**Lisa Feldner:** We have physical fire walls; technological fire walls here in our data center to prevent that.

**Chairman Skarphol:** You're relocating your staff elsewhere. What does that mean in relation to this room?

**Lisa Feldner:** It would stay here and the operators who man the center stay here also.

**Chairman Skarphol:** What kind of security does that room have so that if someone comes down in the middle of the night and kicks in the door.

**Mike Ressler:** There's security that facility management manages; so, it's wired with cameras and an alarm would be set off. Whoever's doing the night time cameras would see that.

**Chairman Skarphol:** That's a summation of the hardware aspect of this; of those entities that are not part of what's in that secured room. Those are the only ones that you're aware of that are out there?

**Representative Grande:** To what advantage is it to have it all in one place? Why is it that some agencies feel it's to their advantage to have it in their own offices?

**Mike Ressler:** Control.

**Representative Grande:** Is there something you have to do that they're controlling?

**Mike Ressler:** People telling them what they can and can't do.

**Representative Grande:** Is there a cost factor?

**Mike Ressler:** I believe there's a cost factor. I believe today they would have to put money in their budget to help pay for this room. If you look at the state as a whole, we're paying the total bill today. So, whatever they're paying to run their own infrastructure, is probably extra to the state as a whole. The way ITD allocates cost, I believe these three agencies could see an increase in their fees.

**Chairman Skarphol:** How significant an increase would it amount to?

**Mike Ressler:** I don't know what they're paying today; because they don't share that information. The way we handle the agency server room is we take the amount of space they use and have a rate.

**Representative Grande:** When you're talking about the space portion of that, are we also talking about the capacity?

**Mike Ressler:** If they stay in the agency server room, it's all there hardware; they buy it, so, all they pay for is the space.

**Chairman Skarphol:** In calculating the cost to an agency aren't there multiple factors that are considered?

**Mike Ressler:** It's based on volume.

**Chairman Skarphol:** So it is relative in that respect.

**Mike Ressler:** It is.

**Representative Streyle:** I don't see why hardware should be anyplace else but there.

**Mike Ressler:** Another big risk that we always forget about is that when these entities leave; they really have no way to back them up.

**Representative Boe:** These offices that don't have their servers with ITD, what do their offices look like? Where are their servers at?

**Lisa Feldner:** The last time I was at oil and gas it was in a room that would have been an office. I haven't been up to PSC; so I have no idea. I assume for the water commission the servers are in the basement.

**Sheila Peterson, Fiscal Analyst, ND Office of Management and Budget:** I understand that several agencies are exempt through statute. The Attorney General is one; are there any others that the exemption was statutory versus one that the director of OMB did?

**Mike Ressler:** There are two others; the retirement and investment office and public employee's retirement. In both cases, those two entities bring all their stuff into ITD. Long term, the Century Code gives them the authority to do their own thing.

**Chairman Skarphol:** Are they or are they not on the state agency servers?

**Mike Ressler:** They're in our data center. They let us manage all their equipment.

**Chairman Skarphol:** So the fact that they are exempt by law is meaningless; and they are as if they were consolidated?

**Mike Ressler:** Correct.

**Chairman Skarphol:** The legislative branch, the judicial branch and the attorney general are the three that have in law exemptions?

**Mike Ressler:** That's correct.

**Chairman Skarphol:** Last session we had a discussion in this subsection with regard to the historical society about requiring them to do a business analysis. Has any agency gone through that process?

**Mike Ressler:** Yes.

**Chairman Skarphol:** Can you give us a summary of what value that has and why it should have been considered?

**Mike Ressler:** In the past anytime there's been a study done on IT; to some extent that is business analysis. In the past we would always have our system programmers do that; but, we've determined that it's more than just a technical analysis. There is a curriculum for business analysis; so you do it properly. We've sent people to training; I believe we have four certified right now. Their purpose is to truly understand what the business problem is that an entity is having. It doesn't always mean that there will be a technology solution; there purpose is not to find technology to solve it. We've done this a number of times.

**Chairman Skarphol:** Have the results indicated better success? What's the benefit of doing this?

**Mike Ressler:** It's focused them in on a solution. It's defined those requirements, documented them and given an audit trail as to the solution.

**Lisa Feldner:** Now that we have the executive steering committee in charge of the WSI project; we're going to make them go through business analysis before they recede again. They have 2,015 requirements and it's unworkable.

**Chairman Skarphol:** How many were on MMIS?

**Lisa Feldner:** I'd have to check.

**Vice Chairman Monson:** What do you mean by that?

**Lisa Feldner:** Cases that we would have to program for. They asked us to do an estimate for them to redo their system; and we received this analysis document this



week and there were 2,015 cases. We've never seen anything like that; and so we said that we wouldn't do an estimate for them.

**Vice Chairman Monson:** This is something you can mandate to them? Is this something that we need to legislate that say you have to do this?

**Lisa Feldner:** It is something we can mandate now. The governor's executive order went into effect about a year ago; HB2034 codifies that executive order.

**Representative Streyle:** We haven't seen that document from DPI yet have we?

**Chairman Skarphol:** No.

**Representative Streyle:** I think some of that should be moved immediately and not studied.

**Chairman Skarphol:** There's a proposed amendment to HB1206 on the podium. That's a proposed amendment the governor made to a bill dealing with the water commission. I was puzzled by HB1067 and we're trying to create some guidance or recommended practices for the water commission. See attachment 2. Can we put those provisions in place?

**John Bjornson:** Certainly you can. The question arises of separation of powers issue.

**Chairman Skarphol:** From the perspective of separation of government, would it be the neatest for us to say the water related overview committee shall establish the priority list to bring forward to the next legislative session for recommendation. That doesn't exclude anyone else from preparing theirs as well. But it states we have the responsibility to put together what we believe to be a priority list.

**John Bjornson:** I think that would work.

**Chairman Skarphol:** This amendment was at the request of the governor's office; this isn't something that's being legislatively imposed. It was the governor's office that proposed this amendment as a directive to be put into this bill; not the water commission budget, but rather HB1206. I don't see that in conflict with us having a priority list either; that's what this process is about is to resolve those differences. Is that not a correct statement?

**John Bjornson:** I wouldn't disagree with you.

**Chairman Skarphol:** Do we want them to draft an amendment to that effect?

**Representative Streyle:** I like the bill as it was presented without the amendment.

**Chairman Skarphol:** I think for our purposes in this committee it's expected that we will give some direction to the water commission. Is that a direction we want to go? Does this committee want him to draft something in regard to that?

**John Bjornson:** I'm understanding you to be asking us to prepare an amendment to HB1206?

**Chairman Skarphol:** No, the water commission budget.

**John Bjornson:** That would amend the section of the code setting forth the duties of the water related overview committee to include planning functions.

**Chairman Skarphol:** To establish a priority list for water projects to be recommended in the next legislative session.

**Representative Dosch:** Is it the water resource board?

**Chairman Skarphol:** Water coalition.

**Representative Dosch:** How does that tie into the water commission?

**Chairman Skarphol:** It's a quasi governmental agency that seems to exert substantial influence over what the water commission recommends as far as priority lists.

**Representative Dosch:** Who controls them? Shouldn't we be controlling from the top down?

**Chairman Skarphol:** That's what I suggest the amendment I'm proposing would endeavor would do.

**Representative Dosch:** I don't see where it involves them?

**Chairman Skarphol:** My amendment would have nothing to do with this one; this was just for informational purposes only. The governor's office has a proposed amendment to a bill that states this; with regard to executive branch policy and how they're supposed to follow that procedure. I'm saying from a legislative perspective, we should have our opinion about water project priorities with a separate entity; and interim committee that's already been in existence.

**Representative Streyle:** The problem I have with the water coalition is there is no elected official.

**Chairman Skarphol:** That's what I'm endeavoring to do is to get more legislative participation in the creation of that list. We think there is a need for a more adequate auditing process of water projects that's reflective of best practices. Who do we ask about insuring that? I want this to apply to all projects; that there has to be additional

oversight that provides that state resources are used appropriately. How do we accomplish that? We need to have you incorporate that into an amendment as well.

**Representative Dosch:** I would imagine Gordy from the auditor's office should be involved in that conversation.

**Chairman Skarphol:** I did ask him to be here and he told me he doesn't have anything that he would consider input at this time.

**Representative Dosch:** What they're lacking is total policies. What's going to be the state's policy on funding municipal water sources, water pipelines, granting money to water pipelines, loaning money to pipelines. What's going to be the policy of getting involved with water projects; the public and private competition amongst them. There should be a policy where they will get involved and where they won't.

**Chairman Skarphol:** That's a third issue. Whatever provisions that you think we need to put into place; there's really nothing out there that gives us the opportunity for reassurance.

**John Bjornson:** Is it appropriate that they have some sort of audit function built in? They have the expertise supposedly; but, they may not have the people that are overall appropriate for auditing.

**Chairman Skarphol:** Maybe there needs to be language that we need to have a study done. In the past they didn't have any money to deal with; now they have \$500 million to spend on water projects. Times have to change when the resources change to that extent. There's a lot of discomfort from a lot of different viewpoints; and we need to make them adopt the proper policies so people can know and understand how this is going to operate.

**Representative Streyle:** There's no cost benefit analysis; there's nothing done. The other problem is the engineering side; there's no step down scale on that. We're essentially giving projects to specific private businesses; there's no policy, there's no cap, or procedure in place for the engineering fees.

**Chairman Skarphol:** I agree with what you say and it may be difficult to accomplish it all in one step. If we get their policies defined; those policies should be able to be refined later as we move forward.

**Representative Streyle:** I wasn't picking on them; but, the same thing happened in Minot. It essentially was not bid. The city of Minot said this is what they want to use; so they made fit for them and partnered with two other firms in Bismarck to make it work. Now they're slated to get \$60-\$70 million in engineering fees. We should be trying to get the best price; and not making the rules fit so one firm gets it over another.

**Chairman Skarphol:** Let's go to HB1067. Unbeknownst to me there are those that think that the water commission is not a state agency.

**John Bjornson:** I hadn't seen that bill until this morning. I have no idea why it's introduced or what the concern might be. I assume when the water commission was created it stated that the water commission is a public corporation. A public corporation is a government entity in essence. There are some definitions in the code and several places where public corporation is used; for instance, under the fiscal depositories of public funds, public corporation includes a city, county, township, school district, and anybody corporate except a private corporation. I'm not sure what the point of the bill draft is; if people actually believe that the commission isn't a governmental entity, they're wrong because it's created by statute.

**Chairman Skarphol:** Does the designation that's currently law preclude them from having to go through administrative rules process and develop rules? Is that what this may be about? Do the provisions requiring administrative rules refer to state agencies having to do it and not include commissions technically?

**John Bjornson:** I haven't looked at that. The public corporation part if that had anything to do with giving them the authority to bond; I don't know if that's the case or not. That may have been one of the thoughts in the past. I do not see the water commission excluded from that list.

**Representative Streyle:** This was put in in response to HB1206. It was put in hastily to try to kill this bill. This wasn't talked to the governor's office about; it was just quickly put in to try to quash HB1206.

**Chairman Skarphol:** Recessed the discussion.

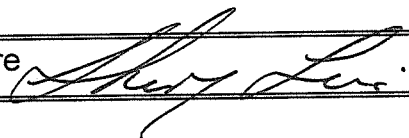
**2013 General Discussion**  
(Check appropriate box)

- Committee on Committees
- Rules Committee
- Confirmation Hearings
- Delayed Bills Committee
- House Appropriations
- Senate Appropriations
- Other

Date of meeting/discussion: February 8, 2013

Recorder Job Number: 18600

Committee Clerk Signature



**Minutes:**

**Chairman Skarphol:** We talked about you're IT issue but we're having you here because of HB1067 and the fact that you are or aren't a state agency. It is a public corporation and you want to be changed to a state agency. What does that mean?

**David Laschkewitsch, ND Water Commission:** This is precipitated by the state auditor's recommendation. We are a state agency; we've always been a state agency. Other public corporations are going to be Garrison Diversion, Southwest Water Authority; those are entities that wouldn't be considered part of the CAFR. We convinced them that we were a state agency and they said as long we pursued legislation to have the public corporation language stricken, they would let us report as we have always historically.

**Chairman Skarphol:** There are no other implications of the language change?

**David Laschkewitsch:** We asked the attorney general's office and asked if there was anything that this takes away, changes, alters; and they didn't think that there were any changes. We have been acting as a state agency.

**Chairman Skarphol:** To the best of your knowledge, the only other entities that are public corporations are Southwest Water?

**David Laschkewitsch:** Maybe state mill and elevator, Bank of North Dakota some of those entities that operate a little differently than we do.

**Sheila Peterson, Fiscal Analyst, ND Office of Management and Budget:** I can have my staff check on that as to how it needs to be reported in the CAFR.

**David Laschkewitsch:** We got a pass for staying in CAFR for one more year as long as we pursued the elimination of this language.

**Chairman Skarphol:** So the supposition that this was motivated by another proposal is erroneous in your opinion?

**David Laschkewitsch:** Yes.

**Chairman Skarphol:** Do you know what the prospects are for this bill? Have they passed it out of committee?

**David Laschkewitsch:** They have not.

**Representative Streyle:** Did the governor's office know about this bill and support it?

**David Laschkewitsch:** They did.

**Chairman Skarphol:** I am being asked as chairman to make sure we have provisions in your budget that provide for the water overview committee and the legislature having input and creating a priority list for water projects on a biannual basis. The amendment that has been prepared to HB1206 ; has been suggested to me that it was prepared by the governor's office to establish the language with regard to the comprehensive water development plan. Do you have that amendment?

**David Laschkewitsch:** I do not have the amendment.

**Chairman Skarphol:** Are you familiar with this amendment?

**David Laschkewitsch:** I am.

**Chairman Skarphol:** Was this the recommendation from the governor's office? Do you know the origin?

**David Laschkewitsch:** We assisted with this at the request of Representative Schmidt and the governor's office. This would replace all of the language in HB1206.

**Chairman Skarphol:** We're probably going to have some language referencing the need for audits of water projects. We think they should be audited at least every biennium as they're being constructed and configured. We feel we should get a report of the cost benefit ratios and some of the other aspects. Can you tell us how the water commission oversees Western Area Water, for example?

**David Laschkewitsch:** In most cases we are offering grants to local project sponsors who are responsible for those projects. In most cases financial audits are done on the city of Fargo.

**Chairman Skarphol:** That's an entity that you granted money too?

**David Laschkewitsch:** Correct.

**Chairman Skarphol:** The city receives the audit and any responsibility for the appropriate use of that grant money should be in that audit?

**David Laschkewitsch:** That's correct. We receive from the state auditor's office on a quarterly basis the results of all of the audits. They send us a spreadsheet that states if there were any findings on any audits that they have performed that affect water, we're notified of that.

**Chairman Skarphol:** All too often, when you have components of an entity. There are many components to the city of Fargo's audit. Most often, every component doesn't get a great deal of scrutiny.

**David Laschkewitsch:** I couldn't tell you.

**Chairman Skarphol:** The concern that we're hearing and is being expressed is if that money is working in the best interest of everyone and whether or not some of the aspects are what they should be.

**David Laschkewitsch:** There is century code for state agencies to select architects, engineers; again that will come back to if it's the Southwest Pipeline or the Northwest Area Water Supply Pipeline. As a state agency, we follow that section of Century Code.

**Chairman Skarphol:** The configuration of the governess has some determination in what rules apply.

**David Laschkewitsch:** Yes. With that being said, that statute says you form a selection committee, you have all your engineers come and present their credentials, concepts; you're not discussing the finances at that point. The selection committee will recommend the engineer; we negotiate with that engineer for the rates.

**Chairman Skarphol:** Who sets the criteria for the project that determines who may want to come in and re-qualify for it?

**David Laschkewitsch:** There is a request for proposal and the commission has laid out in broad terms the project that we are wanting to build. We negotiate for the terms of their reimbursement after their selection.

**Chairman Skarphol:** How often do you get someone new coming that far into the process? Are there a half dozen firms that get to that level?

**David Laschkewitsch:** There are engineering firms that are more specialized in water projects.

**Chairman Skarphol:** You anticipate more or less the same people coming to the table on a project.

**David Laschkewitsch:** There are new players every once and awhile.

**Representative Streyle:** Was it not true that the city of Minot being a sponsor of the project, how is the granting of that engineering contract worked? From everything I know about it, there were no other bidders.

**David Laschkewitsch:** I would agree that's part of the negotiation. The size of the project would perhaps have some sway in negotiating what the engineering fees would be.

**Chairman Skarphol:** Who does that negotiating in that particular instance?

**Michele Klosey, Assistant State Engineer, ND Water Commission:**

**Sheila Peterson:** They were aware of the question that was raised by the state auditor's office last summer in the preparation of the latest CAFR. They continued to be reported as a state agency on the condition that they get the statute changed. There are no other public corporations that are in our CAFR.

**Chairman Skarphol:** The Bank of ND or the state mill are not public corporations?

**Sheila Peterson:** No.

**Becky Deichert, Fiscal Analyst, ND Office of Management and Budget:** The BND is a business type; but, it's not a separate corporation. We call it a business type activity and it's reported a little differently. There are several different business types in the CAFR.

**Chairman Skarphol:** Any rule that applies to a state agency applies to those business types?

**Becky Deichert:** Correct.

**Chairman Skarphol:** Who made that decision as to what the engineering fees would be; is that the City of Minot, the water commission? What's the level of participation?

**Michele Klosey:** That contract that was worked out for the preliminary work was ran through the state water commission. We put together a selection panel that may have included representatives from that region. That was more of a planning study rather than actual construction or development. On construction there is no firm guidelines on



how the rates are set. When the state water commission is involved with those negotiations, we typically do set up an hourly rate schedule so the time put towards those contracts is actually work on those contracts. That's how we're monitoring those. When we have contracts that have a longer term working relationship with that engineering firm we have discounted off their current rate schedule. In their rates they do figure out new business opportunities and marketing; when you have a longer term contract, or a contract with a higher dollar value, you don't have as much risk with assigning new engineers onto the staff or not knowing if that business is going to be continued into the future.

**Chairman Skarphol:** What do you mean by the owner?

**Michele Klosey:** I'm talking about those that would work with the engineer to set up the project. In our case, the water commission would be the owner if we're developing the project. If the city or county is working on the project, they would be considered the owner.

**David Laschkewitsch:** When I answered my questions I was looking at construction engineering. The construction engineering is where you may be looking at a percentage up front. With preliminary engineering there is no percentage of the project; because they're designing it. It's hourly work.

**Vice Chairman Monson:** It sounds to me like there aren't that many companies that bid on them. How many firms typically do bid on a project?

**Michele Klosey:** It depends on the work that you're asking the engineering company to do. When you're in the water business, we're already typically specialized for drinking water. When you're dealing specifically with pipeline work, rural work is different from city work. You're going to have more companies with pipeline work. As soon as you get to treatment plants and high service pump stations, we don't have as much expertise in North Dakota; so, a lot of our firms that are here would partner with a larger firm that can give them additional expertise. We have requirements as a state agency how we do our contracting; and for engineering selection it's described in the law what pieces we can look at, but, it still allows the agency decide how those factors can be used to review the engineering firms.

**Chairman Skarphol:** You said it's set out in the law what you can use to evaluate. Would you like to see other things included that aren't in the law? Is there a reconsideration that needs to be given to the criteria that you are able to use based on changing technologies and business practices since that law was last looked at?

**Michele Klosey:** I haven't looked at that recently, there may be some things. If you do that, you may want to do that in cooperation with DOT.

**Chairman Skarphol:** It's not specific to you?

**Michele Klosey:** No.

**Vice Chairman Monson:** Do you ever step in and help them get the best price? Do you pretty much let them negotiate and set their own criteria to pick who they want; then you just fund it? How does that work?

**Michele Klosey:** There are times with counties or water resource boards when we offer technical assistance to help them put together that selection committee. We would offer to be a member of that selection committee to help them. In the larger cities they're familiar with contracting so they're not asking for additional help and they don't have to follow the same state requirements that we follow; because they're a city or county that have their own rules that they would follow.

**Chairman Skarphol:** Does it make a difference how much you have invested in the program in grants? Do you put any parameters around your contribution to give you more or less influence?

**Michele Klosey:** One piece to add to the conversation is on our cost sharing for smaller projects we do not have engineering costs as eligible costs. There are certain parts of our program where we've increased the cost share eligibility to account for the costs for what the engineering in the past have been.

**Vice Chairman Monson:** With as much money as everyone knows that we have; they can come in and inflate it. How are you assured that we're getting the best bang for our buck?

**Michele Klosey:** There is some difficulty there. We have some firms that do lump sums and some that do hourly rate. We don't recommend that you do lump sum for the engineering design work. By encouraging that hourly rate you're making sure what they're paying their employee; you're getting the time and effort back.

**Representative Streyle:** Is it not true that there was only one bidder in Minot?

**Chairman Skarphol:** Was there anything unique about those projects that made that the case?

**Michele Klosey:** On the waterside that I've been involved with in Minot, they've involved three or four different parts to the project. I had seen that they were trying to spread work around engineering firms to accomplish the work a little more.

**Representative Streyle:** I'm specifically referring to the flood control project.

**Michele Klosey:** There was a brief period of time with the emergency underway that there were certain firms were offering technical assistance. So it might get to be specialized when you're in an emergency situation.

**Representative Streyle:** The firm that was hired as the lead; really had no expertise in specifically flood protection. That's why they partnered with other firms; that's why I had

the problem. You might encourage them; but, in some cases it's not the practice as far as trying to broaden the scope on it.

**Representative Dosch:** Each of these projects are unique. At what level does the water commission assume control and responsibility?

**David Laschkewitsch:** If we own the project, we will assume complete responsibility. That will take us to Northwest Area Water, Southwest, Devil's Lake and the outlets. The only projects the state water commission owns is Southwest Water and Northwest Area Water and the outlets in Devil's Lake.

**Representative Dosch:** So the other projects, they don't have to listen to you. You have no control over those?

**David Laschkewitsch:** Our control goes somewhat with cost share; it's not true control.

**Michele Klosey:** In our contracts with that entity, if it's grant funding, we will have the requirements. Each of the projects are a little bit different.

**Representative Dosch:** There's no set policy that you have.

**Michele Klosey:** On the cost share it is set in those contracts what the responsibilities of the owners will be in those contracts. When you're looking at the rural water, we have guidance on the federal funds coming in and we use that similar guidance for the state funds that are also coming in.

**Representative Dosch:** What's your policy for getting involved with the pipeline between commercial and domestic?

**Michele Klosey:** We established 3 additional policies after WAS was formed to address those issues. The first one was domestic supply had to be a priority; we established that for all the projects.

**Chairman Skarphol:** What does that mean?

**Michele Klosey:** When you're providing water service, you only have a certain capacity that can flow through your lines and only a certain capacity that your treatment plant can produce. You will serve the cities and rural customers first. You will call the depots and tell them we have no water available to fill trucks because we need it for our domestic supply. Industrial gets shut off; and Southwest does that as well.

**Representative Dosch:** The criticism that we're hearing out there is that these general policies are in place; but yet, we hear these projects are being built and spect out for commercial usage. Since our money statement is being used to help finance these projects which are being oversized for the purpose of providing commercial water.

**David Laschkewitsch:** That project didn't flow through normal commission channels. That was legislatively authorized. Everything came from the legislative body on that project.

**Representative Dosch:** It seems to me that it would be extremely important you're your policies have specific dollar amounts. Without those types of policies these firms know that they can charge whatever they want.

**David Laschkewitsch:** You're proposing capping engineering fees?

**Representative Dosch:** When you're dealing with state government and with a unique project, there's a limited amount of bidders out there. If they know there aren't any limits, they can come in and demand whatever they want to.

**David Laschkewitsch:** There are more firms than one; so we fall back to competition driving that a bit. If you attempt to cap the engineering at a certain price, what they end up doing is billing more of their costs as a direct cost instead of an overhead cost.

**Chairman Skarphol:** What you're suggesting is that people are equally creative in finding ways around laws as we are at creating them?

**David Laschkewitsch:** I might suggest that.

**Chairman Skarphol:** Are there things you would like us to do that would benefit you in your negotiations?

**Chairman Skarphol:** It was my understand for western area water that they received one bid. How do they decide that bid was appropriate enough that they needed to proceed? How do they make the determination as to reasonableness when they get one bid? I know on the pipelining itself they had one bid.

**Michele Klosey:** On the construction?

**Chairman Skarphol:** On the construction.

**Michele Klosey:** There are over 30 contracts on WAWS. There may have been one contract where there was one bid. Each of the contracts were bid and one most of them they did get multiple bidders on the construction contract.

**Chairman Skarphol:** If you get one bid, how do you decide whether it's reasonable?

**Michele Klosey:** We look at our engineers estimate. We have an estimate before the contract is actually bid to say what they believe is reasonable with the current market. There can be mitigating factors where you would proceed with the one bid.

**David Laschkewitsch:** We also reserve the right to reject all bids.

**Chairman Skarphol:** There is a lot of controversy as to if WAWS has been properly overseen. Is there anything about that project made you uncomfortable? Do you feel that project has been handled appropriately?

**Michele Klosey:** When you're looking at that project, I agreed with moving forward with that construction and those bids. The pieces we feel a little more uncomfortable with is the review of the treatment plant plans and specifications. That's not the area where we have a lot of expertise. This may be the appropriate place for the water commission to ask for that assistance to do that review to provide those comments back to WAWS on some of the treatment plant work.

**Chairman Skarphol:** Could that review be done quickly enough that it would not inhibit their ability to pre-purchase that equipment?

**Michele Klosey:** It may not. We haven't seen the plans and specifications yet for that equipment purchase. It would be good for us to go through that process. It would take at least the 30 days to advertise.

**Chairman Skarphol:** When would that be the most timely?

**David Laschkewitsch:** Before you ordered the equipment.

**Chairman Skarphol:** Is there any reason they can't do that? What would be the cost associated with that? Is cost an issue with having it done? Has it simply been that there hasn't been a desire or a suggestion that it be done?

**David Laschkewitsch:** We haven't tried to implement the suggestion. We don't have the plans and specifications in front of us yet.

**Chairman Skarphol:** That's something that would best be done prior to the completion of their budget. We can't wait until the session is over because that delays the time line for the purpose.

**Representative Dosch:** You're the state water commission; we've been asked for money for this project; you haven't seen the plans, haven't been able to comment on the plans, you can't tell us if they're good or bad, yet we want this dollar amount. This is our frustration. Something is going to come up and we're going to start asking what you were doing approving these projects; it will be wasteful spending.

**David Laschkewitsch:** The \$80 million that's included in our budget along with all the other projects that are listed; we've tried to make it clear that this is a tentative list or plan for the future. Those monies are not absolute. The project is larger than the amount of funding that we have; so you only proceed as far as the money goes.

**Representative Dosch:** That's exactly my point; we're going to build it but tell us how much money you're going to give us before we build it. It seems that if these are

needed projects that they're going out and figure out what they're going to cost, they're going to be reviewed and then you'll come to us and ask for money.

**David Laschkewitsch:** It is conceivable what we've put out is a proposed amount of money; and they may not need all that.

**Chairman Skarphol:** I think that what needs to be recognized about this water treatment plant that this is a phased increase. I would suggest that this first phase that they're talking about would provide for the opportunity to be changed to achieve the next step based on what they do in this step.

**Michele Klosey:** The treatment plant itself is trying to look at what the current needs are and the future; and when to do that phasing. That's partially why the budget is lumped together between the projects; we haven't put in the budget or the law that that project is receiving a specific dollar amount. We know there's a priority for water service.

**David Laschkewitsch:** In other words, some projects are too expensive to get to.

**Representative Dosch:** Are you saying you do cost analysis on these projects?

**David Laschkewitsch:** We do have a set amount that we will go to; you take the number of signups for an area and the cost of getting to that area. If the cost of getting to those places exceeds \$30,000.00 per hookup; that's outside of what the state is willing to spend.

**Chairman Skarphol:** I think one project is \$40,000.00.

**Michele Klosey:** It is close to \$40,000.00 for the Southwest Pipeline Project. You do have areas in the state that have poor drinking water or hard to access ground water resources.

**Chairman Skarphol:** Closed the general discussion.

**2013 SENATE NATURAL RESOURCES**

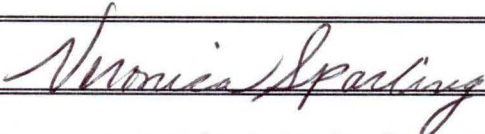
**HB 1206**

# 2013 SENATE STANDING COMMITTEE MINUTES

## Senate Natural Resources Committee Fort Lincoln Room, State Capitol

HB 1206  
March 22, 2013  
Job Number 20367

Conference Committee



### Explanation or reason for introduction of bill/resolution:

Relating to development of a comprehensive water development plan; and to provide for a legislative management study

### Minutes:

No attachments

Chairman Lyson opened the hearing for HB 1206.

Representative Jim Schmidt, District 31, introduced the bill. The bill has four basic intents:

- 1) to develop and maintain a state water management plan organized on a river basin perspective rather than a use perspective
- 2) to establish a Cost Benefit Analysis requirement for water projects costing more than \$500,000.00 He contrasted a Cost Benefit Analysis and a Cost Benefit Ratio. (02:21 to 03:04) A Cost Benefit Analysis can also factor in items such as quality of life.
- 3) to conduct State Water Commission meetings in six major river basins for the purpose of facilitating local project sponsors. They want to have all parties' interests expressed.
- 4) to conduct a study to prioritize the funding of water projects. They do have a process now but they feel it needs to be refined. With 500 million in the fund, they want to make it more effective and more efficient.

Rep. Schmidt gave a history of the genesis of the bill. (04:40 to 05:30)

Senator Laffen asked if there would be a new group formed.

Rep. Schmidt said there would not be a new group formed. It would still be under the Water Commission.

Senator Murphy questioned whether viewing water from a basin-wide perspective would bring in other states and even other countries. Would that cause problems?

Rep. Schmidt didn't think this bill would change anything in that regard.

Senator Triplett questioned why on line 14 of the bill the upper Missouri River was divided from the lower Missouri River.

Rep. Schmidt said the line is at the dam. One is managed as a reservoir and one is not.



There was discussion about whether that line is intuitive or should be spelled out.

There was a further explanation of the Cost Benefit Analysis, as compared to the Cost Benefit Ratio. (09:50 to 13:00)

Senator Murphy asked if the Cost Benefit Analysis could more effectively take into consideration the qualitative items.

Rep. Schmidt said that was correct.

Senator Murphy asked if the ability to pay for a project such as the WAWS would enhance the Cost Benefit Analysis because that ability to pay and the fact that it wouldn't cost the state anything could be taken into account.

Rep. Schmidt said he feels it would help them make decisions.

Senator Burckhard asked how they prioritize water projects.

Rep. Schmidt said there is more to it than just a Cost Benefit Analysis. He described the process they use now and mentioned they need to do it better. (14:50 to 16:12) He mentioned that Representative Hofstad helped to draft this bill.

Rep. Schmidt spoke of the efforts in the 1980's to evaluate ring-diking around Fargo.

Senator Triplett and Rep. Schmidt explained how the prioritization process works now and why it needs refining. (17:45 to 18:50)

Senator Murphy asked if a Cost Benefit Ratio could be considered a subset of a Cost Benefit Analysis.

Rep. Schmidt said the Analysis can consider the qualitative items as well as the quantitative items.

Senator Murphy said the Cost Benefit Analysis seems to be a more wholistic way of looking at water projects.

Rep. Schmidt agreed with that assessment. Once different alternatives are spelled out, if a local area chooses one that is more deluxe than the others - a "Cadillac", the government will pay the amount for the "Chevrolet" and the local jurisdiction will pick up the cost for the difference in the two.

Senator Triplett appreciates the bill but feels it is important to ask what it may cost the State Water Commission to move toward this style of planning. Would they need more staff or would limiting it to projects under \$500,000.00 make it possible not to require more staff?

Rep. Schmidt said, in his discussions with Rep. Hofstad, they felt the \$500,000.00 limit would take care of some of that. In his discussions with Mr. Sando, Mr. Sando does not

have an economist on staff. Rep. Schmidt would look to the State Water Commission to provide this technical assistance to local entities to help develop the Cost Benefit Ratio. They did not have a fiscal note for that. As a Water Board member they have engineers, and they can hire others to help them do this.

Others in Favor: None

Opposition: None

Neutral: None

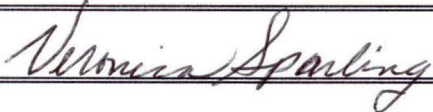
Chairman Lyson closed the hearing for HB 1206.

# 2013 SENATE STANDING COMMITTEE MINUTES

## Senate Natural Resources Committee Fort Lincoln Room, State Capitol

HB 1206  
March 29, 2013  
Job Number 20688

Conference Committee



### Explanation or reason for introduction of bill/resolution:

Relating to development of a comprehensive water development plan; and to provide for a legislative management study

### Minutes:

attachment

Chairman Lyson opened the discussion of HB 1206.

Senator Unruh explained the bill. The House watered this bill down and she felt there could be some negative unintended consequences. She feels the Water Commission may fall under some federal definitions of Cost Benefit Analysis. She explained the proposed amendment. See attachment #1. She also feels prioritizing water projects based on cost can become convoluted.

Senator Triplett: If we pass the amendment, we might as well kill the bill. The water policy in our state has been: everyone comes to the table, everyone tells us what they need, then we try to satisfy everyone. We want to elevate the process to a higher level than that. We do not want to follow federal guidelines, but there is a long distance between the two. (Ends at 05:15)

Senator Hogue: I thought the emphasis of the testimony was also that we need to start thinking on a river basin wide basis, not just a project within a basin.

Senator Unruh was asked where she got the idea. She said she had consulted with the State Water Commission and others.

There was discussion about the possibility of unintended consequences and the merits of the basin wide consideration of projects.

Senator Unruh: Motion to adopt amendment 13.0096.03001

Senator Hogue: Second

There was more discussion about the possibility of the verbiage in the bill causing the State Water Commission to be required to come under federal regulations when doing the Cost-Benefit Analysis process. It was pointed out that only the projects over 500,000 would

Senate Natural Resources Committee  
HB 1206  
March 29, 2013  
Page 2

require a Cost-Benefit Analysis. This qualifier would minimize the extra work for the Water Commission. Just because we have the same words in our statute, doesn't mean we have to interpret them the way the federal government does. In fact we are stepping away from federal guidelines even more as federal money to the state is drying up. As we step away we need a better framework for making the decisions, especially on the large projects. (Ends at 15:37) The committee was reminded that Representative Schmidt who brought this bill has 30 plus years of experience.

Motion to adopt amendment 13.0096.03001 Failed by Voice Vote

Senator Triplett: Do Pass on Engrossed HB 1206.

Senator Murphy: Second

Roll Call Vote: 6, 0, 1

Carrier: Senator Triplett

Date: 3-29-13  
Roll Call Vote #: 1

2013 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1206

Senate Natural Resources Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment

Rerefer to Appropriations  Reconsider B, 0096. 03001

Motion Made By Unruh Seconded By Hogue

Senators	Yes	No	Senators	Yes	No
Senator Lyson			Senator Triplett		
Senator Burckhard			Senator Murphy		
Senator Hogue					
Senator Laffen					
Senator Unruh					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

*motion failed  
voice vote*

Date: 3-29-13  
Roll Call Vote #: 2

2013 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. eng. 1206

Senate Natural Resources Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Triplet Seconded By Murphy

Senators	Yes	No	Senators	Yes	No
Senator Lyson	✓		Senator Triplet	✓	
Senator Burckhard			Senator Murphy	✓	
Senator Hogue	✓				
Senator Laffen	✓				
Senator Unruh	✓				

Total (Yes) 6 No 0  
Absent 1

Floor Assignment Triplet

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**HB 1206, as engrossed: Natural Resources Committee (Sen. Lyson, Chairman)**  
recommends **DO PASS** (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING).  
Engrossed HB 1206 was placed on the Fourteenth order on the calendar.

**2013 TESTIMONY**

**HB 1206**



13.0096.03001  
Title.

Prepared by the Legislative Council staff for  
Senator Unruh

March 26, 2013

#1

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1206

Page 1, line 10, remove "in order to"

Page 1, remove line 11

Page 1, line 12, remove "cost-benefit analysis for projects expected to cost more than five hundred thousand dollars."

Page 1, line 13, remove "a policy that outlines"

Renumber accordingly