

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1023

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Yalosta Rickford
Operator's Signature

10/2/03
Date

2003 HOUSE APPROPRIATIONS

HB 1023

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10/2/03
Date

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1023

House Appropriations Committee

☐ Conference Committee

Hearing Date 01-16-03

| Tape Number | Side A | Side B | Meter # |
|--|--------|--------|---------|
| 1 | X | X | |
| | | | |
| | | | |
| Committee Clerk Signature <i>Chris S. Nelson</i> | | | |

Minutes:

Chairman Svedjan called the meeting to order. All members were present except for Rep.

Martinson and Gulleason.

Sheila Peterson, Director of the Fiscal Management Division of OMB See Attached.

Rep. Delzer How many outlying bonds did they refinance and how many more will they?

Peterson They refinanced 3 bonds and we don't have any that qualify for refinancing now.

Karlene Find Industrial Commission As of now we don't have any to refinance.

Rep. Delzer How do you refinance a bond and what sets bond ratings?

Peterson We totally refinance them.

Rep. Wald You suggest that these projects are more worthy than the facility at Dickinson State University?

Peterson Yes, we believe them to be a higher priority, and you'll see more in the written testimony.

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Rep. Wald The Dickinson facility has been in need of restoration for years and it should not be skipped.

Peterson There is an explanation for this in the written testimony, but the Governor's budget rated other projects a higher priority.

Rep. Timm What is the payment on the bonds during the 03-05 biennium?

Peterson The total bond payments are 18.5 million dollars, 2.5 of that is from other sources and 16 million is from the general fund.

Rep. Timm What is available in the 05-07 biennium?

Peterson \$711,000.

Rep. Timm What figure on the sheet is decreased due to the bond payments?

Peterson Well, it is not as straight forward as that.

Rep. Delzer What is the total debt load?

Peterson I don't have that information.

Rep. Timm The state of ND is indebted to that bond issuance?

Peterson Yes, until 2023

Rep. Carlson When did we start authorizing bond issues?

Peterson 2001

Rep. Carlson What is the payback?

Peterson 10 years

Rep. Monson When you refinance bonds, what is the time frame structure and do you extend the maturity date?

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Peterson We do not extend the maturity date, we simply restructure them according to our financial analysis.

Dave Glatt Section Chief, Environmental Health Section of ND Department of Health

See Attached Testimony

Rep. Carlson I would like to know what amount of bioterrorism dollars we have spent on our own and where is it coming from and going.

Chairman Svedjan So noted.

Chairman Svedjan Why don't you use all of the bioterrorism money to fund the entire project?

Arvie Smith We used a representative committee's recommendation. We can not use the dollars for the construction of new buildings, however we can use them for renovations.

Rep. Warner What are the nature of things that are held in cold storage and are they all necessary to have in cold storage?

Glatt We have bulk supplies, some files that are required by law to be there, some rarely used equipment, and some other supplies.

Dr. George Mizell, State Forensic Examiner See Attached

Chairman Svedjan Have there been discussions with UND-Medical School on the morgue issue and storage space?

Mizell There have not been any formal communications with them as far as I know.

Chairman Svedjan Do you know if the school has space for this service?

Mizell I'm not aware of any.

Rep. Timm -To Sheila in OMB - What action did we take 2 years ago on this issue?

Yalosta Rickford
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Smith They were held over 4 years ago and in the interim committee because they were part of the master building plan. That is why they were not acted on.

Rep. Skarphol How long ago was your office created Mr. Mizell?

Mizell 8 years ago in 1996, before that all of these service had to be contracted out.

Rep. Skarphol What about the case load that forensics are willing to handle.

Mizzel Most pathologists don't want to take these types of cases, nor do they have the time.

Rep. Skarphol Could we combine our facility with those of other states in a cost-cutting measure and would that be feasible. Has it ever been discussed?

Smith We have no formal agreements with other states. Transportation would be a major cost associated with that. Also, some other things to consider are legal aspects like possession of evidence.

Mizell The nearest facility is in Minneapolis, Sioux Falls, Rapid City, and Missoula.

Rep. Aarsvold Would the state be in a difficult position in a criminal death if your facility was not updated?

Mizell There is a definite potential for that to happen.

Rep. Delzer Why does your facility need to be ten times larger than it is right now?

Mizell Well, the floor plan that you see of the current facility does not include all of the space. The new facility would be about 4-6 times larger.

Rep. Delzer I would like to see the complete floor plan in subcommittee.

Mizell I'll have them for you.

Smith The office space is larger than it shows.

Rep. Kempenich Do you take in external state's excessive case loads?

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Mizell No, we don't. We only do ND cases.

Rep. Koppleman How many cases are kept by the county coroners and do they do their own autopsies?

Mizell There are not a lot of autopsies kept by the counties.

Rep. Kroeber What are the qualifications to be a coroner?

Mizell They have to be physicians residing in that county, but if no physician is present then a sheriff can be one.

Rep. Carlisle Is it your intention to refer to subcommittee?

Chairman Svedjan We will hold for further information on that for subcommittee.

Dave Krabenhof, Department of Corrections and Rehabilitation

Rep. Warner Does this transfer of money involve taking it from human resources?

Krabenhof No, it doesn't.

Rep. Delzer You're taking over a lot of building and with this there is not transfer of title?

Krabenhof No, there is not, but federal money has an important role in saving us money.

Rep. Skarphol What do we have to do to make this unnecessary?

Krabenhof The use of these buildings have no impact on prison space.

Chairman Svedjan If we don't do the women's prison is the project still necessary?

Krabenhof Yes, it is.

Rep. Kerzmann What are the Department of Correction's long range construction plans?

Krabenhof After we construct these new buildings our long-range plans will be complete depending on incarceration rates.

Rep. Kerzmann Is the judicial branch involved in this at all?

Yolanda Rickford
Operator's Signature

10/2/03
Date

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Krabenhof I'm not sure of any indication that it is.

Darin Scherr, P.E of CEM

Chairman Svedjan If these projects are approved and come in under budget, what happens to the left over money?

Scherr I though about additional energy work or other projects.

Chairman Svedjan Who are bond interest payments made to?

Scherr They are made to the Industrial Commission and they pay the respective underwriter.

Rep. Carlson If we pay for these out of savings and energy usage is going up, where is the money coming from?

Scherr It is complicated, but when we estimate our energy usage per unit, it acts as a cost avoidance and that saves us money.

Rep. Delzer I want a list of projects and a list of their savings when you come to committee.

Scherr We are working on that.

Rep. Delzer Until we get that information on that I will not support his construction project.

Chairman Svedjan That is why I asked my question.

Scherr It would go back to pay off the debt, into the general fund.

Laura, ND Board of Higher Education

Rep. Carlson Since estimating utility costs is like aiming at a moving target, if the cost goes up where does the money come from?

Laura It comes when you fund it. When an agency exceeds their utility budget, they have to find other funds to pay for them.

Rep. Carlson Do you bond for these expenses?

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Bill/Resolution Number HB 1023
Hearing Date 01-16-03

Laura We support that option.

Rep. Delzer What is the square footage of the new construction?

Laura I have to get back to you on that.

Rep. Skarphol What are wellness center student fees?

Laura The wellness center and athletic facility are somewhat linked for funding. It is \$50/semester for students. The money raised will pay for both of the facilities, however the athletic facility is going to be repaid in private funds raised by the athletic department to

Rep. Carlson How long is that bond issue?

Laura 20-30 years.

Rep. Delzer Has there ever been a court case relating to students challenging the fees that prior student bodies have committed to?

Laura I'm not aware of any.

Chairman Svedjan Adjourned the meeting.

38023.0103
Title.0200
Fiscal No. 1

Prepared by the Legislative Council staff for
Representative Delzer
February 17, 2003

VR
2/18/03

HOUSE AMENDMENTS TO HOUSE BILL NO. 1023

APP 2-19-03

Page 1, line 18, replace "remodel" with "remodeling"

Page 1, after line 22, Insert:

"The bonding authority provided for the state department of health east laboratory remodeling project in the amount of \$614,865 must be reduced by any available moneys the department is able to use from the funding provided by the centers for disease control and prevention and health resources and services administration for bioterrorism programs."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds a statement to Section 1 of the bill providing that the bonding authority provided for the State Department of Health East Laboratory remodeling project shall be reduced by any available moneys the department is able to use from the funding provided by the Centers for Disease Control and Prevention and Health Resources and Services Administration for bioterrorism programs.

Page No. 1

38023.0103

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Yolanda Rickford

Date

10/2/03

REPORT OF STANDING COMMITTEE (410)
February 19, 2003 8:22 a.m.

Module No: HR-32-3216
Carrier: Carlisle
Insert LC: 38023.0103 Title: .0200

REPORT OF STANDING COMMITTEE

HB 1023: Appropriations Committee (Rep. Svedjan, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (17 YEAS, 5 NAYS, 1 ABSENT AND NOT VOTING). HB 1023 was placed on the Sixth order on the calendar.

Page 1, line 18, replace "remodel" with "remodeling"

Page 1, after line 22, insert:

"The bonding authority provided for the state department of health east laboratory remodeling project in the amount of \$614,865 must be reduced by any available moneys the department is able to use from the funding provided by the centers for disease control and prevention and health resources and services administration for bioterrorism programs."

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2003 SENATE APPROPRIATIONS

HB 1023

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Operator's Signature

Valosta Rickford

Date

10/2/03

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1023

Senate Appropriations Committee

☐ Conference Committee

Hearing Date 2-27-03

| Tape Number | Side A | Side B | Meter # |
|---|--------|--------|----------|
| 2 | | x | 786-5094 |
| | | | |
| | | | |
| Committee Clerk Signature <i>Sandra Davison</i> | | | |

Minutes: Chairman Holmberg opened the hearing to HB 1023. A bill relating to appropriation for capitol projects of various state departments, (for facility energy improvement capitol projects of various state departments and institutions). Chairman Holmberg appointed the subcommittee of Senators Kringstad, Christmann and Krauter - may be same for Corrections bill.

(Meter 901) Sheila Peterson, Director of the Fiscal Management Division of OMB: See written testimony Exhibit 1.

(Meter 1299) Dr. George Mizell, State Forensic Examiner with the ND Department of Health: See written testimony Exhibit 2.

(Meter 2022) Senator Krauter: Questioned the difference between the original bill and the engrossed bill amounts. Dr. Mizell answered the \$800,00 is for the morgue facility and additional \$160,000 facilities.

(Meter 2105) Senator Andrist: Stated his support of the morgue. Has the department explored any possibilities of getting some help from terrorism funding for this project? (Meter 2154) Dr.

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Senate Appropriations Committee
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Mizell: They have received some funding for bio-terrorism for some supplies for their office but none for capitol projects.

(Meter 2185) Arvy Smith, Deputy State Health Officer: Agency is exploring all way of using bio-terrorism funding. In the current grant, it does not provide for new construction so they had to get special approval for a new project add-on which was called a renovation. Does not cover the new construction in the morgue. (Meter 2275) Senator Grindberg: Asked Dr. Mizell who decides the infectious diseases that contribute to dead and autopsy. 1. Give an example of an infectious diseases. 2. Who would decide if an autopsy would be performed? An where, Fargo or Bismarck? (Meter 2323) Dr. Mizell: the forensic examiners office only becomes involved with a case that deaths fall in county coroners jurisdiction. Deaths that would be sudden and unexpected of nature, those outside the attendants or physicians care or have a police investigation with them.

(Meter 2570) Dave Glatt, Chief of the Environmental Health Section for the ND Health Dept.: See written testimony Exhibit 3. (Meter 3320) Senator Bowman: Expressed strong concern about the normal maintenance of these buildings. (Meter 3400) Dave Glatt: Understood his frustration but stated there comes a time when the buildings are no longer fixable.

(Meter 3614) Dave Krabbenhoft, Fiscal Director from the Department of Corrections and Rehabilitation: See written testimony Exhibit 4. (Meter 3860) Senator Robinson: Asked Dave to point out the new construction on map last page. Dave did so- the green buildings are the department of corrections buildings, the yellow are is what is going to be transferred in phrase II. There are actually no new buildings being constructed - more remodel and retrofit. Senator Robinson asked how many buildings would be left that would be part of the state hospital

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Senate Appropriations Committee

Bill/Resolution Number HB 1023

Hearing Date 2-27-03

complex. Dave showed another map that gave a more complete drawing of the buildings on the state ground.

(Meter 4292) Darrin Scherr, Energy Programs within the Department of Commerce: See written testimony Exhibit 5. (Meter 4640) Chairman Holmberg stated that Merrifield Hall, a very old building, took \$118,000 to do the energy efficiency and Ryan Hall, a newer building, took three times that amount of money. (Meter 4707) Senator Robinson wanted to know who was responsible for the state wide energy? (Meter 4740) Darrin stated his agency works with all the campus and state facilities. Senator Robinson continued with statements about the heating, lightning situations within the campus to conserve energy.

Chairman Holmberg closed the hearing to HB 1023.

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10/2/03
Date

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1023 Vote

Senate Appropriations Committee

☐ Conference Committee

Hearing Date 4-8-03

| Tape Number | Side A | Side B | Meter # |
|-------------|--------|--------|----------|
| 1 | X | | 250-3200 |
| | | | |
| | | | |

Committee Clerk Signature *[Signature]*

Minutes:

Senator Holmberg opened the discussion on HB1023. A bill relating to appropriations for capitol projects of various state departments.

Senator Kringstad (mtr #314) - Talked about some changes.

Stephanie Johnson, Legislative Council (mtr #337) - Clarified questions on the amendment proposed for HB1023.

Senator Kringstad (mtr #369) - Continued explaining the sections of the amendment and the funding allotted for each.

Discussion

Senator Mathern (mtr #672) - Question on the priorities, not doing energy projects at University but doing air conditioning at the Dept of Corrections in Jamestown. Feels the priorities are wrong.

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Senate Appropriations Committee

Bill/Resolution Number HB1023

Hearing Date April 8, 2003

Senator Kringstad (mtr #748) - Further explanation of the amendments.

Senator Christmann (mtr #768) - The bill as it came from the House, is an administrative type bill, is not housing, the work at corrections is not on the housing for the inmates, it is where the employees work. Doing air conditioning at this time because of planned renovation.

Several Senators talked about the issue/need for air conditioning at Corrections in Jamestown.

Senator Kringstad (mtr #1066) - Talked about amount of funding available for energy savings projects at Universities. Referenced funding sources used in the early 90's by some state universities. Thought is that other Universities may have similar opportunities for different funding at this time.

Senator Holmberg (mtr #1204) - Clarified that the building in question is a vacant building and the reason the air conditioning is being put in. Want to bring building up to speed so that offices can be added.

Senator Kringstad (mtr #1233) - Big issue there is the remodeling already planned. May as well put in air conditioning at this time.

Senator Andrist (mtr #1283) - Understand that the funding for the east lab building would come from the bio-terrorism fund.

Lori Laskwitz (mtr #1360) - Clarified that the money may come from bio-terrorism but remains in the bonding in case the state does not get the bio-terrorism money.

Senator Andrist (mtr #1415) - With all the projects going on in Jamestown, is anyone keeping track of how the money moves between facilities. Other bills had funding for projects there.

Senator Kringstad - Talked about how the funds had been used.

Senator Bowman (mtr #1520) - Did the funds go back to the general fund?

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Senate Appropriations Committee
Bill/Resolution Number HB1023
Hearing Date April 8, 2003

Senator Kringstad - Was part of the Dept of Human Services, went back to the general fund.

Senator Holmberg (mtr #1560) - Additional explanation on how the funds were utilized.

Senator Kringstad (mtr #1634) - Clarified that the Legislative Council and OMB numbers are the same.

Senator Krauter (mtr #1649) - Amendments are new, is concerned. Two issues, #1 the nursing building according to testimony has nothing else proposed in phase two. #2, the amendment before us needs to be divided out, should be division A to give community opportunity to vote for the energy bonding issues and division B would be the rest of the bill. In subcommittee not enough support to address all together.

Senator Holmberg (mtr #1779) - Talked about divided the amendment and effect on the bottom line.

Senator Kringstad (mtr #1802) - Clarified, the nursing building, is not part of phase II, came from the House with updates for that building will be used for field services.

Senator Andrist (mtr #1851) - Question regarding the intent of the Executive Summary of the energy projects.

Senator Kringstad (mtr #1909) - Only one in there is the Dept of Corrections and Rehabilitation's.

The amendment removes the projects for the Universities.

Senator Bowman - Can they fund and payback the way Wahpeton did?

Senator Kringstad (mtr #2026) - Pay back will be the same way. Probably picked up some money from some funds from companies to offset some of this. Some companies helped the schools in the 90's. As far as savings, when it is bonded, you still budget the same amount.

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Senate Appropriations Committee
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Hearing Date April 8, 2003

Senator Andrist (mtr #2157) - Understands that the difference is, when you bond for it, still have to make a bond payment even if there is no savings realized. The budget will have to be increased somewhere. If performance contract signed then the contract gets the savings money, but if you bond for it, seems will make the bond payment regardless of savings amount.

Senator Robinson (mtr #2285) - Issue of borrowing or performance contract. At his college, the savings this year is almost exactly as projected.

Senator Holmberg (mtr #2381) - Any further discussion on this amendment that has been divided into two parts. Clarified the content of the two divisions of the amendment and the effect they will have on the bill. Also reviewed what a yea or nay vote would do to the amendments.

Roll call vote on Division A of the amendment. 8 yea, 6 nay, 0 absent.

Voice vote on Division B of the amendment, passed by majority of voice vote. Amendment is passed as presented.

Senator Kringstad moves a Do Pass as Amended. Second by Senator Christmann.

Roll call vote 12 yea, 2 nay, 0 absent. Carrier is Senator Kringstad.

38023.0302
Title.0400
Fiscal No. 1

Prepared by the Legislative Council staff for
Senator Kringstad
April 8, 2003

JK
4-8-03
1043

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1023

Page 1, line 2, after "for" insert "the", replace "projects" with "project", and replace "various state" with "the department of corrections and rehabilitation;"

Page 1, line 3, remove "departments and institutions; and"

Page 1, line 4, after "projects" insert "; to provide for a legislative council study; and to declare an emergency"

Page 1, line 20, replace "2,662,890" with "2,662,890"

Page 1, after line 21, insert:

"Department of corrections and rehabilitation -
State hospital nurses' building renovation

430,000"

Page 1, line 22, replace "4,237,755" with "4,667,755"

Page 2, line 16, replace "105,326" with "105,326"

Page 2, remove lines 18 and 19

Page 2, line 20, replace "3,134,517" with "105,326"

Page 2, after line 20, insert:

"SECTION 3. LEGISLATIVE COUNCIL STUDY - CAPITAL CONSTRUCTION LEASE PAYMENT LIMITATION. The legislative council shall consider studying, during the 2003-04 Interim, the provisions of section 54-17.2-23 of the North Dakota Century Code regarding the statutory limitation on the amount of capital construction lease payments paid from the general fund and the effect of increasing the percentage limitation. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds a section to the bill to provide for a Legislative Council study of the statutory capital construction lease payment limitation and adds a section to the bill to declare this Act an emergency measure.

House Bill No. 1023 - Summary of Senate Action

| | EXECUTIVE BUDGET | HOUSE VERSION | SENATE CHANGES | SENATE VERSION |
|--|---------------------|------------------|-------------------|-------------------|
| University System office | | | | |
| Total all funds | \$3,029,191 | \$3,029,191 | (\$3,029,191) | \$0 |
| Less estimated income | 3,029,191 | 3,029,191 | (3,029,191) | |
| General fund | \$0 | \$0 | \$0 | \$0 |
| State Department of Health | | | | |
| Total all funds | \$1,574,865 | \$1,574,865 | \$0 | \$1,574,865 |
| Less estimated income | 1,574,865 | 1,574,865 | | 1,574,865 |
| General fund | \$0 | \$0 | \$0 | \$0 |
| Department of Corrections and Rehabilitation | | | | |
| Total all funds | \$2,768,216 | \$2,768,216 | \$430,000 | \$3,198,216 |
| Less estimated income | 2,768,216 | 2,768,216 | 430,000 | 3,198,216 |
| General fund | \$0 | \$0 | \$0 | \$0 |
| Bill Total | | | | |
| Total all funds | \$7,372,272 | \$7,372,272 | (\$2,599,191) | \$4,773,081 |
| Less estimated income | 7,372,272 | 7,372,272 | (2,599,191) | 4,773,081 |
| General fund | \$0 | \$0 | \$0 | \$0 |

House Bill No. 1023 - University System Office - Senate Action

| | EXECUTIVE BUDGET | HOUSE VERSION | SENATE CHANGES | SENATE VERSION |
|-----------------------|---------------------|------------------|-------------------|-------------------|
| Capital assets | \$3,029,191 | \$3,029,191 | (\$3,029,191) | |
| Total all funds | \$3,029,191 | \$3,029,191 | (\$3,029,191) | \$0 |
| Less estimated income | 3,029,191 | 3,029,191 | (3,029,191) | |
| General fund | \$0 | \$0 | \$0 | \$0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |

Dept. 215 - University System Office - Detail of Senate Changes

| | REMOVES FUNDING FOR STATE FACILITY ENERGY IMPROVEMENT PROJECTS ¹ | TOTAL SENATE CHANGES |
|-----------------------|--|----------------------------|
| Capital assets | (\$3,029,191) | (\$3,029,191) |
| Total all funds | (\$3,029,191) | (\$3,029,191) |
| Less estimated income | (3,029,191) | (3,029,191) |
| General fund | \$0 | \$0 |
| FTE | 0.00 | 0.00 |

¹ This amendment removes the state facility energy improvement projects for the University System, which consisted of North Dakota State University sundry project of \$1,077,977 and University of North Dakota sundry projects of \$1,951,214.

House Bill No. 1023 - Department of Corrections and Rehabilitation - Senate Action

| | EXECUTIVE BUDGET | HOUSE VERSION | SENATE CHANGES | SENATE VERSION |
|-----------------------|---------------------|------------------|-------------------|-------------------|
| Capital assets | \$2,768,216 | \$2,768,216 | \$430,000 | \$3,198,216 |
| Total all funds | \$2,768,216 | \$2,768,216 | \$430,000 | \$3,198,216 |
| Less estimated income | 2,768,216 | 2,768,216 | 430,000 | 3,198,216 |
| General fund | \$0 | \$0 | \$0 | \$0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |

Dept. 530 - Department of Corrections and Rehabilitation - Detail of Senate Changes

| | ADDS FUNDING FOR NURSES' BUILDING RENOVATION ¹ | TOTAL SENATE CHANGES |
|-----------------------|--|----------------------------|
| Capital assets | \$430,000 | \$430,000 |
| Total all funds | \$430,000 | \$430,000 |
| Less estimated income | 430,000 | 430,000 |

General fund \$0 \$0
FTE 0.00 0.00

303

¹ This amendment adds funding for the Department of Corrections and Rehabilitation for the renovation of the State Hospital nurses' building, which consists of \$242,000 for a sprinkling system and remodeling, and \$188,000 for installation of air-conditioning.

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10/2/03
Date

Remove
Energy projects
Amendment
Vote -

Date: 4-8-03
Roll Call Vote #: 1

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1023

Senate Appropriations Committee

☐ Check here for Conference Committee

Division A > yes - roll call vote passed
Division B > voice vote passed

Legislative Council Amendment Number

Action Taken

Motion Made By Seconded By

| Senators | Yes | No | Senators | Yes | No |
|-------------------------------|-----|----|----------|-----|----|
| Senator Holmberg, Chairman | ✓ | | | | |
| Senator Bowman, Vice Chair | ✓ | | | | |
| Senator Grindberg, Vice Chair | ✓ | | | | |
| Senator Andrist | ✓ | | | | |
| Senator Christmann | ✓ | | | | |
| Senator Kilzer | ✓ | | | | |
| Senator Krauter | | ✓ | | | |
| Senator Kringstad | | ✓ | | | |
| Senator Lindaas | | ✓ | | | |
| Senator Mathern | | ✓ | | | |
| Senator Robinson | | ✓ | | | |
| Senator Schobinger | ✓ | | | | |
| Senator Tallackson | ✓ | ✓ | | | |
| Senator Thane | ✓ | | | | |

Total (Yes) 6 No 4

Absent

Floor Assignment

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

Operator's Signature Yolanda Rickford Date 10/2/03

Division A
Page 1 of 2
Page

Date: 4-8-03
Roll Call Vote #: 2

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1023

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 38023.0302

Action Taken Do Pass As Amended

Motion Made By Kringstad Seconded By Christmann

| Senators | Yes | No | Senators | Yes | No |
|-------------------------------|-----|----|----------|-----|----|
| Senator Holmberg, Chairman | ✓ | | | | |
| Senator Bowman, Vice Chair | ✓ | | | | |
| Senator Grindberg, Vice Chair | ✓ | | | | |
| Senator Andrist | ✓ | | | | |
| Senator Christmann | ✓ | | | | |
| Senator Kilzer | ✓ | | | | |
| Senator Krauter | ✓ | | | | |
| Senator Kringstad | ✓ | | | | |
| Senator Lindaas | ✓ | | | | |
| Senator Mathern | | ✓ | | | |
| Senator Robinson | | ✓ | | | |
| Senator Schobinger | ✓ | | | | |
| Senator Tallackson | ✓ | | | | |
| Senator Thane | ✓ | | | | |

Total (Yes) 12 No 2

Absent _____

Floor Assignment Kringstad

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

Yolanda Rickford
Operator's Signature

10/2/03
Date

REPORT OF STANDING COMMITTEE (410)
April 8, 2003 3:10 p.m.

Module No: SR-63-7118
Carrier: Kringstad
Insert LC: 38023.0302 Title: .0400

REPORT OF STANDING COMMITTEE

HB 1023, as reengrossed and amended: Appropriations Committee (Sen. Holmberg, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (12 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1023, as amended, was placed on the Sixth order on the calendar.

Page 1, line 2, after "for" insert "the", replace "projects" with "project", and replace "various state" with "the department of corrections and rehabilitation;"

Page 1, line 3, remove "departments and institutions; and"

Page 1, line 4, after "projects" insert "; to provide for a legislative council study; and to declare an emergency"

Page 1, line 20, replace "2,662,890" with "2,662,890"

Page 1, after line 21, insert:
"Department of corrections and rehabilitation - 430,000"
State hospital nurses' building renovation

Page 1, line 22, replace "4,237,755" with "4,667,755"

Page 2, line 16, replace "105,326" with "105,326"

Page 2, remove lines 18 and 19

Page 2, line 20, replace "3,134,517" with "105,326"

Page 2, after line 20, insert:

"SECTION 3. LEGISLATIVE COUNCIL STUDY - CAPITAL CONSTRUCTION LEASE PAYMENT LIMITATION. The legislative council shall consider studying, during the 2003-04 Interim, the provisions of section 54-17.2-23 of the North Dakota Century Code regarding the statutory limitation on the amount of capital construction lease payments paid from the general fund and the effect of increasing the percentage limitation. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds a section to the bill to provide for a Legislative Council study of the statutory capital construction lease payment limitation and adds a section to the bill to declare this Act an emergency measure.

House Bill No. 1023 - Summary of Senate Action

| | EXECUTIVE BUDGET | HOUSE VERSION | SENATE CHANGES | SENATE VERSION |
|--------------------------|---------------------|------------------|--------------------|-------------------|
| University System office | | | | |
| Total all funds | \$3,029,191 | \$3,029,191 | (\$3,029,191) | \$0 |
| Less estimated income | <u>3,029,191</u> | <u>3,029,191</u> | <u>(3,029,191)</u> | |

(2) DESK, (3) COMM

Page No. 1

SR-63-7118

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Yolanda Rickford
Operator's Signature

10/2/03
Date

REPORT OF STANDING COMMITTEE (410)
April 8, 2003 3:10 p.m.

Module No: SR-63-7118
Carrier: Kringstad
Insert LC: 38023.0302 Title: .0400

| | | | | |
|--|------------------|------------------|--------------------|------------------|
| General fund | \$0 | \$0 | \$0 | \$0 |
| State Department of Health | | | | |
| Total all funds | \$1,574,865 | \$1,574,865 | \$0 | \$1,574,865 |
| Less estimated income | <u>1,574,865</u> | <u>1,574,865</u> | <u>\$0</u> | <u>1,574,865</u> |
| General fund | \$0 | \$0 | \$0 | \$0 |
| Department of Corrections and Rehabilitation | | | | |
| Total all funds | \$2,768,216 | \$2,768,216 | \$430,000 | \$3,198,216 |
| Less estimated income | <u>2,768,216</u> | <u>2,768,216</u> | <u>430,000</u> | <u>3,198,216</u> |
| General fund | \$0 | \$0 | \$0 | \$0 |
| BH Total | | | | |
| Total all funds | \$7,372,272 | \$7,372,272 | (\$2,599,191) | \$4,773,081 |
| Less estimated income | <u>7,372,272</u> | <u>7,372,272</u> | <u>(2,599,191)</u> | <u>4,773,081</u> |
| General fund | \$0 | \$0 | \$0 | \$0 |

House Bill No. 1023 - University System Office - Senate Action

| | EXECUTIVE BUDGET | HOUSE VERSION | SENATE CHANGES | SENATE VERSION |
|-----------------------|---------------------|--------------------|----------------------|-------------------|
| Capital assets | <u>\$3,029,191</u> | <u>\$3,029,191</u> | <u>(\$3,029,191)</u> | |
| Total all funds | \$3,029,191 | \$3,029,191 | (\$3,029,191) | \$0 |
| Less estimated income | <u>3,029,191</u> | <u>3,029,191</u> | <u>(3,029,191)</u> | |
| General fund | \$0 | \$0 | \$0 | \$0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |

Dept. 215 - University System Office - Detail of Senate Changes

| | REMOVES FUNDING FOR STATE FACILITY ENERGY IMPROVEMENT PROJECTS ¹ | TOTAL SENATE CHANGES |
|-----------------------|--|----------------------------|
| Capital assets | <u>(\$3,029,191)</u> | <u>(\$3,029,191)</u> |
| Total all funds | (\$3,029,191) | (\$3,029,191) |
| Less estimated income | <u>(3,029,191)</u> | <u>(3,029,191)</u> |
| General fund | \$0 | \$0 |
| FTE | 0.00 | 0.00 |

¹ This amendment removes the state facility energy improvement projects for the University System, which consisted of North Dakota State University sundry projects of \$1,077,977 and University of North Dakota sundry projects of \$1,951,214.

House Bill No. 1023 - Department of Corrections and Rehabilitation - Senate Action

| | EXECUTIVE BUDGET | HOUSE VERSION | SENATE CHANGES | SENATE VERSION |
|-----------------------|---------------------|--------------------|-------------------|--------------------|
| Capital assets | <u>\$2,768,216</u> | <u>\$2,768,216</u> | <u>\$430,000</u> | <u>\$3,198,216</u> |
| Total all funds | \$2,768,216 | \$2,768,216 | \$430,000 | \$3,198,216 |
| Less estimated income | <u>2,768,216</u> | <u>2,768,216</u> | <u>430,000</u> | <u>3,198,216</u> |
| General fund | \$0 | \$0 | \$0 | \$0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |

Dept. 530 - Department of Corrections and Rehabilitation - Detail of Senate Changes

| | ADDS FUNDING FOR NURSES' BUILDING RENOVATION ¹ | TOTAL SENATE CHANGES |
|----------------|--|----------------------------|
| Capital assets | <u>\$430,000</u> | <u>\$430,000</u> |

(2) DESK, (3) COMM

Page No. 2

SR-63-7118

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Yolanda Rickford
 Operator's Signature

10/2/03
 Date

REPORT OF STANDING COMMITTEE (410)
April 8, 2003 3:10 p.m.

Module No: SR-63-7118
Carrier: Kringstad
Insert LC: 38023.0302 Title: .0400

| | | |
|-----------------------|----------------|----------------|
| Total all funds | \$430,000 | \$430,000 |
| Less estimated income | <u>430,000</u> | <u>430,000</u> |
| General fund | \$0 | \$0 |
| FTE | 0.00 | 0.00 |

¹ This amendment adds funding for the Department of Corrections and Rehabilitation for the renovation of the State Hospital nurses' building, which consists of \$242,000 for a sprinkling system and remodeling, and \$188,000 for installation of air-conditioning.

2003 HOUSE APPROPRIATIONS

CONFERENCE COMMITTEE

HB 1023

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Operator's Signature

Yolanda Rickford

Date

10/2/03

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1023

House Appropriations Committee

☒ Conference Committee

Hearing Date 04-14-03

| Tape Number | Side A | Side B | Meter # |
|---|--------|--------|------------|
| 1 | X | | 0.0 - 18.0 |
| | | | |
| | | | |
| Committee Clerk Signature <i>Chris S. [Signature]</i> | | | |

Minutes:

Chairman Timm Called the meeting to order. Senators Kringstad, Christmann, and Krauter and Representatives Timm, Delzer and Aarsvold present.

Rep Timm This bill dealt with capital projects authorization for bonding.

Sen. Kringstad Explained the Senate amendments. Roughrider Industries generated a profit not reflected in the Senate amendments. It was realized after the amendments had been generated.

That is the reason for the \$100,000 reduction in appropriation from \$420,000 to \$320,000.

Rep. Timm The funding for the nurses building at the State Hospital should have been reduced \$100,000?

Rep. Kringstad Yes, it came out after the amendment was requested.

Rep. Delzer This all ties into the Department of Correction's budget, we can't deal with this until that is done.

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Valista Rickford
Operator's Signature

10/2/03
Date

Page 2
House Appropriations Committee
Bill/Resolution Number HB 1023
Hearing Date 04-14-03

Sen. Christmann These need to be coordinated with them. We allowed bonding for air conditioning, and while they are at it, they could pursue the other building projects.

Rep. Delzer This could tie into the philosophical differences on the Department of Correction's budget between the House and the Senate. I think that this study is good.

Sen. Christmann There are ways of creative financing with this. Maybe we should raise the cap instead of distorting the numbers to look like we are under the cap.

Rep. Delzer We need to stay under the cap.

Rep. Kringstad These projects are under the cap.

Rep. Delzer Yes, but you took out Murphy Hall and the Valley City education building projects.

Rep. Timm -To Karlene Fine, Industrial Commission- The education projects are out and we are under the cap?

Karlene Fine Yes, excluding the escrow account.

Rep. Timm What is the total amount we can bond under the statutory limit?

Fine 19 million dollars.

Rep. Delzer Did section 2 of the bill fall outside the cap?

Fine Yes.

Rep. Aarsvold What about energy projects at NDSU and UND?

Sen. Kringstad We wanted them to bond with a private company. We wanted them to at least look into doing that.

Sen. Christmann Some of those are 12 and 14 year paybacks. Almost every university in the state has done this. These guys want us to hold the bag in this case since they don't have very

Page 3

House Appropriations Committee

Bill/Resolution Number HB 1023

Hearing Date 04-14-03

good projects. Who among us would tackle a project in our own home when we would have to borrow every dollar? This is a want list, not a need list.

Rep. Aarsvold Did they look at performance contracting?

Sen. Christmann They just said it would cost more.

Chairman Timm Is the Senate big on section 3? That is the study.

Sen. Kringstad Yes, I think so.

Sen. Christmann The nurses building is an issue, and the study is an issue. The emergency clause is needed for two things, the nurses building and the Department of Human Services.

Chairman Timm I have no problem taking the education efficiency projects out.

Rep. Aarsvold I want more time for this decision.

Chairman Timm Adjourned the meeting.

2003 HOUSE STANDING COMMITTEE MINUTES
BILL/RESOLUTION NO. HB 1023

House Appropriations Committee

☒ Conference Committee

Hearing Date 04-22-03

| Tape Number | Side A | Side B | Meter # |
|---|--------|--------|------------|
| 1 | X | | 0.0 - 20.0 |
| | | | |
| | | | |
| Committee Clerk Signature <i>Chris S. Nyhus</i> | | | |

Minutes:

Chairman Timm Called the meeting to order. All members were present including Sen.

Kringstad, Sen. Christmann, Sen. Krauter, Rep. Timm, Rep. Delzer, Rep. Aarsvold.

Rep. Delzer Our biggest point is what to do with the Senate's budget for corrections. We need to remove the \$430,000 the Senate put in. The only other change was to take out the energy bonds, and I think that's a good idea.

Sen. Kringstad That's paid by energy savings. We should consider it. I think we need to look at it. The possibility of savings through energy is good. Bismarck State College saves \$850 per month in one building due to energy savings.

Sen. Krauter Its a win-win situation if you can do these bonds that are at such a low interest rate. And plus it will save money in the long run.

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Valosta Rickford
Operator's Signature

10/2/03
Date

Page 2
House Appropriations Committee
Bill/Resolution Number HB 2023
Hearing Date 04-22-03

Rep. Delzer I don't like any bonding we do. The numbers we have are only estimates. We need actual numbers. The only way to do that is to know your costs per building prior to the construction projects.

Rep. Aarsvold Is there a facilities management threshold that guides us and shows when this is economical to pursue?

Sen. Christmann 8-10 years is when the savings would pay for this project. They've added in a wish-list of other projects to this, yet, they are under the limit level. We aren't a bank, and that's what we're acting as by loaning this money out.

Rep. Delzer We should pay cash for some of these worthwhile projects. I move the House cede to the Senate amendments, and to further amend out the \$430,000 for the nurses building at the State Hospital. 2nd by Sen. Christmann. Motion Carries.

Sen. Kringstad I move to reinstate the 2 university projects which are planned at NDSU and UND. 2nd by Sen. Krauter.

Rep. Delzer Is it in lines 14 and 15 in the original bill?

Sen. Kringstad Yes.

Motion Fails 3-3-0.

Rep. Delzer I move to remove the study. Motion dies due to a lack of a 2nd.

Meeting adjourned.

38023.0303
Title.0500
Fiscal No. 1

Prepared by the Legislative Council staff for
Conference Committee
April 22, 2003

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1023

That the Senate recede from its amendments as printed on pages 1420 and 1421 of the House Journal and pages 1201-1203 of the Senate Journal and that Reengrossed House Bill No. 1023 be amended as follows:

Page 1, line 2, after "for" insert "the", replace "projects" with "project", and replace "various state" with "the department of corrections and rehabilitation;"

Page 1, line 3, remove "departments and institutions; and"

Page 1, line 4, after "projects" insert "; to provide for a legislative council study; and to declare an emergency"

Page 2, line 16, replace "105,326" with "105,326"

Page 2, remove lines 18 and 19

Page 2, line 20, replace "3,134,517" with "105,326"

Page 2, after line 20, insert:

"SECTION 3. LEGISLATIVE COUNCIL STUDY - CAPITAL CONSTRUCTION LEASE PAYMENT LIMITATION. The legislative council shall consider studying, during the 2003-04 interim, the provisions of section 54-17.2-23 of the North Dakota Century Code regarding the statutory limitation on the amount of capital construction lease payments paid from the general fund and the effect of increasing the percentage limitation. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1023 - Summary of Conference Committee Action

| | EXECUTIVE BUDGET | HOUSE VERSION | CONFERENCE COMMITTEE CHANGES | CONFERENCE COMMITTEE VERSION | SENATE VERSION | COMPARISON TO SENATE |
|---|---------------------|------------------|------------------------------------|------------------------------------|-------------------|-------------------------|
| University System office | | | | | | |
| Total all funds | \$3,029,191 | \$3,029,191 | (\$3,029,191) | \$0 | \$0 | \$0 |
| Less estimated income | <u>3,029,191</u> | <u>3,029,191</u> | <u>(3,029,191)</u> | | | |
| General fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| State Department of Health | | | | | | |
| Total all funds | \$1,574,865 | \$1,574,865 | \$0 | \$1,574,865 | \$1,574,865 | \$0 |
| Less estimated income | <u>1,574,865</u> | <u>1,574,865</u> | | <u>1,574,865</u> | <u>1,574,865</u> | |
| General fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Department of Corrections and Rehabilitation | | | | | | |
| Total all funds | \$2,768,216 | \$2,768,216 | \$0 | \$2,768,216 | \$3,198,216 | (\$430,000) |
| Less estimated income | <u>2,768,216</u> | <u>2,768,216</u> | | <u>2,768,216</u> | <u>3,198,216</u> | <u>(430,000)</u> |

General fund \$0 \$0 \$0 \$0 \$0 \$0

Bill Total
 Total all funds \$7,372,272 \$7,372,272 (\$3,029,191) \$4,343,081 \$4,773,081 (\$430,000)
 Less estimated income 7,372,272 7,372,272 (3,029,191) 4,343,081 4,773,081 (430,000)
 General fund \$0 \$0 \$0 \$0 \$0 \$0

House Bill No. 1023 - University System Office - Conference Committee Action

| | EXECUTIVE BUDGET | HOUSE VERSION | CONFERENCE COMMITTEE CHANGES | CONFERENCE COMMITTEE VERSION | SENATE VERSION | COMPARISON TO SENATE |
|-----------------------|---------------------|--------------------|------------------------------------|------------------------------------|-------------------|-------------------------|
| Capital assets | <u>\$3,029,191</u> | <u>\$3,029,191</u> | <u>(\$3,029,191)</u> | | | |
| Total all funds | \$3,029,191 | \$3,029,191 | (\$3,029,191) | \$0 | \$0 | \$0 |
| Less estimated income | <u>3,029,191</u> | <u>3,029,191</u> | <u>(3,029,191)</u> | | | |
| General fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Dept. 215 - University System Office - Detail of Conference Committee Changes

| | REMOVES FUNDING FOR STATE FACILITY ENERGY IMPROVEMENT PROJECTS ¹ | TOTAL CONFERENCE COMMITTEE CHANGES |
|-----------------------|--|---|
| Capital assets | <u>(\$3,029,191)</u> | <u>(\$3,029,191)</u> |
| Total all funds | (\$3,029,191) | (\$3,029,191) |
| Less estimated income | <u>(3,029,191)</u> | <u>(3,029,191)</u> |
| General fund | \$0 | \$0 |
| FTE | 0.00 | 0.00 |

¹ This amendment removes the state facility energy improvement projects for the University System, which consisted of North Dakota State University sundry projects of \$1,077,977 and University of North Dakota sundry projects of \$1,951,214.

House Bill No. 1023 - Other changes - Conference Committee Action

This amendment also adds a section to the bill to provide for a Legislative Council study of the statutory capital construction lease payment limitation and adds a section to the bill to declare this Act an emergency measure.

REPORT OF CONFERENCE COMMITTEE (420)
April 23, 2003 9:01 a.m.

Module No: SR-74-8182

Insert LC: 38023.0303

REPORT OF CONFERENCE COMMITTEE

HB 1023, as reengrossed: Your conference committee (Sens. Kringstad, Christmann, Krautor and Reps. Timm, Delzer, Aarsvold) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1420-1421, adopt amendments as follows, and place HB 1023 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1420 and 1421 of the House Journal and pages 1201-1203 of the Senate Journal and that the reengrossed House Bill No. 1023 be amended as follows:

Page 1, line 2, after "for" insert "the", replace "projects" with "project", and replace "various state" with "the department of corrections and rehabilitation;"

Page 1, line 3, remove "departments and institutions; and"

Page 1, line 4, after "projects" insert "; to provide for a legislative council study; and to declare an emergency"

Page 2, line 16, replace "105,326" with "105,326"

Page 2, remove lines 18 and 19

Page 2, line 20, replace "3,134,517" with "105,326"

Page 2, after line 20, insert:

"SECTION 3. LEGISLATIVE COUNCIL STUDY - CAPITAL CONSTRUCTION LEASE PAYMENT LIMITATION. The legislative council shall consider studying, during the 2003-04 interim, the provisions of section 54-17.2-23 of the North Dakota Century Code regarding the statutory limitation on the amount of capital construction lease payments paid from the general fund and the effect of increasing the percentage limitation. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1023 - Summary of Conference Committee Action

| | EXECUTIVE BUDGET | HOUSE VERSION | CONFERENCE COMMITTEE CHANGES | CONFERENCE COMMITTEE VERSION | SENATE VERSION | COMPARISON TO SENATE |
|---|---------------------|------------------|------------------------------------|------------------------------------|-------------------|-------------------------|
| University System office | | | | | | |
| Total all funds | \$3,029,191 | \$3,029,191 | (\$3,029,191) | \$0 | \$0 | \$0 |
| Less estimated income | <u>3,029,191</u> | <u>3,029,191</u> | <u>(3,029,191)</u> | | | |
| General fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| State Department of Health | | | | | | |
| Total all funds | \$1,574,865 | \$1,574,865 | \$0 | \$1,574,865 | \$1,574,865 | \$0 |
| Less estimated income | <u>1,574,865</u> | <u>1,574,865</u> | | <u>1,574,865</u> | <u>1,574,865</u> | |
| General fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Department of Corrections and Rehabilitation | | | | | | |
| Total all funds | \$2,768,216 | \$2,768,216 | \$0 | \$2,768,216 | \$3,198,216 | (\$430,000) |
| Less estimated income | <u>2,768,216</u> | <u>2,768,216</u> | | <u>2,768,216</u> | <u>3,198,216</u> | <u>(430,000)</u> |

(2) DESK, (2) COMM

Page No. 1

SR-74-8182

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Operator's Signature

Date

REPORT OF CONFERENCE COMMITTEE (420)
April 23, 2003 9:01 a.m.

Module No: SR-74-8182

Insert LC: 38023.0303

| | | | | | | |
|-----------------------|------------------|------------------|--------------------|------------------|------------------|------------------|
| General fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Bill Total | | | | | | |
| Total all funds | \$7,372,272 | \$7,372,272 | (\$3,029,191) | \$4,343,081 | \$4,773,081 | (\$430,000) |
| Less estimated income | <u>7,372,272</u> | <u>7,372,272</u> | <u>(3,029,191)</u> | <u>4,343,081</u> | <u>4,773,081</u> | <u>(430,000)</u> |
| General fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

House Bill No. 1023 - University System Office - Conference Committee Action

| | EXECUTIVE BUDGET | HOUSE VERSION | CONFERENCE COMMITTEE CHANGES | CONFERENCE COMMITTEE VERSION | SENATE VERSION | COMPARISON TO SENATE |
|-----------------------|---------------------|--------------------|------------------------------------|------------------------------------|-------------------|-------------------------|
| Capital assets | <u>\$3,029,191</u> | <u>\$3,029,191</u> | <u>(\$3,029,191)</u> | | | |
| Total all funds | \$3,029,191 | \$3,029,191 | (\$3,029,191) | \$0 | \$0 | \$0 |
| Less estimated income | <u>3,029,191</u> | <u>3,029,191</u> | <u>(3,029,191)</u> | | | |
| General fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Dept. 215 - University System Office - Detail of Conference Committee Changes

| | REMOVES FUNDING FOR STATE FACILITY ENERGY IMPROVEMENT PROJECTS ¹ | TOTAL CONFERENCE COMMITTEE CHANGES |
|-----------------------|--|---|
| Capital assets | <u>(\$3,029,191)</u> | <u>(\$3,029,191)</u> |
| Total all funds | <u>(\$3,029,191)</u> | <u>(\$3,029,191)</u> |
| Less estimated income | <u>(3,029,191)</u> | <u>(3,029,191)</u> |
| General fund | \$0 | \$0 |
| FTE | 0.00 | 0.00 |

¹ This amendment removes the state facility energy improvement projects for the University System, which consisted of North Dakota State University sundry projects of \$1,077,977 and University of North Dakota sundry projects of \$1,951,214.

House Bill No. 1023 - Other changes - Conference Committee Action

This amendment also adds a section to the bill to provide for a Legislative Council study of the statutory capital construction lease payment limitation and adds a section to the bill to declare this Act an emergency measure.

Reengrossed HB 1023 was placed on the Seventh order of business on the calendar.

2003 TESTIMONY

HB 1023

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Valista Rickford
Operator's Signature

10/2/03
Date

Testimony of HB 1023
House Appropriations Committee
January 16, 2003

Good afternoon Mr. Chairman and members of the House Appropriations Committee.

I'm Sheila Peterson, Director of the Fiscal Management Division of OMB.

HB1023 is the capital budget. It contains two sections. The first section includes three capital projects that are to be bonded. The second section includes energy improvement projects for three agencies.

Our plans this afternoon are that first I will provide you a summary of the state bonding limits and how the projects in Section 1 fit into those limits. The Health Dept. and Dept. of Corrections and Rehabilitation will follow with details on these state bonding projects.

Then Mr. Darin Scherr from the Dept. of Commerce will review the energy projects in Section 2 of the bill.

And finally, your chairman has asked the North Dakota University System to review its capital project priority list. Laura Glatt will be doing that presentation.

Let's talk about Section 1.

Attached to my testimony is a chart of bonding obligations including the three new projects in this bill. This chart has been prepared by Karlene Fine. Karlene is here today should you have any question for her.

You may recall that there is a statutory limit on how much the state can spend from the general fund on bond payments or debt service. That limit is 10% of 1¢ sales tax. The second to the last column on this spreadsheet shows you the maximum amount available for bond payments using the December 2002 forecast. The third column from the end shows you the anticipated bond payments from the general fund on debt already issued in past years and proposed to be issued in the 2003-05 biennium.

For the projects authorized in 2003-05, the first bond payments would not be due until 2005-07. So if you look at the last column for 2005-07, you will see there is a balance of just over \$700,000 remaining. This means if the three bonding projects in Section 1 of HB1023 are authorized, the bond payments will be under the statutory cap.

I would like to point out that the energy projects in Section 2 are not a part of this bonding cap. The energy project bonds are repaid from savings in utility costs. The payments will be made from the agencies' operating line items (utilities) until the debt has been paid in full and then you will see reductions in the agencies' operating line. I have also attached a chart showing the energy conservation bonds debt service payment schedule. Karlene Fine has prepared this chart also.

Mr. Chairman, I'd be happy to answer any questions on the bonding limitations.

4

If there are no further questions, I will call on the Health Dept. to begin the testimony on their projects.

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Yolanda Rickford
Operator's Signature

10/2/03
Date

NORTH DAKOTA BUILDING AUTHORITY DEBT SERVICE

| Bicentennium | 2003A | | | | | | | | | | Other | Total | 10% of \$01 Sales Tax* | Available Debt Ser |
|--------------|-----------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-----------|-------------|------------------------|--------------------|
| | 1998B-1991-1995 | 1998B-1992 | 1998B-1993 | 1998B-1994 | 1998B-1995 | 1998B-1996 | 1998B-1997 | 1998B-1998 | 1998B-1999 | 1998B-2000 | | | | |
| 2003-05 | 2,371,725 | 589,075 | 5,479,013 | 2,067,370 | 2,875,763 | 1,320,053 | 780,480 | 735,704 | 1,546,756 | 897,938 | 0 | 18,463,867 | 15,985,849 | 1,547,431 |
| 2005-07 | 2,232,263 | 598,806 | 5,513,625 | 2,027,420 | 2,734,785 | 1,324,929 | 778,071 | 741,870 | 2,085,753 | 1,000,338 | 873,261 | 19,922,101 | 17,523,476 | 1,547,431 |
| 2007-09 | 2,078,972 | 0 | 6,003,338 | 2,414,501 | 2,551,384 | 1,322,000 | 743,035 | 743,954 | 2,088,721 | 1,001,176 | 878,079 | 20,136,160 | 17,744,515 | 1,219,481 |
| 2009-11 | 1,895,834 | 0 | 0 | 2,394,120 | 2,989,554 | 1,320,411 | 0 | 741,791 | 2,115,115 | 1,001,446 | 875,006 | 13,333,307 | 11,520,235 | 8,202,320 |
| 2011-13 | 0 | 0 | 0 | 2,390,520 | 2,986,390 | 1,322,403 | 0 | 744,148 | 2,118,015 | 1,000,429 | 875,006 | 11,436,911 | 9,927,378 | 10,594,080 |
| 2013-15 | 0 | 0 | 0 | 1,077,650 | 2,896,405 | 1,322,634 | 0 | 745,659 | 2,132,153 | 998,959 | 873,291 | 10,146,751 | 9,208,104 | 12,122,812 |
| 2015-17 | 0 | 0 | 0 | 0 | 2,970,486 | 1,317,319 | 0 | 748,763 | 2,155,288 | 994,148 | 874,384 | 9,061,390 | 8,253,691 | 13,931,502 |
| 2017-19 | 0 | 0 | 0 | 0 | 0 | 657,214 | 0 | 757,782 | 2,167,538 | 1,000,049 | 877,295 | 5,459,878 | 4,646,425 | 18,426,175 |
| 2019-21 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,910,281 | 1,005,320 | 875,839 | 3,791,440 | 2,974,387 | 21,021,117 |
| 2021-23 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 853,160 | 458,741 | 425,340 | 1,308,901 | 938,748 | 24,016,576 |
| Totals | 8,578,794 | 1,187,881 | 16,995,976 | 12,361,581 | 20,414,779 | 9,906,973 | 2,302,566 | 5,960,671 | 18,193,780 | 9,158,544 | 7,427,501 | 113,061,706 | 98,723,808 | |

4.67% 4.67% 3.86% 4.01% 4.17% 5.11% 4.24% 5.51% 5.02% 5.02% 4.86%

Revised 01/01/03

*Includes funding for the 3 projects (\$4,237,755) in the 2003-2005 Executive Budget for the State Health Department and Department of Corrections.

*The December 2002 preliminary forecast used for the 2003-2005 biennium with a 4% increase each subsequent biennia.

Operator's Signature *Yolanda Rickford*

Date *10/2/03*

**North Dakota Building Authority Debt Service
Energy Conservation Projects**

| Biennium | 02A&B | 2003C* | Totals |
|---------------|------------------|------------------|------------------|
| 2003-05 | 1,367,125 | 0 | 1,367,125 |
| 2005-07 | 1,214,828 | 819,422 | 2,034,250 |
| 2007-09 | 1,369,154 | 824,795 | 2,193,949 |
| 2009-11 | 438,487 | 814,508 | 1,252,995 |
| 2011-13 | 8,982 | 809,679 | 818,661 |
| 2013-15 | 0 | 815,301 | 815,301 |
| 2015-17 | 0 | 431,724 | 431,724 |
| Totals | 4,398,576 | 4,515,429 | 8,914,005 |

Revised 01/09/03

*Includes funding for the 5 projects (\$3,134,517) in the 2003-2005 Executive Budget for the North Dakota University System and Department of Corrections.

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Yolanda Rickford
Operator's Signature

10/2/03
Date

Exhibit 1

Testimony of HB 1023
Senate Appropriations Committee
February 27, 2003

Good afternoon Mr. Chairman and members of the Senate Appropriations Committee.

I'm Sheila Peterson, Director of the Fiscal Management Division of OMB.

HB1023 is the capital budget. It contains two sections. The first section includes three capital projects that are to be bonded. The second section includes energy improvement projects for three agencies.

Our plans this afternoon are that first I will provide you a summary of the state bonding limits and how the projects in Section 1 fit into those limits. The Health Dept. and Dept. of Corrections and Rehabilitation will follow with details on these state bonding projects.

Then Mr. Darin Scherr from the Dept. of Commerce will review the energy projects in Section 2 of the bill.

Let's talk about Section 1.

Attached to my testimony is a chart of bonding obligations including the three new projects in this bill. This chart has been prepared by Karlene Fine. Karlene is here today should you have any question for her.

4p

You may recall that there is a statutory limit on how much the state can spend from the general fund on bond payments or debt service. That limit is 10% of 1¢ sales tax. The second to the last column on this spreadsheet shows you the maximum amount available for bond payments using the December 2002 forecast. The third column from the end shows you the anticipated bond payments from the general fund on debt already issued in past years and proposed to be issued in the 2003-05 biennium.

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I would like to point out that the energy projects in Section 2 are not a part of this bonding cap. The energy project bonds are repaid from savings in utility costs. The payments will be made from the agencies' operating line items (utilities) until the debt has been paid in full and then you will see reductions in the agencies' operating line. I have also attached a chart showing the energy conservation bonds debt service payment schedule. Karlene Fine has prepared this chart also.

Mr. Chairman, I'd be happy to answer any questions on the bonding limitations.

If there are no further questions, I will call on the Health Dept. to begin the testimony on their projects.

Testimony
House Bill 1023
House Appropriations Committee
January 16, 2003
2:00 p.m.
North Dakota Department of Health

Mr. Chairman and members of the Committee. My name is Dr. George R. Mizell, and I am the State Forensic Examiner with the North Dakota Department of Health. I am here today to testify in support of the portion of House Bill 1023 related to construction of a morgue.

Background

In existence since August 1996, the State Forensic Examiner's Office provides medical examiner services and assists in death investigations throughout North Dakota. The Forensic Examiner's Office provides vital information needed by county coroners, law enforcement, and other agencies involved in death investigations.

North Dakota has a county coroner-based death investigation system, in which each county has a county coroner responsible for investigating sudden and unexpected deaths in his or her jurisdiction. The county coroner is a licensed physician except in those counties where a physician is unavailable to act as county coroner, in which case the position is held by another official. The county coroners are responsible for investigating deaths that occur in their jurisdictions. The Forensic Examiner's Office assists in those investigations on a referral basis only and does not become involved in a case unless first requested to do so by the local county coroner. The Forensic Examiner's Office accepts only those cases that clearly fall under the jurisdiction of the county coroner and that are being actively investigated by law enforcement. An autopsy is performed to determine cause and manner of death and to address medical-legal issues that are part of the death investigation.

In North Dakota, there are about 6,000 deaths per year; about 1,200 of those deaths fall under the jurisdiction of the county coroners, meaning they are sudden and unexpected in nature, are related or due to some type of injury, occur without the attendance of a physician, or occur under suspicious or unusual circumstances. Of those cases, about 200 cases per year are referred to the State Forensic Examiner's Office for investigation into cause and manner of death. Autopsies are performed on almost all referred cases. The Forensic Examiner's Office also provides consultations to county coroners.

Yolanda Rickford
Operator's Signature

10/2/03
Date

Current Facilities

Prior to 1999, the State Forensic Examiner conducted autopsies in the morgues of the two Bismarck hospitals; however, this arrangement was temporary. In 1999, a small temporary morgue facility was constructed in borrowed space in a storeroom in the Environmental Training Center near the Department of Health's east laboratory. About 450 square feet in size, this space contains an autopsy station, a body scale, autopsy equipment and supplies, x-ray equipment, and storage for collected specimens and evidence. Office space consists of about 400 additional square feet that houses three fulltime employees, as well as case files, office equipment, supplies, and evidence storage.

The morgue facility is inadequate for a number of reasons:

- The workspace is too small to handle the volume and type of cases that are routinely examined by the Forensic Examiner's Office. It is not unusual to have multiple cases that need to be autopsied. It is important to be able to handle cases in an efficient manner so that the bodies of victims can be released in a timely fashion and funeral arrangements can be made. In addition, it is not unusual to have additional personnel in the morgue, including police officers who are involved with the death investigation and other personnel who need to be present. The present physical space is small and cramped, making appropriate collection of evidence, examination of the body, and documentation of findings difficult.
- Because the morgue facility has virtually no storage space available, operating supplies must be purchased on a daily or weekly basis to keep up with the case volume, as opposed to purchasing in bulk to achieve cost savings. In addition, the morgue facility is used to store biological evidence, toxicology specimens, x-ray equipment, cleaning equipment and supplies, and other equipment required for the performance of autopsies.
- The cramped working environment in the morgue contributes to a number of workplace safety and health concerns. To ensure the health and safety of Forensic Examiner personnel, autopsies of victims who have died from a suspected infectious disease or toxic exposure must be performed in a dedicated space that has appropriate control of airflow and protective equipment.
- The facility needs larger refrigerated storage capacity. A walk-in cooler that can hold up to five bodies was constructed outside of the temporary morgue facility. That refrigeration unit is used for body storage and for storage of other materials that require refrigeration, including toxicology specimens. The space available for that storage is inadequate.

- The present morgue facility has no bathroom or locker-room accommodations. As a result, personnel must change their clothing and go through the morgue area without personal protective gowns.
- Security is a concern with the current morgue facility. The morgue refrigeration area, the admission area, and the morgue itself are not covered by the laboratory security system.
- The office space currently available to the Forensic Examiner's Office has inadequate secure space in which to store case files, photographs, and other types of evidence. The office space is extremely cramped and does not conform to workplace safety codes.
- Storage space is needed for equipment and supplies necessary to respond if a multiple-fatality incident occurs in North Dakota. The current morgue facility would be unable to handle even a small multiple-fatality incident.
- The current morgue and office space do not meet the requirements for accreditation by the National Board of Medical Examiners.

Project Proposal

The proposed \$800,000 budget would provide for construction of a morgue and office space (4,773 square feet).

An appropriate facility for the Forensic Examiner's Office is urgently needed. The proposed morgue facility would have adequate working space, refrigerated space, and storage space in a secure facility. In addition, the facility would have space dedicated for the performance of autopsies of the victims who died of suspected infectious or transmissible diseases or toxic exposure. Finally, such a facility would allow for an appropriate response to a multiple-fatality incident should such an incident occur in North Dakota.

It is important to have appropriate, professional death investigation and autopsy facilities available to assist with the investigation of sudden and unexpected deaths in North Dakota. The information obtained during autopsies is of vital importance to county coroners and law enforcement investigators, states attorneys, public health agencies, the Department of Health, families of victims, and multiple other local and federal agencies.

Mr. Chairman and members of the Committee, the Department of Health requests your favorable response to the portion of House Bill 1023 related to construction of a morgue. I am happy to answer any questions you may have.

Exhibit 2

Testimony
House Bill 1023
Senate Appropriations Committee
February 27, 2003
2:00 p.m.
North Dakota Department of Health

Mr. Chairman and members of the Committee, my name is Dr. George R. Mizell, and I am the State Forensic Examiner with the North Dakota Department of Health. I am here today to testify in support of the portion of House Bill 1023 related to construction of a morgue.

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Current Facilities

Prior to 1999, the State Forensic Examiner conducted autopsies in the morgues of the two Bismarck hospitals; however, this arrangement was temporary. In 1999, a small temporary morgue facility was constructed in borrowed space in a storeroom in the Environmental Training Center near the Department of Health's east laboratory. The current total space for the Forensic Examiner's office – including office space, morgue, and refrigeration and receiving area – is 1,300 square feet. About 450 square feet of this space contains an autopsy station, a body scale, autopsy equipment and supplies, x-ray equipment, and storage for collected specimens and evidence. Office space consists of about 400 square feet that houses three fulltime employees, as well as case files, office equipment, supplies, and evidence storage. Another 450 square feet contains a small receiving area and refrigeration unit.

The morgue facility is inadequate for a number of reasons:

- The workspace is too small to handle the volume and type of cases that are routinely examined by the Forensic Examiner's Office. It is not unusual to have multiple cases that need to be autopsied. It is important to be able to handle cases in an efficient manner so that the bodies of victims can be released in a timely fashion and funeral arrangements can be made. In addition, it is not unusual to have additional personnel in the morgue, including police officers who are involved with the death investigation and other personnel who need to be present. The present physical space is small and cramped, making appropriate collection of evidence, examination of the body, and documentation of findings difficult.
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- The cramped working environment in the morgue contributes to a number of workplace safety and health concerns. To ensure the health and safety of Forensic Examiner personnel, autopsies of victims who have died from a suspected infectious disease or toxic exposure must be performed in a dedicated space that has appropriate control of airflow and protective equipment.
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Testimony

House Bill 1023

House Appropriations Committee

January 16, 2003

2:00 p.m.

North Dakota Department of Health

Mr. Chairman and members of the committee. My name is Dave Glatt and I am Section Chief of the Environmental Health Section for the North Dakota Department of Health. I am here to provide testimony in support of the portion of HB 1023 related to remodeling of the east laboratory and construction of a storage annex.

During the 1999 Legislative Session and in testimony before an interim budget committee preceding the 2001 Legislative Session, the Department of Health identified critical health and safety deficiencies at our microbiology and chemistry laboratories. The 2001 Legislative Assembly authorized construction of an addition to the Department's east laboratory building in Bismarck. This addition will provide adequate space to house both the microbiology laboratory, currently located on the west side of Bismarck, and the chemistry laboratory, currently located at the east laboratory location. Design for construction has been completed, and construction of the addition is underway.

Section 1 of HB 1023 before the Committee today provides authorization for \$614,865 in bonding for the remodeling of the existing east laboratory building and \$160,000 in bonding for the storage annex. The total cost for remodeling the east laboratory building is projected at \$1,064,865. The proposal is to use \$450,000 of federal bioterrorism funding, with the remaining \$614,865 funded through bonding.

One significant item included in the remodeling project is replacement of the air-handling system. The mechanical system of the east laboratory building was not designed to handle the large volume fresh-air and clean-air requirements for protecting employees from exposure to chemical or biological agents resulting from sample handling and analysis. In addition, certain laboratory equipment requires the indoor air environment to be as clean as reasonably possible.

Many windows of the existing east laboratory building have water leaks due to decayed seals. Those water leaks have caused progressive damage to the building's internal walls. In addition, the building's roof leaks.

4

The existing space must be remodeled to accommodate laboratory functions for both the chemistry and microbiology laboratories. In order to maximize value of the funding for the new east laboratory addition, those chemistry and microbiology laboratory functions that require more stringent air handling and containment were co-located in the new addition. The existing space will house those chemistry and microbiology laboratory functions that require a less stringent level of air handling. About 8,000 square feet of the building's existing 18,300 square feet will be remodeled.

As part of the laboratory remodeling project the Department is also requesting funding for the construction of a storage annex to be located near the existing laboratory complex. The cold storage annex will be used to provide a centralized storage area for bulk supplies, required files and other chemistry, microbiology and toxicology laboratory needs. Currently, these laboratories utilize storage throughout the city of Bismarck in rented space, surplus trailers and other space as can be found.

COST SUMMARY

Remodeling of East Laboratory

| | |
|---------------------|--------------|
| Air handling system | \$ 600,100 |
| Building repair | \$ 112,250 |
| Interior remodeling | \$ 352,515 |
| Total | \$ 1,064,865 |

Construction of Storage Annex

| | |
|-------|------------|
| Total | \$ 160,000 |
|-------|------------|

The Department of Health respectfully requests the Committee to approve the portion of HB 1023 related to the remodeling of the east laboratory and construction of a storage annex. I am happy to answer any questions you may have.



Example of wall damage due to water seal leaks.

3

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Valista Rickford
Operator's Signature

10/2/03
Date

Exhibit 3

Testimony

House Bill 1023

Senate Appropriations Committee

February 27, 2003

2:00 p.m.

North Dakota Department of Health

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A cost summary for the east laboratory renovation and storage annex follows.

COST SUMMARY

Remodeling of East Laboratory

| | |
|---------------------|-------------------|
| Air handling system | \$ 600,100 |
| Building repair | \$ 112,250 |
| Interior remodeling | \$ <u>352,515</u> |
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1

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Total

\$ 160,000

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In addition to the laboratory remodeling project, the Department is also requesting funding for the construction of a storage annex to be located near the existing laboratory complex. The cold storage annex will be used to provide a centralized storage area for bulk supplies, required files and other chemistry, microbiology and toxicology laboratory needs. Currently, these laboratories utilize storage throughout the city of Bismarck in rented space, surplus trailers and other space as can be found.

The House amended House Bill 1023 requiring that the Department's bonding authority for the east laboratory remodeling project be reduced by any additional bioterrorism funding the Department is able to use for the project. The Department is in the process of requesting approval from the federal government for this change and is optimistic that we will get that approval. We are pleased that the language of the House amendment allows bonding authority in the event that request is denied.

The Department of Health respectfully requests the Committee to approve the portion of House Bill 1023 related to the remodeling of the east laboratory and construction of a storage annex. I am happy to answer any questions you may have.

Testimony of HB 1023
House Appropriations Committee
January 16, 2003

Department of Corrections and Rehabilitation (DOCR)

The James River Correctional Center (JRCC) phase II proposed plan will allow the DOCR to acquire, secure and use existing buildings located on the campus of the State Hospital. This plan addresses JRCC space needs and will also allow the JRCC and the State Hospital to combine its dietary and laundry services. Total construction costs are estimated at \$2,662,890.

The JRCC phase II plan will address the following problems / needs:

- Lack food service space
 - Filled to capacity as far as equipment
 - Separated dishwashing and storage areas results in security issues
 - Cooking and serving – cannot handle additional growth as the kitchen cannot accommodate an increase in the amount of food produced
 - Lack of storage space for dry goods prevents buying in bulk
 - Quality control for food temperatures and sanitation
 - Security for maintaining control of equipment
- Lack of program space (education and treatment)
 - Group treatment rooms are not adequate for number of inmates needing treatment
 - No office space is available
 - No vocational education programming space
 - Limited classroom space
 - No religious programming space
- Lack of visitation space
- Lack of laundry service space

*This
Same
testimony
submitted to
Senate*

Yolanda Rickford
Operator's Signature

10/2/03
Date

Phase II Construction Costs

Based on the Final Site Plan dated 9/4/02

SITE WORK and DEMOLITION:

| | |
|----------------------------|----------------|
| 1. Concrete Drives | \$11,000 |
| 2. Sidewalk | \$ 1,000 |
| 3. Trees | \$ 10,000 |
| 4. Interior Dining/Kitchen | \$ 2,000 |
| 5. Interior Day Care Bldg. | \$ 89,000 |
| 6. Steel Bridge | \$ 2,000 |
| 7. Tunnels | \$20,000 |
| 8. Site Stripping | \$ 4,000 |
| SUB TOTAL on SITE WORK | \$ 119,000 |
| 9. Overhead and Profit | \$ 30,000 |

TOTAL on SITE WORK and DEMOLITION

\$ 149,000

NEW CONSTRUCTION:

| | |
|--|------------------|
| 1. Building 18A Offices, Fire Escape, Elevator | \$ 200,000 |
| 2. Dining/Kitchen Officer Control Point | \$ 13,000 |
| 3. Concrete Drive | \$ 23,000 |
| 4. Bridge | \$ 45,000 |
| 5. Fencing with Barbed Tape | \$210,000 |
| 6. Tunnel Gates | \$ 40,000 |
| 7. Ramp/walk enclosure to Dining/Kitchen | \$ 13,000 |
| 8. Ground Floor Renovation Day Care | \$ 650,000 |
| 9. Intrusion Detection at Fences | \$ |
| 10. Lighting on Fences | \$ |
| SUB TOTAL on NEW CONSTRUCTION | \$ 1,194,000 |
| 11. Overhead and Profit | \$ 298,500 |

TOTAL on NEW CONSTRUCTION

\$ 1,492,500

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Operator's Signature

Yolanda Rickford

Date

10/2/03

ADDITIONAL PROJECTS:

| | |
|------------------|------------|
| 1. Cooling Tower | \$ 55,000 |
| 2. Site Survey | \$ 15,000 |
| 3. Road Work | \$ 124,000 |

| | |
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| TOTAL on ADDITIONAL PROJECTS | <u>\$ 194,000</u> |
|-------------------------------------|--------------------------|

FIXTURES and FURNITURE:

| | |
|------------------|------------|
| 1. All Locations | \$ 400,000 |
|------------------|------------|

| | |
|--|-------------------------|
| TOTAL on FURNITURE and FIXTURES | <u>\$400,000</u> |
|--|-------------------------|

SUMMATION:

| | |
|-----------------------------|-------------|
| 1. Site work and Demolition | \$ 149,000 |
| 2. New Construction | \$1,492,500 |
| 3. Additional Projects | \$ 194,000 |
| 4. Furniture and Fixtures | \$ 400,000 |

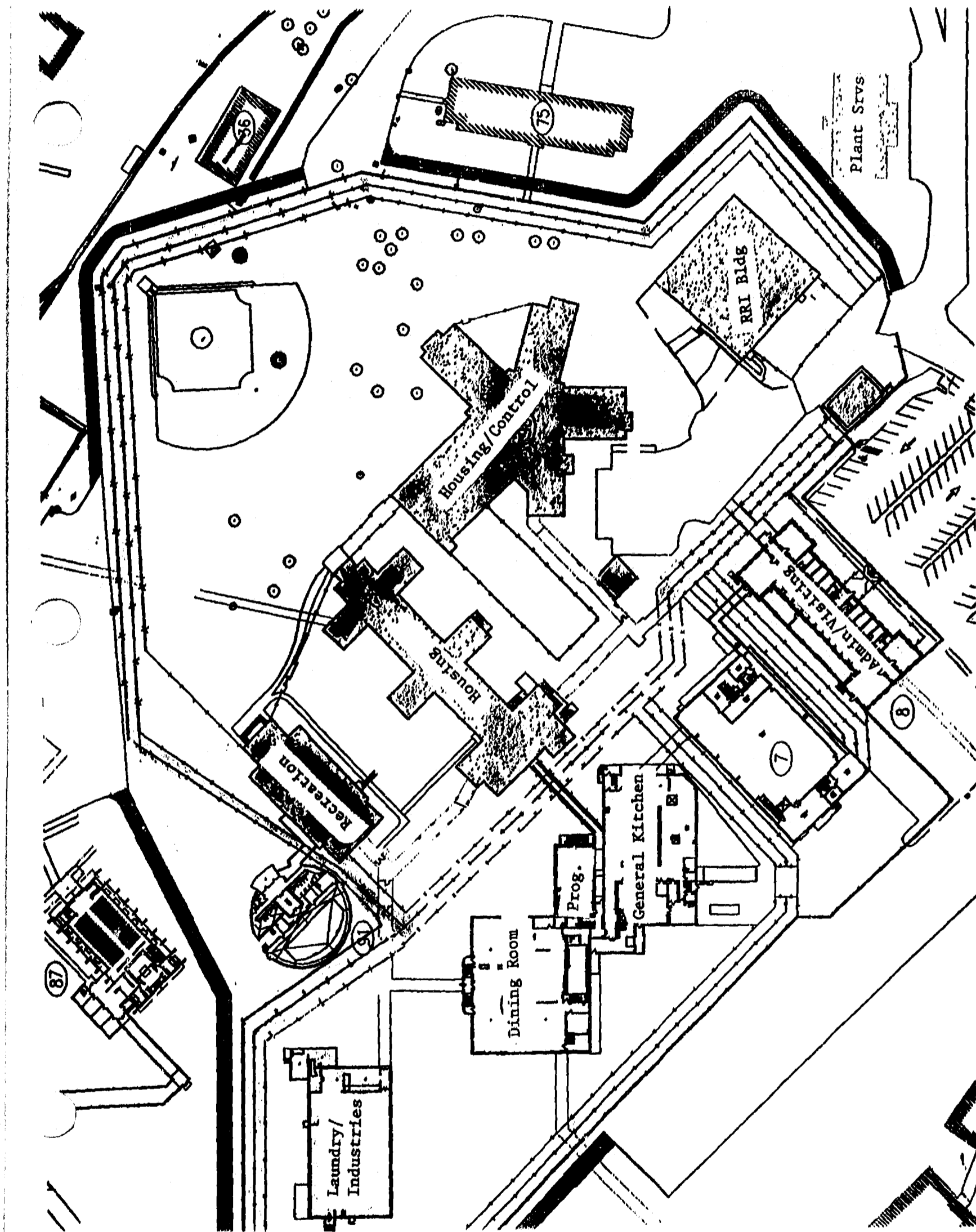
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| SUB TOTAL | \$ 2,235,500 |
| 5. A&E Fees (8%) | \$ 178,840 |
| 6. Bidding and Reimbursable Expenses | \$ 25,000 |
| 7. Contingency (10%) | \$ 223,550 |

| | |
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| <u>TOTAL PHASE II CONSTRUCTION COSTS</u> | <u>\$ 2,662,890</u> |
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Operator's Signature

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Date

Exhibit 5

**TESTIMONY ON HOUSE BILL NO. 1023
SECTION 2. STATE FACILITY ENERGY IMPROVEMENT
PROJECT AUTHORIZATIONS**

Darin Scherr, P.E., CEM
Energy Programs
ND Department of Commerce
(701) 328-1022

Mr. Chairman, committee members, my name is Darin Scherr and I work with the Energy Programs within the Department of Commerce. There are three projects included under Section 2 of House Bill 1023, entitled State Facility Energy Improvement Project Authorizations. The projects involve the Missouri River Correctional Center, North Dakota State University and the University of North Dakota, at a total of \$3,134,517.

Our office was actively involved in the original legislation that created this funding mechanism, and we work closely with the state facilities on their proposals. My purpose today is to provide a brief background on the State Facility Energy Improvement Program and to provide more detailed information on the three proposals included in section 2.

At the 56th legislative assembly four years ago, legislators passed Senate Bill 2312 which created an on going funding mechanism for energy efficiency improvements in state facilities. The bill had strong support from both the legislature and the ND Association of Physical Plant Administrators. The main purpose of the bill was to reduce energy consumption and costs in state facilities.

Senate Bill 2312 created a process by which our office works with physical plant administrators and others at state facilities to identify needed energy efficiency improvements. The proposed improvements are analyzed through engineering audits, which provide detailed cost estimates along with estimated energy cost savings resulting from the projects. We then submit a list of proposed projects for inclusion in the Governor's biennial budget, along with a report on the process used to identify the projects.

The projects are proposed for funding through a bond issue, and our office, in conjunction with the participating state facility, will work to assure that the energy cost savings resulting from the improvements will be sufficient to equal or exceed the annual debt service for the bonds. Debt service payment will be designated from the

participating facility's budget. We work closely with OMB budget analysts and Karlene Fine from the Industrial Commission on this process.

The proposed energy efficient measures include, new high efficiency lighting, energy efficient motors, facility management upgrades that will allow better operation of new and existing equipment, boiler and steam system upgrades and air handling upgrades. More detail is provided in the attached report.

The projects that were passed last legislative session are continuing and on schedule. The following is a summary of those projects:

| Project Name | Percent Complete | Comments |
|---------------------------------------|------------------|-----------------------------|
| State Office Building | 100 % | |
| Dept. of Corrections – Penitentiary | 90% | Finish after heating season |
| Dept. of Transportation – HQ Building | 0% | Pending Asbestos Project |
| NDSU – Fargo | 85% | |
| UND – Grand Forks | 75% | |

In closing, I would like to explain that all audits were performed by professional engineers and reviewed by our office. I found all projects to be in accordance to both the Century Code and our guidelines developed for this program. I am confident in all the projects. Thank you.

Mr. Chairman, I'd be happy to answer any questions you may have on the energy projects.

EXECUTIVE SUMMARY

The State Facility Energy Improvement Program (SFEIP) was introduced and passed by the Fifty-sixth Legislative Assembly of the State of North Dakota. The ultimate objective is to provide a funding mechanism for the purchase and installation of energy improvements that result in energy and energy dollar savings. Energy cost savings will be used to pay back the project costs. The program is designed to identify potential state facility energy improvement projects and select facilities for in-depth energy audits. The audits will provide information on project costs along with estimated energy savings from implementation of those projects.

The following are the proposed projects:

| 2003 STATE FACILITY ENERGY IMPROVEMENT PROGRAM EXECUTIVE SUMMARY | | | |
|---|------------------|--------------|---------------|
| Facility (Building) | Est. Cost | Est. Savings | Payback (Yrs) |
| Department of Corrections | | | |
| MRCC | Total \$ 105,326 | \$ 14,063 | 7.5 |
| North Dakota State University | | | |
| Memorial Union | \$ 605,007 | \$ 86,505 | 7.0 |
| Family Life Center | \$ 278,340 | \$ 38,224 | 7.3 |
| E. Morrow Lebedeff Hall | \$ 54,814 | \$ 6,479 | 8.5 |
| Bentson/Bunker Fieldhouse | \$ 139,816 | \$ 14,114 | 9.9 |
| Total | \$ 1,077,977 | \$ 145,322 | 7.4 |
| University of North Dakota | | | |
| Leonard Hall | \$ 2,588 | \$ 258 | 10.0 |
| West Hall | \$ 77,280 | \$ 5,390 | 14.3 |
| Witmer Hall | \$ 135,609 | \$ 17,949 | 7.6 |
| Ryan and RTC | \$ 332,350 | \$ 50,991 | 6.5 |
| Merrifield Hall | \$ 118,800 | \$ 11,613 | 10.2 |
| University Housing and Children's Center | \$ 49,500 | \$ 7,211 | 6.9 |
| Hyslop Sports Center | \$ 174,264 | \$ 24,517 | 7.1 |
| Lab and Research Projects | \$ 341,045 | \$ 61,826 | 5.5 |
| Campus Lighting (53 Bldgs) | \$ 719,778 | \$ 98,579 | 7.3 |
| Total | \$ 1,951,214 | \$ 278,334 | 7.0 |
| Grand Total | \$ 3,134,517 | \$ 437,719 | 7.2 |

We have also enclosed the following items for your review:

- Expanded Summary of Projects
- Certification of Projects by DCS's Energy Engineer
- Copy of Senate Bill 2312

| Project Summaries | |
|----------------------|--|
| Project Name | Department of Corrections - Missouri River Correctional Center |
| Project Engineer(s) | Michael B. Eckhardt, P.E. (#4532) Energy Services Group |
| Facility Coordinator | Richard Frohlich Dept. of Corrections |
| Reviewed by | Darin M. Scherr, P.E. (#4447) State Energy Engineer ND Department of Commerce |
| Date | August 14, 2002 |
| Facility Summary | Total Cost: \$105,326 Annual Savings: \$14,063 Simple Payback: 7.5 yrs |
| Projects & Comments | <p>ENERGY MANAGEMENT CONTROLS - HEAT PUMP LOOP ENHANCEMENTS</p> <p>Recommendations</p> <ul style="list-style-type: none"> • Install new operator workstation to allow maintenance staff to monitor and control the Dormitory building more efficiently. • Provide multiple heat pump loop enhancements to the dormitory building. <p>Project Cost: \$14,233 Annual Savings: \$6,720 Simple Payback: 2.1 yrs</p> <p>Add Control Valves to Heat Pumps</p> <p>Recommendations</p> <ul style="list-style-type: none"> • Install control valves to shut down flow when the heat pumps are not operating. • Control the loop flow with the variable speed drive to modulate supply water flow to maintain required building flow requirements. <p>Project Cost: \$9,513 Annual Savings: \$773 Simple Payback: 12.3 yrs</p> |

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| Projects & Comments MRCC Cont. | Controls and System Commissioning |
| | Recommendations |
| | <ul style="list-style-type: none"> • Provide an allowance to verify proper controls and system operation |
| | Project Cost: \$5,000 Annual Savings: Simple Payback: |
| | Setback Thermostat - Auto Repair Classroom |
| | Recommendations |
| | <ul style="list-style-type: none"> • Install a programmable electric thermostat to allow setbacks during unoccupied times. |
| | Project Cost: \$467 Annual Savings: \$509 Simple Payback: 0.9 yrs |
| | Energy Efficient Motors |
| | Recommendations |
| <ul style="list-style-type: none"> • Replace the standard efficiency motors with premium efficiency energy saving electric motors. | |
| Project Cost: \$4,700 Annual Savings: \$421 Simple Payback: 11.2 yrs | |
| Lighting Retrofit and Control | |
| Recommendations | |
| <ul style="list-style-type: none"> • Replace magnetic ballasts and T-12 lamps with electronic ballasts and T-8 Lamps | |
| Project Cost: \$19,430 Annual Savings: \$2,642 Simple Payback: 7.4 yrs | |
| Boiler Loop Enhancements | |
| Recommendations | |
| <ul style="list-style-type: none"> • Provide an allowance to make enhancements to the boiler loop. This is to correct the poor performance off the heating system. | |
| Project Cost: \$9,333 | |

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| Projects & Comments MRCC Cont. | Heat Recovery System |
| | Recommendations |
| | <ul style="list-style-type: none"> • Replace the existing heat exchanger with a heat recovery system based on the Regent ECO technology to preheat or precool the outdoor air. |
| | Project Cost: \$24,850 Annual Savings: \$2,155 Simple Payback: 11.5 yrs |
| | DX Cooling on MUA system |
| | Recommendations |
| | <ul style="list-style-type: none"> • Install a stand alone direct expansion cooling system to handle the makeup air system cooling load. |
| | Project Cost: \$9,600 Annual Savings: \$-148 Simple Payback: |
| | Infrared Heating System |
| | Recommendations |
| | <ul style="list-style-type: none"> • Install a radiant heating system. |
| | Project Cost: \$8,200 Annual Savings: \$992 Simple Payback: 8.3 yrs |

Page 4 of 19

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Yolanda Rickford
Operator's Signature

10/2/03
Date

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|-----------------------------|--|--|-------------|-------------|-----------------|-----------|-----------------|-----|---------------|-----------|-----------------|----------|-----------------|---------|
| Project Name | North Dakota State University | | | | | | | | | | | | | |
| Project Engineer(s) | Michael B. Eckhardt, P.E. (#-4532) Energy Services Group Brett Hazen, P.E. Energy Services Group Brian Martin, P.E. Martin Mechanical Design, Inc. Dennis Martin, P.E. (#-2052) Martin Mechanical Design, Inc. Dennis Smithwick, CEM Martin Mechanical Design, Inc. | | | | | | | | | | | | | |
| Facility Coordinator | Mark Dahl, P.E. Associate Director, NDSU | | | | | | | | | | | | | |
| Reviewed by | Darin M. Scherr, P.E. (#-4447) State Energy Engineer ND Department of Commerce | | | | | | | | | | | | | |
| Date | August 27, 2002 | | | | | | | | | | | | | |
| Facility Summary | <table> <tr> <td>Total Cost:</td> <td>\$1,077,977</td> </tr> <tr> <td>Annual Savings:</td> <td>\$145,322</td> </tr> <tr> <td>Simple Payback:</td> <td>7.4</td> </tr> </table> <p>MEMORIAL UNION</p> <p>BAS System Installation</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Replace pneumatic controls with DDC controls • Add start/stop controls on major equipment • Add CO₂ control system • Incorporate new DDC sequence of operation <table> <tr> <td>Project Cost:</td> <td>\$145,000</td> </tr> <tr> <td>Annual Savings:</td> <td>\$27,450</td> </tr> <tr> <td>Simple Payback:</td> <td>5.3 yrs</td> </tr> </table> | | Total Cost: | \$1,077,977 | Annual Savings: | \$145,322 | Simple Payback: | 7.4 | Project Cost: | \$145,000 | Annual Savings: | \$27,450 | Simple Payback: | 5.3 yrs |
| Total Cost: | \$1,077,977 | | | | | | | | | | | | | |
| Annual Savings: | \$145,322 | | | | | | | | | | | | | |
| Simple Payback: | 7.4 | | | | | | | | | | | | | |
| Project Cost: | \$145,000 | | | | | | | | | | | | | |
| Annual Savings: | \$27,450 | | | | | | | | | | | | | |
| Simple Payback: | 5.3 yrs | | | | | | | | | | | | | |

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| Projects & Comments | Fan VAV Retrofits |
| | Recommendations: |
| | <ul style="list-style-type: none"> • Replace constant volume system with VAV boxes and related equipment |
| | Project Cost: \$121,000 |
| | Annual Savings: \$15,250 |
| | Simple Payback: 7.9 yrs |
| | Hood VAV Control |
| | Recommendations: |
| | <ul style="list-style-type: none"> • Modify controls on hoods to incorporate CO₂ control system and match exhaust needs |
| | Project Cost: \$25,776 |
| | Annual Savings: \$8,266 |
| | Simple Payback: 3.1 yrs |
| | Pump VAV Retrofits |
| | Recommendations: |
| | <ul style="list-style-type: none"> • Modify pumping systems to incorporate variable volume systems |
| | Project Cost: \$32,900 |
| | Annual Savings: \$3,311 |
| | Simple Payback: 9.9 yrs |
| | Steam Trap Repair |
| | Recommendations: |
| | <ul style="list-style-type: none"> • Replace faulty steam traps |
| | Project Cost: \$2,000 |
| | Annual Savings: \$2,459 |
| | Simple Payback: 0.8 yrs |
| | Valve Repair |
| | Recommendations: |
| | <ul style="list-style-type: none"> • Replace faulty valves • Add check valves to pumps P-4 and P-5 in the south penthouse |
| | Project Cost: \$2,100 |
| | Annual Savings: \$1,271 |
| | Simple Payback: 1.7 yrs |

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| Projects & Comments NDSU Cont. | <p>Lighting Retrofit</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • T12/magnetic to T8/electronic conversion • Incandescent to fluorescent (T8 and CFLs) • LED exit lights • Occupancy sensors in various rooms <p>Project Cost: \$93,020 Annual Savings: \$14,950 Simple Payback: 6.2 yrs</p> <p>Transformer Replacement</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Replace the existing two transformers with new technology transformers <p>Project Cost: \$58,000 Annual Savings: \$13,548 Simple Payback: 4.3 yrs</p> <p>Maintenance, Repairs and Balancing</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Rebalance HVAC equipment and systems as needed. • Service or replace the motor for the exhaust fan serving the water heater rm 148 • Service or replace a defective valve on the radiation unit in rm 131 • Install a belt and shaft guard on the return air fan RAF-1 • Adjust damper linkage to ensure proper closure and operation • Replace failed outdoor damper actuator at AH 1-4 • Repair the return air damper and mixed air plenum at AH1-4 <p>Project Cost: \$22,000</p> |
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| Projects & Comments NDSU Cont. | Design, Project Management and Commissioning |
| | Recommendations: |
| | <ul style="list-style-type: none"> • Design/Project Management - 7% • Commissioning - \$0.50/sq. ft. |
| | Project Cost: \$103,211 |
| | FAMILY LIFE CENTER |
| | BAS System Installation |
| | Recommendations: |
| | <ul style="list-style-type: none"> • Replace pneumatic controls with DDC controls • Add start/stop controls on major equipment • Add CO₂ control system • Incorporate new DDC sequence of operation |
| | Project Cost: \$81,500 |
| | Annual Savings: \$12,081 |
| Simple Payback: 6.7 yrs | |
| Fan VAV Retrofits | |
| Recommendations: | |
| <ul style="list-style-type: none"> • Replace constant volume system with VAV boxes and related equipment | |
| Project Cost: \$81,500 | |
| Annual Savings: \$13,930 | |
| Simple Payback: 5.9 yrs | |
| Pump VAV Retrofits | |
| Recommendations: | |
| <ul style="list-style-type: none"> • Modify pumping systems to incorporate variable volume systems | |
| Project Cost: \$5,400 | |
| Annual Savings: \$749 | |
| Simple Payback: 7.2 yrs | |
| Steam Trap Repair | |
| Recommendations: | |
| <ul style="list-style-type: none"> • Replace faulty steam traps | |
| Project Cost: \$1,000 | |
| Annual Savings: \$1,230 | |
| Simple Payback: 0.8 yrs | |

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| Projects & Comments NDSU Cont. | Valve Repair Recommendations: |
| | <ul style="list-style-type: none"> • Replace faulty valves |
| | Project Cost: \$2,000 Annual Savings: \$1,461 Simple Payback: 1.4 yrs |
| | Lighting Retrofit Recommendations: <ul style="list-style-type: none"> • T12/magnetic to T8/electronic conversion • Incandescent to fluorescent (T8 and CFLs) • LED exit lights • Occupancy sensors in various rooms Project Cost: \$56,786 Annual Savings: \$8,774 Simple Payback: 6.5 yrs |
| | Maintenance, Repairs and Balancing Recommendations: |
| | <ul style="list-style-type: none"> • Rebalance HVAC equipment and systems as needed. • Replace missing damper linkage at AC-2 and adjust damper. • Repair AC-1,2,4 & 5 hot water valves • Service AC-5 to reduce overheating of the space • Repair insulation at exposed duct work in mechanical rooms • Repair insulation within the AH unit casing • Repair ductwork air leaks at flex connections at AH units • Replace the existing rusted-out tank of the duplex condensate pump in the chiller room. Provide a 4" concrete pad below the new tank and pump assembly. Project Cost: \$3,400 |

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| Projects & Comments NDSU Cont. | Design, Project Management and Commissioning Recommendations: <ul style="list-style-type: none"> • Design/Project Management - 7% • Commissioning - \$0.50/sq. ft. Project Cost: \$46,754 E. MORROW LEBEDEFF HALL Energy Management Controls - Base System Recommendations: <ul style="list-style-type: none"> • Extend the existing Trane energy management system to provide basic control and monitoring. Project Cost: \$15,605 Annual Savings: \$1,979 Simple Payback: 7.9 yrs Lighting Retrofit and Control Recommendations: <ul style="list-style-type: none"> • T12/magnetic to T8/electronic conversion • Incandescent to fluorescent (T8 and CFLs) • LED exit lights Project Cost: \$20,350 Annual Savings: \$2,401 Simple Payback: 8.5 yrs Repair Steam Traps Recommendations: <ul style="list-style-type: none"> • Test all steam traps • Repair all steam traps that can be, else replace Project Cost: \$10,538 Annual Savings: \$1,588 Simple Payback: 6.6 yrs |
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| Projects & Comments NDSU Cont. | <p>Improve Air Filtration System</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Install new air filtration media system • Increase frequency of filter changes <p>Project Cost: \$279 Annual Savings: \$42 Simple Payback: 6.6 yrs</p> <p>Computer and Monitor Shutdown</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Incorporate policy to shutdown computers evenings and weekends • Utilize energy saving features that the computers have <p>Project Cost: \$1,183 Annual Savings: \$469 Simple Payback: 2.5 yrs</p> <p>Energy Management Controls - Electric Metering</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Install an electric meter and connect it to the energy management system <p>Project Cost: \$6,860</p> <p>BENTSON/BUNKER FIELDHOUSE</p> <p>Energy Management Controls - Base System</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Extend the existing Trane energy management system to provide basic control and monitoring. <p>Project Cost: \$57,426 Annual Savings: \$4,166 Simple Payback: 13.8 yrs</p> |
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| Projects & Comments NDSU Cont. | Lighting Retrofit and Control |
| | Recommendations: |
| | <ul style="list-style-type: none"> • T12/magnetic to T8/electronic conversion • Incandescent to fluorescent (T8 and CFLs) • LED exit lights |
| | Project Cost: \$62,981 |
| | Annual Savings: \$8,045 |
| | Simple Payback: 7.8 yrs |
| | Vending Machine Controls |
| | Recommendations: |
| | <ul style="list-style-type: none"> • Install vending machine controls on beverage vending machines |
| | Project Cost: \$811 |
| Annual Savings: \$73 | |
| Simple Payback: 11.1 yrs | |
| Repair Steam Traps | |
| Recommendations: | |
| <ul style="list-style-type: none"> • Test all steam traps • Repair all steam traps that can be, else replace | |
| Project Cost: \$11,709 | |
| Annual Savings: \$1,826 | |
| Simple Payback: 6.4 yrs | |
| Low Water Consumption Shower Fixtures | |
| Recommendations: | |
| <ul style="list-style-type: none"> • Replace existing shower heads with lower water consuming fixtures | |
| Project Cost: \$30 | |
| Annual Savings: \$4 | |
| Simple Payback: 7.4 yrs | |
| Energy Management Controls - Electric Metering | |
| Recommendations: | |
| <ul style="list-style-type: none"> • Install an electric meter and connect it to the energy management system | |
| Project Cost: \$6,860 | |

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| Project Name | University of North Dakota |
| Project Engineer(s) | Jay Haley, P.E. (#-1869) EAPC Engineers Architects David McFarlane Environmental Engineering |
| Facility Coordinator | Randall S. Bohlman UND Physical Plant |
| Reviewed by | Darin M. Scherr, P.E. (#-4447) State Energy Engineer ND Department of Commerce |
| Date | August 28, 2002 |
| Facility Summary | Total Cost: \$1,951,214 Annual Savings: \$278,334 Simple Payback: 7.0 |
| Projects & Comments | <p>LEONARD HALL</p> <p>CO₂ Control Project</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Install CO₂ control system for the Lecture Room <p>Project Cost: \$2,588 Annual Savings: \$258 Simple Payback: 10.0 yrs</p> <p>WEST HALL</p> <p>Heat Recovery System</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Install heat recover unit in place of AHU-1 and AHU-2 <p>Project Cost: \$77,280 Annual Savings: \$5,390 Simple Payback: 14.3 yrs</p> |

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| Projects & Comments UND Cont. | WITMER HALL |
| | VAV Conversion and CO₂ Control |
| | Recommendations: |
| | <ul style="list-style-type: none"> • Install VAV Boxes • Install CO₂ Control system • Upgrade controls system |
| | Project Cost: \$135,609 Annual Savings: \$17,949 Simple Payback: 7.6 yrs |
| | RYAN HALL AND RTC |
| | Controls Upgrade and Windows |
| | Recommendations (Ryan): |
| | <ul style="list-style-type: none"> • Upgrade current controls |
| | Recommendations (RTC): |
| | <ul style="list-style-type: none"> • Install VAV inserts to each of the seven zones of the AHU-1 Multizone Unit. • Install a window retrofit kit over the existing windows. |
| | Project Cost: \$332,350 Annual Savings: \$50,991 Simple Payback: 6.5 yrs |
| | MERRIFIELD HALL |
| | VAV Boxes and CO₂ Control |
| | Recommendations: |
| | <ul style="list-style-type: none"> • Install VAV Boxes in place of existing orifice plates • Install CO₂ Control system |
| | Project Cost: \$118,800 Annual Savings: \$11,613 Simple Payback: 10.2 yrs |

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| Projects & Comments: UND Cont. | <p>UNIVERSITY HOUSING AND CHILDREN'S CENTER</p> <p>Multizone VAV Conversion</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Install VAV Boxes and improved control strategies. <p>Project Cost: \$49,500 Annual Savings: \$7,211 Simple Payback: 6.9 yrs</p> <p>HYSLOP SPORTS CENTER</p> <p>Mechanical and Control Retrofit</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Installation of heat recovery unit for the pool • Install CO₂ Control system • Replace pneumatic controls with DDC controls for all of the HVAC equipment. <p>Project Cost: \$174,264 Annual Savings: \$24,517 Simple Payback: 7.1 yrs</p> <p>LAB AND RESEARCH PROJECTS</p> <p>Abbot Hall Research Facility - Mechanical Heat Recovery and Control Retrofit</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Install heat recovery coils in REF-2 • Install lab control modifications for area served by AHU-2 <p>Biomedical Research Facility - Mechanical Heat Recovery System</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Install heat recovery pumps and connect to existing heat recovery loops |
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| Projects & Comments UND Cont. | <p>Biomedical Research Facility (Lab and Tunnel) - Mechanical Heat Recovery System</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Install heat recovery run around loop <p>School of Medicine and Health Services - Mechanical Control System</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Rebalance the mechanical system <p>Project Cost: \$341,045 Annual Savings: \$61,826 Simple Payback: 5.5 yrs</p> <p>BUILDING LIGHTING RETROFIT (53 BUILDINGS)</p> <p>Lighting Retrofit</p> <p>Recommendations</p> <ul style="list-style-type: none"> • Lighting retrofit (T12 -magnetic to T8 Electronic, CFLs, etc.) <p>Project Cost: \$719,778 Annual Savings: \$98,579 Simple Payback: 7.3 yrs</p> |
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**NORTH DAKOTA
DEPARTMENT OF COMMERCE
DIVISION OF COMMUNITY SERVICES**

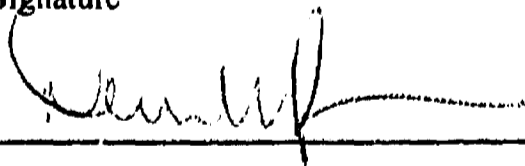
CERTIFICATION

1. I hereby certify that I have reviewed all the submitted projects, in accordance with section 54.44.5 of the North Dakota Century Code, and found all information therein to be accurate, to the best of my professional judgement.
2. I am a qualified Registered Professional Engineer in accordance with the standards and criteria established in the State of North Dakota.
3. I have no conflicting financial interests relating to the audits or any energy conservation measures considered by any of the submitted projects.

Engineer

Darin M. Scherr

Signature



Registration Number

ND PE-4447

Date

August 28, 2002

Senate Bill 2312

Fifty-sixth Legislative Assembly, State of North Dakota, begun in the Capitol in the City of Bismarck, on Tuesday, the fifth day of January, one thousand nine hundred and ninety-nine

SENATE BILL NO. 2312
(Senators St. Aubyn, Holmberg, W. Stenehjem)
(Representatives Delmore, Nottestad, Poolman)

AN ACT to create and enact a new subsection to section 54-17.2-03, a new subsection to section 54-44.5-04, and a new section to chapter 54-44.5 of the North Dakota Century Code, relating to powers of the North Dakota building authority and the office of governmental assistance to implement a state facility energy improvement program.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subsection to section 54-17.2-03 of the North Dakota Century Code is created and enacted as follows:

Notwithstanding any other provision of law, issue evidences of indebtedness to implement the state facility energy improvement program under section 3 of this Act.

SECTION 2. A new subsection to section 54-44.5-04 of the North Dakota Century Code is created and enacted as follows:

Implement a state facility energy improvement program.

SECTION 3. A new section to chapter 54-44.5 of the North Dakota Century Code is created and enacted as follows:

State facility energy improvement program. By August fifteenth of each odd-numbered year, the office shall inform all state agencies and institutions of the state facility energy improvement program. The office shall work with interested agencies and institutions to identify potential state facility energy improvement programs and select facilities for in-depth energy audits designed to provide information on project costs along with estimated energy savings from implementation of those projects. The office shall notify affected utilities to discuss the potential impact on the utility and its customers of the proposed energy savings or conservation project. Upon completion of the energy audit, the office, in consultation with the interested agencies or institutions, shall submit a list of proposed projects to the governor, accompanied with the estimated cost of each project and energy savings resulting from the projects. The office shall submit a report listing the proposed energy savings or conservation projects to the governor by September first of each even-numbered year. The governor shall include the proposed energy efficiency or conservation projects in the biennial budget.

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The governor shall make available to the legislative assembly a report prepared by the office on each energy efficiency or conservation project, a description of the improvements to be financed, the estimated cost of each project, the total cost of the program, and the proposed method of financing the program. If the office proposes that evidences of indebtedness be issued to finance the energy efficiency or conservation improvements, the office shall provide an assurance that energy savings resulting from the improvements will be sufficient to equal or exceed the annual debt service of the evidences of indebtedness. In determining whether the energy savings will be sufficient to equal or exceed the annual debt service, the office, in consultation with the interested agencies or institutions, may analyze state agency utility data to identify potential projects; perform detailed energy audits of state facilities, including contracting for audits if necessary; and provide training to facility maintenance staff to ensure that sufficient cost-savings are realized from projects to cover the debt service. The governor shall include in the executive budget recommendation for each state agency or institution participating in the state facility energy improvement program an estimate of the annual energy cost-savings expected for that agency, and, if needed, a projection of the debt service on program bonds that is apportioned to that agency. The executive budget recommendation must then reduce the current level of utility appropriations by the amount needed for debt service retirement and recommend an appropriation of that amount to the state building authority. Any appropriation of an amount needed for debt service retirement to the state building authority is not subject to the limitation contained in section 54-17.2-23.

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Operator's Signature

Yolanda Rickford

10/2/03

Date