

**MINUTES OF THE
INFRASTRUCTURE AND GENERAL GOVERNMENT
APPROPRIATIONS SUBCOMMITTEE**

George Thomas Building, University of Utah, 201 President's Circle, SLC, UT 84112
September 12, 2013

Members Present: Sen. Wayne A. Harper, Co-Chair
 Rep. Gage Froerer, Co-Chair
 Rep. Jacob L. Anderegg, House Vice-Chair
 Sen. David P. Hinkins
 Sen. Peter C. Knudson
 Sen. Karen Mayne
 Rep. Johnny Anderson
 Rep. Kay J. Christofferson
 Rep. Lynn N. Hemmingway
 Rep. Douglas V. Sagers
 Rep. R. Curt Webb

Members Absent: Sen. Lyle W. Hillyard
 Sen. Scott K. Jenkins
 Sen. Kevin T. Van Tassell
 Sen. Evan Vickers
 Rep. Janice M. Fisher
 Rep. John Knotwell
 Rep. John R. Westwood

Staff Present: Mr. Mark Bleazard, Legislative Fiscal Analyst
 Mr. Gary Ricks, Legislative Fiscal Analyst
 Ms. Cami Deavila, Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

Co-Chair Harper called the meeting to order at 9:13 a.m.

1. Utah Infrastructure Report Card

Mr. David Eckhoff, Project Director, Infrastructure Review Committee (IRC), American Society of Civil Engineers (ASCE), introduced the infrastructure report card. The report card assigned grades and recommended solutions to infrastructure projects around the state. University of Utah (U of U) engineering students assisted with the project, recommending \$18 billion to fix all state infrastructure issues over the next 20 years. The main infrastructure issues are earthquake events, climate change, changing requirements, and population growth. The state population is expected to add an additional 3 million people over the next 50 years. Federal funding is a major source of funding which is declining.

Mr. Kyle Farnsworth, U of U Civil Engineering Student, stated the need to revamp the grading system. Bridges are a good example; seismic problems were not represented in the 1930's when many bridges were built.

Rep. Anderson asked how much of impact fees being charged for developments is going to local infrastructure needs. Mr. Eckhoff stated the way impact fees are used should be revisited. Rep. Anderson asked if the IRC study is completed every year. Mr. Eckhoff stated every four years.

Rep. Hemmingway asked about reclaimed water being used for irrigation. Mr. Farnsworth stated the process can be expensive, but worth it.

Mr. AJ Burton, U of U Civil Engineering Student, reported the drinking water team's findings.

Mr. Gary Jensen, U of U Civil Engineering Student, reported on the safety of the state's 200 dams. Cities within proximity to dams are a big threat. The study recommended a 20-year time frame for repairing dams at a cost of \$67 million.

Rep. Anderson asked if both public and private dams were included in the project. Mr. Jensen stated the study included all 200 state regulated dams. Rep. Anderson asked about appraisal of canals near homes in rural areas and sees this as an issue that should be addressed in the upcoming legislative session. Mr. Jensen stated that many canals are more than 50 years old and constructed before seismic code.

Rep. Froerer asked about the federal budget and how concerned the committee should be about losing federal funding. Mr. Eckhoff stated federal funding for transportation is placed in a trust fund that cannot be touched for other uses, however Congress can change that.

Rep. Anderegg asked how many dams were beyond repair. Mr. Eckhoff stated no dams would be demolished. Mr. Jensen stated it is more expensive to remove a dam than to repair it.

Sen. Mayne asked how many dams were earthen dams. Mr. Jensen did not have an exact number, however, a majority of the dams are. Sen. Mayne stated zoning has allowed homes to sit by waterways and asked if zoning issues were addressed in the study. Mr. Jensen stated the impact of zoning was not looked at.

Mr. Jeff Hansen, U of U Civil Engineering Student, presented the state roads study. The study only included roads that Utah Department of Transportation (UDOT) maintains and that roads needing replacement have no common thread. The roads were divided into categories of poor, fair and good.

Mr. Eckhoff recommended the Legislature endorse a comprehensive investigation on the challenges of the state's infrastructure needs. Utah would be the first state in the union to complete an investigation of this scope.

Rep. Christofferson asked how much of the \$500,000 federal funding would decrease and how much has been funded in previous years. Mr. Eckhoff stated Congress couldn't touch the trust

fund that currently funds transportation, but that does not mean they would not make changes in the future.

Rep. Sagers asked what the estimated cost to complete a comprehensive investigation was. Mr. Eckhoff stated \$2.5-\$3 million for a thorough study. Rep. Sagers asked about implementing and enforcing infrastructure repairs at the local level. Mr. Eckhoff stated it is a difficult process.

2. Utah Department of Transportation

a. New Management Team Introduction and Priorities

Mr. Carlos Braceras, Executive Director, Utah Department of Transportation, stated the status of federal funding. The nation would not allow a 90 percent drop in transportation funding.

Rep. Anderegg asked if UDOT is preparing for a time when there may be no federal funding. Mr. Braceras stated the department has programmed flat through 2015 and are metering programs. The department will not go in the hole.

Mr. Braceras introduced the new management team.

Mr. Braceras stated the department would continue with the 2013 strategic plan that includes: preserve infrastructure, optimize mobility, attain zero fatalities, and strengthen the economy. Mr. Braceras introduced focus areas of STEM education in schools, transparency, and quality.

Rep. Anderegg reiterated the need for transparency.

Rep. Hemmingway asked about the West Davis project. Mr. Braceras gave the committee an update on the West Davis project.

Sen. Mayne commented on the lowest bid procurement process.

Rep. Sagers asked if the department had looked at bonding versus using a sinking fund to fund transportation projects. Mr. Braceras stated the Governor is not interested in bonding for projects.

Mr. Braceras presented the emphasis area of operational excellence and UDOT's core values of innovation, dedication, integrity, public responsiveness, passion, and fiscal responsibility.

Co-Chair Harper called for a break at 10:50 a.m. He reconvened the meeting at 11:00 a.m.

b. UDOT Response to the Risen Foundation Report

Ms. Becky Bradshaw, Comptroller, Utah Department of Transportation, reported on the Administrative Efficiency Report. The report showed administrative costs of \$12,938 for 2007 and \$42,390 for 2009. Ms. Bradshaw stated the information comes from the Federal Highway Administration (FHA) and is misleading. The FHA website has a disclaimer stating the

information is not comparable across all states. Ms. Bradshaw stated miscellaneous expenditures were included in the 2009 report that were not included in 2007, which contributed to the big jump in administrative cost figures.

Rep. Anderson asked what the difference would be if the reporting included the same information for both 2007 and 2009.

Ms. Bradshaw showed the committee figures of \$10,049 in 2007 and \$11,277 in 2009 if the same information from 2007 was included in the 2009 report.

Co-Chair Harper asked if this would continue to be an issue in future years. Ms. Bradshaw stated it would continue to be a problem.

Rep. Anderson asked if UDOT could send FHA its own administrative cost information. Mr. Braceras stated it would not do any good.

Mr. Braceras presented how the department is preserving highway infrastructure and the state's highway asset figures.

Co-Chair Harper asked how many bridge projects were funded or not funded for 2020. Mr. Braceras stated a total of \$27 million is needed and \$21 million has been funded.

Rep. Anderson asked if \$40 million would fund all existing bridges. Mr. Braceras stated the amount would fund bridges on the state system.

Mr. Braceras spoke to UDOT's prioritization process and the long-term plan.

Rep. Anderson asked about additional maintenance needs.

Sen. Mayne stated the importance of roads as an economic driver for the state.

Rep. Hemmingway asked for UDOT funding numbers by county. Mr. Braceras stated the information could be found on the UDOT website.

Rep. Froerer asked if there is a long-range plan in the event of an earthquake. Mr. Braceras stated roads are categorized by degree of impact if lost. Roads that are lifelines, such as I-15, are the most important.

Rep. Hemmingway asked if existing bridges could be seismically upgraded. Mr. Braceras stated it is possible, but difficult.

Rep. Anderson asked if Mr. Braceras looked at the American Society of Civil Engineers findings. Mr. Braceras stated he had not.

3. University of Utah Utility Infrastructure Update

Mr. Jason Perry, Vice President, University of Utah, updated the committee on the electrical and high temperature utility distribution upgrade.

Mr. Mike Perez, Associate Vice President, University of Utah, updated the committee on the electrical project FY15 funding request of \$56 million.

Mr. David Wesemann, Electrical Engineer, Spectrum Engineers, presented an overview on the progress of the electrical project.

Mr. Porter McDonough, Project Manager, Layton Construction, presented an overview of phase 1 of the project.

Sen. Mayne asked how the plumbing at the university was and if it will need to be upgraded. Mr. McDonough stated he couldn't speak to the plumbing.

Mr. Perez presented funding Option A: a revenue bond, surcharge, fuel and power budget, and a U of U auxiliary operation increase. No additional state funding would be required for future years. Funding Option B: state capital funding, revenue bond, no increase in the fuel and power budget, surcharge on auxiliary electrical consumption, and auxiliary operations increase. Option B is a short-term solution that would require additional state funding.

Rep. Sagers asked where the debt service for the revenue bond would come from. Mr. Perez stated a utility rate increase.

Rep. Froerer asked why only \$7 million out of the \$21 million capital improvement allocation was put into the project. Mr. Perez stated there were two issues: 1) the age of the campus and the need for other projects, and 2) each capital improvement project by statute is capped at \$2.5 million. The \$7 million was separated into three projects. Rep. Froerer stated funding option C could be to use capital improvement funds. Mr. Perez stated there are a number of priority projects that need to use the capital improvement funding but the U of U would use that funding if asked by the Legislature. Rep. Froerer stated the need for a discussion to take place about option C and asked why capital improvement cannot be used for utility projects. Mr. Perez stated utility projects were not used to determine the amount of capital improvement distributions. Rep. Froerer stated that the statute could be changed.

Co-Chair Harper stated his agreement in using capital improvement money to fund the utility project over the next 3-4 years.

Co-Chair Harper called for a break at 12:20 p.m. He reconvened the meeting at 12:40 p.m.

4. University of Utah Buildings under Construction and O&M Impact

Mr. Perez gave an overview of academic projects that would be eligible for state O&M funding.

Co-Chair Harper asked if vacated buildings would be torn down. Mr. Perez stated some would be used as temporary space prior to razing them instead of bringing in temporary buildings for other projects currently under construction. Co-Chair Harper asked if the O&M had been approved but not drawn on yet.

Mr. Perez continued with projects that O&M is funded from other revenue sources.

Co-Chair Harper asked how many buildings were under construction, in the programming stages, and not yet started. Mr. Perez stated construction had not started on the Kennecott Science Building and the basketball-training center was almost to the design phase.

Rep. Froerer asked about the status of state funding levels for O&M at the U of U. Mr. Perez stated that O&M at the U of U is underfunded. Rep. Froerer asked for suggestions on how state funding for O&M is decided. Mr. Perez stated an adjustment for inflation would be helpful, new buildings are more efficient, and utility costs can be adjusted, and the budgets used elsewhere. Utah does a great job with capital improvements; however, the utility side is not adequately funded. Currently, to fund the utility side of O&M, the budget has to be taken from other areas. Rep. Froerer stated the Building Board has been asked to look at how O&M funding is decided and the committee will look at that during the Legislative session.

Co-Chair Harper adjourned the meeting at 12:54 p.m.

6. Site Visit to Medical Examiner's Office

Committee members present included Co-Chair Harper, Rep. Froerer, Sen. Hinkins, Sen. Knudson, Rep. Anderegg, Rep. Sagers, and Rep. Webb.

Dr. Todd C. Grey, Chief Medical Examiner, gave the committee a tour of the Medical Examiner's Office (OME). The biggest problems of the current location include adequate body storage, office space, and supply storage.

Rep. Sagers asked what the qualifications were of investigators. Dr. Grey stated ex-cops, forensic and criminal justices majors. Rep. Sagers asked if part time staff had to be certified. Dr. Grey stated no.

Rep. Froerer asked what kind of interaction takes place with the U of U. Dr. Grey stated it is an important relationship. There is a rotation of medical students and an elective class for forensics and pathology students. Rep. Froerer asked about the location of the new office. Dr. Grey stated it is not ideal as medical examiners have appointments as U of U faculty. Rep. Froerer asked if the OME had considered putting files online. Dr. Grey stated no. Rep. Froerer asked if the current building was state owned. Dr. Grey stated the building is state owned but the U of U owns the land. Rep. Froerer asked if there would be cost savings to be located near the State Crime Lab. Dr. Grey stated that there would be no cost savings but would be more convenient.

7. Site Visit to the Agriculture Laboratories

Committee members present included Co-Chair Harper, Rep. Froerer, Sen. Hinkins, Sen. Knudson, and Rep. Sagers.

Mr. Weston Judd, Director of Laboratories, Utah Department of Agriculture and Food (UDAF), took the committee on a tour of the different laboratories housed in the UDAF building. The dairy lab barely meets space requirements and is the most congested. The current building was not meant to house any laboratories; everything has been retrofitted into the building.

Mr. Kyle Stephens, Deputy Commissioner, Utah Department of Agriculture and Food, stated concern with the HVAC system, as it was retrofitted into the building.

Rep. Froerer asked if UDAF has out of state clients. Mr. Stephens stated most clients are local. Co-Chair Froerer asked what the square footage would be in the new building. Mr. Stephens stated the new building would have 3,200 where the current building has 1,300.

Mr. Judd showed the committee the pesticide lab. Mr. Stephen Wright and Ms. Jennifer Sung, Bacteriologists, spoke about the problems with the current lab.

Rep. Sagers asked how many samples are seen a day.

Mr. Mohamed Shariff, Chemist, stated that 3-4,000 are seen per year. He stated that there is a problem of maintaining a consistent temperature, especially in the summer months.

Mr. Judd showed the committee the meat lab and the feed and fertilizer lab.

Rep. Sagers asked about the monetary value of equipment on the floor. Mr. Judd stated that the value is about \$1 million.

8. Site Visit to Department of Public Safety Crime Laboratory

Committee members present included Co-Chair Harper, Sen. Knudson, Sen. Hinkins, and Rep. Sagers.

Mr. Jay W. Henry, Laboratory Director, D-ABC, showed the committee the biology lab and DNA lab. All evidence for the state goes through the labs. Mr. Henry stated the problems with the lab include: the space is too small, the original lab was built in 1980 and technology has changed considerably, problems with heating and cooling, and water line breaks.

Sen. Knudson asked if they process evidence for other states. Mr. Henry stated just Utah, sometimes evidence will be processed for the FBI.

Mr. Henry showed the committee the evidence room, the chemistry lab, the screening lab, and the "7-Eleven" building, which is used for car crime scene processing, DNA storage, and spillover storage.

Mr. Mark Bleazard, Legislative Fiscal Analyst Office, asked how much new equipment would be needed for the new building. Mr. Henry stated some will be included in the cost of the new building and they would take any equipment that is not a permanent fixture in the current building.

9. Site Visit to State Laboratory Module 1

Mr. Brent H. Curtis, Assistant Director, Disease Control and Prevention, took the committee on a tour of Module 1 of the State Laboratory and discussed how it would work with Module 2.

Minutes were reported by Cami Deavila, Senate Secretary.