

Infrastructure and General Government Appropriations Subcommittee

2017 Interim Actions

Capital Budgets

Capital Improvement Funding. In the 2017 General Session the Legislature appropriated \$119 million for capital improvements to state buildings. The State Building Board identified \$1.2 billion in 10-year capital improvement expenditure needs for buildings broken down as:

- \$112 million – Priority 1 (life safety / code compliance / ADA);
- \$336 million – Priority 2 (currently critical); and
- \$763 million – Priority 3 (necessary / not critical) (see [Utah State Building Board, Capital Improvements and Deferred Maintenance – July 2017](#), p. 4-5).

MOTION: Approved that by October 31, 2018 the State Building Board report to the Infrastructure and General Government Appropriations Subcommittee

- the amount of capital improvement funding expended on Priority 1, Priority 2, and Priority 3 projects in FY 2018;
- an update of the estimated 10-year expenditure needs for each priority level; and
- whether the State Building Board believes that capital improvement funding is sufficient to meet the needs.

Project and Contingency Reserves. In the 2017 General Session the Legislature approved intent language directing that “any excess DFCM Project Reserve Funds or Contingency Reserve Funds, as determined by DFCM's analysis of current balances and projected needs, will be transferred to the Utah State Correctional Facility project before any other uses of these funds” (see [S.B. 2](#), 2017 General Session, Item 38).

MOTION: Approved to recommend to the 2018 Legislature that the body approve the following intent language:

“The Legislature intends that any excess DFCM Project Reserve Funds or Contingency Reserve Funds, as determined by DFCM's analysis of current balances and projected needs, will be transferred to the Utah State Correctional Facility project before any other uses of these funds.”

Debt and Debt Service

MOTION: Approved that by October 31, 2018 the State Treasurer report to the Infrastructure and General Government Appropriations Subcommittee

- principles that the Treasurer believes should guide the Legislature when the body considers whether and in what maximum amounts to authorize debt issuance.

Department of Transportation

Property Database and Legal Descriptions. In the 2017 General Session the Legislature appropriated \$300,000 ongoing to the Department of Transportation to gather property information into a central database and \$200,000 ongoing to create legal descriptions for existing and new surplus properties (see [Utah Department of Transportation Base Budget and Performance Overview – June 20, 2017](#), p. 5-6).

MOTION: Approved that by October 31, 2018 the Department of Transportation report to the Infrastructure and General Government Appropriations Subcommittee

- (1a) the number and percent of properties that have been entered into the central database; (1b) the estimated time until at least 95 percent of properties have been entered into the central database; and (1c) whether the department would recommend reducing or eliminating the \$300,000 ongoing appropriation once a substantial portion of the properties have been entered into the central database; and
- (2a) the number and percent of surplus properties for which legal descriptions have been created; (2b) the estimated time until legal descriptions have been created for at least 95 percent of surplus properties; and (2c) whether the department would recommend reducing or eliminating the \$200,000 ongoing appropriation once legal descriptions have been created for a substantial portion of existing surplus properties.

Transportation Technicians Level 1. The Department of Transportation presented information regarding retention of snow plow drivers—Transportation Technicians Level 1 (see [Deep Dive Budgeting: Snow Plow Drivers – July 2017](#)). Turnover in FY 2017 was over 17 percent. The department estimates that each new hire requires about \$17,500 in hard costs and additional soft costs.

MOTION: Approved that by October 31, 2018 the Department of Transportation report to the Infrastructure and General Government Appropriations Subcommittee

- what steps the department has taken to reduce turnover for Transportation Technicians Level 1; and
- what legislative actions may be necessary to help reduce turnover.

Region Management. During the next year the Department of Transportation intends to study the allocation and amounts of funding across its region management programs. The Legislature and department recognize that effective management is key to developing and maintaining the State's transportation network, and that resources must be devoted to management. The Legislature and department also desire that given adequate funding to achieve effective management, the maximum amount of resources be devoted to projects.

MOTION: Approved that by October 31, 2018 the Department of Transportation report to the Infrastructure and General Government Appropriations Subcommittee

- recommendations for shifting funding across region management programs; and
- recommendations, if any, for shifting funding out of the region management line item and into a construction line item.

Division of Fleet Operations

The Division of Fleet Operations produces a Fleet Cost Efficiency Report each year (for example, [“Division of Fleet Operations, FY16 Cost Efficiency Report”](#)).

MOTION: Approved that this subcommittee open a bill file that will make the following changes and clarifications to the Fleet Efficiency Report produced by the Division of Fleet Operations under Utah Code 63A-9-401.5:

1. Each reporting agency shall be required to report at least three initiatives related to fleet administration that they will implement in the coming year and the stated goal of each initiative;
2. In each subsequent year, the reporting agency shall report the following to the Division of Fleet Operations:
 - a. The outcomes of each initiative;
 - b. The savings, if any, derived from each initiative;
 - c. If the initiative was unsuccessful, the reasons why.

General Motion

The chairs of this subcommittee received a letter from the President of the Senate and Speaker of the House dated May 9, 2017 that directed the chairs to reach and report a conclusion on the following topics:

- Base Budgets;
- Capital Development Process Review (Follow-up on EAC Memo from 2/16/17);
- Dixie Applied Technology College Capital Project Follow-up;
- S.B. 277, “Highway General Obligation Bonds Authorization”;
- Debt Affordability;
- Review of Internal Service Fund Rates and Impacts for FY 2018;
- Review of Department of Technology Services Rates;
- Building Block Follow-up Reporting; and
- Review of Performance Measures Included in FY 2018 Base Budgets.

The President and Speaker suggested that the chairs assign to each item a red, yellow, or green light where red means the subcommittee does not recommend studying the issue further, yellow means it is worth pursuing but more information is needed, and green means the subcommittee recommends pursuing it further.

The chairs will report to the Executive Appropriations Committee at its December meeting.

MOTION: Approved that this subcommittee authorize the chairs to report to the Executive Appropriations Committee

- the motions approved by the subcommittee previously in this meeting; and
- the subcommittee’s activities and any associated decisions related to the items listed in the letter from the President of the Senate and Speaker of the House to the chairs dated May 9, 2017 and that the chairs structure the report as they see fit.