

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

Tuesday, August 14, 2018 • 8:30 a.m. • 445 State Capitol

Members Present:

Sen. Wayne A. Harper, Senate Chair
Rep. Gage Froerer, House Chair
Rep. Walt Brooks, House Vice Chair
Sen. Jacob L. Anderegg
Sen. David G. Buxton
Sen. Lyle W. Hillyard
Sen. David P. Hinkins
Sen. Karen Mayne
Rep. Craig Hall
Rep. Lynn N. Hemingway
Rep. A. Cory Maloy

Rep. Michael K. McKell

Members Absent:

Sen. J. Stuart Adams
Rep. John Knotwell
Rep. Merrill F. Nelson
Rep. Dixon M. Pitcher
Rep. Marie H. Poulson
Rep. Mike Schultz

Staff Present:

Mr. Ryan A. Mortenson, Staff Economist
Ms. Karen C. Allred, Committee Secretary

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

1 . Call to Order

Senate Chair Harper called the meeting to order at 8:42 a.m.

Rep. Marie Poulson asked to be excused from this meeting.

2 . Fiscal Note and Building Block Follow-up Report

Mr. Ryan Mortenson, Staff Economist, Office of Legislative Fiscal Analyst, explained an issue brief titled "Fiscal Note and Budget Item Follow-up Report -- IGG". The report contains only those items that need consideration. These six items are Debt Service Costs, Higher Education and Technical College Buildings, Olympic Venue Critical Repairs & Improvements, Performance Auditors, Postal Facilities and Government Services, and Utah Schools for the Deaf and the Blind in Springville. Mr. Mortenson gave the recommendations for these six items.

[3-Issue Brief - 2018 Interim - Fiscal Note](#)

Sen. Mayne made a comment on the Postal Facilities and Government Services.

3 . Right-of-way Property Inventory and Surplus Land

Mr. Mortenson gave an overview of the Right-of-way Property Inventory and Surplus Land.

[UDOT ROW - IGG](#)

Mr. Shane Marshall, Deputy Director, Utah Department of Transportation (UDOT), and Mr. Carlos Braceras, Executive Director, (UDOT), explained the fund expenditure and results of the sale of property for the Department of Transportation.

Rep. Froerer asked about the online property sale auction, with a response by Mr. Marshall. Rep. Froerer recommended making sure there is a plan in place and to continue in an aggressive manner.

Sen. Hillyard asked about the process of obtaining property with a response from Mr. Braceras. Sen. Hillyard asked if there is currently a state agency that sells property that could be combined with UDOT's agency, with a response from Mr. Braceras.

Rep. Maloy and Chair Harper asked about the online property sale auction, and the sale of property, with responses from Mr. Marshall and Mr. Braceras. Chair Harper asked further questions about the sale of property and gave some suggestions.

4 . S.B. 110, 2018 G.S. - Use of Bond Proceeds

Mr. Mortenson gave an overview of S.B. 110, passed in the 2018 general session, the Use of Bond Proceeds. Mr. Braceras gave a presentation on the Use of Bond Proceeds. He explained debt limit in two categories, highway summary and prison summary, and transportation investment fund projects.

Sen. Hillyard asked for an update on two projects not shown in the presentation, highway 6 and highway 40, with a response from Mr. Braceras. Chair Harper asked for a report on what is currently being worked on. Mr. Braceras continued with his report on the actions in S.B. 110.

Chair Harper asked about the terms on the Transportation Infrastructure Loan Fund, with a response from Mr. Braceras.

Sen. Hillyard asked about the Military Installation Development Authority (MIDA) projects, with a response by Mr. Braceras.

5 . Approval of Minutes

MOTION: Sen. Hillyard moved to approve the minutes of the June 19, 2018 meeting. The motion passed with a vote of 11 - 0 - 7 .

Yeas-11

Rep. W. Brooks
Sen. D. Buxton
Rep. G. Froerer
Rep. C. Hall
Sen. W. Harper
Rep. L. Hemingway
Sen. L. Hillyard
Sen. D. Hinkins
Rep. A. Maloy

Nays-0

Absent-7

Sen. J. Adams
Sen. J. Anderegg
Rep. J. Knotwell
Rep. M. Nelson
Rep. D. Pitcher
Rep. M. Poulson
Rep. M. Schultz

Sen. K. Mayne
Rep. M. McKell

6 . Single Sign-on Status

Mr. Mortenson introduced the Single Sign-on Status. Mr. Mike Hussey, Executive Director, Department of Technology Services (DTS), and Mr. Dan Frei, Chief Finance Officer, DTS, gave a presentation on the Single Sign-on Status, Utah's Business Portal.

7 . Department of Technology Services Review

Mr. Mortenson introduced the DTS review of Billing and Internal Controls, Internal Service Funds Retained Earnings, and Performance Measures.

Mr. Frei gave an overview on billing controls, the billing dashboard and reports.

Rep. Froerer asked about the billing controls process, with a response from Mr. Frei and Mr. Hussey.

Mr. Frei explained a report on Internal Service Funds (ISF) Retained Earnings.

Mr. Hussey reported on the performance measures of data security, application development, computer procurement & development, and performance measures of ISF and AGRC (the State's mapping service).

Chair Harper asked about the performance measure goal, with a response from Mr. Hussey.

8 . Department of Administrative Services Review

Mr. Mortenson reported that the Department of Administrative Services (DAS) was asked to do a review on its Internal Service Funds Retained Earnings, Performance Measures, and Finance -- Mandated Review and Performance Measures.

Mr. Ken Hansen, Deputy Director, DAS and Ms. Marilee Richins, Deputy Director, DAS, gave a presentation. Mr. Hansen explained that there are seven primary programs, four which are Internal Service Divisions. They are going to report on the individual programs, and the performance measures, and the retained earnings on those programs. Ms. Richins reported on the Executive Director's Office (EDO) program.

Chair Harper asked for a definition of "activities", with a response from Ms. Richins. Ms. Richins continued her report on the Administrative Rules Program.

Chair Harper asked about the Administrative Rules program with a response from Ms. Richins. She continued her presentation on the Archives and Records Management Program.

Mr. Hansen reported on the Division of Facilities Construction Management (DFCM) Internal Service Fund. Ms. Richins explained the performance measures for DFCM.

Chair Harper asked for an update to the DFCM program prior to the General Session, with a response from Ms. Richins. Rep. Froerer asked when the two new project managers will be ready, with a response from Ms. Richins, Sen. Buxton and Chair Harper. Ms. Richins continued the presentation on DFCM performance measures.

Mr. Hansen reported in the Division of Finance Internal Service Fund, and Ms. Richins explained the performance measures of the Division of Finance.

Chair Harper asked about performance measures of the Division of Finance, with a response from Mr. Hansen and Ms. Richins.

Mr. Hansen reported on the Fleet Operations program, which operates five Internal Service Funds. Ms. Richins explained the performance measures of the Fleet Operations program.

Mr. Hansen reported on the Division of Purchasing and General Services Internal Service Fund.

Sen. Buxton asked about purchasing contracts with a response from Mr. Chris Hughes, Director of Purchasing, DAS.

Mr. Froerer asked about retained earnings and the administrative fees, with a response from Mr. Hughes and Mr. Hansen. Rep. Froerer asked for an update at the next meeting.

Rep. Brooks and Sen. Buxton asked about retained earnings with a response from Mr. Hughes and Ms. Richins. Mr. Hansen continued with his presentation on Purchasing and Mr. Hughes made comments.

Sen. Hillyard asked about State Mail and Distribution Services with a response from Mr. Hughes. Mr. Hansen continued with his presentation.

Chair Harper and Sen. Buxton asked about surplus property with responses from Mr. Hughes and Mr. Hansen.

Ms. Richins reported on the performance measures for Purchasing General Services.

Sen. Hillyard asked about credit cards with a response from Mr. Hughes and Ms. Richins.

Mr. Hansen reported on the Division of Risk Management Internal Service, and Ms. Richins explained the performance measures for Risk Management.

Sen. Hillyard asked about a Risk Management situation, with a response from Mr. Brian Nelson, Director Risk Management, DAS.

9 . State Store Land Acquisition Fund Spending and Commitments

Mr. Mortenson reported that the Department of Alcohol Beverage Control (DABC) will report on the State Store Land Acquisition Funding, spending and commitments.

Mr. Cade Meier, Deputy Director, DABC, gave a presentation on the State Store Land Acquisition Fund and how the funds are to be used to build a State store. Areas for purchasing land for the store were prioritized.

Rep. Froerer and Sen. Hillyard asked about the State store land acquisition funding, with a response from Mr. Meier. Mr. Meier commented that in order to move forward, he needs action from the subcommittee.

Mr. Jonathan Ball, Director, Office of Legislative Fiscal Analyst, clarified statute language on how to proceed with approval to move forward with the store purchase.

Chair Harper asked if there were any concerns about DABC moving forward. Sen. Buxton raised a concern. Mr. Meier responded.

Chair Harper reported that leadership is excluded in the quorum, so there is a quorum to make the recommendation.

MOTION: House Chair Froerer moved to recommend approval of DABC's request to continue the process on those sites with the with the understanding that this is a recommendation and the final approval would come at some later point, with the full legislature. The motion passed with a vote of 8 - 0 - 10 .

Yeas-8

Sen. J. Anderegg
Rep. W. Brooks
Sen. D. Buxton
Rep. G. Froerer
Rep. C. Hall
Sen. W. Harper
Rep. A. Maloy
Rep. M. McKell

Nays-0

Absent-10

Sen. J. Adams
Rep. L. Hemingway
Sen. L. Hillyard
Sen. D. Hinkins
Rep. J. Knotwell
Sen. K. Mayne
Rep. M. Nelson
Rep. D. Pitcher

Rep. M. Poulson
Rep. M. Schultz

10 . Other Business

There was no other business.

11 . Adjourn

MOTION: Rep. Maloy moved to adjourn.

Senate Chair Harper adjourned the meeting at 11:08 a.m.