

September 5, 2019

Mr. Casey Lozar, Chair
Montana Board of Regents
[ADDRESS AND EMAIL]

Re: Board of Regents' Support for Co-located Laboratories on the MSU Campus

Dear Chair Lozar:

The State Laboratory Advisory Committee (Committee) respectfully requests the Board of Regents' approval for building co-located state laboratories on the current site of the MSU Marsh Lab, which is located Bozeman on West Lincoln Street, just west of 19th Avenue. This request arises from a report entitled "Study of State Labs" completed for House Bill 661 passed in the 2017 Legislature [INSERT LINK TO REPORT] and the establishment of the Committee in House Bill 586 passed in the 2019 Legislature. Specifically, the Committee is requesting the Regents' approval to allow it to pursue option 1A from the report, which recommends constructing a new building at the Marsh Lab site and renovating the current lab to house the seed, pulse crop and wool labs.

BACKGROUND

The 2017 Legislature enacted HB 661, which authorized an interim study on Montana state laboratory infrastructure. The bill's intent was for the Legislative Finance Committee (LFC) to direct a study of the long-term future of and possible efficiencies to be gained from consolidating or collocating the state-supported labs that are currently located on the MSU campus. The study was conducted by a bipartisan subcommittee comprised of two members each from LFC the Environmental Quality Council, and the Economic Affairs Interim Committee.

The subcommittee's goal was to evaluate the function, condition, and needs of the six labs located on the campus and, if appropriate, recommend a proposal to the LFC regarding the subcommittee's findings. The labs included in the study were the Montana Department of Livestock Veterinary Diagnostic Lab, the Montana Agricultural Experiment Station's (MAES) Wool Lab, the MAES Seed Lab, the Montana Department of Fish, Wildlife, & Parks (FWP) Wildlife Lab, the MSU Pulse Crops Diagnostic Lab, and the Montana Department of Agriculture Analytical Lab. Ultimately, as reflected on page 2 of the study, the subcommittee recommended two options for the Legislature's consideration.

Importantly, the subcommittee worked closely with MSU and the Regents throughout the lab study and conceptual design process. A request was made by the subcommittee in February 2017 for MSU to consider allowing the state to use MSU land adjacent to the existing Marsh Lab for any new construction if a building was funded. At that time—and understandably—the Regents and MSU did not decline or accept the request. There were then too many unknown variables, and the Regents needed further information.

In the recent 2019 Legislature, House Bill 586 was passed, which created the Committee comprised of four legislators, state agencies, and two representatives from MSU and mandated that the Department of Administration develop a plan for a lease contract with an option to purchase for co-located lab housing facilities that conduct animal testing for pathogens that could affect public health. *HB 586, section 2.*

STATE LABORATORY ADVISORY COMMITTEE ACTIONS/REQUEST

The Committee met on August 14, 2019 in Bozeman and voted to (i) pursue option 1A and (ii) send this letter seeking approval from the Regents to use MSU land for this option. I have attached a letter from Commissioner Christian and President Cruzado to the chair of the Environmental Quality Council expressing their support for the use of MSU land for this purpose. The Committee, of course, understands--and Commissioner Christian and President Cruzado underscored--that the Regents must approve such use.

In short, 1A calls for constructing "a new building to for the Department of Livestock Veterinary Diagnostic Lab (VDL), the Department of Agriculture Analytical Lab, and the FWP Wildlife Lab. The vacated space in Marsh Laboratory because of the VDL's departure would be renovated for the MAES Seed Lab, MSU Pulse Crops Diagnostic Lab, and the MAES Wool Lab." *Report, pp. 2-3*. This option is discussed in more detail in the report at pages 12 and 13. I note that this option would open space on the campus given the proposed relocation of Agriculture's analytical lab and the MAES wool lab. However, should the VDL and Analytical Lab move into a new facility through the leasing concept, authorization and funding for the subsequent renovations in Marsh Lab or McCall Hall would have to be worked-out.

As you can imagine, there will be many details to be resolved to bring this project to fruition. One of those important and immediate matters is for the Regents to approve the location of the new lab complex on the five acres of land where the Marsh Lab currently sits. The Committee emphasizes that there is no expectation of financial commitment from MSU or the Regents.

Based on the foregoing, the Committee respectfully requests that the Regents approve the location of the new lab as described above at its September 13-14 meeting in Butte. This important step will allow the Committee to continue its progress in making the lab complex a reality.

Thank you for your consideration.

Sincerely,

Representative Kerry White
Chair, State Laboratory Advisory Committee

cc: Commissioner Clayton Christian
President Waded Cruzado

Attachment: Christian/Cruzado Letter