



Fire Suppression Interim Committee 60th Montana Legislature

SENATE MEMBERS

JOHN COBB
KEN HANSEN
RICK LAIBLE
DAVE LEWIS
GERALD PEASE
CAROL WILLIAMS

HOUSE MEMBERS

STEVE BOLSTAD
JIM KEANE
KRAYTON KERNS
RICK RIPLEY
CHAS VINCENT
BILL WILSON

COMMITTEE STAFF

LEANNE HEISEL, Lead Staff
TODD EVERTS, Staff Attorney
DAWN FIELD, Secretary
BARBARA SMITH, Fiscal Analyst

MINUTES

Fire Suppression Interim Committee Conference Call

February 22, 2008

Room 102, State Capitol
Helena, Montana

Please note: These are summary minutes. Testimony and discussion are paraphrased and condensed. Committee tapes are on file in the offices of the Legislative Services Division. **Exhibits for this meeting are available upon request. Legislative Council policy requires a charge of 15 cents a page for copies of the document.**

Please note: These minutes provide abbreviated information about committee discussion, public testimony, action taken, and other activities. The minutes are accompanied by an audio recording.

An electronic copy of these minutes and the audio recording may be accessed from the Legislative Branch home page at <http://leg.mt.gov>. On the left-side column of the home page, select *Committees*, then *Interim*, and then the appropriate committee.

To view the minutes, locate the meeting date and click on minutes. To hear the audio recording, click on the Real Player icon. Note: You must have Real Player to listen to the audio recording.

COMMITTEE MEMBERS PRESENT

SEN. JOHN COBB
SEN. KEN HANSEN
SEN. RICK LAIBLE
SEN. DAVE LEWIS
SEN. CAROL WILLIAMS
REP. KRAYTON KERNS
REP. RICK RIPLEY
REP. BILL WILSON

MEMBERS EXCUSED

SEN. GERALD PEASE
REP. JIM KEANE
REP. STEVE BOLSTAD
REP. CHAS VINCENT

STAFF PRESENT

LEANNE HEISEL, Lead Staff
TODD EVERTS, Staff Attorney
BARBARA SMITH, Fiscal Analyst

AGENDA & VISITORS' LIST

Agenda, Attachment #1.
Visitors' list, Attachment #2.

COMMITTEE ACTION

The Fire Suppression Interim Committee:

- approved a \$10,000 transfer from the FSIC to DNRC for a contracted study of the costs of WUI fires; and
- approved sending a letter to the Governor's Budget Director supporting DNRC's early use of \$1.1 million of the fire suppression fund for items deemed to be critical needs.

CALL TO ORDER AND ROLL CALL

- 00:00:01 SEN. COBB reported that SEN. HANSEN, SEN. LEWIS, SEN. LAIBLE, SEN. WILLIAMS, REP. WILSON, REP. KERNS, and REP. RIPLEY were present via teleconference (ATTACHMENT #3). He said the first order of business would be to vote on the proposed \$10,000 fund transfer from the Fire Suppression Interim Committee (FSIC) to the Department of Natural Resources and Conservation (DNRC) for the wildland urban interface (WUI) study to be done by Headwaters Economics. SEN. COBB explained how the teleconference would proceed, regarding member and public comment. He noted that members not present via teleconference had until Monday, March 25, to call staff with their vote.
- 00:01:54 REP. WILSON asked Director Sexton to briefly explain why DNRC thinks the study is necessary and staff to provide a committee budget update.
- 00:01:51 **Mary Sexton, Director, DNRC**, said the request for the study came as the result of the presentation made by Headwaters Economics to the FSIC at its January 11, 2008, WUI Subcommittee meeting. The study will provide an economic assessment of the impact of wildland urban interface fire suppression costs. Headwaters Economics has the expertise to use DNRC information to compile a true picture of present costs. Director Sexton said that the information would not only benefit the present situation, but would provide the ability to project future costs, as WUI areas continue to expand, and a drought continues. She predicted that costs for WUI could be as much as 50% higher.
- 00:03:20 (difficulty with teleconference phone and recording was inaudible at times)
Director Sexton discussed 2008 fire costs, saying that the Chippy Creek fire cost about \$200-\$250 per acre, whereas costs for the Jocko Lakes fire were about \$1200 - \$1300 per acre. She said the study would provide a formal economic analysis of what costs are now, and what they are projected to be in the future.
- 00:05:31 REP. WILSON asked Director Sexton if she had confidence that the study would provide unbiased information. Director Sexton said she does, but that as an

added safeguard, the study would undergo a peer review by the School of Forestry at the University of Montana; as well as internal scrutiny by DNRC staff.

- 00:06:27 **Leanne Heisel, Research Analyst, Legislative Services Division (LSD)**, said the FSIC has spent \$11,376 of its \$200,000 appropriation.
- 00:07:43 SEN. HANSEN asked who will receive the study. Director Sexton said the study will be public information and available through DNRC. She said it would be provided to the FSIC and 2009 Legislature.
- 00:08:36 SEN. WILLIAMS asked that a copy of the letter submitted by the Forest Owners Association (EXHIBIT #1) be provided to Headwaters Economics. Ms. Heisel said she would forward the letter to Headwaters Economics.
- 00:08:50 REP. RIPLEY said he would not support a motion for the study because of the background of Headwaters Economics and that the group has been associated with biased organizations. He said he was not convinced that the information will be totally unbiased. REP. KERNS said he shared REP. RIPLEY's concerns and will oppose the motion also.

PUBLIC COMMENT

- 00:09:53 **Harold Blattie, Executive Director, Montana Association of Counties (MACo)**, said he has not looked at the scope of the proposed study, but said if the study is approved, it would be very helpful to compile numbers of the lots that already exist as potential building sites. This would have some bearing on how costs might change in the future. Mr. Blattie said that not only is MACo concerned about this, but that Missoula County has expressed concern about this issue also.
- 00:11:21 SEN. LAIBLE said he too is concerned about whether the information will be unbiased, which is why he wants only raw data. He said raw data would be more difficult to manipulate but that the information would be very valuable.
- 00:12:27 SEN. HANSEN asked Director Sexton to respond to the concerns that the information could be biased. Director Sexton said Headwaters Economics is a nonprofit organization and that the economists have Masters and Ph.D. level education. She said some of the economists have, in the past, been employed by conservation groups. She expressed her full confidence that the information would be unbiased and reliable, but that to provide certainty, a peer review would be done by University of Montana economists, and that DNRC staff would also review it very closely.
- 00:13:47 SEN. LEWIS said that he was impressed with Headwaters Economics' previous work, and that he was willing to support the study. He said the information would be very useful.
- 00:14:16 SEN. WILLIAMS agreed, and said that the Committee can do whatever it wants with information.

- 00:14:40 REP. WILSON said he plans to support the study and said the most important thing is to get the information. He said the Committee can be the arbiter of how best to use the information.
- 00:15:00 REP. WILSON **moved** that the Fire Suppression Interim Committee transfer \$10,000 from its budget to the Department of Natural Resources and Conservation to conduct the study - with contracted assistance - of the costs of fire suppression in wildland urban interface.
- 00:15:18 SEN. COBB said proxy votes would be accepted and that members had until 2 p.m. on Monday, February 25, to place their vote with staff. Ms. Heisel took a roll call vote, the motion passed on a 7 - 3 roll call vote, with REP. KERNS, REP. RIPLEY, and REP. VINCENT voting no (ATTACHMENT #4).
- 00:16:56 SEN. COBB said the Committee would deal next with the recommending that a portion of the \$40 million fire suppression fund be used immediately for DNRC critical needs. **Barb Smith, Fiscal Analyst, Legislative Fiscal Division (LFD)**, explained that legislation approved in the September 2007 Special Session created the \$40 million fire suppression fund, and that the funding will become available July 1, 2008. She said that at the last meeting, the Committee discussed approving a recommendation to the Office of Budget and Program Planning (OBPP) that some of the funding be made available to the DNRC immediately, in order to take care of several of the items identified as critical needs. Ms. Smith said DNRC presented its list of critical needs to the FSIC Infrastructure Subcommittee at its Feb. 15, 2008, meeting and that the Subcommittee selected Items 1, 2, 4, 5, and 7 from the list for approval by the full Committee. Ms. Smith briefly reviewed the selected items.
- 00:18:40 SEN. COBB asked what total amount would be. Ms. Smith said the total would be \$1.1 million. SEN. COBB **moved** that the Fire Suppression Interim Committee write a letter to the Governor's Budget Office supporting DNRC's use of a portion (\$1.1 million) of the \$40 million in the fire suppression fund to hire additional seasonal staff to fully support DNRC aviation and engine resources, provide fire business specialists on DNRC fires, and expand dispatch center staff.
- 00:19:36 Director Sexton said these additional resources would be the most helpful to DNRC. (more problems with the polycom phone - disrupted recording.)
- 00:21:40 SEN. LAIBLE, SEN. HANSEN, SEN. LEWIS, SEN. WILLIAMS, and REP. RIPLEY all stated their support for the motion.

PUBLIC COMMENT

There was no public comment.

- 00:24:44 The motion passed on a 10-0 roll call vote (ATTACHMENT #5).

ADJOURNMENT

00:03:25 With no further business before the Committee, SEN. COBB adjourned the teleconference meeting.

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