

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2376

2007 SENATE APPROPRIATIONS

SB 2376

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2376

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01/29/07

Recorder Job Number: 2154

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on SB 2376 indicating it would be turned over to the subcommittee to be put into the whole picture of Parks and Rec. If there is a lot of support and if we pull it into the Parks and Rec, it sometimes gives added security and at the same time it removes the names of the sponsors.

Senator John Warner, District 4, Ryder, testified in support of SB 2376, indicating this bill deals with the development of business around Lake Sakakawea by supporting the rebuilding of the marina at Fort Stevenson State Park. He made the comment that it doesn't matter who gets the credit as long as the job gets done, but he does want to protect the integrity of the Parks and Rec bill.

Representative Kenton Onstad, District 4, Parshall, testified in support of SB 2376 indicating that this bill is intended to help with the building of the Marina on the North side of the Lake. This has been a work in progress for many years. He indicated the Governor has stated many times that the state of North Dakota will be willing to put toward the development of this project. He then turned the specifics of the bill over to the other speakers.

Representative Dawn Charging, District 4, Garrison, testified in support of SB 2376 indicating this bill is one that she is very close to as she is from Garrison. She presented a picture of what the marina looked like in its heyday. She discussed the impact of the marina

on the area as well as the state of North Dakota. The reopening of this marina reopens the door to recreation in North Dakota.

Senator Bowman indicated he had toured the area a few years ago and was saddened about the water level. He questioned how investing this money now before the water level was up, how are the boats going to get in the water because it is so far out. The response was that this will be answered as other testifiers come forward. In addition, this is an opportune time to do the work because the water level is low.

Sue Schreiner, Past President, Garrison Chamber of Commerce and Trust Officer, Garrison State Bank and Trust, presented written testimony in support of SB 2376. She showed pictures in her testimony of the marina then and now and indicated the marina has been dry for 15 of its 25 years of life. She then reviewed the Garrison reservoir elevation study and Garrison's taxable sales. She also reviewed the reservoir elevation study correlation to the mean reservoir elevation and ft. Stevenson marina revenue. She said that at this time there is only one operational marina on Lake Sakakawea and that is on the south side of the reservoir. She stressed the need for a marina on the north side. She then discussed the proposed marina. She indicated a major portion of the funding for the marina will come from the federal government. And the award of this bill will ensure the federal funds.

Senator Grindberg questioned if funds are in place, where does the Army Corps of Engineers fall in the equation. The response was the Corps of Engineers indicated that if appropriate language is in the bill itself, they are willing to step out of the picture and transfer their funds to the state and let the state go ahead with this. Senator Grindberg then asked if this would be put in writing, if they can, that would be helpful.

Senator Wardner asked if the water comes back up is the elevation of the new marina high enough that it won't flood. The response was that if the water comes back up, what will

happen is that there will be two operational marinas because the low water marina will be operational in high water conditions.

Senator Lindaas asked at what point is the lowest level for the marina to be operational. The response was the new marina has an elevation level of 1790 and the channel entering the marina has an elevation of 1775. The level would have to be at 1780 before it is non-operational.

Senator Christmann asked if an environmental study has been completed. The response was yes as well as a study required by the Corps.

Paul Schlichting, General Manager, Cenex, Garrison, presented written testimony indicating he supports SB 2376. He stated how valuable the Marina is to the community and Fort Stevenson State Park.

Rick Olson, Stoney End Supperclub and Lounge, Garrison, presented written testimony and testified in support of SB 2376. He indicated that as a businessman his livelihood depends on tourism.

Senator Bowman asked if there are any ramps near Garrison. The response was there is only one, most are unusable.

Jill Denning, Gackle, Secretary, Friends of Lake Sakakawea, presented written testimony in support of SB 2376. She indicated the only other marina on the lake is full and no one else can get in there. She indicated this is the opportunity to develop a marina that can be used in both low and high water. She indicated the one caveat to this bill is that if the matching funds don't come through, the state doesn't have to come up with their portion.

Senator Holmberg asked if Garrison has put any money in for this. The response was that Garrison put forth \$6000 for the soil boring testing and there may be other ways.

Dick Messerly, Park Manager, Fort Stevenson State Park, President Elect, Garrison

Chamber of Commerce, presented written testimony in support of SB 2376. He indicated this bill is an investment which will provide a quick and sizeable return, the project is well-planned, this will aid in diversifying the economy and developing the economic engine of Lake Sakakawea.

Senator Christmann asked how much activity revolves around fishing and other lake activities and what is expected in the future. The response was that much attendance at the park has dropped off over the years, but is increasing with other activities. Most activities have centered around the fishing and boating.

Ron Krebsbach, Commission, McClean County, presented written testimony in support of SB 2376 indicating the implementation of this bill is vital in retaining a viable tourism business on Lake Sakakawea.

Senator Holmberg closed the hearing on SB 2376 indicating the Game and Fish subcommittee will look at this to meld the bills together. The subcommittee consists of Senators Christmann, Grindberg and Lindaas.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2376

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02/09/07

Recorder Job Number: 3281

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on SB 2376 indicating this bill would be put into the Parks and Rec bill.

Senator Krebsback moved a **DO NOT PASS** and that the contents of SB 2376 be included in SB 2019 the parks and rec bill. **Senator Kilzer** seconded. No discussion followed. A roll call vote was taken resulting in 8 yes 1 no, 5 absent. The motion carried. **Senator Krebsback** will carry the bill.

Chairman Holmberg closed the hearing on SB 2376.

Date:
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2376

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken D Not Pass

Motion Made By Krebsbach Seconded By Kilzer

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm	✓		Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm	✓		Senator Elroy N. Lindaas		
Senator Tony Grindberg, V Chrm			Senator Tim Mathern		✓
Senator Randel Christmann			Senator Larry J. Robinson	✓	
Senator Tom Fischer			Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson		
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner	✓				

Total (Yes) 8 No 1

Absent 5

Floor Assignment Krebsbach

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 9, 2007 1:56 p.m.

Module No: SR-28-2766
Carrier: Krebsbach
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2376: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO NOT PASS (8 YEAS, 1 NAY, 5 ABSENT AND NOT VOTING). SB 2376 was placed on the Eleventh order on the calendar.

2007 TESTIMONY

SB 2376

(1)

Chairman Holmberg and members of the Appropriations Committee, my name is Sue Schreiner. I am a Past President of the Garrison Chamber of Commerce and a Trust Officer at the Garrison State Bank and Trust. I am here today in support of SB 2376 appropriating \$1,200,000, or so much of that sum as may be necessary, to the North Dakota Parks and Recreation Department for the construction of a marina at Ft. Stevenson State Park.

If you would refer to the first page of color photographs that I have provided for you, it shows the Ft. Stevenson Marina, fully operational at normal lake levels, which would be at an elevation above 1830 ftmsl. It holds 72 slips and has a launching ramp that is 60 ft wide and able to accommodate up to 4 boats launching simultaneously. The bottom of the ramp is at 1822 ftmsl. The other picture shown on that page is the same marina at its present day condition. Water levels at this time are at 1807 ftmsl. Our present marina will have its 25th birthday in 2007; on that birthday it will have been dry for 15 of those years; more than 50% of its life.

The Garrison Reservoir Elevation Study, found on the next page, compares the mean elevation to the taxable sales in our community. In looking at the 6 low water years between 1988 and 1993, when the marina was nonoperational or marginally so, the average taxable sales in our community were \$8.3 million per year. In comparing the following 6 years between 1994 and 1999, at normal water levels when the marina was fully operational, taxable sales averaged \$10.5 million per year. A \$2.2 million decrease in the low water years takes its toll on our business community. The outlook changes from one of economic development to one of economic survival.

The next page shows another Garrison Reservoir Study but this time shows a correlation between the marina revenue and the mean elevation. As you can see, an operational marina creates a major economic impact to the tourism/recreation industry not only to Garrison, but to other communities up and down the 1,530 miles of shoreline of Lake Sakakawea. It has a far-reaching effect on businesses in the major cities in the vicinity of Garrison through sales of RV's, boats, sporting goods and repair services, as well as to the revenues of our Great State of North Dakota.

There is only 1 operational marina on all of Lake Sakakawea; that being at the Sakakawea State Park on the south side of the lake. I am asking for your support to build one for the north side to service our needs as well. As important as the issue of revenue is the issue of safety. In this low water environment we need a facility on the north side to provide a safe harbor to vessels when storm conditions present themselves.

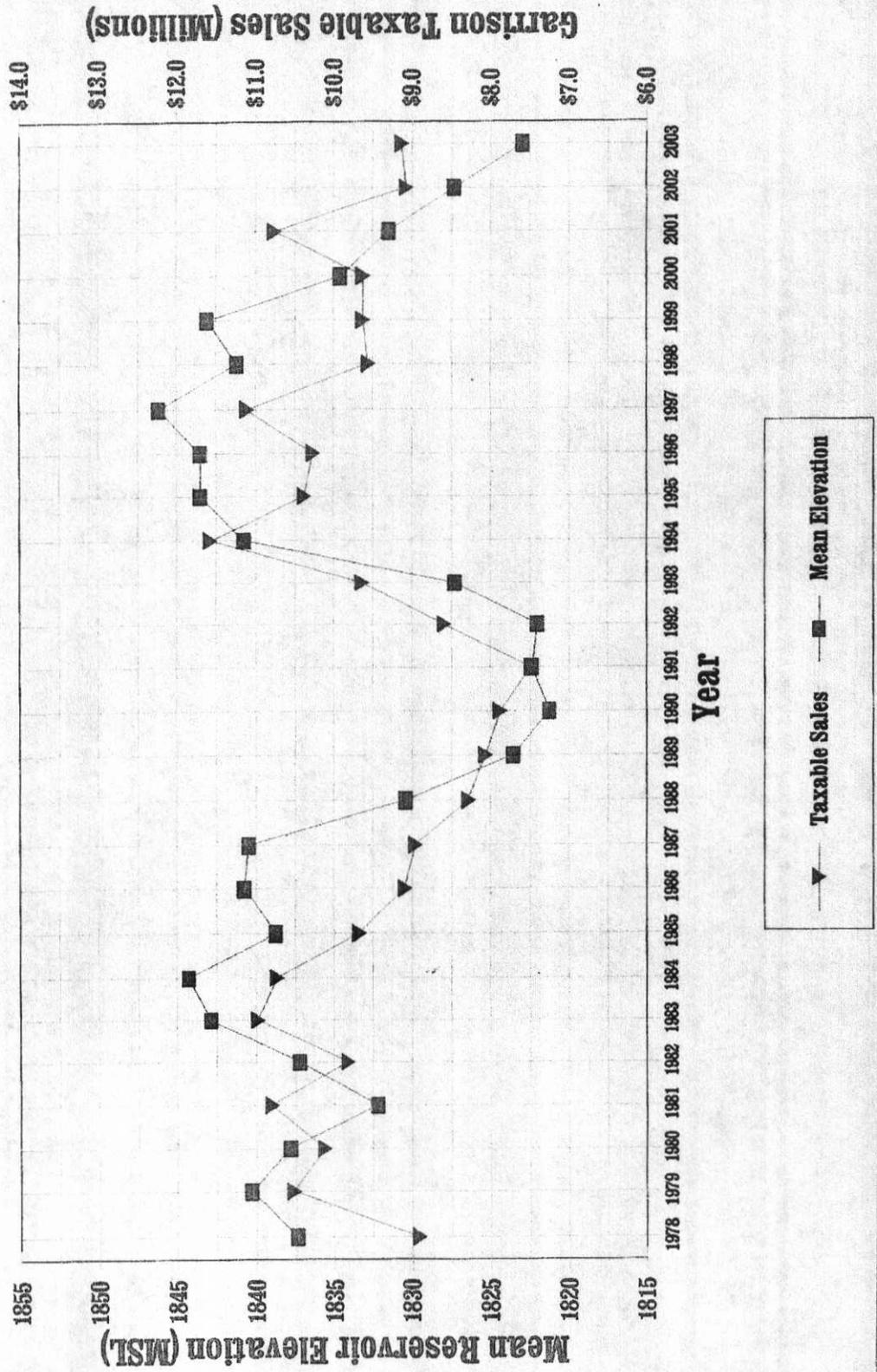
The second to the last page shows the present marina as well as the site of the new Garrison Bay Marina. This marina would have adequate water at a lake level 32 ft. lower than the present marina bottom. The channel going into the marina has 35 – 40 ft. of water depth in this low water environment. It is estimated that this new marina will cost in the range of \$6,000,000 to \$6,500,000. Of that amount, our U.S. Senators Dorgan and Conrad, along with Congressmen Pomeroy are working to secure \$5,500,000 in federal funding. Adding the state funding of \$1,200,000 as proposed in SB 2376 would insure the adequate amount of funding to build our marina. These matching funds will also help in our quest to get the Federal dollars transferred to the State, making this a project whose

design and construction will be completed by the ND State Parks and Recreation Department. This will not only insure us that the project will be completed, but it will be a savings of millions of dollars by taking it out of the hands of the Corps of Engineers, whose estimated costs have run as high as \$26,000,000.

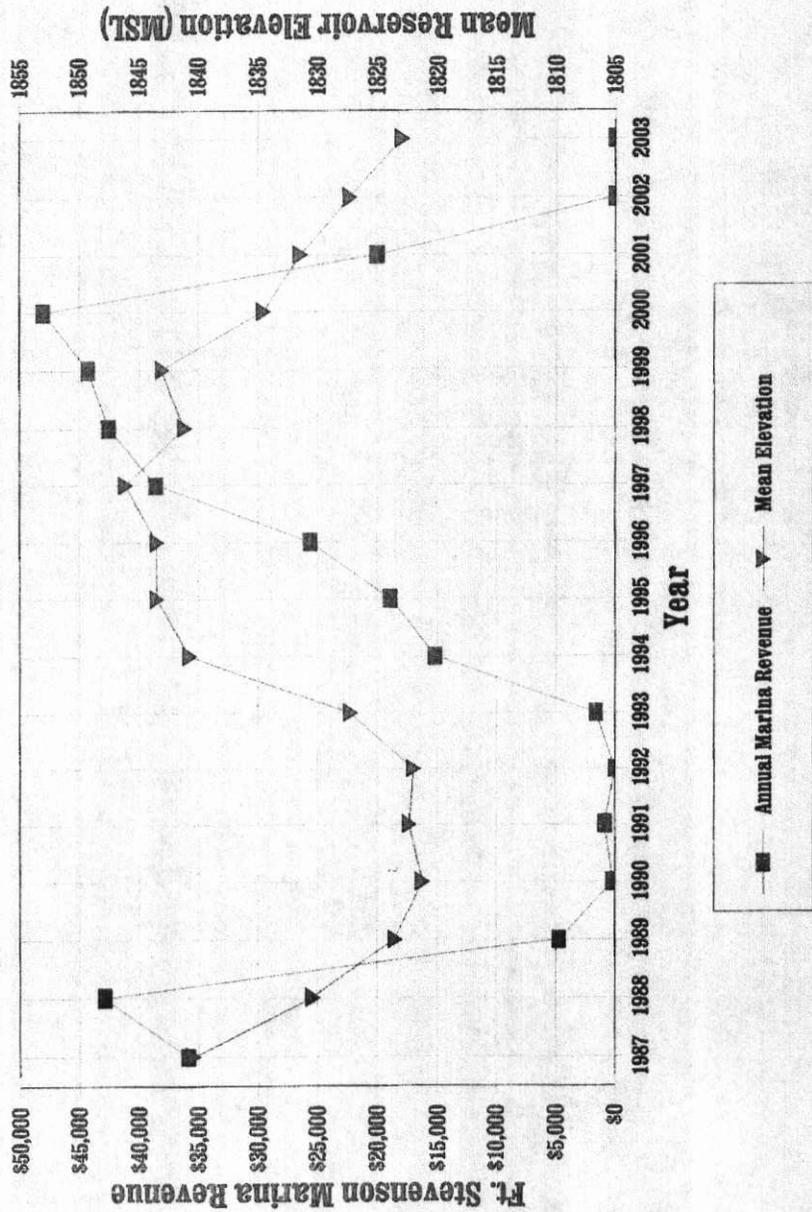
Lastly I show you a picture of what we look at each and every time we drive into our present marina parking lot. Larger boats from the Ft. Stevenson Marina, as well as other marinas up and down the north shoreline of Lake Sakakawea, are sitting in storage lots, are for sale, or have been sold and moved to other locations, some of them outside of our Great State of North Dakota. Now is the time to build. The low water levels provide us with an opportunity to save on project costs as the height of the coffer dam directly correlates to the water level during the building process. I strongly urge you to recommend a "DO PASS" status for SB 2376. Thank you.

Garrison Reservoir Elevation Study

Mean Elevation vs. Garrison Sales



Garrison Reservoir Elevation Study Marina Revenue vs. Mean Elevation



■ Annual Marina Revenue ▼ Mean Elevation

■ A marina that is unusable creates a major economic impact to the tourism/recreation industry

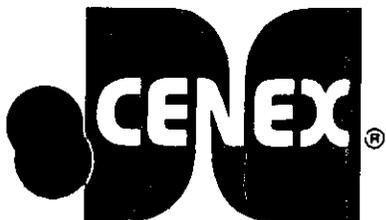
Operational Marinas on Lake Sakakawea

- At these low lake levels, there is only 1 operational marina on Lake Sakakawea.

Present Day Marina and the New Garrison Bay Location



- Ramp and docks at the present marina.
- Proposed new marina in Garrison Bay, having adequate water at 32 ft. lower than the present marina bottom.
- Channel has between 35 – 40 ft. of water depth.



Farmers Union Oil Company

PO Box 429 • Garrison, North Dakota 58540-0429

PHONE: 701-463-2256 • FAX: 701-463-2258

Good morning Chairman Holmberg and fellow committee members,

My name is Paul Schlichting the General Manager at Cenex of Garrison, and I'm here to ask for your support for SB 2376, the marina project at Fort Stevenson State Park in Garrison.

The Marina is a very valuable resource to the Garrison Community. Every summer it brings people from all over to our community which means they come to my business as well as all the other businesses in the Garrison community.

Not only does this bring people to our community but it provides jobs for the youth in the Garrison area. At Cenex we have as many as 15 youth employees during the summer months, and this is just at one of the Garrison businesses.

When the Fort Stevenson State Park visitation is down business is also down. We have seen as much as a 20% decrease in sales which can be as much as \$140,000.00, and this is for one month.

Garrison is a growing and thriving community with new businesses coming to our area as well as people coming to enjoy all of the great activities and recreational opportunities the Garrison community has to offer, *which includes a NEW MARINA!!*.

My business along with the business community of Garrison needs your support for SB 2376.

Thank you, I will now try to answer any questions to the best of my abilities.

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STONEY END SUPPERCLUB AND LOUNGE

Hwy 37
Garrison, ND 58540

Senate Appropriations Committee
SB 2376
January 29, 2007
11:00 a.m.

Testimony by Rick Olson

Good morning Chairman ??? and Members of the Committee. My name is Rick Olson. I am the owner of the Stoney End supperclub and Lounge in Garrison, ND and I am a past board member of the Garrison Area Improvement Association.

I am testifying this morning in support of SB 2376 on behalf of myself as a businessman whose livelihood depends in great part on the State's number two industry; tourism. Approximately one fourth of my gross sales come from tourists in the form of hunters and fishermen. They come because of the great fishing and hunting that we have to offer.

All of the work that the State of North Dakota has done in recent years to enhance tourism has enhanced my business. I would hope that those investments by the state would be protected by continued assistance for projects that will not just grow the industry but protect what we already have.

With the old marina at Ft. Stevenson abandoned due to the lowered lake levels it is only logical that a new marina should replace it. Not to do so is a step backward. The most advantageous time to construct the marina is during this time of low water. Without adequate access to the lake, we will surely see a decline in recreational tourism and a decline in businesses, like mine, that deal with the hospitality industry.

Thanks Rick Olson



Senate Appropriations Committee
SB 2376
11 a.m. Jan. 29, 2007

Good morning, Chairman Holmberg and Members of the Committee. I'm Jill Denning Gackle, secretary of the Friends of Lake Sakakawea, an organization started six years ago to build on the many attributes of the lake. Our members are fishermen, cabin owners, cities, chambers and economic development groups.

Four years ago the Friends of Lake Sakakawea went on record to support the development of a marina at Fort Stevenson. Today we feel the same way. Although we represent lake users from Williston to Pick City, we see this as an opportunity to build a marina that is accessible during low and high water. We recognize that the investment in the marina is sound: to build a marina that pays for itself in sales tax dollars in just a few years makes good sense.

The marina makes good sense for many reasons. Bids were let on the marina in 1981 with \$400,000 from the state and \$400,000 from the Corps. Some say it was placed in the wrong location and never built deep enough, but who could envision what we face today? When the Corps and the federal government have been pushed over the years to release funding for the project the question always comes up, "Where is the state on this? Can't they give the project some help?"

We know funds are tight. We know that everybody has their hands in your pockets. But this project is different from many because it will pay for itself in short order. The marina at Fort Stevenson won't be stealing boaters from other locations. Instead the dozens of dry docked boats might take to the water this year. A few big house boats that spend hundreds of dollars at grocery stores, gas stations and retail businesses will find their home at the marina. The other marinas – the ones with water – will still have boaters. Some want to be provincial, however there are plenty of boats to go around but good, reliable access at all lake levels, at more than a few locations is a challenge.

The Garrison community has worked hard to make this marina a reality. We suffered through broken promises, politicking and hurdles beyond our reach. But we can make this a reality today with your help. Good sense shows that the marina will raise at least \$2 million a year in taxable sales tax revenue. A \$1.8 million investment to make that happens is a good move on the part of the legislature. It makes good sense for the state to partner with the federal government to build a marina that will directly benefit one of its own state parks and grow tourism for years to come.

And there's a caveat – you don't have to pay unless the matching funds come through from the federal government or other sources. That requires the Friends, the Garrison Chamber and others to work hard to come up with the balance. If we don't do our part, you don't have to do yours.

We hope you think this bill makes good sense. Thank you for your time. The Friends of Lake Sakakawea respectfully request that you invest in the region's future by supporting SB 2376.

SENATE BILL -2376
SENATE APPROPRIATIONS
Harvest Room 11:00 a.m., January 29, 2007

Mr. Chairman and members of the Senate Appropriations Committee, I am Dick Messerly, Park Manager of Fort Stevenson State Park and President Elect of the Garrison Chamber of Commerce. Thank you for allowing me to testify today on Senate Bill-2376.

1. This bill is an investment in needed and important access infrastructure. It would provide matching funds in a similar way to the funds allocated for highways or bridges, thus assuring needed access to Lake Sakakawea. The lake is truly one of the crown jewels of North Dakota and this investment will increase its financial impact to our state's economy.

2. This investment will provide a quick and sizeable return. The taxable sales in Garrison, ND, were \$2.2 million dollars lower when the present marina was not operational from 1988-1993 than in the next 6 normal water years 1994-1999. This means payback in Garrison taxable sales of about 3 years on this investment. It seems reasonable to invest \$1.2 million in state funds to receive a match of \$5.5 million from other sources.

3. The Fort Stevenson Garrison Bay Marina Project is well planned. The present marina has been fully operational for less than half of its history and has been totally dry for the last several years. Since the recent low water years started in 2001 many options have been explored including excavating the present marina and relocating to different possible marina sites. Garrison Bay is the winner for two main reasons. It can be constructed at the present record low water levels at a very reasonable cost and it will then be operational at all historic lows with a bottom elevation of 1790 ft.m.s.l. or 32 feet deeper than the present marina. Lake level today is 1807 ft.m.s.l.

4. Recreation/Tourism is the second leading industry in North Dakota and is growing. Our state needs to continue to diversify the economy, and development of the mighty economic engine of Lake Sakakawea is a key. Much of central and western North Dakota rely heavily on the Recreation/Tourism dollars generated by Lake Sakakawea. The community of Garrison has fully embraced Recreation/Tourism as a very important part of its economic vitality; all the way from the retail sector to increased tax revenues, even our population growth. Minot and Bismarck are greatly affected by activities on Lake Sakakawea when you think of all the boat and RV dealerships and sporting goods sales. Recreation and Tourism have many times been the important factor in helping the state through the ups and downs of the energy and agricultural industries.

5. So I urge you as members of the Senate Appropriations Committee to vote FOR passage of Senate Bill- 2376. This is a wise investment with tremendous and quick returns for the people of our wonderful state.

Thank you again for allowing me to speak.

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Board of Commissioners
Ronald Krebsbach
Chairperson
Steve Lee
Vice-Chairperson
Julie Hudson-Schenfisch
Member

McLean County



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P.O. Box 1108
Washburn, ND 58577-1108
(701) 462-8541
Fax (701) 462-3542
mcleanco@westriv.com

"A Proud Past -- A Promising Future"

January 27, 2007

Senators Warner, Tollefson

Representatives Charging, Onstad, Pinkerton, Wrangham

RE: Senate Bill No. 2376

The McLean County Commission is in full support of Senate Bill No. 2376 which provides an appropriation for the construction of a marina at Fort Stevenson State Park. The sum of \$1,200,00 would be appropriated after special funds of \$5,500,000 has been raised.

The construction of a new marina at Fort Stevenson State Park is vital in retaining a viable tourism business on Lake Sakakawea. The present marina has been unusable more years in the last ten years than it has been usable because of low water levels on Lake Sakakawea. This low water crisis has been the cause of the closure of several businesses in the Garrison area. The businesses include several restaurants, a boat dealer, boat repair shop, boat rental facilities, boat docks for public and private use and a concessionaire. These businesses had sales in the millions of dollars annually.

The new marina will be a usable marina except in the very lowest of water conditions which will certainly provide for a more stable environment for these commercial ventures. This in turn will help stabilize the area economy and provide a stable base to grow the economy.

Again, the McLean County Commission fully supports this bill. Thank you for your consideration.

Ron Krebsbach, Commissioner