



MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

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Legislative Fiscal Analyst
CLAYTON SCHENCK

September 8, 2005

Mary Sexton, Director
Department of Natural Resources and Conservation
PO Box 201601
Helena, MT 59620-1601

Dear Ms. Sexton:

At it's June meeting, the Legislative Finance Committee voted to request updates on a number of projects and initiatives as discussed during HB2 deliberations by appropriations subcommittees and the legislature during the 2005 legislative session. This letter is to let you know that we will be requesting these updates within the general timetables envisioned by the legislature.

The updates are intended to be brief, informal performance updates, and accomplished in no more than 1 to 2 pages. Additional information is welcome, but the intent is to keep the reporting requirements simple and informative while not requiring extensive effort on the part of program managers. The committee is primarily interested in how the project or initiative is progressing, what issues you have encountered, and what the legislature can do to assist you during the interim in your efforts to meet your goals and/or to address any issues.

The following updates are requested.

Water rights database projects and water adjudication process

Attached are the request forms for each of the updates requested.

Thank you for your attention to this matter. If you have any general questions about this request, please contact Taryn Purdy at 5383, or at tpurdy@mt.gov. If you have questions about a particular update, please contact the LFD staff person listed.

Sincerely,
Clayton Schenck

cc: Jack Stults

Information Request – Legislative Finance Committee

Purpose

By September 23, 2005, please provide a 1-2 page summary on the projects/initiatives listed.

Specifically:

How is this initiative going? What are the results of your efforts? What problems have you encountered? How can the legislature assist in this effort or with issues that have arisen?

You may email your response to the LFD contact listed below.

Information

Agency: Department of Natural Resources and Conservation

Division/Program: Water Resources Division

Subject: Water rights database projects and water adjudication process

LFD Contact: Smith, Barbara

Agency Contact: Terri McLaughlin, Water Rights Bureau Chief, 444-6631

Specific Request for Information/Action as Discussed by the Legislature/Subcommittee During the Legislative Session

A general report on status, plus number and types of adjudications completed on monthly basis.
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Response

1. HB 22 - ADJUDICATION EXCELLERATION

Using the specific components above, what are you doing with regard to this project/initiative and how is it going?

The DNRC has hired 24 new Water Resource Specialists, two GIS staff, and a Quality Control/Program Specialist July 5, 2005. The new and existing staff went through a two-week concentrated training in Mt. Water Law, Adjudication processes, Water Court activities and authority, public communications, claim examination, aerial photo interpretation and the water right database. They have been put into three teams each with a supervisor. Office space was leased and office modular furniture and equipment was purchased. Recruitment for three administrative support positions is currently occurring.

What are the results so far? In fiscal year 2005 existing staff examined 1817 claims. Since the two-week training in July, 1026 claims have been examined in the second half of July and August. As staff becomes more proficient on the examination process and the database, it is anticipated that the DNRC may exceed the first benchmark of 8,000 claims by January 2007. There are 54,916 claims left to examine.

What challenges have arisen? Since July two of the new staff have taken other positions within the Department and one transferred from the Glasgow regional office to the office in

Missoula. Recruitment to fill these positions is ongoing. Maintaining full staff appears to be a small challenge at this point, but we expect that to be resolved shortly.

How can the legislature (Legislative Finance Committee) assist? No suggestions at this time.

1. WATER RIGHT DATABASE

Using the specific components above, what are you doing with regard to this project/initiative and how is it going?

DNRC has expended \$171,000 to date through contracted services for database enhancements and modifications. Phase 1 is 90% complete including the ability to produce a Summary Report and Decree, to run the Standards and Error Check programs, and to incorporate new fields and reports to the database for Water Court enforcement actions. Phase 2 is about 45% completed including automating ownership update processing, adding security measures to water rights in a decree and providing security for water court post decree corrections. Phase 3, development of the Adjudication Billing program is underway way with a contractor. Anticipated completion of the contract is October 15, 2005 at a cost of about \$30, 500.

What are the results so far? Excellent. Contractors have been efficient and timely. We can now do our business more efficiently and complete tasks (e.g. Issue decrees) that we were unable to do until now.

What challenges have arisen? The main challenge throughout the various developments has been completing testing of new developments as quickly as needed with limited staff.

How can the legislature (Legislative Finance Committee) assist? No suggestions at this time.