STATE OF MONTANA DEPARTMENT OF COMMERCE MONTANA COAL BOARD MEETING

DATE: September 10, 2020 (Applications to be considered for this meeting are due July 27, 2020) LOCATION: By Conference Call: 1-877-273-4202, Access Code: 437-383-983 WHEN: 8:30 a.m.

September 10, 2020

John Williams (Chair), Colstrip – Impact Area Sidney Fitzpatrick (Vice Chair), Hardin– Impact Area Amber Henning, Great Falls – Attorney Marianne Roose, Eureka – Public Administration Tim Schaff, Roundup – Education Sean Smith, Anaconda-Business Veronica Small-Eastman, Lodge Grass - Education

Notice of Public Meeting

<u>September 10, 2020:</u> The Board will hold a quarterly meeting at 8:30 am, Thursday, September 10, 2020, via telephone conference. For more information or to request reasonable accommodations for a disability, please contact CDD staff at (406) 841-2770 or at <u>DOCCDD@mt.gov</u> before the meeting. Conference call information for this meeting is available on the Coal Board website (<u>https://comdev.mt.gov/Boards/Coal/Meetings</u>). DATE: September 10, 2020 (Applications to be considered for this meeting are due July 27, 2020)

LOCATION: By Conference Call: 1-877-273-4202, Access Code: 437-383-983 WHEN: 8:30 a.m.

Agenda:

- 1. Call to order
- 2. Roll call
- 3. Commerce Updates
 - o Housekeeping items
 - o Reminder of delay on telephone lines
 - o Reminder to identify yourself when speaking
 - o Contingent upon letters sent to some awardees
- 4. Opportunity for public comment on items not on the agenda, but within the Board's jurisdiction
- 5. Approval of Minutes
 - Approval of Meeting minutes (June 11, 2020)
 - Opportunity for public comment
 - o Board discussion
 - Board action (as applicable)
- 6. Budget Status Update
 - Address question of transfer from June meeting
 - CDD Staff update
 - Opportunity for public comment
 - Board discussion
 - Board action (as applicable)
- 7. Project Updates
 - Concurrence of contract amendments

 831-Miles City, 866-Rosebud County, 867-Big Horn County, 854-Northern Cheyenne Tribe, 825-Lame Deer Public Schools, 846-Hardin Public Schools

- CDD Staff update
- Board discussion
- Board action (as applicable)

- o 0893-Rosebud County Change of Scope Request
 - CDD Staff update
 - Opportunity for public comment
 - Board discussion
 - Board action (as applicable)
- 0885-Town of Broadus Change of Scope Request
 - CDD Staff update
 - Opportunity for public comment
 - \circ Board discussion
 - Board action (as applicable)
- o 0799-City of Colstrip Extension Request
 - CDD Staff update
 - Opportunity for public comment
 - \circ Board discussion
 - Board action (as applicable)
- o Projects Awarded Contingent Upon Revenue (see table below)
 - CDD Staff update
 - o Opportunity for public comment
 - \circ Board discussion
 - o Board action (as applicable)

Applicant #	Applicant	Project Description	Funds Requested	Total Project Costs
0890	Carbon County	Complete a PER to	\$57,500	\$58,250
		stabilize the Bridger		
		Senior Center		
0891	City of Colstrip	Colstrip Broadband	\$27,000	\$28,000
		Feasibility Study		
0898	Town of Hysham	Wastewater System	\$125,077	\$785,077
		Rehabilitation, Phase 1		
0900	Musselshell County	Hawk Creek VFD	\$33,118	\$41,038
		Concrete and Gutters		
0901	Colstrip High School	Water Main	\$121,273	\$131,839
		Replacement Project		
		Total Requested:	\$363,968	\$1,044,204

- Open and Closed project status
 - CDD Staff update
 - Opportunity for public comment
 - Board discussion
 - Board action (as applicable)
- 8. Old Business
 - Tabled Applications (see Table on next page)
 - CDD Staff update
 - Opportunity for public comment
 - Board discussion
 - Board action (as applicable)

Applicant #	Applicant	Project Description	Funds Requested	Total Project Costs
0899	Colstrip Public Schools	Replace Fluorescent	\$ 229,470	\$249,433
		Lighting with LED		
		Lighting at Two Schools		
0904	Rosebud County	Replace HVAC System at	\$250,000	\$1,376,600
		Parks and Recreation		
		Community Center		
0905	Big Horn County	Construct New Hospital	\$ 498,759	\$ 2,620,537
		Admissions Area and		
		Patient Entry Canopy at		
		Big Horn Hospital		
0906	City of Forsyth	Replace Boiler and	\$95,000	\$95,000
		Upgrade Control		
		Systems at the Forsyth		
		Municipal Pool		
0907	Big Horn County	Purchase a New Tractor	\$124,870	\$ 149,870
		and Construction of a		
		Storage Building for the		
		Fairview Cemetery		
0908	Big Horn County	Purchase of Two 4X4	\$ 90,086	\$ 115,086
		Patrol Vehicles for the		
		Sheriff's Department		
		Total Requested:	\$1,288,185	\$4,606,526

9. New Business – New Application (see Table below)

Applicant #	Applicant	Project Description	Funds Requested	Total Project Costs
*0910	Lame Deer Public Schools	Purchase One School Bus	\$100,000	\$101,500
		Total Requested:	\$100,000	\$101,500

*Please note that as the Board reviews the applications, action in the form of an environmental determination may be made by the Board.

10. Application and Manual Review

- CDD Staff update
- Opportunity for public comment
- Board discussion
- Board action (as applicable)
- 11. Opportunity for public comment
- 12. Board Matters
 - o Items for the next agenda
 - Confirmation of next meeting dates and location December 10, 2020 March 11, 2021 June 10, 2021
 - September 9, 2021
- 13. Adjourn

Board Members Present

Chairman John Williams, Vice-Chair Sidney Fitzpatrick, Amber Henning, Marianne Roose, Tim Schaff, Sean Smith, and Veronica Small-Eastman.

Montana Department of Commerce Staff Present

Jennifer Olson, Division Administrator; A.C. Rothenbuecher, Operations Manager; Rachel Young, Administrative Officer; Anita Proul, Executive Assistant; Craig Woods, Accountant.

Public Present

Bill Hodges	Big Horn Hospital Association
Jim Atchison	Director, SEMDC
Bill Kennedy	MSU Billings Foundation
Bob Lewindowski	Superintendent Colstrip Public Schools
Liz Jensen	Executive Director, CPRD
Becky Bey	KLJ Engineering

Welcome – Call to order

Chairman Williams called to order the meeting of the Montana Coal Board at 8:30 a.m.

Roll call

Ms. Young called the roll for board members. The following board members were present: Chairman Williams, Vice-Chair Sidney Fitzpatrick, Amber Henning, Marianne Roose, Tim Schaff, Sean Smith, and Veronica Small-Eastman.

Commerce Updates

Ms. Young updated the Board on the Coal Impact Report:

- Responses from approximately half of those contacted
- Report will be updated on the website and will be sent out through gov delivery
- Those actions will be effective starting July 1, 2020 through June 30, 2021

Ms. Young also reminded the Board, when grantees are asking for extensions that there is a time difference between the actual award date and the contract execution date. So when looking at extensions, it is important to note the just because someone was awarded funds on a certain date, a lot of those funds are contingent upon revenue and that means we don't contract with those folks until the revenue is actually in the bank.

Opportunity for Public Comment

- Bill Hodges, Big Horn Hospital Association Gave update on phase 3 Big Horn Hospital remodel.
- Jim Atchison, SEMDC Gave invitation to all for the Energy Open golf tournament.
- Bill Kennedy, MSU Billings Foundation Gave update on project

Approval of Minutes (March 12, 2020)

• Chairman Williams called for a motion to approve minutes.

Action by the Board: Mr. Smith made a motion to approve minutes. Ms. Roose seconded. Discussion from the Board and comments from the public – no discussion or comments. Ms. Young called for a vote: all yes. Minutes were approved.

Budget Status Update

Ms. Rothenbuecher discussed the Budget Update and Revenue History reports.

2021 Biennium

•	Legislative Appropriation (HB 2 and HB 292):	\$6,961,000.00
•	FY 2020 (7/1/19-6/30/20) Appropriation:	\$3,479,000.00
•	FY 2020 Revenue Available to Date:	\$1,978,288.66
•	FY 2020 Awards Made to Date:	\$3,223,150.00
•	FY 2020 Revenue Available to Award:	(\$1,244,861.34)
•	FY 2021 (7/1/20-6/30/21) Appropriation:	\$3,482,000.00
•	FY 2021 Revenue Available to Date:	\$0.00
•	FY 2021 Awards Made to Date:	\$0.00
•	Funds Reverted:	\$0.00
•	FY 2021 Revenue Available to Award:	(\$1,244,861.34)
•	2021 Biennium Awarded:	\$3,223,150.00
•	2021 Biennium Appropriation Remaining to Award:	\$3,737,850.00
•	Revenue Available:	(\$1,244,861.34)
•	Revenue Available with Reverted Funds (to award this meeting):	(\$1,244,861.34)

 Tribal 7% limitations are being tracked and so far, this fiscal year, the Board has made no awards to State or Tribal projects. Currently the available balance for such is \$243,530.00. Also, Designated vs. Non-Designated funds are being tracked. Statute identifies funds can be spent anywhere but 51% must be in designated impact areas and any other projects must meet statute criteria.

Craig Woods, Accountant Montana Department of Commerce – Shared an analysis of revenue: Revenue collected as of end of May \$1,978,000.00

- Last year end of May \$2,696,000.00
 - o Decrease of 26.6%

Trends over last 10 years

- Typically, by end of May have collected 77.9% of total annual revenue
- Use that figure to project total revenue for the end of this year of \$2,539,000.00

• Last year total revenue \$3,554,000.00

• Project fiscal year revenue for 2020 to be \$1,000,000.00 less than last year

Awards for fiscal year 2020 are \$3,223,000.00

- Subtract projected revenue and still in the hole \$684,000.00 at end of year what that really means is that we have already committed \$684,000.00 of next year's revenue with this year's grants.
- I understand your intention at this meeting is to table applications, based on my analysis of the revenue, I absolutely think that's the right decision to make, in fact I would encourage you to hold off on making awards until next year's revenue has caught up with what has already been awarded and fill that \$684,000.00 hole so to speak.

Vice-Chair Fitzpatrick – Addressed Craig Woods – Inquired as to any transfer of funds regarding the Coal Natural Resource Account. Asked if there was \$500,000 transferred out of the account several years ago and if anyone had information regarding this transfer.

Craig Woods – indicated that he was not aware of any \$500,000 transfer out of the account from the Coal Board account but indicated it was a question better asked of the program staff and deferred to Ms. Rothenbuecher.

Ms. Rothenbuecher – Indicated that she did not have any history on a transfer and deferred to Ms. Olson

Ms. Olson – Asked Vice-Chair Fitzpatrick for additional information about his recollection of a transfer and if the potential transfer was possibly related to a budget report that indicated revenues came in over the appropriation and authority and the money would then have remained in the account or was there something more specific?

Vice-Chair Fitzpatrick – Asked Chairman Williams if he recalled the discussion to which Chairman Williams indicated that he did not have a recollection of any transfer regarding \$500,000. Vice-Chair Fitzpatrick indicated that he had asked Senator Ankney and the state representative from Miles City several years ago and recalled the discussion was in the past and didn't want to get stuck in it, but if it was the case, he would like to know more about it.

Chairman Williams – Recommended looking into the previous account activity.

Ms. Olson – Advised the Board of the coordination between Commerce and the legislative fiscal division, that is typically held before a legislative session, of a reconciliation of the financial activities in showing what is obligated and unobligated in the account. This would have been reported to the Board and could be what Vice-Chair Fitzpatrick is recalling.

Conference Call abruptly ended due to technological reasons.

Second Call to Order and Roll Call

Due to the conference call disconnecting, Chairman Williams called the meeting back to order at 9:00 a.m. and asked for a second roll call. Ms. Young called the roll for board members. The following board members were present: Chairman Williams, Vice-Chair Sidney Fitzpatrick, Amber Henning, Marianne Roose, Tim Schaff, Sean Smith, and Veronica Small-Eastman.

Chairman Williams – Commented about the transfer of funds discussion, in reference to Vice-Chair Fitzpatrick's comments, and noted it may have been a difference in what was appropriated and what was actually collected that would make up a number of \$500,000 and that Ms. Olson would look back historically.

Ms. Olson – Clarified that any revenue that comes into the Coal Natural Resource account which is where the Coal Board is able to fund to award grants stays in the Coal Natural Resource account, even if the revenue came in over the appropriation and authority. The Department of Commerce cannot remove or move these funds to other accounts. However, the Legislature has the authority to move money between accounts through legislative action, but Ms. Olson did not have a recollection that had happened and agreed to look into it.

Project Updates

• Applicant #0825– Lame Deer Public Schools requesting contract extension, staff recommends extension to March 31, 2021.

<u>Action by the Board</u>: Ms. Roose made a motion to extend the contract to March 31, 2021. Mr. Schaff seconded. Discussion from the Board and comments from the public – no discussion or comments. Ms. Young called for a vote: all yes except Ms. Small-Eastman abstained. Motion passed.

- Applicant #0831 Miles City requesting contract extension to December 31, 2020.
- Becky Bey, KLJ Spoke on behalf of Northern Cheyenne Tribe and explained delay and fairly assured they will be able to finish this construction season.

<u>Action by the Board</u>: Mr. Smith made a motion to extend contract to December 31, 2020. Mr. Schaff seconded. Discussion from the Board and comments from the public:

• Jim Atchison, SEMDC – Spoke in support of project

No additional discussion or comments. Ms. Young called for a vote: all yes. Motion passed.

• Applicant #0846 – Hardin Public Schools requesting contract extension to December 31, 2020. <u>Action by the Board</u>: Mr. Schaff made a motion to extend contract to December 31, 2020. Ms. Roose seconded. Discussion from the Board and comments from the public – no discussion or comments. Ms. Young called for a vote: all yes except Ms. Small Eastman not present. Motion passed.

- Applicant #0848 BSED requesting contract extension to March 31, 2022.
- Ms. Small-Eastman rejoined call at 9:13 a.m.

<u>Action by the Board</u>: Ms. Roose made a motion to extend contract to March 31, 2022. Mr. Schaff seconded. Discussion from the Board and comments from the public – no discussion or comments. Ms. Young called for a vote: all yes. Motion passed.

• Applicant #0853 – City of Lewistown requesting 90-day contract extension, staff would recommend December 31, 2020.

Action by the Board: Mr. Smith made a motion to extend contract to December 31, 2020. Ms. Roose seconded. Discussion from the Board and comments from the public – no discussion or comments. Ms. Young called for a vote: all yes. Motion passed.

• Applicant #0902 – Colstrip Parks and Recreation requested to withdraw application.

<u>Action by the Board</u>: Mr. Schaff made a motion to approve application withdrawal. Mr. Smith seconded. Discussion from the Board and comments from the public – no discussion or comments. Ms. Young called for a vote: all yes. Motion passed.

• Applicant #0903 – Northern Cheyenne Tribe requested to withdraw application.

<u>Action by the Board</u>: Mr. Schaff made a motion to approve application withdrawal. Ms. Roose seconded. Discussion from the Board and comments from the public – no discussion or comments. Ms. Young called for a vote: all yes. Motion passed.

• Applicant #0897 – UM Western Foundation requested to withdraw application. <u>Action by the Board</u>: Mr. Smith made a motion to approve application withdrawal. Mr. Schaff seconded. Discussion from the Board and comments from the public:

- Ms. Young Notified board that upon initial application, there were some questions whether they qualified and they do qualify under a state agency, but there is an ARM #8.101.306 that talks about the types of projects that are eligible under state agencies. Requested, for the record, when the board goes back to looking at applications and updating those applications, the staff is requesting something stated in the application about the ARM and state agencies and the types of projects that are eligible.
- Ms. Rothenbuecher 0909 UM Western Foundation is actually the withdrawal because they are a non-profit 501c3 so they were ineligible and staff worked with them and advised them to come in and apply as a state agency next meeting and discussed the previously mentioned ARM.

No additional discussion or comments. Ms. Young called for a vote: all yes. Motion passed.

 Ms. Young provided open and closed project status and discussed 2021 projects and prioritization of contracts.

Old Business

Application #0899 Colstrip Public Schools – LED Lighting Project

\$249,433

- Application tabled at last meeting.
- Chairman Williams recommended for Board to un-table and re-table application to keep it viable.

<u>Action by the Board</u>: Ms. Henning made a motion to remove application #0899 from table. Ms. Small-Eastman seconded. Discussion from the Board and comments from the public:

• Bob Lewindowski, Superintendent Colstrip Public Schools – Thanked the Board for keeping the application viable.

No additional discussion or comments. Ms. Young called for a vote: all yes. Motion passed. <u>Action by the Board</u>: Mr. Schaff made a motion to table application #0899 until next meeting. Mr. Smith seconded. Discussion from the Board and comments from the public – no discussion or comments. Ms. Young called for a vote: all yes. Motion passed to table application for discussion at next meeting.

Application #0889 Town of Hardin

• Board voted on 10-day waiver for application awarded contingent at March meeting. <u>Action by the Board</u>: Vice-Chair Fitzpatrick made a motion to waive 10-day rule. Mr. Smith seconded. Discussion from the Board and comments from the public – no discussion or comments. Ms. Young called for a vote: all yes. Motion passed.

New Business

Application #0904 Rosebud County – Colstrip Parks and Recreation Dist. HVAC	\$250,000
Application #0905 Big Horn County – Hospital Improvements	\$498,759
Application #0906 City of Forsyth – City Pool Upgrades	\$ 95,000
Application #0907 Big Horn County – Cemetery District No. 1	\$124,870
Application #0908 Big Horn County – Sheriff's Office	\$250,000

- All applications addressed as a group to be tabled until the next meeting.
- Chairman Williams called for a motion to table all New Business applications.

<u>Action by the Board</u>: Mr. Smith made a motion to table all New Business applications until next meeting. Mr. Schaff seconded. Discussion from the Board and comments from the public:

- Vice-Chair Fitzpatrick Expressed concerns from the revenue analysis provided by Craig Woods and questioned when the Board would want to notify the applicants about the lack of revenue.
- Chairman Williams That would be addressed at next meeting un-table and discuss available monies at that time.
- Ms. Rothenbuecher Provided comments and recommendations: hope to have revenue at September meeting, maybe not until December, hopeful to have a sense of total revenue received for end of fiscal year/June. Likely not to have knowledge of revenue for fiscal year 2021 until December meeting, historically been the case. Additional consideration, the awards that were contingent upon, all of September contracted but have only contracted two from December, and depending on how the revenue comes in for fiscal year 2020, you will have awards sitting on the table that were awarded contingent upon and the staff would need some guidance as to are you going to continue that order, award them under fiscal year 2021 funds,

or are you going to rescind them? Staff are going to be looking for guidance from the Board over the next two meetings as you are unlikely to be able to meet, under contract under fiscal year 2020, the ones that are already awarded contingent upon.

- Vice-Chair Fitzpatrick Provided insights as to the struggles that the coal mines in Big Horn County are having and that potential impact on the Coal Board revenues.
- Ms. Henning Agreed with Vice-Chair Fitzpatrick's concerns given the forecast with the
 revenue. In support of tabling the applications at this time but asked the Board members to
 think about what the reality is and what the Board can do as they go into the September
 meeting. Cautioned against continuing to table applications as they come in because of
 insufficient revenue and may have to look at denying applications and they can reapply as more
 revenue comes in. Unfortunate and hard on entities that rely on this money to have it denied
 but we do not want projects just out there waiting for funds that may never show up.
- Ms. Rothenbuecher Reminder to projects that are currently not under contract with the Department of Commerce because there is insufficient revenue, that were awarded contingent upon, if you proceed with those projects it is at your own risk as those funds are not under contract with the Department of Commerce and are not secure from Coal Board. Echoing Ms. Henning about the projects that are hanging out there, if they move forward, they may or may not go under contract depending on what the Board decides at the September or December meeting. To clarify to those applicants that may be on the phone.
- Ms. Henning Addressed Ms. Rothenbuecher and asked if it would be possible to send out a letter to the projects not on the call documenting the Board's financial situation.
- Ms. Rothenbuecher Good suggestion and asked the board to specify exactly what they want, and staff can send out.

No further discussion or comments. Ms. Young called for a vote: all yes. Motion passed.

Opportunity for Public Comment

• No additional public comment provided.

Board Matters

- Confirmation of next meeting date
 - September 10, 2020 Telephone Conference
 - o December 10, 2020 Telephone Conference??
 - o March 11, 2021
 - o June 10, 2021
 - Ms. Olson To support Governor's directive, staff still teleworking, no travel, and Board will be supported through electronic means through the end of 2020.
- Ms. Young Reminded Board about the work sessions for updating the application and asked if they still wanted to move forward with that.
 - Chairman Williams Requested paper copies be mailed out and put on agenda for discussion – draft Application and draft Administration Manual

Adjournment

With no other business, Chairman Williams called for a motion to adjourn. Mr. Schaff made a motion to adjourn. Mr. Smith seconded. Meeting adjourned at 9:58 a.m.

Budget Update September 11, 2020

2021 Biennium	
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\$6,961,000.00	Legislative Appropriation (HB 2 and HB 292):
\$3,479,000.00	FY 2020 (7/1/19-6/30/20) Appropriation:
\$2,616,661.44	FY 2020 Revenue Available to Date:
\$3,223,150.00	FY 2020 Awards Made to Date:
(\$606,488.56)	FY 2020 Revenue Available to Award:
\$3,482,000.00	FY 2021 (7/1/20-6/30/21) Appropriation:
\$437,493.76	FY 2021 Revenue Available to Date:
\$0.00	FY 2021 Awards Made to Date:
\$0.00	Funds Reverted:
\$437,493.76	FY 2021 Revenue Available to Award:
\$3,223,150.00	2021 Biennium Awarded:
\$3,482,000.00	2021 Biennium Appropriation Remaining to Award:
\$437,493.76	Revenue Available:
(\$91,952.00)	Revenue Available with Reverted Funds (to award this meeting):

Tribal/State 7% Limit						
2020 Appropriation Tribal/State Limit of 7%:	\$243,530.00					
2020 Fiscal Year Awarded:	\$0.00					
2020 Difference:	\$243,530.00					
2021 Appropriation Tribal/State Limit of 7%:	\$243,740.00					
2021 Fiscal Year Awarded:	\$0.00					
2021 Difference:	\$243,740.00					

Designated (at least 50%) Available by Fiscal Year							
2020 Designated (at least 50% of 2020 FY Approp.)	\$1,774,290.00						
2020 Awards for Designated	\$3,223,150.00						
2021 Designated (at least 50% of 2021 FY Approp.)	\$1,775,820.00						
2021 Awards for Designated	\$0.00						

Non-Designated (not more than 50%) Awarded by Fiscal Year							
2020 Non-Designated (not more than 50% of 2020 FY Approp.)	\$1,704,710.00						
2020 Awards for Non-Designated	\$0.00						
2021 Non-Designated (not more than 50% of 2021 FY Approp.)	\$1,706,180.00						
2021 Awards for Non-Designated	\$0.00						

Revenue History

2007-2013

2007 (fund 02511)								1		-	Coal Tax Revenue	Percent	2.90%
Rev_Exp Amount	Month												
Account	01 (Jul)	02 (Aug)	03 (Sep)	04 (Oct)	05 (Nov)	06 (Dec)	07 (Jan)	08 (Feb)	09 (Mar)	10 (Apr)	11 (May)	12 (Jun)	Total
510421 Coal Tax		256,454.89			304,274.15		187,689.21	107,627.26		294,577.83	0.00		1,145,734.91
510422 Accrual Coal Production Tax				(259,706.05)							284,720.00	25,013.95
Total	0.00	256,454.89	0.00	(264,594.48)	304,274.15	0.00	187,689.21	107,627.26	0.00	294,577.83	0.00	284,720.00	1,170,748.86
2008 (fund 02511)											Coal Tax Revenue	Percent	2.90%
Rev_Exp Amount	Month												
Account	01 (Jul)	02 (Aug)	03 (Sep)	04 (Oct)	05 (Nov)	06 (Dec)	07 (Jan)	08 (Feb)	09 (Mar)	10 (Apr)	11 (May)	12 (Jun)	Total
510421 Coal Tax	266,641.62	1,516.10		339,800.49	2,606.99		336,953.39	3,537.77		29.42	330,559.90	103.05	1,281,748.73
510422 Accrual Coal Production Tax				(284,720.00))							301,033.22	16,313.22
Total	266,641.62	1,516.10	0.00	55,080.49	2,606.99	0.00	336,953.39	3,537.77	0.00	29.42	330,559.90	301,136.27	1,298,061.95
2009 (fund 02511)											Coal Tax Revenue	e Percent	5.80%
Rev_Exp Amount	Month												
Account	01 (Jul)	02 (Aug)	03 (Sep)	04 (Oct)	05 (Nov)	06 (Dec)	07 (Jan)	08 (Feb)	09 (Mar)	10 (Apr)	11 (May)	12 (Jun)	Total
510421 Coal Tax	167,905.80	135,373.67		354,750.80	2,950.53		248,126.42	152,105.88		42,801.10	311,600.99		1,415,615.19
510422 Accrual Coal Production Tax				(301,033.22)	1							325,023.76	23,990.54
Total	167,905.80	135,373.67	0.00	53,717.58	2,950.53	0.00	248,126.42	152,105.88	0.00	42,801.10	311,600.99	325,023.76	1,439,605.73
2010(fund 02511, moved to fund 0244	5)										Coal Tax Revenue	e Percent	5.80%
Rev_Exp Amount	Month												
Account	01 (Jul)	02 (Aug)	03 (Sep)	04 (Oct)	05 (Nov)	06 (Dec)	07 (Jan)	08 (Feb)	09 (Mar)	10 (Apr)	11 (May)	12 (Jun)	Total
510421 Coal Tax		295,705.72		338,615.57	1,017.16		337,886.80	7,493.24		308,943.66	1,011,820.33		2,301,482.48
510422 Accrual Coal Production Tax				(325,023.76))							538,650.48	213,626.72
Total	0.00	295,705.72	0.00	13,591.81	1,017.16	0.00	337,886.80	7,493.24	0.00	308,943.66	1,011,820.33	538,650.48	2,515,109.20
2011 (fund 02445)											Coal Tax Revenue	e Percent	5.80%
Rev_Exp Amount	Month												
Account	01 (Jul)	02 (Aug)	03 (Sep)	04 (Oct)	05 (Nov)	06 (Dec)	07 (Jan)	08 (Feb)	09 (Mar)	10 (Apr)	11 (May)	12 (Jun)	Total
510421 Coal Tax	17,863.90	739,751.69		814,596.79	44,854.14		792,126.04	29,742.78	829.28	379,673.08	325,476.25		3,144,913.95
510422 Accrual Coal Production Tax				(538,650.48))							801,003.18	262,352.70
Total	17,863.90	739,751.69	0.00	275,946.31	44,854.14	0.00	792,126.04	29,742.78	829.28	379,673.08	325,476.25	801,003.18	3,407,266.65
2012 (fund 02445)											Coal Tax Revenue	Percent	5.80%
Rev_Exp Amount	Month												
Account	01 (Jul)	02 (Aug)	03 (Sep)	04 (Oct)	05 (Nov)	06 (Dec)	07 (Jan)	08 (Feb)	09 (Mar)	10 (Apr)	11 (May)	12 (Jun)	Total
510421 Coal Tax	478,552.73	229,945.98		518,784.61	398,977.25		562,498.88	325,049.60		715,661.79		5,270.09	3,234,740.93
510422 Accrual Coal Production Tax				(801,003.18								529,422.79	(271,580.39
Total	478,552.73	229,945.98	0.00	(282,218.57	398,977.25	0.00	562,498.88	325,049.60	0.00	715,661.79	0.00	534,692.88	2,963,160.54
							-		1/1/13-9/30/1	2	Or al Tau Davana	-	5.80%
2013 (fund 02445)									1/1/13-9/30/1	3	Coal Tax Revenue	Percent	5.007
2013 (fund 02445) Rev_Exp Amount	Month								1/1/13-9/30/1	3	Coal Tax Revenue	Percent	0.007
,	Month 01 (Jul)	02 (Aug)	03 (Sep)	04 (Oct)	05 (Nov)	06 (Dec)	07 (Jan)	08 (Feb)	09 (Mar)	10 (Apr)	11 (May)	12 (Jun)	Total
Rev_Exp Amount		02 (Aug) 8,941.30	03 (Sep) 76.04		05 (Nov) 6,420.77	06 (Dec)	07 (Jan) 781,776.84		09 (Mar)			12 (Jun)	
Rev_Exp Amount Account	01 (Jul)				6,420.77	06 (Dec)			09 (Mar)	10 (Apr)	11 (May)		Total

Revenue History

2014-2018

									7/1/13-9/30/13	3	Coal Tax Revenu	e Percent	5.80%
2014 (fund 02445)											Coal Tax Revenu	e Percent	2.90%
Rev_Exp Amount	Month												
Account	01 (Jul)	02 (Aug)	03 (Sep)	04 (Oct)	05 (Nov)	06 (Dec)	07 (Jan)	08 (Feb)	09 (Mar)	10 (Apr)	11 (May)	12 (Jun)	Total
510421 Coal Tax	277,977.82	506,219.60		483,339.81	422,231.90		416,844.61	7,519.67		188,654.13	189,054.27		2,491,841.81
510422 Accrual Coal Production Tax				(701,188.44)								413,705.55	(287,482.89)
Total	277,977.82	506,219.60	0.00	(217,848.63)	422,231.90	0.00	416,844.61	7,519.67	0.00	188,654.13	189,054.27	413,705.55	2,204,358.92
2015 (fund 02445)											Coal Tax Revenu	e Percent	2.90%
Rev_Exp Amount	Month												
Account	01 (Jul)	02 (Aug)	03 (Sep)	04 (Oct)	05 (Nov)	06 (Dec)	07 (Jan)	08 (Feb)	09 (Mar)	10 (Apr)	11 (May)	12 (Jun)	Total
510421 Coal Tax	118,144.28	228,623.71	84,100.00	274,564.66	210,346.50	1,640.67	446,900.67	8,273.03	122.34	379,966.56	33,379.00	7,300.41	1,793,361.83
510422 Accrual Coal Production Tax				(413,705.55)								401,992.84	(11,712.71)
Total	118,144.28	228,623.71	84,100.00	(139,140.89)	210,346.50	1,640.67	446,900.67	8,273.03	122.34	379,966.56	33,379.00	409,293.25	1,781,649.12
2016 (fund 02445)											Coal Tax Revenu	e Percent	5.80%
Rev_Exp Amount	Month												
Account	01 (Jul)	02 (Aug)	03 (Sep)	04 (Oct)	05 (Nov)	06 (Dec)	07 (Jan)	08 (Feb)	09 (Mar)	10 (Apr)	11 (May)	12 (Jun)	Total
510421 Coal Tax	339,047.64	78,091.81		417,407.03	494,680.93		639,129.32	123,266.45	(24.48)	251,261.51	402,513.04		2,745,373.25
510422 Accrual Coal Production Tax				(401,992.84)								1,040,779.96	638,787.12
Total	339,047.64	78,091.81	0.00	15,414.19	494,680.93	0.00	639,129.32	123,266.45	(24.48)	251,261.51	402,513.04	1,040,779.96	3,384,160.37
0047 ((Coal Tax Revenu	Durat	5.00%
2017 (fund 02445)											Coal Tax Revenu	e Percent	5.80%
Rev_Exp Amount	Month	00 (4) >								10 (0.)			
Account 510421 Coal Tax	01 (Jul)	02 (Aug)	03 (Sep)	04 (Oct)	05 (Nov)	06 (Dec)	07 (Jan)	08 (Feb)	09 (Mar)	10 (Apr)	11 (May)	12 (Jun)	Total
	247,193.27	693,771.22		1	101,974.55		648,624.21	80,414.86	(1,551.84)	531,173.29	146,179.43	7,422.78	3,211,134.15
510422 Accrual Coal Production Tax				(1,040,779.96)	1							591,714.11	(449,065.85)
Total	247,193.27	693,771.22	0.00	(284,847.58)	101,974.55	0.00	648,624.21	80,414.86	(1,551.84)	531,173.29	146,179.43	599,136.89	2,762,068.30
2018 (fund 02445)									Through FY19	l	Coal Tax Revenu	e Percent	5.80%
Rev_Exp Amount	Month												
Account	01 (Jul)	02 (Aug)	03 (Sep)	04 (Oct)	05 (Nov)	06 (Dec)	07 (Jan)	08 (Feb)	09 (Mar)	10 (Apr)	11 (May)	12 (Jun)	Total
510421 Coal Tax		740,446.95		332,719.15	629,341.43	580.99	308,187.51	551,400.30		721,648.76	98,316.33	505.97	3,383,147.39
510422 Accrual Coal Production Tax				(591,714.11)								839,846.18	248,132.07
Total	0,00	740,446.95	0.00	(258,994.96)	629.341.43	580,99	308,187.51	551,400,30	0.00	721,648.76	98.316.33	840.352.15	3,631,279.46

Revenue History

2019-2020

2020 (fund 02445)											Coal Tax Revenue	e Percent	5.80%
Rev_Exp Amount	Month												
Account	01 (Jul)	02 (Aug)	03 (Sep)	04 (Oct)	05 (Nov)	06 (Dec)	07 (Jan)	08 (Feb)	09 (Mar)	10 (Apr)	11 (May)	12 (Jun)	Total
510421 Coal Tax	222,429.42	539,831.96	5,979.51	316,099.35	457,270.54		327,851.56	316,829.05	2,063.81	557,704.92	90,338.94	108,927.02	2,945,326.08
510422 Accrual Coal Production Tax				(858,110.40)								529,445.76	(328,664.64)
Total	222,429.42	539,831.96	5,979.51	(542,011.05)	457,270.54	0.00	327,851.56	316,829.05	2,063.81	557,704.92	90,338.94	638,372.78	2,616,661.44
2020 (fund 02445)											Coal Tax Revenue	e Percent	5.80%
Rev_Exp Amount	Month												
Account	01 (Jul)	02 (Aug)	03 (Sep)	04 (Oct)	05 (Nov)	06 (Dec)	07 (Jan)	08 (Feb)	09 (Mar)	10 (Apr)	11 (May)	12 (Jun)	Total
510421 Coal Tax	431,312.73	6,181.03											437,493.76
510422 Accrual Coal Production Tax													0.00
Total	431,312.73	6,181.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	437,493.76

41877 Hwy 212 P.O. Box 747 Lame Deer, MT 59043



Phone: 406.477.6318.6118 Fax: 406.477.6779 Email:ncuc@rangeweb.net

August 14, 2020

A.C. Rothenbuecher Montana Coal Board 301 S. Park Avenue P.O. Box 200523 Helena, MT 59620-0523

Re: Budget Request and Justification for Equipment Purchase Dear A.C.:

The Northern Cheyenne Utilities Commission was awarded a Montana Coal Board Grant to purchase equipment in the amount of \$170,365.00. To date, grant funds were expended and approved by the Montana Coal Board in the amount of \$264,331.31 with a balance of \$6,024.69 remaining.

The Northern Cheyenne Utilities Commission respectfully requests that the remaining balance be allocated to purchase equipment to control cattails growing in and around the Lame Deer Lagoon.

The following equipment purchases are needed for lagoon maintenance:

- 1. Outback Brushcutter 25" Width Billy Goat \$4,450.00
- 2. Two 24 Inch Chain Saws from Shiptons Big R- \$1,439.90 (\$719.95)
- 3. Oil, Supplies and Extra Chains \$134.79

Total: \$6,024.69

Attached are estimates for the Brushcutter and chain saws.

All of our lagoons have an overgrowth of cattails; however, the Lame Deer Lagoon has an excessive amount of uncontrolled growth which places the system at risk of failure. The roots of cattails can penetrate the liner of a lagoon and allow seepage to occur. One of the major Letter to A.C. Rothenbuecher August 14, 2020 Page 2

problems the Northern Cheyenne Utilities Commission has encountered with the Lame Deer Lagoon, is the overgrowth reduces the wave action that causes the lagoon waste to stagnate and increases the odor and potential for lagoon failure.

While the Northern Cheyenne Utilities Commission is not under an Environmental Protection Agency mandate or order to remove the cattails in and around the berm of the lagoon, our counter-part, Indian Health Service places a high priority on controlling the cattails. Mowing and using the backhoe has been the only successful recourse of removal due to the steep berms and mossy texture of the plant growth. Two years ago, Indian Health Service funded a project to remove the cattails by an independent contractor, however, the regrowth is overtaking the lagoon at the present time. The equipment purchase will ensure that there is a free-flowing effluent lagoon system that can be maintained on a regular basis.

The Northern Cheyenne Utilities Commission currently has a group of temporary employees who can assist with this process.

Thank you for your consideration in re-allocating the remaining funds for a project that will serve the reservation lagoon systems on the Northern Cheyenne Reservation for many years to come.

Respectfully,

Adam L. Spang General Manager, MB,

cc: Board of Commissioners, NCUC Rachel Young Ο U Ο Τ Α Τ Ι Ο Ν

BELGRADE SALES & SERVICE 91 N BROADWAY P.O. Box 899 BELGRADE, MT 59714 Phone #: (406)388-1465 Fax # (406)388-6507

BILL TO 20108

NORTHERN CHEYENNE UTILITIES COMMISION 41877 HWY 212 LAME DEER, MT 59043

PHONE #: (406)477-8318 CELL #: ALT. #: P.O.#: TERMS: Cash SALES TYPE: Quote

DATE: 8/5/2020 ORDER #: 124865 CUSTOMER #: 20108 CP: BG LOCATION: 1 STATUS; Active

SHIPTO

1

NORTHERN CHEYENNE UTILITIES COMMISION LAME DEER, MT 59043

QTY ERICE NET TOTAL

\$4,450.00

\$4,450,00

MFR	PRODUCT NUMBER	DESCRIPTION
BG	BC2600-HHEU	OUTBACK BRUSHCUTTER, 26" WIDTH, M.S. HONDA GX390 HYDRO DRIVE

Thank you for your business! Restock fee of 20% assessed for all special order returns. No returns on electric or fuel related parts after installation. Proof of purchase required for all returns, no returns after 30 days. Visit us online at www.belgradesalesandservice.com Prices reflected on this quote are valid for 30 days.

SUBTOTAL:	\$4,450.00
TAX:	\$0.00
ORDER TOTAL:	\$4,450.00

There is no Electric Start option on a machine that matches yours

Thanks,

Authorized By:

PAGE: 1

\$4,450.00

Shipton's Big R West 2600 Gabel Road Billings, MT 59102

PHONE: (406) 652-9118

tomer No. 4	Job No.	Purchase Order No.	Réference	CZ	Terms ASH/CHECK/BANKO	CARD	Clerk 438	Date 8/20/20	Time 10:39
Sold To ****	CASH *	***	Ship To NORTHERN CHEYENNE		EXP. DATE:	11/18/2	0 TERM#473		10660/4
				2 7 P	TAX :	004 BIG			MATE ******

SHIPPED	ORDERED	UM	SKU	DESCRIPTION	SUGG	UNITS	PRICE/PER	FYTENSTON
	2	EA	1480167	CHAINSAW 555 24 IN 3/8 .050 This Item is Not Returnable once Used. See Manufacturer Warranty. OUR PROFESSIONAL POWER EQUIPMENT STAFF WILL SERVICE AND REPAIR THIS NON-REFUNDABLE ITEM.		2	719.95 /EA	EXTENSION 1,439.90 N
			** ESTIMATE **	ESTIMATE ** ESTIMATE ** ESTIMATE **	E1		TAXABLE NON-TAXABLE SUBTOTAL	0.00 1439.90 1439.90
					е. 15		TAX AMOUNT TOTAL AMOUNT	0.00 1439.90

1

Received By

Х

TOWN of BROADUS

406-436-2409 PO Box 659, 210 East Holt Street Broadus MT 59317

July 15, 2020

Kacey Pilon, Infrastructure Program Specialist Montana Department of Commerce, MT Coal Board PO Box 200523 301 S. Park Avenue Helena, Montana 59620-0523

RE: Town of Broadus, Lift Station & Lagoon Improvements

Dear Kacey:

I am writing to you regarding the contracted budget for the Broadus Lift Station and Lagoon Improvements project. The current contracted budget has the Coal Board's grant of \$200,000.00 for construction work only. The Town respectfully requests a contract amendment to modify the scope of work included in the budget to incorporate grant administration and engineering costs as allowable reimbursable project costs. This will enable the Town to utilize its grant funds first and reduce the interest accrual on loan funds drawn to cover project construction costs for as long as possible. As of this date, the project is mostly completed. The only remaining construction item is the installation of the sewage lift station. The lift station is expected to be delivered to the project site at the end of July 2020.

The Board's favorable consideration in this regard is greatly appreciated.

Sincerely,

Wilton L alunden

Milton L. Amsden, Mayor

P.O. Box 1902 Colstrip, MT 59323

Phone (406) 748-2300 Fax (406) 748-2303



Mayor: John Williams

Council Members: Greg Koczur Wayne Dudley Mike Esser Pat Campbell

Tomorrow's Town ... Today!

September 3, 2020

	Montana Dept. of Commerce
	Community Development Division
	Montana Coal Board
	301 South Park Ave.
	PO Box 200523 Hyshem 9 to Miles City
	Helena, Mt 59620-0523
	Attention: Rachael Young-Board Officer
	Dear Rachael, To Billings
	Dear Rachael,
	Please grant a twelve month extension to our Coal Board Grant 0799 Zone 3 Water Storage Tank.
	Hardin 21 Ashland
	This project has had many delays and challenges with the Contractor. To Broadus
	Agency Puchu
	The city has achieved final completion notification and we expect this project to be finalized within the
	next 60 days. (Custer) Battlefield
0	Thank you,
1	
/	Jan V Willie
	John Williams, Mayor





SEP 08 2020

Department of Commerce Community Development Division

cc: Michelle Richards

	COAL BOARD GRANTS										
			Direct Award					Contract			
Grant No.	Grantee:	Project Description:	Amount:	Amount Spent:	% Spe	nt:	Award Date:	Executed:	Expires:	Status:	Recaptured:
	2015 BIENNIUM										
0742	Town of Lodge Grass	Wastewater Project	\$200,000.00	\$173,4	1.68 8	37%	9/27/2013	6/4/2014	3/31/2021	Open	
	2017 BIENNIUM										
	Crow Tribe of Indians	Phase 3c WW Collection	\$200,000.00			0%	6/16/2016		3/30/2021		
0799	City of Colstrip	Water Storage Tank	\$138,000.00	\$125,8	8.66 9	1%	6/16/2016	2/14/2017	3/31/2020	Open	
0805	Musselshell County	Road repairs	\$154,154	\$100,0	0.00 6	5%	12/19/2016	6/13/2017	3/31/2022	HB3 > Open	

			CC	DAL BOARD (GRANTS							
				Direct Award								
Assigned To:	Grant No.	Grantee:	Project Description:	Amount:	Amount Spent:	% Spent:	Award Date:	Contract Executed:	Expires:	Status:	Date Closed:	Recaptured:
							2019 BIENNIL	JM				
De els el	0005	Laws Dave Dublis Colorada	Colored Handler Durchase	¢120.000.00	¢112.000.00	0.40/	c /22 /2017	4/42/2040	2/24/2020			
Rachel Rachel	0825	Lame Deer Public Schools	School Housing Purchase	\$120,000.00	. ,		6/22/2017 6/22/2017					
	0830	Northern Cheyenne Utilities Commission	Water and Wastewater Equipment	\$170,356.00	\$164,331.31	96%	6/22/2017	6/25/2019	12/31/2020	Open		
Rachel and	0004		Airport PER and Snow Removal		40 500 00	1000	c /22 /2017	5/24/2040	40/04/0000			
Rebecca	0831	City of Miles City	Equipment purch.	\$43,900.00	\$8,500.00	19%	6/22/2017	5/24/2018	12/31/2020	Open		
			Economic Diversification Strategy	4=0.000.00								
Rachel	0839	City of Colstrip	Implementation Project	\$70,000.00			1/18/2018	6/29/2018				
Rachel	0846	Hardin Public Schools	Update Fire Supression	\$100,000.00	\$0.00	0%	3/22/2018	6/28/2019	6/30/2020	Open		
				4500.000.00	40.00 700 74		2/22/2040	0/20/2040	2 /24 /2024			
Rachel	0848	Big Sky Economic Development	MSU Billings Science & Health Building	\$500,000.00	\$268,733.71	54%	3/22/2018	8/30/2018	3/31/2021	Open		
			Creativida Control Station restrator fosility	1	1	1		1		1		
			Creekside Central Station restroom facility					- 10 - 10 - 10				
Keegan	0853	Lewistown	& kiosk	\$40,000.00		0%	12/20/2018	5/21/2019	3/31/2020			-
Rachel	0854	Northern Cheyenne Tribe	transportation sand/salt facility	\$154,621.00		0%	3/21/2019	6/25/2019				
Касеу	0855	Town of Broadus	Wastewater project	\$200,000.00	\$50,521.70	25%	12/20/2018	5/6/2019	9/30/2022	Open		
	0000						42/20/2040	5/20/2040	2/24/2024			
Mackenzie	0863	Rosebud County	Ashland Public School repairs	\$93,000.00		0%	12/20/2018		3/31/2021			-
Rachel	0864	City of Colstrip	Purchase of sewer jet/vac truck	\$300,000.00			3/21/2019	6/11/2019				
Касеу	0865	Musselshell County	Bridge replacement	\$389,969.00		0%	3/21/2019	5/6/2019	9/30/2022			
Cody	0866	Rosebud County	PAR - Chief Dull Knife College	\$50,000.00	\$0.00	0%	3/21/2019	5/14/2019	12/31/2020	Open		
Rachel	0867	Big Horn County	Purchase of battery powered rescue tools	\$25,370.00	\$0.00	0%	3/21/2019	5/28/2019	9/30/2020	Open		
Rachel	0868	Big Horn County	Purchase of front-line ambulance remount	\$69,000.00	\$0.00	0%	3/21/2019	5/31/2019	12/31/2021	Onon		
Racher	0000	Big Horn County	Purchase of management software and	\$09,000.00	Ş0.00	0%	5/21/2019	5/51/2019	12/51/2021	Open		
			completion of a planning document for									
Devision	0000	Dia Harra Carrata	Lodge Grass Cemetery capital	640 F00 00	ćo. 00	00/	2/24/2040	F /20 /2010	0 /20 /2024			
Rachel	0869	Big Horn County	improvements	\$18,500.00	\$0.00	0%	3/21/2019	5/28/2019	9/30/2021	Open		
	0070		Purchase of Power lift stretchers with	470.000.00			2/24/2040	5/20/2010	0 /00 /0000			
Rachel	0870	Big Horn County	loading devices	\$72,000.00	\$0.00	0%	3/21/2019	5/28/2019	9/30/2020	Open		-
			Replace bleacher seating and resurface									
Mackenzie	0873	Colstrip Public Schools (SD19)	gym floor	\$473,550.00	\$464,267.45	98%	6/20/2019	11/27/2019	1/31/2022	Open		
			Purchase materials to upgrade Hawk Creek		4				0.45-1			
Rachel	0874	Musselshell County	VFD building	\$15,848.00	\$0.00	0%	6/20/2019	6/27/2019	9/30/2021	Open		
			Initiate use of certified electronic health									
Rachel	0876	Carter County	record system	\$4,606.00	\$0.00	0%	6/20/2019	6/28/2019	6/30/2021	Open		
			Install/replace about five blocks of water									
Jeanette	0879	Roundup, City of	lines	\$400,000.00	\$0.00	0%	6/20/2019	10/17/2019	3/31/2021	Open		

	COAL BOARD GRANTS											
Assigned To:	Grant No.	Grantee:	Project Description:	Direct Award Amount:	Amount Spent:	% Spent:	Award Date:	Contract Executed:	Expires:	Status:	Date Closed:	Recaptured:
Rebecca	0821	Hardin Public Schools #1	School Facilities Assessment	\$37,800.00	\$32,963.22	87%	6/22/2017	5/21/2018	9/30/2019	O Closed	7/31/2019	\$4,836.78
Rachel	0849	Town of Hysham	Wastewater System Rehab Phase 1	\$60,000.00	\$60,000.00	100%	9/20/2018	3/25/2019	12/31/2020) Closed	8/28/2020	\$0.00
Rachel	0852	City of Hardin	Fire Station Pumper	\$100,000.00	\$100,000.00	100%	9/20/2018	5/13/2019	12/31/2020	Closed	8/28/2020	\$0.00
Rachel	0860	City of Roundup	Water Truck purchase	\$92,667.00	\$92,667.00	100%	12/20/2018	6/17/2019	9/30/2020	Closed	8/28/2020	\$0.00

			COAL BOAI	RD GRANTS							
			Direct Award								
Grant No.	Grantee:	Project Description:	Amount:		% Spent:	Award Date:	Contract Executed:	Expires:	Status:	Date Closed:	Recaptured:
			2021 BI	ENNIUM							
		Construction of additional space for									
0880	Big Horn County	hospital emergency department	\$287,159.00			9/12/2019	4/21/2020		Open		
		Construction of ADA improvements at									
0882	Colstrip Public Schools	high school gymnasium	\$271,303.00	\$266,366.25	98%	9/12/2019	6/29/2020	9/30/2021	L Open		
0883	City of Colstrip	Marketing study for City	\$25,000.00			9/12/2019	6/29/2020	3/31/2021	L Open		
		Development for the state of the									
0884	Dig Horn County	Purchase of tasers for sheriff's department	\$38,060.00			9/12/2019	2/26/2020	9/30/2021	Onen		
0884	Big Horn County	department	\$38,000.00			9/12/2019	2/20/2020	9/30/2021	Open		
		Development of a PAR and needs									
0885	Rosebud County	assessment for a business center	\$80,000.00			9/12/2019	6/4/2020	9/30/2021	L Open		
		Construction of runway and taxiway									
0886	City of Miles City	improvements at airport.	\$275,000.00			9/12/2019	6/4/2020	9/30/2021	Open		
0000	enty of times enty	Replace antiquated equipment and	<i>\\</i> 275)000100			5/12/2015	0/ 1/ 2020	5,00,2022	l open		
0887	Musselshell County	infrastructure at RMH	\$85,500.00			12/12/2019					
0888	Musselshell County	PAR for Sheriff's Office	\$45,000.00			12/12/2019					
			,			, ,					
		Upgrade components of the wastewater									
		collection system and treatment plant in									
0889	City of Hardin	order to meet EPA and DEQ standards	\$ 250,000			3/12/2020					
		Complete a PER to stabilize the Bridger									
0890	Carbon County	Senior Center	\$57,500.00			12/12/2019					
0891	City of Colstrip	Colstrip broadband feasibility study	\$27,000.00			12/12/2019					
		Upgrade arena lighting at the Rosebud									
0892	Rosebud County	County fairgrounds	\$100,000.00			12/12/2019					
		Upgrade Rosebud Healthcare Center									
0893	Rosebud County	equipment	\$215,000.00			12/12/2019					
		Forsyth Public Schools bleacher									
0894	Forsyth Public Schools	replacement	\$264,160.00			12/12/2019	8/21/2020	9/30/2021	L Open		
		Purchase seven new computers for the									
0895	Treasure County	county	\$11,000.00			12/12/2019					
		Purchase of one new dump truck and two									
0896	Big Horn County	new graders	\$562,000.00			12/12/2019					
		Wastewater System Rehabilitation, Phase									
0898	Town of Hysham		\$125,077.00			3/12/2020					
0900	Musselshell County	Hawk Creek VFD Concrete and Gutters	\$33,118.00			3/12/2020					
0901	Colstrip High School	Water Main Replacement Project	\$121,273.00			3/12/2020					
		Purchase of aerial fire apparatus for fire									
0881	City of Colstrip	department	\$350,000.00	\$350,000.00	100%	9/12/2019	7/8/2020	9/30/2021	Closed	8/31/2020	\$0.00

Old Business

Applicant #	Applicant	Project Description	Funds Requested	Total Project Costs
0899	Colstrip Public Schools	Replace Fluorescent Lighting with LED Lighting at Two Schools	\$ 229,470	\$249,433
0904	Rosebud County	Replace HVAC System at Parks and Recreation Community Center	\$250,000	\$1,376,600
0905	Big Horn County	Construct New Hospital Admissions Area and Patient Entry Canopy at Big Horn Hospital	\$ 498,759	\$ 2,620,537
0906	City of Forsyth	Replace Boiler and Upgrade Control Systems at the Forsyth Municipal Pool	\$95,000	\$95,000
0907	Big Horn County	Purchase a New Tractor and Construction of a Storage Building for the Fairview Cemetery	\$124,870	\$ 149,870
0908	Big Horn County	Purchase of Two 4X4 Patrol Vehicles for the Sheriff's Department	\$ 90,086	\$ 115,086
		Total Requested:	\$1,288,185	\$4,606,526

Montana Coal Impact Grant Application



Submitted to the Montana Coal Board By

Colstrip Public Schools

For

Colstrip Public Schools LED Lighting Project

Date submitted: January 27, 2020

Colstrip Public Schools Montana Coal Impact Grant Application

SUBMITTED BY COLSTRIP PUBLIC SCHOOLS

CERTIFICATION

To the best of my knowledge and belief, the information provided in this application and in the attached documents is true and correct.

In accordance with Section 90-6-205, MCA, the applicant is eligible for Coal Board grants and has the statutory authority to make expenditures to provide for the particular service or facility.

Name: Bob Lewandowski

Title: Superintendent of Colstrip Public Schools

Signature

Date: January 27, 2020

SUMMARY INFORMATION

1. <u>NAME OF APPLICANT(S)</u>:

Colstrip Public Schools (SD19)

2. <u>TYPE OF ENTITY</u>:

Public school system

3. FEDERAL TAX ID NUMBER:

4. SENATE AND HOUSE DISTRICTS:

Senate District 20 and 21 House Districts 39 and 41

5. **AMOUNT OF COAL IMPACT GRANT REQUESTED:** \$229,470

6. <u>NAME OF PROJECT</u>:

Colstrip Water Main Replacement and LED Lighting Improvement Project

7. <u>TYPE OF PROJECT</u>:

Public school repair and maintenance

8. POPULATION SERVED BY PROJECT:

Population estimate of Colstrip in 2017 was 2,311. Colstrip is the largest city in Rosebud County with 24% of the total population. 2018 Fall student enrollment in Colstrip Public Schools was 536.

9. <u>NUMBER OF HOUSEHOLDS SERVED BY PROJECT</u>:

863.

10. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE:

Mr. Bob Lewandowski Superintendent Colstrip Public Schools P.O. Box 159

Colstrip Public Schools Montana Coal Impact Grant Application

Colstrip, MT 59323

11. PRIMARY ENTITY CONTACT PERSON:

Mr. Bob Lewandowski Superintendent Colstrip Public Schools P.O. Box 159 Colstrip, MT 59323

Bob.lewandowski@colstrip.k12.mt.us

406.748.4699

12. OTHER CONTACT PERSONS:

Mr. Tyler Bush Project Manager 100 N 27th St / Suite 210 Billings, MT 59102

tylerb@mckinstry.com

406.426.0079

13. <u>MILLAGE RATES</u>:

FY17

Mill Value - 81,329.82

- Elem GF 6.52
- HS GF 8.76

Total mills levied (all funds):

- Elem 13.59
- HS 18.55

FY18 Mill Value - 83,491.61

- Elem GF 16.06
- HS GF 9.91

Total mills levied (all funds)

- Elem 21.10
- HS 16.32

FY19

Mill Value - 79,523.58

- Elem GF 11.21
- HS GF 9.86

Total mills levied (all funds)

- Elem 16.50
- HS 17.82

14. <u>AMOUNT OF COAL GROSS PROCEEDS TAX</u>:

<u>FY17</u>

Elementary District total rec'd - 1,319,774

- General Fund 101 1,035,283
- Transportation Fund 110 22,890
- Bus Depreciation Reserve Fund 111 97,446
- Technology Fund 128 58,861
- Building Reserve Fund 161 105,294

High School District total rec'd - 799,131

- General Fund 201 426,916
- Bus Depreciation Reserve Fund 211 72,798
- Adult Education Fund 217 48,943
- Technology Fund 228 118,040
- Building Reserve Fund 261 132,434

<u>FY18</u>

Elementary District total rec'd - 1,350,701

- General Fund 101 648,019
- Transportation Fund 110 67,585
- Bus Depreciation Reserve Fund 111 176,912
- Technology Fund 128 305,125
- Building Reserve Fund 161 153,060

High School District total rec'd - 817,857

- General Fund 201 386,222
- Transportation Fund 210 35,272
- Bus Depreciation Reserve Fund 211 85,973
- Adult Education Fund 217 39,681
- Technology Fund 228 135,355
- Building Reserve Fund 261 135,355

The District is on track in **FY19** for the Elementary District to receive a total of \$1,219,932 and the High School. District to receive \$738,676 across ten levied funds.

Coal Gross Proceeds follow the mills levied in a fund in the previous year. This produces a see-saw effect which can prove challenging especially in the general funds. In the general funds, coal flows into the underbase and then into the overbase, lowering the number of mills necessary to meet the maximum adopted budget.

Use of coal gross proceeds in each fund is dependent on what is allowed for expenditures from that fund.

- The general fund is the chief operating fund of the district and is used to account for all financial resources of the school district except for those required to be accounted for in another fund.
- The transportation fund may be used only to support costs of home-to-school transportation.
- The bus depreciation reserve fund exists for the purpose of financing the replacement of buses and two-way radio equipment owned by the school district.
- The adult education fund allows the school district to provide outreach education to those older than sixteen and no longer enrolled in the school system.
- The technology fund allows for purchase, rent, repair, and maintenance of technological equipment and to provide training for district personnel.
- The building reserve fund is for the purpose of financing voter approved building or construction projects funded with district mill levies.

15. IMPACTS FROM COAL INDUSTRY:

The workforce total in the Colstrip community is 1,229.

Westmoreland's Rosebud Coal Mine, Colstrip MT - 362 Employees Talen Energy Power Plant, Colstrip, MT - 320 Employees

The four unit power plant located in Colstrip, MT is the second largest coal fired power plant west of the Mississippi river. Colstrip is dramatically impacted by the coal industry - both in the mining and power generation sectors.

16. <u>MAPS:</u>

Colstrip High School Grounds



1. Ag Barn	2. Ag Parking Lot	3. Upper Parking Lot	4. Pool
5. Gym	6. Auditorium	7. Classrooms	8. Career Tech Ed (CTE)
9. Roundabout	10. Lower Parking Lot	11. Practice Field	12. Emergency Access Road
13. Football Field/ Track	14. Stadium	15. Concessions	16. Coal Port
17. Freezer	18. Access Delivery	19. Grassy Knoll	20. Pine Butte Drive

Colstrip Public Schools Montana Coal Impact Grant Application



Plne Butte Elementary



1. Main Parking Area	2. Upper Parking Area	3. Bus Barn
4. Pine Butte School	5. Main Playground Area	6. Front Playground Area
7. Pine Butte Drive	8. Durango Drive	

17. BRIEF PROJECT SUMMARY:

This project is to replace remaining fluorescent lighting with LED lighting at Pine Butte Elementary and Colstrip High School in the following areas.

- Colstrip High School Classrooms
- Colstrip High School Gymnasium
- Pine Butte Elementary Classrooms

Historical information:

Colstrip High School was constructed in 1983. Coal Bonus funds were used to build the facility in a fast growing community that was being impacted by coal development and power plant construction. Since that time the high school gymnasium has been utilized by the community and greater Southeastern Montana for a place of gathering and competition. Colstrip Public Schools has hosted a number of

district and divisional tournaments throughout the years. It is one of the very few Montana High School Association (MHSA) Class B schools that is large enough to support the number of fans and student supporters. This facility is certainly the home of the Colstrip Colts and Fillies, but belongs to the greater coal community in Rosebud County and beyond.

The Colstrip School System extends itself beyond the school district borders. The transportation department has one of the largest Class B fleets in the State. This is due to bussing students who wish to attend Colstrip, but are out of district. Colstrip Public Schools have an annual transportation agreement with surrounding schools at Lame Deer, Hardin, Ashland, Powder River County, and Custer County schools.

Colstrip Public Schools serve a diversified enrollment and have extended relationships with the Northern Cheyenne Indian Reservation and the Crow Reservation. Both reservations play critical roles in coal country and are impacted accordingly. The Colstrip enrollment includes 51% White, 36% American Indian 4% Hispanic/Latino and 9% other.

For the past 14 years, the voters of Colstrip have consistently passed annual levies to support its educational system and facilities in Colstrip. Colstrip has seen times of tremendous growth in which it was difficult for the school district to financially keep up with its student population and therefore resulted in the construction of new buildings for kids. Because of coal, Colstrip grew and was classified as a Class A school district by the MHSA, but with restricted demands for coal, Colstrip has dropped to a Class B school with Class A facilities of size and scope. Maintaining buildings and grounds has become a difficult task with fewer students and state funding. The voters of Colstrip have taken on this responsibility and passed a 4-year building reserve levy in May 2015 for half a million dollars (\$125,000 annually) in the Elementary District and \$1M (\$250,000 annually) in the High School District. Those funds were designated for repair of infrastructure needs that were linked to roof repair and heating and ventilation problems. At the same time deferred maintenance continues to become an insurmountable issue without the help of the Coal Board to address the District's Deferred Maintenance which is estimated at over \$5 million dollars.

The project presented prepares the district for the future by reducing future maintenance costs and improving the learning environment. Having to pay for this project with the current budget will have a significant impact on student resources.

Problem:

Like most schools that were built over 30 years ago, Colstrip Public School buildings were constructed with fluorescent lighting to light their classrooms and hallways. The current fluorescent lighting tubes last approximately 3-5 years and the ballast that run those tubes at Colstrip Public Schools have reached their lifecycle and are burning out. Replacement is costly, both in time and materials. The School District has been replacing its fluorescent lighting with LED light fixtures in its classrooms for the past three years. The District has invested over \$150,000 in LED lighting, one classroom at a time. Please see the **Appendix A** of maps that identify current areas addressed with LED lighting as well as

Colstrip Public Schools Montana Coal Impact Grant Application

needed areas to be addressed. This has been a slow process due to the expense involved. The problem is not only financial, but the District believes that the benefits of LED lighting are crucial for the following reasons: **1. Improved Student Concentration and Performance; 2. Energy Savings; 3. Health Benefits; 4. Reduced Maintenance Costs**

1. Improved Concentration and Performance:

Lighting is a dominant factor in the brain's ability to focus. Studies show that learners in brightly lit environments got higher grades than those in dimly lit classrooms. It seems that the poor lighting reduces the effectiveness of the brain's power to gather data as well as having social and emotional effects on the human condition. Light-emitting diode (LED) lights provide energy efficiency, durability, flexibility, and improved overall light quality. In particular, K-12 schools often see improvements in academic performance after upgrading to LED lights. If you work at a school and are looking for a cost-effective way to improve your students' learning experience, LED lights represent a crucial pathway for meeting these goals.

Lighting within the built environment is an important factor on human development and functioning. Research has shown that daylight can impact human mood, performance, and well-being; include children in schools. According to Wurtman "Light is the most important environmental input, after food and water in controlling bodily functions." (Wurtman, 1975) However, daylight must be supplemented with artificial lighting and today's society is exposed to more artificial light than daylight. (Veitch, 1995) Our children are expected to attend school to learn and perform at optimum levels. Energy conservation requirements have forced schools to implement energy efficient lighting solutions. For many years fluorescent lighting has been the solution to provide energy efficiency and high illuminance for school environments; and have evolved to include full-spectrum lamps that simulate daylight. Recently, LED (light-emitting diodes) have come to the forefront due to their efficiency, longevity, and ability to provide a full, smooth, and unbroken spectrum. The downside has been the cost to retrofit or implement LED lamps within the school environment, and most studies examining the benefits to student behavior and performance have been based on fluorescent lamps. It's imperative to provide artificial lighting that enhances the classroom experience for children and teachers that enables strong cognitive function and supports positive behavior. LED lamps are the next step in the evolution of lighting interior environments to ensure a positive effect on human performance and well-being (Morrow, Brenda & Kanakri, Shireen. (2018). The Effect of LED and Fluorescent Lighting on Children in the Classroom).

Dr. Michael Shulte-Markwork, who worked at the University Medical Centre Hamburg-Eppendoft as the Director of the Clinic for Psychosomatics in Children and Juveniles. In his year-long experiment, he set out to determine the benefits of light on students' learning behavior. His study involved 18 teachers and 166 children, with ages ranging from 8 to 16, from the Grundschule in der Alten Forst elementary school located in Hamburg, Germany. His research indicated the following results:

- Improved Reading Speed: The students increased their reading speed by 35%.
- Improved Concentration: The students reduced their errors by 45%.
- **Reduced Hyperactivity:** When teachers gave students mathematical problems to solve, they used the Calm lighting scheme, which reduced the students' hyperactivity by an

astonishing 76%.

2. Energy Savings:

Schools that choose to install LEDs won't just see increased academic performance — they'll also enjoy decreased energy bills. Unlike fluorescent lights, LEDs are free of mercury and completely recyclable, which make them the most environmentally friendly lighting option. LEDs consume less energy than any other type of lighting available on the market, meaning that your energy and maintenance costs will be substantially reduced.

According to the U.S. Department of Energy, switching to LEDs can reduce your energy consumption by 75 to 80 percent. By adding reflectors, sensors, lenses, timers, and other options, your school can increase its savings even more.

Education facilities in the United States that continue to operate with fluorescent or incandescent bulbs spend more money trying to compensate for the heat produced by these outdated lights than they do on the lights themselves. By upgrading to LED lights, the savings generated by these avoided expenses can be relegated toward other parts of your facility that require more attention.

LED light bulbs use roughly half the wattage of fluorescent lighting. LED bulbs also last longer and use less energy than fluorescent bulbs. That means financial savings in the long run by cutting down on replacements.

4. Health Benefits

Fluorescent bulbs aren't just wasteful — they can also harm your health and wellbeing. Replacing fluorescent lights with LED lighting in educational environments is associated with the following health benefits:

Installing LED light fixtures can lower the risk of exposure to harmful contaminants like Polychlorinated Biphenyls (PCBs). The U.S. Environmental Protection Agency defines PCBs as carcinogens that can harm the nervous, immune, and endocrine systems and are often found in the T12 fluorescent ballasts. While all of these ballasts have the potential to leak or rupture, some of them are also known to emit small amounts of PCBs during their normal use. The EPA also released an announcement that schools in the U.S. built before 1979 may still have some T12s that contain PCB. You can be exposed to the contaminants if you breathe contaminated air or touch contaminated materials following a rupture or leak. People exposed to high levels of PCBs may show signs of rashes or acne and, in some cases, even lung and liver problems. Researchers are continuing to conduct studies to better determine the adverse health effects of PCBs.

Outdated lighting technology contains another, more familiar contaminant — mercury. Fluorescent lighting contains a combination of inert gages and mercury when the current passes through the glass containment tube. Depending on how you're exposed to the contaminant, it can enter your body through the skin or lungs. If a fluorescent tube shatters, anyone nearby is at risk of mercury contamination, which makes fluorescent tubes a serious safety hazard in schools. Mercury is also hazardous because it produces UV light. UV radiation can damage tissues in our skin and eyes, and if exposed to it for too long, cataracts can form and macular degeneration — the most common cause of blindness — can also occur.

Some other ways that LED lighting can make the school environment healthier and more comfortable for students include:

Improvement in Visual Performance and Comfort: Glare and flicker are two issues associated with outdated lights and can affect the teachers as well as the students. Glare often causes you to blink, squint or look away and can be caused by one of two things — excessively high luminance or excessively high luminance ratios. In both scenarios, the students' visual performance will decline as their comfort levels decrease. Two types of glare exist — disability and discomfort glare. Discomfort glare refers to the pain associated with viewing glare, whereas disability glare reduces visibility. Disability glare occurs when light is scattered throughout the eye, which then reduces the retinal image's luminance contrast.

Less Irritation for Autistic Students: Autistic students are especially susceptible to the harmful effects of fluorescent lighting, including an increased sensitivity to direct fluorescent lighting's sub-visible flicker. This can lead to eyestrain, headaches, and an increase in repetitive/compulsive behavior. LEDs, on the other hand, are resistant to the flicker-effect when they are completely dimmed, which makes them an excellent choice for special education student bodies.

Reduction in Hyperactivity: Color temperature has also been shown to play an important role in students' health/performance. Studies show that cool color temperatures can improve the behavior of students with learning disadvantages or hyperactivity disorder. This cool light color allows them to concentrate on projects and tasks more effectively. Hyperactivity is related to stress conditions, which can be aggravated by the radiation produced by the fluorescent lights. When exposure to this radiation is decreased, performance and behavior improve.

Improvement in Circadian Rhythms: The optimal function of the body's circadian rhythm depends on the right kind of light. This vital process helps your body determine when you should wake up, go to bed, and even focus and relax. If students are regularly exposed to lighting that doesn't match their circadian rhythm, it can disrupt their sleep-wake cycle. And students who aren't getting enough sleep are at increased risk of focus and performance related issues.

Improvement in Mental Cognition: Exposure to cooler color temperatures during the morning hours is known to help with morning wakefulness, contributing to improved concentration and performance in school.

Improvement in Mood: Light levels are also important in the classroom, and bright lights are used to treat several types of depression, including Season Affective Disorder (SAD). SAD affects people during the coldest months of the year when people don't get enough sunlight exposure during the day and is a common problem in schools and offices. If you spend too long in a room that's dimly lit, it can affect your mood and lead to depression.

4. Reduced Maintenance Cost:

The current fluorescent lighting tubes last approximately 3-5 years and the ballast at

Colstrip High School and Pine Butte Elementary have reached their lifecycle and are burning out. Replacement is costly and time prohibitive. Every classroom, hallway, bathroom, and office needs sufficient lighting, and the number of bulbs maintenance workers must replace can number in the thousands. If a school uses fluorescent bulbs, maintenance crews may spend a significant portion of their working hours replacing lights, especially when those lights are not easily accessible, like those found in gyms, auditoriums and other spaces with high ceilings. However, since LED lights have a significantly longer lifespan, your crew can spend less time maintaining/replacing bulbs when you switch to LED.

Proposed Solution:

The School District has been replacing its fluorescent lighting with LED lighting for the past three years. Floor plans identifying both areas that have been retro-fitted and areas that remain to be retrofitted are included as a reference. The proposed solution is to install LED flat panel lighting in the areas that have not been updated during the summer of 2020 to avoid impact on the student educational environment. Included in the floor plan appendix is the proposed cut sheet of the replacement LED lighting. Estimated savings associated with electrical consumption cost for lighting are in excess of 30%. The district is confident that this solution will reduce maintenance cost and improve the educational environment.

PROJECT BUDGET AND IMPLEMENTATION SCHEDULE:

A. <u>Project Budget Form</u>:

Cols		JECT BUDGET F		Project	
Completed by: CPS Sup	perintendent of Scl	nools For: Colstrip	Public Schools	, MT Date 1.24	.20
ADMINISTRATIVE/ FINANCIAL COSTS	SOURCE: Coal Board Grant	SOURCE: CPS District	SOURCE:	SOURCE:	TOTAL:
Grant Administration	\$0	\$0	\$0	\$0	\$0
Office Costs	\$0	\$0	\$0	\$0	\$0
Professional Services	\$4,172	\$0	\$0	\$0	\$4,172
Legal Costs	\$0	\$0	\$0	\$0	\$0
Travel & Training	\$0	\$0	\$0	\$0	\$0
TOTAL ADMINISTRATIVE/ FINANCIAL COSTS	\$4,172	\$0	\$0	\$0	\$4,172
ACTIVITY COSTS:	\$0	\$0	\$0	\$0	\$0
Equipment Cost	\$0	\$0	\$0	\$0	\$0
Construction Cost	\$208,609	\$0	\$0	\$0	\$208,609
Architectural/Engineering Design	\$16,689	\$0	\$0	\$0	\$16,689
Product Completion (PER's, studies, etc.)	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$19,963	\$0	\$0	\$19,963
TOTAL ACTIVITY COSTS	\$225,298	\$19,963	\$0	\$0	\$245,261
TOTAL PROJECT COSTS	\$229,470	\$19,963	\$0	\$0	\$249,433

B. <u>Project Budget Narrative</u>:

ADMINISTRATIVE/FINANCIAL COSTS	
Personnel Services/Office Costs:	\$0.00
There will be no personnel services required on this project as an employee's salary is accounted for in the annual budget.	
Professional Services:	\$4,172.00
The district has hired McKinstry as the design builder for the project. Their project manager will assist with the project design, development, and administration throughout the project.	
Legal Costs:	\$0.00
No legal costs are anticipated or budgeted for in this project.	
Audit Fees:	\$0.00
Audit fees will not be necessary with this project.	
TOTAL ADMINISTRATIVE/FINANCIAL COST	\$4,172.00
ACTIVITY COSTS	
Equipment Cost:	\$0.00
There is no equipment breakout for equipment. All materials included in construction line item.	
Construction Cost:	\$208,609.00
Construction cost is the total construction including inspection fees for the lighting replacement in Colstrip High School / CHS Classrooms (\$116,162), Pine Butte Elementary School / PBES (\$23,750), and CHS Gymnasium (\$68,697).	
Architectural Design:	\$16,689.00
This cost is for architectural and design fees related to the design and electronic documentation of the project.	
Project Study/ Permit	\$0.00

\$245,261.00
\$19,963.00

C. Implementation Schedule:

IMPLEME	NTATIO	N SCHE	DULE FO	OR: CPS	Lighting	Improven	nent Proje	ect	
		QUAR	TERS 202	20		QUARTERS 2021			
TASK	1ST	2ND	3RD	4TH	1ST	2ND	3RD	4TH	
PROJECT START-UP									
A. Sign contract with Coal Board	Х								
B. Secure approval of other funding	Х								
C. Submit progress reports and drawdown request. (Progress reports quarterly if no draws submitted)		X	X	X					
PROJECT CONSTRUCTION									
A. Architectural Design	Х								
B. Conduct pre-construction conference		Х							
C. Construction and purchase and installation of equipment		X	X						
D. Monitor Progress		Х	Х						
E. Final Inspection				Х					
PROJECT CLOSE-OUT									
A. Coal Board admin staff conduct on-site monitoring of the project.				X					
B. Submit project completion report.				Х					
C. Include project in audits.					Х				

18. DESCRIPTION OF RELATIONSHIP TO COAL BOARD STATUTORY GRANT CRITERIA

A. <u>Need</u>

1. Does a serious deficiency exist in a basic or necessary community public facility or service? Examples include emergency services such as police, fire or ambulance services.

APPLICANT'S RESPONSE:

Light-emitting diode (LED) lights provide many benefits for homes and businesses, such as energy efficiency, durability, flexibility, and improved overall light quality. In particular, K-12 schools often see improvements in academic performance after upgrading to LED lights. If you work at a school and are looking for a cost-effective way to improve your students' learning experience, LED lights represent a crucial pathway for meeting these goals.

2. Have serious public health or safety problems that are clearly attributable to a deficiency occurred, or are they likely to occur, such as illness, disease outbreak, substantial property loss, environmental pollution, safety problems, hazards, or health risks?

APPLICANT'S RESPONSE:

Fluorescent bulbs aren't just wasteful — they can also harm your health and wellbeing. Replacing fluorescent lights with LED lighting in educational environments is associated with the following health benefits:

Installing LED light fixtures can lower the risk of exposure to harmful contaminants like Polychlorinated Biphenyls (PCBs). The U.S. Environmental Protection Agency defines PCBs as carcinogens that can harm the nervous, immune, and endocrine systems and are often found in the T12 fluorescent ballasts. While all of these ballasts have the potential to leak or rupture, some of them are also known to emit small amounts of PCBs during their normal use. The EPA also released an announcement that schools in the U.S. built before 1979 may still have some T12s that contain PCB. You can be exposed to the contaminants if you breathe contaminated air or touch contaminated materials following a rupture or leak. People exposed to high levels of PCBs may show signs of rashes or acne and, in some cases, even lung and liver problems. Researchers are continuing to conduct studies to better determine the adverse health effects of PCBs.

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Improvement in Circadian Rhythms: The optimal function of the body's circadian rhythm depends on the right kind of light. This vital process helps your body determine when you should wake up, go to bed, and even focus and relax. If students are regularly exposed to lighting that doesn't match their circadian rhythm, it can disrupt their sleep-wake cycle. And students who aren't getting enough sleep are at increased risk of focus and performance related issues.

Improvement in Mental Cognition: Exposure to cooler color temperatures during the morning hours is known to help with morning wakefulness, contributing to improved concentration and performance in school.

Improvement in Mood: Light levels are also important in the classroom, and bright lights are used to treat several types of depression, including Season Affective Disorder (SAD). SAD affects people during the coldest months of the year when people don't get enough sunlight exposure during the day and is a common problem in schools and offices. If you spend too long in a room that's dimly lit, it can affect your mood and lead to depression.

3. Is the entire community, or a substantial percentage of the residents of the community, seriously affected by the deficiency or at risk, as opposed to a small percentage of the residents?

APPLICANT'S RESPONSE:

There are approximately 563 students in the district that are all affected at the high school and elementary school. There are a total of 2,311 people in the Colstrip community. Therefore, the student population equates to approximately 24% of the entire community. CPS district lighting liability will be

shared by the community.

4. Is there clear documentation that the current condition of the public facility or service (or lack of a facility or service) violates, or may potentially violate a state or federal health or safety standard? If the proposed project is necessary to comply with a court order or a state or federal agency directive, describe the directive and attach a copy of it.

APPLICANT'S RESPONSE:

Upon examination of the exposed pipe during its repair there is certainly a concern for possible violations of state, federal health and safety standards.

5. Does the standard that is being violated, or potentially may be violated; represent a significant threat or potential threat to public health or safety?

APPLICANT'S RESPONSE:

There are concerns that the educational quality and delivery are compromised by the current lighting delivery system by all who use the school facility.

6. Additional information supporting the NEED for this project.

APPLICANT'S RESPONSE:

There are future improvements planned for Colstrip Public Schools that will be put on hold despite the educational or facility needs that require updates or being brought up to current code.

B. <u>Degree of Severity of Impact from an Increase or Decrease in Coal Development or In the</u> <u>Consumption of Coal by A Coal-Using Energy Complex</u>

1. Describe why the need for the expansion or improvement to the public facility or public service is attributable to coal-related impacts. Additionally, please provide the percentage of the project that is a result of coal impacts.

APPLICANT'S RESPONSE:

The need for the LED Lighting Project are issues of safety and functionality. Specifically for those that work, live and stay in coal country and the community of Colstrip. The impact of the coal economy directly affects the Colstrip School District's ability to provide the needed maintenance for facilities that were built with coal funding. The current uncertainty in the coal industry has resulted in declining enrollments and funding. The current economic situation in Colstrip is 100% a result of coal impacts and an uncertainty in the power industry. Colstrip was initially a company town formed to provide housing to employees of the coal mine and later the power generation facility. The majority of households in Colstrip have a member of the household that works in the coal industry. Even families that attend Colstrip from the surrounding area contribute indirectly or directly to the coal industry. At present there are over 650 persons employed.

2. Name the nearest coal development area or coal-using energy complex to your community and the road miles from your community.



APPLICANT'S RESPONSE:

- A. Talen Energy Coal-fired Electric Plant Four Unit 2,100 MW power station: Employs 320 and is located with the City of Colstrip.
- B. Westmoreland Company's Rosebud Coal Mine: Employs 362 and produces 12.3 million tons of coal; has 25,000 acres adjacent to the City of Colstrip.
- C. Westmoreland's Syncoal Advanced Coal Conversion Plant producing 300,000 tons of coal per year was located adjacent to the unit train loadout facility at WECO's Rosebud mine and was in production from 1992 to 2001 when it was permanently closed.
- D. Peabody Group's Big Sky Coal Mine located just six miles south of Colstrip closed in 2004-05 and was listed as one of Rosebud County's top 10 private employers in 1997.
- E. Rosebud Power generation station is north of town within seven miles of the City limits.
- F. Westmoreland's Sarpy Creek mine is 25 miles west of Colstrip.
- G. Decker Mine is located 85 miles to the south of Colstrip.

3. Additional information supporting the DEGREE OF SEVERITY OF IMPACT FROM AN INCREASE OR DECREASE IN COAL DEVELOPMENT OR IN THE CONSUMPTION OF COAL BY A COAL-USING ENERGY COMPLEX.

APPLICANT'S RESPONSE:

Colstrip is a community built and centered around the production of coal fired electricity. Residents that come into the community are employed by or supported directly or indirectly by the Rosebud Power Plan, Western Energy Coal Mine and the Talon Energy generated power plant. The majority of households in Colstrip have at least one person directly employed in the coal industry. In the advent of the shut-down of two of the four power units located in Colstrip that provide a significant tax structure for community and educational operations, economic uncertainty has rippled through the Colstrip

community. The effects from the uncertainty alone have significantly impacted our community and those that choose to live and raise their families in coal country.

C. <u>Availability of Funds</u>

- 1. Amount requested from the Coal Board: <u>\$229,470</u>
- 2. Amount of Coal Board funds available at the time of application \$_____
- 3. Explain why a coal impact grant is necessary to make the project feasible and affordable

APPLICANT'S RESPONSE:

The Coal Impact Grant is vital to this project. Public school funding is determined by formula in the state of Montana and directly related to "average number belonging" (ANB) and support of local taxpayers. With the pending closure of Colstrip Units 1 & 2, the District has experienced enrollment changes that affect the funding in the General Budget. Any negative shifts in enrollment lead to greater tax burden on the individual taxpayer to maintain current budgets. In addition, as taxable valuation diminishes and less coal is mined , resulting in reduced in coal gross proceeds, the individual property taxpayer will be under greater burden to shoulder any difference.

Natural demographic changes leading to staff retirement coupled with uncertainty of future employment opportunities, because of the closure of Units 1 & 2, have created challenges to recruitment and retention of qualified staff.

The Coal Impact Grant is instrumental in offsetting the burden that taxpayers have in maintaining the facilities that were built for our coal producing community with coal funds. This grant will help a coal reliant community offset its obligation to provide a safe facility for students, staff, and community.

4. What are the other proposed funding sources for the project?

APPLICANT'S RESPONSE:

The Colstrip community has supported the requests of the Colstrip School District for funding for over three decades. As such, it has diminished its reliance on outside sources. Colstrip Schools has committed over \$19,963 to fund project contingency (in excess of 8.% of the project); however, the District has already installed and funded over \$150,000 in LED lighting that has been installed. The district is seeking assistance from the coal board to fund the remainder of the project.

5. If a particular proposed source of funding is not obtained, how will the applicant proceed?

APPLICANT'S RESPONSE:

If grant funding is not obtained, it is anticipated that the majority of the project may not proceed.

D. Degree of Local Effort in Meeting Needs

1. If current millage rates given are lower than the average rates levied during the previous three years, briefly explain why they are lower.

APPLICANT'S RESPONSE:

In 2019, the general fund millage rate is greater than the three year average millage rate.

2. Describe any local efforts to meet the public facility or public service needs by providing financial contributions to the project to the extent possible, such as local funding, donations of land, absorbing some or all-administrative costs. For non-profit organizations, describe fund-raising efforts or other in-kind assistance to the proposed project as well as usual program fund-raising efforts.

APPLICANT'S RESPONSE:

Colstrip Public Schools plans to absorb over \$19,963 of the total project cost, These costs are primarily related to contingency cost; however, the district has already absorbed an extensive amount bu installing over \$150,000 of LED lighting over the past three years.

3. Describe past operation and maintenance budgets and practices over the long-term, including any reserves for repair and replacement.

APPLICANT'S RESPONSE:

Colstrip Public Schools has over \$5 million in deferred maintenance. The district prioritizes the annual list according to the following criteria: 1) Safety and Security 2) Degree of wear 3) Insufficiency and Cost Prohibitive 4) Condition. This grant application addresses the districts highest grading criteria. The taxpayers have generously supported all levy requests put before them for general funds as well as several building reserve levy requests thereby showing its commitment for the well-being of the school district.

4. If there are indications that the problem is not of recent origin, or has developed because of inadequate operation and maintenance practices in the past, explain the circumstances and describe the actions that management will take in the future to assure that the problem will not reoccur.

APPLICANT'S RESPONSE:

N/A

5. If the project involves water, wastewater or solid waste, provide the current and projected monthly household user charges, including operation and maintenance:

What is the current monthly household user charge? \$ N/A

What is the projected monthly user charge (including operation and maintenance) when the a. project is complete? \$ <u>N/A</u>

6. What are your current debt obligations? 784442000 784442006 9999JD9C1

BOARD OF INVESTMENTS ANNUAL AJUSTABLE RATE TENDER OPTION MUNICIPAL FINANCE CONSOLIDATION ACT BONDS (INTERCAP REVOLVING PROGRAM) SER 2004

MUNICIPALITY: COLS	TRIP HS DISTRICT#19	FINAL LOAN PAYMENT: 6/15/2021
		FINAL LOAN FATMENT, 015/2021
DTAL LOAN COMMITMENT: \$	500,000.00	TOTAL # OF LOAN PAYMENTS: 10
TOTAL DRAWS TO DATE: \$	-	LOAN/DRAW NUMBER: 2719-01
THIS DRAW DOWN: \$	500,000.00	DATE OF THIS DRAW 9/30/2016
NING LOAN COMMITMENT: \$	-	DATE OF LOAN AGREEMENT: 9/30/2016
PROJECT: BUILDING REMOD	EL	
	TOTAL DRAWS TO DATE: \$ THIS DRAW DOWN: \$ NING LOAN COMMITMENT: \$	TOTAL DRAWS TO DATE: \$ - THIS DRAW DOWN: \$ 500,000.00 NING LOAN COMMITMENT: \$ -

PAYMENT DUE	INTEREST RATE	# DAYS DUE	INTEREST PAYMENT	PRINCIPAL PAYMENT	O/S LOAN BALANCE	TOTAL AMOUNT OF PAYMENT
* BEGI	NNING BALANC	E*			500,000.00	
2/15/2017	1.550%	138	2,922.13	50,000.00 ex princ pd	450,000.00	\$52,922.13
8/15/2017	2.500%	181	5,563.52	48,691.20	401,308.80	\$54,254.72
2/15/2018	2.500%	184	5,057.59	49,020.22	352,288.58	\$54,077.81
8/15/2018	3.150%	181	5,502.94	49,448.13	302,840.45	\$54,951.07
2/15/2019	3.150%	184	4,808.94	49,789.62	253,050.82	\$54,598.56
8/15/2019	3.370%	181	4,228.86	50,210.90	202,839.92	\$54,439.76
2/15/2020	3.370%	184	3,445.94	50,571.00	152,268.92	\$54,016.94
8/15/2020	0.000%	182	0.00	50,982.29	101,286.63	\$0.00
2/15/2021	0.000%	184	0.00	51,366.67	49,919.96	\$0.00
6/15/2021	0.000%	120	0.00	49,919.96	0.00	\$0.00

7. What are your current assets?

APPLICANT'S RESPONSE: From the management, discussion, and analysis section of the FY 2018 of the Financial Compliance Report:

NET POSITION			Activities	
	2018	2017	\$ Change	% Change
Current assets	8,135,040	7,040,576	1,094,464	15.55%
Capital assets, net	9,835,306	10,593,603	-758,297	-7.16%
Total assets	17,970,346	17,634,179	336,167	1.91%
Deferred outflows of resources	848,455	1,204,472	-356,017	-29.56%
Current liabilities	161,869	148,104	13,765	9.29%
Long term liabilities	8,834,542	8,755,379	79,163	0.90%
Total liabilities	8,996,411	8,903,483	92,928	1.04%
Deferred Inflows of Resources	343,616	329,840	13,776	4.18%
Net Position:				
Invested in capital assets net of related debt	9,483,017	10,593,60 3	-1,110,586	-10.48%
Restricted	4,719,006	4,011,573	707,433	17.63%
Unrestricted	-4,723,249	-4,999,84 8	276,599	-5.53%
Total net assets	9,478,774	9,605,328	-126,554	-1.32%

8. What financial accounting system do you use?

APPLICANT'S RESPONSE

Generally accepted accounting principles as adopted by the governmental accounting board and the State of Montana. The district utilizes Tyler Technologies' Infinite Visions software.

9. Is the applicant in compliance with the auditing and annual financial reporting requirements provided for in the Montana Single Audit Act, 2-7-501 to 522, MCA? (Tribal governments must comply with auditing and reporting requirements provided for in OMB Circular A-133).

Yes<u>X</u> No

Date of last completed audit or financial report: Year ending June 30, 2018, audit finalized by Strom & Assoc., P.C. March 19, 2019, and approved by Colstrip Board of Trustees on April 8, 2019

10. If there have been audit findings within the last five years, have they been satisfactorily addressed?

APPLICANT'S RESPONSE:

Yes

11. Additional information supporting the DEGREE OF LOCAL EFFORT IN MEETING NEEDS.

APPLICANT'S RESPONSE:

Colstrip Schools has committed over \$19,963 to fund project contingency (in excess of 8.% of the project); however, the District has already installed and funded over \$150,000 in LED lighting. The district is seeking assistance from the coal board to fund the remainder of the project. See Appendix A for details.

E. Planning & Management

1. Describe how your grant request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems related to coal impacts.

APPLICANT'S RESPONSE:

The District has invested in the future by completing a Centralization Project Study. It is anticipated that there will be substantial decreases to the district's student population and budget with the closure of Units 1 and 2 at the Colstrip Power Plant. The district has proactively explored multiple scenarios reviewing how they can best accommodate declining enrolment and reduced budget dollars. A recommendation from the study was to reduce the facility footprint for the district. Both Colstrip High School and Pine Butte Elementary School will be the anchor facilities when a reduction in facility footprint is needed.

2. Describe how the proposed project is consistent with current plans.

APPLICANT'S RESPONSE:

Completing this project is critical to the needs of the community and district. Replacing current fluorescent fixtures are part of the deferred maintenance list. The District is in its fourth phase of replacing fixtures in all academic areas in both the high school and elementary.

APPENDIX A

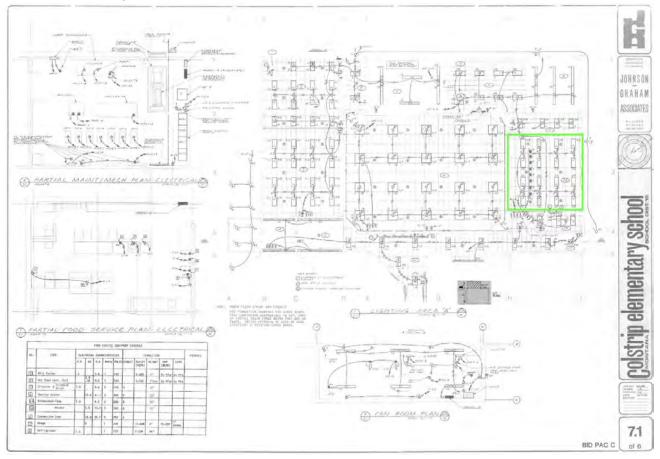
LED Lighting Maps

Areas (Classrooms) that have already been addressed by the District are outlined in GREEN. Requested areas that need new LED fixtures are outlined in RED.

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PINE BUTTE ELEMENTARY Flementary Academic

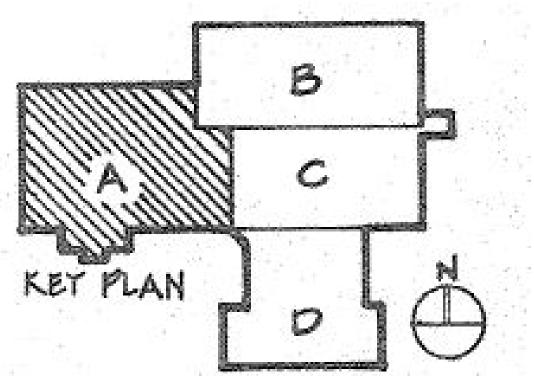
Elementary Food Service

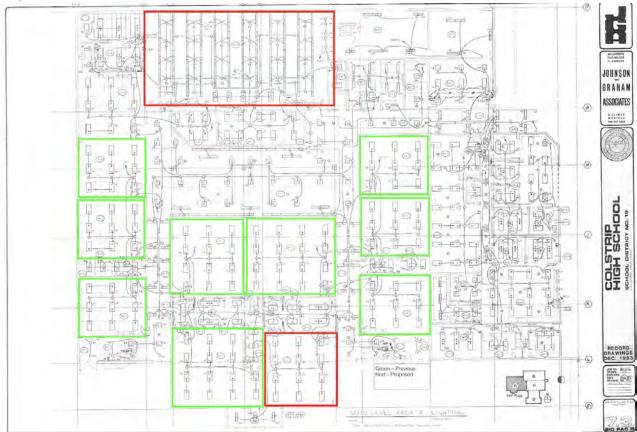


COLSTRIP HIGH SCHOOL

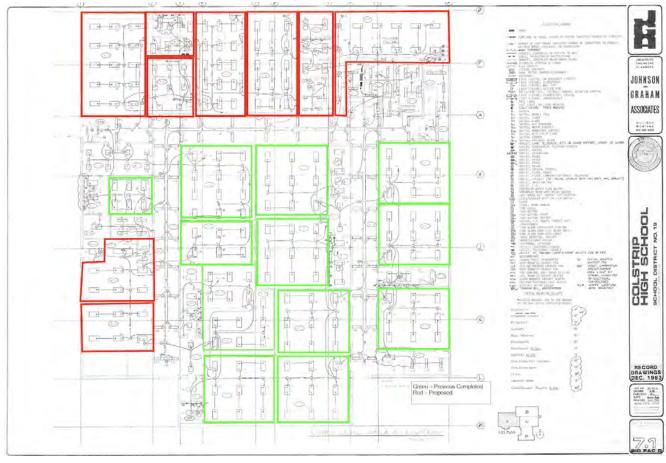
The High School Has been divided into four (4) areas as seen in the illustration below:

- A: Academic
- B: Gymnasium
- C: Auditorium/Fine Arts
- D: Career Technical Education

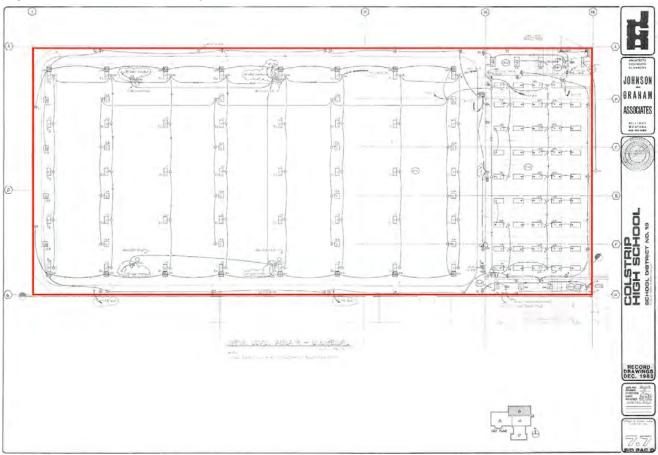




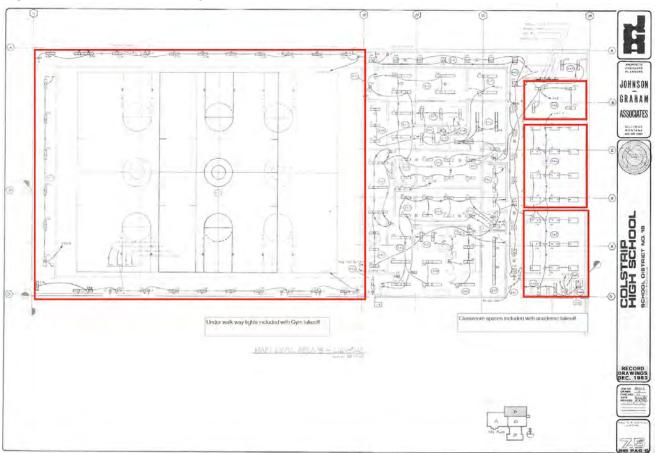
High School KEY PLAN A (Academic Upper Level)



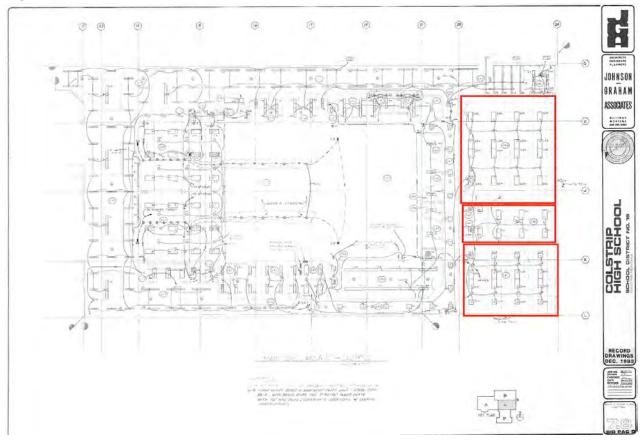
High School KEY PLAN A (Academic Lower Leve)I



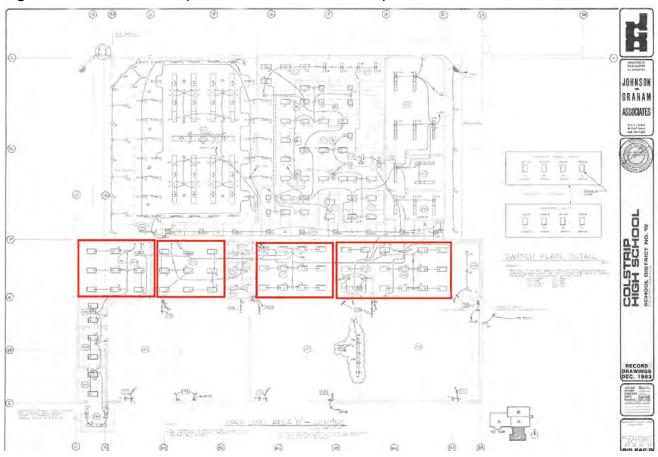
High School KEY PLAN B (Gymnasium Upper)



High School KEY PLAN B (Gymnasium Lower)



High School KEY PLAN C (Auditorium/Fine Arts)



High School KEY PLAN D (Career Technical Education)



44W LED Panel - Color Selectable Order Code: PN41751

CCT Selectable: 3500K / 4000K / 5000K



3500K

5000k

Description

Venture Lighting's color temperature selectable LED panels are low profile, lightweight, and designed for long life and low maintenance. These thin luminaires are designed to quickly and easily upgrade existing fluorescent fixtures and be more versatile than other LED panels. The high performance LED source is mounted to ensure proper thermal management of the system. Each fixture is capable of changing CCT with a simple flip of a switch. The CCT Selection method allows for a cost effective method to reduce stocking inventory by 66%.

. Change from 3500K, 4000K or 5000K with just the flip of a switch.

· All CCT Selectable Panel fixtures are preset to 4000K at the factory.

Construction

The high performance LED source is mounted to ensure proper thermal manage-ment of the system. The design allows for a cooler running LED chip which leads to longer lifetime, better efficacy, and color consistency.

Optics

Each fixture utilizes a specially engineered optic which is designed to have low glare yet maximize the product performance.

Electrical

The power supply has a range of 120-277V, 50/60 Hz. Driver input voltage terminal block can use 12 to 22 wire gauge. Driver output voltage terminal block can use 16 to 22 wire gauge. 0-10V DC dimming capability is standard.

Mounting

The fixture is designed for replacing fluorescent fixtures in T-grid applications. Fixtures are IC-rated and rated for damp and dry locations.

Watt	age		44W	
		ССТ	DLC Model#	Lumen Output
	Standard	4000K	P124-48N-ANR-C	4740
	Field Selectable	3500K	P124-48B-ANR-C	4660
	Field Selectable	5000K	P124-48C-ANR-C	5030
Color	Rendering Index (CRI)	80+	
Life Hours			50000	ĎI
Operating Temperature Range			-13°F	to 113°F (-25°C to 45°C

Physical Characteristics		
Fixture Color	White	
Weight	11.0 lbs	
Width	23.7"	
Length	47.7"	
Height	1.9"	
Panel Size	2x4	

Electrical Characteristics

Amperage Draw (Input Volts/Amps)

	lost states	a		
POIL	alory	Olla	inticat	2001

cULus Listed

DLC Model# (4000K) P124-48N-ANR-C

DLC Model# (3500K) P124-488-ANR-C

DLC Model# (5000K) P124-48C-ANR-C

IC-Rated

Accessones.	
KT18522 2X4 SURFACE MOUNT KIT, WHITE	
KT18916 2X4 DRYWALL MOUNT KIT, WHITE	
BB23468 BATTERY BACK-UP*	
AC25420 - 3/8" 3-WIRE 14/3 600V MAX 6FT FLEX. WHIP	
Add suffix "-WP" to order code for a factory installed fixture with a 6ft whip (Part # AC2542	0)

Add suffix "-PP" to order code for a factory installed fixture with PowPack.

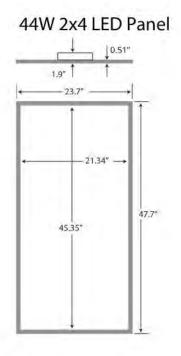
*For a factory installed Battery Backup add "-EM" after order code (Lumens 860) - Temp range for battery backup: (0-45°C)





120/0.42 208/0.25 240/0.22 277/0.19

Venture 44W LED Panel - Color Selectable





(800) 451-2606 Fax: (800) 451-2605 2451 Enterprise Parkway East Twinsburg, Ohio 44087 USA E-mail: venture@adlt.com VentureLighting.com



© 2018 Venture Lighting International Venture Lighting is a registered trademark of Venture Lighting International.

Lighting Quantity Takeoff and Pricing Estimate for Colstrip Public Schools LED Lighting Replacement Project 2020

Description	Totals per Fixture
Gym 200 Watt UFO	\$519
Gym U-Bent LED Replacement	\$304
Gym 4'x 2'-4" Lamp Wall Lights	\$319
Academic 2' x 2'	\$269
Academix 2' x 4'	\$294
Academic 1' x 4'	\$288
Parabolic Lamp	\$127
Academic Library LED Re-Lamp	\$178

Selected CHS Academic Areas:

250 - 2'X4'

34 - 2' x 2'

- 8 4' Wall Lights
- 116 Parabolic lights
- 114 4" LED lamp replacements

9 - 1' x 4'

Subtotal Cost: \$116,162

CHS Gym Area:

- 90 UFO high bay lights
- 31 Replace U-Bent LED lamps
- 30 Wall Lights
- Subtotal Cost: \$68,697

Pine Butte Elementary School	
50 - 2' x 4'	
2 - 2 'x 4'	
26 - 1' x 4'	

Subtotal Cost: \$23,750

APPENDIX B

Resolution identifying exemption to the MEPA review under ARM 8.2.328(2)

- Project involves only minor repairs or rehabilitation to an existing facility, including functional replacement of an existing facility or facility components;
- Project where the footprint of the proposed structures, pipelines or other infrastructure would be substantially unchanged from existing conditions, and there is no increase in the population served by the facility.

As per Colstrip Public District Policy 1400 Board Meetings, the following agenda was posted in a manner that will receive public attention. It was posted at the Post Office and at all school building main entries (Frank Brattin Middle School, Pine Butte Elementary School and Colstrip High School). This process serves as Colstrip Public Schools public notice. The District also provides public notice using an online service called BoardDocs. Below is the notice and header used.

Special Board Meeting

Wednesday, January 22, 2020

Notice is hereby given to the governing Board and general public that the Special Board Meeting of the Governing Board for the Colstrip School District #19 will be held Wednesday January 22, 2020 beginning at 5:00 PM in the District Board Room located in the lower level of the Frank Brattin Middle School. Following is the proposed agenda:

Print the

Agenda

Main Governing Board





View the Agenda Add Minutes

https://www.boarddocs.com/mt/cpsd19/Board.nsf/vpublic?open.

Agenda Item Details

Meeting	Jan 22, 2020 - Special Board Meeting
Category	NEW BUSINESS
Subject	Montana Coal Impact Grant Application for Colstrip Public Schools LED Lighting Project
Access	Public
Туре	Action
Recommended Action	NOW, THEREFORE, BE IT RESOLVED by the Colstrip Public School District # 19 Board of Trustees as follows: That Colstrip Public School District # 19, in Colstrip Montana adopts the Colstrip Public Schools LED Lighting Project for submission to the Montana Coal Board for a Montana Coal Impact Grant at the March 12, 2020 Coal Board Meeting.

Public Content

WHEREAS: ELIGIBILITY FOR COAL BOARD GRANTS The governing body of a city, town, county, or school district, any other local or state governmental unit or agency, or the governing body of a federally recognized Indian tribe may apply for a grant to enable it to provide governmental services that are needed as a direct consequence of an increase or decrease of coal development or of an increase or decrease in the consumption of coal by a coal-using energy complex. (90-6-208, Montana Code Annotated) Under 90-6-209, MCA, the Coal Board may not approve a grant to an Indian tribe unless: (a) the governing body of the tribe has agreed: (1) to waive its immunity from suit on any issue specifically arising from the transaction of a grant obtained under this part; and (2) to the adjudication of any dispute arising out of the grant transaction in the district court of the first judicial district of the State of Montana; and (b) approval of the Interior whenever approval is necessary States Denartment of the Interior whenever approval is necessary

States Department of the Interior whenever approval is necessary

WHEREAS: **CRITERIA FOR AWARD OF COAL IMPACT GRANTS** In accordance with current statute: 90-6-206, MCA Basis for awarding grants: (1) Grants must be awarded on the basis of:

(a) need:

(a) need;
(b) degree of severity of impact from an increase or decrease in coal development or in the consumption of coal by a coal-using energy complex;
(c) availability of funds;
(d) degree of local effort in meeting these needs; and
(e) in addition, State law (90-6-207[5], MCA) requires the Coal Board to give attention "to the need for community planning before the full impact of coal development or decline is realized.
Applicants should be able to show how the request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems." Therefore, pursuant to Sub- Chapter 3 of the Administrative Rules of Montana, "planning" is an additional criterion the Coal Board will apply when judging applications.

WHEREAS, Colstrip Public School District #19 has completed a review of it Deferred Maintenance list of \$5 million dollars to identify potential projects for consideration through the Colstrip Board of Trustees Facility Committee for recommendation to the Montana Coal Board to request application for a Montana Coal Impact Grant at the Coal Board Meeting on March 12, 2020.

WHEREAS, The Colstrip Board of Trustees Facility Committee is recommending the following project for consideration: Colstrip Public Schools LED Lighting Project;

Below is the Agenda and Notice posted.

Special Board Meeting

Wednesday, January 22, 2020

Notice is hereby given to the governing Board and general public that the Special Board Meeting of the Governing Board for the Colstrip School District #19 will be held Wednesday January 22, 2020 beginning at 5:00 PM in the District Board Room located in the lower level of the Frank Brattin Middle School. Following is the proposed agenda:

Print the

Agenda

Main Governing Board





View the Agenda

Add Minutes



216 Olive Drive P.O. Box 159 Colstrip, MT 59323-0159 406-748-4699

RE: Colstrip Public Schools LED Lighting Project

WHEREAS, Colstrip Public School District #19 has completed a review to identify potential environmental impacts to the Colstrip Public Schools LED Lighting Project;

WHEREAS, **Colstrip Public School District #19** has held a public meeting to solicit public comments regarding the following: potential for causing a significant effect on the quality of the human environment; potential public controversy over the project's possible effect on the quality of the human environment; and potential to affect sensitive environmental or cultural resource areas or endangered or threatened species and their critical habitats;

WHEREAS, No substantive public comment was received;

WHEREAS, Colstrip Public School District # 19 has determined that the Colstrip Public Schools LED Lighting Project; will not significantly affect the quality of the human environment; a significant public controversy does not exist over the project's potential effect on the quality of the human environment; and the project will not affect sensitive environmental or cultural resource areas or endangered or threatened species and their critical habitats;

WHEREAS, Colstrip Public School District # 19 has determined an Environmental Assessment and Environmental Impact Statement are not necessary;

NOW, THEREFORE, BE IT RESOLVED by the Colstrip Public School District # 19 Board of Trustees as follows:

That Colstrip Public School District # 19, in Colstrip Montana adopts the determination that a Categorical Exclusion for Colstrip Public Schools LED Lighting Project is appropriate.

Passed and approved on this date of (dated).

Signed:

Date:

Name:

Attested:

Title:

<u>MEMO</u>

To:Coal Board Members and Commerce StaffFrom:Division EngineerSubject:Colstrip Schools – LED lightingMeeting:March 2020

History –Colstrip High School was constructed in 1983. The buildings were constructed with fluorescent lighting. The lighting tubes last about 3-5 years and the ballast that runs those tubes have reached their life cycle and are burning out. The District has been replacing its fluorescent lighting with LED fixtures in classrooms for the past three years.

Problem – Problems identified in the application included the following:

- energy inefficiencies;
- high maintenance costs; and
- health risks/issues.

Solution – The proposed project includes replacing remaining fluorescent lighting with LED lighting at Pine Butte Elementary and Colstrip High School (classrooms and gym).

The purposes of the project are to reduce future maintenance costs and improve the learning environment. Benefits of LED lighting were noted in the application and included the following:

- improved student concentration and performance,
- energy savings,
- health benefits and
- reduce maintenance costs.

The Coal Board grant request is for \$229,470. The total cost is \$249,433; the District is contributing \$19,963 in project contingency.

The source of the cost estimates was from a lighting system manufacturer. Catalog cuts were provided. The school has already spent about \$150,000 over the past three years replacing the existing lights with LED lighting.

Public notice documentation and the applicant's environmental determination were included with application. Procurement documentation was not found.

It was not clear why question 6 on page 3 referred to the name of the project as "Colstrip Water Main Replacement and LED Lighting Improvement Project". They appear to be two separate projects.

Coal Board Grant Applicant-Colstrip Public Schools #0899 Staff Report / March 2020 Meeting

Applicant: Colstrip Public Schools **Project:** Replace fluorescent lighting with LED lighting at two schools **Coal Board Funds Requested:** \$229,470 **Total Project Cost:** \$249,433

Project Information:

The applicant is requesting \$229,470, of a total project cost of \$249,433, in Coal Board funds to replace the remaining fluorescent lighting with LED lighting at Pine Butte Elementary and Colstrip High School, which includes classrooms and gym. The request to the Board is 92% of the project costs. The purpose of the project is to address energy inefficiencies, high maintenance costs; and health risks/issues. **The applicant is a designated unit.**

Categories:

Need:

- <u>Applicant:</u>
 - The applicant states that the benefits of LED lighting are crucial for improved student concentration and performance, energy savings, health benefits, and reduced maintenance costs.
 - The environmental review documentation included public notice where the environmental determination was discussed. The environmental resolution was not signed, and no meeting minutes were included.
- Staff Review:
 - The proposed project is to replace remaining fluorescent lighting with LED lighting at Pine Butte Elementary and Colstrip High School in the following areas:
 - Colstrip High School Classrooms
 - Colstrip High School Gymnasium
 - Pine Butte Elementary Classrooms
 - Procurement documentation was not found in the application.
 - Staff has determined that the environmental process is incomplete.

Degree of Severity of Impact:

Applicant:

- The applicant discusses the diverse enrollment of the school from the Northern Cheyenne Indian and the Crow Reservations and how the community of Colstrip is centered around the production of coal fired electricity.
- Direct and indirect impacts from nearby mines and plants are discussed in the application.
- Staff Review:
 - o Documentation provided for severity of impact included narrative in the application.

Availability of Funds:

- <u>Applicant:</u>
 - The applicant details the amount of coal gross proceeds for fiscal years 2017 and 2018 and a projection for fiscal year 2019 and discusses how public school funding is determined and the changes in enrollment.
- Staff Review:
 - If applicant does not receive funds, project will not proceed. No other funding sources are proposed
 - The applicant is a designated unit.
 - Revenues related to the Coal Natural Resource account are not sufficient to fund the costs associated with this project request.

Degree of Local Effort in Meeting Needs:

• Applicant:

- The applicant discusses how over the past 14 years, the voters of Colstrip have consistently passed annual levies to support its educational system and facilities in Colstrip.
- The applicant states that the district has already installed and funded over \$150,000 in LED lighting.

• Staff Review:

- Millage rates provided by MDOR data demonstrates the average millage rates for the previous three years are lower than the current year millage rates. MDOR data years: 2016-2017, 2017-2018, 2018-2019.
- The applicant proposes contributing \$19,963 of district funds to the project, representing 8% of the project costs.

Planning & Management:

- Applicant:
 - The City of Colstrip updated the Growth Policy in 2019. Additional planning documents include a Capital Improvements Plan, Water Master Plan, Trails map and Zoning Regulations.
- Staff Review:
 - The community has a strong planning foundation and have been proactive with the local economic development group in anticipation of the closure of Units I and II.
 - o Infrastructure needs at Colstrip Public Schools is addressed in the recent Growth Policy.

Grant History:

Since 2009, the applicant has been awarded two projects totaling \$744,853. For more information on Coal Board projects for this or any other applicant, please visit the Commerce Grants Database at https://commerce.mt.gov/About/FundedProjects.

<u>Supplemental Documents</u> (not included in this staff report): maps, schools plans for lighting, produce descriptions and price quotes.

Staff Summary:

See engineer memo.

- The applicant provided public notice where the environmental determination was discussed. The environmental resolution was not signed, and no meeting minutes were included.
- "The applicant must provide documentation of the completed environmental review process and include with the application all documentation of the public review process, including but not limited to, the public notice for and minutes of a public hearing at which the environmental review was discussed, the public comments received, and the final decision on the environmental determination made during a public meeting" (Montana Coal Board Application, pg 27).
- The environmental review record in this application is incomplete. The Board may categorically exclude projects from MEPA requirements which apply to Coal Board regulations. The proposed project could fall under a Coal Board categorical exclusion (ARM 8.2.304(5)). Therefore, the board has two options. The board may postpone action on the project for failure to complete the application. Or the board may designate the project as categorically excluded from MEPA review (see ARM 8.101.203) during a public meeting. To facilitate the opportunity for the board to make this decision, the agenda has included public notice concerning this environmental review decision.

Staff does not recommend funding until environmental review record regulations have been met. Further, staff does not recommend funding due to the statutory criteria: Availability of Funds.

<u>MEMO</u>

To:Coal Board Members and Commerce StaffFrom:Division EngineerSubject:Colstrip Schools – LED lightingMeeting:March 2020

History –Colstrip High School was constructed in 1983. The buildings were constructed with fluorescent lighting. The lighting tubes last about 3-5 years and the ballast that runs those tubes have reached their life cycle and are burning out. The District has been replacing its fluorescent lighting with LED fixtures in classrooms for the past three years.

Problem – Problems identified in the application included the following:

- energy inefficiencies;
- high maintenance costs; and
- health risks/issues.

Solution – The proposed project includes replacing remaining fluorescent lighting with LED lighting at Pine Butte Elementary and Colstrip High School (classrooms and gym).

The purposes of the project are to reduce future maintenance costs and improve the learning environment. Benefits of LED lighting were noted in the application and included the following:

- improved student concentration and performance,
- energy savings,
- health benefits and
- reduce maintenance costs.

The Coal Board grant request is for \$229,470. The total cost is \$249,433; the District is contributing \$19,963 in project contingency.

The source of the cost estimates was from a lighting system manufacturer. Catalog cuts were provided. The school has already spent about \$150,000 over the past three years replacing the existing lights with LED lighting.

Public notice documentation and the applicant's environmental determination were included with application. Procurement documentation was not found.

It was not clear why question 6 on page 3 referred to the name of the project as "Colstrip Water Main Replacement and LED Lighting Improvement Project". They appear to be two separate projects.

Coal Board Grant Applicant-Colstrip Public Schools #0899 Staff Report / March 2020 Meeting

Applicant: Colstrip Public Schools **Project:** Replace fluorescent lighting with LED lighting at two schools **Coal Board Funds Requested:** \$229,470 **Total Project Cost:** \$249,433

Project Information:

The applicant is requesting \$229,470, of a total project cost of \$249,433, in Coal Board funds to replace the remaining fluorescent lighting with LED lighting at Pine Butte Elementary and Colstrip High School, which includes classrooms and gym. The request to the Board is 92% of the project costs. The purpose of the project is to address energy inefficiencies, high maintenance costs; and health risks/issues. **The applicant is a designated unit.**

Categories:

Need:

- <u>Applicant:</u>
 - The applicant states that the benefits of LED lighting are crucial for improved student concentration and performance, energy savings, health benefits, and reduced maintenance costs.
 - The environmental review documentation included public notice where the environmental determination was discussed. The environmental resolution was not signed, and no meeting minutes were included.
- Staff Review:
 - The proposed project is to replace remaining fluorescent lighting with LED lighting at Pine Butte Elementary and Colstrip High School in the following areas:
 - Colstrip High School Classrooms
 - Colstrip High School Gymnasium
 - Pine Butte Elementary Classrooms
 - Procurement documentation was not found in the application.
 - Staff has determined that the environmental process is incomplete.

Degree of Severity of Impact:

Applicant:

- The applicant discusses the diverse enrollment of the school from the Northern Cheyenne Indian and the Crow Reservations and how the community of Colstrip is centered around the production of coal fired electricity.
- Direct and indirect impacts from nearby mines and plants are discussed in the application.
- Staff Review:
 - o Documentation provided for severity of impact included narrative in the application.

Availability of Funds:

- <u>Applicant:</u>
 - The applicant details the amount of coal gross proceeds for fiscal years 2017 and 2018 and a projection for fiscal year 2019 and discusses how public school funding is determined and the changes in enrollment.
- Staff Review:
 - If applicant does not receive funds, project will not proceed. No other funding sources are proposed
 - The applicant is a designated unit.
 - Revenues related to the Coal Natural Resource account are not sufficient to fund the costs associated with this project request.

Degree of Local Effort in Meeting Needs:

• Applicant:

- The applicant discusses how over the past 14 years, the voters of Colstrip have consistently passed annual levies to support its educational system and facilities in Colstrip.
- The applicant states that the district has already installed and funded over \$150,000 in LED lighting.

• Staff Review:

- Millage rates provided by MDOR data demonstrates the average millage rates for the previous three years are lower than the current year millage rates. MDOR data years: 2016-2017, 2017-2018, 2018-2019.
- The applicant proposes contributing \$19,963 of district funds to the project, representing 8% of the project costs.

Planning & Management:

- Applicant:
 - The City of Colstrip updated the Growth Policy in 2019. Additional planning documents include a Capital Improvements Plan, Water Master Plan, Trails map and Zoning Regulations.
- Staff Review:
 - The community has a strong planning foundation and have been proactive with the local economic development group in anticipation of the closure of Units I and II.
 - o Infrastructure needs at Colstrip Public Schools is addressed in the recent Growth Policy.

Grant History:

Since 2009, the applicant has been awarded two projects totaling \$744,853. For more information on Coal Board projects for this or any other applicant, please visit the Commerce Grants Database at https://commerce.mt.gov/About/FundedProjects.

<u>Supplemental Documents</u> (not included in this staff report): maps, schools plans for lighting, produce descriptions and price quotes.

Staff Summary:

See engineer memo.

- The applicant provided public notice where the environmental determination was discussed. The environmental resolution was not signed, and no meeting minutes were included.
- "The applicant must provide documentation of the completed environmental review process and include with the application all documentation of the public review process, including but not limited to, the public notice for and minutes of a public hearing at which the environmental review was discussed, the public comments received, and the final decision on the environmental determination made during a public meeting" (Montana Coal Board Application, pg 27).
- The environmental review record in this application is incomplete. The Board may categorically exclude projects from MEPA requirements which apply to Coal Board regulations. The proposed project could fall under a Coal Board categorical exclusion (ARM 8.2.304(5)). Therefore, the board has two options. The board may postpone action on the project for failure to complete the application. Or the board may designate the project as categorically excluded from MEPA review (see ARM 8.101.203) during a public meeting. To facilitate the opportunity for the board to make this decision, the agenda has included public notice concerning this environmental review decision.

Staff does not recommend funding until environmental review record regulations have been met. Further, staff does not recommend funding due to the statutory criteria: Availability of Funds.

Montana Coal Impact Grant Application

Submitted to the Montana Coal Board

By

Rosebud County (Application Prepared by SEMDC)

For

HVAC Replacement for Colstrip Parks and Recreation District

Date submitted:

April 17, 2020

THE COAL IMPACT GRANT APPLICATION FORM SUBMITTED BY COLSTRIP PARKS AND RECREATION DISTRICT

CERTIFICATION

The chief elected official or executive officer of the applicant must sign the application certifying that to the best of the official's knowledge and belief, the information provided in the application and the attached documents is true and correct.

The chief elected official or executive officer of the applicant must also certify that, in accordance with Section 90-6-205, MCA, the applicant is eligible for a Coal Impact Grant and has the authority to administer and make expenditures to provide for the proposed service or facility.

CERTIFICATION

To the best of my knowledge and belief, the information provided in this application and in the attached documents is true and correct.

In accordance with Section 90-6-205, MCA, the applicant is eligible for Coal Board grants and has the statutory authority to make expenditures to provide for the particular service or facility.

Name: Robert E. Lee

Title: Presiding Officer

Signature:

Date: 04/21/2020

SUMMARY INFORMATION

1. NAME OF APPLICANT(S): Rosebud

County

2. <u>TYPE OF ENTITY</u>:

Local Government

- 3. FEDERAL TAX ID NUMBER:
- 4. <u>SENATE AND HOUSE DISTRICTS:</u>

SD 20 & 21 HD 39 & 41

- 5. <u>AMOUNT OF COAL IMPACT GRANT REQUESTED</u> \$250,000
- 6. <u>NAME OF PROJECT</u>:

HVAC Replacement

7. <u>TYPE OF PROJECT</u>:

Repair/Replacement of outdated HVAC equipment

8. <u>POPULATION SERVED BY PROJECT</u>:

2266

9. NUMBER OF HOUSEHOLDS SERVED BY PROJECT:

863

10. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE:

Robert E. Lee, Presiding Officer 1200 Main St. #2 Forsyth, MT 59327 406-346-2251 rcc@rosebudcountymt.gov

11. PRIMARY ENTITY CONTACT PERSON:

Liz Jensen, Executive Director Colstrip Parks and Recreation District PO Box 127 Colstrip, MT 59323 PH 406-748-3326 FAX 406-748-2426 Ijensen@colstripparks.com

12. OTHER CONTACT PERSONS:

Julie Emmons SEMDC PO Box 430 Broadus, MT 59317 PH 406-853-6900 Fax 406-427-5250 julie@semdc.org

13. <u>MILLAGE RATES</u>:

	<u># of Mills</u>	Value of Mill
FY 2016-2017	78.91	91,801
FY 2017-2018	75.47	95,126
FY 2018-2019	90.27	90,469
AVG	81.55	92,465
FY 2019-2020	87.26	87,740
1 1 2013-2020	07.20	07,740

** The 2019-2020 number of mills decreased because the road fund was decreased by 5 mills. This is because we were at the 33% maximum reserves at 40 mills. Also, we reduced the RHCC voted levy from 4.98 mills to 2.28 mills. When this levy was approved by the voters, it was approved only for the Intergovernmental Transfer with the Montana Department of Health to offset what Medicaid does not cover in the nursing home. The transfer this past year was \$177,000 so we levied enough to recover that amount to keep the fund at \$450,000. All other levies are at the maximum.

14. AMOUNT OF COAL GROSS PROCEEDS TAX:

CPRD \$234,218

Rosebud County: FY 18 COAL GROSS PROCEEDS FY 19 COAL GROSS PROCEEDS

\$7,465,105.00 \$7,373,964.00

The coal gross proceeds are allocated per Montana Code. We split out share to various funds and these are used as nontax revenues within our budget.

15. IMPACTS FROM COAL INDUSTRY:

Western Energy Coal Mine, Colstrip, MT Power Plant, Colstrip, MT Rosebud Power Plant, Colstrip, MT Total of 731 employees at the above

The four unit Colstrip power plant located in Colstrip, MT is the largest coal fired power plant west of the Mississippi river. Colstrip is dramatically impacted by the coal industry – both in the mining and power generation sectors.

16. <u>MAPS:</u>

See Attached Exhibit A for Map

17. BRIEF PROJECT SUMMARY:

PROJECT SUMMARY FOR COLSTRIP ECONOMIC DIVERSIFICATION STRATEGY

Historical Information:

Colstrip can be described as a "one-horse" town. Coal mining and power generation have been the primary source of economic revenue in the community since 1924. Originally, the coal mined was to power steam engines. However, diesel engines replaced the steam engines that utilized coal and the town literally died. However, in the 1970's, the economic activity increased again as Colstrip Power Generation Units 1 and 2 were constructed. Before Colstrip 1 and 2 were completed, units 3 and 4 were planned and subsequently, were completed during the 1980's.

The Rosebud Mine production level has been as high as 16 million tons but has stabilized at approximately 8-10 million tons of coal per year. Most of the coal production goes to the Colstrip Power Plant. A smaller power generation facility located just outside Colstrip also burns some of the "waste" coal from the mine. *The plant and the mine together support over 3,700 jobs in Rosebud County (population: 9,233) and \$360 million of personal income (PSE, 2013).*

Colstrip was originally a company town and the fitness center, parks, and green areas were amenities designed for the employees that lived in Colstrip and worked in mining and power generation. The Colstrip Parks and Recreation District was formed to provide for management and upkeep of the amenities. One of the most utilized amenities is the Community Center which contains a gym, fitness equipment, outdoor pool, , etc. The building that houses the Community Center is adequately maintained, but the mechanical systems are aged with the original heating system having been installed in 1978.

Problem:

The old HVAC system in the basement was installed in 1978. The locker rooms in the Center had some equipment replaced in 1984. However, most of the CPRD heating system is 42 years old and well past the useful life one would expect from such equipment. Maintenance has been done on the system in different areas throughout the years. In 2015, two heat pumps that had quit working were replaced. They quit working just three years after the repair and vendors were unable to resolve the problem leaving one half of the basement completely without heat.

Proposed Solution:

The CPRD Community Center repair budget for FY 2018-2019 was 329% - well in excess of the originally projected budget. For this reason, a decision was made to replace the HVAC system all together. Yearly maintenance costs were climbing each year and with facing a possible reduction in tax revenue the board wanted to replace the entire system so that maintenance costs for the next 15-20 years can be minimized.

18. PROJECT BUDGET AND IMPLEMENTATION SCHEDULE:

A. <u>Project Budget Form</u>:

PROJECT BUDGET FOR COLSTRIP MARKETING PROJECT									
Completed by: Julie Emmons For: CPRD Date: 03/27/2020									
ADMINISTRATIVE/ FINANCIAL COSTS	SOURCE: Coal Board	SOURCE: CPRD	SOURCE:	SOURCE:	TOTAL:				
Grant Administration	*** \$	\$500	\$	\$	\$500				
Office Costs	\$	\$	\$	\$	\$				
Professional Services	\$	\$	\$	\$	\$				
Legal Costs	\$	\$	\$	\$	\$				
Travel & Training	\$	\$	\$	\$	\$				
TOTAL ADMINISTRATIVE/ FINANCIAL COSTS	\$	\$500	\$	\$	\$500				
ACTIVITY COSTS:									
Equipment Cost	\$250,000	\$1,126,100	\$	\$	\$ 1,376,100				
Construction Cost	\$	\$	\$	\$	\$				
Product Completion (PER's, studies, etc.)	\$	\$	\$	\$	\$				
TOTAL ACTIVITY COSTS	\$250,000	\$1,126,100	\$	\$	\$1,376,100				
TOTAL PROJECT COSTS	\$250,000	\$1,126,600	\$	\$	\$1,376,600				

ir							
BUDGET NARRATIVE FOR HVAC Replacement at CPRD							
ADMINISTRATIVE/FINANCIAL COSTS							
Administration: \$500 CPRD is a non member assisted by SEMDC and therefore a grant administration fee of \$500 is set forth for administration services associated with the Coal Board grant. Fee is based on normal costs incurred for administration of Coal Board grants (estimate 10 hours at \$50/hr)							
Professional Services: \$	0						
Travel Costs:	\$0						
Audit Fees:	\$0						
TOTAL ADMINISTRATIVE/FINANCIAL COSTS	\$0						
ACTIVITY COSTS							
Equipment Cost: Equipment Cost based on bids. Advertising was completed and 3 bids were respecifications set forth. Low bid cost was selected after analyzing all bids. Bid as Exhibit B.							
Construction Cost:	\$0						
Marketing Project:	\$0						
Contingency:	\$0						
TOTAL ACTIVITY COSTS:	\$1,376,100						
TOTAL PROJECT COSTS:	\$1,376,600						

C. Implementation Schedule:

IMPLEMENTATION SCHEI	DULE	FOR		D HV	AC F	Repla	icem	ent P	rojec	: <u>t</u>		
	QL	JARTE	RS 2	020	QU	IARTE	RS 2	021	QU	IARTE	RS 2	022
TASK	1 st	2 ND	3 RD	4 TH	1 st	2 ND	3 RD	4 ^{тн}	1 st	2 ND	3 RD	4 ^{тн}
PROJECT START-UP												
A. Sign contract with Coal Board				x								
B. Secure approval of other funding		x										
C. Submit progress reports and drawdown request. (Progress reports quarterly if no draws submitted)			x									
PROJECT IMPLEMENTATION												
A. Prepare RFQ's and Advertise		x										
B. Select Contractor		x										
C. Installation of Equipment		x										
D. Monitor Progress		x										
E. Final Report/Annual Reports				х								
PROJECT CLOSE-OUT												
A. Coal Board administrative staff conduct on-site monitoring of the project.				x								
B. Submit project completion report.				х								
C. Include project in audits.				х								

19. DESCRIPTION OF RELATIONSHIP TO COAL BOARD STATUTORY GRANT CRITERIA

A. <u>Need</u>

I. Does a serious deficiency exist in a basic or necessary community public facility or service? Examples include emergency services such as police, fire or ambulance services. (Describe the nature and frequency of occurrence and provide supporting documentation.)

APPLICANT'S RESPONSE:

Yes. The Colstrip Parks and Recreation Department building is one of the most utilized buildings for a variety of activities in the Colstrip community. The HVAC system is 42 years old in most of the building and is requiring a large amount of repairs and maintenance. <u>One area of the building is completely without heat and ventilation due to not being able to make repairs anymore.</u>

Colstrip Park District residents pay no membership fees or daily use fees but assist in funding the facility through a tax levy. The District also oversees numerous trails, parks, Ponderosa Butte golf course and a recreation area at Castle Rock Lake.

2. Have serious public health or safety problems that are clearly attributable to a deficiency occurred, or are they likely to occur, such as illness, disease outbreak, substantial property loss, environmental pollution, safety problems, hazards, or health risks? (Describe the nature and frequency of occurrence and provide supporting documentation.)

APPLICANT'S RESPONSE:

No. <u>However the District is spending 3 times the projected amount for repairs which is depleting reserves.</u>

3. Is the entire community, or a substantial percentage of the residents of the community, seriously affected by the deficiency or at risk, as opposed to a small percentage of the residents? (Describe the number or percentage of community residents affected by the problem.)

APPLICANT'S RESPONSE:

Yes. Many of the residents of Colstrip are directly dependent on employment offered by the coal industry and these same residents and their families have the opportunity to utilize the Community Center of CPRD. The majority of the households in Colstrip have at least one member of the household that works in the coal industry.

4. Is there clear documentation that the current condition of the public facility or service (or lack of a facility or service) violates, or may potentially violate, a state or federal health or safety standard (If yes, describe the standard being violated.)? If the proposed project is necessary to comply with a court order or a state or federal agency directive, describe the directive and attach a copy of it.

APPLICANT'S RESPONSE:

No.

5. Does the standard that is being violated, or potentially may be violated; represent a significant threat or potential threat to public health or safety?

APPLICANT'S RESPONSE:

Proper ventilation and heat in public buildings is essential for numerous health reasons including the prevention of illness.

6. Additional information supporting the NEED for this project.

APPLICANT'S RESPONSE:

B. <u>Degree of Severity of Impact from an Increase or Decrease in Coal Development or In</u> <u>the Consumption of Coal by A Coal-Using Energy Complex</u>

1. Describe why the need for the expansion or improvement to the public facility or public service is attributable to coal-related impacts. Additionally, please provide the percentage of the project that is a result of coal impacts.

APPLICANT'S RESPONSE:

The need for repairing the HVAC is attributable to coal related impacts due to the fact that there are nearly 800 persons employed full time in the coal industry in and around Colstrip. The majority of households in Colstrip have a member of the household directly employed in the coal industry. With Units 1 and 2 now shuttered, less taxable value is anticipated for this tax district. Therefore, less resources will be available in the future to afford expensive capital improvements such as this or make costly repairs to an aging and inadequate HVAC system. This will have a direct impact on employees working in the coal industry.

2. Name the nearest coal development area or coal-using energy complex to your community and the road miles from your community.

APPLICANT'S RESPONSE:

- A. Talen Energy's four-unit 2,200 MW power station located within the City of Colstrip (Units 1 and 2 now shutdown).
- B. Western Energy Company's (WECO) Rosebud coal mine produces 8-10 million tons of coal has 25,000 acres adjacent to the City of Colstrip.
- C. Westmoreland's Syncoal Advanced Coal Conversion Plant producing 300,000 tons of products per year was located adjacent to the unit train loadout facility at WECO's Rosebud mine and was in production from 1992 to 2001 when it was permanently closed.
- D. Peabody Group's Big Sky Coal Mine located just six miles south of Colstrip closed in 2004-05 and was listed as one of Rosebud County's top 10 private employers in 1997.
- E. Rosebud Power generation station is north of town within seven miles of the City limits.
- F. Westmoreland's Sarpy Creek mine is 25 miles west of Colstrip.
- G. Spring Creek Coal mine is located to the south of Colstrip near Busby.
- H. Decker Mine is located 85 miles to the South.
- 3. Additional information supporting the DEGREE OF SEVERITY OF IMPACT FROM AN INCREASE OR DECREASE IN COAL DEVELOPMENT OR IN THE CONSUMPTION OF COAL BY A COAL-USING ENERGY COMPLEX.

APPLICANT'S RESPONSE:

This project is a direct result (100%) of an impact to the coal industry!

C. <u>Availability of Funds</u>

- 1. Amount requested from the Coal Board: \$ 250,000
- 2. Amount of Coal Board funds available at the time of application \$_____ (#2 will be completed by Coal Board staff)
- 3. Explain why a coal impact grant is necessary to make the project feasible and affordable

APPLICANT'S RESPONSE:

CPRD has approximately \$1.3 million in reserve funds. Because of the anticipated decrease in tax revenue with Colstrip Units 1 and 2 shutting down, there is much uncertainty that the HVAC project plus other needed maintenance projects could be funded. Replacing the HVAC now will cut down on costly repairs and provide the facility with a dependable newer system while not completely depleting the reserves of the organization in the event of other urgent needs.

4. What are the other proposed funding sources for the project?

APPLICANT'S RESPONSE:

FUNDING SOURCES SUMMARY FOR COLSTRIP ECONOMIC DIVERSIFICATION STRATEGY							
Source	Type of Fund	Amount	Status of Commitment	Loan Rates & Terms			
Coal Board	Grant	\$250,000	Pending	N/A			
CPRD	Cash on Hand	\$1,126,600	Approved	N/A			

5. If a particular proposed source of funding is not obtained, how will the applicant proceed?

APPLICANT'S RESPONSE:

A new funding strategy would have to be considered or only portions of the project could be completed.

D. Degree of Local Effort in Meeting Needs

1. If current millage rates given are lower than the average rates levied during the previous three years, briefly explain why they are lower.

APPLICANT'S RESPONSE:

Current millage rates are not lower than the previous three years.

2. Describe any local efforts to meet the public facility or public service needs by providing financial contributions to the project to the extent possible, such as local funding, donations of land, absorbing some or all-administrative costs. For non-profit organizations, describe fund-

raising efforts or other in-kind assistance to the proposed project as well as usual program fund-raising efforts.

APPLICANT'S RESPONSE:

CPRD is contributing 82% of the project funding.

3. Describe past operation and maintenance budgets and practices over the long-term, including any reserves for repair and replacement.

APPLICANT'S RESPONSE:

The system has been properly maintained and repairs have been made to the extent possible. The majority of the system is 42 years old and it has outlived its' useful life.

4. If there are indications that the problem is not of recent origin, or has developed because of inadequate operation and maintenance practices in the past, explain the circumstances and describe the actions that management will take in the future to assure that the problem will not reoccur.

APPLICANT'S RESPONSE:

No.

- 5. If the project involves water, wastewater or solid waste, provide the current and projected monthly household user charges, including operation and maintenance:
 - a. What is the current monthly household user charge? \$ N/A
 - b. What is the projected monthly user charge (including operation and maintenance) when the project is complete? \$ N/A
- 6. What are your current debt obligations?

There are no current debt obligations.

7. What are your current assets?

APPLICANT'S RESPONSE:

See attached Exhibit C

8. What financial accounting system do you use?

Generally Accepted Accounting Principles as adapted by the Governmental Accounting Standard Board.

9. Is the applicant in compliance with the auditing and annual financial reporting requirements provided for in the Montana Single Audit Act, 2-7-501 to 522, MCA? (Tribal governments must comply with auditing and reporting requirements provided for in OMB Circular A-133).

Yes X No Date of last completed audit or financial report June 30,2019

10. If there have been audit findings within the last five years, have they been satisfactorily addressed?

APPLICANT'S RESPONSE:

Yes.

11. Additional information supporting the DEGREE OF LOCAL EFFORT IN MEETING NEEDS.

APPLICANT'S RESPONSE:

The applicant is leveraging Coal Board funds by 82%. The Coal Board funds are needed to pursue the project so local reserves are not completely depleted.

E. <u>Planning & Management</u>

1. Describe how your grant request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems related to coal impacts.

APPLICANT'S RESPONSE:

This project is directly related to a plan for orderly management of a community for an anticipated decline in employment due to pressure on the coal industry. The repair to existing infrastructure will allow CPRD to cut repair costs and still provide for the employees of the community who will continue to be employed and live in Colstrip.

2. Describe how the proposed project is consistent with current plans.

APPLICANT'S RESPONSE:

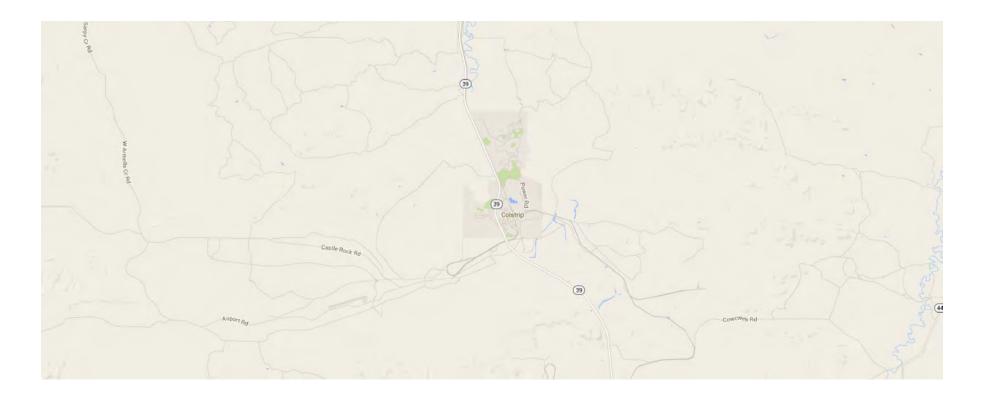
With CPRD facing a decrease in taxable value due to Colstrip Units 1 and 2 being shut down, utilizing reserves that are available now plus applying for Coal Board assistance was considered in order to improve existing infrastructure to continue to serve the existing Colstrip population. This plan is consistent with the SEMDC Infrastructure Needs list and also the newly updated Colstrip Growth Policy. Quality of Life issues are important to communities trying to attract new business or new employees for existing businesses that are expanding.

Exhibits Attached:

Exhibit A – Location Map Exhibit B – Summary of Bids Exhibit C – Assets

Exhibit A

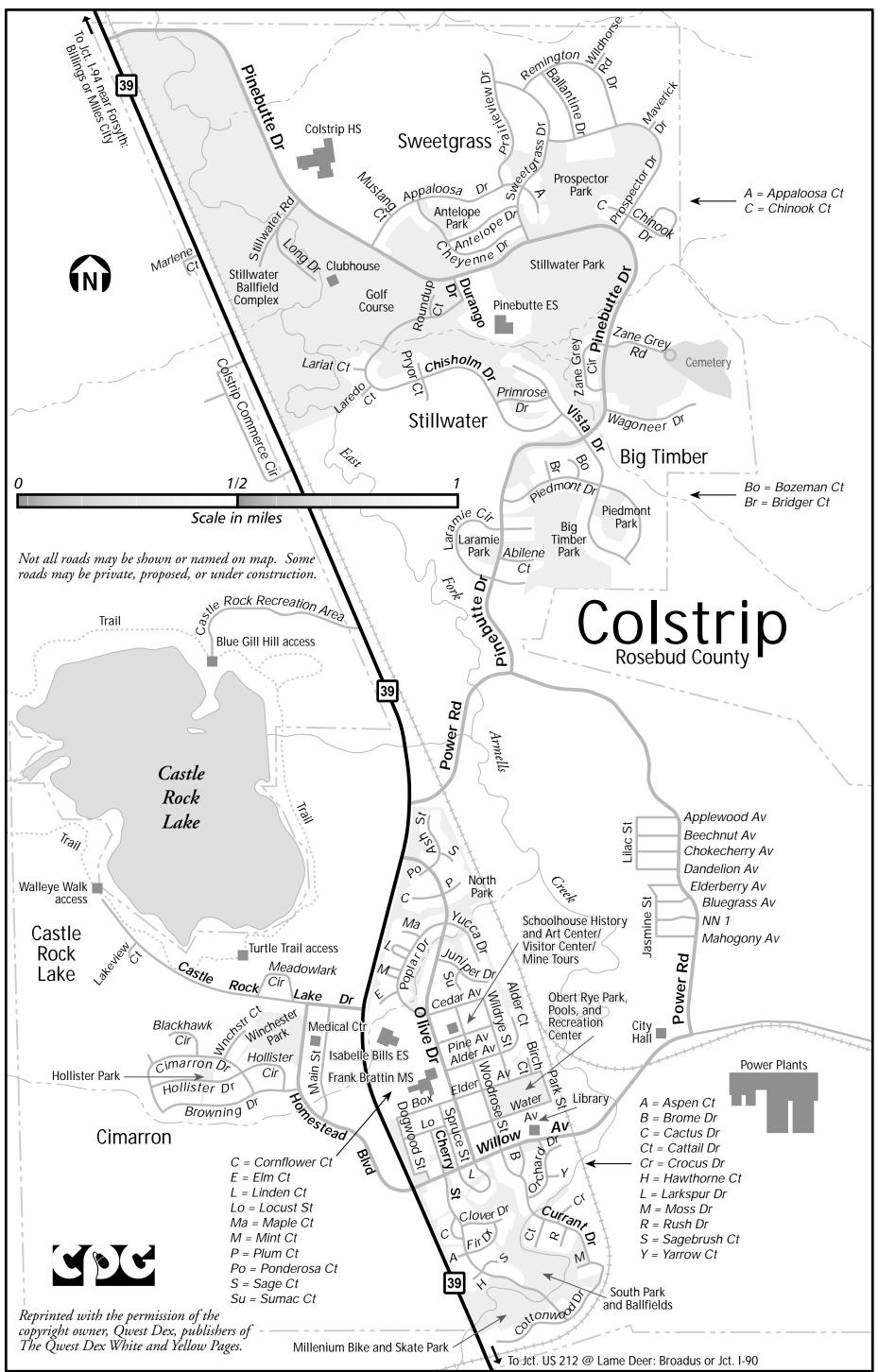
Location Map



Map Showing Colstrip, MT

Map data ©2014 Google 1 mi

https://www.google.com/maps/@45.8894902,-106.63449,12z



COLSTRIP, MONTANA

Exhibit B

Summary of Bids



NWCCD / SHERIDAN COLLEGE

110 Park Street, Colstrip MT

ANTER OF	PROJECT	CPRD Community Center Building - HVA	C Upgrades		p
	and the second second	Colstrip, Montana			
2000 2015	ENGINEER:	SIMPLICITY CONSULTING, ENGINE	ERING & DESIGN		
		PO Box 81222			
		BILLINGS, MT 59108			
	and the second	406 254-7157			
	BID OPENING DATE:				
CONTRACTOR:		Star Service	Norpac		
	609 Charles ST	26 South 24 Street	PO Box 30776		
and the second second	Billings MT	PO Box 1560	Billings MT 59107		
Phone	406.545.0826	Billings MT 59103 406.259.3754			
	406.371.5791	406.259.2420	406.248.1757 406.248.6320		
Bid Security:	YEs	Yes	400.240.0320 Yes		
Addenda Acknowledged:	YES	Yes	Yes		
Base Bid:	500,000	1,000,000	2,000,000		
Fax Mod:	184,500	(265,520)			
Total Base Bid:	684,500	734,480	789,000	0	
Bid Option #1:	500,000	50,000			
Fax Mod:	(383,400)	96,400			
Total Alternate #1:	116,600	146,400		0	
Bid Option #2:	500,000	50,000	100,000		
Fax Mod:	(365,000)	112,050			
Total Alternate #2:	135,000	162,050		0	(
Bid Option #3:	500,000	50,000	100,000		
Fax Mod:	(350,000)	118,460	80,500		
Total Alternate #3:	150,000	168,460	180,500	0	
Bid Option #4:	500,000	50,000	100,000		
Fax Mod:	(393,000)	84,300	38,200		
Total Alternate #4:	107,000	134,300	138,200	0	
Bid Option #5:	500,000	50,000	100,000		
Fax Mod:	(317,000)	164,350	142,900		
Total Alternate #5:	183,000	214,350		0	0
BASE	684,500	734,480	789,000		
BASE & 1	801,100	880,880	947,600		
BASE, 1 & 2	936,100	1,042,930	1,120,750		
BASE 1-3	1,086,100	1,211,390	1,301,250		
Base 1-4	1,193,100	1,345,690	1,439,450		
Base 1-5	1,376,100	1,560,040	1,682,350		

Bid modification

SECTION 00100 - BID FORM 00100-1

BID PROPOSAL Colstrip Parks & Recreation District Community Center Building - HVAC Upgrades

TO: Director CPRD Community Center Building PO Box 127 Colstrip MT 59323

Liz Jensen:

The undersigned, having familiarized himself with the Contract Documents, site, location, and conditions of the Work as prepared by Simplicity, PO Box 81222, Billings MT 59108-1222, 406.254.7157, by submission of this Bid Proposal, hereby agrees to complete the Work for the total sum as follows:

BASE BID: Basement Heat Pumps, HRV-02, Boller & Chiller Plants

s + 184,500.00

~,<383,400.00>

< 365,000.00>

-s<350,000.00>

- <393,000.00>

- s<317,000.00>

<u>ALLOWANCES</u>: Provide a \$20,000 allowance to your Base Bid to Include fire suppression modifications as part of the Work. The scope of this Work will be assessed during construction and the price will be adjusted as needed via Change Order

BID Option 1: Pipe Extension to Fitness Gym/Youth Center HP-05, 16

BID Option 2: Plpe Extension to Office (HP-06,13,14,15)

BID Option 3: Pipe Extension to Racquet Ball (HP-11, 12)

BID Option 4: Change House HRV & Duct Reconfiguration (HRV-1)

BID Option 5: Main Gym RTU-1 installation and ductwork

LIST OF SUBCONTRACTORS

This section must be completed to meet the requirements of a responsive bid (The Owner still retains the right to determine whether or not this requirement is an irregularity or informality in the bids submitted). If work will be performed by the General Contractor, enter the name of the General Contractor. Should Alternates be included in the bid proposal, and the listed subcontractors change based upon the pricing of the alternates, the General Contractor shall provide a listing or notation of the change in subcontractors for each alternate for each description of the work.

Temperature Controls	TRANE	
Electrical	Don's Electric	
DESCRIPTION OF WORK	SUBCONTRACTOR	

Exhibit C

Assets

COLSTRIP PARK AND RECREATION DISTRICT STATEMENT OF NET POSITION June 30, 2019

ASSETS: Current assets: Cash and cash equivalents	\$ 1,492,251
Receivables:	· · · · · · - · - ·
Taxes	1,823
Inventories	3,327
Prepaid items	172
Total current assets	1,497,573
Capital assets:	
Land improvements	4,212,039
Buildings	3,830,050
Furniture and equipment	1,718,704
Less accumulated depreciation	(5,473,992)
	1 000 001
Total capital assets, net	4,286,801
Total assets	5,784,374
LIABILITIES:	
Current liabilities:	
Accounts payable	12,202
Salaries payable	42,842
Compensated absences	6,542
Total current liabilities	61,586
Long-term liabilities, less current maturities:	
Compensated absences	58,879
•	
Total long-term liabilities	58,879
Total liabilities	120,465
NET POSITION	
Net investment in capital assets	4,286,801
Unrestricted	1,377,108
	¢ 5 662 000
Total net position	\$ 5,663,909

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MEMO

To:Coal Board Members and Commerce StaffFrom:Division EngineerSubject:Colstrip Parks and Recreation (CPRD)Meeting:June 2020 (re-application)

History – The City maintains a fitness center, parks and green areas for its residents. The Community Center contains a gym, fitness equipment and an outdoor pool. The building that houses the Community Center contains aged mechanical systems installed in 1978. The building is reported to be one of the most utilized buildings for a variety of activities in the community.

Problem – Problems identified in the application included the following:

- heating system is past its useful life; and
- one half of the basement is without heat.

Solution – The proposed project includes replacing the HVAC system.

The purpose of the project is to improve heating and ventilation in the Community Center building. High maintenance costs (three times over budgeted amount) are depleting reserves. Proper ventilation and heat in buildings is also essential for health reasons.

The Coal Board grant request is for \$250,000. The total cost is \$1,376,600; the CPRD is contributing \$1,126,600.

Bids were opened in October of 2019 from three vendors. There was also a bid modification on October 31st. Since bids were received in October of 2019, it was not clear why the Implementation Schedule shows second quarter of 2020 for "Prepare RFQ's and Advertise" and "Select Contractor".

Simplicity Consulting Engineering & Design, from Billings, was listed as the engineer. The Budget Narrative did not appear to include engineering costs.

The bid package was not included with the Coal Board application. A bid tab summary and some bid modification information was provided. Based only on the bid modification information, the work scope for the base bid and alternates may have been as follows:

Base Bid: basement heat pumps, HRV-02, boiler and chiller plants Bid option #1: pipe extension to fitness gym/youth center Bid option #2: pipe extension to office Bid option #3: pipe extension to racquet ball Bid option #4: change house HRV & duct reconfiguration Bid option #5: main gym RTU-1 installation and ductwork

A description of the process used to solicit bids and environmental documentation was not found. It was not clear if Coal Board is being asked to fund the base bid or some combination of the alternates.

Coal Board Grant Applicant-Rosebud County #0904 Staff Report / June 2020 Meeting

<u>Applicant:</u> Rosebud County <u>**Project:**</u> Replace HVAC system at Parks and Recreation Community Center <u>**Coal Board Funds Requested:**</u> \$250,000 <u>**Total Project Cost:**</u> \$1,376,600

Project Information:

The applicant is requesting \$250,000, of a total project cost of \$1,376,600, in Coal Board funds to replace the outdated HVAC equipment for Colstrip Parks and Recreation District. The request to the Board is 18% of the project costs. The purpose of the project is to replace the current HVAC system that was installed in 1978. **The applicant is a designated unit.**

Categories:

Need:

- Applicant:
 - Applicant states that the Colstrip Parks and Recreation Department building is one of the most utilized buildings for a variety of activities in the Colstrip community.
 - Applicant states the HVAC system for that building is 42 years old in most of the building and is requiring a large amount of repairs and maintenance. One area of the building is completely without heat and ventilation due to not being able to make repairs anymore.
 - Application did not provide any documentation of environmental review process.
- Staff Review:
 - The purpose of the project is to improve heating and ventilation in the Community Center building. Proper ventilation and heat in buildings is also essential for health reasons.
 - A description of the process used to solicit bids was not found. It was not clear if the Coal Board is being asked to fund the base bid or some combination of the alternates.
 - o Staff has determined that the environmental process is not complete.

Degree of Severity of Impact:

- Applicant:
 - Applicant states that the need for repairing the HVAC is attributable to coal related impacts due to the fact that there are nearly 800 persons employed full time in the coal industry in and around Colstrip.
 - Applicant states that the majority of households in Colstrip have a member of the household directly employed in the coal industry. With Units 1 and 2 now shuttered, less taxable value is anticipated for this tax district. Therefore, less resources will be available in the future to afford expensive capital improvements such as this or make costly repairs to an aging and inadequate HVAC system.
 - o Applicant states this will have a direct impact on employees working in the coal industry.

• Staff Review:

 Documentation regarding severity of impact included in the narrative responses to Severity of Impact questions in the application.

Availability of Funds:

Applicant:

- Applicant states CPRD has approximately \$1.3 million in reserve funds.
- Applicant states that because of the anticipated decrease in tax revenue with Colstrip Units 1 and 2 shutting down, there is much uncertainty that the HVAC project plus other needed maintenance projects could be funded. Replacing the HVAC now will cut down on costly repairs and provide the facility with a dependable newer system while not completely depleting the reserves of the organization in the event of other urgent needs.

<u>Staff Review:</u>

- The applicant is a designated unit.
- Revenues related to the Coal Natural Resource account are not sufficient to fund the costs associated with this project request.

Degree of Local Effort in Meeting Needs:

- <u>Applicant:</u>
 - Applicant states that the current millage rates are not lower than the previous three years.
 - Applicant states that CPRD is contributing 82% of the project funding.

• Staff Review:

- Millage rates provided by MDOR data demonstrates the average millage rates for the previous three years are lower than the current year millage rates. MDOR data years: 2016-2017, 2017-2018, 2018-2019.
- The applicant is contributing 82% of the project funding.

Planning & Management:

<u>Applicant:</u>

- Applicant states that this project is directly related to a plan for orderly management of a community for an anticipated decline in employment due to pressure on the coal industry. The repair to existing infrastructure will allow CPRD to cut repair costs and still provide for the employees of the community who will continue to be employed and live in Colstrip.
- Applicant states that with CPRD facing a decrease in taxable value due to Colstrip Units 1 and 2 being shut down, utilizing reserves that are available now plus applying for Coal Board assistance was considered in order to improve existing infrastructure to continue to serve the existing Colstrip population. This plan is consistent with the SEMDC Infrastructure Needs list and also the newly updated Colstrip Growth Policy. Quality of Life issues are important to communities trying to attract new business or new employees for existing businesses that are expanding.

• Staff Review:

- The County has a strong planning foundation including adopting Floodplain Regulations in 2008, Roads and Properties Design Standards for Colstrip in 2011, Subdivision Regulations in 2012 and a Growth Policy and Land Use Plan in 2013. The County has been proactive with the local economic development group (SEMDC) in anticipation of the closure of Units I and II.
- The 2013 Growth Policy cites "Monitor[ing] usage and condition of public facilities" as a goal and "Regularly inspect[ing] and maintain[ing] facilities to ensure services" as an objective to achieve this goal. Replacing the HVAC system at the CPRD facilities aligns with this goal.

• The County is in the process of updating its Growth Policy (expected early 2021) with the assistance of a CDBG Planning grant.

Grant History:

Since 2010, the applicant has been awarded 13 projects totaling \$1,835,632.

For more information on Coal Board projects for this or any other applicant, please visit the Commerce Grants Database at https://commerce.mt.gov/About/FundedProjects

Supplemental Documents (not included in this staff report): maps, summary of bids, financial information.

Staff Summary:

See engineer memo.

"The applicant must provide documentation of the completed environmental review process and include with the application all documentation of the public review process, including but not limited to, the public notice for and minutes of a public hearing at which the environmental review was discussed, the public comments received, and the final decision on the environmental determination made during a public meeting" (Montana Coal Board Application, pg 27).

The environmental review record in this application is incomplete. The Board may categorically exclude projects from MEPA requirements which apply to Coal Board regulations. The proposed project could fall under a Coal Board categorical exclusion (ARM 8.2.304(5)). Therefore, the board has two options. The board may postpone action on the project for failure to complete the application. Or the board may designate the project as categorically excluded from MEPA review (see ARM 8.101.203) during a public meeting. To facilitate the opportunity for the board to make this decision, the agenda has included public notice concerning this environmental review decision.

Staff does not recommend funding until environmental review record regulations have been met. Further, staff does not recommend funding due to the statutory criteria: Availability of Funds. Staff does not recommend awarding contingent upon available revenue as there is insufficient revenue to award projects currently. Staff recommend awarding projects based on revenue received to meet the Availability of Funds statutory criteria.

Montana Coal Impact Grant Application

Submitted to the Montana Coal Board

By

Big Horn Hospital Association

For

Big Horn Hospital Front Entry Construction & Admission Office Renovation

Date Submitted April 24, 2020

SUMMARY INFORMATION

- 1. <u>NAME OF APPLICANT(S)</u>: Big Horn County
- 2. <u>TYPE OF ENTITY</u>:

Acute Care Hospital/Critical Access Designation

- 3. FEDERAL TAX ID NUMBER:
- 4.
- 5. <u>SENATE AND HOUSE DISTRICTS:</u> Senate District 21 House District: 41 & 42

AMOUNT OF COAL IMPACT GRANT REQUESTED \$498,759.00

- 6. <u>NAME OF PROJECT</u>: Hospital Front Entry Construction And Admission Office *Renovation*
- 7. <u>TYPE OF PROJECT</u>: Hospital Construction And Renovation
- 8. <u>POPULATION SERVED BY PROJECT</u>: **13,141 2015 US Census Report**
- 9. <u>NUMBER OF HOUSEHOLDS SERVED BY PROJECT</u>: 3,576
- 10. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE:

George Real Bird III/ Chairman Big Horn County Commissioner Address: 121 West 3rd St. Hardin, MT 59034 Phone: 665-9700 cwells@co.bighorn.mt.us

11. PRIMARY ENTITY CONTACT PERSON:

Bill Hodges/Hospital Foundation Director 17 N. Miles Ave. Hardin, MT 59034 Phone: 665-2310 C Phone: 665-5539 FAX: 665-9238 E Mail Address: bhodges@bighornhospital.org

12.OTHER CONTACT PERSONS:

CTA Architects & Engineers/Mike Glassing-AIA 13 North 23rd Street – Billings, MT. Phone: 248-7455 – Mike Glassing-AIA

12. <u>MILLAGE RATES</u>:

FISCAL YEAR	MILL WORTH	MI	<u>LLS LEVIED:</u>
FY 2016-17	\$23,337.00	107.51	\$2,508,960
FY 2017-18	\$23,776.00	125.96	\$2,994,825
FY 2018-19	\$23,559.00	129.86	\$3,059,372
FY 2019-20	\$23,195.00	164.83	\$3,823.232

<u>AMOUNT OF COAL GROSS PROCEEDS TAX</u>: In the previous two years, Big Horn County has received \$19,802,134. Gross proceeds tax is less than the previous two years due to reduced coal production. The aforementioned amount is allocated to County Department budgets (approximately 40%) and County schools. (ie 60%) Consequently, because gross proceeds taxes are allocated to governments where mines are located, Big Horn County uses these funds to support county government activities.

<u>COUNTY FINANCES</u>: Debt Obligations: Big Horn County has no current debt obligations. Current Assets: Total fixed assets for Big Horn County for fiscal year ending June 30, 2019 is \$40,840.948.

IMPACTS FROM COAL INDUSTRY: Approximately 520 + community 13. residents (ie Coal Miners) are employed at the three coal mines contained within Big Horn County with an annual payroll exceeding \$44 million. According to the Environmental Quality Council draft report; in calendar year 2016 \$81 million was generated to state and local governments in the form of severance and gross proceeds taxes. The state of Montana generated \$60.4 million from the severance tax in fiscal year 2016, and has historically averaged between \$52.7 million and \$60.4 million since 2011. The coal gross proceeds tax, which is a 5% yearly constant tax imposed on gross proceeds, and collected by local county treasurers and then given proportionally to the taxing entity. In fiscal year 2016, this tax amounted to \$20.8 million. The Federal government collects royalties on tons of coal produced on federal property, and about half are sent to the state of Montana. The funds are then directed to the general fund, with approximately 25% going to an impact account committed to local governments. In fiscal year 2016, Montana mines paid \$20.9 million in federal royalties. Coal production has declined since 2008 when 45 million tons were produced to 35.3 million tons produced in 2017. (eg. Environment Quality Council Report-January 2018 & Montana Coal Council Annual Employment Report)

14. <u>MAPS</u>: Blueprints & Architect/Artist Drawings Will Be Included In This Application To Illustrate project scope and design to be located within Preliminary Architectural Report.

17. BRIEF PROJECT SUMMARY:

Big Horn Hospital Front Entry Construction & Admission Office Renovation

<u>Historical Information:</u> Big Horn Hospital was built in 1959 by Big Horn County as an acute care hospital serving a rural population seeking moderate non emergent healthcare services. But in recent years due to increased volumes of patients seeking emergency treatment - Big Horn Hospital has not been prepared for this emerging patient demand for healthcare. Big Horn Hospital emergency department and ancillary hospital departments have not been renovated for over 40 years causing lack of efficiency and patient treatment outcomes to be less than optimal. Patient emergency visits have increased drastically in the previous three fiscal years to surpass an 8% increase yearly since 2016. This in turn exceeds a monthly average of 430 visits per month. Patient overflow in the Hospital causes the admission department to be congested and compromising patient confidentiality. The admission department renovation will encompass individual reception areas along with an improved lobby area for processing of patient admissions. A drive through covered entry/canopy will be included in the new construction to address the increase in patient volumes and provide an efficient patient delivery which is enclosed and protected from inclement weather.

<u>Problem:</u> Hospital Emergency Front Entrance/Patient Admissions Has The Following Deficiencies:

Admissions/Front Entry Is Undersized And Inadequate For Patient Disclosure Of Medical Information.

Patient Congestion With an Undersized Admissions Lobby Causes Patient Anxiety And Delays in Treatment of Patient Medical Symptoms.

Lack of Controlled Patient Access Is Evident Causing Patient Confidentially To Be Compromised Along With Patient & Hospital Staff Safety.

Proposed Solution:

New Hospital Admissions Area Will Have Separate Admissions Reception Desks Bays That Will Address Emergent Patient Surges In The Admissions Department.

Patient Controlled Access Will Be Safer And Efficient With An Improved Design For Increased Patient Volumes.

Improved Patient Entry With A Covered Canopy Will Assist In Entry To Hospital And Relieve Congestion In The Patient Lobby/Waiting Areas While Protection From Volatile Weather Conditions.

Big Horn Hospital Front Entry Construction And Admission Office Renovation								
Completed by: Bill Hodges For: Hardin, MT Date: April 24, 2020								
ADMINISTRATIVE/ FINANCIAL COSTS	SOURCE: Coal Board	SOURCE: BHHA	SOURCE: Big Horn County	SOURCE:	TOTAL:			
Grant Administration	\$	\$2,150.00	\$ 935.00	\$	\$3,085.00			
Office Costs	\$	\$	\$ 215.00	\$	\$ 215.00			
Professional Services	\$	\$	\$	\$	\$			
Legal Costs	\$	\$	\$	\$	\$			
Travel & Training	\$	\$	\$	\$	\$			
<u>TOTAL ADMINISTRATIVE/</u> FINANCIAL COSTS	\$	\$2,150.00	\$1,150.00	\$	\$3,300.00			
ACTIVITY COSTS:								
Equipment Cost	\$	\$	\$	\$	\$			
Construction Cost	\$498,759	\$1,779,746	\$	\$	\$2,278,505			
Architectural/Engineering Design	\$	\$ 125,163	\$	\$	\$ 125,163			
Product Completion (PER's, studies, etc.)	\$	\$	\$	\$	\$			
Contingency	\$	\$ 213,569	\$	\$	\$ 213,569			
TOTAL ACTIVITY COSTS	\$498,759	\$2,118,478	\$	\$	\$2,617,237			
TOTAL PROJECT COSTS	\$498,759	\$2,120,628	\$ 1,150.00	\$	\$2,620,537			

BUDGET NARRATIVE FOR: Big Horn Hospital Front Entry Construction And Admission Office Renovation

ADMINISTRATIVE/FINANCIAL COSTS	
Office Costs: Office Costs will be minor in this project. Minimal cleric duties and processing of grant documents for the project	\$ 215.00
<u>Grant Administration</u> : Hospital Association Foundation Director will be the project manager assigned to the grant which will include monitoring work by professional staff along with completion of a final progress report for Coal Board administrative staff.	\$ 3,085.00
<u>Professional Services</u> : Professional Services will be reflected on this project in the costs associated with in design & engineering in the project budget.	\$ 0.00
<u>Legal Costs</u> : No legal fees are anticipated for this project.	\$ 0.00
Audit Fees: Audit fees will not be required for this project.	\$ 0.00
TOTAL ADMINISTRATIVE/FINANCIAL COSTS	\$ 3,330.00
<u>ACTIVITY COSTS</u> Equipment Cost: Not allocated for this funding application	\$
<u>Construction Cost:</u> Construction Cost Related To New Construction? Renovation Along With Contingency Costs.	\$ 1,179,746
Architectural/Engineering Cost: Fees Associated with Front Entry & Admission Office Design Associated Blueprints Including Mechanical & Electrical	\$ 125,163
<u>Contingency Costs</u> : Cost Associated With Concealed Conditions of Project.	\$ 213,569
TOTAL ACTIVITY COSTS:	\$ 2,617,237
TOTAL PROJECT COSTS:	\$ 2,620,537

IMPLEMENTATION SCHEDULE FOR Big Horn Hospital Front Entry Construction And Admission Office Renovation

	QU	ARTE	RS 20)19	QU	ARTEI	RS 20)20	QUARTERS 2021				
TASK	1sт	2 _{ND}	3 RD	4 тн	1sт	2 ND	3 RD	4 тн	1sт	2 _{ND}	3 RD	4 тн	
PROJECT START-UP													
A. Sign contract with Coal Board							Х						
B. Secure approval of other funding							Х						
C. Submit progress reports and draw Down. (Progress reports.)								X					
PROJECT CONSTRUCTION													
A. Architectural Design							Х						
B . Conduct pre-construction conference							Х						
C. Construction and purchase and installation of equipment							Х						
D. Monitor Progress								x					
E. Final Inspection								X					
PROJECT CLOSE-OUT													
A. Coal Board administrative staff conduct on-site monitoring of the project.								X					
B. Submit project completion report.									X				
C. Include project in audits.									X				

19. DESCRIPTION OF RELATIONSHIP TO COAL BOARD STATUTORY GRANT CRITERIA

A. <u>Need</u>

Does a serious deficiency exist in a basic or necessary community public facility or service? Examples include emergency services such as police, fire, or ambulance services. (Describe the nature and frequency of occurrence and provide supporting documentation.)

APPLICANT'S RESPONSE:

- 1. As stated in the application project summary, Big Horn Hospital was built in 1959 for a stable health care patient population seeking only rudimentary healthcare services, but in the last three years, the healthcare consumer in Big Horn County is presenting in higher volumes which in turn necessitates that an improved healthcare facility with more physical space and efficient design concepts be built to address this urgent need for patient healthcare. The current hospital entrance which consists of a small lobby reception area and patient admission is an undersized design causing patients to be congested in a small area, and not conforming to confidential standards of healthcare transmission of patient medical information. An 8% increase in emergency room visits in the preceding three (3) fiscal years is the rationale for improving the admission process to be efficient and professional.
- 2. Have serious public health or safety problems that are clearly attributable to a deficiency occurred, or are they likely to occur, such as illness, disease outbreak, substantial property loss, environmental pollution, safety problems, hazards, or health risks?

APPLICANT'S RESPONSE:

The serious public health problem that is apparent with the hospital business admission area is that patient confidentiality is compromised along with lack of control access which allows unfettered access by the patient to a majority of the hospital physical plant.

3. Is the entire community, or a substantial percentage of the residents of the community, seriously affected by the deficiency or at risk, as opposed to a small percentage of the residents. (Describe the number or percentage of community residents affected by the problem.)

APPLICANT'S RESPONSE:

A percentage of the Big Horn County population is at risk with a FY 2020 patient emergency visit average of 436.00 over nine (9) months of hospital operation along with projected visits to all hospital business lines to exceed 10,000 visits in a hospital fiscal year. Consequently, hospital visits would be almost approximately 78% of the City of Hardin population. Therefore, a risk factor could be evident with a patient population that is being delayed due to hospital admission inefficiency in the business office.

4.Is there clear documentation that the current condition of the public facility or service (or lack of a facility or service) violate, a state or federal health or safety standard. If the proposed project is necessary to comply with a court order or a state or federal agency directive, describe the directive and attach a copy of it.

APPLICANT'S RESPONSE:

There is not clear evidence/documentation Big Horn Hospital current physical plant violates state or federal health standards, but recommended hospital industry standards on square footage for "best practice" healthcare treatment with acute medical symptoms is being compromised in the current hospital reception/lobby area of the Hospital.

5. Does the standard that is being violated, or potentially may be violated; represent a significant threat or potential threat to public health or safety?

APPLICANT'S RESPONSE:

The potential for public safety is moderate and not a significant threat to public health/safety. But the potential delay of processing of patients in an inefficient admission office could cause for secondary threats to public safety. The lack of a controlled access point for patients could potentially be considered a mild threat to public welfare.

6. Additional information supporting the NEED for this project.

APPLICANT'S RESPONSE:

Big Horn Hospital in current fiscal year (ie July 1, 2019 – June 30, 2020) will have an estimated hospital visits/encounters exceeding 10,000 in the aforementioned fiscal year 2020. These patient encounters include emergency room visits, laboratory tests along with visits from patients seeking ancillary services such as imaging services which include CT Scans, Mammograms, X-Rays, and MRI's. The physical therapy department which is an aligned business entity of the Hospital Association has experienced increased patient visits in the current and previous fiscal years. All of these patient encounters will need to be processed by the admission/business department of the Hospital. The new design at the admissions office will allow patient reception and collection of patient data to be seamless and private which in turn will increase overall efficiency of operations in the hospital. The new public entrance will be a covered canopy and will be for most patient presentations that are not transported by ambulance. The new entry will allow patients/families to be protected from weather conditions. According to the Community Health Services public survey conducted in May of 2019, approximately 81.5% of survey respondents indicated that "local healthcare services are very important to the economic well-being of the community." In current fiscal year 2020, Big Horn Hospital projected employee payroll will exceed 8 million dollars which has a conversion factor of close to 24 million to the local economy of Big Horn County. Big Horn Hospital Association is providing a viable economic base by employment of close to 200 medical healthcare workers in both Big Horn Hospital, Big Horn Senior Living, and Big Horn County **Public Health.**

B. <u>Degree of Severity of Impact from an Increase or Decrease in Coal Development or</u> In the Consumption of Coal by A Coal-Using Energy Complex

1. Describe why the need for the expansion or improvement to the public facility or public service is attributable to coal-related impacts. Additionally, please provide the percentage of the project that is a result of coal impacts.

APPLICANT'S RESPONSE:

Due to the medical necessity of coal related activities and economic conditions within Big Horn County approximately 43% of the Hospital renovation and equipment replacement would be coal-related impacts to the general population while about 4% would be direct coal miner job related utilization of the hospital services arena. The aforementioned numerical calculation is the population threshold of households that are impacted by the Hospital project due to an estimated 10,000 annual hospital visits. According to Census 2010, the median income for a household was \$36,550, and the median income for a family was \$41,985. According to a recent publication/report to the Montana Coal Council, total coal production for Montana was about 35.3 million tons in calendar year 2017. The aging workforce of the Big Horn County coal miners and families along with the job related hazards of coal mining causes the Hospital renovation to be a significant influence to coal related activities in Big Horn County. Big Horn County has three (3) coal mines in the County, Cloud Peak/Spring Creek Mine, Westmoreland Resources/Absaloka Mine, Lighthouse Resources/Decker Mine, and one Coal generating station north of Hardin. A computer server north of Hardin was in construction, but has been idled in the last 90 days due to financial constraints of operations

2. Name the nearest coal development area or coal-using energy complex to your community and the road miles from your community. **APPLICANT'S RESPONSE:**

The closest coal development area complex to the town of Hardin is Absaloka Mine located 21 miles southeast of Hardin along with coal generating station north of Hardin approximately 1.5 miles, but operations have sporadic in previous calendar years.

3.Additional information supporting the DEGREE OF SEVERITY OF IMPACT FROM AN INCREASE OR DECREASE IN COAL DEVELOPMENT OR IN THE CONSUMPTION OF COAL BY A COAL-USING ENERGY COMPLEX. <u>APPLICANT'S RESPONSE</u>:

Big Horn Hospital is one of two critical access hospitals in Big Horn County. Big Horn Hospital offers an array of diverse medical services including updated medical equipment and related technology to the County population of 12,800 + residents. A modern renovated business department and new front entrance will provide an efficient and quality medical environment that permits the health care consumer in Big Horn County to be seen locally and treated without delay or transfer to urban hospitals in Billings approximately 50 miles away. According to the 2021 Biennium Coal Impacted Local Governmental Units Designation Report Spring Creek Mine is projected to increase production by more than 1 million tons per year for the remainder of the biennium which has been under speculation due to lack of demand in international markets.

C. Availability of Funds

- 1. Amount requested from the Coal Board: **\$ 498,759.00 = 19%**
- 2. Amount of Coal Board funds available at the time of application \$_____ (#2 will be completed by Coal Board staff)

3. Explain why a coal impact grant is necessary to make the project feasible and affordable **APPLICANT'S RESPONSE**:

The Coal impact grant is necessary due to Hospital Association previously committed funds for building repairs/capital equipment purchases toward Big Horn Hospital and Big Horn Senior Living Center operated by the Hospital Association. Traditional capital equipment expenses for Big Horn Hospital Association are approximately \$200,000 per fiscal year. The annual debt loan service for the Hospital Association/Big Horn Senior Living is in excess of \$11,705,000. A majority of this debt is associated with Hospital capital improvement campaign. (ie New construction/renovation). Hospital reimbursement is by government payers-Medicaid & Medicare. Reimbursement by these payers is approximately 27% of billable charges. Hospital Association engages in annual grant writing requests to off-set capital equipment purchases, but due to competitive nature of grant funding – funding is often subsidized by the Hospital Association and Big Horn County Inter-governmental grant revenue. The Coal Board grant request is approximately 19% of the total project budget demonstrating the obligation of the Hospital Association to be dedicated to the completion of the front entry/admission office renovation.

Proposed funding sources for the project? **APPLICANT'S RESPONSE:**

FUNDING SOURCES SUMMARY FOR Big Horn Hospital Front Entry Construction And Admission Office Renovation Project											
Source	Type of Fund	Amount	Status of Commitment	Loan Rates & Terms							
Montana Coal Board	Impact Grant	\$ 498,759.00	Pending	Not Applicable							
Big Horn Hospital Association	Direct Contribution Hospital Foundation Hospital Reserves, And MT Finance Loan.	\$2,120,628.00	Pending Public Fundraising Capital Campaign	Loan Secured 20 Year – 4.38 % 5 Year - 4.58%							
Big Horn County	In Kind Contribution	\$ 1,150.00 \$ 2,620,537	Pending Award	Not Applicable							

4. If a particular proposed source of funding is not obtained, how will the applicant proceed? <u>APPLICANT'S RESPONSE</u>:

If Big Horn Hospital Association is not successful in the quarterly Coal Board meeting in June, alternative avenues to pursue funding would be the following: increase allocation of Hospital Association reserve funds to the project, expand public capital campaign, and finally request additional financial support from Big Horn County in upcoming fiscal years 2021 & 2022.

D. Degree of Local Effort in Meeting Needs

1. If current millage rates given are lower than the average rates levied during the previous three years, briefly explain why they are lower.

APPLICANT'S RESPONSE:

Current millage value have increased in previous fiscal years.

2.Describe any local efforts to meet the public facility or public service needs by providing financial contributions to the project to the extent possible, such as local funding, donations of land, absorbing some or all-administrative costs. For non-profit organizations, describe fundraising efforts or other in-kind assistance to the proposed project as well as usual program fund-raising efforts.

APPLICANT'S RESPONSE:

Local Fundraising efforts have been active in Big Horn County for approximately 17 months. It is projected the community/public campaign phase along with pledges from the Hospital Association Medical Family will offset a portion of project costs. As of this application submission community along with Hospital Family pledges have surpassed \$1,000,000 in capital campaign funding. A Community Development Block Grant application was applied for and funded at \$400,000. A combined total of \$1,457,000 has been secured by this application date towards a campaign goal of \$3,000,000.

3.Describe past operation and maintenance budgets and practices over the long-term, including any reserves for repair and replacement. **APPLICANT'S RESPONSE**:

Big Horn Hospital Association historically implements a capital replacement five (5) year plan that outlines and prioritizes equipment attrition/useful life for plant operations. Due to the aging physical plant of the Hospital built in 1959, this 61 year old building is in drastic need of renovations with specific need to the front entry and admission department area that has been absent since inception of the original build date of 1959. The Hospital has minimal reserves for capital repair and replacement and since incurring new debt service obligations towards the hospital master facility update/construction project.

APPLICANT'S RESPONSE:

<u>CURRENT DEBT SUMMARY FOR</u> Big Horn Hospital Front Entry Construction & Admission Office Renovation Project

Purpose	Type of	Amount	Maturity	Debt Holder	Coverage	Annual	Outstanding
	Bond/		Date		Required	Payment	Balance
	Security		(mo./yr.)			Amount	
		Bond/ Security					Payment

4. If there are indications that the problem is not of recent origin, or has developed because of inadequate operation and maintenance practices in the past, explain the circumstances and describe the actions that management will take in the future to assure that the problem will not reoccur.

APPLICANT'S RESPONSE:

Big Horn Hospital is an acute care critical access hospital, offering hospital services beginning July 1, 1959. Big Horn Hospital is operational 24 hours a day – 7 days a week to the residents of Big Horn County. The business department has undergone only minor cosmetic upgrades since the Hospital was first built in 1959. The new front entry construction will add efficiency and improved access to the Hospital for patients that are self- transporting to seek medical attention. This phased master facility capital improvement project will serve the Big Horn County healthcare consumer well in the future of Big Horn County growth and expansion.

5. If the project involves water, wastewater or solid waste, provide the current and projected monthly household user charges, including operation and maintenance:

Not Applicable to this application/project.

- а
- b What is the current monthly household user charge? \$_____
- c What is the projected monthly user charge (including operation and maintenance) when the project is complete? \$_____
- 6. What are your current debt obligations? **Total Debt Schedule From June 1, 2019 To June 30, 2020**

Refer To Enclosed Attachment Debt Loan Document.

TOTAL = \$ 11,819,702.27

7. What are your current assets?

APPLICANT'S RESPONSE:

Please refer to attached Big Horn Hospital Association Income Statement for Fiscal 2020.

8. What financial accounting system do you use? Athena

9. Is the applicant in compliance with the auditing and annual financial reporting requirements provided for in the Montana Single Audit Act, 2-7-501 to 522, MCA? (Tribal governments must comply with auditing and reporting requirements provided for in OMB Circular A-133).

Yes X No__ Date of last completed audit or financial report February 2020.

10. If there have been audit findings within the last five years, have they been satisfactorily addressed?

APPLICANT'S RESPONSE:

Yes. No significant audit findings have been recommended for correction in recent audit.

11. Additional information supporting the DEGREE OF LOCAL EFFORT IN MEETING NEEDS.

APPLICANT'S RESPONSE:

The degree of local effort is transparent with yearly capital campaign requests by the Hospital Foundation to seek out community donor requests for the benefit of the Hospital Association along with an annual community "Fish Fry" which has been in existence for 29 years. Big Horn Senior Living offers an annual Alzheimer Walk each spring that assists with activity department budgets at both the long term care facility and Big Horn Hospital. The Hospital coordinated the first Hospital "Showcase" event in October 2019 which was well attended by the public of Big Horn County. Grant writing for funding of capital equipment requests is aggressively pursued based on availability of funding from local & regional sources when capital equipment needs present. Strong support from Hospital Association affiliated auxiliaries have been evident previous fifteen years.

E. <u>Planning & Management</u>

1. Describe how your grant request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems related to coal impacts.

APPLICANT'S RESPONSE:

The Hospital Association engaged in a master facility planning review process almost four years ago on all properties managed by the Hospital Association. The Hospital Association master facility planning committee comprised of hospital staff, medical providers, and members of the general public ranked the hospital renovation with specific references to congested patient traffic flow as an urgent need for improvement. The prioritization of the Hospital construction/renovation project translated into an immediate need along with high probability of positive financial return of investment on construction expenses. Patient safety along with compliance issues for patient confidentiality was a salient reason for addressing the future planning and anticipated growth of issues related to coal impacts. This issue is also addressed in the Preliminary Architectural Report prepared by CTA Architects & Engineering. Describe how the proposed project is consistent with current plans.

APPLICANT'S RESPONSE:

Big Horn Hospital Association revision of organization mission/vision statements in 2015 indicates the Association – "will provide and individualize the healthcare experience, embodying an organization of people working together, promoting a culture of personal accountability to improve the health and well-being of those we serve." Big Horn Hospital along with Big Horn Senior Living has adopted the values of

CARE

Compassion – We treat our patients, communities and colleagues with sensitivity and empathy.

Accountability – We promote individual and organizational responsibility.

Respect – We honor the dignity of our patients, communities and colleagues.

Empowering – We create an environment for individuals to make confident decisions and health choices.

The Hospital Association since 2000 has been an independent operational entity absent of outside managerial consultation. The Hospital Association has established an aggressive/proactive evaluation and replacement of capital equipment with quarterly quality improvement models to evaluate capital equipment replacement projects. The current physical plant design of Big Horn Hospital, does not allow for efficient levels of patient services to be rendered in an appropriate medical industry standard of compliance. Patient emergency encounters in the previous three years have been on an 8% increase driving the necessity of this project to be a significant priority for delivery of healthcare in Big Horn County. To further underscore the sentiments of Big Horn County residents, in a 2019 Community Health Survey Project coordinated by Montana State Bozeman Rural Health staff-71.8% of survey respondents indicated Hardin was a preference for primary care services. A public hearing will be scheduled in May 2020 to address environmental health issues for this project and will be forwarded before June 1st for inclusion into the application packet.

APPENDIX A

PAR PRELIMINARY ARCHITECTURAL REPORT (PAR) REQUIREMENTS

This Section Is Not Applicable To Big Horn Hospital Front Entry Construction And Renovation Project

A. A PAR MUST BE SUBMITTED AS PART OF A COAL BOARD APPLICATION FOR:

Utilization of a PAR for rehabilitation or construction of Coal Board funded activities for Non-Water/Non-Wastewater community facility projects;

a. New construction of a Non-Water/Non-Wastewater community facility project;

B. A PAR MUST MEET THE REQUIREMENTS FOR:

a. Preparation of a PAR as a planning activity

C. GENERAL INFORMATION ON PARs:

- The PAR outline presented here is by no means all-inclusive. The architect should use his or her professional judgment to present sufficient information during preparation of the PAR, taking into account that different projects require varying levels of detail (rehabilitation of an existing building versus construction of a new building) and consideration of reasonable alternatives.
- Architects and project representatives can call Community Development Division staff (406841-2770) to request clarification and guidance regarding this PAR outline.

D. ENVIRONMENTAL CONSIDERATIONS RELATED TO THE PAR

NOTE: All state and Coal Board funded projects are subject to the Montana Environmental Policy Act (MEPA). This law seeks to avoid adverse impacts on the environment by mandating careful consideration of the potential impacts of any development assisted with funds.

• MEPA seeks to avoid or mitigate adverse impacts on the natural and human environment by mandating careful consideration of the potential impacts of any development assisted with state funds or approved by a Montana state agency.

Please refer to enclosed environmental impact checklist.

1. PAR OUTLINE

I. PROBLEM DEFINITION

A. DESCRIBE AND DOCUMENT THE NEED FOR THE PROJECT AND THE PROBLEM(S)

TO BE SOLVED. Describe the need for the project according to the following criteria:

1. Health and Safety - Describe concerns and deficiencies, compliance issues, and relevant regulations such as the International Building Code, (and other codes as listed in "Special Requirements Concerning Code and Standards Enforcement"), asbestos, lead-based paint, handicapped accessibility, zoning ordinances, and other federal, state, local, or tribal requirements concerning the existing facility(ies).

Attach pertinent correspondence to or from appropriate federal, state, and local regulatory agencies, especially information that provides documentation of health and safety concerns and deficiencies.

2. Facility Operation & Maintenance (O&M) - Describe O&M concerns regarding the existing facility(ies) with an emphasis on those with the greatest financial and operational impact.

If the high cost of maintaining the existing facility(ies) is related to a proposal to modify or replace the existing facility, describe and document these concerns and potential cost savings.

3. Growth - Describe the facility's capacity to meet projected growth needs from the completion of construction through the anticipated useful life of the building

Discuss any potential for future expansion, if applicable, or any consideration given to designing for phased construction or incremental expansion of the facility in the future.

Provide both the number of current users served by the facility(ies) and the projected number of users to be served by the proposed project upon completion.

B.IDENTIFY THE PLANNING AND SERVICE AREA, INCLUDING THE EXISTING LOCATION AND POTENTIAL, ALTERNATE LOCATIONS OF THE FACILITY.

Using narrative and drawings, describe the planning and service area and alternate building(s) or sites under review or consideration. The description should include the following information:

- 1. Location Indicate legal and natural boundaries, major obstacles, environmental constraints, etc., using maps, photographs, and sketches of the planning and service area, including both the existing location and potential alternate locations for the facility.
- 2. Growth Areas and Projected Population Trends Identify specific areas of projected, concentrated population growth and relate these to the forecasted growth in the clientele to be served by the proposed project.

Provide population projections for the project's planning and service area (and for the persons and/or groups the facility will serve) as well as for the projected design period (i.e., the anticipated useful life of the proposed facility).

Base projections for the clientele to be served upon historical records, Census data, or economic projections, citing recognized sources.

B. EVALUATE THE CONDITION OF THE EXISTING FACILITY(IES). Describe the existing facility(ies), including at least the following information:

- 1. History Provide a brief history of the facility(ies), including when the structure was constructed, major improvements implemented in the past, and any past problems.
- Condition of Facilities Describe the present condition and any problems such as code deficiencies, general structural decay, presence of asbestos, mold or moisture, lead based paint, subsidence issues, overcrowding, or handicapped accessibility. Describe the adequacy or capacity of the existing facility(ies) to meet existing and long-term needs.

II. ALTERNATIVE ANALYSIS

- A. DESCRIPTION OF ALTERNATIVE SOLUTIONS. Describe each alternative design, building, or site considered -- i.e., identify and describe existing buildings with potential for rehabilitation or alternation, or alternative building sites considered for new construction.
- 1. If proposing rehabilitation or alteration of existing buildings Describe existing buildings within the community that could be modified or rehabilitated to accommodate the proposed facility or need.

Describe the potential benefits and possible deficiencies with each alternative design, building or site considered, including code compliance issues, floor space, handicapped accessibility, and potential for long-term expansion, as applicable.

2. If proposing new construction, describe alternative building sites considered for new construction, any existing structures on the site(s), potential for long-term expansion, proximity to other services, environmental constraints, etc.

B. REGULATORY COMPLIANCE AND PERMITS. Describe issues that need to be addressed concerning compliance (for either a new building or a rehabilitated building) with appropriate regulations such as the International Building Code and other relevant codes, zoning issues, asbestos, lead-based paint, permits, handicapped accessibility (American Disabilities Act and HUD 504 regulations), designated 100-year floodplains, and other applicable federal, state, local or tribal requirements.

C. LAND ACQUISITION ISSUES. Identify sites to be purchased or leased and any easements needed, if applicable. Specify whether these properties are currently owned, to be purchased or leased, and whether options have been obtained, contingent upon receipt of funding.

- **D. ENVIRONMENTAL CONSIDERATIONS**. For the alternative selected for the project, discuss the following:
 - 1. Potential Environmental Impacts The PAR must include a discussion of environmental resources in the area that might be impacted or that might impact the proposed facility.
 - 2. Mitigation Evaluate appropriate short and long-term measures to mitigate each potentially adverse impact.

Describe the mitigation measure(s) necessary to minimize potentially adverse impacts upon identified environmental resources. Projects contemplating the renovation of existing structures should thoroughly discuss mitigation measures to address any existing hazards, such as asbestos and lead-based paint, where identified, in accordance with federal and state requirements.

- 3. Correspondence Include any environmentally-related correspondence and agency comments (e.g., comments from the State Historic Preservation Office).
- 4. Exhibits/Maps Include any exhibits, maps, or drawings as applicable to describe potential environmental impacts.
- E. CONSTRUCTION PROBLEMS. Discuss potential concerns such as geological constraints, limited access, underground storage tanks, high water table, asbestos, lead based paint, contaminated soil, noise, odors, or other conditions that may affect cost of construction or long-term operation of the proposed (new or rehabilitated) facility.
- F. COST ESTIMATES FOR EACH ALTERNATIVE. For <u>each alternative considered</u>, include both:
 - Project Costs (i.e., administrative, financial, engineering, architecture, and construction costs) <u>and</u> Project Annual Operation and Maintenance Costs

III. SELECTION OF THE PREFERRED ALTERNATIVE

- A. ANALYSIS OF ALTERNATIVE SOLUTIONS. Provide an analysis of why the preferred alternative (design, building, or location) was selected over other alternatives.
- **B. SITE LOCATION AND CHARACTERISTICS**. Discuss the site location of any current or proposed facilities, and why the preferred alternative was selected over other alternatives.
- C. PRELIMINARY ARCHITECTURAL PLANS. Provide preliminary architectural plans (including a proposed floor plan) for the proposed (new or rehabilitated) facility.

- **D. OPERATIONAL REQUIREMENTS**. Discuss the expertise required to operate the facility and any unique operational requirements or benefits of the facility and describe why the preferred alternative was selected over other alternatives.
- E. PROJECT COST SUMMARY / PROJECT COST ESTIMATE. Provide an itemized estimate of the project cost based on the anticipated period of construction including administrative, development and construction, land and utilities, legal, engineering, interest, equipment, contingencies, refinancing, and other costs associated with the proposed project. See 'II. F Cost Estimates for Each Alternative, above.

CONCLUSIONS AND RECOMMENDATIONS

Provide any other conclusions and recommendations and any additional findings that should be considered in the evaluation of the proposed project and the selected alternative.

Table Of Contents:

APPENDIX Contents:

A. Coal Board Planning Grant Application

ATTACHMENTS:

- Certification Statement
- Hospital Association Debt Loan Schedule
- Hospital Association Income Statement
- Hospital Renovation Project Budget
- Community Health Services Report 2019
- Architect Facility Preliminary Report
- Hospital 5 Year Capital Replacement Schedule
- Project Environmental Project Public Notice
- Project Specific Environmental Review Checklist
- Project Specific Environmental Review Narrative

Big Horn Hospital Association Debt Schedule 7/01/2019 - Thru 6/30/20

	1	Series 2018A MFFA Bond Faxable Loan Horn Hospital	Nor	2018B MFFA Bond 1-Taxable Loan Horn Hospital	5	oa Capital Phone System SH/HA	ST	Stago A Satellite Equipment	EH	GE Capital GG Machine AC 5500 HD	FI	rst American Leasing Kronos	DR	lingsbridge X Plus 3543C Detector		Kingsbridge -Digital Mammo Portable		Creekridge Capital Omni-Cell	C	non Medical T Scanner Capital Lease		hermo Fisher ABX Lab Capital Lease		Hologic exa Scanner Capital Lease		nermo Fisher Vitros 5600 Lease		LHSB Bobcat Diesel 4X4		
	S	3,000,000.00 55,750/Month	\$ \$25	8,000,000.00 5,533.34/Month	S \$478	25,218.75 .80/Month	S \$72	38,619.43 7.86/Month	\$ \$25	17,699.20 7.24/Month	S 518	98,667.48 849.02/Month	S 57	42,500.00 24.45/Month	\$ \$22	1,333,989.24 ,172.18/Month	\$ \$2.3	124,334.74 346.35/Month	S 56.4	341,199.00 78.00/Month	5	45,389.00 01.00/Month	S 57	37,000.00 03.50/Month	5	158,972.00 000.00/Month	5	29,125.00 39.57/Month		Total
																								obio on internation		oot.oomonth		57.5 melonan		Total
eginning Balance, 6/30/1	9 \$	3,000,000.00	s	8,000,000.00	S	21,460.67	\$	2,165.49	\$	15,061.23	\$	37,286.95	\$	40,088.58	\$	1,192,635.44	\$	4,663.53	s	153,090.87	\$	21,653.16	s	17,866.66	s	115,371.04	s	23,325.21	s	12,644,668.8
ew Borrowings	\$	-	s	4	\$	-	s		\$	-	\$		\$	÷	\$	÷	5		s	4	\$		\$		s	4	s	- a.	\$	
rincipal Payments	s	(550,000.00)	5		\$	(3,523.70)	s	(3,606.16)	\$	(2,643.91)	5	(15,596.89)	\$	(4,521.22)	5	(147,955.47)	5	(4,663.53)	\$	(53,198.25)	\$	(6,302.66)	s	(5,720.47)	S	(23,055.18)	\$	(4,172,12)	\$	(824,959.5
nding Balance	s	2,450,000.00	\$	8,000,000.00	\$	17,936.97	\$	(1,440.67)	\$	12,417.32	s	21,690.06	\$	35,567.36	s	1,044,679.97	\$		\$	99,892.62	s	15,350.50	s	12,146.19	s	92,315.86	s	19,153.09	s	11,819,709.2
	27030	0	27030	0	220500		220500		2205	00	220	500	220	500	22050	0	2205	500	2205	00	220	0500	220	500	220	500	2205			
laturity Schedule																														
FY202		575,000.00	S	1 (2)	S	5,766.88	S		s	4,419.77	\$	21,690.06	\$	8,081.64	\$	262,106.70	\$	-	\$	93,442.93	\$	13,554.74	\$	10,054.06	\$	37,623.28	\$	7,254.29	\$	994,116.7
FY202		600,000.00	S		\$	5,231.46	S		\$	3,547.76	\$		S	6,992.53	\$	224,525.49	\$		\$	6,449.69	S	1,785.90	S	2,092.13	\$	34,038.39	\$	6,087.49	\$	850,624.9
FY202		625,000.00	S	(t o)	S	5,512.80	S	4	\$	3,558.42	S		\$	7,497.94	S	238,614.59	\$		\$		S	-	\$		\$	20,654.19	S	5,811.31	5	880,183.7
FY202		650,000.00	\$		S	1,424.12	S	100	\$	891.37	\$		\$	8,039.85	\$	253,587.81	\$	-	\$		\$		\$		\$		S		S	913,943.1
FY202			S	405,000.00	S	1.	S	-	\$	-	\$	-	\$	4,955.40	S	65,845.35	S	-	\$	19	\$	-	\$		\$		S	4	\$	475,800.7.
Thereafte	er S		5	7,595,000.00	\$	1.71	\$	(1,440.67)	\$	(0.00)	s	(0.00)	S	÷	S	0.03	s	<u> </u>	s	0.00	\$	9.86	\$	(0.00)	s	(0.00)	\$	(0.00)	\$	7,705,039.8
		Mar-20		Mar-20		Mar-20		Mar-20		Mar-20		Mar-20		Mar-20		Mar-20		Mar-20		Mar-20		Mar-20		Mar-20		Mar-20		Mar-20		

Big Horn Hospital Income Statement February 2020

			0.000				Prior Fisca
	Current Month	Positive	wei 4		Current Year-To-D		Year-To-Da
Actual 02/29/20	Budget 02/29/20	(Negative) Variance		Actual 02/29/20	Budget 02/29/20	Positive (Negative) Variance	Actual 02/28/19
			Gross Patient Revenue		and an and a second second		- all all
254,883.01	159,278.67	95,604.34	Inpatient Revenue	1,780,292,41	1,274,229.33	506,063,08	040 400
269,148.79	220,981.25	48,167.54	Outpatient Revenue	2,332,394.05			916,160.
597,275,73	680,546.17		Emergency Room Revenue	2,332,394.05	1.767,850.00	564,544.05	2,829,600.9
183,813.02	293,546.50		Cities Bed less that B	4,835,321.55	5,444,369.33		5,776,812.6
0.00	0.00	0.00	Swing Bed Inpatient Revenue	1,808,279.88	2,348,372.00		2,055,360.1
	and an an other state	0.00	Long Term Care Revenue	0.00	0.00	0.00	0.0
1 305 120.55	1.354 352.58		Total Patient Services Revenue	10 756 287.89	10 834 820.67		11 577 934.1
			Revenue Deductions/Additions				
			Contractual Adjustments			2,339,469.98	
			Bad Debt			67,933.41	280, 197.4
		7,702.12	Community Care Adjustments				200,187.4
		25,615.98	Misc: Discounts; Admin Adjust				
47,052.63	0.00	47,052.63	HUF Income	383,143.66			0.0
			Total Revenue Deductions	-		2 160 928.80	
704 638.69	1.181.827.33		Net Patient Services Revenue	7 598 300.75	9 454 618.67	2 082 396.02	8 409 444.5
27,215.56	30,919.18			CONTRACTOR OF CONTRACTOR		2 002 550.02	
	and the second		Other Operating Revenue	227,304.23	247,353.44		237,981.2
731.854.45	1.232.246.61		Total Operating Revenue	7.825 604.98	9.701 972.11	2 062 346.81	8 647 425.7
10050-0			Operating Expenses				
2,823,18	8,159.08	5,335.90	Repairs & Maintenance	47,704.64	65,272.64	17,568.00	55,046.1
8,367.82	7,489.57		Leases & Rental	71,747.69	59,916.56	17,000.00	
503,815.76	528,483.93	24,668.17	Salary	4,223,073,22		4 700 00	25,198.3
155,387.39	177,009.95	21,622.56	Benefits		4,227,871.44	4,798.22	3,842,993.2
4,212.02	11,547.26	7,335,26		1,207,464.90	1,416,079.60	208,614.70	1,190,484.3
22,008.28	36,737.58	14,729.30	EE Related Expenses	67,452.93	92,378.24	24,925.31	103,016.1
31,256.89	33,111.76	1,854.87	Patient Chargeable Supplies	259,709.66	293,900.64	34,190.98	360,665.7
715.62			Patient Non-Chargeable Supplies		264,894.08		130,845.5
	2,415.62	1,700.00	Postage & Freight	21,628.43	19,324.96		16,664.4
89,085.65	130,885.02	41,799.37	Contract Services	919,598.69	1,047,080.16	127,481.47	1,280,966.3
49,358.71	51,171.35	1,812.64	Other Departmental Expenses	344,413.06	409,370.80	64,957.74	221,893.4
8,711.98	7,712.14		Insurance	88,354.47	61,697,12		82,674.7
18,418.58	22,278.60	3,860.02	Utilities	169,480.41	178,228.80	8,748.39	171,911.2
93,362.30	95,850.85	2,488.55	Depreciation & Amortization	671,133.88	766,806.80	95,672.92	500,000,0
5,187.02	7,434.85	2,247.83	Recruitment & Credentialing	59,642.38	59,478.80	99,072.92	558,680.20
2,464.92	2,369.26		Other Fees	10,968.71		7 600 000	54,513.1
35,779.39	26,358.00		Other Operating Expenses		18,954.08	7,985.37	24,878.20
7,235.77	43,074.66	35,838,89	Interest Expense	297,230.91 326,524.09	210,864.00 344,597,28	18,073,19	121,858.90
1 038 191.28	1.192 089.50	153 898.22	Total Operating Expenses	9 209 153.13	9.536 716.00	327 562.87	
	20 657.01		-				8 679 973.06
			Income/(Loss) From Operations		165 256.10	2 389.909.69	
38,614.53	35,859.71 2,484,77	2,754.82	Grant Revenue/Contributions	1,215,367.29	286,877.68	928,489.61	78,545.05
	18,221.90		New Clinic	10,541.77	19,878.16		16,763.76
0.00		1000	Investment Income/(Loss)	99,207.24	145,775.20		69,472.13
	0.00	0.00	Gain (Loss) on Sale of Assets	0.00	0.00	0.00	0.00
2,000.00	2,399.13		Misc Non-Operating Revenue	16,000.00	19,193.04		21,442.00
20.98	183.22		Interest Income	564.84	1,465.76		1,287.62
2,397.74	7,502.20		Bond	43,407.79	60,017.60		41,962.81
	66,650.93		Not Non-Operating Rov/(Exp)	1 385 088.93	533 207.44	851 881.49	229 473.37
	87 307.94		Net Income (Loss)	1.540.78	698 463.54	3.241,791.18	196.926.01
			Caller States College		and the second second	Constant of the	
-41.86%	1.70%		Operating Marolo	17 600/	4 700		
-41.86%	1.70%		Operating Margin Total Profit Margin	-17_68%	1.70% 7.20%		-0.38% 2.28%

Page 5



Big Horn Hospital Association Big Horn Hospital · Big Horn Senior Living

CHOOSE HEALTH

BIG HORN HOSPITAL PROJECT BUDGET/FRONT ENTRY & BUSINESS OFFICE

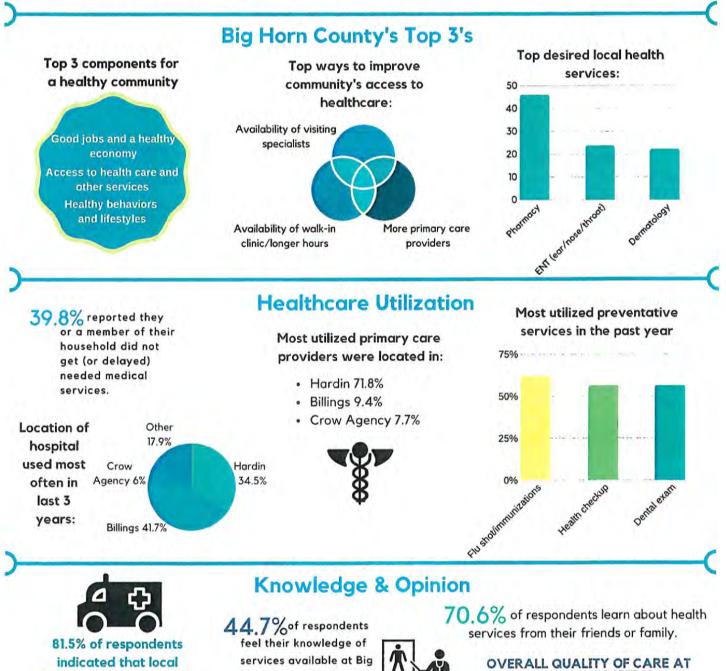
Project Budget Item Description	Amount
Building Mechanical Infrastructure	\$743,510.81
Project Site Work/Landscaping	\$218,774.61
Speciatities/Demolition	\$683,211.94
General Conditions/Bonds Insurance	\$134,249.58
TOTAL	\$1,779,746.94

Big Horn Hospital 17 N Miles Ave. Hardin, MT 59034 (406) 665-2310 (406) 665-9238 fax **Big Horn Senior Living** 200 N Mitchell Ave. Hardin, MT 59034 (406) 665-2802 (406) 665-3809 fax Physical / Occupational Therapy 16 N Miles Ave. Hardin, MT 59034 (406) 665-9219 (406) 665-3106 fax Big Horn County Public Health 809 N Custer Ave. Hardin, MT 59034 (406) 665-8720 (406) 665-1025 fax

A Community Health Needs Assessment Process

Big Horn Hospital Association participated in the Community Health Services Development (CHSD) project, a community health needs assessment process, administrated by the Montana Office of Rural Health and funded in part through the Montana Health Research and Education Foundation (MHREF) Flex Grant.

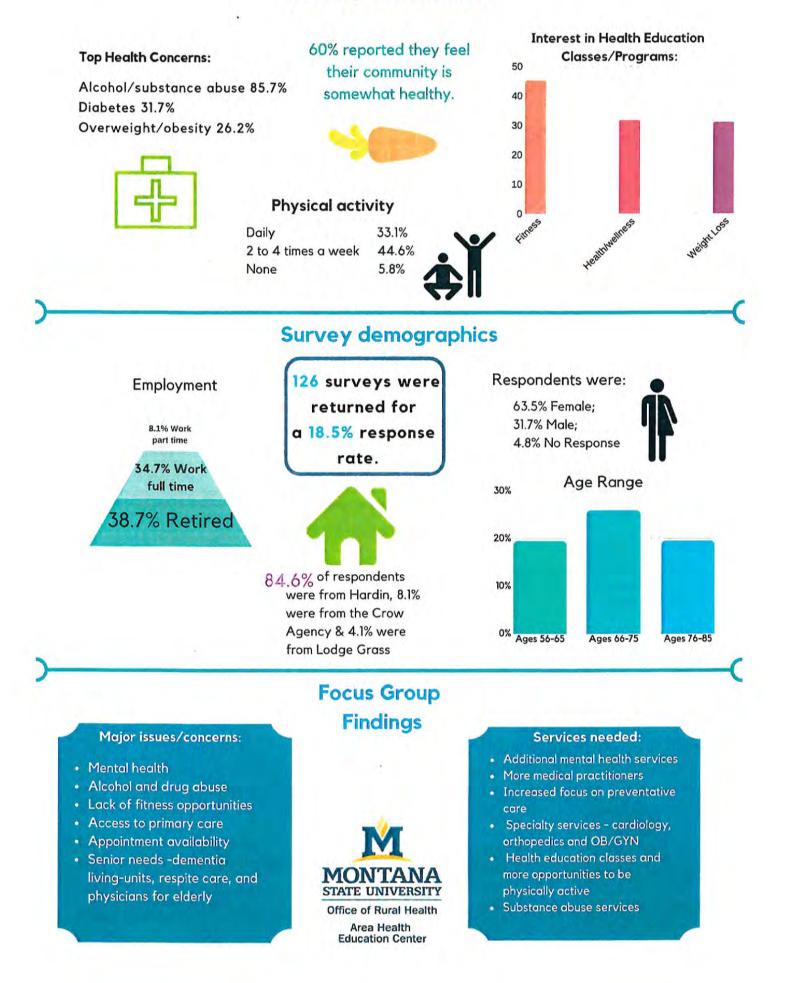
In the spring of 2019, Big Horn Hospital Association's service area was surveyed about its healthcare system. The following is a summary of key findings. To view the full report visit: https://www.bighornhospital.org/

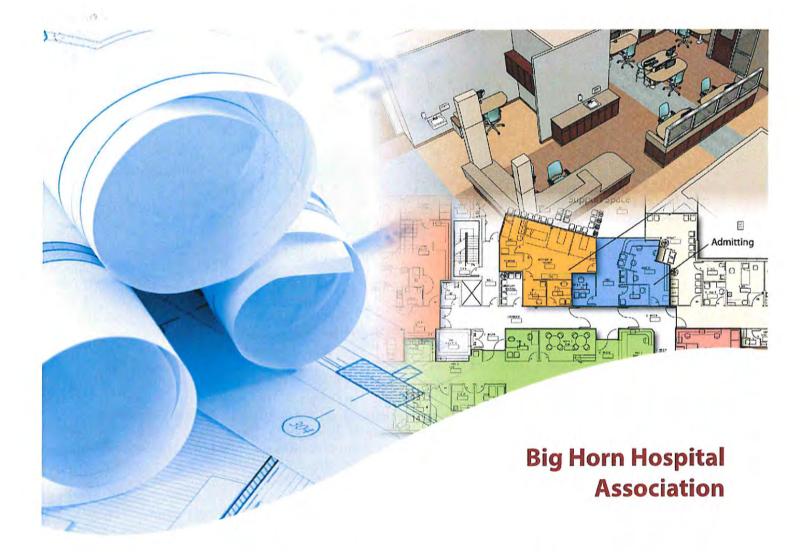


indicated that local healthcare services are very important to the economic well-being of the community. 44.7% of respondents feel their knowledge of services available at Big Horn Hospital Association is "Good" and 21.1% rated their knowledge as "Excellent."

OVERALL QUALITY OF CARE AT BIG HORN HOSPITAL ASSOCIATION WAS RATED "EXCELLENT TO GOOD" SCORING A 3.5 OUT OF 4.0

Healthy Communities





Big Horn County Memorial Hospital **PRELIMINARY ARCHITECTURAL REPORT**

HARDIN, MONTANA

JUNE 2018

PREPARED BY

CTA Architects Engineers 13 North 23rd Street Billings, MT 59101 406.248.7455 www.ctagroup.com





June, 2018

Big Horn Hospital Association Hardin, MT

Re: Facility Master Planning / Preliminary Architectural Report (PAR) Big Horn County Memorial Hospital

Planning Committee & Board Members:

CTA Architects Engineers is pleased to present the BHHA Facility Planning / PAR document that was a collaborative effort with your Planning Committee, the Staff, and the Board. The proposed improvements address the areas of concern and provide the goals for improvements as determined by all involved for the foreseeable future.

For the Hospital, the focus of the planning was mainly on but not limited to, the Outpatient Service Line growth, improved Patient access, and Emergency Department deficiencies affirmed early in the planning process. The proposed improvements are conceptually estimated for budgeting purposes. The budgeting is based on the subsequent Schematic Design Documents for 2018 costs and a 15% contingency has been included.

We appreciate the opportunity to provide Planning and Design Services for your organization. We look forward to continuing to work with BHHA on the project implementation. Please let us know if we can help with any additional information. Our CTA Design Team and our Graphics Department can also further assist with some overview marketing and project funding pursuit materials.

Respectfully, CTA Inc.

Michael Glassing Medical Planner Senior Healthcare Project Manager

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BIG HORN HOSPITAL ASSOCIATION

PRELIMINARY ARCHITECTURAL REPORT

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IV. POTENTIAL SCHEDULE

Potential Project Time Frame (Schedule)

APPENDIX A

- Preliminary Planning Concept Options
 - Hospital Planning Options A, B, & C
 - Physical Therapy Planning Option A & B

APPENDIX B

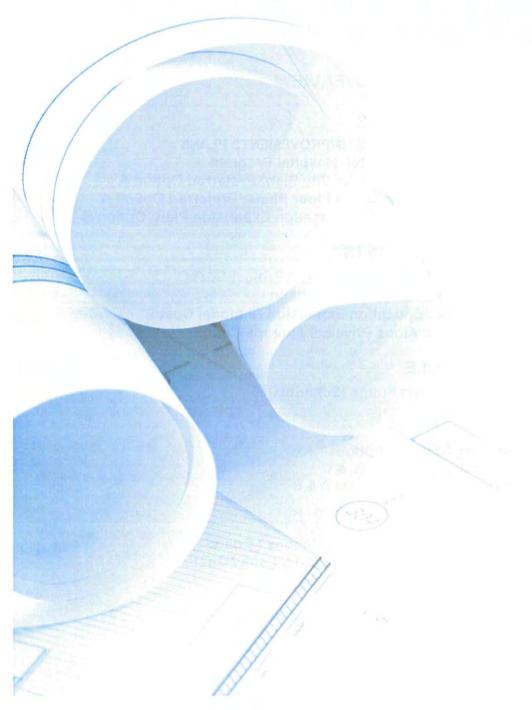
- HVAC System Evaluations / Recommendations / Costs
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APPENDIX C

- Priority Panning Issues
- User Meetings Synopsis
- Planning Process Outline



I. PLANNING OVERVIEW



Big Horn Hospital Association Preliminary Architectural Report

PLANNING OVERVIEW

Planning Process

A detailed outline of the planning process and schedule were provided and followed during the course or the planning process and is included in the full Master Plan document as an appendix.

The schedule was established to align the Board / Committee meetings and involved a 6 step process with monthly updates to the Board.

After departmental user meetings were completed and initial program needs and facility services were reviewed, departmental spatial programming was completed for use during the conceptual planning process. A facilities evaluation of the existing systems and infrastructure was also performed by CTA Engineers. All information was considered in the course of the planning and incorporated into the proposed final solution.

The proposed improvements are both sensible and defensible and are aligned in phases that can be done by priority if desired as future funding allows.

Planning Assertions

Hospital

Preliminary discussions and feedback from Administration and the Planning Committee indicated that the hospital building was designed for providing some services that are no longer needed or have reduced program needs and the focus on outpatient services has increased. The Inpatient wing is no longer needed as a separate area and the nursing needs to be consolidated in one location for both Skilled / Swing Bed and Inpatient services.

The number of beds needed has diminished and the bed count could effectively be reduced from 25 to 18 beds.

The current inpatient wing is also located such that the main circulation for the building is the corridor of that central area. Consolidating the beds into one segregated area would be much better for infection control as well as noise control.

With services becoming more outpatient based as well as reimbursements trending toward being patient satisfaction, and performance based, leverage is added to the proposed improvements concept. This concept realigns the existing building program, use, and flow toward those goals.

Another conclusion in the course of the planning was that the existing Main Entrance lacked a visual prominence and was located such that much of the visitor and patient traffic was directed through the Inpatient nursing area.

A new Main Entrance was realized and discussed due to the need to create a prominent main entry as well as improve the public and outpatient circulation within the building. The idea of the Main Entry / Business Office and the Emergency Department being alternatively and conversely located was proposed and reviewed as an option. It was concluded that for the renovation option, this would provide much better visibility, more

Planning Overview - 1

PLANNING OVERVIEW

direct and appropriate patient access for outpatient services, as well as provide an improved identity for the hospital. This concept also allowed for an appropriate drive under the canopy which has been required by Healthcare Guideline regulations for some time.

Hospital Planning Concept A

The combination of these factors led to the evident Preferred Planning Option A which incorporates a new entrance and drive under canopy to the east, with expanded parking realized by removal of the older clinic building which has been empty for a number of years.

Hospital Planning Concept B

A second Concept B considered use of the exiting westerly main entrance with potential expanded parking there. This concept was not pursued due to site constraints, limited parking area, and the desire to create an easterly entrance.

Replacement Hospital Facility

A new replacement facility was also included as part of the planning options for cost comparison purposes. Existing property owned by Big Horn Hospital Association, adjacent to the Senior Living Complex (Heritage Acres) was considered. The cost of a full replacement facility was considered prohibitive even with property that was already owned by BHHA.

Physical Therapy

Physical Therapy, which is located in the existing Hardin clinic has also experienced an increase in use and requires either expansion within the clinic or possible relocation. Land adjacent to the clinic was considered for a possible relocation / expansion of the services along with an after-hours public use aspect as a wellness center.

The concept was developed and costed for planning purposes and although the stand alone solution was very desirable, the hospital improvements were deemed a priority and implementing the new PT project was considered cost prohibitive at this time. A second option for expanding the Physical Therapy within the existing Hardin clinic was developed and costed for potential implementation along with the proposed hospital improvements.

See Appendix A for:

- Multiple Preliminary Planning Concepts
- Priority Planning Issues
- User Meeting Synopsis

Mechanical / Electrical Systems and Infrastructure Assessment

CTA Mechanical and Electrical Engineers evaluated the existing systems, equipment, and infrastructure services. A synopsis based on a review of the facility, the existing construction documents, and input from the Facilitates Maintenance staff is provided as noted below. Conceptual budget are provided in conjunction with those evaluations as part of the Costing section of this report.

Facility Planning

Big Horn Hospital Association Preliminary Architectural Report

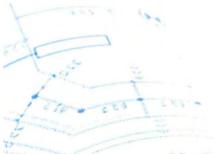
PLANNING OVERVIEW

Mechanical Systems Overview

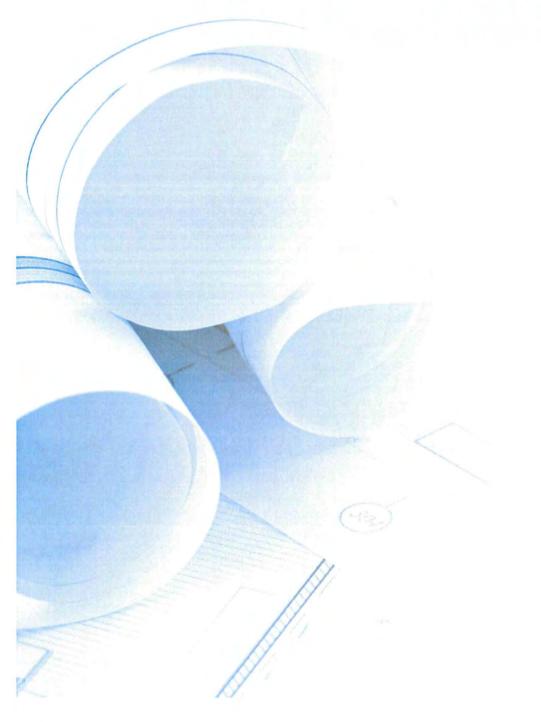
(See written assessment, recommendations and costs in APPENDIX B)

Electrical Systems Overview

(See written assessment, recommendations and costs in APPENDIX B)



II. PROPOSED IMPROVEMENTS



1



	September 23, 2016	1	710	-			
0	Programmed Spaces	1					
		- 19 A	1.1.1				
Bur	siness office/Admitting	_					
-	Offices	4	120	61	480	st	
	Open Office Cubicles	8	70	sf	560	st	
-	Accounting Storage	2	140		280	sf	
	Med Records	1	304		304	sf	
	General Storage	1	250		250		
-	Ward Clerk	1	50	af	50	sf	
-	FTE (Required New FTE)	1		sf		sf	
-	Consultation Room	1	110		110	sf	
	Staff Break Room	1	165		165		
-		-					
-					1		
-		Busin	055 0	ffice//	Admitting	Total	2249 SF
Ad	ministration		-				
141	CEO Office	11	243	sf	243	\$1	
-	Board Room	1	326		326		
-	DON Office	1	154		154	31	
-	Assistant DON Office	1	148		148		
-	Social Work Office	1	111	1	111		
-	MDS Office	1		61		af	
-	Foundation Office	1	120		120		
-	Small Conference Room	1	200	of	200		
-	Sinal Sumerence Room				nistration		1368 SF
Edu	ucation	_	-			-	
	CPR Storage	11	200	of	200	af	
-	Large Training Room	1	450		450		
-	Offices	2	110		220		
-	Education/ IT Manager Office	11	110		110		
-	Hospital Room Mack Up	- 11	220		220		
	Small Serving Kitchen	1	200		200		
-	Consult Rooms (By OR & ED)	2	100		200		
	Commit Rooms (b) on a col	1.2	100		ducation		1600 SF
Dat	lent Care/Nursing						
-	Patient Room w/ Toilet	17	220	sf	3740	af	
-	Patient Room w/ Toilet (On call Suite)	11	325		325		
-	Nurse Station w/ Meds etc.	11	350		350		
	Storage	2	160		320		
-	Tub Room	1	180		180		
-	Staff Locker/Toilet		240		240		
	Clean Utility	2	120		240		
	Solied Utility	2	100		200		
	Physical Therapy	1	140		140		
	Beauty Shop	11	160		160		
	Hskp	2	50	al	100		
_							
		11	50	laf i	50	IST I	
	Vending Observation Rooms	1	50 220		50		

9/23/2016

BHCH Existing Program.xls



September 23, 2016					-	
Programmed Spaces		Area	-	Total	-	
	_				_	
Нькр	1	50		50		
Vending	1	50		50		
Clean Utility	1	127		127		
Storage	1	118	51	118	51	
	Pa	tient C	á.ra/	Nursing T	otal	7362 5
Dietary		-	-		_	
Kitchen	1	718	81	718		
Staff Dining	1	217		217		
Dish Wash	1	120		120		
Office and Storage Distary Storage	- 1	213		213		
Cietary Storage	1	202	51	282		1840 0
Dining/Activities	-	-	-	Dietary T	otal	1550 S
Activity Director	1	85	-1	85	1	
Activity Storage	1	91		91		
Dining	1	660		660		
Activities	11	261				
				ctivities T		1117 5
Radiology			-	I	-	1111 0
Mammo	1	175	of	175	1	
CT	1	308		308		
CT Control	1	119		119		
MRI (Eq. Control, & Toilet)	1	1244	sf	1244		
Ultrasound/dexa	1	258		258		
X-ray w/ Toilet	1	333		333		
Film Storage	2	27		54		
Radiology Office	1	212		212		
			R	adiology T	otal	2703 S
Women's Services			_		-	
Numery	1	165		165		
LDRP Suite	1	362		362		
Scrub Soiled Utility	1	100		100		
Clean Utility	- 1		sr sf	54	51	
Count Sunty				Services T		704 5
OR	_	avonie	-	Dervices I	ocal	104.5
Operating Room	1	300		300	-	
Utility	1		af	85		
Scrub	1		51	95		
Sterile Supply	1	206		206		
Sterilizing	11		51	27		
Hskp	- 11		sf	11		
Doctor dressing	1		bf	80		
Employee lockers	11		51	62		
Tollet	2		6T	56		

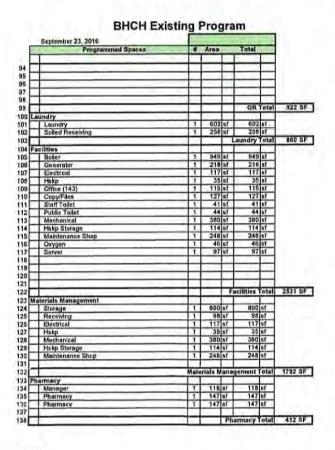


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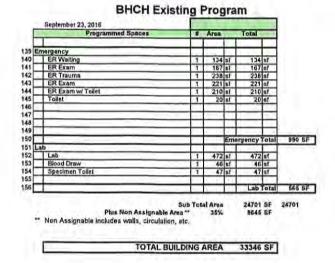
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BHCH Existing Program.als

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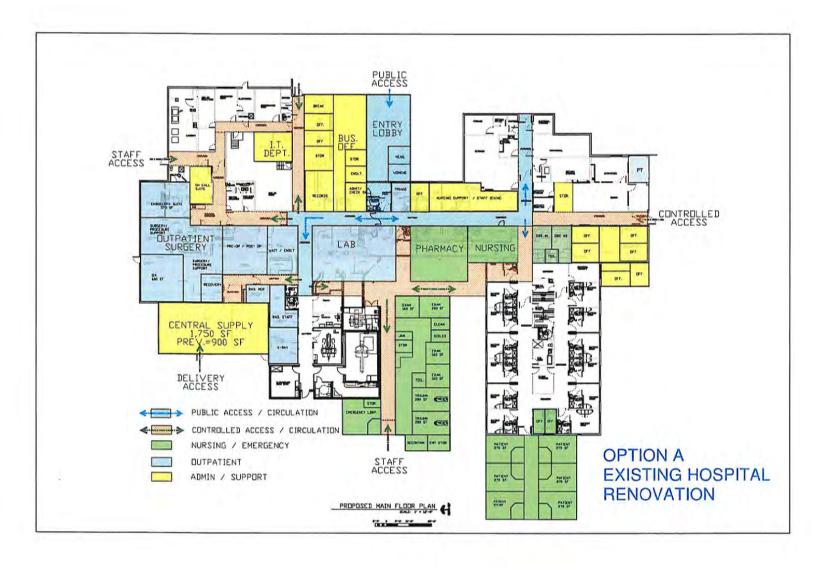
BHCH Existing Program.sls

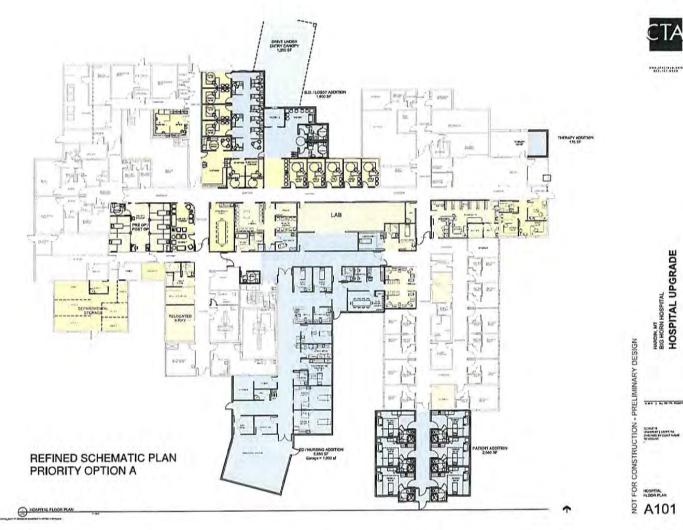
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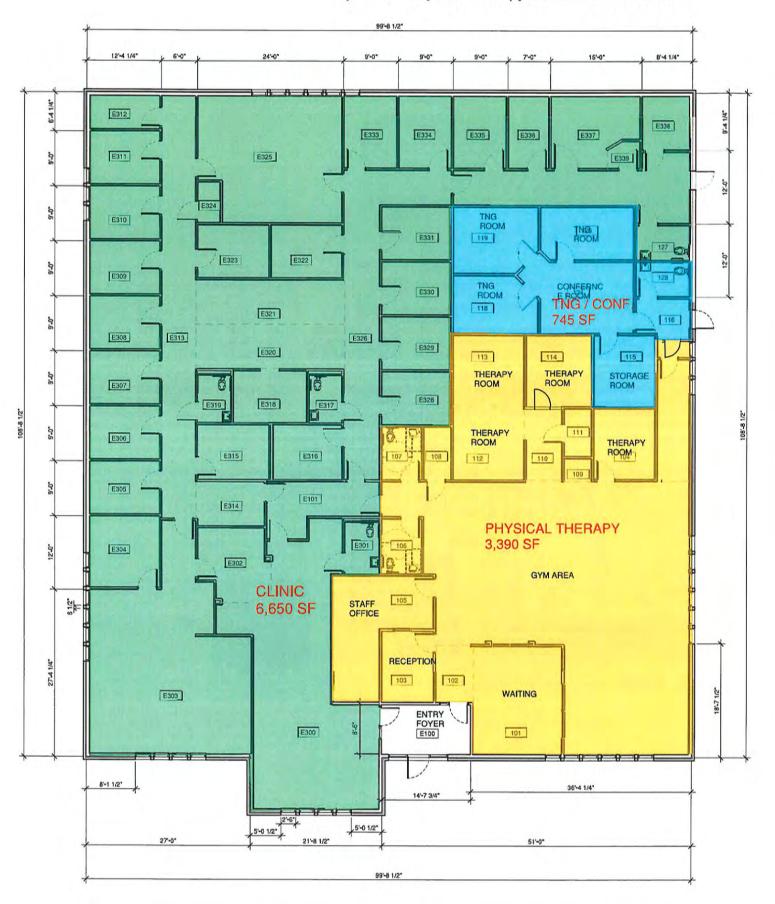


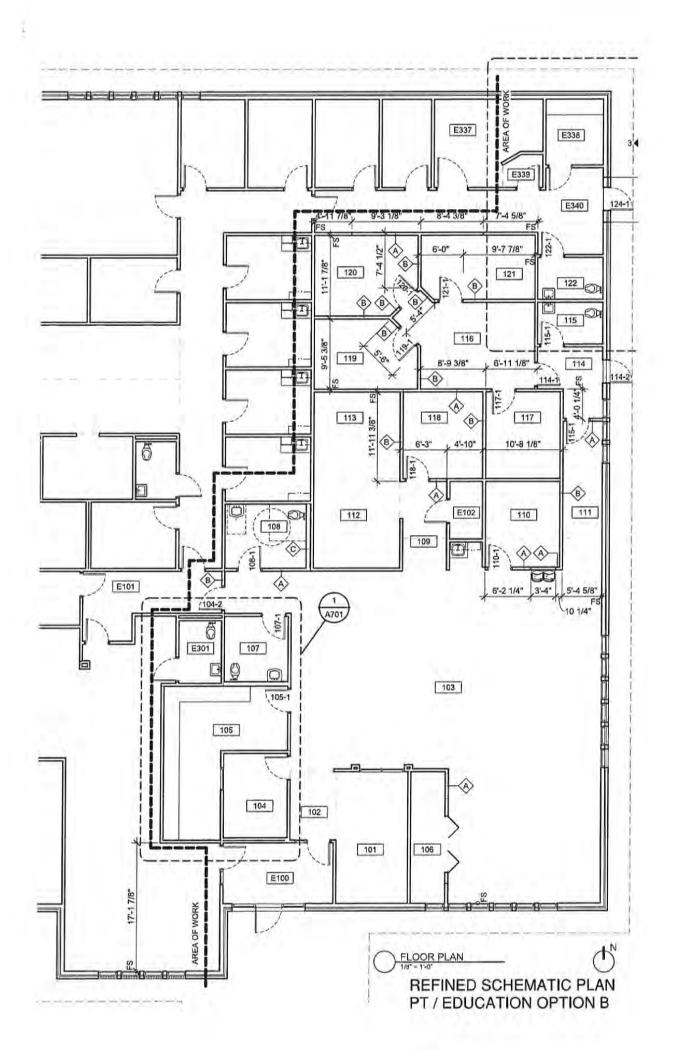


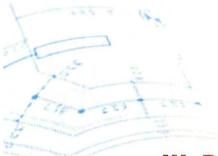
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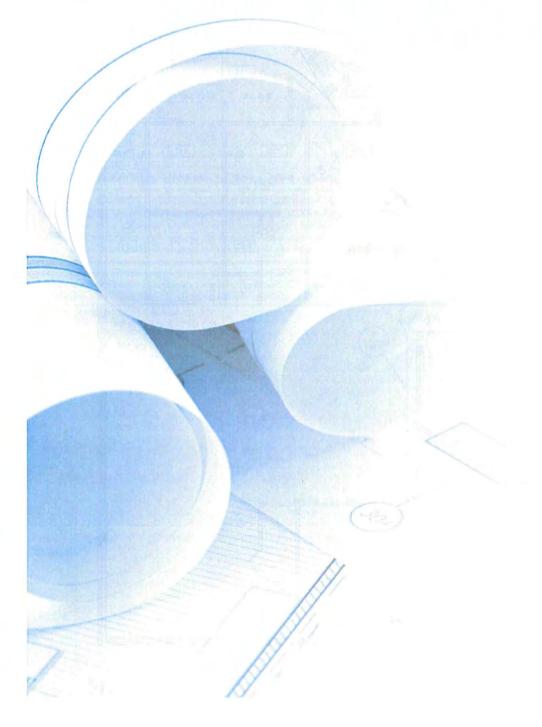
BIG HORN HOSPITAL ASSOCIATION Option B - Physical Therapy / Education Remodel







III. PROJECTED PROJECT COSTS



III. PROJECTED PROJECT COSTS



LS = Lump Sum SF = Square Feel

Updated 6/10/2018

Big Horn Hospital Association - Schematic Design Budget Updated 6/10/2 BHHA Priority Projects Schematic Design Budget Costing - New Entry / B.O. / E.D. / Lab / Pharmacy / Patient Wing / Admin / Pre Post

 $b \in$

OVERALL PROJECT CATEGORIES:	Qnty Ur	nit \$/Unit	BUDGET
Existing Hospital			SD Updated Budget
Additions & Renovations			and the second states of the
 Main Entry Canopy / ED Canopy 1a. ED Garage Lobby Foyer / B.O. Addition BO Remodel / Check-in /Admin Offices IT / P.W. Staff Offices Remodel PT Infill Addition Misc Circulation Finish Upgrades (Corridors) Medical Services Additions - ED / Patient Wing Medical Services Remodel - Pharmacy / Lab / Pre-Post Op./Obs. Misc. Renovation - Rad Tech / Wait / Triage / Consult/ Conference Convert Office to X-ray Room. Misc Storage / Maintenance Shop 	1,200 SF 1,000 SF 1,800 SF 2,450 SF 1,085 SF 1,085 SF 1,000 SF 8,285 SF 3,580 SF 2,166 SF 310 SF 1,517 SF	\$2 \$2 \$1 \$1 \$2 \$2 \$2 \$2 \$2 \$2 \$2 \$2 \$2 \$2 \$2 \$2 \$2	50 \$180,000 210 \$210,000 225 \$405,000 170 \$416,500 140 \$151,900 150 \$35,000 170 \$36,000 170 \$36,000 180 \$35,000 190 \$2,402,650 125 \$805,500 170 \$368,220 130 \$71,300 50 \$227,550
11, Misc Storage / Maintenance Shop 12. Systems Upgrades 13. Designated Site Work / Landscaping 14. Existing Building Demolition Allowance (Old Clinic) 15 Selective Demolition	1,517 SF 1 LS 25,000 SF 10,000 SF 12,108 SF	S	\$300,000 \$300,000 \$500,000 \$8 \$500,000 \$8 \$80,000 \$20 \$242,160
16 CM / GC OH&P	LS	1:	2% \$775,894
Subtotal Construction Costs			\$7,241,674
B. A/E Services / Expenses (A/E-Interiors-Civil-Landscape-Expenses)(Includes Garage)	11.5%	(76K Additional)	\$828,000
C. Site Survey		(12K Budgeted)	\$7,200
D. Geo-Technical Testing & Report		(10K Budgeted)	\$7,565
E. Design / Construction Testing Allowance (includes Asbestos Testing)	0.50%		\$36,208
F. Building Permit:	0.75%		\$54,313
G. Plan Review Fee:	0.50%		\$36,208
H. Relocate Existing X-ray Machine - Allowance	LS		\$35,000
H. Equipment Allowance (Items 2 & 3)	LS		\$200,000
. Furnishings / Signage Allowance (FF&E Items 3 & 5)	LS		\$320,000
J. Project Contingency (12% of Construction Cost)	12.0%		\$869,001
Fotal Preliminary Project Budget (Hospital)			\$9,635,169
Total Preliminary Project Budget (Physical Therapy)			\$585,211
Total Braliminany Project Budget	_		\$10,220,380
Total Preliminary Project Budget			\$10,220,



Big Horn Hospital Association - PHYSICAL THERAPY REMODEL

6/10/2018

OVERALL PROJECT CATEGORIES:	Qnty	Unit	\$/Unit	BUDGET	
Existing Clinic Building Renovation				_	
A. Additions & Renovations					
1. Physical Therapy Upgrades (New Spaces)	1,62	0 SF	\$1	25	\$202,500
2. Physical Therapy Upgrades (Exist Finishes / M-E-P Modifications)	1,60	0 SF	\$	65	\$104,000
3. Training Area Remodel	97	2 SF	\$1	32	\$128,304
4. Add Required Exit Door		LS			\$7,500
5. Selective Demolition	2,50	0 SF	\$	14	\$35,000
					\$477,304
B. A/E Services / Expenses (A/E-Interiors-Mechnical-Electrical)	9.5	10			\$45,344
C. Site Survey					\$0
D. Geo-Technical Testing & Report					\$0
E. Design / Construction Testing Allowance	0.50	%			\$0
F. Building Permit:	0.75	10			\$3,580
G. Plan Review Fee:	0.509	%			\$2,387
H. Equipment Allowance (By Owner)	0.09	10			\$0
I. Furnishings / Signage Allowance (By Owner)	0.09	10			\$0
J. Project Contingency (12% of Construction Cost)	12.05	%			\$56,596
Total Preliminary Project Budget					\$585,211



Big Horn Community Hospital Planning - Option C Conceptual Costing

9/21/2016

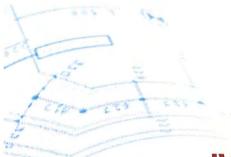
OVERALL PROJECT CATEGORIES:	Qnty	Unit	\$/Unit	BUDGET	
New Hospital Adjacent to Heritage Acres					
Additions & Renovations					
1. New Hospital (Includes Physical Therapy)	51,56	SO SF	\$32	20	\$16,499,200
2.Site Improvements		1 LS			\$950,000
3.Site Acquisition Allowance (Reasonable Allowance)		1 LS		-	\$350,000
B. A/E Services / Expenses (A/E-Interiors-Civil-Landscape-Expenses)	9,0	0/-			\$1,601,928
C. Site Survey	5.0	20			\$12,000
D. Geo-Technical Testing & Report					\$10,500
E. Construction Testing Allowance	0.50	%			\$88,996
F. Building Permit:	0.75	%			\$133,494
G. Plan Review Fee:	0.50	%			\$88,996
H. Equipment Allowance (Items 2 & 3)	10.0	%			\$1,779,920
I. Furnishings Allowance (FF&E Items 2 & 3)	7.5	%			\$1,334,940
J. Project Design / Construction Contingency (12% of Construction Cost)	12.0	%			\$2,135,904
Total Preliminary Project Budget					\$24,985,878



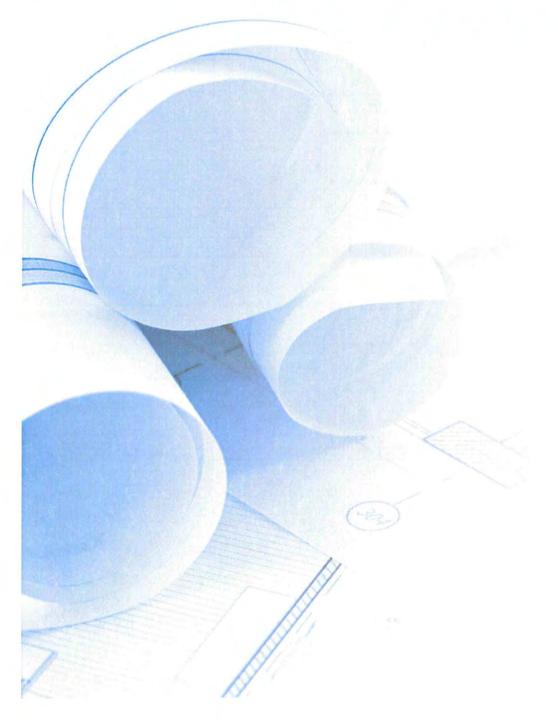
Big Horn Hospital Association - Physical Therapy Option A BHHA Master Facility Planning Conceptual Costing - New Physical Thereapy / Conference & Training

OVERALL PROJECT CATEGORIES:	Qnty I	Unit	\$/Unit	BUDGET	
Physical Therapy					
New Building Adjacent to Existing Clinic					
1. Physical Therapy	8,800 \$	SF	\$215	5	\$1,892,000
Designated Site Work (Rink Demo / Entry / Added Parking)	18,000	- V /	\$14	ŧ	\$252,000
 Utility Improvements Renovate Existing PT for Education / Conference & Board Room 	10 March 10	LS	6404	2	\$60,000
5. Land Aquition (Skating Rink)	2,500 \$	LS	\$125	,	\$312,500 \$0
	100				\$2,516,500
B. A/E Services / Expenses (A/E-Interiors-Civil-Landscape-Expenses)	9%				\$226,485
C. Site Survey					\$6,500
D. Geo-Technical Testing & Report					\$8,500
E. Construction Testing Allowance	0.50%				\$12,583
F. Building Permit:	0.75%				\$18,874
G. Plan Review Fee:	0.50%				\$12,583
H. Equipment Allowance (By Owner)	5.0%				\$0
I. Furnishings Allowance (By Owner)	5.0%				\$0
J. Project Contingency (15% of Construction Cost)	15.0%				\$377,475
Total Preliminary Project Budget		_		1	\$3,179,499

9/6/2017

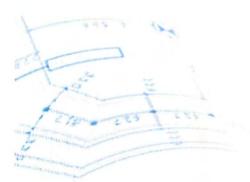


IV. POTENTIAL SCHEDULE

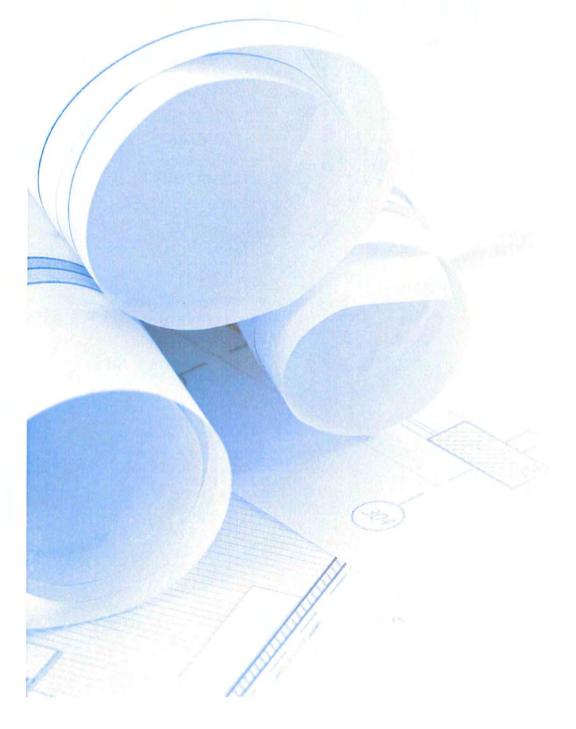


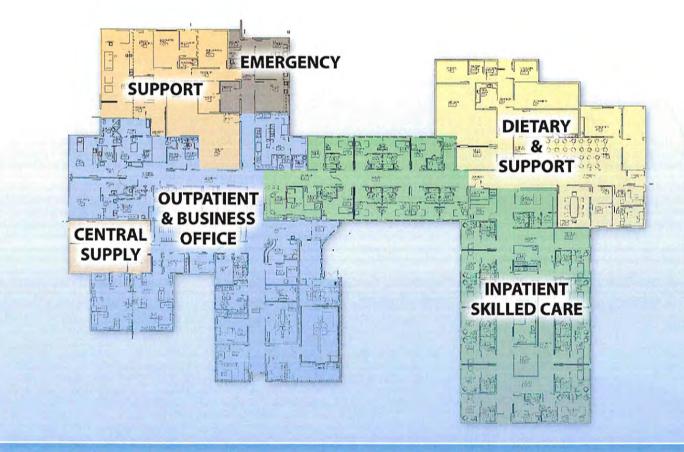
IV. POTENTIAL SCHEDULE

	Big Hom Hospitel Master Plan Implementation Schedule	Ciard Date	-	Finish	-						2018		-					1.00	C = 12	-	τ.,	20	19	_	1.1.1	-			_		2020		
		Big Horn Hospitel Master Plan Implementation Schedule Start Date	oueri Dalle	Date	D	3	F	м	A 1	м	1 1		8	0	N	D	J	F	м	A	м	1	1	A	5	0	N	D	3	F	M	A M	1
1	Overall Potential Schedule	1		1	1								1	1					11.1		1	1000	1.1.1				1.00	6. L.				1.1	
2	FUNDING	0		1										-	1																		
3	BHCH Business Plan / Funding Option Refinement	12/1/17	3/2/18	-	-	-		-		-		1	1		1								-		-		-	-	-			-	
4	Owner Funding / Procurement Effort	1/1/18	10/1/18	1	-	-	-	100	-		-	-			1				- 1				1.00			-			-	-		1	
5	Potential Preliminary Architectural Report (PAR - Separate Fee / Effort)	4/30/18	6/15/18	1			-	-	-	-	-	-	1	-	-					-	-		-	-	-			_	-	-11		-	
6	Potential Fall 2018 Construction Start			-		-	-			-			1	-	-	-			-		-	-	-	_	-	\rightarrow	-	-			-	-	
7	DESIGN / CONSTRUCTION DOCUMENTS		-				1	11			1.	1			1.12						-	-		-		-+	-	-	-	-++	-	-	
	Begin (If mid-January 2018 - 7.5 months)	1/1/18	8/10/15		-			-	-	-	-14	e			÷			-	-	-	-	-	-	-		-	-+	-	-	-++	-	+	
	Engage Design Firm	1/2/18	1/2/18	1.1	5		1.000	-	-		-	+	+	-	1			-	-		-	-	-	-	-	+	\rightarrow	-	+	-++		+	
-	Initial Planning / Scheduling Meetings	1/4/10	1/15/18		-	-	-	1.0				+	-	-	-	-		-	-	-	-	-	-	-	-	\rightarrow	-+	-	-	-++	-	+	
	Preliminary Info - Civil Site Survey / Soils Investigation Report	1/15/18	3/16/15		-		-	N			1 -	-	1	-	-	-		-	-	-	-	-		-	-	+	\rightarrow	-	-		-	+	
	Design / Construction Documents			÷			-0-0		-	-	-	+	-	-	-	-		-	-	-	-	-	-	-	-	\rightarrow	-					-	
	Ph. 1 Design / Construction Documents	1/15/18	6/10/18	8	1	-	-	1.1		_	10	+	1	-	-	-		-	-	-			-	-	-	\rightarrow	-				-	+	
	Refine Conceptual Program & Plans / Produce Schematic Plans	1/15/18	2/16/18		-	-		-	-		-	-	1	-	-	-			-	-	-	-	-	-		+	\rightarrow	-	-		_	+	
	State Health Department Meeting / Preliminary Plan Review	2/19/18	2/23/10		1	-		1.24			-	+	-	-	-		-	-	-	-	-			-		+	+		-	++	-	+	
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APPENDIX A

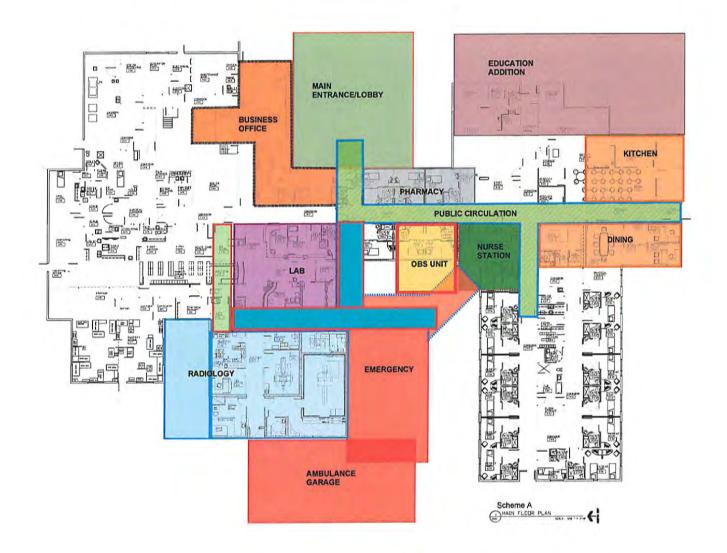




Big Horn County Hospital Association

PIONEERING ENVIRONMENTS





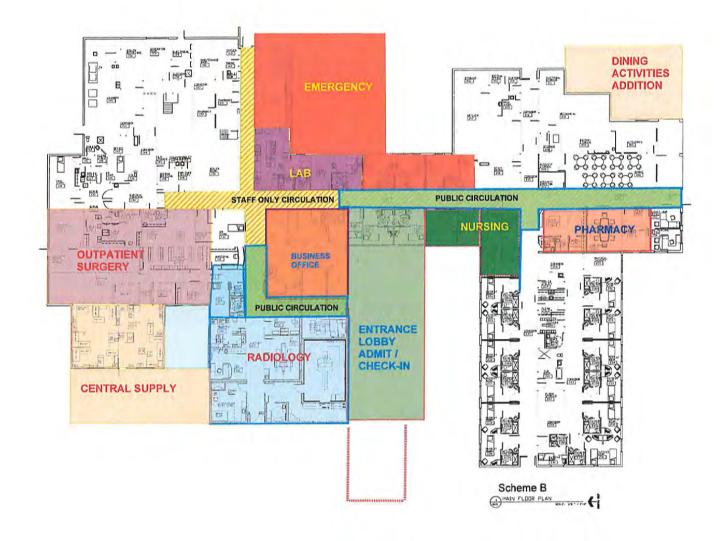
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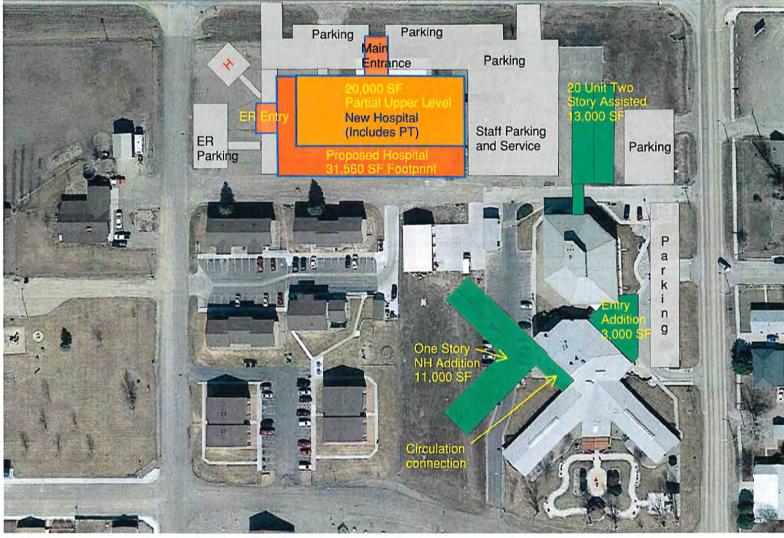
BIG HORN COUNTY MEMORIAL HOSPITAL

Master Facility Planning SCHEME A SITE PLAN



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BHHA Planning Option C Site Plan

PUBLIC SPACES Vestibule/ Lobby		Room	Total	5	
Vestibule/ Lobby			-	770	
				100	
			00		
Second Exit Vestibule	1		70	70	Conting for 4 C
Small Waiting	1		00	100	Seating for 4-6
Men's Locker and Public Restroom			50	250	
Women's Locker and Public Restroom	1	2	:50	250	
PRIVATE THERAPY SPACES	_		-	450	
Private Treatment Rooms	2	2 1	10	220	10 x 11
Large Treatment	1		30	130	10 x 13
Open Cardiac Rehab Area	1		00	100	10 0 10
Semi Private (Curtained) Treatment Rooms	Ċ		80	0	8 x 10
			1000		
GYM THERAPY SPACE	_	-		3,270	the second standard and shares
Open Gym Physical Therapy Space	1	15	00	1500	160 SF/Patient x 8-10 + Ec
Open Gym Public Space	1	15	00	1500	
Equipment & Misc. Storage	1	2	10	210	
Alcove for Counter /Sink / Microwave / Supplies	1	<u> </u>	60	60	
	_		-	007	
STAFF USE / SUPPORT SPACE				887	
Reception - 1 (+1) Staff	1		10	110	
PT Manager	1		25	125	05 05 101-11
Staff / Business Office - 6 Staff	6		42	252	35 SF / Staff
Conference Room (Use Break Room)	0		30	0	0
Staff Break Room w/ Kitchenette (Guidelines)	1		15	115	Seating for 6-8
Dedicated Staff Restroom	1		50	50	
Dedicated Staff Shower Restroom and lockers	- 1		75	75	
Clean Supply	1		80	80	
Soiled Hold	1		80	80	
ANCILLARY SPACE				1,183	
Circulation @ 20% of Total	1	(0.2	728	
Mechanical/Electrical	1		65	165	
Data	1		75	75	
Non Assignable @ 4% of total	1		0	215	
			19 - 17 - 19 		

TOTAL GROSS S.F.

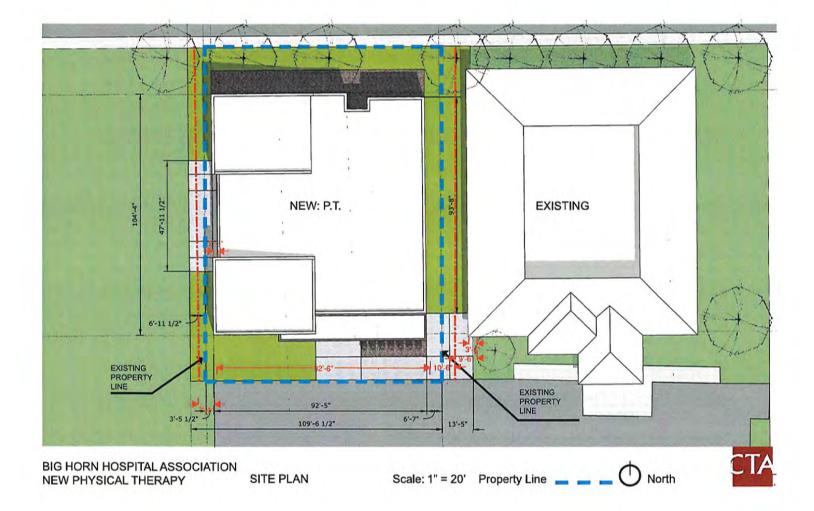
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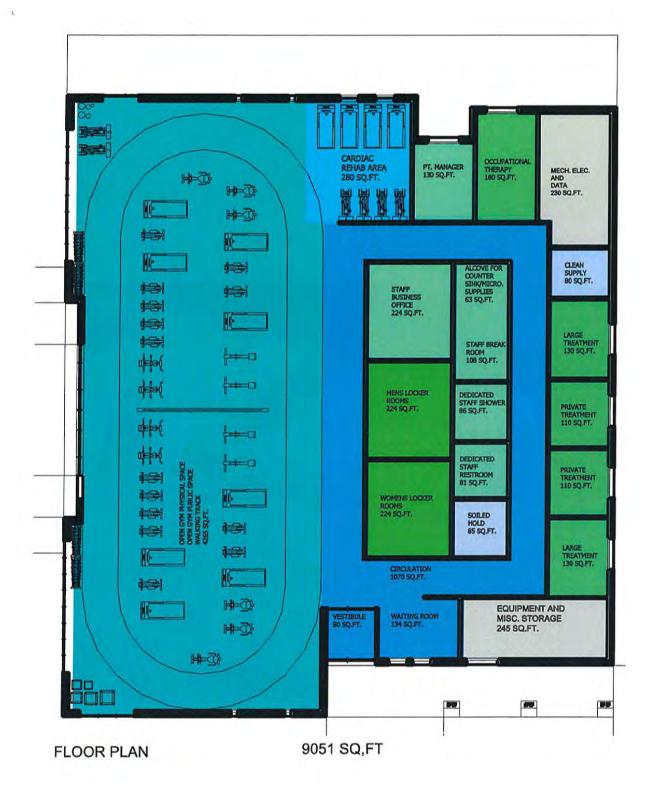
Comments

1

Open Therapy area based on 8 hour day / 5 days per week at (8-10???) Patients / Equipment. Dedicated Staff Rest Room for privacy and convenience of both Staff and Patients. (Guideline Req.) 2

3 Staff Break can be used for small Conference Room.





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SCALE: 1" = 10'

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North





BIG HORN HOSPITAL ASSOCIATION NEW PHYSICAL THERAPY

PERSECTIVE 01: BIRDS EYE VIEW LOOKING NORTH



BIG HORN HOSPITAL ASSOCIATION NEW PHYSICAL THERAPY PER

PERSECTIVE 02: VIEW LOOKING NORTHEAST





BIG HORN HOSPITAL ASSOCIATION NEW PHYSICAL THERAPY

PERSECTIVE 03: VIEW LOOKING NORTWEST

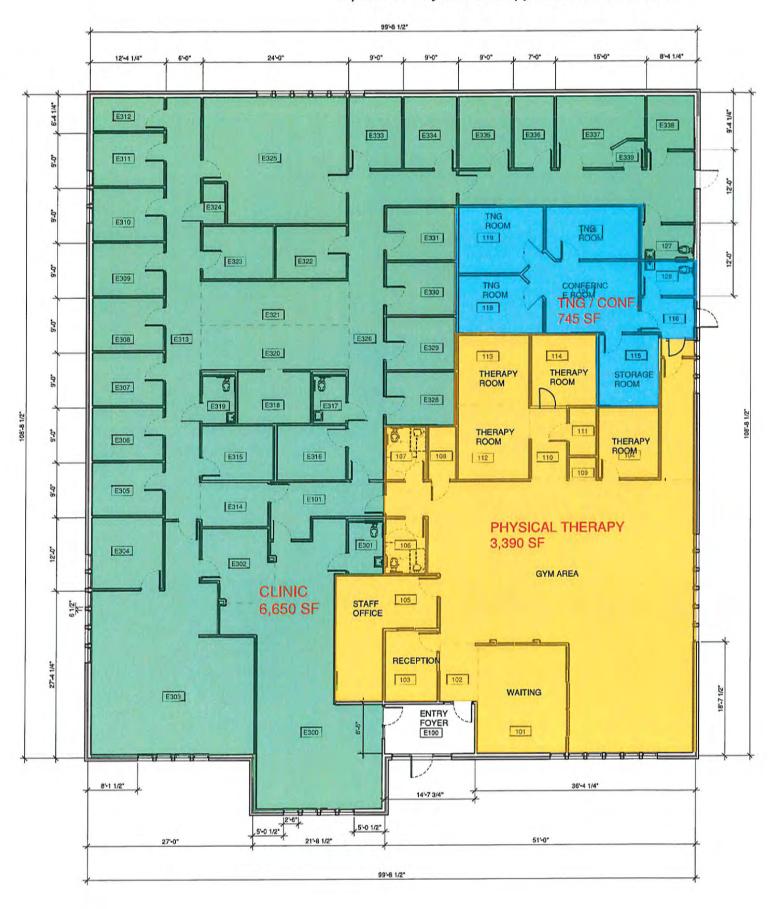


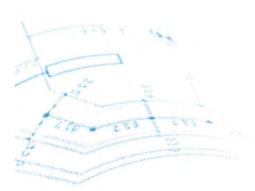
BIG HORN HOSPITAL ASSOCIATION NEW PHYSICAL THERAPY

PERSECTIVE 04: VIEW LOOKING SOUTHEAST

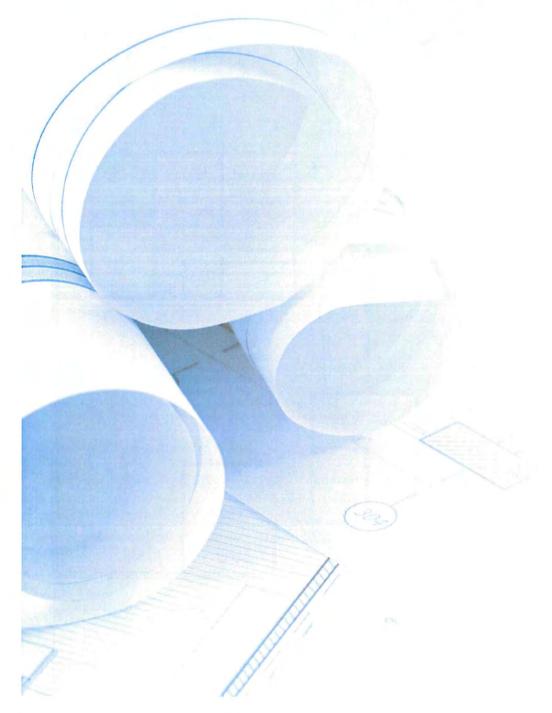


BIG HORN HOSPITAL ASSOCIATION Option B - Physical Therapy / Education Remodel





APPENDIX B



Big Horn Hospital Association – Hospital Facility Mechanical Systems Narrative 12-08-2016

HVAC SYSTEMS

Existing heating, ventilation and air conditioning (HVAC) systems consist of a central heating plant, 3 indoor air handling units, 1 outdoor packaged air handling unit, a type 1 kitchen hood exhaust system, and various other minor exhaust systems throughout the facility. The facility currently only has local humidification in the MRI addition area.

HEATING WATER SYSTEM:

The existing facility (including the MRI addition) is all served by a central heating plant consisting of three boilers. All three boilers are 80% efficient hot water boilers. Two of the boilers B-1 and B-3 have a dual fuel burner, meaning they can fire on either natural gas or fuel oil. The changeover is done with a manual switch on the burner. The third boiler B-2 only fires on natural gas. The boilers have a total combined output capacity of 5,673 MBH. Typically only two boilers are required to meet the load of the facility. This follows the AIA guidelines of having N+1 redundancy in a hospital boiler plant. Boilers B-1 and B-3 were replaced during a 2004 systems upgrade. B-2 is original to the building but was converted from a steam to hot water boiler as part of the 2004 systems upgrade. All the boilers seem to be in good operating order and are meeting the facility heating requirements with reliable operation. No complaints were indicated by the facilities maintenance personnel.

Combustion air for the boilers is provided with a forced air draft system. The air is tempered with a face and bypass hot water coil. Flue gasses for all boilers are routed out of the building via individual steel flues for each boiler which extend through the roof.

A boiler shutdown switch is located at the exit door, as required by ASME CSD-1.

The boilers are installed in a primary / secondary configuration with a constant flow primary loop and a variable flow (VFD) on the secondary building loop. There is an automatic glycol feeder, so the heating water system does contain glycol, but the percentage was not confirmed. A typical range for our climate would be in the 30-35% range.

The building distribution system is primarily steel piping and utilizes base mounted end suction pumps (Taco FI Series, 7.5 HP, 300 gpm at 160 ft of head). The boiler pumps are in line pumps (Taco KS Series, 1 HP, 150 gpm at 14 ft of head). The pumps are all 2004 vintage and appear to be in good condition.

AIR HANDLING SYSTEMS:

AHU-1:

A 2004 systems upgrade included the installation of a packaged VAV air handling unit with hot water heat, DX cooling, and an integral condensing unit located on grade on the east side of the facility. Exterior ductwork runs from this unit up the building face and over the roof in order to connect to previous existing ductwork that served the nursing home and large portions of the hospital. Facility maintenance personnel report they have had repeated issued with this unit since it was installed and an entire circuit of the dx cooling coil has been bypassed because they could not repair it to prevent it leaking refrigerant charge. They report the unit is often ramped up to 110% of fan speed and full capacity in the summer, but is still unable to keep up with the hospital cooling demands. Even though the unit is only twelve years old it has already had one fan motor replacement. This was especially problematic for the hospital as it is a single supply fan unit with no redundancy, so any time the unit is down for repairs, thermal comfort conditions in the hospital and nursing home are compromised. Three of the compressors on the unit have been replaced over the past three years. This is not surprising as the unit is nearing the 15 year typical expected life span for packaged equipment. Replacement of this unit with a minimum of two smaller units with fan walls for redundancy should be a high priority consideration for any future systems upgrades or hospital additions or remodels.

AHU-4:

This constant volume air handling unit provides heating and ventilation to the laundry area. The unit includes a hot water heating coil, chilled water cooling coil (abandoned since the 2004 system upgrades), fan and filters. It is located in the accessible attic above the laundry area.

This air handling unit is from the original 1972 construction and no longer provides cooling to the laundry area after the removal of the central chiller and chilled water system in 2004. Currently the only area served by this unit which is cooled is the actual laundry equipment room itself which is cooled by a small ceiling mounted heat pump unit installed in 2004. The unit is 44 years old and has exceeded its expected service life. It is recommended that replacement of this unit be included in the five year master planning effort. The new unit should include a dx cooling coil with split condensing unit on the roof to meet the cooling needs of this area of the facility.

Kitchen AHU:

This constant volume unit provides 100% fresh air to the kitchen. It contains a hot water heating coil, a DX cooling coil, supply fan, and filters. It is located indoors in a main level mechanical room across from the kitchen. The facilities personnel indicated the dx coil had recently been replaced and the unit was provide adequate cooling and heating for the kitchen area.

Although the unit is part of the original 1972 construction and has exceeded its expected service life, it appears to be running in a reliable manner without any issues. CTA would recommend this unit be included in a long term equipment replacement plan for the building due to age, but no immediate action is recommended or required.

MRI Addition AHU:

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This packaged VAV air handling unit serves the MRI addition completed in 2010. It contains a hot water heating coil, dx cooling coil with remote condensing unit, supply fan and filters. The hot water coil is supplied from the central boiler plant. The unit is located in a small equipment yard on grade adjacent to the MRI addition. This unit is only six years old and in excellent condition. No work is required at this time.

AIR DISTRIBUTION SYSTEMS:

The VAV air handling units (AHU-1, MRI AHU) distribute air through medium pressure sheet metal ductwork to pressure independent VAV boxes with hot water reheat coils. The reheat coils are piped to the central boiler plant hot water distribution piping system. The air from the VAV boxes is distributed to ceiling diffusers via low pressure sheet metal ductwork.

The VAV boxes were installed in 2004 or 2010 and are fitted with digital controllers and electronic hot water valves. The boxes are in good condition.

Constant volume systems (AHU-4, and Kitchen AHU) distribute air through low pressure sheet metal duct systems.

The nursing home area has underground return ductwork with floor grilles near the windows.

KITCHEN HOOD SYSTEMS:

Appropriately listed kitchen hoods are in place and covering all cooking equipment. However, the Type 1 hood serving the gas fired grilles, griddles, etc. does not have a UL listed grease fan (UL762) with grease cup and vented curb.

PLUMBING SYSTEMS DOMESTIC WATER SERVICE:

The existing domestic water entrance is located in the laundry area in the northwest corner of the facility. The pipe is 3" and the water pressure is approximately 60 psi per the fire protection system service tags and gauges. The water entrance does not have a reduced pressure backflow preventer, nor a double check backflow preventer to provide city utility line contamination prevention. The Uniform Plumbing Code requires backflow prevention. A double check backflow preventer should be added to bring the system into code compliance.

The water serving the facility is very hard and has taken its toll on the components on the water riser. It is recommended that the owner should exercise shut off valves, etc. on a quarterly basis to ensure the hard water deposits do not freeze up all of the valves.

DOMESTIC WATER HEATING SYSTEMS:

The existing domestic water heating system consists of two stacked gas-fired copper fin boiler style water heaters coupled with three 200 gallon storage tanks. The boilers are used to heat softened domestic cold water which is then stored in the tanks. In essence, this system de-couples the burner from the storage tanks. The dual boiler system allows for good staging and some redundancy. The two boilers are "Lochinvar" model CFN1441PM with 1,440 MBH input and approximately 1209.6 MBH output each. Total system output is 2,419.2 MBH. The boiler and storage tanks were installed as part of the 2004 building renovations. The existing water heater system is not dual fuel, which would mean an interruption to the supply of domestic hot water to patients during a gas outage.

The Lochinvar boilers installed are approximately 80% efficient. Due to the nature of domestic hot water heating (low supply water temperatures), they are prime candidates for replacement with high efficiency water heaters. It is estimated the current boilers have a service life of approximately 10-15 years depending on water quality. It would be to the owner's benefit to consider installing high efficiency condensing water heaters when a replacement of the existing system is required.

PLUMBING FIXTURES:

The facility plumbing systems appear to be in good condition. Most of the patient care areas (Nursing Home and Hospital) plumbing fixtures were replaced with new as part of the 2004 renovation. However, current codes require ASSE 1070 mixing valves at all hand wash locations. These required valves are not installed at the lavatories in the patient rooms nor in the public bathrooms. Any future renovations in these areas will require the mixing valves to be installed in order to bring the facility into code compliance.

PLUMBING PIPING:

The piping throughout the facility is a mix of new and original piping. Most of the sewer and water piping mains are original construction vintage. The majority of the domestic water piping is copper. Sewer piping above ground appears to be PVC transitioning to cast iron as it goes below slab.

Due to the age of the piping a camera inspection of the cast iron sewer mains is recommended. Cast iron sewer systems can suffer heavy degradation from direct burial in soil. The pipe walls become very thin and might collapse which could create significant contamination issues from sewage back-ups into the crawlspace. No indication of current leaks was observed during the inspection.

ROOF DRAINAGE SYSTEMS:

The majority of the existing facility has low slope roofs. The existing roof drainage system consists of internal roof drains with cast iron domes located on the roof. On a majority of the roof, no overflows are piped, though the lack of a parapet would allow any overflow condition to cascade over the roof edge.

Existing drains are in poor conditions with broken domes. This will potentially allow leaves and branches into the existing storm drain piping system and these should be replaced as soon as possible.

KITCHEN PLUMBING SYSTEMS:

The sanitary and domestic water piping for the kitchen and nourishment areas is original construction. Fixture air gaps over indirect waste receptors were observed in most locations.

There is no evidence of a grease interceptor in the kitchen or outside. If no interceptor is in place, the UPC requires commercial kitchens to be installed with a grease trap or grease interceptor for all grease laden sewage.

FIRE SUPPRESSION SYSTEMS

The entire facility is sprinkled, utilizing semi-recessed sprinkler heads. There is a 6" fire supply line feeding three risers located in the water service alcove off the laundry room. Of the three risers, two are wet risers (one feeds the hospital and one feeds the nursing home) and one is a dry riser which feeds the unheated attic areas outside of the mechanical service platform. The piping for the dry sprinkler system in the attic is original construction vintage and thin walled galvanized pipe was used. This has resulted in leaks any time the system is charged. It is recommended that this system be replaced with a nitrogen dry pipe system with schedule 40 galvanized pipe to alleviate the problem.

The main fire supply line has only a single check valve in place for backflow prevention. This is not compliant with current UPC code requirements. A double check detector assembly should be installed on the main fire entrance for backflow prevention. A fire department connection extends through the east exterior wall of the alcove.

MEDICAL GAS SYSTEMS

The existing facility medical gas systems include vacuum and oxygen. There is no medical air system in the facility at this time.

Oxygen:

The oxygen system is located in a dedicated room and includes two liquid dewar tanks (4577 cubic feet) and a four gas bottle backup. The room is ventilated via a low 8"x8" opening and a dedicated exhaust fan. Fin tube is used to temper the room and the light switch is above 60". Two additional dewar tanks were stored in the room for reserve.

Medical Vacuum:

The medical vacuum pump is original building construction and is not is good condition. It is recommended this unit be replaced as soon as possible with a newer more reliable unit. The current vacuum pump is a Toshiba Houston model with two Ingersol Rand 30T compressors each with a 1 HP motor.

Mechanical Systems Planning Recommendations:

1. Replace AHU-1 with Multiple Units to Improve Function and Redundancy.

Replace AHU-1 with two equally sized units at approximately 14,000 cfm and 35 tons each. One unit shall serve the nursing home wing and one unit shall serve the remainder of the hospital. New units shall each have a fan wall system and multiple refrigerant circuits for redundancy.

- (Estimated Cost: \$300,000) Means 2016 237413 pg 391 15,000 CFM VAV Unit

2. Replace AHU-1 Fan with Fan Wall System

Within the space constraints of the existing AHU-1 unit replace 30 HP fan with fan wall system. Plan changeover for least amount of down time possible, preferably perform change out in either Spring or Fall when weather conditions are not at their peak. - **(Estimated Cost: \$35,000)** Means 2016 566749 Single Width, belt drive 30 HP fan

3. Replace Defective Refrigerant Coil Section

Within the space constraints of the existing AHU-1 replace defective coil section with a minimum of a two circuit new refrigerant coil to allow for some redundancy and staging of the unit. Plan changeover in spring prior to peak summer cooling conditions.

- (Estimated Cost: \$11,600) Means 2016 238216 pg 404 2 row, 8 FPI 51"x120" Coil

4. Perform retro-commissioning / test and balance on existing unit

Perform a retro-commissioning in conjunction with a test and balance contractor to determine if the existing AHU-1 is adequately size for and meeting the cooling loads of the building and if by making adjustments at the box level it can operate more effectively. Pricing below includes two commissioning agents (5 days) T&B Contractor (2 days). - (Estimated Cost: \$20,000)

5. Replace AHU-4 unit with Packaged Roof-top DX Unit.

Replace existing indoor AHU-4 unit with a packaged roof-top DX unit. Confirm with structural this is possible. Replacing it with a package roof-top dx unit will allow for adding cooling back into the laundry room areas which was disabled during the 2004 remodel projects.

- (Estimated Cost: \$20,000)

6. Add heating to crawlspace

A considerable amount of heating energy is lost from the occupied spaces to a fully ventilated crawlspace with little or no tempering of outside air and no insulation on the floor / ceiling assembly of the crawlspace. It is recommended at a minimum that unit heaters be added throughout to temper the crawlspace to 65 deg F at a minimum. It is assumed the current boiler plant can support this additional heating load. Price includes eight 44 MBH unit heaters and associated piping and valves.

- (Estimated Cost: \$12,000)

7. Replace kitchen exhaust fan with UL762 listed fan.

Current kitchen exhaust fan serving type 1 hood is not UL762 labeled and does not have a grease cup and vented curb. To bring this system into full code compliance the fan should be replaced.

- (Estimated Cost: \$6000)
- 8. AIA Required Humidification for Spaces throughout the Facility.
 - TBD
 - (Estimated Cost: TBD)

Plumbing Systems Master Planning Recommendations:

- Add mixing valves to all handwash sinks and lavatories in ADA accessible spaces. Install ASSE 1070 required mixing valves on all sinks / lavatories in patient rooms and public spaces to meet current code requirements. Estimate is based on 24 patient room sinks and 7 public restrooms for a total of 31 fixtures.
 - (Estimated Cost: \$9300)
- 2. Install backflow preventer on building domestic water entrance.

Install double check backflow preventer on 3" building domestic water entrance. Perform pressure test on incoming water main to ensure 60 PSI listed on the fire entrance tag is accurate. Validate domestic distribution system pipe sizes to ensure minimum 25 PSI at most remote flush valve for proper fixture operation. The cost below is for two 2" reduced pressure backflow preventer piped in parallel. This will allow for testing of one while maintaining the water supply to the hospital.

- (Estimated Cost: \$3500)

3. Replace pneumatic controls with DDC controls on domestic hot water system. Boiler plant controls were converted to DDC during the 2004 renovation. However, most of the pneumatic controls on the domestic hot water system remain in use. Pneumatic controls are becoming an antiquated system with no expertise to repair or maintain them. Recommend the hospital plan for replacing all remaining pneumatic controls and valves over the next 5-10 years.

- (Estimated Cost: \$10,000)

4. Replace existing domestic water boilers and storage tanks with new high efficiency condensing water heaters with integral storage tanks.

Estimated service life of the copper fin tube boilers is 10-15 years depending on water quality at the site. At the point these boilers require replacement, recommend replacing the boiler and storage tank set up with two 500 MBH high efficiency domestic water heaters with 120 gallon integral storage tanks.

- (Estimated Cost: \$50,000)

2016 Fire Protection Systems Planning Recommendations:

1. Replace piping for dry fire sprinkler system in attic.

Replace existing dry pipe attic system and piping with schedule 40 galvanized piping and nitrogren system.

- (Estimated Cost: \$TBD)
- 2. Install backflow preventer on building fire sprinkler entrance.

Install double check backflow preventer on 6" fire service. Perform pressure test on incoming water main to ensure 60 PSI listed on the fire entrance tag is accurate. Validate fire sprinkler system pipe sizes to ensure minimum 7 PSI at most remote head for proper system operation.

- (Estimate Design Verification Cost: \$4,000)
- (Estimated Installation Cost: \$10,500.00)

Medical Gas Systems Master Planning Recommendations:

- 1. Replace Vacuum Pump.
 - (Estimated Cost: \$7,500)

Recommendation for Domestic HW Conversion to DDC

The existing domestic HW system at the BCH consists of two (2) domestic HW boilers, three (3) domestic HW storage tanks, and a thermal mixing valve.

DDC Retrofit

- New panel-mounted DDC controls with 120/24 VAC fused power with disconnect
- Boiler enable BO, Boiler Supply-T, Boiler alarm BI (typical of 2 boilers)

(typical of 3 tanks)

- Storage tank temp Al
- Domestic recirc. pump start/stop BO, Status BI
- Domestic HW supply-T leaving tempering valve Al
- High temp domestic HW supply-T to Kitchen & Laundry AI
- Connect to existing global controller with MS/TP in existing boiler room
- Graphics, programming, and checkout
- (Budget Price \$12,500)

Big Horn Hospital Association – Hospital Facility Electrical Systems Narrative 12-8-2016

POWER DISTRIBUTION:

Power to the facility is provided by a pad-mount transformer feeding a newer main switchboard (MSB) on the exterior of the building. This MSB then feeds an older fused main distribution panel (MDP) which then feeds the branch circuit panelboards throughout the facility. A lot of breakers are unmarked and therefore control unknown loads.

EMERGENCY POWER:

Emergency power is provided by two paralleled natural gas fueled generators that were installed ~2014. These generators are connected to a newer emergency distribution panel (CIC) that feeds four automatic transfer switches to separate the emergency power into the Code required Life Safety, Critical and Emergency branches. These transfer switches then feed branch circuit panelboards throughout the facility. Most of these emergency power panels have plenty of spaces and spare capacity for future loads.

DEVICES:

Receptacle types and locations appear to be adequate. However, some emergency receptacles do not have the panel and circuit identification on their coverplates. Electrical Code requires panel and circuit identification for all receptacles on the Critical branch.

LIGHTING - INTERIOR:

The majority of interior lighting is provided by T8 lamp fluorescent fixtures which were installed in the 2004 remodel.

Some of the exit lights are older dimly lit incandescent type and should be replaced with newer LED type.

LIGHTING - EXTERIOR:

The exterior lighting consists of globe type pole lights along the main entry walkway, recessed canopy lights at the entrances, and a few wallpacks. All of the canopy and wall lights appear to be old and should be replaced. There also should be additional lighting at the Emergency entrance.

LIGHTING CONTROLS:

The interior lighting controls are manual wall switches and the exterior lighting is controlled by photocells and/or timer switches. Any future remodel would need to include automatic lighting controls, i.e. occupancy sensors, to satisfy energy code requirements.

FIRE ALARM SYSTEM:

The fire alarm system is a Notifier type and has no apparent issues.

NURSE CALL SYSTEM:

The nurse call system is an older Dukane type that is no longer manufactured. It is therefore recommended that a new system be installed to provide for increased functionality, expandability and reliability.

Electrical Master Planning Upgrade Recommendations: Hospital Facility

1. Circuit trace unknown loads and provide accurate and complete circuit directories in all panelboards.

- (Estimated Cost: \$5,000)

2. Perform arc flash and overcurrent device coordination study for entire power distribution system.

- (Estimated Cost: \$15,000)

- 3. Install appropriate arc flash hazard labels on all panelboards and other equipment per NEC 110.16.
 - (Estimated Cost: \$2,000)
- Replace ATS-1 and ATS-2 with same make/model as other ATS's. -(Estimated Cost: \$15,000)
- 5. Replace Dukane nurse call system.
 - (Estimated Cost: \$50,000)
- 6. Replace building exterior lighting with full-cutoff LED type.
 - (Estimated Cost: \$10,000)

7. Install new lighting at Emergency Department entrance.

- (Estimated Cost: \$5,000)

8. Label all emergency receptacles in critical care areas with panel and circuit number per NEC 517.19.

- (Estimated Cost: \$2,000)

9. Replace older incandescent type exit lights with newer LED type. - (Estimated Cost: \$2,500)

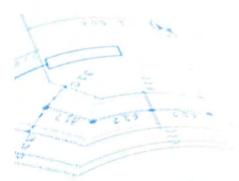
Electrical Master Planning Recommendations: Clinic Building

- 1. Replace all T12 fluorescent light fixtures with T8 or LED type. (Estimated Cost: TBD)
- Install emergency battery lighting units in all paths of egress, and larger rooms and work areas.

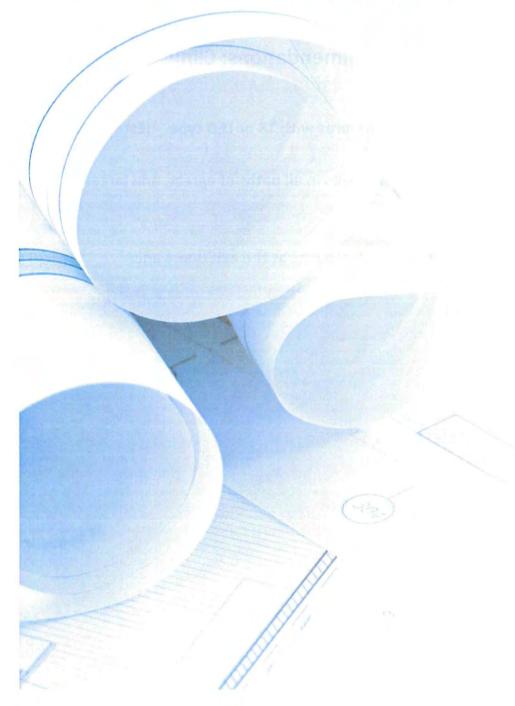
- (Estimated Cost: TBD)

3. Install a fire alarm system with pull stations at the exit doors and horn/strobe appliances throughout.

- (Estimated Cost: TBD)



APPENDIX C



APPENDIX C

PRIORITY PLANNING ISSUES

General / Architectural Priority Issues Overview:

- Outpatient Services Spatial Adequacy: The existing Lab and Hospital Pharmacy spaces are confined and lacking programmatically. Additional space is needed for both services.
- 2. Outpatient Services Location / Access: Outpatient services would be more appropriately located near the main entry with direct access for Patients and better access to daylight. With competing market share, creating a better Patient experience and increasing patient satisfaction can only help to maintain and increase the current market share capture, while better serving the local community and helping to insure fulfillment of trending reimbursement criteria.
- Staff/Patient/Public Access to Financial & Administrative Services: If Outpatient services relocate to the Main Level, having the administrative and financial services co-located near the main entry would make sense for staffing efficiency and ease of public access.
- 4. Site Use: Site is limited and additional parking is a challenge if large additions are implemented. Limited additions and removal of the old Hardin Clinic building would afford an easterly main entrance with appropriate parking and a needed code compliant drive under entry canopy.
- 5. The existing building, although aged with several subsequent additions since the original building was built, is structurally sound. The masonry exterior is in good condition and shows no signs of adverse foundation settlement.
- 6. Departmental Overview: A questionnaire was sent to each department within the organization to collect initial pertinent information for the planning process. As a follow up, CTA met with each of the departments and the Administration to discern what was working well, what was not working, and what the programmatic needs of each department were.

Discussions also included addressing spatial, operational, staff, patient, and facility issues. A synopsis of the information is provided in Appendix C of this document.

Overview: Program Issues - Proposed Solutions

GENERAL CONSIDERATIONS / RECURRING THEMES

- a) Hospital Trending from Inpatient to more Outpatient services
- b) Access / Consolidating / Space needs of expanded Outpatient Services
- c) Inpatient bed counts are down trending
- d) ED Access and control / Outpatient Access to Radiology and Lab

Priority Planning Issues - 1

Big Horn Hospital Association Preliminary Architectural Report

PRIORITY PLANNING ISSUES

- e) Additional space needed for Physical Therapy expanded services
- f) Space / Privacy for Tele-Med
- g) General Privacy and control issues for Patients / Family / Staff
- h) Heating / Cooling control for entire building

Review of Proposed Hospital Concept Solutions

Hospital Option A - Relocate Entry East w/ single point of Access and Control

- Relocate the Main Entry, Check-in, Business Office, and Lab for improved access and continuity for patients, family and staff.
- Provide direct access for outpatient services via one entrance with a drive under canopy per code.
- Potentially consolidate Admin offices.
- Utilize vacated inpatient room space to incorporate Outpatient Services into one area adjacent to the Hospital Main Entry for improved patient access, staffing efficiencies, and improving the needed adjacencies for the Outpatient / Emergency Department / Inpatient services.
- Consolidate nursing into one location for inpatient / swing bed that is adjacent to the Emergency Department for staffing control and efficiency.

Option B – Retain Entry West w/ single point of Access and Control

- Maintain the Main Entry to the west and relocate Check-in, Business Office, and Lab for improved access and continuity for patients, family and staff.
- Provide direct access for outpatient services via one entrance with a drive under canopy per code.
- Potentially consolidate Admin offices.
- Utilize vacated inpatient room space to incorporate Outpatient Services into one area adjacent to the Hospital Main Entry for improved patient access, staffing efficiencies, and improving the needed adjacencies for the Outpatient / Emergency Department / Inpatient services.
- Consolidate nursing into one location for inpatient / swing bed that is adjacent to the Emergency Department for staffing control and efficiency. (This is difficult with Option B due to Patient Wing and ED separation.)

Option C – Build New Facility to accommodate an 18 bed Hospital

- Location consideration for shared services adjacent to Heritage Acres.
- Consider Utility access.
- Cost comparison for realities to remodel / upgrade exiting Hospital.
- Consideration for what to do with existing facility.

Facility Planning

Big Horn Hospital Association Preliminary Architectural Report

PRIORITY PLANNING ISSUES

Physical Therapy – Option A

- Locate Physical Therapy adjacent to the existing Big Horn Clinic.
- · Consider Public use as Wellness Center after hours.
- · Consideration for what to do with existing space in Big Horn Clinic.
- Create additional space for Training / Conference due to loss of the old clinic building.

Physical Therapy – Option B

- · Consider expanding PT within the existing Big Horn Clinic.
- Create additional space for Training / Conference due to loss of the old clinic building.

After initial meetings, departmental space assessment, and three rounds of conceptual design considerations, the following *Overview* outlines what transpired as the foundation of the proposed improvements and chosen design direction.

The proposed final solution became the unanimous alternative for the Staff, Administration and the Board.

BIGHORN COUNTY MEMORIAL HOSPITAL DEPARTMENT INTERVIEWS

Nursing /ED

- Want 1 central nurse station all nurse staff can function from this point
 - o Current 15 combo
 - o 2 swing
 - o Want 18 combo
 - o 2 swing

*SEE FIGURE A. BUBBLE DIAGRAM FOR PRIMARY ADJACENCIES FOR CENTRAL NURSE STATION

- Combine Inpatient / Skilled Nursing Station.
 - o Possibly drop in computer stations in rooms for decentralized charting
 - o OR: in corridors in patient wings
- Think 18 combo Acute/Swing plus 2 Observation (Not utilizing 25 Bed capacity currently)
- BHCMH does not have enough staff to serve all swing bed patients currently
 - o They have to turn away people because they are understaffed
 - This prompts the need for a centralized nurse station so more staff can help out in swing bed rooms when needed
 - 3 swing bed patients are long term nursing home patients that were grandfathered in, live in facility full time.
- Highest swing bed counts: Last year 10, last June had 16 once
 - Averages 4 people (typically ranges from 3 to 9)
- Nursing would like one of the swing rooms to turn into a suite with restroom
 - o Could use for travelling staff, overnight stay
 - o On call staff, mid-level providers, overnight stay
- ED entries are not clear / functional (Ambulance vs. Ambulatory)
- Shower / Tub use NB/whirlpool more than shower.
- Cafeteria currently serves as multifunction space for meetings, patient meals, family gathering, activities, music, parties, etc.
 - o Adjacent kitchen/ dietary, functions adequately
 - o Would like a separate staff dining for privacy, not out in open cafeteria
 - Staff dining room should accommodate at least 6 people.
- Nurse offices are spread out over the entire facility
 - o They have to walk through each other's offices
 - Need for privacy for one on one meetings
- OB services, BHCMH delivers in emergency situation, but typically transfers to Billings
- Surgery
 - o BHCMH can run 1 room for surgery as of now due to limited staff
 - o Could potentially increase surgery rooms if staff numbers increase
- Physical Therapy
 - From nurse perspective does not have to be attached but would like it in close proximity to the swing beds
- Security
 - o Currently no security for staff to close off sections of the hospital
 - Anyone can walk in any area of the corridors, patients, staff, family, alike
 - Need control access into ER and other wings of the hospital

*SEE FIGURE B BUBBLE DIAGRAM FOR ENTRANCE FLOW PRIMARY ADJACENCIES

Emergency Department

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- 1. Need 2 Trauma Bays 4 Exams
- 2. 445 last month (May 2016)
- 3. 380's / mo. in the past but rising
- 4. Mid-levels / physicians on call
- 5. Currently rooms are disjointed and Ambulatory entry / control is an issue.

Business Office / Admitting / Accounting

- Accounting storage in currently Clinic 2 rooms
- Medical Records storage in Room 114 gone within 1 year
 - Admitting/Outpatient separate functions
 - o Staff 1 Ward Clerk (12 hr. shift)
 - o 24/7 adds an FTE
- 12 Business Office staff + Controller
- Need 4 offices & open office cubicles
- Need Consultation Room (existing conference OK for now)
 - o Like being open to hear for support
 - o Proximity to Admitting/Outpatient check-in
 - o Prefer direct Adjacency
 - o Mail currently in Admitting does not work well
- Staff Break Room needed

Housekeeping & Maintenance

- Heating Cooling is a single York A.H. and resides in older portion of the building
- Currently 8 staff
- · Small office deals with Heritage Acres as well
 - o Window preferred
- Assisted 1 housekeeping closet for both floors currently
- Heritage: 3rd floor shelled / unheated / not sprinkled / not usable (CTA: Could it be heated / Sprinklered?)

Dietary (see list at end of Diet)

- Outpatient Diet Education / Meal Planning
 - o Not billing yet for dietician
 - o Look at contracting out
 - Lack larger education space
- Could use added counter space in Kitchen
- Ordering Menu vs. Buffet would be preferred.

OR

- 1. 1 OR is an issue. Could use 2 for quicker turn over when scheduling for a day.
- Is OB an option? Lack of staff or numbers? BHCH to determine if plausible.
- 3. Have 02 no piped Med Air for patient use
 - o Currently med gas is wall mounted = hoses on floor
 - o Need ceiling booms
- 4. Power is not up to code of needs.
- 5. Traffic / Patient privacy & access is not good.
- 6. Need a space for Endo's
- 7. Pre-post is not very functional or appropriate.
- 8. 8 days 5/6 per day when scheduled (increasing)
- 9. General / Colonoscopy
 - (CTA: 5/6 per day operations or only colonoscopy)

Purchasing

- 1. Loading dock would help 3 semi-trailer deliveries/week
- 2. Space OK but may not be in future
- 3. Could consider delivery / storage off site but that has disadvantages.

Lab

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- Current lab size is 1/3 to 1/5 of need
- Hospital/Nursing Home/Outpatient/Jail labs are performed here
- Tests completed = 11,000-12,000/month
- 6 FTEs currently work in the lab
- Manager needs to be adjacent to the Lab
- Draw room space for 2 chairs
 - o Need 2 larger chairs
- Current location is good
 - o Next to Nurse Station (where providers sit)
 - o By ER services
 - Not a huge amount of outpatient traffic is seen at this lab
- Open floor plan would be ideal
- Boiler Room area in existing hospital could be a good location

Foundation (Public Health Director)

- Donors need private location and larger space
- Current location is not ideal
- Office space doesn't need to be in the Hospital
- There is no support staff full time
 - Can get a PRN temporarily during a campaign
- Schedule will be important for Bill Hodges to know to start fundraising

Pharmacy

- Inpatient only
- No retail
- One tower Omni
- General Pharmacy space should be larger
- Provide nursing access after hours
- Location is best out of hospital traffic no EMS or patient traffic
- · Mixing room and Ante room don't currently exist and would be ideal
 - o Need anti room with double locks before pharmacy

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- Location is better away from Boiler Room due to heat transfer
- Location would ideally be by OR Suite
- Currently Nurse are mixing drugs in acute care storage room nurses and wash sink locations don't work.
 - o Need sink, hood
- IV handled by supply chain and stored
 - o Should be in RX
- Swing Bed meds could be done with more staff and space
- Eventually want pharmacy to supply swing bed wing so they do not have to outsource their medications
- Current pharmacy does not have enough space for growth
- Would like to expand their staff to 1 full time and one part time pharmacist with room to grow
- Additional Pharmacy requirements:
 - o No windows
 - Away from entrances
 - o Out of the main path of travel, away from corridor
 - o Want to store IV materials in pharmacy in future
 - Security locks, double locks were necessary, locked cabinets, etc. card readers/badges

Physical Therapy

- Outpatient is the largest volume.
- Hospital Includes
 - o Inpatient
 - o Swing Bed
 - o Assisted Living & Long Term
 - o School District
- Staff currently includes: 1 PT, 2PTA's, 1 O.T. who is contracted 2 days w/ St. John's.
- ADL space limited could be added
- Exams: 2 semi-private treatment rooms
 - o Hot packs in old Pool Room
- No pool currently no need in future
- Current condition in clinic has non/private exam room with curtains, and open gym similar to a home gym.
- Athletes from school district need indoor facility for winter months
- High demand for Cardiac PT- need additional treadmills

- Wound Care through PT Outpatient
- Need a Track in Physical Therapy
- Need Cardiac Rehab
- 2 PTs in County (1) Crow Hospital (1) here
- A ceiling lift would be ideal for Bariatric toilets
- · They would like to promote and make available community access to the exercise equipment
- This department sees approximately 50 new patients/month
- PT can only supervise (2) PTA's
- Need Stress Test locations
 - o Could be 2 rooms
- Current use is approximately 300/400 patient/mo.
- Prefer Office space for PTs
 - o Private office for managers, Privacy is important
 - o No staff space currently in PT
- 50 new patients each month with over 300 regular a month, continual growth
- Needs separate staff bathroom
- Head PT needs private office for managerial work, private meetings, etc.
- · Some space is wasted space, example: cabinets, unused storage
- Need larger separate waiting room

Education

- Office in old clinic across the street
 - o Conferences
 - o Webinars
 - o CNA (class of 12)
 - o Telemed
 - o Heart Association
 - o Lunch-N-Learns
 - o CEU's for Nurses
 - o Skill Competency
 - o AA
- Educational session max is 15 people in clinic, 12 people in hospital (plus 2 instructors)
- Storage for mannequins, props etc. for CPR classes
- Near parking w/outside access
- Would like a small conference room
 - o Larger training room
- Offices (2)
 - Education Coordinator (1)
 - CNA Educators (2)
- Current Board Room too small for staff meetings 20 to 24 seats would be ideal
 - o Conference tables modular
- Combo IT-Education Department Manager
 - 2 to 3 PC setups for learning
- Mini serving kitchen/dishwasher (dishes and manikin props)
 - o Board could meet there as well

- CNA Training rooms
 - Prefer 3 hospital rooms in a mock set-up
 - o Staff can access afterhours for night classes
 - Separate entrance from outdoors so people aren't walking through the hospital wings
 - Can be separate from main hospital
 - Storage for CNA class items
- Offer wellness classes for public Large conference/ training room
 - Could be separate with PT off site
 - Want a separate conference room off of the main corridor, away from patient wings
 *There is an opportunity to create a conference space that the surrounding community can access for different events, functions, etc.
 - Expand technology so not just the hospital staff can utilized it, the rural area can access it as well.
- Consult Room by OR and ED

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IT

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- Need secure rack room
- Server in its own room
- Storage and work space together with office and bench in same space
 Still developing a budget
- Central Data Room preferred
- Phone room existing room OK for existing system
- Data Room is OK
- Server Room currently inadequate
 - o They added a Mr. Slim in Server Room
- Storage currently is 8x12 workspace/server/storage
- 2 exam room size would suffice
 - o Heritage Acres
 - Data Room could be better
 - Server is at the Hospital

Radiology

- Patients roll past Waiting Room to CT from ED Not ideal
- No change or toilet in CT. Need blinds for window.
- MRI does have Changing Room
- Ultrasound and Dexa should have their own person
 - Would like separate toilet in Ultrasound
- Ideally there should be a door between CT and Control
- Ideally X-ray would be within the Department
- Manager Office should be in Department
- Room 108 seems right sized
- 3 staff on a day 5 total FTE
- There is a PACS server in X-Ray
- Single modalities into the future

FIGURE A.

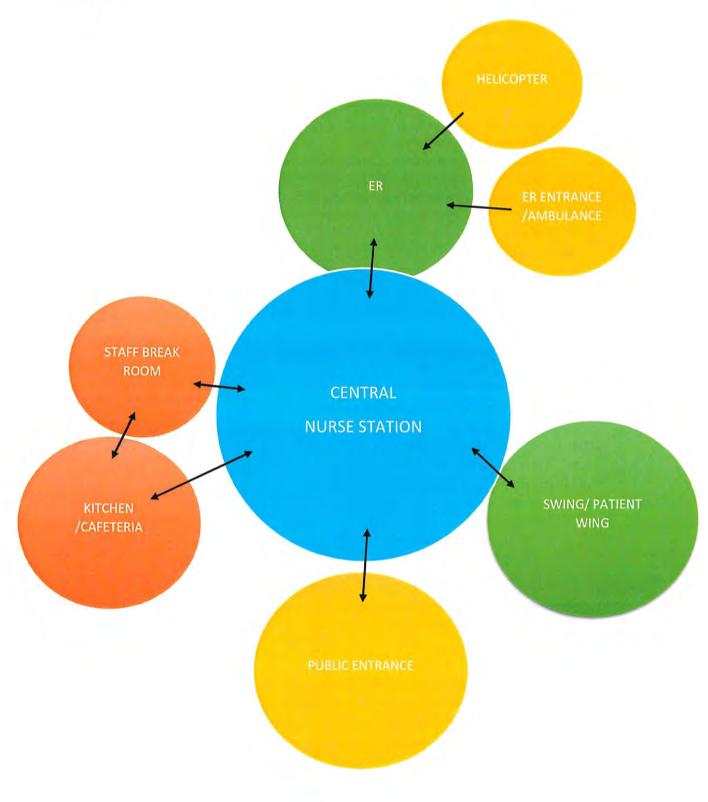


FIGURE B.

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April 27, 2016



Big Horn County Hospital Attn: Jim Seykora Hardin, MT

Re: Facility Master Planning Proposal

Jim,

This document outlines CTA's *Approach* and *Fee Proposal* breakdown for *Facility Master Planning* coinciding with the attachments in this ten (10) page document. CTA Inc. will provide the proposed planning services described in the *Master Plan Agreement* as follows:

- 1) CTA will provide planning services and tasks as outlined in the attached *Work Plan / Approach* document for the total fee as outlined in the *Fee Proposal* breakdown included as part of this document.
- CTA will invoice for professional fees on a monthly basis correlating to the effort expended and direct expenses utilized. Payments will be due 30 days after receipt of invoicing.
- CTA will provide 2 copies of the final Master Plan report as defined in STEP 6 FINAL REPORT DELVERABLES.
- 4) CTA will accomplish the proposed planning effort in the approximate timeline outlined in the attached Schedule included as part of the Proposal for Master Planning. This overall effort will take approximately 4 months depending on schedule coordination and needed review time of concepts for BHCH and the Board.

Please Let us know if you have any questions or require any additional information.

Respectfully CTA, Inc.

Michael Glassing Sr. Health Care Project Manager

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Work Plan / Approach

The CTA approach for determining both the immediate and long-range needs of Big Horn County Hospital is detailed below. This general approach has worked very well on many past medical planning projects in critical access and senior living settings.

Step 1 – Data Gathering and Programming

Task 1.1: Update Existing Space Utilization Inventory Utilizing architectural floor plans of the existing facility, CTA will verify current space utilization. We will organize this inventory to allow comparative analysis between existing

departmental areas and the space program to be developed in the following tasks.

CTA will review any strategic planning done by the Organization in order to ascertain how that may influence any master planning decisions. Any previous planning information would also be reviewed.

Questionnaires will be distributed to selected departmental representatives and medical staff from each of your identified departments to verify existing information and past assumptions as well as generate any new planning assumptions specific to each department. This gets the departmental leaders thinking about the process and considering their goals and outcomes related to patients, families and staff. This would then be transcribed into a condensed overview of the departmental needs and requests in conjunction with the information gathered at the user meetings noted in Step 1.4 for use during the planning process. This would include but is not limited to the following:

- Major Treatment Spaces: The number and types of diagnostic, treatment and therapeutic spaces required for any department.
- Interdepartmental Relationships: Prioritized relationships between departments related to patient, staff, visitor, and materials traffic flow.

 Design Issues: Current regulatory and planning criteria to be considered for the department, a specific space or the overall buildings in general.

Task 1.2: Site Analysis

CTA will review existing organization of the site with respect to building footprints, parking areas, utility routing and landscaped areas. "Open" areas of the site would be evaluated for suitability for development and/or "highest & best use" for the future. Adjacent property acquisition, if applicable, would be addressed. Any previous planning information would be reviewed for pertinent incorporation into this analysis.

Task 1.3: Building Assessments

This effort would involve a thorough review of the facility with the maintenance personnel as well as evaluate and update any pertinent changes and recommendations with regard to mechanical systems (heating, air conditioning & ventilation air), plumbing systems (sanitary, domestic, fire sprinkler and medical gases), electrical and life safety systems, and any current code compliance issues.



Step 2 – On-Site User Meetings with Staff, Administration, and Steering Committee

Task 2: On-Site User Meetings

CTA will spend one and a half to two days on-site during a series of user meetings and work sessions to help develop the information listed above and solidify any ideas that might be generated out of the meetings, the questionnaire responses, and guidance from the administrative control group or the Board.

Step 3 – Priorities & Program Development

Task 3.1: Space Program Development / Update

CTA will prepare a space program to accommodate the services and program workloads, staffing and objectives for each of the listed departments based on the information collected. The space program will list functions and square footage needed. This space program will also comply with current codes and healthcare guidelines.

Task 3.2: Conceptual Plan / Site Plan Updates

Based on the information collected, CTA will review and update plans for the purpose of generating the concept and priorities for the building and the site during on-site meetings, as noted in Task 3.3 below.

Task 3.3: Initial Information Review with Owner

Initial information will be reviewed on-site with the Owner including questionnaire and user meeting responses and input, any organizational strategic planning, and any additional preliminary input from the administration and steering committee or Board to establish anticipated direction and priorities for the concept studies to follow.

Step 4 – Concept Plan Development

Task 4.1: Concept Plan Studies

Utilizing the information contained in the approved space program, we will prepare concept plan studies, in graphic form, illustrating development scenarios for the affected departments / building areas. These studies will address, but not be limited to, the following key planning components and will consider planning priorities established during Task 3:

- Current Needs: Space needs to alleviate immediate and short-range spatial problems.
- New Programs and Services: Implementation of changes to incorporate new or expanded programs and services.
- Interdepartmental Relationships: Location of any affected departments or activity areas based on functional requirements and optimal operational efficiency, and ease of patient access.
- Interdepartmental Circulation: Development of efficient and logical circulation patterns between departments considering patients, staff, visitors and materials.
- Phasing: The scheduling and/or consolidation of new construction and renovation to minimize disruption of patient services and other ongoing operations.



 Expansion Capability: Establishing alternate ideas and directions for growth and change for the facility that would minimize disruption of on-going operations while meeting the intended needs of the organization.

Task 4.2: Concept Site Plan

CTA will provide an overview of the site with recommendations on future development of the site. Each option developed for the building (Task 4.1) will have its specific site plan. Specific footprints of future facilities, if appropriate, will be addressed. General consideration will be given to the following:

- Site Circulation and Services Accessibility for Patients and Family
- Site Parking (Both Immediate and Long Term Adequacy)
- Emergency Services Site Access and Egress

Task 4.3: Present Concepts On-Site

CTA will present alternate conceptual plans to staff and administration for reaction in meetings during the concept phase. A summary of concepts with advantages and disadvantages will be presented to an administrative control group or the Board in an exit meeting. General costs, based on square foot unit costs as noted in item 4.3, would also be presented for consideration at this time.

Task 4.4: Preliminary Construction Cost Estimates

Based on the concept plan studies, conceptual construction costing will be prepared by CTA for selected studies. These Studies illustrate alternative planning concepts relating to reuse of existing space, renovation and/or new construction. The Conceptual Estimates will address the cost variations of these varied planning approaches, which will facilitate the Organization's selection of a preferred design approach. Costs will be on a unit basis only for the initial options and discussions.

Any new facility costs will include site utilities costs, any associated site development costs and any land acquisition costs, if appropriate.

Step 5 – Long Range Plan Refinement

Task 5.1: Refine Approved Concept(s)

Upon selection and approval by staff and the Administration/Board of one of the concepts prepared, or a potential hybrid(s) to be developed, CTA will refine and further develop the concepts, incorporating the prioritized recommendations from the initial concept review process. The refined long range plan will illustrate:

- Definitive Departmental Relationships and Locations
- Defined Departmental Growth.
- Proposed Additions / Remodels at a Schematic Plan Level
- Analysis / Defined Recommendations of Engineered Systems
- Refined Schedules and Phasing Plans
- Refined Estimates Based on Schematic Level Plans and Phasing Plans

Task 5.2: Present Plans

The master plan and refined conceptual cost estimates will be presented by CTA in an onsite meeting with hospital representatives. This typically includes group presentations to the staff, a committee and / or the Board.

Additional Option(s) or Further Refinement

If additional refinement or alternative options are needed or desired, this can be determined at this time. A planning contingency is provided in the fee proposal for this purpose and the Owner may choose to further refine or explore additional options at their discretion.

Task 5.3: Additional Owner Review & Comment (1 week or as needed)

Step 6 - Final Report and Deliverables

Task 6.1: Final Revisions

Final revisions will be made to all of the information reviewed, as determined, during the meetings in Step 5 and as directed by the Owner.

Task 6.2: Refined Final Drawings and Information

- The final product will be copies of a booklet in 8-1/2" x 11" format. CTA will provide six copies of the "Executive Summary" version and two copies of the longer comprehensive version as well as the required electronic copies. These booklets will contain the following:
- The Spatial Program and Listing of Existing Space Inventory
- Reduced Drawings of Developed Concept Plans
- Reduced Drawings of Schematic Level Building Plans
- Reduced Drawing(s) of Proposed Phasing Plans, as Appropriate
- Reduced Drawing(s) of Long Range Site Plan
- Estimated Total Project Costs By Phases, if Appropriate
- Time Schedule for Implementation of Long Range Plan and Listed Design Phases and Construction Timelines
- Task 6.3: Deliver Final Report An optional final presentation to the Board / Administration.

Task 6.4: Compile / Coordinate Preliminary Architectural Report with Owner

Owner Involvement and Assistance

This memo contains suggestions designed to expedite and facilitate project scheduling and logistics and includes proposed interview participants and process. We will discuss meeting dates as part of the initial scheduling process; we can be flexible with dates but have provided some time frames for consideration in the schedule provided as part of this RFP response.

Preliminary Interview List

During our first and second site visits, there are a series of crucial meetings that will need to be scheduled. These include:

- A general facility tour, focused on understanding the layout of the campus, operations, facilities deficiencies or constraints, and opportunities for development / improvement.
- An in-depth tour and review of the facilities' infrastructure and systems with facilities maintenance personnel and CTA engineers.
- A series of departmental interviews, focused on the strategy and competitive positioning of the organization, market opportunities, strategic, operational and physical challenges, and future direction for the department and the organization.
- An initial meeting with the steering committee to vet data and findings from the above.

Facility Tour

Early in our visit, we would like to tour all of the following clinical and non-clinical departments and buildings on the campus. This helps us better understand the needs and challenges described by the users in our interviews. Typically, the Director of Facilities and Operations and / or a key administrative person guides the tours. The department managers and / or medical directors for the respective department know we are coming and can walk with us for a few minutes as we pass through their areas. We understand that people are busy, if schedules do not permit a manager to be present as we pass through, we will gather the needed information through the interviews and may take a brief field trip to their area during our interview time.

Group Interviews / User Groups

We would like to meet with all departmental leadership through individual and group interviews to gain their perspective on critical issues, dayto-day operations, and perceptions of various departments on campus. Specifically, we would like to meet with directors and clinical leaders for 30 minutes to one hour from the following departments:

- Inpatient Nursing Care
- Emergency Department
- Imaging / Radiology
- Lab
- Administrative Areas
- Rehabilitation
- Outpatient Clinic(s)
- Business Office / Medical Records
- Materials and Logistics
- Information Technology
- Kitchen / Food Services / Cafeteria
- Housekeeping / Environmental Services
- Long Term Care / Dimensia Care
- Any Other Departments

We anticipate completing these group interviews during our first / second site visit, and can combine these group interviews with a tour of each department.

Steering Committee

We suggest creating a Steering Committee that will be the key group that works with us throughout the process to develop and define the long-term campus plan. The role of this group is crucial, as it serves the following roles:

- Acts as the decision-making group for the engagement
- Drives the hospital facility master plan to completion
- Identifies other resources (if necessary) to address specific issues
- Facilitates communication about the planning processes
- Recommendation of the plan to the full Board of Directors

We will schedule some time with you prior to our visit to discuss and understand your thoughts about the composition of the Steering Committee, as well as your thoughts about who we should interface with through the course of the planning to coordinate scheduling, data requests, etc.

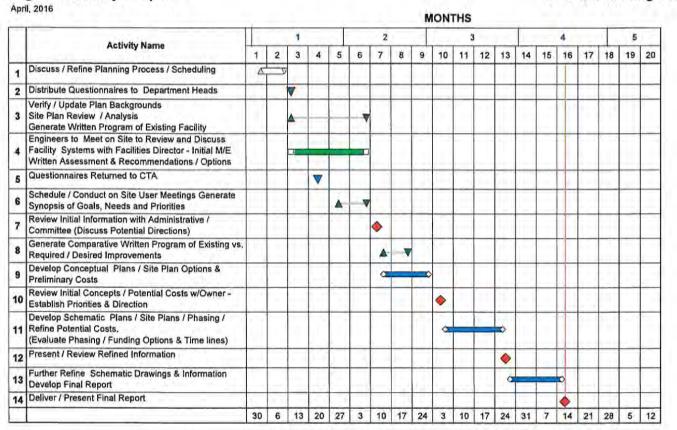
Initial Steering Committee Meeting / Composition

During our second site visit, we would like to schedule a meeting to fully understand and discuss BHCH's strategies, market position and operational and facilities issues. This meeting might typically last approximately 60-90 minutes, but should be scheduled for two hours. We suggest the following individuals as an initial list, but feel free to add to or delete as you see fit:

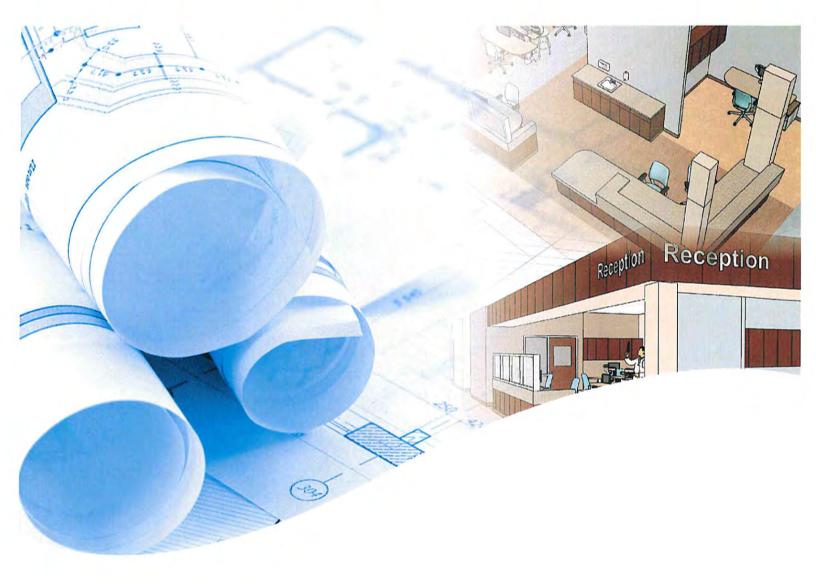
- · Hospital executive leadership
- Selected medical staff members, at your discretion, representing key service lines for the hospital
- Board members (1-2)

Big Horn County Hospital

Master Planning Schedule







Thank you for the opportunity.



CTA Architects Engineers 13 North 23rd Street Billings, MT 59101

406.248.7455 www.ctagroup.com

Capital Equipment Plan BY2020

	Description	Dept	Cost	2019-2020	2020-2021	2021-2022
		L	Irgent	and the second se	1.	
1	HA-Light Pole Bases/Lighting	8600	\$38,000	\$38,000		
2	Bladder Scanner	6000	\$15,000	\$15,000		
3	HA Ass't Living Carpet	8130	\$5,000	\$5,000		
4	BHSL Sidewalk Replacement	8600	\$15,000	\$15,000		
		N	eeded			
1	Sterilant Processing System	6200	\$25,000		\$25,000	
2	HA Dining Room Flooring	8600	\$13,500		4221-24	\$13,50
3	HA Tunnel - Ass't Lvg to SNF	8600	\$150,000			\$150,00
4	HA Nurse Station Reloacation Item **Office, Conference Room, Breal Beauty Shop, Medical Records, Nursing & Dietary Storage		\$1,700,000	\$1,700,000		
5	HA Covered Entrance & Damaged Sidewalk Replacement	8600	\$500,000		\$500,000	
6	HA Dietary Expansion	8600	\$600,000		\$600,000	
7	HA Fencing - Between Garages	8600	\$10,000	\$10,000	1000000000	
8	HA Parking Lot sealing/Repairs	8600	\$36,000	A 98.55	\$36,000	
9	Treadmill	6700	\$8,000		\$8,000	
10	Sno Guard - West side of Apartmer	8130	\$7,500		\$7,500	
11	BHSL Dietary Door Frame	8700	\$9,300		\$9,300	
12	Floor Scrubber Unit	7030	\$8,000	\$8,000		
13	Apartment Front Doors	8130	\$8,500	\$8,500		

		Nice	To Have			
1	Patient Room Furniture	6000	\$10,000	\$10,000	\$10,000	
2	Hospital Bed-2	6000	\$18,000	\$18,000	\$18,000	
3	Bed for Swing Bed	6300	\$10,000	4.0,000	\$10,000	
4	Parking Lot sealing/Repairs	7000	\$14,000	\$16,000		
6	Hi-Lo Bed for swing bed	6300	\$5,000	\$5,000	\$5,000	
8	System Back-Up (Off-Site - Cloud)	7050	\$80,000		A.410.000	\$80,00
10	Bio-Fire (2nd machine)	6500	\$45,000			\$45,00
12	Negative 30 degree freezer	6500	\$18,000			\$18,00
13	HA Fire Place Insert	8600	\$6,000		\$6,000	4 4 6 1 2 2
14	BHSL Handrail Replacement	8600	\$10,000		\$10,000	
15	BHSL Street Sign Reader Board	8600	\$28,000		4,44614	\$28,00
		Con	tingent			
1	Sewer pipes replacement	7000	\$7,000		\$7,000	
2	Hot water lines replacement	7000	\$9,000		\$9,000	
3	Hot water boiler	7000	\$10,000		\$10,000	
4	Surgery Remodel	7000	\$500,000		\$500,000	
5	HA NH Beds, 2	8100	\$4,000	\$4,000	\$4,000	
6	HA - Whirlpool/Bathtub	8100	\$15,000		\$15,000	
7	HA-Port, vitals unit ,1	8100	\$7,000		\$7,000	
8	HA - 16 Passenger Bus	8100	\$80,000		\$80,000	
9	HA-Heat Pumps	8600	\$13,500		\$13,500	
10	HA-Hot Water Heater	8600	\$7,000		\$7,000	
11	HA - Boiler	8600	\$425,000		\$425,000	
12	Defibrillator	6200				
13	HA Ass't Lvg Planter	8630	\$5,000		\$5,000	
14	HA Conference Table & Chairs	8600	\$7,000		\$7,000	
15	HA Dining Room Cabinets	8600	\$7,000		\$7,000	
16	BHSL Resident Assessible Van	8600	\$60,000			\$60,00
17	BHSL Walk-In Freezer-Cooler	8630	\$40,000			\$40,00

Purchased

FY2019	ER Gurney	Purchased within the capital project
FY2018	HA Elevators	Coal Board, BHHA & IGT funded
FY2018	Phone System Intergration	With BHSL Nurses station remodel project
FY2019	PT Carpet	Purchased within the capital project
FY2019	Cardiac Monitor (2nd Ped Patient)	Purchased within the capital project
		ice Similar type product - Purchased within the capital project
FY2019	Digital Mammography w/ Tomo	Purchased with the MRI remodel - refinance
FY2018	HA Phone System	With BHSL Nurses station remodel project
FY2019	MRI Upgrade	Purchased with the MRI remodel - refinance
FY2018	4 Wheeler for Snow Removal etc	Financed at LHSB
FY2018	HA Nurses Station - Repair	Coal Board, BHHA & IGT funded
FY2018	HA Nurse Call System	Coal Board, BHHA & IGT funded
FY2018	HA Wander Guard	Coal Board, BHHA & IGT funded
FY2018	Chemistry Analyser - Upgrade	New Lease
EVO040	PT Equipment	Purchased within the capital project

ENVIRONMENTAL REVIEW CHECKLIST

NAME OF PROJECT:		PROJECT:	Big Horn Hospital Front Entry Construction And Renovation		
PRO ACT	T		Renovated Business,	Office Department Along With New Patient Entry	
LOC	ATI	DN:	Hardin	, Montana	
Key N: N Mitig	lo Ir	er: mpact; B: Pote on Required	ntially Beneficial; A: Po	tentially Adverse; P: Approval/Permits Required; M:	
PHYS	SIC	AL ENVIRONM	IENT	the second s	
Key N	1	Soil Suitabili slopes, subsi	ty, Topographic and/or dence, seismic activity)	Geologic Constraints (e.g., soil slump, steep	
		Response and	d source of information:		
		No Impact O	n Soil. Existing draina	ge has been addressed.	
Key N	2	Hazardous F	acilities (e.g., power lin	es, hazardous waste sites, acceptable distance from	
N		explosive ar	nd flammable hazards	including chemical/petrochemical storage tanks.	
N		explosive ar underaround Response and	nd flammable hazards Lfuel storage tanks, and I source of information:	including chemical/petrochemical storage tanks.	
N	3	explosive ar underaround <i>Response and</i> All power line	nd flammable hazards Lfuel storage tanks, and I source of information: es are within acceptab	including chemical/petrochemical storage tanks, related facilities such as natural cas storage facilities le distance from any flammable hazards.	
Key	3	explosive ar underground Response and All power line Effects of Pro Quality on Pro	nd flammable hazards Lfuel storage tanks, and d source of information: es are within acceptab ject on Surrounding Air oject (e.g., dust, odors, e	including chemical/petrochemical storage tanks, related facilities such as natural cas storage facilities le distance from any flammable hazards. Quality or Any Kind of Effects of Existing Air	
Key N	3	explosive ar underground Response and All power line Effects of Pro Quality on Pro	nd flammable hazards Lfuel storage tanks, and I source of information: es are within acceptab	including chemical/petrochemical storage tanks, related facilities such as natural cas storage facilities le distance from any flammable hazards. Quality or Any Kind of Effects of Existing Air	
N Key		explosive ar underground Response and All power line Effects of Pro Quality on Pro Response and	nd flammable hazards Lfuel storage tanks, and d source of information: es are within acceptab ject on Surrounding Air oject (e.g., dust, odors, e	including chemical/petrochemical storage tanks, related facilities such as natural cas storage facilities le distance from any flammable hazards. Quality or Any Kind of Effects of Existing Air	
Key J		explosive ar underaround Response and All power line Effects of Pro Quality on Pro Response and None identifie	nd flammable hazards Lfuel storage tanks, and a source of information: es are within acceptab ject on Surrounding Air oject (e.g., dust, odors, e source of information: ed for this project.	including chemical/petrochemical storage tanks, related facilities such as natural cas storace facilities le distance from any flammable hazards. Quality or Any Kind of Effects of Existing Air emissions)	
Key I		explosive ar underaround Response and All power line Effects of Pro Quality on Pro Response and None identifie Groundwater groundwater,	nd flammable hazards Lfuel storage tanks, and d source of information: es are within acceptab ject on Surrounding Air oject (e.g., dust, odors, e source of information: ed for this project. Resources & Aquifers (e sole source aquifers)	including chemical/petrochemical storage tanks, related facilities such as natural cas storage facilities le distance from any flammable hazards. Quality or Any Kind of Effects of Existing Air	
N Key		explosive ar underaround Response and All power line Effects of Pro Quality on Pro Response and None identifie Groundwater groundwater,	nd flammable hazards Lfuel storage tanks, and <i>I source of information</i> : es are within acceptab ject on Surrounding Air oject (e.g., dust, odors, e source of information: ed for this project. Resources & Aquifers (e	including chemical/petrochemical storage tanks, related facilities such as natural cas storace facilities le distance from any flammable hazards. Quality or Any Kind of Effects of Existing Air emissions)	

N: Mitie	gatio	on Required
Key	-	Surface Water/Water Quality, Quantity & Distribution (e.g., streams, lakes, storm
11.0		runoff, irrigation systems, canals)
		Response and source of information:
N		None Identified for this project. Project away from lakes, streams. In residential area Of community.
Key	6	rissophanis at rissophani management (identity any noodplains within one mile of the
		boundary of the project.) Response and source of information:
N		Project not in a floodplain area of community.
Key	7	Wetlands Protection (Identify any wetlands within one mile of the boundary of the
	11.1	Response and source of information:
251		
	8	Project not in wetlands area of town/community.
Кеу	8	Project not in wetlands area of town/community. Agricultural Lands, Production, & Farmland Protection (e.g., grazing, forestry, cropland, prime or unique agricultural lands) (Identify any prime or important farm ground or forest lands within one mile of the boundary of the project.) Response and source of information:
N Key N		Agricultural Lands, Production, & Farmland Protection (e.g., grazing, forestry, cropland, prime or unique agricultural lands) (Identify any prime or important farm ground or forest lands within one mile of the boundary of the project)
Key J		Agricultural Lands, Production, & Farmland Protection (e.g., grazing, forestry, cropland, prime or unique agricultural lands) (Identify any prime or important farm ground or forest lands within one mile of the boundary of the project.) Response and source of information: Project will not impact any agricultural lands.
Key Key		Agricultural Lands, Production, & Farmland Protection (e.g., grazing, forestry, cropland, prime or unique agricultural lands) (Identify any prime or important farm ground or forest lands within one mile of the boundary of the project.) Response and source of information:
Key Key	9	Agricultural Lands, Production, & Farmland Protection (e.g., grazing, forestry, cropland, prime or unique agricultural lands) (Identify any prime or important farm ground or forest lands within one mile of the boundary of the project.) Response and source of information: Project will not impact any agricultural lands. Vegetation & Wildlife Species & Habitats, including Fish and Sage Grouse (e.g., terrestrial, avian and aguatic life and habitats) https://sagegrouse.mt.gov
Кеу	9	Agricultural Lands, Production, & Farmland Protection (e.g., grazing, forestry, cropland, prime or unique agricultural lands) (Identify any prime or important farm ground or forest lands within one mile of the boundary of the project.) <i>Response and source of information:</i> Project will not impact any agricultural lands. Vegetation & Wildlife Species & Habitats, including Fish and Sage Grouse (e.g., terrestrial, avian and aquatic life and habitats) https:\\sagegrouse.mt.gov <i>Response and source of information:</i>

Mitic	gatio	npact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M: n Required
N		No impact due to location of project within confines of residential setting of community.
Key	11	
		Response and source of information:
N		None identified with this project.
Key	12	the dealing of the real and a winderness Activities, Fublic Lands and
		Waterways, and Public Open Space Response and source of information:
N		
		Project location is not in direct access to recreational/wilderness areas.
ним		Project location is not in direct access to recreational/wilderness areas.
HUM. Key		ENVIRONMENT Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics
		ENVIRONMENT
Кеу	AN 1	ENVIRONMENT Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics
Key 3	AN 1	ENVIRONMENT Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics Response and source of information: Project will not impact visual quality, but will improve aesthetics of residential Area Nuisances (e.g., glare, fumes)
	AN 1	ENVIRONMENT Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics Response and source of information: Project will not impact visual quality, but will improve aesthetics of residential Area
Key 3	AN 1	ENVIRONMENT Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics Response and source of information: Project will not impact visual quality, but will improve aesthetics of residential Area Nuisances (e.g., glare, fumes)
Key 3 Key	AN 1	ENVIRONMENT Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics Response and source of information: Project will not impact visual quality, but will improve aesthetics of residential Area Nuisances (e.g., glare, fumes) Response and source of information:

Key N: N	No I	mpact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required: M:
Mitig	gatio	on Required
N		Noise will be minimal and project is distant from residential properties.
Key	-	The sources, containing and Archaeological Resources
		Response and source of information:
N		None noted with this project.
Key	5	Changes in Demographic (population) Characteristics (e.g., quantity, distribution, density) Response and source of information:
N		Not an Impact For This Project.
Key	6	
1.00		Response and source of information:
N		Not An Impact Due To Location Of Project Within The Community.
Кеу	7	Displacement or Relocation of Businesses or Residents
		Response and source of information:
ı		None due to previous location on established medical campus.
Кеу	8	Public Health and Safety Passonse and source of information
	-	Response and source of information:

Miti	gatio	mpact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M : on Required
N		None identified.
Key	-	Lead Based Paint and/or Asbestos
incy		Response and source of information:
N		Not utilized in this project.
Key	10	Local Employment & Income Patterns - Quantity and Distribution of Employment, Economic Impact Response and source of information:
В		Due to expansion of building on the medical campus, an opportunity for additiona employees and revenue is projected.
Key	11	Local & State Tax Base & Revenues
1.00		Response and source of information:
N		Minimal impact since Hospital is tax exempt.
Key	12	Educational Facilities - Schools, Colleges, Universities
-		Response and source of information:
N		May have impact for local schools for educational enhancement of health careers.
Кеу	13	Commercial and Industrial Facilities - Production & Activity, Growth or Decline. Response and source of information:
•		No impact.
Key	14	Health Care – Medical Services

i.

Kev	Letter:
N: 1	No Impact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M: gation Required
	Response and source of information:
	Improved access and efficiency will be realized with this project on local population.
Key	Social Services – Governmental Services (e.g., demand on)
	Response and source of information:
1	Possible small impact for community social services.
<ey< td=""><td>Social Structures & Mores (Standards of Social Conduct/Social Conventions)</td></ey<>	Social Structures & Mores (Standards of Social Conduct/Social Conventions)
	Response and source of information:
	None from this project.
Key	Land Use Compatibility (e.g., growth, land use change, development activity, adjacent land uses and potential conflicts)
	Response and source of information:
	None known at this juncture of the project.
ley	Energy Resources - Consumption and Conservation
1	Response and source of information:
	Potential savings with energy consumption due to efficiency of building design.
ey	Solid Waste Management
	Response and source of information:
	None noted with this project.

Key	20	Wastewater Treatment - Sewage System
	1	Response and source of information:
N		Project will utilize existing sewage system with a minimal impact.
Key	21	
		Response and source of information:
N		Project will utilize existing sewage system with a minimal impact.
Key	22	
		Response and source of information:
N		Project will utilize existing sewage system with a minimal impact.
Key	23	
		Response and source of information:
В		Potential Improvement with access to Hospital in an expedite level of healthcare.
Key	24	Fire Protection – Hazards
		Response and source of information:
N		None noted with this project.
Кеу	25	Emergency Medical Services
		Response and source of information:
		Notable improvement with access of emergency medical services with direct access to med surge services.

4

	Let	er:
N:	No I	mpact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M on Required
N		Response and source of information: None noted with this project.
Key	27	
		Response and source of information:
N		None noted with this project.
Кеу	28	Transportation Networks and Traffic Flow Conflicts (e.g., rail; auto including local traffic;
		airport runway clear zones - avoidance of incompatible land use in airport runway clear Response and source of information:
N		None noted with this project.
Key	29	Consistency with Local Ordinances, Resolutions, or Plans (e.g., conformance with
		local comprehensive plans, zoning, or capital improvement plans) Response and source of information:
5		Potential improvement with community planning to improve local healthcare.
Key	30	Is There a Regulatory Action on Private Property Rights as a Result of this Project? (consider
		Response and source of information:

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BOARD OF COMMISSIONERS BIG HORN COUNTY, MONTANA

AGENDA MAY 14, 2020 THURSDAY

8:30

Sheriff Lawrence Big Hair-Vchicle Purchase 9:00

9:30

10:00 Victoria Olson, Detention Administrator

10:30

11:00 Public Hearing – Coal Board Application – Hospital Front Entry – Environmental Assessment Determination

11:30

1:00

1:30

- 2:00
- 2:30
- 3:00
- 3:30
- 4:00

PUBLIC COMMENT AND DISCUSSION IS ENCOURAGED FOR EACH ITEM LISTED

The Board met this day in Regular Session with the following members present, to-wit: George Real Bird III, Chairman; Sidney Fitzpatrick and Larry Vandersloot, Members.

Undersheriff Eric Winburn discussed the purchase of new patrol vehicles. Lance Pedersen, Legal Counsel; Mike Opie, Accountant; Deputy Jeramie Middlestead, and Dr. Carol Greimann were in attendance. Deputy Middlestead discussed the purchase of used vehicles from the City of Billings whom will be receiving new patrol vehicles in the Fall. The Board directed Deputy Middestead to contact the City of Billings to express Big Horn County's interest in a couple of their used vehicles. Dr. Carol Greimann, Health Officer, discussed concerns relating to individuals that have either tested positive of COVID 19, and/or had directed contact, violating the quarantine and isolation requirements. Discussion ensued with regard to jurisdictional issues within the exterior boundaries of the Northern Cheyenne and Crow Tribe Reservations. Both Undersheriff Winburn and Deputy Middlestead indicated that they would be available to provide assistance to BIA law enforcement in monitoring the situation.

Undersheriff Winburn discussed a personnel matter with the Board. Rhonda Johnson, Human Resources and Lance Pedersen, Legal Counsel, were in attendance.

Chairman Real Bird was authorized to execute the CARES Act Grant Offer with the FAA, to-wit:

(CARES ACT GRANT OFFER)

The Board met with Victoria Olson, Detention Administrator, to discuss the vacant Dispatch Manager position. Motion by Vandersloot to offer Ms. Olson an additional \$3.00 per hour to assume the Dispatch Manager position in addition to her Detention Administrator duties effective immediate. Seconded by Fitzpatrick.

As per Ms. Olson's request, motion by Vandersloot to approve an additional \$1.00 per hour wage increase to Kenny Rogers for the Lead Detention Officer position. Seconded by Fitzpatrick. Motion carried.

Motion by Vandersloot to award Dana Safety Supply the quote for the purchase of two patrol vehicles for the Sheriff's Office, in the amount of \$114,356.44. Seconded by Fitzpatrick. It was noted this quote was solicited due to the fact no bids were received during the required bidding process. Motion carried.

Motion by Vandersloot to award Dana Safety Supply the quote for the purchase of a transport vehicle for Detention facility in the amount of \$40,776.00. Seconded by Fitzpatrick. Motion carried.

Chairman Real Bird opened the public hearing regarding the Public Notice for Environmental Review for Big Horn County Coal Board request. Candy Wells, Administrative Assistant; Lance Pedersen, Legal Counsel, and Mike Opie, Accountant, were in attendance. It was noted that Big Horn County has applied for a Coal Board grant through the State of Montana Department of Commerce in order to assist with funding the Big Horn Memorial Hospital Front Entrance Improvement Project. Candy Wells, Administrative Assistant, advised that the Montana Environmental Policy Act (MEPA) includes a procedural statute that jurisdictions applying for State of Montana Coal Board funds provide a process by which agencies and public are informed about the potential consequences of, alternatives to, and public concerns about decisions they intend to make that might affect the human environment. Ms. Wells further explained that MEPA specifies three different levels of environmental review, based on the significance of the potential impacts including (1)Statutorily exempt or categorically excluded from MEPA review; (2)Environmental assessment (EA), and (3)Environmental impact statement (EIS). Motion by Vandersloot to approve the categorical exclusion of the Big Horn Hospital Front Entrance Improvement project grant application that included environmental and public review process, as complete and that Big Horn County has formally approved its determination that the project qualifies for an exclusion. Seconded by Motion unanimously carried. Chairman Real Bird closed the public hearing. Fitzpatrick.

There being no further business, the Board adjourned.

APPROVED:

George Real Bird III Chairman

ATTEST:

Kimberly Yarlott Clerk and Recorder

<u>MEMO</u>

To:Coal Board Members and Commerce StaffFrom:Division EngineerSubject:Big Horn County – front entry renovationMeeting:June 2020

History – Big Horn Hospital was built in 1959 by Big Horn County as an acute care hospital. The front entry and admissions department has not been renovated since initial construction. Patient emergency visits have increased the last three years resulting in a monthly average of over 400 visits per month. Patient overflow in the hospital causes congestion and compromises patient confidentiality.

Problem – Problems identified in the application included the following:

- the admissions/front entry is undersized,
- the admissions/front entry is inadequate for confidentiality of medical information,
- patient congestion causes anxiety and delays in treatment, and
- lack of controlled patient access is unsafe for hospital staff during patient treatment procedures.

Solution – The proposed project includes:

- construction of a new hospital admissions area, and
- addition of a covered canopy for patient entry.

The purpose of the project is to create more physical space and an efficient design concept. Patient confidentiality and access control would be greatly improved. The new design at the admissions office will allow patient reception and collection of patient data to be seamless and private which should increase the overall efficiency of the hospital. The new public entrance covered canopy would be utilized by most patients that are not transported by ambulance.

The Coal Board grant request is for \$498,759. The total cost is \$2,620,537; the Big Horn Hospital Association is contributing \$2,120,628; and the County is contributing \$1,150.

The applicant indicated the Hospital Association engaged in a master facility planning process nearly four years ago. The proposed project was ranked as an urgent need.

A preliminary architectural report (PAR) was prepared by CTA in June of 2018. That document included an evaluation of a new main entrance, new emergency department addition, new patient bed wing and an education addition. A schematic correlating the recommendations of the PAR to the \$2.6M project associated with this Coal Board application was not found. A

discussion describing how the work scope presented in the Coal Board application was prioritized over other items was not found in the application.

A project budget attachment indicated a cost of \$1,779,746 for the front entry and business office. That figure matched the construction cost portion from the BHHA as noted in the application but was less than the overall construction cost of \$2,278,505. It was not clear if the construction cost balance of \$498,759 is dedicated to any specific component of the overall project.

An environmental checklist was included as a separate attachment.

Coal Board Grant Applicant #0905-Big Horn County Staff Report / June 2020 Meeting

<u>Applicant:</u> Big Horn County <u>**Project:**</u> Construct New Hospital Admissions Area and Patient Entry Canopy at Big Horn Hospital <u>**Coal Board Funds Requested:**</u> \$498,759 <u>**Total Project Cost:**</u> \$2,620,537

<u>Project Information</u>: The applicant is requesting \$498,759, of a total project cost of \$2,620,537, in Coal Board funds to perform construction and renovation on the Big Horn County Hospital front entry and admission office. **The applicant is a designated unit**.

Categories:

Need:

- <u>Applicant:</u>
 - Applicant states that the admissions/front entry is undersized and inadequate for patient disclosure of medical information.
 - Applicant states that patient congestion due to the undersized admissions lobby causes patient anxiety and delays in treatment of patient medical symptoms.
 - Applicant states lack of controlled patient access is evident causing patient confidentiality to be compromised along with patient and hospital staff safety.
 - The applicant provided an agenda and minutes documenting that the environmental review was discussed at a public meeting and a determination was made for a categorical exclusion. An environmental checklist was included. However, there was no documentation included documenting that the meeting was properly noticed.
 - Applicant states Big Horn Hospital is an acute care critical access hospital, offering hospital services beginning July 1, 1959 and is operated 24 hours a day, 7 days a week to the residents of Big Horn County.

• Staff Review:

- Staff has determined that the environmental process is incomplete.
- This project request is part of a larger renovation of the hospital campus. A previous Coal Board grant was reduced in scope to the renovation of the Physical Therapy wing. The Hospital has a current grant open for the renovation of the emergency room. The scope of this application is distinct from the previous grants and limited to the front desk and business offices portion of the renovation. The renovation of this portion of the building appeared to be well underway, per a February 2020 site visit made by Commerce staff for a CDBG Economic Development grant for hospital medical equipment.

Degree of Severity of Impact:

- Applicant:
 - Applicant states 43% of hospital renovation and equipment replacement would be coalrelated impacts to the general population while about 4% would be direct coal miner job related utilization of the hospital services arena.
 - Applicant states the closest coal development area complex to the town of Hardin is Absaloka Mine located 21 miles southeast of Hardin along with coal generating station

north or Hardin approximately 1.5 miles, but operations have been sporadic in previous calendar years.

 Applicant states Big Horn Hospital is one of two critical access hospitals in Big Horn County. It offers an array of diverse medical services including updated medical equipment and related technology to the County population of 12,800 + residents.

• Staff Review:

• Documentation regarding severity of impact included in the narrative responses to Severity of Impact questions in the application.

Availability of Funds:

<u>Applicant:</u>

- Applicant states the Coal impact grant is necessary due to Hospital Association previously committed funds for building repairs/capital equipment purchases toward Big Horn Hospital and Big Horn Senior Living Center operated by the Hospital Association.
- Applicant states if Big Horn Hospital Association is not successful, the quarterly Coal Board meeting in June, alternative avenues to pursue funding would be:
 - Increase allocation of Hospital Association reserve funds to the project
 - Expand public capital campaign
 - Request additional financial support from Big Horn County in upcoming fiscal years 2021, 2022.

Staff Review:

- The applicant is a designated unit.
- Revenues related to the Coal Natural Resource account are not sufficient to fund the costs associated with this project request.

Degree of Local Effort in Meeting Needs:

<u>Applicant:</u>

- Applicant states the mill rates are higher than previous years.
- Applicant states local fundraising efforts have been active in Big Horn County for approximately 17 months, surpassing \$1,000,000 when added to the Hospital Family pledges. A CDBG Economic Development grant of \$400,000 was used for hospital medical equipment
- Applicant states that Big Horn Hospital Association historically implements a capital replacement five-year plan that outlines and prioritizes equipment attrition and useful life for plant operations.
- Applicant states Big Horn County has \$0 debt obligations.
- Staff Review:
 - Millage rates provided by MDOR data demonstrates the average millage rates for the previous three years are lower than the current year millage rates. MDOR data years: 2017-2018, 2018-2019, 2019-2020.
 - There are two other sources of funding for this project: Big Horn Hospital Association and Big Horn County.

Planning & Management:

- Applicant:
 - Applicant states the Hospital Association engaged in a master facility planning review process almost four years ago on all properties managed by the Hospital Association. The hospital renovation with specific references to congested patient traffic flow, was ranked as an urgent need for improvement.

- Applicant states that Big Horn Hospital Association revision of organization mission/vision statements in 2015 indicates the Association "will provide and individualize the healthcare experience, embodying an organization of people working together, promoting a culture of personal accountability to improve the health and wellbeing of those we serve."
- Keeping good primary care in Hardin is important to 71.8% of residents as referenced in a 2019 Community Health Survey Project.
- o Big Horn Hospital and Indian Health Services serve the Big Horn residents.
- Applicant states it is consistent with the Growth Policy: "Maintaining and improving local services such as law enforcement, fire protection, ambulance, schools, and medical centers.

• Staff Review:

The applicant has demonstrated a reasonable connection between the Front Entry Construction and Admission Office Renovation project at the Big Horn Hospital, community planning documents, and the Hospital Association Master Plan. The proposed project appears to be consistent with the effort to maintain an adequate health care facility in Big Horn County.

Grant History:

Since 2009, the applicant has been awarded 47 projects totaling \$3,960,331. For more information on Coal Board projects for this or any other applicant, please visit the Commerce Grants Database at https://commerce.mt.gov/About/FundedProjects.

Supplemental Documents (not included in this staff report):

Big Horn Hospital Association (BHHA) Debt Schedule, BHHA Income Statement, BHHA Community Health Services Report, BHHA PAR, BHHA Capital Replacement Schedule

Staff Summary:

See engineer memo.

The applicant provided an agenda and minutes documenting that the environmental review was discussed at a public meeting and a determination was made for a categorical exclusion. An environmental checklist was included. However, there was no documentation included documenting that the meeting was properly noticed.

"The applicant must provide documentation of the completed environmental review process and include with the application all documentation of the public review process, including but not limited to, the public notice for and minutes of a public hearing at which the environmental review was discussed, the public comments received, and the final decision on the environmental determination made during a public meeting" (Montana Coal Board Application, pg 27).

Further, staff does not recommend funding until environmental review record regulations have been met. Staff does not recommend funding due to the statutory criteria: Availability of Funds. Staff does not recommend awarding contingent upon available revenue as there is insufficient revenue to award projects currently. Staff recommend awarding projects based on revenue received to meet the Availability of Funds statutory criteria.

Montana Coal Impact Grant Application

Submitted to the Montana Coal Board

By

CITY OF FORSYTH

For

POOL BOILER AND CONTROL SYSTEM



Date submitted: April 24, 2020

AWARDING COAL BOARD FUNDS

(1) Eight applications, one with an original signature, must be submitted to the Department on the date posted on the Coal Board website (<u>http://comdev.mt.gov/COAL</u>) to be considered during the applicable board meeting. Applications can be submitted electronically* to <u>DOCCB@mt.gov</u>, but must be received by midnight of the application due date; or can be mailed to Department of Commerce but must be postmarked no later than the application due date. Applications can be mailed to: Coal Board Administrative Officer, Montana Coal Board, Community Development Division, Department of Commerce, P.O. Box 200523, 301 S Park Ave, Helena, MT 59620-0523 (Phone 406-841-2770, e-mail: <u>DOCCB@mt.gov</u>)

Applications are due 45 days prior to the Coal Board meeting. Any application not received or postmarked by the application due date, will be reviewed during the subsequent quarter.

* Applicants who submit applications electronically must mail one <u>signed</u> application and seven (7) copies to the address above to be received within seven days of submittal of the electronic version.

(2) Applicants must appear before the Coal Board when their application is on the agenda for consideration. Applicants will receive a summary report and an agenda prior to the meeting date. If a representative is not available to speak on behalf of the application request, the application may be tabled until the next board meeting.

(3) The Coal Board may approve, deny or table a grant. The Board may request that an applicant return to the next meeting with additional information. The Board would then move to table the application until that meeting. If the application is tabled pending receipt of the requested information, the applicant can make a request that the Board remove the application from the table after submitting further information. At that time, the application will be placed on the next Coal Board meeting agenda.

4) Coal impact grant funds used for the preparation of plans, studies, analyses, or necessary research for the preparation of a preliminary engineering report must meet the requirements of the most current Uniform Application for Montana Public Facility Projects. Coal impact grant funds used for the preparation of a preliminary architectural report must meet the requirements described in the Coal Impact Grant Application (Appendix A).

PLEASE NOTE: Applications will be evaluated as they are submitted. The Board may table an application if significant changes or new information are presented during the hearing.

INSTRUCTIONS FOR COMPLETING COAL BOARD GRANT APPLICATION

Instructions and examples to help complete the application are in gray. Once you have completed the application, please delete all the gray areas by highlighting the section using the square in the upper left hand corner, then, right clicking on your mouse and selecting "cut". This will shorten the length of the document the board members will need to review.

Boxes and charts in this application have been formatted by WORD Table. Edits can be made using the Table function of WORD.

Applications may be secured with binder clips, large paper clips or staples. The three-ring meeting notebooks sent to Board members will not accommodate binders or plastic covers.

Eight applications, one with an original signature, must be submitted to the Department on the date posed on the Coal Board website (<u>http://comdev.mt.gov/COAL</u>) to be considered during the applicable board meeting. Applications can be submitted electronically* to <u>DOCCB@mt.gov</u>, but must be received by midnight of the application due date; or can be mailed to Department of Commerce but must be postmarked no later than the application due date. Applications can be mailed to: Coal Board Administrative Officer, Montana Coal Board, Community Development Division, Department of Commerce, P.O. Box 200523, 301 S Park Ave, Helena, MT 59620-0523 (Phone 406-841-2770, e-mail: <u>DOCCB@mt.gov</u>)

* Electronically submitted applications must be followed with the original and seven (7) signed hard copies that are postmarked by the application deadline.

THE COAL IMPACT GRANT APPLICATION FORM SUBMITTED BY CITY OF FORSYTH

CERTIFICATION

To the best of my knowledge and belief, the information provided in this application and in the attached documents is true and correct.

In accordance with Section 90-6-205, MCA, the applicant is eligible for Coal Board grants and has the statutory authority to make expenditures to provide for the particular service or facility.

Name: Dennis Kopitzke

Title: Mayor

Signature: Dennis Kupitke Date: 4-24-2020

SUMMARY INFORMATION

- 1. <u>NAME OF APPLICANT(S)</u>: City of Forsyth
- 2. TYPE OF ENTITY: Local Government Municipality
- 3. FEDERAL TAX ID NUMBER:
- 4. <u>SENATE AND HOUSE DISTRICTS:</u> Senate District 20 and House District 39
- 5. AMOUNT OF COAL IMPACT GRANT REQUESTED \$_95,000.00
- 6. <u>NAME OF PROJECT:</u>

Forsyth Municipal Pool Boiler Replacement and Control System Upgrade

- 7. <u>TYPE OF PROJECT:</u> To replace the existing boiler and upgrade the management system for the municipal pool.
- <u>POPULATION SERVED BY PROJECT:</u> 1868 residents, also enjoyed by surrounding communities, Colstrip, Hysham, Miles City, Billings, Rosebud, Rosebud County, Custer County, Treasurer and Visitors to the Area
- 9. <u>NUMBER OF HOUSEHOLDS SERVED BY PROJECT:</u> 826 households, but enjoyed by several surrounding communities

 10.
 CHIEF ELECTED OFFICIAL OR AUTHORIZEDREPRESENTATIVE: Honorable Dennis Kopitzke, Mayor
 406-346-2521

 247 North 9th Avenue P.O. Box 226 Forsyth, Mt. 59327
 forsythmayor@rangeweb.net 406-346-7560-Fax

 PRIMARY ENTITY CONTACT PERSON:

 Doris Pinkerton, Clerk/Treasurer
 406-346-2521

 247 North 9th Avenue P.O. Box 226
 forsythcityclerk@rangeweb.net

 Forsyth, Mt. 59327
 406-346-7560-Fax

12. <u>OTHER CONTACT PERSONS</u>: Pool Manager Jason Forberg 247 North 9th Avenue Forsyth, Mt. 59327

406-346-2409 forsythpool@rangeweb.net 406-346-2521

13. MILLAGE RATES:

2017 Millage = 232.38 = Mill Value = 1977.467 2018 Millage = 235.95 = Mill Value = 2022.278 2019 Millage = 243.50 = Mill Value = 2025.873 2020 Millage = 246.03 = Mill Value = 2068.231

14. <u>AMOUNT OF COAL GROSS PROCEEDS TAX</u>:

The City of Forsyth does not receive coal gross proceeds tax.

15. IMPACTS FROM COAL INDUSTRY:

The number of residents that are currently employed by the coal industry within the applicant's jurisdiction as reported by Western Energy and PPL, are ninety-nine. During the overhaul of the units at Colstrip, many of the employees stay in Forsyth. Three to four buses leave Forsyth each day, transporting employees to South Eastern Montana Coal Mines. The number of residents currently employed by the BNSF is one hundred twenty. The BNSF is one (1) of the largest employers in the City of Forsyth, the main item hauled is coal, being transported from Colstrip through Forsyth.

16. MAPS:

A map is included.

17. BRIEF PROJECT SUMMARY:

The Forsyth Pool was built in 1986 using money received from the Montana Coal Board and is owned and operated by the City of Forsyth. The pool is open year around indoor pool featuring a six (6) lane twenty-five meter, 200,000 gallon pool and ten person hot tub.

When originally built in 1986, the building was heated by a 1.5 million BTU Boiler fueled by coal. In 1988, due to major failure of the coal stoker portion of the boiler, a natural gas burner was retrofitted to this boiler to change the fuel source.

The boiler provides heat to the air handling units for building space temperature. The boiler also provided heated water for the pool and domestic hot water for the showers. This was done through two (2) separate heat exchangers.

Building Upgrades at City Expense:

- 2005 new airhandlers were placed on the roof to replace the original heating equipment. Appx. \$40,000.00
- 2006 to replace the failing original pneumatic control system, a new electronic system was installed to manage
 - the building. Variable frequency drives were installed on all motors to reduce electrical usage and increase overall efficiency. Appx. \$50,000.00
- 2012-2013 –New chemical controllers, filtration and circulation system for the pool. Refinish and repaint the pool. Appx. \$135,000.00
- 2017- New flat roof with added R-8 insulation was installed. \$140,000.00
- 2017 Current- The city has begun replacing all the building lightg to energy efficient LED lighting. Appx. \$8,000.00 so far invested.
- 2019 removed and replace failing domestic heat exchanger. Divorcing system from main boiler and installing five(5) 94% efficient on demand now water heaters. \$15,000.00

18. PROJECT BUDGET AND IMPLEMENTATIONSCHEDULE:

PROJECT BUDGET FOR CITY OF FORSYTH MUNICIPAL POOL							
Completed by: <u>Doris Pinkerton</u>	_For: (location)	Forsyth, MT	Date: <u>Apr</u>	1 23.2020	<u> </u>		
ADMINISTRATIVE/ FINANCIAL COSTS	SOURCE: Coal Board	SOURCE:	SOURCE:	SOURCE:	TOTAL:		
Grant Administration	*** \$	\$	\$	\$	\$		
Office Costs	\$	\$	\$	\$	\$		
Professional Services	\$	\$	\$	\$	\$		
Legal Costs	\$	\$	\$	\$	\$		
Travel & Training	\$	\$	\$	\$	\$		
TOTAL ADMINISTRATIVE/ FINANCIAL COSTS	\$	\$	\$	\$	\$		
ACTIVITY COSTS:							
Equipment Cost	\$95,000.00		\$	\$	\$95,000.00		
Construction Cost	\$	\$	\$	\$	\$		
Architectural/Engineering Design	\$	\$	\$	\$	\$		
Product Completion (PER's, studies, etc.)	\$	\$	\$	\$	\$		
Contingency	\$	\$	\$	\$	\$		
TOTAL ACTIVITY COSTS	\$95,000.00		\$	\$	\$95,000.00		
TOTAL PROJECT COSTS	\$95,000.00	\$	\$	\$	\$95,0000.00		

A. Project Budget Narrative:

EXAMPLE OF A BUDGET NARRATIVE

ADMINISTRATIVE/FINANCIAL COSTS

Personnel Services/Office Costs: There will be no personnel services or office costs.	\$	0.00
Professional Services: There will be no professional services required on the project.		0.00
Legal Costs: No legal costs are anticipated or budgeted for in this project.	\$	0.00
Audit Fees: Audit fees will not be necessary with this project.	\$	0.00
TOTAL ADMINISTRATIVE/FINANCIALCOSTS	\$	0.00
ACTIVITY COSTS		
Equipment Cost: Estimated cost of the boiler and control replacement.	\$	95,000.00
Construction Cost: No construction costs are required for this project.	\$	0.00
	\$ \$	0.00 0.00
No construction costs are required for this project. Architectural Design:	·	
No construction costs are required for this project. Architectural Design: There will be no architectural fees. Contingency: Contingency cost is approximately 10% of the contract bid. Percentage is the industry standard for medical equipment recommended by the	\$	0.00

B. Implementation Schedule:

IMPLEMENT	ΓΑΤΙΟ	ON SC	HED	ULE	FOR	СІТҮ	OF I	FORS	SYTH	· · · · · · · · · · · · · · · · · · ·		
	QUARTERS 2020				QUARTERS 2021				QUARTERS 2022			
TASK	1 ^{s†}	2 ND	3 RD	4 TH	1 ^{s⊺}	2 ND	3 RD	4 ^{тн}	1 st	2 ND	3 RD	4 TH
PROJECT START-UP												
A. Sign contract with Coal Board			Х	Х	X							
B. Secure approval of otherfunding												
C. Submit progress reports and drawdown request. (Progress reports quarterly if no draws submitted)					X	X						
PROJECT CONSTRUCTION												
A. Architectural Design												
B. Conduct pre-constructionconference												
C. Construction and purchase and installation of equipment					X	X						
D. Monitor Progress					X	X						
E. Final Inspection						X						
PROJECT CLOSE-OUT												
A. Coal Board administrative staff conduct on-site monitoring of the project.						×						
B. Submit project completion report.							X					
C. Include project in audits.							X					

19. DESCRIPTION OF RELATIONSHIP TO COAL BOARD STATUTORY GRANT CRITERIA

A. <u>Need</u>

 Does a serious deficiency exist in a basic or necessary community public facility or service? Examples include emergency services such as police, fire or ambulance services.
 APPLICANT'S RESPONSE: No

2. Have serious public health or safety problems that are clearly attributable to a deficiency occurred, or are they likely to occur, such as illness, disease outbreak, substantial property loss, environmental pollution, safety problems, hazards, or health risks?

APPLICANT'S RESPONSE:

The City of Forsyth is bordered by the Yellowstone River, and try as they might, parents encourage their children not to swim the river or jump off of the bridge. It is important to the community that the pool provides swimming lessons, as drowning is a concern.

3. Is the entire community, or a substantial percentage of the residents of the community, seriously affected by the deficiency or at risk, as opposed to a small percentage of the residents? APPLICANT'S RESPONSE:

As noted in the City of Forsyth Capital Improvement Program, the city is experiencing a change in the median age of its population, the median age of the 2014 census was 45.5 years, also 22.9 percent of the population was estimated to be 65 or older. The plan cautions that the ageing population is something that should be monitored closely, as this trend could have multiple effects upon the city and county, including increasing the need to provide healthcare, housing and services to seniors.

The pool provides a health benefit to the population, is handicap assessable and has a commercial hot tub.

4. Is there clear documentation that the current condition of the public facility or service (or lack of a facility or service) violates, or may potentially violate, a state or federal health or safety standard lf the proposed project is necessary to comply with a court order or a state or federal agency directive, describe the directive and attach a copy of it.

APPLICANT'S RESPONSE: No

5. Does the standard that is being violated, or potentially may be violated; represent a significant threat or potential threat to public health orsafety?

APPLICANT'S RESPONSE: N/A

6. Additional information supporting the NEED for this project.

APPLICANT'S RESPONSE:

Many employees at the Colstrip Plant are residents of the City of Forsyth, and also coal Industry retirees and aging employees. The pool provides therapeutic relief from health issues.

.<u>Degree of Severity of Impact from an Increase or Decrease in Coal Development or In the Consumption of</u> <u>Coal by A Coal-Using Energy Complex</u>

7. Describe why the need for the expansion or improvement to the public facility or public service is attributable to coal-related impacts. Additionally, please provide the percentage of the project that is a result of coal impacts.

APPLICANT'S RESPONSE:

The facility was built with a Coal Board grant awarded to the City of Forsyth in 1984. The grant amount was \$1,123, 280.00; with the city support of \$82,030.00; for a total of \$1,205,310.00. The percentage related to coal is 90%. When the facility was originally built, the building was heated by a 1.5 million BTU boiler fueled by coal. In 1988, with major failure of the coal stoker portion of the boiler, a natural gas burner was retrofitted to this boiler to change the fuel source. The boiler provides heat to the air handling units for building space temperature. The fees generated by the pool do not cover expenditures, which is expected; but when major repairs such as this need to be done it puts a hard ship on General Fund monies. It is a facility that was built with coal funds, and now needs the help of the Coal Board to replace an ageing boiler and control system.

The pool has users from Miles City, Custer County, Colstrip, Rosebud, Forsyth, Rosebud County, Hysham, Treasurer County, are all coal impact areas. Many employees that work at Colstrip are residents of the City of Forsyth, there are also coal industry retirees and aging employees. The pool provides therapeutic relief from health issues.

8. Name the nearest coal development area or coal-using energy complex to your community and the road miles from yourcommunity.

APPLICANT'S RESPONSE: Colstrip, 36 miles

9. Additional information supporting the DEGREE OF SEVERITY OF IMPACT FROM AN INCREASE OR DECREASE IN COAL DEVELOPMENT OR IN THE CONSUMPTION OF COAL BY A COAL-USING ENERGY COMPLEX.

APPLICANT'S RESPONSE:

The City of Forsyth is the county seat for Rosebud County and is a member of the Southeastern Montana Development Corporation. The city encourages growth, retention of business, which in turn employs people. The future of coal in Rosebud County is facing a decline, with the production decreasing the hardship of maintaining the pool effects the remaining citizens.

B. Availability of Funds

- 1. Amount requested from the Coal Board: <u>\$ 95,000.00</u>
- 2. Amount of Coal Board funds available at the time of application \$_____(#2 will be completed by Coal Board staff)
- 3. Explain why a coal impact grant is necessary to make the project feasible and affordable.

APPLICANT'S RESPONSE:

The city would not have to consider reducing pool hours, which in turn, reduces the work force, or MONTANA COAL IMPACT GRANT APPLICATION 2017 continue with the current boiler and control system. The current boiler is 34 years old, with an approximate 60% efficiency factor. The pool heat exchanger is corroded and due to that, is losing an estimated additional 15-20% efficiency. The efficiency of the boiler providing heat to the building is only 40-50%. The grant would ensure that other projects are funded appropriately while also updating necessary equipment, thus saving the city money from the decrease in energy consumption.

4. What are the other proposed funding sources for the project?

APPLICANT'S RESPONSE:

The city hopes to get the funding from the Coal Board, as noted above, the city already has an Intercap Loan in place which was for pool Improvements. Any income increase in the General Fund comes from the property owners (taxes); and there is a seal on the amount of mills the city can mill. The city mills all the mills allowable under state law.

FUNDING SOURCES SUMMARY FOR CITY OF FORSYTH						
Source	Type of Fund	Amount	Status of Commitment	Loan Rates & Terms		
Montana Coal Board	Grant	\$95,000.00	Requested	N/A		
CDBG	Grant	N/A	Project not eligible for funding	N/A		
TSEP	Grant	N/A	Project not eligible for funding	N/A		
RRGL	Grant	N/A	Project not eligible for funding	N/A		

5. If a particular proposed source of funding is not obtained, how will the applicant proceed?

APPLICANT'S RESPONSE:

The City of Forsyth general fund supports the municipal pool. It is no secret that communities struggle with having enough funds to cover community services within the general fund, the city mills the maximum amount allowable by law. The city will try to continue to set aside funds, but this is a slow process, as only the funds left in the expenditure budget are transferred at the end of each fiscal year to replacement and depreciation. I do not feel the City Council would approve applying for another loan for the pool, as there is a substantial amount left on the current debt. This brings me to what is left, cutting hours and staff to decrease expenses. The citizens have indicated they want the pool open year round.

APPLICANT'S RESPONSE:

This is a \$95,000.00 question, the question of where to find the funds will rest with the City Council members. Unfortunately, there is no additional stretching of the General Fund dollars; the project could be placed on hold.

C. <u>Degree of Local Effort in MeetingNeeds</u>

1. If current millage rates given are lower than the average rates levied during the previous three years, briefly explain why they are lower.

APPLICANT'S RESPONSE:

The City of Forsyth has experienced fluctuation in mill values; the Department of Revenue establishes the valuation of property.

2. Describe any local efforts to meet the public facility or public service needs by providing financial contributions to the project to the extent possible, such as local funding, donations of land, absorbing some or all-administrative costs. For non-profit organizations, describe fund- raising efforts or other in-kind assistance to the proposed project as well as usual program fund-raising efforts.

APPLICANT'S RESPONSE:

The city has contributed over \$388,000.00 over the last fifteen years to maintain the pool, including air handlers, a electronic system to manage the building, variable frequency drives were installed on all motors to reduce electrical usage and increase efficiency. New chemical controllers, filtration and circulation system, and the pool was refinished and repainted. In 2017 a new roof with R-8 insulation was installed, and has begun replacing all the building lightening to energy efficient LED lightening. Last year the domestic heat exchanger was replaced, these were divorced from the main boiler and five (5) efficient on demand how water heaters were installed.

The "Friends of the Pool" community group has fund raised, supporting swim lesson fees for all children, purchasing other items, such as the handicap lift and raised \$10,000.00 for the hot tub project. Not only did the Friends of the Pool give to the Hot Tub project, Electrician Jason Spencer donated his time, Shine and Glow Flooring donated all tile/backer board related materials, ProBuild of Billings gave a fifty percent discount on all materials and donated all of the Trex decking, HydroTher gave a \$2,000.00 discount on the tub shell, Big Sky Custom Panels of Forsyth donated a portion of the cost for stainless steel hand railing. The Friends of the Pool also donated \$8,000.00 to the wading pool, Jason Payer, Electrician donated all the electrical.

Pool Manager Forberg came up with a creative idea, movie night at the pool, he applied for grants to purchase a television that would withstand the pool humidity. This also allows patrons to use exercise videos, thus increasing membership fees.

The Boy Scouts of Colstrip and Miles City do all of their testing at the pool, which is needed to go to their national camps.

3. Describe past operation and maintenance budgets and practices over the long-term, including any reserves for repair and replacement.

APPLICANT'S RESPONSE:

The city has managed to control the operation and maintenance budget; holding the expenditure budget to allow the pool to remain open year round, but on a part time basis.

4. If there are indications that the problem is not of recent origin, or has developed because of inadequate operation and maintenance practices in the past, explain the circumstances and describe the actions that management will take in the future to assure that the problem will not reoccur.

APPLICANT'S RESPONSE: N/A

- 5. If the project involves water, wastewater or solid waste, provide the current and projected monthly household user charges, including operation and maintenance:
 - a. What is the current monthly household user charge? \$_
 - b. What is the projected monthly user charge (including operation and maintenance) when the project is complete? \$____
- 6. What are your current debt obligations? N/A

APPLICANT'S RESPONSE: CURRENT DEBT SUMMARY FOR CITY OF FORSYTH								
Year Issued	Purpose	Type of Bond/ Security	Amount	Maturity Date (mo./yr.)	Debt Holder	Coverage Required	Annual Payment Amount	Outstanding Balance
2013	Repairing Municipal Pool		\$137,800.00	February 2023	BOI	0%	\$16,087.00	\$36,454.00

7. What are your current assets?

APPLICANT'S RESPONSE:

General Fund operating cash: \$522,440.81; this funds not only the pool but law enforcement, city hall building needs, street repair, parks, fire suppression, flood control, administration, legislative and executive services and pool operations and debt. There is \$87,997.00 in replacement and depreciation to replace the mower and long term planning for the fire truck replacement.

8. What financial accounting system do you use? <u>Black Mountain Software</u>

9. Is the applicant in compliance with the auditing and annual financial reporting requirements provided for in the Montana Single Audit Act, 2-7-501 to 522, MCA? (Tribal governments must comply with auditing and reporting requirements provided for in OMB Circular A-133).

Yes_X_No____Date of last completed audit or financial report <u>November 14, 2019</u>

10. If there have been audit findings within the last five years, have they been satisfactorily addressed?

APPLICANT'S RESPONSE: Yes, all findings have been addressed and accepted by the Department of Administration.

11. Additional information supporting the DEGREE OF LOCAL EFFORT IN MEETING NEEDS.

APPLICANT'S RESPONSE:

There is a continued marketing effort, which has raised attendance, which increases revenue.

Planning & Management

1. Describe how your grant request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems related to coal impacts.

APPLICANT'S RESPONSE:

The City of Forsyth updated and adopted the Growth Plan in 2016, one of the goals for Forsyth states; "a desirable quality of life, character of the community, the objective is to encourage a family friendly atmosphere for all age groups, and maintain a desirable mix and cost of governmental services". Providing a safe and healthy environment to live in and raise a family requires good services such as education, healthcare, recreation and social services. The City works to provide excellent community services. One example is having the indoor year round municipal pool, for all to enjoy.

2. Describe how the proposed project is consistent with current plans.

APPLICANT'S RESPONSE:

When the City Council adopted the Growth Plan in 2016; a discussion on Forsyth's economy noted that the city faces both opportunities and challenges. The City has strengths that provide it with a solid foundation, including a high quality of life, an excellent transportation network, access to inexpensive utilities, very affordable housing, a diversified small business community and strong community banks. The Community Foundation of Northern Rosebud County was founded in 2006 with the goal of creating a permanent source of funding to support initiatives that would improve the community. The Foundation works to build its endowment and administers the granting of earnings from endowed funds. The pool has benefited from those grants, unfortunately those are small resulting in \$1,500.00 per year.

APPENDIX A

PAR PRELIMINARY ARCHITECTURAL REPORT (PAR) REQUIREMENTS

Not Applicable

ENVIRONMENTAL REVIEW CHECKLIST

NAME OF PROJECT:	City of Forsyth Pool Maintenance Improvements
PROPOSED ACTION:	Replace boiler and controls
LOCATION:	Forsyth, Montana

Key Letter:								
N: N	N: No Impact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M:							
Mitigation Required								
	HYSICAL ENVIRONMENT							
Кеу		Soil Suitability, Topographic and/or Geologic Constraints (e.g., soil slump, steep slopes, subsidence, seismic activity)						
		Response and source of information: N						
Key	2	Hazardous Facilities (e.g., power lines, hazardous waste sites, acceptable distance from explosive						
		and flammable hazards including chemical/petrochemical storage tanks, underground fuel storage tanks, and related facilities such as natural gas storage facilities & propane storage tanks)						
, ,		Response and source of information: N						
Кеу	3	Effects of Project on Surrounding Air Quality or Any Kind of Effects of Existing Air Quality on						
	_	Project (e.g., dust, odors, emissions)						
		Response and source of information: N						
Key	4	Groundwater Resources & Aquifers (e.g., quantity, quality, distribution, depth to groundwater,						
		sole source aquifers)						
		Response and source of information: N						

.

Key	Key Letter:				
N: N	lo Im	pact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M:			
Mitiga	ation	Required			
Key	5	Surface Water/Water Quality, Quantity & Distribution (e.g., streams, lakes, storm runoff, irrigation systems, canals)			
		Response and source of information: N			
Kov	6	Eloodoloine & Eloodoloin Management (Identify any flaadoloine within and mile of the hour days of			
Key	•	Floodplains & Floodplain Management (Identify any floodplains within one mile of the boundary of the project.)			
		Response and source of information: N			
Key	7				
		Response and source of information: N			
		•			
Key	8				
		unique agricultural lands) (Identify any prime or important farm ground or forest lands within one mile of the boundary of the project.)			
		Response and source of information: N			
Key	9	Vegetation & Wildlife Species & Habitats, including Fish and Sage Grouse (e.g., terrestrial, avian			
		and aquatic life and habitats) https://sagegrouse.mt.gov			
		Response and source of information: N			
Key	10	Unique, Endangered, Fragile, or Limited Environmental Resources, Including Endangered Species			
		(e.g., plants, fish or wildlife)			
		Response and source of information: N			

Key	Key Letter:						
N: N	N: No Impact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M:						
Mitig	Mitigation Required						
Кеу	11	Unique Natural Features (e.g., geologic features) Response and source of information: N					
Кеу	12						
		and Public Open Space Response and source of information: N					
HUM	IAN	ENVIRONMENT					
Key	1	Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics					
		Response and source of information: N					
Key	2	Nuisances (e.g., glare, fumes)					
		Response and source of information: N					
Key	3	Noise suitable separation between noise sensitive activities (such as residential areas) and					
		major noise sources (aircraft, highways & railroads)					
		Response and source of information: N					

Key l	Key Letter:						
	N: No Impact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M:						
Mitiga	Mitigation Required						
Key	4						
Key	5						
		Response and source of information: N					
Key	6						
		Response and source of information: N					
Key	7	Displacement or Relocation of Businesses or Residents					
		Response and source of information: N					
Key	8	Public Health and Safety					
	-	Response and source of information: N					

Key	Key Letter:				
N: N	lo Im	pact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M:			
Initiga	tion	Required			
Key	9	Lead Based Paint and/or Asbestos			
		Response and source of information: N			
	10	Local Employment & Income Patterns - Quantity and Distribution of Employment, Economic			
Key	10	Impact			
		Response and source of information: N			
Key	11	Local & State Tax Base & Revenues			
	ł	Response and source of information: N			
	i				
Key	12	Educational Facilities - Schools, Colleges, Universities			
		Response and source of information: N			
L					
Кеу	13	Commercial and Industrial Facilities - Production & Activity, Growth or Decline.			
		Response and source of information: N			
Key	14	Health Care – Medical Services			

Keyl	Key Letter:				
		pact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M:			
Mitiga	Mitigation Required				
		Response and source of information: N			
ł					
]					
]					
Key	15	Social Services – Governmental Services (e.g., demand on)			
		Response and source of information: N			
ļ					
Key	16	Social Structures & Mores (Standards of Social Conduct/Social Conventions)			
		Response and source of information: N			
Key	17	Land Use Compatibility (e.g., growth, land use change, development activity, adjacent land uses			
		and potential conflicts)			
		Response and source of information: N			
Key	18	Energy Resources - Consumption and Conservation			
		Response and source of information: N			
Кеу	19	Solid Waste Management			
		Response and source of information: N			
		,, _,, _			

Key Letter:				
N: No Impact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M: Mitigation Required				
Key	20	Wastewater Treatment - Sewage System		
		Response and source of information: N		
Key	21	Storm Water – Surface Drainage		
		Response and source of information: N		
Key	22	Community Water Supply		
		Response and source of information: N		
Key	23	Public Safety – Police		
		Response and source of information: N		
Key	24	Fire Protection – Hazards		
		Response and source of information: N		
Key	25	Emergency Medical Services		
		Response and source of information: N		
Key	26	Parks, Playgrounds, & Open Space		

Key Letter:				
N: No Impact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M:				
Mitigation Required				
		Response and source of information: N		
	7			
Кеу	27	Cultural Facilities, Cultural Uniqueness & Diversity Response and source of information: N		
Кеу	28	Transportation Networks and Traffic Flow Conflicts (e.g., rail; auto including local traffic; airport		
	20	runway clear zones - avoidance of incompatible land use in airport runway clear zones)		
		Response and source of information: N		
Key	29	Consistency with Local Ordinances, Resolutions, or Plans (e.g., conformance with local		
		comprehensive plans, zoning, or capital improvement plans)		
		Response and source of information: N		
Key	30			
		options that reduce, minimize, or eliminate the regulation of private property rights.)		
		Response and source of information: N		

Environmental Review Form

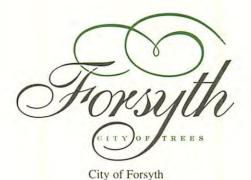
On a separate piece of paper, please answer the following as they apply to your proposed project:

- I. Alternatives: Describe reasonable alternatives to the project.
- 2. Mitigation: Identify any enforceable measures necessary to reduce any impacts to an insignificant level.
- 3. Is an EA or Environmental Impact Statement (EIS) required? Describe whether or not an EA or EIS is required, and explain in detail why or why not.
- 4. Public Involvement: Describe the process followed to involve the public in the proposed project and its potential environmental impacts. Identify the public meetings -- where and when -- the project was considered and discussed, and when the applicant approved the final environmental assessment.
- 5. Person(s) Responsible for Preparing: Identify the person(s) responsible for preparation of this checklist.
- 6. Other Agencies: List any state, local, or federal agencies that have over-lapping or additional jurisdiction or environmental review responsibility for the proposed action and the permits, licenses, and other authorizations required; and list any agencies or groups that were contacted or contributed information to this Environmental Assessment (EA).

menton Clorke Speasurer Authorized Representative. Title

April 24, 2020 Date

City of Forsyth Dennie Kopstyke Mayor Date: <u>4-24-2020</u>



Coal Board Grant Request Pool Boiler and Controls

April 24, 2020

City of Forsyth

Reason: Environmental Review Form

1. Alternatives: There are no other alternatives for this project, as it is a Pool boiler and control replacement.

2. Mitigation: None

3. Is an Environmental Impact Statement required? At this time the feeling is no, as the project is to replace the pool boiler and controls.

4. Public Involvement: A public hearing has been advertised for two weeks in the newspaper and posted in the city's posting places, City Hall, Post Office and County Courthouse. The council agenda lists the public hearing, Mayor Kopitzke will open the hearing for public comment, and any comments will be recorded into the official minutes of the meeting. The council meeting was on January 13th, 2020, at 7:00 p.m., in the Council Chambers at City Hall, 247 N. 9th Avenue, Forsyth, Mt. The public hearing advertisement also states that any comments can be submitted in writing and those comments will become part of the official record, again recorded into the minutes. This date is a regular scheduled date for the City Council meeting, as the council meets every second and fourth Monday of each month. I have attached an affidavit of publication for the hearing, and the minutes of the meeting which note there were no comments from the public.

5. Person(s) Responsible for Preparing: Doris Pinkerton, Clerk-Treasurer

6. Other Agencies: None

oris Imperto

Doris Pinkerton, Clerk/Treasurer

Date: April 24, 2020

City of Forsyth

enni he

Dennis Kopitzke, Mayor

1-24-202

Date

Opporda Stern . VIII- C 1-13-20

RESOLUTION NO. 2020-R03-COAL BOARD ENVIRONMENTAL FINDING

A RESOLUTION OF THE CITY OF FORSYTH, MONTANA TO ACCEPT THE DETEMINATION THAT LEVEL 1, (EXEMPT FROM MEPA REVIEW) EXCLUDED ENVIRONMENTAL FINDING IS APPROPRIATE FOR THE CITY OF FORSYTH POOL BOILER REPLACEMENT APPLICATION.

WHEREAS, the City of Forsyth has completed an assessment to identify potential environmental impacts to the replacement of the pool boiler; and

WHEREAS, the draft Environmental Assessment was made available for public comment and the findings were presented and reviewed at a public meeting; and

WHEREAS, no substantive public comment was received; and

WHEREAS, The City of Forsyth has determined that the pool boiler replacement will not significantly affect the quality of the human environment and accordingly the City of Forsyth has determined an Environmental Impact Statement is not necessary; and

NOW THEREFORE, BE IT RESOLVED by the City Council, as follows;

That the City of Forsyth, Montana adopts the final Environmental Assessment for the replacement of the pool boiler.

PASSED by the City Council and APPROVED this 13th day of January 2020.

ennis Kozitzke Signed:

Name: Dennis Kopitzke

Title: Mayor

Date: January 13, 2020

Attested:

Doris Pinkerton, Clerk - Treasurer

CITY OF FORSYTH REGULAR MEETING MINUTES OF JANUARY 13, 2020 STATE OF MONTANA

Mayor Dennis Kopitzke called the meeting to order at 7:00 p.m.; officials in attendance were; Council Members Chris Purkett, Carole Raymond, Ethan Bell, and John Hill, Clerk – Treasurer Doris Pinkerton, Public Works Director Richard Thompson, Water Wastewater Director Pat Zent, Pool Manager Jason Forberg, and Sergeant Josh Jonas and Attorney Weldon. Unable to attend was Building Inspector Ron Ball.

PUBLIC COMMENT: Mayor Kopitzke asked if there was anyone present from the public that wish to comment on items not on the agenda. There will be no discussion of personnel. The Council will take no formal action at this point in the agenda.

Mayor Kopitzke wanted to make a comment prior to hearing public comment, he apologized to the City Council for the last meeting. He said he was caught flat footed, unaware that there was a group of people coming, did not have a clue, that a group was coming to the meeting, no one had the courtesy to let us know, which is fine. No one had the courtesy to give notice they were coming. In the six(6) years he has been here we have tried to answer every question that was asked during public comment that people have raised, some could be answered, some could not. There has been an honest attempt to answer every question that has been raised for six (6) years without fail. The last meeting was a good example of where we failed, didn't work. He apologized because he was not prepared, he will not be caught flat footed again, there were times when questions could not be answered, did not have answers, there were no documents, no notes, didn't have a chance to provide answers to questions, a lot of questions went unanswered. He went back and read a lot of literature on meetings and he will follow best practices, if you have a comment, make your comment, he will not ask any questions, he will make no comments, if the council want to ask questions they can, he will not interrupt, it means exactly that, public comment, you will have your chance three (3) to five (5) minutes to make your public comment. If you have questions he will and the council will answer every question, but the question needs to be in writing, he is not going to take oral questions anymore, there will not be any confusion, about his answers or what the council is going to answer. If anyone has a question, put it in writing, put it on the table tonight, or drop it off tomorrow or any other day of the week, put it in his basket, he will make every reasonable attempt to answer any questions in a reasonable time. If there are questions tonight you will have an answer before the end of the week or certainly before the next meeting. He is not going through what happened at the last meeting, it was an embarrassment; he apologized to community members and council, a lot of questions did not get answered, filthy language, he tolerated it, not a productive meeting, a lot of you are here tonight, he hopes you get on Facebook, he would appreciate it, and pass the word.

He then opened the meeting up for public comment, he asked that the people come forward to the podium. Mr. Craig Steinbach said he is having difficulty with people blocking his driveway when they are at the dentist office. He wondered what recourse he has, what can he do? Sergeant Jonas told him he is welcome to call the Sheriff's office.

Mr. Claude Krueger said in the minutes of the last meeting his wife Nina said number of days; not as the minutes stated. He said there is a "no U turn sign" on Tenth Avenue that has been there for quite some time, they are of no use. He explained that cars will make a U turn using his boulevard and sometimes going onto Arvin Posts property. He has paid for the sidewalk out of his own pocket, improved the city's boulevard, and people make a U-turn to get to the Post Office. He also had an issue with the snow removal at the Senior Citizens Center, snow is piled up; people parallel park, and no one shovels the sidewalk. He also felt the publication in the paper was not well stated and that the people at the last meeting didn't know and it caused animosity; they thought they were going to have a say in whether the code was changing from criminal to civil. Mayor Kopitzke said that he will respond in writing to the issues that Mrs. Krueger has on the citizen issue form. Mr. Krueger asked if there was a committee that goes and looks at properties in violation, Mayor Kopitzke said there is no committee to go out and look at every junk vehicle or piece of property. Mr. Krueger asked what it takes to change the city code, Mayor Kopitzke responded that anyone can get the code book, find the code, get the wording and rewrite it, suggest how it should read and bring it to the city, the city will look at it, and if reasonable it will be given to the City Attorney to look at. The information would be reviewed, if needed put in the proper form, then just as this process is, it would go through the public hearing process, advertised so the public could comment, if any changes were suggested, there may be changes, it would go through the first public hearing, it could be approved on first reading, advertised again and a second public hearing would be held; the hearing is held as the first one, anyone has a chance to suggest changes, if everything is what is wanted then it could be approved on second reading. Then thirty days after that, which is still a time when the public can come forward with suggestions or changes, if no changes then it could become part of city code. After the thirty days, it is sent to the codifiers, they review the information, and then it is codified and put into City Code.

Council Member Purkett said it is defined by public feedback, if (for instance) one (1) or two (2) people want something doesn't necessarily mean that it will happen.

Mayor Kopitzke asked if anyone else had any other comments, on items on or not on the agenda, none were heard.

PUBLIC HEARING(S):

Mayor Kopitzke recessed the regular meeting at 7:18 p.m. and opened the public hearing for Ordinance No. 02 - 2019 which amends the City Code as follows, noting this is the second reading for the Ordinance.

- Title 3-2-2 Tree Board Term of Office
- Title 7-3-2 Animal Control Running at Large
- Title 7-6-8 Vehicles on Private Property Violation and Penalty
- Title 9-5-6 Motor Vehicles and Safety Parking Regulations
- Title 10-0-1 Water and Sewer Violations

He explained the basic changes are to change the violations from misdemeanor to municipal infractions. He asked if anyone had any questions, later on the agenda the council will vote on the second reading, and if passed the code will go into effect in thirty days. Someone asked what the penalty is, Attorney Weldon responded that the first fine for a municipal infraction would be a certain amount; he thought \$25.00; after that it would be up to the City Judge to determine. Mrs. Pearl Hein asked if that is for private property, she wants to know what the fine would be for the stuff on her private property. Mayor Kopitzke said he has not issued a ticket to her or Hein Repair, all he has done in six years is to ask them to clean up their areas, the letters are respectful, but to the point, following city code, he respects their personal property, he has not issued one citation. Mrs. Pearl Hein asked if Mayor Kopitzke was trying to run them out of Forsyth, he responded with losing Units 1 and 2 from Colstrip, he said everything you read is to clean up property to encourage business. He would be happy to provide copies of the letters he has sent, excluding the properties that the Attorneys are working on, he has just ask to have the areas cleaned up. Mrs. Hein asked what would be done if she could not pay here fines, Mayor Kopitzke said it would go to court. After hearing the comments, and asking if anyone had anything else to say, Mayor Kopitzke recessed the hearing at 7:27 p.m.

Mayor Kopitzke opened the public hearing to solicit comments regarding the submission of a grant application to the Montana Coal Board for a high efficiency boiler for the pool and to determine if the grant application qualifies for a Categorical Exclusion to an Environmental Review and Assessment as there is no impact to the environment, hearing no comments he closed the hearing at 7:28 p.m. He explained this is an agenda item for council consideration later in the meeting.

REVIEW – **REVISE AGENDA**: Mayor Kopitzke said he has two (2) items to include on the agenda, under Citizens Section B. New Business, 2.; a request from the Lariat Bar and Item 3 a request from the Iron Horse Saloon for open container permits for January 24, 25 and 26 for a 900 Block Dart Tournament.

CONSENT AGENDA

Mayor Kopitzke presented the consent agenda for approval:

Council Member Purkett made a motion to approve the consent agenda, which included claim numbers 20908-20948 in the amount of \$33,347.01; and check numbers 19767 – 19813 in the amount of \$179,582.23 for prior approved claims. The motion to approve the consent agenda was seconded by Council Member Raymond.

Mayor Kopitzke asked the written letter received from Ms. Nancy May be included into public record, and also Mr. Krueger's correction noted in the Public Comment portion of the meeting.

Council Member Purkett amended his motion to include the letter and correction, the amendment was seconded by Council Member Raymond. City Clerk Pinkerton called roll; the motion carried 4-0.

CITIZENS

Unfinished Business: None

New Business: Mr. and Mrs. Bob Beals -235 N. 6th Avenue - Cedar Street Drainage: Mayor Kopitzke noted that Mr. and Mrs. Beals were present to address the City Council on drainage on Cedar Street. They explained that they have water issues in their finished basement, they use sump pumps to drain the water. They feel that surface water has increased, and feel that the French Drain has silted in and could be the problem. Public Works Director Thompson said he would like to try to vacuum and pump out the French Drain with the Vac Truck as much silt as possible to see if that would help, try to get down to where it was in the beginning. The truck the Water Wastewater Department has, will pull out a lot of material. Mr. Beals wondered if it would be of benefit to do a community survey to find out if other citizens are getting water issues. Mayor Kopitzke said to try the plan that Richard has suggested and then determine if a survey would be appropriate.

Lariat Bar Request for an Open Container Permit for January 24th at 5:00 p.m. to 1:30 a.m.; January 25th from 9:00 a.m. to 1:30 a.m. and January 26th from 10:00 a.m. to 10:00 p.m. for a Dart Tournament. Mayor Kopitzke presented the permit for consideration.

Council Member Raymond made a motion to approve the permit, the motion was seconded by Council Member Purkett. City Clerk Pinkerton called roll; the motion carried 4-0.

Iron Horse Saloon request for an Open Container Permit for January 24th through January 26th for the same dart tournament. Mayor Kopitzke presented the permit for consideration.

Council Member Raymond made a motion to approve the permit, the motion was seconded by Council Member Purkett, City Clerk Pinkerton called roll; the motion carried 4-0.

OLD BUSINESS

Levee (Dike) Update: Public Works Director Richard Thompson said he had nothing new to report.

Ordinance No. 02-2019 – Amending Title 3-2-2, Title 7-3-2 & 7-6-8; Title 9-5-6; and Title 10-0-1 – Second and Final Reading:

Mayor Kopitzke presented Ordinance No. 02-2019; noting this is the second reading for City Council consideration. Council Member Purkett made a motion to approve the second reading of Ordinance No. 02-2019, the motion was seconded by Council Member Raymond.

Mayor Kopitzke asked for public comments, hearing none he asked City Clerk Pinkerton to call roll. City Clerk Pinkerton called roll; the motion carried 4-0.

NEW BUSINESS

Resolution No. 2020-R01 Adopt the 2018 International Residential Code: Mayor Kopitzke read Resolution No. 2020-R01, which is adopted by the Department of Labor and Industry, then the certified community must adopt, for council consideration.

Council Member Bell made a motion to approve Resolution No. 2020-R01, the motion was seconded by Council Member Raymond. Mayor Kopitzke asked for comments, hearing none, he asked City Clerk Pinkerton call roll; the motion carried 4-0.

Resolution No. 2020-R02 Riverview Villa Insurance Coverage: Mayor Kopitzke presented Resolution No. 2020-R02 the Resolution if approved would include the Riverview Villa property on the city's insurance.

Council Member Raymond made a motion to approve the Resolution, the motion was seconded by Council Member Purkett.

Mayor Kopitzke asked for discussion and Mr. Martelle, Forsyth Development Foundation Chairman was present, he explained that when the renewal was received for the River View Villa property that the premium cost almost doubled and the deductible left the property without adequate coverage. The property is owned by the city, and the Foundation Board felt that they need to cover the city's interest. He contacted insurance agencies in Forsyth and Miles City, and has not received any responses. So the question was posed to City Clerk Pinkerton to inquire about coverage under the city, she has contacted Montana Municipal Interlocal Authority (MMIA) and they are willing to include the Villa, thus resulting in the Resolution being posed to the City Council. Council Member Purkett had asked City Clerk Pinkerton earlier about claims effecting the city's policy, if there was a coverage issue with the Foundation Board, and he felt he had his questions answered. City Clerk Pinkerton noted the city belongs to a pool of cities and towns and everyone share in the good and the bad, but resulting in better coverage at better cost.

With no other discussion, Mayor Kopitzke asked City Clerk Pinkerton to call roll; the motion carried 4-0.

Coal Board Application Pool Boiler Replacement – Resolution No. 2020-R03 Environmental Assessment Determination:

Mayor Kopitzke presented Resolution No. 2020-R03, for council consideration. This is a process that is required when applying for a Coal Board Grant. Council Member Purkett noted there was a mistake in the resolution.

Council Member Purkett made a motion to approve the Resolution with the correction, the motion was seconded by Council Member Bell. City Clerk Pinkerton called roll; the motion carried 4-0.

Garbage Truck Replacement Review Bid(s): Mayor Kopitzke noted there was one (1) bid received from Kois Brothers Equipment Company in the amount of \$215,424.75. He explained that the specifications will be reviewed by Public Works Director Richard Thompson and he will have a recommendation. Richard said he may request a telephone poll vote of the council if the bid is in order. Committee Appointments: Mayor Kopitzke said that he had provided a list of the 2020 committee assignments and wondered if everyone was satisfied with those.

Council Member Purkett made a motion to accept the committee appointments, the motion was seconded by Council Member Bell. City Clerk Pinkerton called roll; the motion carried 4-0.

Council President: Mayor Kopitzke noted that the City Council would need to elect a Council President for 2020. Council Member Purkett nominated Council Member Raymond as Council President, the motion was seconded by Council Member Bell. City Clerk Pinkerton called roll; the motion carried 4-0.

Clerk/Treasurer Appointment: Mayor Kopitzke made a recommendation to appoint Mrs. Doris Pinkerton to continue as Clerk/Treasurer.

Council Member Raymond made a motion to accept the recommendation to appoint Mrs. Doris Pinkerton as Clerk/Treasurer, the motion was seconded by Council Member Purkett. City Clerk Pinkerton called roll; the motion carried 4-0.

Video/Recording Equipment: Mayor Kopitzke noted Council Member Purkett suggested the city look into getting video recording equipment for City Hall. Council Member Purkett said there are several options to consider and will provide contact information.

REPORTS: Mayor Kopitzke presented his report, other reports were provided by City Clerk/Treasurer Pinkerton, Public Works Director Thompson, Water Wastewater Director Zent, Pool Manager Forberg, Judge Busch and Sheriff's department.

COUNCIL COMMITTEES/COMMISSIONS: None

NEXT MEETING DATE: January 27, 2020

Public Comment: Mayor Kopitzke asked for public comment after each topic, if comments are made; those comments are recorded as part of the official minutes.

Agenda Items for the Next Meeting: Returning to the Agenda is Levee, Garbage Truck Bid, and Coal Board Application

With no other business to discuss, Mayor Kopitzke adjourned the meeting at 8:09 p.m.

City Clerk Doris Pinkerton

Month Stomes III-B 1-13-20

Notice of Public Hearing

The City Council of the City of Forsyth will hold a public hearing at Forsyth City Hall on Monday, January 13, 2020 at 7:00 p.m. during their regular council meeting for the purpose of soliciting comments regarding the submission of a grant application to the Montana Coal Board for a high efficiency boiler for the pool and to determine if the grant application qualifies for a Categorical Exclusion to an Environmental Review and Assessment as there is no impact to the environment.

Doris Pinkerton, City Clerk/Treasurer

Dated this 30th day of December 2019.

Publication Dates: January 2nd and 9th, 2020

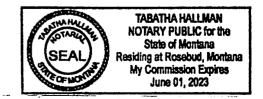
STATE OF MONTANA County of Rosebud ss.

Tina A. Edgerly, being duly sworn on her oath, says that she has been the principal clerk of the printer of the Independent Press, a daily newspaper of general circulation, printed and published at Forsyth, in said County and State. **City of Forsyth. Public Hearing Grant Application.** A printed and true copy which, cut ' from the columns of said newspaper, is hereto attached, and made a part hereof, was printed and published in said newspaper, in the regular and entire issue of every number of the paper during the period and time of publication, on the following dates, to-wit:

January 2 and 9, 2020. Signed Subscribed and sworn to before me this Day of 2020

Tabatha Hallman, Notary Public for the State of

Montana, residing at Rosebud. My Commission Expires June 1, 2023.



Notice of Public Hearing The City Council of the City of Forsyth will hold a public hearing at Forsyth City Hall on Monday, January 13; 2020 at 7:00 pr. during their regular council meeting for the purpose of soliciting comments regarding the submission of a grant application to the Montana Coal Board for a high efficiency boiler for the pool and to determine if the grant application qualifies forma Gategorical Exclusion to an' Environmentali Review and Assessment as there is no impact to the environment. Doris Pinkerton, City Clerk/ Treasurer Dated this 60th day of December 2019. Publication Dates: January 2nd

and 9th, 2020 **MNAXLP**



Google Maps

4/24/2020



Imagery ©2020 Maxar Technologies, USDA Farm Service Agency, Map data ©2020 200 ft



City of Forsyth

Coal Board Administrative Officer Montana Coal Board Department of Commerce PO Box 200523 S. Park Ave. Helena, Mt. 59620-0523

May 18, 2020

Please find enclosed the supplements for the City of Forsyth Coal Board Grant application for the Pool Boiler and Control System.

Included are copies of the repair estimates, I apologize for not having those with the original grant application.

This should complete the application for the City of Forsyth.

Sincerely,

karlos rea lon d

Doris Pinkerton City Clerk-Treasurer

cc: File



BIG SKY CUSTOM PANEL

P.O. BOX 1156 FORSYTH, MT 59327

406-346-1401

FAX# 406-3462627

DATE: 1-21-2020

TO: Forsyth Pool

ATTENTION: Jason

FROM: Kurt

Ref: Boiler removal

1	Remove old boiler estimate/quote	\$2000.00
1	Cut down header from 4 position to 2 position	\$200.00

Total \$2200.00

Platinum Plumbing & Heating LLC

P.O. Box 1065 Miles City, MT 59301 406-852-0694

City of Forsyth

City pool Attn: Jayson Forberg

JOB ESTIMATED COST \$39,488.30

Rem Description		
Installation of 2 Navien boilers: including all venting, gas, water connections, labor, permits, licenses and miscellaneous items	Estimated Time	Estimated Cost
To replace old boiler system, this includes unhooking of old boiler but not removal	and the second	in ^{to} to the mark training the second
	ner aller "	and a second
	The second se	a the second
i an ann ann an an an an an ann ann ann	and the second sec	and a state of the
This estimate does not include anything not listed above	and the second	and the second s
a an	and the second sec	and the second states
	the second se	and the second
	and the second	and the second second second
	Subtótal	\$0.00
	Discount - 0%	\$0.00
	TOTAL	130.00

This estimate is only valid until June 30, 2020, and any approval after that date

Signatures

Platinum Plumbing & Heating LLC

City of Forsyth

City pool Attn: Jayson Forberg

P.O. Box 1065 Miles City, MT 59301 406-852-0694

JOB ESTIMATED COST \$42,118.82

Item Description	20-00-24	
Installation of Lochinvar pool heater: including all venting, gas, water connections, labor, permits, licenses and miscellaneous items	Estimated Time	Estimated Cost
This encompasses disconnecting old pool heat exchanger		and the second second designed as a second
a a second a	a second se	
	······································	and the second sec
This estimate does not include anything not listed above		and the second sec
	the second secon	$= \left $
	The second data is a second data in the second data in the second data is a second data in the se	and the second of the second
		and the second sec
	Subtotal	\$0.00
	Discount - 0%	\$0.00
	TOTAL	19. AG

This estimate is only valid until June 30, 2020, and any approval after that date

Signatures

	Quote
Mechanical Technology Inc.	Number: ANC(44012)
P.O. BOX 1376	Date: 01/17/2020
Billings, Montana 59103	Page: Page 1 of 1
PH:(406) 245-8340	By: PAUL EVANSON
FX:(406) 245-0114	Price Type: Firm
To: FORSYTH MUNICIPAL POOL PO BOX 226 FORSYTH MT 59327-02: attn: Jason Forberg Ph: (406)346-2409 Fx:	Job: R2 to N4 Upgrade FORSYTH MUNICIPAL POOL PO BOX 226 FORSYTH MT 59327-022
Here is your price to upgrade your computerized Building N	Management System (BMS) which is currently 12 years old. The current
rontend is obsolete. The new frontend still gives you the al	bility to view your system graphically. Graphics provide a look at one
system as a whole making troubleshooting for the mainten	ance staff easier. The new frontend would have remote support through a

S e urrent unit. This external static IP address would be the owner's responsibility. This could also provide email alarms to a Cell phone or computer if desired. No specific software would be required to access this system. Internet Explorer, Firefox or Google Chrome can be downloaded for free over the internet. This upgrade would provide you with the latest patches, security updates and would eliminate JAVA which is no longer supported by the above web browsers. This quote includes

Base Price - This would replace just the existing frontend.

EXCLUSIONS: MTI assumes no warranty on existing system parts including Sensors, Relays, Control Valves, Damper Actuators and all other devices connected but not specifically mentioned in our scope. We assume they are all functioning properly at the time of install. Existing wire, conduit and power to be reused.

MTI will only provide upgraded programming for what exists in your current system. Any program adds beyond that must be negotiated into your current price.

QTY:		Description	List Price	Sale Price	Extended Price
1	Base Price	R2 to N4 Upgrade			a destruction of the second
		sing the opgrade	10863.00	10863.00	10863.00

This quotation is valid for 30 days. After 30 days it is subject to change. This quote does not include freight cost unless otherwise noted. Accepted By:

Total: 10863.00

Date:

High Efficiency Commercial Pool Package Systems

INNOVATION IN DESIGN

OMMERCIAL POOL

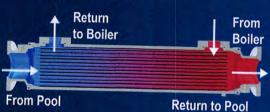
The AQUAS commercial pool package is a dramatic advancement in the design of pool heating systems. The AQUAS package is a factory assembled system featuring a free-standing boiler piped to a dedicated cupro-nickel pool heat exchanger.

The AQUAS indirect pool heating design gives you...

- Effective heat transfer from a high efficiency, modulating, condensing boiler.
- A complete factory assembled package reduces installation cost and time.
- Separating the pool water from the direct-fired heat source reduces maintenance and promotes longer equipment life.

PACKAGE

Reliability and performance with a positive user experience.



POOL HEAT EXCHANGER -

A durable industrial grade cupro-nickel heat exchanger provides effective heat transfer. The pool water flows through a series of cupro-nickel tubes. Surrounding the tubes is a chamber filled with heated water from the boiler. This simple design keeps the pool water separate from the heat source while allowing for complete and highly efficient heat transfer.

OPTIONAL TITANIUM POOL HEAT EXCHANGER

Now, Lochinvar offers an optional titanium pool heat exchanger. Titanium is a strong but light-weight alloy used in aerospace, automotive and military applications. Used in pool systems, titanium is highly resistant to corrosion from salt water and chlorine.

INSIDE THE BOILER

The AQUAS is an innovative pool package that begins with the most advanced boilers in the industry today. The AQUAS heat source is a high efficiency, condensing boiler perfectly suited for the low water temperatures typical of pool heating. The following are some of the exciting features you get with the advanced boiler design.

FULLY MODULATING BURNER

Modulation is an important combustion feature that is long overdue in the pool industry. Why fire the appliance at 100% input in short bursts to heat the pool water? With a modulating burner, the boiler will tune in the input rate to exactly match the Btu/hr losses of the pool water. The burner will then "cruise" along comfortably, heating the pool water in long, low input burn cycles that dramatically increase the overall life of the boiler.

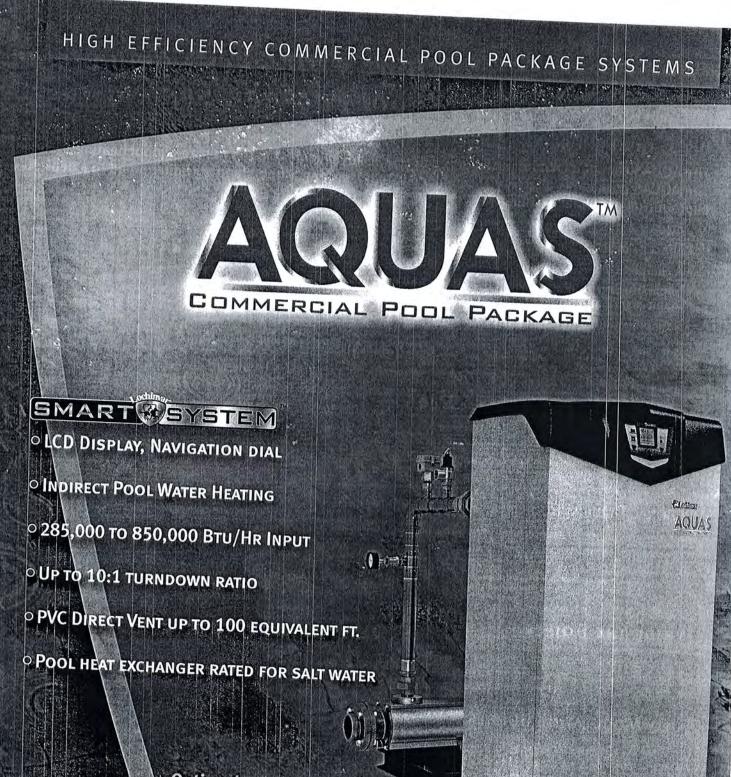
THERMAL EFFICIENCY

The AQUAS pool package is constructed with stainless steel modulating condensing boilers that deliver up to 98% thermal efficiency. Low return water temperature from a pool makes for an ideal application. The heat exchanger is sized to maximize the heat transfer of the boiler water to the pool water flowing through the heat exchanger. Higher thermal efficiency reduces your fuel costs.

DIRECT VENT WITH PVC

Reduce your installation cost and save time and effort by installing the AQUAS pool package with PVC pipe. The AQUAS pool package offers a variety of vent designs in your choice of PVC, CPVC, Polypropylene or Stainless Steel vent material. What's more, you can Direct Vent the AQUAS. By drawing the combustion air into the appliance with a dedicated intake pipe, the AQUAS is protected from corrosive pool chemicals that could damage the combustion system.





Optional TITANUUM HEAT EXCHANGER





SMART SYSTEM

Just a Few of the Advanced Features:

- MULTI-COLOR GRAPHIC LCD DISPLAY
- NAVIGATION DIAL
- CASCADE OF UP TO 8 AQUAS PACKAGES
- USB PORT FOR PC CONNECTION
- MAINTENANCE REMINDER WITH INSTALLER NAME & NUMBER
- MODBUS COMMUNICATION (OPTIONAL)
- PASSWORD SECURITY
- OPERATIONAL AND ALARM READOUTS

Air Inlet Connection



BLUE SCREEN Normal system operation.

YELLOW SCREEN Maintenance due - with installer's name and number

RED SCREEN Lockout mode.



Flow Switch

T&P Gauge

Boiler Pump

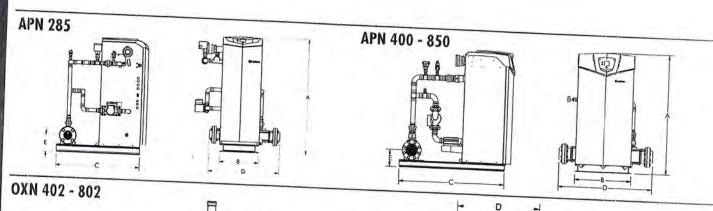
Vent Connection

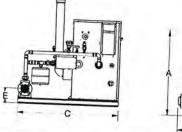
NOTE: Indoor model shown

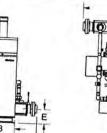
OUTDOOR RATED MODELS

The AQUAS OXN402-802 models are specially trimmed for outdoor installation. The jacket is sealed and rated to protect the boiler against the elements. Pump covers, air intake covers and a specially-designed vent assembly complete the package to allow for easy installation outdoors. *Outdoor models utilize Lochinvar's water tube design heat exchanger.

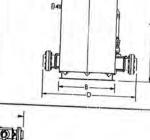








38.04



Model Number	Input Btu/hr	Turn Down	A	B			-	Pool	Gas	Vent	Air	Pool Flow	Ship
Indoor Mode					and the second second			Conn.	Conn.	Size	Inlet	(GPM)	Wt.
APN285	285,000	10:1	46-1/2"	15-3/4"	34"	28-1/2"	10/0					(orin)	ATTR
APN400	399,999	10:1	55-1/2"	26-1/2"	49"		6-3/4"	2-1/2"	1/2"	3"	3"	68	200
APN500	500,000	10:1	55-1/2"	26-1/2"	49"	43-1/4"	7-3/4"	3"	1"	4"	4"	96	390
APN600 ×	600,000 ×	7:1 X	55-1/2" ×	26-1/2" X		43-1/4"	7-3/4"	3"]"	4"	4"	120	622
APN725	725,000	7:1	56"	26-1/2"	49" X 49"	43-1/4" ×		3" X	1" X	4" X	4" 8	144	647
APN850	850,000	7:1	56"	26-1/2"	49"	44"	7-3/4"	4"	1"	6"	6"		664
Outdoor Moo	lels			20-1/2	49	44"	7-3/4"	4"	1"	6"	6"	174	774
OXN402	400,000	5:1	45-3/4"	15-3/4"	C0!!						0	204	801
OXN502	500,000		45-3/4"	15-3/4"	53"	43-1/4"	7-3/4"	2-1/2" or 3"	1"	4"	4"	00	
XN602	600,000		46"	15-3/4"	57-1/2"	43-1/4"	7-3/4"	2-1/2" or 3"	1"	4"	4	93	465
DXN702	700,000		46"		69"	43-1/4"	7-3/4"	3"	1"	<u> </u>	4	117	497
XN802	800,000		46"	15-3/4"	74"	44"	7-3/4"	3" or 4"	1"	6"	4	142	534
Notes: Change	"N' to 'L' fi	or LP gas n		15-3/4"	79"	44"	7-3/4"	3"or 4"	1"	0	4"	166	634
		Bus n	Nuclas No.	deration on LP i	nodels.	Performance	data is based o	n manufacturer	est results	0	4	202 plies to the hoile	671

STANDARD FEATURES

5.15

- > Up to 98% Thermal Efficiency Modulating Burner with up to 10:1 turndown Direct-Spark Ignition Low NOx Operation
- Sealed Combustion
- Low Gas Pressure Operation Vertical & Horizontal Venting
- Category IV Venting up to 100 Feet PVC, CPVC Polypropylene or AL29-4C Vent Material Sidewall Vent Terminations Provided (Except 285)
- > ASME Stainless Steel Boiler Heat Exchanger ASME Certified, "H" Stamped Gasketless Design
- 160 PSI Working Pressure > On/Off Switch
- > Expansion Tank w/ Fill Valve > Adjustable High Limit w/ Auto Reset
- > Adjustable High Limit w/ Manual Reset > Flow Switch
- > Low Air Pressure Switches
- > Inlet & Outlet Temperature Sensors
- > Two Easy Access Terminal Strips
- > Temperature & Pressure Gauge
- > Zero Clearances to Combustible Material



- ASME Pressure Relief Valve
- > Standard Cupro-Nickel Pool Heat Exchanger
- Salt Water Ready
- Flanged CPVC Connections
- > 10 Yr Boiler Warranty (See Warranty for Details)
- > 1 Yr Parts Warranty (See Warranty for Details)
- > 3 Yr Pool Heat Exchanger Warranty (See Warranty for Details)
- SMART SYSTEM' FEATURES
- > SMART SYSTEM™ Operating Control
- Multi-Colored Graphic LCD Display w/ Navigation Dial > Built in Cascading Sequencer for up to 8 Pool Heaters Lead Lag
- Efficiency Optimization
- Mix multiple input sizes

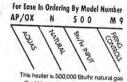
Lochinvar, LLC

300 Maddox Sippson Datlawas Lebanon, Tencesser 37090 P. G15,889,8900 / F.G15,547 1000

Lochinvar.com

- > Outdoor Reset Control w/ Outdoor Air Sensor
- > Building Management System Integration
- Optional Modbus communication
- 0-10 VDC Input Control for Modulation or SetPoint 0-10 VDC Output for Modulation Rate

- OPTIONAL EQUIPMENT .
- > CON-X-US Remote Connect
 - > Titanium Pool Heat Exchanger, 5 Yr Warranty
- > Alarm Bell
- > Condensate Neutralization Kit
- > High & Low Gas Pressure Switches w/ Manual Reset
- > Room Air Kit
- > Secondary Heat Exchangers
- > BMS Gateways for LON or BACnet
- FIRING CODES
- > M9 Standard Construction
- >M7 California Code
- >M13 CSD1 / Factory Mutual / GE Gap (500-850)



Pool Heater II is M9 fining con





Commercial NFB-C Series Fire Tube Boilers Technical Data Sheet

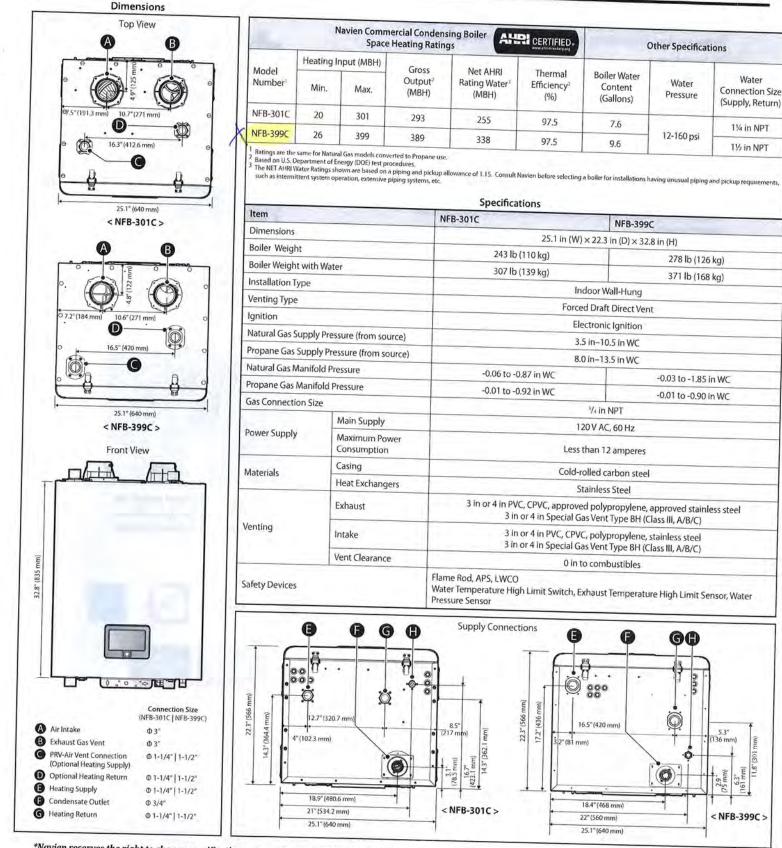
Water

Connection Size

(Supply, Return)

1¼ in NPT

1½ in NPT



*Navien reserves the right to change specifications at any time without prior notice

Navien, Inc. 20 Goodyear, Irvine, CA 92618 Ph: (949)420-0420 Fax: (949)420-0430 www.NavienInc.com

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Commercial NFB-C Series Fire Tube Boilers Technical Data Sheet

- Certified design according to the latest version of ANSI Z21.13 CSA 4.9 (latest version) standards for indoor commercial boiler applications
- Gas Input Ranges
 NFB-301C 301,000 to 20,000 BTUh
 NFB-399C 399,000 to 26,000 BTUh
- Turndown Ratio (TDR) up to 15:1 highest in its class
- Patented Stainless Steel Fire Tube Heat Exchanger designed for durability, low pressure loss, and super-efficient operation at pressures up to 160 psi
- Compatible with 3" PVC vent up to 60 ft* and 4" PVC vent up to 150 ft* (* with no elbows)
- LCD Color Front Panel allows adjustment of hot water temperatures and boiler functions including Outdoor Reset Curve settings, pump operation, Integrated Low Water Safety Control, indirect DHW priority, and unit output capacity
- Low Voltage Terminal Strip contacts for thermostat or zone controller, indirect DHW tank thermostat, outdoor reset, 24 VAC device relay, air handler interrupt, and LWCO
- High Voltage Terminal Strip 120V contacts for use with boiler, system, and DHW pump wiring** (** 2A max per pump)
- Temperature Options two boiler operating setpoints: hydronic heating temperature and DHW (indirect) settings range from 77°F (25°C) up to 194°F (90°C)
- Ready-Link Cascade Compatible for up to 16 units with the use of Communication Cables #GXXX000546
- Common Vent Compatible allows cascade systems to use a single exhaust and/or intake pipe for up to 4 units with the use of the Common Vent Backflow Damper Collar Kit #30022799A
- Compatible with Navilink. Wi-Fi Control (#PBCM-AS-001)
- Outdoor Reset Sensor (included) the unit controls will sense outdoor ambient temperatures and adjust the boiler operation for maximum comfort and efficiency
- Universal Temperature Sensor (optional) additional temperature controls provide optimum heating system performance #GXXX001769
- AHRI-Certified Thermal Efficiency Ratings NFB-301C/399C - 97.5% (NG/LPG)
- Compatible with Natural Gas (NG) and Propane (LPG)*** (*** requires installation of included Field Conversion Kit by a qualified gas servicer)
- Certified by CSA, ASME H-Stamp, SCAQMD (Rule 1146.2 Type 1 Complies with 14 ng/J or 20 ppm NOx @ 3% 02)
- 15-Year Prorated Residential/10-Year Commercial Heat Exchanger Warranty****
 (**** see Navien Limited Warranty)
- Optional accessories are available (see below)



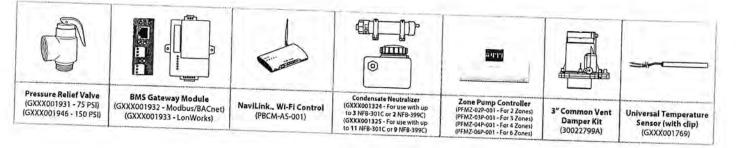
Wall Hung Design featuring Top and Bottom Water Connections -Compatible with 3" PVC Vent



Large Color LCD Front Panel with Advanced Hydronic Operation and Temperature and Status Display







<u>MEMO</u>

To:Coal Board Members and Commerce StaffFrom:Division EngineerSubject:City of Forsyth- municipal pool boiler replacement/control systems upgradeMeeting:June 2020

History –The Forsyth pool was built in 1986. The indoor pool is open year-round. Major upgrades in the last five years include a new roof in 2017, and removal/replacement of a heat exchanger plus installation of new water heaters in 2019.

Problem – Problems identified in the application included the following:

- 34-year old boiler; and
- inefficient heating system.

Solution – The proposed project includes the following:

- replace boiler; and
- upgrade control systems.

The purpose of the project is to replace the boiler and upgrade the control systems.

The Coal Board grant request is for \$95,000. The total cost is \$95,000; local match is \$0.

The cost estimate was submitted as supplemental information attached to a May 18, 2020 letter. Big Sky Custom Panel of Forsyth provided costs for boiler removal; Platinum Plumbing & Heating of Miles City provided costs for boiler installation and pool heater; and Mechanical Technology of Billings provided costs for a building management system. Product information sheets were provided for the pool heating system and boiler.

- Removal \$ 2,200
- Boilers \$39,488.30
- Pool Heater \$42,118.82
- Mgmt System <u>\$10,863</u>
 - \$94,670.12

The means of procurement were not found in the application.

Environmental documentation was included.

Coal Board Grant Applicant #0906 City of Forsyth Staff Report / June 2020 Meeting

Applicant: City of Forsyth <u>Project:</u> Replace Boiler and Upgrade Control Systems at the Forsyth Municipal Pool <u>Coal Board Funds Requested:</u> \$95,000 <u>Total Project Cost:</u> \$95,000

<u>**Project Information:**</u> The applicant is requesting \$95,000, of a total project cost of \$95,000, in Coal Board funds to replace the existing boiler and upgrade the management system for the municipal pool. **The applicant is a designated unit**.

Categories:

Need:

- <u>Applicant:</u>
 - Applicant states that swimming lessons provided at the pool are important to the community for fear of drowning in the bordering Yellowstone River.
 - Applicant states that the pool provides a health benefit to the population, is handicap accessible and has a commercial hot tub.
 - Applicant states that many employees at the Colstrip Plant are residents of the City of Forsyth and also coal industry retirees and aging employees, for which the pool provides therapeutic relief from health issues.
 - The applicant provided an environmental review form, environmental checklist, documentation of public notice for the public meeting where the environmental review would be discussed, agenda, minutes documenting that the environmental determination was made at a public meeting, and a signed resolution.

• Staff Review:

- Staff has determined that the environmental process is complete.
- Procurement documents were not included in the application.

Degree of Severity of Impact:

- Applicant:
 - Applicant states that Coal Board monies helped build this pool in 1984 and parts have been retrofitted to change the fuel source in 1988.
 - Applicant states the pool is used by several neighboring towns and counties by coal industry retirees and aging employees as therapeutic relief from health issues.
- <u>Staff Review:</u>
 - Documentation regarding severity of impact included in the narrative responses to Severity of Impact questions in the application.

Availability of Funds:

- <u>Applicant:</u>
 - Applicant states that with this grant the city will not have to consider reducing pool hours, which in turn, reduces the work force or continue with the current boiler and control system.

- Applicant states that the city already has an Intercap Loan in place which was for pool improvements. Any income increase in the General Fund comes from the property owners and there is a seal on the amount of mills for the city.
- Applicant states there is no additional stretching of the General Fund dollars and this project will have to be placed on hold if the Coal Board grant is not awarded.

• Staff Review:

- Revenues related to the Coal Natural Resource account are not sufficient to fund the costs associated with this project request.
- Applicant is a designated unit.

Degree of Local Effort in Meeting Needs:

<u>Applicant:</u>

- Applicant states the mill rates are higher than the previous three years.
- Applicant states the mill rates are \$246.03.
- Applicant states the city has contributed over \$388,000 over the last 15 years to maintain the pool, including air handlers, an electronic system to manage the building, variable frequency drives and other improvements.
- Applicant sates that the "Friends of the Pool" community group has raised funds, supported swim lesson fees for all children, and purchased other items, such as the handicap lift and raised \$10,000 for the hot tub project.
- Applicant states the city has managed to control the operation and maintenance budget, holding the expenditure budget to allow the pool to remain open year-round, but on a part time basis.
- Staff Review:
 - Millage rates provided by MDOR data demonstrates the average millage rates for the previous three years are lower than the current year millage rates. MDOR data years: 2018, 2019, 2020.

Planning & Management:

• Applicant:

 Applicant states the City of Forsyth updated and adopted the Growth Plan in 2016 which had one goal listed as a desirable quality of life, character of the community, the objective is to encourage a family friendly atmosphere for all age groups and maintain a desirable mix and cost of governmental services.

• Staff Review:

- City has a Growth Plan from 2012 and an up-to-date Growth Policy from 2016.
- Growth Policy (2016) specifies that providing "adequate government services and economical costs" and "maintain a desirable mix and cost of government services" as objectives in its goals and objectives."
- City has history of planning including completing 1997 Floodplain Regulations, a 1999 water and sewer plan, and 2001 Zoning Regulations.
- Development of a CIP would help the City budget and prioritize capital improvements and O&M.
- Applicant states that it recognizes that it has challenges associated with an aging population and is attempting to plan to for anticipated impacts of that demographic trend.

Grant History:

Since 2009, the applicant has been awarded 4 projects totaling \$603,000.

For more information on Coal Board projects for this or any other applicant, please visit the Commerce Grants Database at https://commerce.mt.gov/About/FundedProjects

Supplemental Documents (not included in this staff report): Pool maintenance estimates

Staff Summary:

See engineer memo.

The applicant provided an environmental review form, environmental checklist, documentation of public notice for the public meeting where there environmental review would be discussed, agenda, minutes documenting that the environmental determination was made at a public meeting, and a signed resolution. Staff has determined that the environmental process is complete.

Staff does not recommend funding due to the statutory criteria: Availability of Funds. Staff does not recommend awarding contingent upon available revenue as there is insufficient revenue to award projects currently. Staff recommend awarding projects based on revenue received to meet the Availability of Funds statutory criteria.

Montana Coal Impact Grant Application



Submitted to the Montana Coal Board

by

Big Horn County

for

Cemetery District No. 1 Improvement Project

Date submitted:

April 27, 2020

THE COAL IMPACT GRANT APPLICATION FORM SUBMITTED BY BIG HORN COUNTY

CERTIFICATION

The chief elected official or executive officer of the applicant must sign the application certifying that to the best of the official's knowledge and belief, the information provided in the application and the attached documents is true and correct.

The chief elected official or executive officer of the applicant must also certify that, in accordance with Section 90-6-205, MCA, the applicant is eligible for a Coal Impact Grant and has the authority to administer and make expenditures to provide for the proposed service or facility.

CERTIFICATION

To the best of my knowledge and belief, the information provided in this application and in the attached documents is true and correct.

In accordance with Section 90-6-205, MCA, the applicant is eligible for Coal Board grants and has the statutory authority to make expenditures to provide for the particular service or facility.

Name:	George	Real	Bird	Π			
Title:	Chairn	nan					
Signatu		PF	B	MR_	Date:	04.22	,2020

SUMMARY INFORMATION

1. <u>NAME OF APPLICANT(S)</u>:

Big Horn County

2. <u>TYPE OF ENTITY:</u>

Local Government

3. FEDERAL TAX ID NUMBER:

4. SENATE AND HOUSE DISTRICTS:

Senate District: 21; House Districts: 42

5. AMOUNT OF COAL IMPACT GRANT REQUESTED:

\$124,870

6. <u>NAME OF PROJECT</u>:

Cemetery District No. 1 Improvement Project

7. <u>TYPE OF PROJECT:</u>

Public Service

8. <u>POPULATION SERVED BY PROJECT:</u>

13,141 (2015 American Communities Survey, <u>http://comdev.mt.gov/Resources/Financial/TargetRate</u>)

9. NUMBER OF HOUSEHOLDS SERVED BY PROJECT:

3,576 (2015 American Communities Survey, <u>http://comdev.mt.gov/Resources/Financial/TargetRate</u>)

10. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE:

Mr. George Real Bird III, Chairman Board of Commissioners – Big Horn County P.O. Box 908 Hardin, MT 59034 406-665-9700 phone 406-665-9706 fax cwells@bighorncountymt.gov

11. PRIMARY ENTITY CONTACT PERSON:

Ms. Candy Wells, Administrative Assistant P.O. Box 908 Hardin, MT 59034 Office: 406-665-9700 Fax: 406-665-9706 Email: cwells@bighorncountymt.gov

12. OTHER CONTACT PERSONS:

Mr. Larry Vandersloot County Commissioner, District 3 Office: 406-665-9700 Fax: 406-665-9706 Email: Ivandersloot@bighorncountymt.gov

13. MILLAGE RATES:

GENERAL LEVY

FY2019-2020: \$23,195 – 1 Mill Value; 164.93 Mills Levied = \$3,825,551.35
FY2018-2019: \$23,559 – 1 Mill Levy; 129.86 Mills Levied = \$3,059,371.74
FY2017-2018: \$23,776 – 1 Mill Value; 125.96 Mills Levied = \$2,994,824.96
FY2016-2017: \$23,337 – 1 Mill Value; 107.51 Mills Levied = \$2,508,960.87
FY2015-2016: \$25,058 – 1 Mill Value; 86.82 Mills Levied = \$2,175,535.56
FY2014-2015: \$25,114 – 1 Mill Value; 74.05 Mills Levied = \$1,859,691.70
General levy which includes general, bridge, fairgrounds, library, public safety, health insurance and weed funds.

14. AMOUNT OF COAL GROSS PROCEEDS TAX:

- Total amount of Coal Gross Proceeds tax the applicant receives during the last two years
 - The amount received and amount expended for each year In 2017 and 2018, Big Horn County received \$15,558,637 in gross proceeds tax which is 19.37% less than the previous two years (2015 and 2016), \$18,895,203, due to reduced coal production. Approximately 40% is allocated to County Department budgets and the remaining 60% is allocated to County schools.
 - **Balance of available proceeds that remains** There is no available balance that remains unallocated at this time.
- Description of the process the applicant uses to decide the use of the proceeds The Coal Gross Proceeds taxes are distributed based on the 1989 Tax Levy for each fund including appropriations to the general, bridge, medical facilities, refunding bonds, internal health service, road and school funds.

15. IMPACTS TO COAL INDUSTRY:

<u>U.S. News & World Report</u> published an article titled "Western US Coal Miners Laid off Amid Drop in Electricity Use" on April 23, 2020. The following is an excerpt from the article:

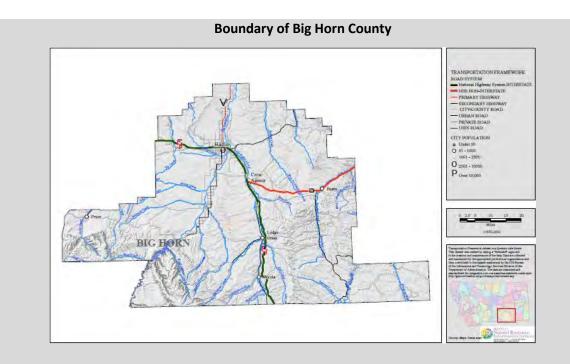
"Three hundred miners and other workers are being laid off as the struggling western U.S. coal industry contends with diminished electricity use during the coronavirus pandemic. Seventy-three workers at the Spring Creek mine in southeastern Montana and 57 at the Antelope mine in northeastern Wyoming are losing their jobs, Navajo Transitional Energy Company reports. St. Louis-based Peabody Energy, meanwhile, announced it was laying off 170 at Wyoming's largest coal mine, North Antelope Rochelle. All three mines are located in the Power Riven Basin, which accounts for about 40% of U.S. coal production. Coal demand has declined over the past decade due to competition from natural gas-fired power and renewable energy sources. School and business shutdowns and stay-at-home orders to contain the coronavirus have reduced electricity use over the past month, further dimming the outlook for coal-fired electricity and coal mining."

With regard to the trend in Big Horn county, there were approximately 149 residents of Big Horn county employed by the coal industry in February 2019. To determine the number of residents, a county representative contacted human resource personnel in nearby coal mines and coal-using facilities. Human resource personnel at the facilities queried their records for employees with zip codes for Busby (59016); Crow Agency (59022), Decker (59025), Garryowen (59031); Hardin (59034); Fort Smith (59035); Lodge Grass (59050); Pryor (59066); Saint Xavier (59075); and, Wyola (59089). When a current employee count was requested of Cloud Peak Energy, the County learned the company had laid off the entire external affairs team. The external affairs team consistently provided the employee count in the past. The company does not intend to hire replacements due to the continued depressed coal markets. Upon making the inquiry, the County was not provided a current contact at the company.

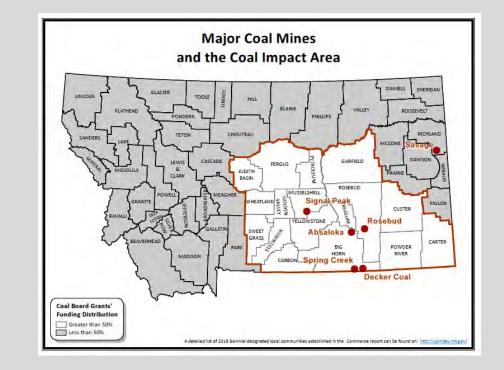
Facility	# of County Residents Employed (February 2019)
Absaloka Mine	118
Decker Mine	no response received
Spring Creek Mine	14
Hardin Generating Station	17
TOTAL	149

Human Resource personnel at Absaloka and Spring Creek Mines provided their data by zip code.

Zip	Code/Community	# of County Residents Employed at Absaloka Mine (February 2019)	# of County Residents Employed at Spring Creek Mine (February 2019)
59016	Busby	0	2
59022	Crow Agency	41	1
59025	Decker	0	0
59031	Garryowen	5	2
59034	Hardin	35	4
59035	Fort Smith	3	0
59050	Lodge Grass	20	4
59066	Pryor	2	0
59075	Saint Xavier	4	0
59089	Wyola	8	1
	TOTAL	118	14



Big Horn County's location in the Coal Impact Area



17. BRIEF PROJECT SUMMARY:

PROJECT SUMMARY FOR BIG HORN COUNTY CEMETERY DISTRICT NO. 1 IMPROVEMENT PROJECT

<u>Historical Information</u>: Big Horn County Cemetery District No. 1 is governed by a three person board appointed by the Big Horn County Commissioners. The district presides over the operation and maintenance of Fairview Cemetery in Hardin. Fairview Cemetery was established in 1954. The cemetery spans approximately 40 acres: 20 developed and 20 undeveloped. A section of the cemetery is reserved and dedicated to the use and purpose of burying the bodies of veterans and ex-veterans of past and future wars of the United States. Approximately one burial a month occurs at the cemetery. The cemetery has approximately 3,400 grave spaces and half of them are available. Two, of numerous, responsibilities of the district are to (1) purchase, rent, or lease equipment, personal property, and materials necessary to develop and implement an effective program and (2) construct, improve, and maintain new or existing facilities and buildings necessary to accomplish the purposes of the district.

Problem: The current tractor is a 1978 John Deere 310A. The hour gage reads 1,268 hours but it seems the gauge was altered at some point so actual hours are not known. The tractor is kept at county-owned property across the road from the cemetery where the cemetery caretaker resides. The tractor is not stored in a covered structure so it is exposed to sun, rain, and snow; as is the operator. The tractor is used to dig graves, set and align headstones, erect mourners' shelters, set up casket-lowering devices, and maintain the appearance of the surrounding grounds.

Proposed Solution: Purchase a new tractor to replace the current tractor and construct a building to store the tractor and smaller equipment used in the maintenance upkeep of the cemetery.

18. PROJECT BUDGET AND IMPLEMENTATION SCHEDULE:

A. Project Budget Form:

	SOURCE:	SOURCE:	TOTAL:
	MT Coal Board	Big Horn County	
Personnel Services/Office Costs	\$ 0	\$0	\$0
Professional Services	\$ 0	\$0	\$0
Legal Costs	\$ 0	\$0	\$0
Travel & Training	\$ 0	\$0	\$0
Audit Fees	\$ 0	\$0	\$0
TOTAL ADMINISTRATIVE/ FINANCIAL COSTS	\$ 0	\$0	\$0
Equipment Cost***	\$96,500	\$0	\$96,500
Construction Cost*** (Concrete pad \$10,917) (Building \$42,453)	\$28,370	\$25,000	\$53,370
Architectural/Engineering Design	\$0	\$0	\$0
Product Completion (PERs, studies, etc.)	\$0	\$0	\$0
Contingency	\$0	\$0	\$0
TOTAL ACTIVITY COSTS	\$124,870	\$25,000	\$149,870
TOTAL PROJECT COSTS	\$124,870	\$25,000	\$149,870

Big Horn County will provide all administrative services as an in-kind contribution to the project.

***Cost estimates for the tractor, concrete pad, and building are provided as **Appendix A**.

BUDGET NARRATIVE FOR BIG HORN COUNTY CEMETERY DISTRICT NO. 1 IMPROVEMENT PROJECT

ADMINISTRATIVE/FINANCIAL COSTS

ACTIVITY COSTS

Equipment Cost: \$96.500 The estimated cost associated with purchasing one tractor. This is an equipment replacement project. Big Horn County obtained cost estimates for the tractor from RDO Equipment (\$89,000); CAT Tractor Equipment Company (\$105,180); and, Titan Machinery (\$95,455), all potential vendors. The proposed cost of the tractor is the average of the three estimates. Copies of the cost estimates are provided as Appendix A.

Construction Cost:

The estimated cost associated with constructing a building to store the tractor and smaller equipment used in the maintenance upkeep of the cemetery. Big Horn County obtained a cost estimate for a concrete pad from Hardin Concrete and Construction (\$10,917) and a cost estimate on a 30' x 40' x 16' building from SBarS Building Center (\$42,453). Copies of the cost estimates are provided as Appendix A.

Architectural/Engineering Design: Architectural/engineering design costs are not applicable.	\$0
Product Completion (PERs, studies, etc.): Product completion (PERs, studies, etc.) costs are not applicable.	\$0
Contingency: Contingency costs are not applicable.	\$0
TOTAL ACTIVITY COSTS: TOTAL PROJECT COSTS:	\$149,870 \$149,870

C. Implementation Schedule:

	QUARTERS 2020)20	QUARTERS 2021			
ТАЅК	1 ST	2 ND	3 RD	4 [™]	1 ST	2 ND	3 RD	4 [™]
Sign contract with Coal Board			Х					
Submit progress reports and drawdown requests			Х	Х				
Purchase equipment in accordance with County procurement rules			х					
Construct 30' x 40' x 16' building in accordance with County procurement procedures				х				
Coal Board administrative staff conduct on-site monitoring of the project				х				
Submit project completion report					Х			
Include project in audits							Х	

Not Applicable – Big Horn County

\$53,370

19. DESCRIPTION OF RELATIONSHIP TO COAL BOARD STATUTORY GRANT CRITERIA

A. <u>Need</u>

I. Does a serious deficiency exist in a basic or necessary community public facility or service? Examples include emergency services such as police, fire or ambulance services. (Describe the nature and frequency of occurrence and provide supporting documentation.)

A deficiency exists in a basic community service provided by Big Horn County. Big Horn County Cemetery District No. 1 presides over the operation and maintenance of Fairview Cemetery in Hardin. Fairview Cemetery was established in 1954. The cemetery is approximately 40 acres: 20 developed and 20 undeveloped. A section of the cemetery is reserved and dedicated to the use and purpose of burying the bodies of veterans and ex-veterans of past and future wars of the United States. Approximately one burial a month occurs at the cemetery. The cemetery has approximately 3,400 grave spaces and half of them are available. Two, of numerous, responsibilities of the district are to (1) purchase, rent, or lease equipment, personal property, and materials necessary to develop and implement an effective program and (2) construct, improve, and maintain new or existing facilities and buildings necessary to accomplish the purposes of the district. The cemetery's current tractor is a 1978 John Deere 310A. The hour gage reads 1,268 hours but it seems the gauge was altered at some point so actual hours are not known. The tractor is kept at county-owned property across the road from the cemetery where the cemetery caretaker resides. The tractor is not stored in a covered structure so it is exposed to sun, rain, and snow; as is the operator. The tractor is used to dig graves, set and align headstones, erect mourners' shelters, set up casket-lowering devices, and maintain the appearance of the surrounding grounds.

The current tractor, proposed for replacement, is at the point where the cost of ownership for the equipment exceeds its market value; maintenance costs have begun to escalate; condition of the unit is poor; and reliability of the unit is unpredictable. A picture of the current tractor is below.



Big Horn County Cemetery District No. 1 Improvement Project

2. Have serious public health or safety problems that are clearly attributable to a deficiency occurred, or are they likely to occur, such as illness, disease outbreak, substantial property loss, environmental pollution, safety problems, hazards, or health risks? (Describe the nature and frequency of occurrence and provide supporting documentation.)

The age and condition of the current tractor are a risk to the operator. Research shows that for each year of the machine's age the risk of injury when using it increases by about four percent (Worksafe Victoria, June 2009). The older machine needs to have improvements retrofitted to meet new industry standards of safety, such as improved guarding, a cabin, steps for easier and safer access, better ergonomic seating with a seatbelt, roll over protective structure, warning and advisory signs for operators, and reversing alarm and flashing lights.

3. Is the entire community, or a substantial percentage of the residents of the community, seriously affected by the deficiency or at risk, as opposed to a small percentage of the residents? (Describe the number or percentage of community residents affected by the problem.)

All residents of Big Horn County are affected by the age, usage, condition, and reliability of the tractor proposed for replacement; as well as its maintenance and storage. The tractor is the main piece of machinery used in the maintenance upkeep of the community cemetery.

Cemeteries are very valuable historic resources. They are indicators of various settlement patterns, such as villages, rural communities, urban centers, and ghost towns. Cemeteries tell information about historic events, religions, lifestyles, and genealogy. Fueled by a flood of amateur genealogists seeking their families' roots, there is a resurgence of visitors to cemeteries.

"Cemeteries are fascinating places. They're full of history, they're full of beautiful artwork ... they truly are outdoor museums. You can learn so much about your community by learning about the cemetery. You're going to have the iconic people of that area buried there."

-Minda Powers-Douglas, author of Cemetery Walk: A Journey Into the Art, History and Society of the Cemetery and Beyond

4. Is there clear documentation that the current condition of the public facility or service (or lack of a facility or service) violates, or may potentially violate, a state or federal health or safety standard (If yes, describe the standard being violated.)? If the proposed project is necessary to comply with a court order or a state or federal agency directive, describe the directive and attach a copy of it.

The deficiency does not violate or potentially violate a state or federal standard or directive.

5. Does the standard that is being violated, or potentially may be violated; represent a significant threat or potential threat to public health or safety?

All residents of Big Horn County are affected by the age, usage, condition, and reliability of the tractor proposed for replacement; as well as its maintenance and storage. The tractor is the main piece of machinery used in the maintenance upkeep of the community cemetery. The older machine needs to have improvements retrofitted to meet new industry standards of safety, such as improved guarding, a cabin, steps

for easier and safer access, better ergonomic seating with a seatbelt, roll over protective structure, warning and advisory signs for operators, and reversing alarm and flashing lights.

6. Additional information supporting the NEED for this project. None

B. <u>Degree of Severity of Impact from an Increase or Decrease in Coal</u> <u>Development or In the Consumption of Coal by A Coal-Using Energy Complex</u>

1. Describe why the need for the expansion or improvement to the public facility or public service is attributable to coal-related impacts. Additionally, please provide the percentage of the project that is a result of coal impacts.

Nearly 100% of this project is in response to coal-related impacts. Big Horn County is the largest coal producing County in the State of Montana. The economy of Big Horn County relies on coal. Coal development and coal-using energy complexes in the county heighten the need for reliable, modernized equipment.

In 2017 and 2018, Big Horn County received \$15,558,637 in gross proceeds tax which is 19.37% less than the previous two years (2015 and 2016), \$18,895,203, due to the decline in coal production. In order to off-set revenue lost in coal gross proceeds tax and maintain a balanced budget, Big Horn County has increased revenue received in property tax by levying more mills. The General Levy mill amount has *decreased 7.64%* over the past five years while the number of General mills levied has *increased 122.73%* over the past five years. The change in taxable value, determined by Montana Department of Revenue, reflects the decline in value of coal-producing properties. A coal impact grant is necessary to make the project feasible and affordable for tax payers in Big Horn County.

2. Name the nearest coal development area or coal-using energy complex to your community and the road miles from your community.

There are a number of coal mines or coal-using complexes in Big Horn County.

Absaloka Mine	30 miles
Decker Coal Mine	80 miles
Spring Creek Mine	84 miles
Hardin Power Plant	1 mile

3. Additional information supporting the DEGREE OF SEVERITY OF IMPACT FROM AN INCREASE OR DECREASE IN COAL DEVELOPMENT OR IN THE CONSUMPTION OF COAL BY A COAL-USING ENERGY COMPLEX.

None

- C. <u>Availability of Funds</u>
- **1. Amount requested from the Coal Board:** \$124,870
- 2. Amount of Coal Board funds available at the time of application \$_____ (#2 will be completed by Coal Board staff)
- 3. Explain why a coal impact grant is necessary to make the project feasible and affordable.

Coal gross proceeds tax revenue for Big Horn County has been on the decline in recent years. In 2017 and 2018, Big Horn County received \$15,558,637 in gross proceeds tax which is 19.37% less than the previous two years (2015 and 2016), \$18,895,203, due to the decline in coal production.

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Big Horn County	\$8,594,921	\$9,176,021	\$9,965,177	\$10,559,906	\$10,000,360	\$9,402,169	\$9,493,034	\$9,160,210	\$6,398,427
Year of									
Over %		6.8%	8.6%	6.0%	-5.3%	-6.0%	1.0%	-3.5%	-30.1%
Change									

County Coal Gross Proceeds Tax Revenue Total Collections -	Fiscal Years
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Source: MT Department of Revenue; Current as of 10/26/2018

In order to off-set revenue lost in coal gross proceeds tax and maintain a balanced budget, Big Horn County has increased revenue received in property tax by levying more mills. The General Levy mill amount has *decreased 7.64%* over the past five years while the number of General mills levied has *increased 122.73%* over the past five years. The change in taxable value, determined by Montana Department of Revenue, reflects the decline in value of coal-producing properties. A coal impact grant is necessary to make the project feasible and affordable for tax payers in Big Horn County.

GENERAL LEVY

FY2019-2020: \$23,195 – 1 Mill Value; 164.93 Mills Levied = \$3,825,551.35 FY2018-2019: \$23,559 – 1 Mill Levy; 129.86 Mills Levied = \$3,059,371.74 FY2017-2018: \$23,776 – 1 Mill Value; 125.96 Mills Levied = \$2,994,824.96 FY2016-2017: \$23,337 – 1 Mill Value; 107.51 Mills Levied = \$2,508,960.87 FY2015-2016: \$25,058 – 1 Mill Value; 86.82 Mills Levied = \$2,175,535.56 FY2014-2015: \$25,114 – 1 Mill Value; 74.05 Mills Levied = \$1,859,691.70 General levy which includes general, bridge, fairgrounds, library, public safety, health insurance and weed funds.

4. What are the other proposed funding sources for the project?

			UMMARY FOR BIG HORN COUNTY F NO. 1 IMPROVEMENT PROJECT	
Source Type of Fund		Amount Status of Commitment		Loan Rates & Terms
Coal Board	Grant	\$124,870	Application submitted on April 27, 2020	Not applicable
Big Horn County	Cash	\$25,000	Committed in Letter included as Appendix B	Not applicable
	TOTAL	\$149,870		

5. If a particular proposed source of funding is not obtained, how will the applicant proceed?

If Big Horn County does not receive a Coal Impact Grant, the County may re-apply in the next funding cycle while working to identify other potential sources of funding.

D. Degree of Local Effort in Meeting Needs

1. If current millage rates given are lower than the average rates levied during the previous three years, briefly explain why they are lower.

In order to off-set revenue lost in coal gross proceeds tax and maintain a balanced budget, Big Horn County has increased revenue received in property tax by levying more mills. The General Levy mill amount has *decreased 7.64%* over the past five years while the number of General mills levied has *increased 122.73%* over the past five years. The change in taxable value, determined by Montana Department of Revenue, reflects the decline in value of coal-producing properties.

2. Describe any local efforts to meet the public facility or public service needs by providing financial contributions to the project to the extent possible, such as local funding, donations of land, absorbing some or all-administrative costs. For non-profit organizations, describe fund-raising efforts or other in-kind assistance to the proposed project as well as usual program fund-raising efforts.

Big Horn County has committed \$25,000 in cash or 17% of the total project cost to the project. A letter of commitment is included as *Appendix B*.

3. Describe past operation and maintenance budgets and practices over the long-term, including any reserves for repair and replacement.

Past operation and maintenance budgets and practices over the long-term for Big Horn County have been consistent and practicable. Big Horn County will assume all maintenance and operational costs incurred with the new tractor and building.

4. If there are indications that the problem is not of recent origin, or has developed because of inadequate operation and maintenance practices in the past, explain the circumstances and describe the actions that management will take in the future to assure that the problem will not reoccur.

Past operation and maintenance budgets and practices over the long-term have been as consistent as practicable. Age and continual use of machinery necessitates its replacement.

- 5. If the project involves water, wastewater or solid waste, provide the current and projected monthly household user charges, including operation and maintenance:
 - a. What is the current monthly household user charge? \$_
 - b. What is the projected monthly user charge (including operation and maintenance) when the project is complete? \$_____

Not applicable

6. What are your current debt obligations?

Big Horn County has no current debt obligations.

7. What are your current assets?

Total fixed assets for Big Horn County for Fiscal Year ending June 30, 2018 is \$41,620,535.

- 8. What financial accounting system do you use? BARS
- 9. Is the applicant in compliance with the auditing and annual financial reporting requirements provided for in the Montana Single Audit Act, 2-7-501 to 522, MCA?

(Tribal governments must comply with auditing and reporting requirements provided for in OMB Circular A-133).

Yes X No Date of last completed audit or financial report June 30, 2018

10. If there have been audit findings within the last five years, have they been satisfactorily addressed?

Big Horn County has satisfactorily addressed any audit findings.

11. Additional information supporting the DEGREE OF LOCAL EFFORT IN MEETING NEEDS.

None

E. <u>Planning & Management</u>

1. Describe how your grant request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems related to coal impacts.

The grant request reasonably fits into the contemplated decline of the coal industry in Big Horn County. In order to off-set revenue lost in coal gross proceeds tax and maintain a balanced budget, Big Horn County has increased revenue received in property tax by levying more mills. The General Levy mill amount has *decreased 7.64%* over the past five years while the number of General mills levied has *increased 122.73%* over the past five years. The change in taxable value, determined by Montana Department of Revenue, reflects the decline in value of coal-producing properties.

2. Describe how the proposed project is consistent with current plans.

The proposed project is consistent with the *Big Horn County Growth Policy* (May 2014). The following are excerpts from the growth policy that describe current characteristics and future trends.

Local Services

Local services are important for retaining and attracting residents. The county is quite large and services such as fire protection, ambulance, law enforcement, schools, and medical centers can be distant from the individuals needing the services. Law enforcement has been a historically chronic problem, particularly in areas where jurisdictions among BIA, Tribal governments, county sheriff are confusing and result in long response times and complexities for residents. Schools with high drop-out rates create incentives for residents to school their children elsewhere or leave the area, and they are a disincentive for others with children to relocate to the county. The high proportion of youth creates special needs for services. Increased numbers of older persons will also create increased demands for medical care, transportation, and other services.

Infrastructure

infrastructure that Big Horn County maintains includes county roads, and county buildings, such as the court house, fairgrounds, library, and public health department, and other buildings it supports including the museum, senior center, etc.

Goal: Provide for the long-term infrastructure needs of the county.

Goal Objectives:

a. A standardized approach to long-term repair/replacement of infrastructure owned by Big Horn County.

- *b.* County assistance where possible on provision of other non-county infrastructure, such as community water and sewer.
- c. Non-agricultural semi-trucks pay their fair share of impacts to county roads.

Goal Implementation Strategies:

- a. Big Horn County to develop a Capital Improvements Plan to inventory county-owned infrastructure and major equipment, including current condition, and set a multi-year schedule and budget for major repairs, renovation, and replacement. (Initiate within 2 years.)
- b. Big Horn County to provide grant-writing assistance and match- funding within reasonable limits to support community water, sewer, and storm drainage systems. (Ongoing)
- c. Big Horn County to identify and implement a system to recoup costs to county roads caused from nonagricultural semi-trucks. Begin with an assessment of fees for new approaches onto county roads. (initiate within 2 years)

The proposed project is consistent with the *Big Horn County Capital Improvements Plan* (September 2014). The following is an excerpt from the CIP that summarizes current inventory and need for a new tractor.

"Big Horn County owns a total of 63 public buildings and facilities, ranging from the Courthouse Building and Jail to the Big Horn County Historical Museum. Other facilities, like the Lodge Grass Cemetery, receive financial support from the County but are governed by an outside authority. The Courthouse Building and numerous buildings in the Museum complex, which were built in 1930, are the most antiquated buildings owned by the County. The newest buildings are structures added to the Fairground as a result of an ongoing upgrade to meet a Master Plan that was recently developed. Those structures were added to the public building inventory for Big Horn County in 2012. Most structures are in fair condition, and there are a number of buildings that have had recent renovations.

Tractor – a tractor is required to maintain the roads, parking, and trails in all weather conditions. The tractor currently being used is not adequately appointed for winter weather conditions. The new tractor should have the following features:

- 1. Enclosed cab with heater/air conditioning
- 2. Loader
- 3. Sweeper
- 4. Mower
- 5. Snow blade or blower

Estimated Cost: \$45,000-\$50,000"

Environmental Review Checklist

Name of Project: New Tractor and Equipment Shed for Cemetery #1		
Proposed Action:	Purchase of a new tractor and construction of a pole building needed to store, protect, and safeguard heavy and light equipment used at the Big Horn County Cemetery #1.	
Location:	Big Horn County, Montana	

Key Letter: N - No Impact/Not ApplicableB - Potentially Beneficial<math>A - Potentially AdverseP - Approval/Permits Required<math>M - Mitigation Required

KEY N	1. Soil Suitability, Topographic and/or Geologic Constraints (e.g., soil slump, steep slopes, subsidence, seismic activity)
	Comments and Source of Information: Existing ground at the proposed project site is relatively flat, with little to no vegetation. There are two existing buildings near the proposed site, so soil suitability issues are not anticipated.
KEY	2. Hazardous Facilities (e.g., power lines, EPA hazardous waste sites, acceptable distance from explosive and flammable hazards Including chemical/petrochemical storage tanks, underground fuel storage tanks, and related facilities such as natural gas storage facilities & propane storage tanks)
	 Comments and Source of Information: Power lines are adjacent to the project property but are approximately 250-ft from the proposed building location. No hazardous facilities are anticipated on the project property.
KEY	3. Effects of Project on Surrounding Air Quality or Any Kind of Effects of Existing Air Quality on Project (e.g., dust, odors, emissions)
N	Comments and Source of Information: Temporary dust associated with the construction; however, there will be no long-term impacts in regard to the surrounding air quality as a result of the project.
KEY	4. Groundwater Resources & Aquifers (e.g., quantity, quality, distribution, depth to ground water, sole source aquifers)
N	Comments and Source of Information: The proposed project is not anticipated to impact the groundwater resources and/or aquifers. The new building will be slab-on-grade, and minimal excavation is required.
KEY	5. Surface Water/Water Quality, Quantity & Distribution (e.g., streams, lakes, storm runoff, irrigation systems, canals)
N	Comments and Source of Information: The proposed building will be located approximately 50-feet from an existing irrigation canal; however, site grading will prevent surface water from entering the canal. Storm water at the proposed building location will be directed to existing storm water runoff paths.
KEY	6. Floodplains & Floodplain Management (Identify any floodplains within one mile of the boundary of the project.)
N	Comments and Source of Information: There are no identified floodplains within a mile of the proposed project boundary.

KEY	7. Wetlands Protection (Identify any wetlands within one mile of the boundary of the project.)
N	Comments and Source of Information: No wetlands are present within one mile of the proposed project boundary.
KEY	8. Agricultural Lands, Production, & Farmland Protection (e.g., grazing, forestry, cropland, prime or unique agricultural lands) (Identify any prime or important farm ground or forest lands within one mile of the boundary of the project.)
N	Comments and Source of Information: Agricultural land surrounds the proposed project site however, none of the land has been identified as prime or important farm ground. No fores lands lie within one mile of the project boundary. The proposed project will not affect existing agricultural lands.
KEY	9. Vegetation & Wildlife Species & Habitate, Including Flsh (e.g., terrestrial, avian and aquatic life and habitate)
N	Comments and Source of Information: According to the Montana Natural Heritage Program no vegetation species of concern are located at the proposed project site. There are eleven species of concern listed; however, as the project site is located adjacent to existing buildings, no long-term habitat impacts are anticipated.
KEY	10. Unique, Endangered, Fragile, or Limited Environmental Resources, Including Endangered Species (e.g., plants, fish, sage grouse or other wildlife)
N	Comments and Source of Information: According to the Montana Natural Heritage Program, no vegetation species of concern are located at the proposed project site. There are elever species of concern listed; however, as the project site is located adjacent to existing buildings, no long-term habitat impacts are anticipated.
KEY	11. Unique Natural Features (e.g., geologic features)
N	Comments and Source of Information: No unique geologic features are located within the proposed project vicinity.
KEY	12. Access to, and Quality of, Recreational & Wilderness Activities, Public Lands and Waterways (including Federally Designated Wild & Scenic Rivers), and Public Open
N	Space Comments and Source of Information: The proposed project is located on property currently owned by Big Horn County and will not impact access to public lands or public open space
KEY	1. Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics
N	Comments and Source of Information: The proposed project will add a new pole building to an existing County facility location. No impacts to visual quality are anticipated.
KEY	2. Nuisances (e.g., glare, fumes)
N	Comments and Source of Information: There are no anticipated nuisances associated with the proposed project as it will add a new building to an existing County facility location.

KEY	3. Noise – suitable separation between noise sensitive activities (such as residential areas) and major noise sources (aircraft, highways & railroads)
N	Comments and Source of Information: There may be some temporary noise during construction of the proposed project. However, construction operation hours will be limited to 7:00 AM to 7:00 PM. No other long-term impacts to noise are anticipated upon completion of the project.
KEY	4. Historic Properties, Cultural, and Archaeological Resources
М	Comments and Source of Information: According to the Montana Cultural Resource Database, there are historical sites and inventoried areas present in the proposed project vicinity. Prior to construction disturbance, Montana SHPO will be contacted to ensure no cultural, historic or archaeological sites are disturbed.
KEY	5. Changes in Demographic (population) Characteristics (e.g., quantity, distribution, density)
N	Comments and Source of Information: The proposed project is not anticipated to impact demographic characteristics.
KEY	6. Environmental Justice – (Does the project avoid placing lower income households in areas where environmental degradation has occurred, such as adjacent to brownfield sites?)
N	Comments and Source of Information: This project does not contribute to the location of any lower income households into unacceptable areas.
KEY	7. General Housing Conditions – Quality, Quantity, Affordability
N	Comments and Source of Information: The proposed project is not anticipated to impact general housing conditions.
KEY	8. Displacement or Relocation of Businesses or Residents
N	Comments and Source of Information: The proposed project will not require displacement or relocation of businesses and/or residents.
KEY	9. Public,Health and Safety
N	Comments and Source of Information The proposed project will not affect public health and safety.
KEY	10. Lead Based Paint and/or Asbestos
N	Comments and Source of Information: The proposed project is not anticipated to involve the handling of any lead-based paint and/or asbestos.
KEY	11. Local Employment & Income Patterns – Quantity and Distribution of Employment, Economic Impact
N	Comments and Source of Information: There are no anticipated long-term impacts to local employment or income patterns directly attributed to the proposed project. Temporary beneficial impacts could be seen from construction labor employment.
KEY	12. Local & State Tax Base & Revenues
N	Comments and Source of Information: There are no anticipated impacts to the local and state tax base and revenues directly attributed as a result of the proposed project.

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KEY	13. Educational Facilities - Schools, Colleges, Universities
N	Comments and Source of Information: There is no anticipated impact to the educational facilities a a direct result of the proposed project.
KEY	14. Commercial and Industrial Facilities – Production & Activity, Growth or Decline
N	Comments and Source of Information: There is no anticipated impact to the growth or decline of commercial or industrial facilities.
KEY	15. Health Care – Medical Services
N	Comments and Source of Information: There is no anticipated impact to the health care facilities as a direct result of the proposed project.
KEY	16. Social Services – Governmental Services (e.g., demand on)
N	Comments and Source of Information: There is no anticipated impact to the demand on governmental services.
KEY	17. Social Structures & Mores (Standards of Social Conduct/Social Conventions)
N	Comments and Source of Information: There is no anticipated impact to social structures as a direct result of the proposed project.
KEY	18. Land Use Compatibility (e.g., growth, land use change, development activity, adjacent land uses and potential conflicts)
N	Comments and Source of Information: There is no anticipated impact to land use compatibility as a direct result of the proposed project. The proposed pole building will be adjacent to currently existing County facility structures.
KEY	19. Energy Resources – Consumption and Conservation
N	Comments and Source of Information: There is no anticipated change in energy resources as a direct result of the proposed project.
KEY	20. Solid Waste Management
N	Comments and Source of Information: There are no anticipated impacts to solid waste management as a result of the proposed project.
KEY	21. Wastewater Treatment – Sewage System
N	Comments and Source of Information: There are no anticipated impacts to wastewater treatment as a result of the proposed project.
KEY	22. Storm Water – Surface Drainage
 N	Comments and Source of Information: There are no anticipated impacts to storm water as a result of the proposed project. Storm water runoff will be directed to existing runoff paths.

KEY	23. Community Water Supply
N	Comments and Source of Information: There are no anticipated impacts to the public water supply as a result of the proposed project.
KEY	24. Public Safety – Police
N	Comments and Source of Information: There are no anticipated impacts to public safety and/or police as a result of the proposed project.
KEY	25. Fire Protection – Hazards
N	Comments and Source of Information: There are no anticipated impacts to fire protection as a result of the proposed project.
KEY	26. Emergency Medical Services
N	Comments and Source of Information: There are no anticipated impacts to emergency medical services as a result of the proposed project.
KEY	27. Parks, Playgrounds, & Open Space
N	Comments and Source of Information: There are no anticipated impacts as a result of the proposed project.
KEY	28. Cultural Facilities, Cultural Uniqueness & Diversity
В	Comments and Source of Information: There are no anticipated impacts as a result of the proposed project.
KEY	29. Transportation Networks and Traffic Flow Conflicts (e.g., rail; auto including local traffic; airport runway clear zones - avoidance of incompatible land use in airport runway clear zones)
N	Comments and Source of Information: There are no anticipated impacts as a result of the proposed project.
KEY	30. Consistency with Local Ordinances, Resolutions, or Plans (e.g., conformance with local comprehensive plans, zoning, or capital improvement plans}
В	Comments and Source of Information: The proposed project is consistent with all local ordinances resolutions, and plans, including the Big Horn County Comprehensive Capital Improvements Plan.
KEY	31. Is There a Regulatory Action on Private Property Rights as a Result of this Project? (Consider options that reduce, minimize, or eliminate the regulation of private property
N	rights.) Comments and Source of Information: There will be no regulatory action on private property as a
	result of the proposed project.

ENVIRONMENTAL QUESTIONS

On a separate piece of paper, please answer the following as they apply to your proposed project:

- 1. <u>Alternatives</u>: Describe reasonable alternatives to the project.
- 2. <u>Mitigation</u>: Identify any enforceable measures necessary to reduce any impacts to an insignificant level.
- 3. <u>Is an EA or Environmental Impact Statement (EIS) required?</u> Describe whether or not an EA or EIS is required and explain in detail why or why not.
- 4. <u>Public Involvement</u>: Describe the process followed to involve the public in the proposed project and its potential environmental impacts. Identify the public meetings -- where and when -- the project was considered and discussed, and when the district approved the final environmental assessment.
- 5. <u>Person(s) Responsible for Preparing</u>: Identify the person(s) responsible for preparation of this checklist.
- Other Agencies: List any state, local, or federal agencies that have over-lapping or additional jurisdiction or environmental review responsibility for the proposed action and the permits, licenses, and other authorizations required; and list any agencies or groups that were contacted or contributed information to this Environmental Assessment (EA).

Authorized Representative

4-23-2020

Date

Big Horn County

Chairperson

04.23.2020 Date

1. Alternatives

The current tractor is use at Cemetery #1 is from 1947, and well past its service life. The County proposes to replace this antiquated tractor with a new tractor. The alternative is to keep using the existing tractor, which continually has mechanical issues and is not adequate for the work required.

The new pole building is proposed to house the new tractor. The existing tractor has been used for 73 years, and the County intends to use and maintain the new tractor for at least that same amount of time. The installation of a new storage building to house the tractor will assist with keeping the tractor from deteriorating prematurely and provide safety from theft and tampering. The alternative to a new pole building is to store the new tractor in the outdoors, which will result in premature aging and possible damage by trespassers.

2. Mitigation

Anticipated impacts as a result of the proposed project are both minimal and temporary. Noise impacts will be contained by allowing construction activities only during specified hours of the day. Contractors will take all precautions to provide a safe work environment for the general public.

3. Is an EA or Environmental Impact Statement (EIS) required?

The Montana Environmental Policy Act requires than an environmental review be performed whenever a state agency takes an action; whenever that action is not exempt or excluded from MEPA; and whenever the action may impact the human environment. As the proposed project is to construct a new pole building on existing county property, it is anticipated that the action will result in a Finding of No Significant Impact, and an EA or EIS is not necessary.

4. Public Involvement

The project has been discussed by the Big Horn County Cemetery Board in at public meeting. There were no public present at the meeting, and the project was approved by the Board.

The Draft Environmental Assessment was advertised in the Big Horn County News on April 9 and April 16, 2020, with comments to be received by the Big Horn County Board of Commissioners until 4:00 p.m. on April 21, 2020. Comments were called to be submitted in person, in writing, by telephone, or on the County Facebook Page.

No comments were received, and the EA was approved as written.

5. Person(s) Responsible for Preparing

Kathy Thompson, Project Manager, Stahly Engineering

6. Other Agencies

As the proposed project may involve state funding for construction of a new building located on undisturbed ground, Montana State Historic Preservation Office will be contacted prior to any disturbance.

LEGAL NOTICE

Big Hom County is submitting two grant applications to the Montana Coal Board on April 27, 2020. One application requests funds to purchase two vehicles for the Sheriff's Department. The other application requests funds to purchase a tractor and equipment shed for Cemetery #1. Environmental Checklists for the projects are being completed and will be available for public review April 10-21, 2020 at Big Horn County **Commission Chambers** located at 121 West 3rd Street Room 302 in Hardin, Montana, 59034 and online at www.bighomcountymt.gov. Due to the COVID-19 Novel Coronavirus pandemic **Big Horn County issued** Resolution 2020-7, an emergency proclamation, on March 17, 2020. Due to the pandemic, Big Horn County is soliciting public comment regarding the Environ-mental Checklists by multiple means: in person at Commissioners' Office during normal business hours; in writ-

ing to cwells@bighomcountymt.goy: Big Horn County Board of Commissioners, PO Box 908, Hardin MT 59034; or Big Horn County, Montana Facebook page; and/ or by telephone at 406-665-9700 Monday thru Friday between the hours of 8:00 a.m. and 4:00 p.m. All comments must be received by 4:00 P.M. on April 21, 2020. Big Horn County Commissioners will review public comment received, hear any additional public comment, and accept the level of environmental finding for the projects at a public meeting on April 23, 2020 at 10:00 a.m. in the Big Horn County Commissioners Office. Individuals can connect via conference call for the public meeting by dialing (406) 665-9711, Conference ID 481# Password 59034#, Big Horn County can provide reasonable accommodations for any known disability that may interfere with a person participating in this public review process. Should you have any questions or require more information, please contact Candy Wells, Administrative Assistant at 406-665-9700 or cwells@bighomcountymt.com.

Publish: April 10 & 16, 2020 MNAXLP

BOARD OF COMMISSIONERS BIG HORN COUNTY, MONTANA

AGENDA APRIL 23, 2020 THURSDAY

8:30

9:00 Sheriff Big Hair

9:30

10:00	Coal Board Applications – Environmental Assessment Determination Sheriff Office Vehicle purchase Cemetery District #1 tractor and equipment shed purchase
10:30	
11:00	
11:30	
1:00	
1:30	
2:00	
2:30	
3:00	
3:30	
4:00	

PUBLIC COMMENT AND DISCUSSION IS ENCOURAGED FOR EACH ITEM LISTED

.....

RESOLUTION 2020 - 16

RESOLUTION TO ACCEPT THE DETERMINATION THAT A FINDING OF NO SIGNIFICANT IMPACT IS APPROPRIATE FOR THE NEW TRACTOR AND EQUIPMENT SHED FOR CEMETERY #1

WHEREAS, Big Horn County has completed an assessment to identify potential environmental impacts from the construction of a new equipment shed;

WHEREAS, the draft Environmental Assessment was made available for public comment and the findings were presented and reviewed at a public meeting;

WHEREAS, no substantive public comment was received;

WHEREAS, Big Horn County has determined that the equipment shed project will not significantly affect the quality of the human environment and accordingly that Big Horn County has determined an Environmental Impact Statement is not necessary;

NOW THEREFORE BE IT RESOLVED by the Commissioners of Big Horn County:

Big Horn County, Montana adopts the final Environmental Assessment for the New Tractor + Equipment Shed For Cemetery District #1

Dated this date of April 23, 2020, in Hardin, Montana.

BOARD OF COMMISSIONERS BIG HORN COUNTY, MONTANA

George Real Bird III Chairman

Sidney Eitzpatrick

Member

Larry Vandersloot

Member

ATTEST

Clerk and Recorder

Appendix A Cost Estimates



Investment Proposal (Quote)

RDO Equipment Co. 5221 Midland Road Billings MT, 59101 Phone: (406) 259-5536 - Fax: (406) 256-2269

Proposal for: BIG HORN COUNTY CEMETERY DIST 1 PO BOX 318 HARDIN, MT, 590340318 BIG HORN Investment Proposal Date: Pricing Valid Until: Deal Number: Customer Account#: Sales Professional: Phone: Fax: Email: MEal

1/14/2020 2/13/2020 1276038 1201019 Matt Eaton (406) 259-5536 (406) 256-2269 MEaton@rdoequipment.com

Equipment Information

Quantity	Serial Number Stock Number	Hours (approx.)	Status / Year / Make / Model Additional Items	Cash Price
1	TBD TBD	0	New 2020 JOHN DEERE 310L	\$85,500.00
			Warranty -John Deere Comprehensive-36 Months, 3000 Hours,Deductible: 200, Exp Date: 1/14/2023	\$2,000.00 Not includ. 0
1	TBD TBD	0	New 2020 JRB 30" BELLHOLE BUCKET	\$1,500.00

Equipment Subtotal:

\$89,000.00

Purchase Order Totals

\$89,000.00
\$0.00
\$0.00
\$89,000,00
50 00 ····
\$89,000.00

JAN-13-2020 17:53 TRACTOR & EQUIPMENT

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ODUCT LINK, CELLULAR, PLGAII		447-0019		VENTATIVE AP			ap.0310
B, DELUXE		450-8603	RIDE CON		PLICATUR		452-1013
RKJ. IGHTS (3) HALOCEN LAMPS		491-6734			0.00		398-2601
T, DELUXE FADRIC		433-4906		PO. MAN.D.L.	OCK, BHL		444-7500
LT. SHAT, 2" BUSPENSION		205-1747		ASTORAGE PRO			353-1389
R CONDITIONER, T4		450-0715		IN, AND, PON			461-6839
RRS, 12.5 50/19.51.24, PS		10-0961		NGD191 MSO			547-6095
UNTERWEIGHT, 1015 LES		337-7695		19W102587	3144504		
ABILIZER PADS. PLIP-GYNR		9R-6007		19W102GST			19910-25DT
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SHINT NAME WIT TITLE



1728 Old Hardin Road Billings, MT 59101 Phone: 406-259-5500 Fax: 406-259-8559

January 13, 2020

Bullis Mortuary 507 N. Central Ave Hardin, MT 59034

Darrel,

5-

Thank you for the opportunity to quote your equipment needs. Below is a quote for a CASE 580SN Tractor Loader Backhoe. I priced this as a governmental deal.

Model: CASE 580SN

18,500-pound operating weight
95 hp 3.4L diesel engine
Enclosed Cab with heat and AC
Powershift Transmission
Extendahoe
Pilot Controls (switchable between Deere and Cat)
Power Lift
Flip Over Stabilizer Pads
82" 1.1 cubic yard bucket with bolt-on cutting edges
24" Universal backhoe bucket
Air Ride Suspension Seat
LED Work light package
Severe Cold Start Package
19.5 Lx24 10 ply Tires - Rear
12.5x16.5 10 ply Tires - Front

CASH Pricing:

\$ 95,455.00

This model is currently in stock at our Billings store. These machines come with a 12-month / unlimited hour factory warranty for the full machine. The engine is covered with an additional 12 months or up to a total of 2000 machine hours.. We can look at extended warranties if you desire.

Sincerely,

David Weller

Equipment Sales Consultant

Herdin Concrete & Const LLC RR 1 box 1217 Hardin, MT 59034 US 406 679 3231 Hardinconcrete17@yahoo.com

ADDRESS	ESTIMATE # 1028
Big Horn County Cemetery	DATE 03/24/2020
Hardin MT 59034	EXPIRATION DATE 04/24/2020
Week starting 03/22/2020 Services Set, pour and finish 30x40 mono slab. 1'x1'thickend edge District 1	10,917.00 5" center. #4 rebar 2' centers

TOTAL

\$10,917.00

Accepted By

Accepted Date

35

From:	Mike Jones mikej@s-bar-s.com 🔗
Subject:	Preliminary Estimate
Date:	March 20, 2020 at 3:45 PM
To:	bullismortuary@icloud.com
Cc:	ryans@s-bar-s.com, brendah@s-bar-s.com, mikej@s-bar-s.com

Daryl,

We appreciate the opportunity to provide the attached preliminary estimate to you for your review. Please let us know either way what we can do to design this building to meet your specific needs. We look forward to working with you on this project in the near future.

Thank you,

Mike Jones Sales S-Bar- S Building Center 406-259-3391 mikej@s-bar-s.com



2032 Old Hardin Road Billings. MT 59101-6564 Phone (406) 259-3391 Toll Free. (600) 932-5109 <u>mmw.s-bar-s.com</u> **4**.9

1 rt. 2

Preiminary Estimate

Customer Name:	Big Horn County Cemetery #1 POC Dar	Phone:	1.000
Address:	Van Zant Road		
	Hardin, MT	E-mail	buli
		Date	

buliismortuary@icloud.com 03/20/20

406-679-1621

Building Size: 30'x40'x16' Turned Girt Pole Building

Standard Specifications:

Poles: 3-Ply 2 x 6 S4S, Bottom Treated, Set 10' o/c

Girts: Lower - Obl 2 x 6 CA Treated; Intermediate - 2 x 6 set 30" o/c; Header -- Glu-larn.

Trusses: 30# Snow Load; 4/12 Pitch set 4' o/c attached to header with Steel Plates.

Siding: 29 gauge colored high tensile steel attached with 1" Screws with Neoprene Washers.

Roofing: 29 gauge colored high tensile steel attached with 1-1/2" Screws with Neoprene Washers.

Purlins: 2 x 4 set 24" o/c of sufficient length so that no two consecutive joints fall on the same truss.

Accessories:		Qty	Other Descriptio
Walk Door		1	
12'x14' insulated Overhead Door		1	
8" Concrete Floor Stab		1200	
Gravel	1.100.000	24	
Metal Ceiling Liner		1200	
Poles in Concrete		14	
	0	0	
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Project Total:	\$	42,453.00			
Building Site Lo	cation:	Hardin, Montana			
ALTERNATES			2010 C		
Alt #1	MT-50-11	-U - 14' Opener		Add	
Alt #2	insulation	R38 Ceiling, R19 Walls			
Att #3			0		
Ait #4			Q		
Alt #5			0		
Ait #6			0		
Att #7			Ó		

\$ 1,021.00
\$ 4,718.00
\$ -

Appendix B Letter of Cash Commitment

CEMETERY DISTRICT NO. 1 BIG HORN COUNTY P.O. BOX 908 HARDIN, MT 59034

Fax (406) 665-9706

(406) 665-9700

E-mail to: cwells@bighomcountymt.gov

April 23, 2020

Montana Coal Board **Community Development Division** Department of Commerce PO Box 200523 Helena MT 59620-0523

RE: Funding to replace tractor and construct new equipment building for Cemetery **District No. 1**

Dear Montana Coal Board Members,

On behalf of Cemetery District No. 1, we are pleased to commit \$25,000 to the Cemetery District No. 1 equipment replacement purchase and new equipment shed. This commitment of funds is approximately 20% of the total project cost.

Sincerely,

1204 Mary Slattery

Board Chair Cemetery District No. 1

<u>MEMO</u>

To:Coal Board Members and Commerce StaffFrom:Division EngineerSubject:Big Horn County – cemetery projectMeeting:June 2020

History – Fairview Cemetery in Hardin was established in 1954. The cemetery is governed by a threeperson board appointed by the Big Horn County Commissioners. A section of the cemetery is reserved for the purpose of burying the bodies of veterans and ex-veterans of past and future wars of the United States. About one burial a month occurs at the cemetery. The 40-acre cemetery has about 3,400 grave spaces and half of them are available. A 1978 John Deere tractor is used to dig graves, set and align headstones, erect mourners' shelters, set up casket-lowering devices, and maintain the appearance of the surrounding grounds.

Problem – Problems identified in the application included the following:

- tractor is old; and
- tractor is not stored in a covered structure, so it is exposed to sun, rain, and snow.

Solution – The proposed project includes the

- purchase of a new tractor, and
- construction of a storage building.

The purpose of the project is to replace equipment. The current tractor is at the point where the cost of ownership for the equipment exceeds its market value; maintenance costs have begun to escalate; condition of the unit is poor; and reliability of the unit is unpredictable. The older machine does not meet new industry standards of safety, such as improved guarding, a cabin, steps for easier and safer access, better ergonomic seating with a seatbelt, roll over protective structure, warning and advisory signs for operators, and reversing alarm and flashing lights.

The Coal Board grant request is for \$124,870. The total cost is \$149,870; the County is contributing \$25,000.

The source of the cost estimate for the tractor were quotes from RDO Equipment, Tractor & Equipment Co, and Titan Machinery, all out of Billings. The cost estimates for the concrete pad and for the storage building were obtained from Hardin Concrete & Construction from Hardin and from S Bar S Building Center from Billings.

The implementation schedule included a line that indicated the following: *purchase equipment in accordance with county procurement rules*.

An environmental checklist and review form were included with the application.

Coal Board Grant Applicant #0907 Big Horn County Staff Report / June 2020 Meeting

<u>Applicant:</u> Big Horn County <u>Project:</u> Purchase a New Tractor and Construction of a Storage Building for the Fairview Cemetery <u>Coal Board Funds Requested:</u> \$124,870 <u>Total Project Cost:</u> \$149,870

<u>Project Information</u>: The applicant is requesting \$124,870, of a total project cost of \$149,870, in Coal Board funds to purchase a new tractor to replace the current tractor and to construct a building to store the tractor and smaller equipment used in the maintenance upkeep of the cemetery. **The applicant is a designated unit.**

Categories:

Need:

- <u>Applicant:</u>
 - Applicant states that a deficiency exists in a basic community service provided by Big Horn County.
 - Applicant states the age and condition of the current tractor are a risk to the operator.
 - Applicant states all residents of Big Horn County are affected by the age, usage, condition and reliability of the tractor proposed for replacement as well as its maintenance and storage.
 - Applicant provided an environmental checklist, environmental review form, documentation form the newspaper notifying the public of the meeting where the environmental would be discussed, an agenda, minutes documenting that the environmental determination was made at a public meeting, and a signed resolution.

• Staff Review:

- Staff has determined that the environmental process is complete.
- The current tractor is at the point where the cost of ownership for the equipment exceeds its market value and the machine does not meet industry standards. The tractor is not stored in a covered structure, so it is exposed to sun, rain, and snow.

Degree of Severity of Impact:

- Applicant:
 - Applicant states nearly 100% of this project is in response to coal-related impacts.
 - Applicant states there are a number of coal mines or coal-using complexes in Big Horn County.
- Staff Review:
 - Documentation regarding severity of impact included in the narrative responses to Severity of Impact questions in the application.

Availability of Funds:

- Applicant:
 - Applicant states that coal gross proceeds tax revenue for Big Horn County have been on the decline in recent years.

- Applicant states that if Big Horn County does not receive a Coal Impact Grant, they may re-apply in the next funding cycle while working to identify other potential sources of funding.
- Staff Review:
 - Applicant is a designated unit.
 - Revenues related to the Coal Natural Resource account are not sufficient to fund the costs associated with this project request.

Degree of Local Effort in Meeting Needs:

Applicant:

- Applicant states in order to off-set revenue lost in coal gross proceeds tax and maintain a balanced budget; Big Horn County has increased revenue received in property tax by levying more mills.
- Applicant states the county has committed \$25,000 in cash or 17% of the total project cost.
- Applicant states that Big Horn County has no current debt obligations.
- The applicant states the mill rates are \$164.93.
- <u>Staff Review:</u>
 - Millage rates provided by MDOR data demonstrates the average millage rates for the previous three years are lower than the current year millage rates. MDOR data years: 2019-2020, 2019-2018, 2018-2017.

Planning & Management:

- Applicant:
 - Applicant states the grant request reasonably fits into the projected decline of the coal industry in Big Horn County.
 - Applicant states the proposed project is consistent with the Big Horn County Growth Policy (05/2014).

Staff Review:

- The applicant has demonstrated a reasonable connection between purchase of a new tractor and construction of storage for the new tractor with community planning. The proposed project appears to be consistent with the effort to maintain adequate community facilities in Big Horn County as referenced in the 2014 Big Horn County Growth Policy goal to "provide for the long-term infrastructure needs of the county".
- There is a 2014 Big Horn County CIP and an updated CCIP spreadsheet. Although there are tractor purchases outlined in these documents, it is unclear if any of them are for the cemetery.

Grant History:

Since 2009, the applicant has been awarded 47 projects totaling \$3,960,331.

For more information on Coal Board projects for this or any other applicant, please visit the Commerce Grants Database at https://commerce.mt.gov/About/FundedProjects.

Supplemental Documents (not included in this staff report): None

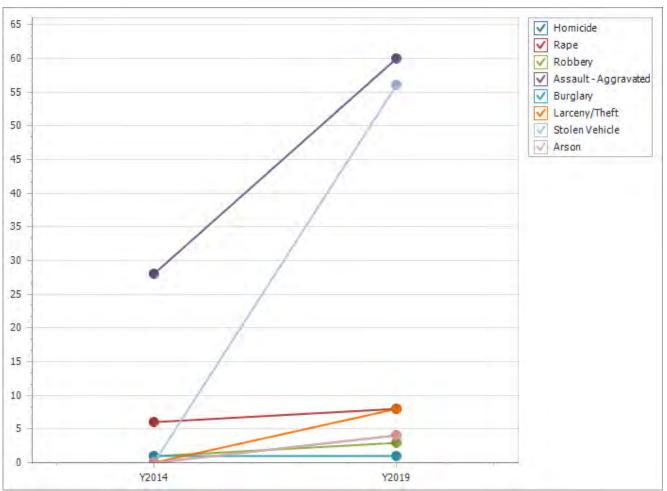
Staff Summary:

See engineer memo.

The applicant provided an environmental checklist, environmental review form, documentation form the newspaper notifying the public of the meeting where the environmental would be discussed, an agenda, minutes documenting that the environmental determination was made at a public meeting, and a signed resolution. Staff has determined that the environmental process is complete.

"The applicant must provide documentation of the completed environmental review process and include with the application all documentation of the public review process, including but not limited to, the public notice for and minutes of a public hearing at which the environmental review was discussed, the public comments received, and the final decision on the environmental determination made during a public meeting" (Montana Coal Board Application, pg 27).

Staff does not recommend funding due to the statutory criteria: Availability of Funds. Staff does not recommend awarding contingent upon available revenue as there is insufficient revenue to award projects currently. Staff recommend awarding projects based on revenue received to meet the Availability of Funds statutory criteria.



Montana Coal Impact Grant Application

Source: Big Horn County Sheriff's Department credits the FBI on collecting statistics in major crime categories (Part 1 Crimes).

Submitted to the Montana Coal Board

by

Big Horn County

for

Sheriff's Office Patrol Vehicles

Date submitted:

THE COAL IMPACT GRANT APPLICATION FORM SUBMITTED BY BIG HORN COUNTY

CERTIFICATION

The chief elected official or executive officer of the applicant must sign the application certifying that to the best of the official's knowledge and belief, the information provided in the application and the attached documents is true and correct.

The chief elected official or executive officer of the applicant must also certify that, in accordance with Section 90-6-205, MCA, the applicant is eligible for a Coal Impact Grant and has the authority to administer and make expenditures to provide for the proposed service or facility.

CERTIFICATION

To the best of my knowledge and belief, the information provided in this application and in the attached documents is true and correct.

In accordance with Section 90-6-205, MCA, the applicant is eligible for Coal Board grants and has the statutory authority to make expenditures to provide for the particular service or facility.

Name: George Real Bird:	11	
Title: Chairman		
Signature: A PB.01	Date:	04. 22. 2020

SUMMARY INFORMATION

1. <u>NAME OF APPLICANT(S)</u>:

Big Horn County

2. <u>TYPE OF ENTITY:</u>

Local Government

3. FEDERAL TAX ID NUMBER:

4. SENATE AND HOUSE DISTRICTS:

Senate District: 21; House Districts: 42

5. AMOUNT OF COAL IMPACT GRANT REQUESTED:

\$90,086

6. <u>NAME OF PROJECT</u>:

Sheriff's Office Patrol Vehicles

7. <u>TYPE OF PROJECT:</u>

Public Service

8. <u>POPULATION SERVED BY PROJECT:</u>

13,141 (2015 American Communities Survey, <u>http://comdev.mt.gov/Resources/Financial/TargetRate</u>)

9. NUMBER OF HOUSEHOLDS SERVED BY PROJECT:

3,576 (2015 American Communities Survey, <u>http://comdev.mt.gov/Resources/Financial/TargetRate</u>)

10. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE:

Mr. George Real Bird III, Chairman Board of Commissioners – Big Horn County P.O. Box 908 Hardin, MT 59034 406-665-9700 phone 406-665-9706 fax cwells@bighorncountymt.gov

11. PRIMARY ENTITY CONTACT PERSON:

Ms. Candy Wells, Administrative Assistant P.O. Box 908 Hardin, MT 59034 Office: 406-665-9700 Fax: 406-665-9706 Email: cwells@bighorncountymt.gov

12. OTHER CONTACT PERSONS:

Captain Michael Fuss Detectives Unit Violent Crimes Office: 406-665-9803 Email: mfuss@bighorncountymt.gov

13. MILLAGE RATES:

GENERAL LEVY

FY2019-2020: \$23,195 – 1 Mill Value; 164.93 Mills Levied = \$3,825,551.35 FY2018-2019: \$23,559 – 1 Mill Levy; 129.86 Mills Levied = \$3,059,371.74 FY2017-2018: \$23,776 – 1 Mill Value; 125.96 Mills Levied = \$2,994,824.96 FY2016-2017: \$23,337 – 1 Mill Value; 107.51 Mills Levied = \$2,508,960.87 FY2015-2016: \$25,058 – 1 Mill Value; 86.82 Mills Levied = \$2,175,535.56 FY2014-2015: \$25,114 – 1 Mill Value; 74.05 Mills Levied = \$1,859,691.70 General levy which includes general, bridge, fairgrounds, library, public safety, health insurance and weed funds.

14. AMOUNT OF COAL GROSS PROCEEDS TAX:

• Total amount of Coal Gross Proceeds tax the applicant receives during the last two years

- The amount received and amount expended for each year In 2017 and 2018, Big Horn County received \$15,558,637 in gross proceeds tax which is 19.37% less than the previous two years (2015 and 2016), \$18,895,203, due to reduced coal production. Approximately 40% is allocated to County Department budgets and the remaining 60% is allocated to County schools.
- **Balance of available proceeds that remains** There is no available balance that remains unallocated at this time.
- Description of the process the applicant uses to decide the use of the proceeds The Coal Gross Proceeds taxes are distributed based on the 1989 Tax Levy for each fund including appropriations to the general, bridge, medical facilities, refunding bonds, internal health service, road and school funds.

15. IMPACTS TO COAL INDUSTRY:

<u>U.S. News & World Report</u> published an article titled "Western US Coal Miners Laid off Amid Drop in Electricity Use" on April 23, 2020. The following is an excerpt from the article:

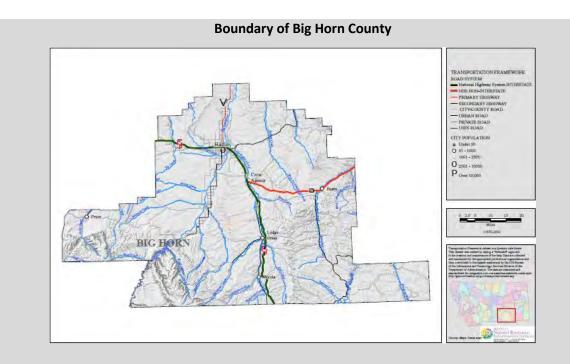
"Three hundred miners and other workers are being laid off as the struggling western U.S. coal industry contends with diminished electricity use during the coronavirus pandemic. Seventy-three workers at the Spring Creek mine in southeastern Montana and 57 at the Antelope mine in northeastern Wyoming are losing their jobs, Navajo Transitional Energy Company reports. St. Louis-based Peabody Energy, meanwhile, announced it was laying off 170 at Wyoming's largest coal mine, North Antelope Rochelle. All three mines are located in the Power Riven Basin, which accounts for about 40% of U.S. coal production. Coal demand has declined over the past decade due to competition from natural gas-fired power and renewable energy sources. School and business shutdowns and stay-at-home orders to contain the coronavirus have reduced electricity use over the past month, further dimming the outlook for coal-fired electricity and coal mining."

With regard to the trend in Big Horn county, there were approximately 149 residents of Big Horn county employed by the coal industry in February 2019. To determine the number of residents, a county representative contacted human resource personnel in nearby coal mines and coal-using facilities. Human resource personnel at the facilities queried their records for employees with zip codes for Busby (59016); Crow Agency (59022), Decker (59025), Garryowen (59031); Hardin (59034); Fort Smith (59035); Lodge Grass (59050); Pryor (59066); Saint Xavier (59075); and, Wyola (59089). When a current employee count was requested of Cloud Peak Energy, the County learned the company had laid off the entire external affairs team. The external affairs team consistently provided the employee count in the past. The company does not intend to hire replacements due to the continued depressed coal markets. Upon making the inquiry, the County was not provided a current contact at the company.

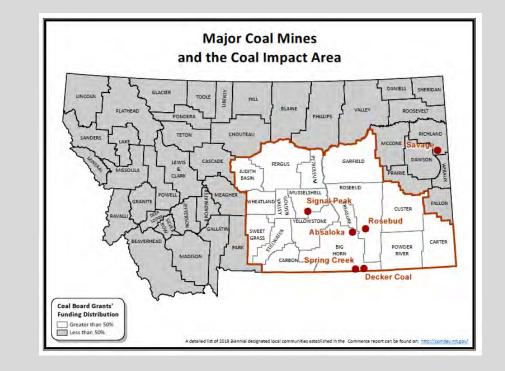
Facility	# of County Residents Employed (February 2019)
Absaloka Mine	118
Decker Mine	no response received
Spring Creek Mine	14
Hardin Generating Station	17
TOTAL	149

Human Resource personnel at Absaloka and Spring Creek Mines provided their data by zip code.

Zip	Code/Community	# of County Residents Employed at Absaloka Mine (February 2019)	# of County Residents Employed at Spring Creek Mine (February 2019)	
59016	Busby	0	2	
59022	Crow Agency	41	1	
59025	Decker	0	0	
59031	Garryowen	5	2	
59034	Hardin	35	4	
59035	Fort Smith	3	0	
59050	Lodge Grass	20	4	
59066	Pryor	2	0	
59075	Saint Xavier	4	0	
59089	Wyola	8	1	
	TOTAL	118	14	



Big Horn County's location in the Coal Impact Area



17. BRIEF PROJECT SUMMARY:

PROJECT SUMMARY FOR BIG HORN COUNTY SHERIFF'S OFFICE PATROL VEHICLES

<u>Historical Information</u>: Big Horn County provides law enforcement services (i.e., safeguarding lives and property and protecting individuals) throughout the county. Two patrol vehicles need to be replaced in the Sheriff's fleet. The patrol vehicles proposed for replacement have been pulled from the fleet because they exceeded mileage and age thresholds.

Problem: Two patrol vehicles need to be replaced in the Sheriff's fleet.

Proposed Solution: Purchase two 4x4 pickup trucks.

18. PROJECT BUDGET AND IMPLEMENTATION SCHEDULE:

A. Project Budget Form:

	SOURCE:	SOURCE:	TOTAL:
	MT Coal Board	Big Horn County	
Personnel Services/Office Costs	\$ 0	\$0	\$0
Professional Services	\$ 0	\$0	\$0
Legal Costs	\$ 0	\$0	\$0
Travel & Training	\$ 0	\$0	\$0
Audit Fees	\$ 0	\$0	\$0
TOTAL ADMINISTRATIVE/	\$0	\$0	\$0
FINANCIAL COSTS	ŞŪ	ŲÇ	ŞŪ
Equipment Cost**	\$90,086	\$25,000	\$115,086
Construction Cost	\$0	\$0	\$0
Architectural/Engineering Design	\$0	\$0	\$0
Product Completion (PERs, studies, etc.)	\$0	\$0	\$0
Contingency	\$0	\$0	\$0
TOTAL ACTIVITY COSTS	\$90,086	\$25,000	\$115,086
TOTAL PROJECT COSTS	\$90,086	\$25,000	\$115,086

Big Horn County will provide all administrative services as an in-kind contribution to the project.

A cost estimate for the vehicles is provided as **Appendix A.

BUDGET NARRATIVE FOR BIG HORN COUNTY SHERIFF'S OFFICE PATROL VEHICLES

ADMINISTRATIVE/FINANCIAL COSTS

Not Applicable – Big Horn County

ACTIVITY COSTS

Equipment Cost: \$115,086 The estimated cost associated with purchasing two 4x4 pickup trucks. This is a vehicle replacement project. Big Horn County obtained a cost estimate for the trucks from Veto Enterprises. A copy of the cost estimates is provided as *Appendix A*.

Construction Cost: Construction costs are not applicable.	\$0
Architectural/Engineering Design: Architectural/engineering design costs are not applicable.	\$0
Product Completion (PERs, studies, etc.): Product completion (PERs, studies, etc.) costs are not applicable.	\$0
Contingency: Contingency costs are not applicable.	\$0
TOTAL ACTIVITY COSTS: TOTAL PROJECT COSTS:	\$115,086 \$115,086

C. Implementation Schedule:

	QL	JARTE	ERS 20)20	QL	JARTE	RS 20	21
ТАЅК	1 ST	2 ND	3 RD	4 [™]	1 ST	2 ND	3 RD	4 [™]
Sign contract with Coal Board			Х					
Submit progress reports and drawdown requests			Х	Х				
Purchase vehicles in accordance with County procurement rules				Х				
Coal Board administrative staff conduct on-site monitoring of the project				х				
Submit project completion report				Х				
Include project in audits							Х	

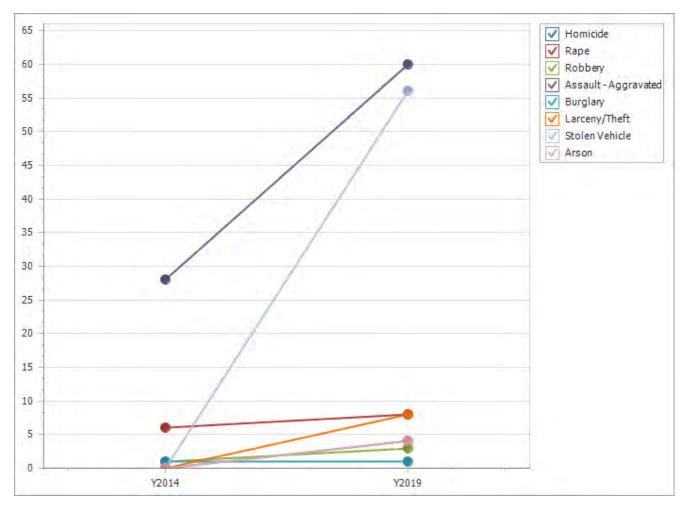
19. DESCRIPTION OF RELATIONSHIP TO COAL BOARD STATUTORY GRANT CRITERIA

A. <u>Need</u>

I. Does a serious deficiency exist in a basic or necessary community public facility or service? Examples include emergency services such as police, fire or ambulance services. (Describe the nature and frequency of occurrence and provide supporting documentation.)

A deficiency exists in a basic community service provided by Big Horn County. Big Horn County provides law enforcement services (i.e., safeguarding lives and property and protecting individuals) throughout the county. Two patrol vehicles need to be replaced in the sheriff's fleet. The patrol vehicles proposed for replacement have been pulled from the fleet because they exceeded mileage and age thresholds.

An escalation of crime, between 2014 and 2019, in Big Horn County further evidences the need for the project. The FBI collects statistics on the following major crime categories (Part 1 Crimes).



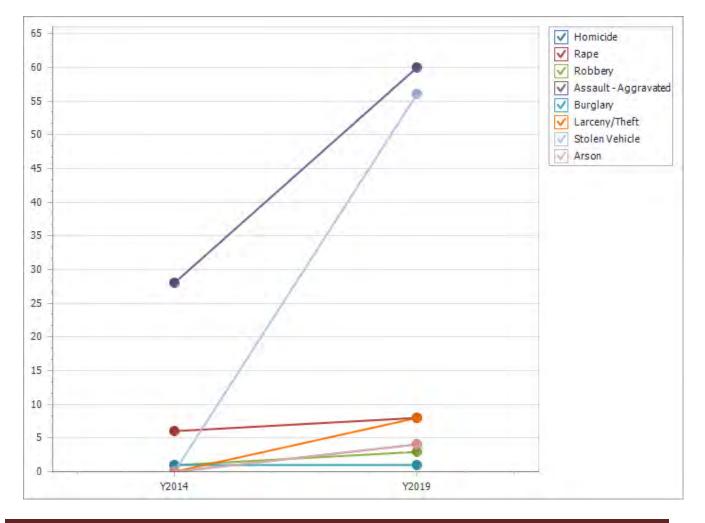
Year	Homicide	Rape	Robbery	Assault-Aggr	Burglary	Larc/Theft	Stolen Veh	Arson
2014	0	6	1	28	1	0	0	0
2019	4	8	3	60	1	8	56	4

2. Have serious public health or safety problems that are clearly attributable to a deficiency occurred, or are they likely to occur, such as illness, disease outbreak, substantial property loss, environmental pollution, safety problems, hazards, or health risks? (Describe the nature and frequency of occurrence and provide supporting documentation.)

Serious public safety problems can be attributed to unreliable and/or inadequate law enforcement or emergency response vehicles. Vehicles are used by law enforcement for transportation during patrols and to respond to incidents and chases. Vehicles transport officers so they can reach the scene of an incident quickly, transport and temporarily detain suspects in the back seats, as a location to use their police radio or laptop or to patrol an area, all while providing a visible deterrent to crime.

3. Is the entire community, or a substantial percentage of the residents of the community, seriously affected by the deficiency or at risk, as opposed to a small percentage of the residents? (Describe the number or percentage of community residents affected by the problem.)

One hundred percent (100%) of Big Horn County residents are affected by the lack of unreliable and/or inadequate law enforcement or emergency response vehicles. The deficiency impacts all residents as evidenced by the escalation of crime in the county. An escalation of crime, between 2014 and 2019, in Big Horn County further evidences the need for the project. The FBI collects statistics on the following major crime categories (Part 1 Crimes).



Year	Homicide	Rape	Robbery	Assault-Aggr	Burglary	Larc/Theft	Stolen Veh	Arson
2014	0	6	1	28	1	0	0	0
2019	4	8	3	60	1	8	56	4

4. Is there clear documentation that the current condition of the public facility or service (or lack of a facility or service) violates, or may potentially violate, a state or federal health or safety standard (If yes, describe the standard being violated.)? If the proposed project is necessary to comply with a court order or a state or federal agency directive, describe the directive and attach a copy of it.

The deficiency does not violate or potentially violate a state or federal standard or directive.

5. Does the standard that is being violated, or potentially may be violated; represent a significant threat or potential threat to public health or safety?

Unreliable and/or inadequate law enforcement vehicles jeopardize human health and safety. Two patrol vehicles need to be replaced in the Sheriff's fleet. The patrol vehicles proposed for replacement have been pulled from the fleet because they exceeded mileage and age thresholds. Replacement of the vehicles is necessary to transport officers to the scene of an incident quickly, transport and temporarily detain suspects in the back seats, use as a location to use their police radio or laptop or to patrol an area, all while providing a visible deterrent to crime.

6. Additional information supporting the NEED for this project. None

B. <u>Degree of Severity of Impact from an Increase or Decrease in Coal</u> <u>Development or In the Consumption of Coal by A Coal-Using Energy Complex</u>

1. Describe why the need for the expansion or improvement to the public facility or public service is attributable to coal-related impacts. Additionally, please provide the percentage of the project that is a result of coal impacts.

Nearly 100% of this project is in response to coal-related impacts. Big Horn County is the largest coal producing County in the State of Montana. The economy of Big Horn County relies on coal. Coal development and coal-using energy complexes in the county heighten the need for reliable, modernized equipment.

In 2017 and 2018, Big Horn County received \$15,558,637 in gross proceeds tax which is 19.37% less than the previous two years (2015 and 2016), \$18,895,203, due to the decline in coal production. In order to off-set revenue lost in coal gross proceeds tax and maintain a balanced budget, Big Horn County has increased revenue received in property tax by levying more mills. The General Levy mill amount has *decreased 7.64%* over the past five years while the number of General mills levied has *increased 122.73%* over the past five years. The change in taxable value, determined by Montana Department of Revenue, reflects the decline in value of coal-producing properties. A coal impact grant is necessary to make the project feasible and affordable for tax payers in Big Horn County.

2. Name the nearest coal development area or coal-using energy complex to your community and the road miles from your community.

There are a number of coal mines or coal-using complexes in Big Horn County.

Absaloka Mine	30 miles
Decker Coal Mine	80 miles
Spring Creek Mine	84 miles
Hardin Power Plant	1 mile

3. Additional information supporting the DEGREE OF SEVERITY OF IMPACT FROM AN INCREASE OR DECREASE IN COAL DEVELOPMENT OR IN THE CONSUMPTION OF COAL BY A COAL-USING ENERGY COMPLEX.

None

C. <u>Availability of Funds</u>

- 1. Amount requested from the Coal Board: \$90,086
- 2. Amount of Coal Board funds available at the time of application \$_____ (#2 will be completed by Coal Board staff)

3. Explain why a coal impact grant is necessary to make the project feasible and affordable.

Coal gross proceeds tax revenue for Big Horn County has been on the decline in recent years. In 2017 and 2018, Big Horn County received \$15,558,637 in gross proceeds tax which is 19.37% less than the previous two years (2015 and 2016), \$18,895,203, due to the decline in coal production.

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Big Horn	\$8.594.921	\$9,176,021	\$9,965,177	\$10,559,906	\$10,000,360	\$9,402,169	\$9,493,034	\$9,160,210	\$6,398,427
County	Ş8,394,921	\$9,170,021	\$9,903,177	\$10,559,900	\$10,000,500	Ş9,402,109	<i>Ş5,455,</i> 054	\$9,100,210	<i>Ş</i> 0,396,427
Year of									
Over %		6.8%	8.6%	6.0%	-5.3%	-6.0%	1.0%	-3.5%	-30.1%
Change									

County Coal Gross Proceeds Tax Revenue Total Collections – Fiscal Years

Source: MT Department of Revenue; Current as of 10/26/2018

In order to off-set revenue lost in coal gross proceeds tax and maintain a balanced budget, Big Horn County has increased revenue received in property tax by levying more mills. The General Levy mill amount has *decreased 7.64%* over the past five years while the number of General mills levied has *increased 122.73%* over the past five years. The change in taxable value, determined by Montana Department of Revenue, reflects the decline in value of coal-producing properties. A coal impact grant is necessary to make the project feasible and affordable for tax payers in Big Horn County.

GENERAL LEVY

FY2019-2020: \$23,195 – 1 Mill Value; 164.93 Mills Levied = \$3,825,551.35 FY2018-2019: \$23,559 – 1 Mill Levy; 129.86 Mills Levied = \$3,059,371.74 FY2017-2018: \$23,776 – 1 Mill Value; 125.96 Mills Levied = \$2,994,824.96 FY2016-2017: \$23,337 – 1 Mill Value; 107.51 Mills Levied = \$2,508,960.87 FY2015-2016: \$25,058 – 1 Mill Value; 86.82 Mills Levied = \$2,175,535.56 FY2014-2015: \$25,114 – 1 Mill Value; 74.05 Mills Levied = \$1,859,691.70 General levy which includes general, bridge, fairgrounds, library, public safety, health insurance and weed funds.

4. What are the other proposed funding sources for the project?

FUNDING SOURCES SUMMARY FOR BIG HORN COUNTY SHERIFF'S OFFICE PATROL VEHICLES							
Source	Type of Fund	Amount	Status of Commitment	Loan Rates & Terms			
Coal Board	Grant	\$90,086	Application submitted on April 27, 2020	Not applicable			
Big Horn County	Cash	\$25,000	Committed in Letter included as Appendix B	Not applicable			
	TOTAL	\$115,086					

5. If a particular proposed source of funding is not obtained, how will the applicant proceed?

If Big Horn County does not receive a Coal Impact Grant, the County may re-apply in the next funding cycle while working to identify other potential sources of funding.

D. Degree of Local Effort in Meeting Needs

1. If current millage rates given are lower than the average rates levied during the previous three years, briefly explain why they are lower.

In order to off-set revenue lost in coal gross proceeds tax and maintain a balanced budget, Big Horn County has increased revenue received in property tax by levying more mills. The General Levy mill amount has *decreased 7.64%* over the past five years while the number of General mills levied has *increased 122.73%* over the past five years. The change in taxable value, determined by Montana Department of Revenue, reflects the decline in value of coal-producing properties.

2. Describe any local efforts to meet the public facility or public service needs by providing financial contributions to the project to the extent possible, such as local funding, donations of land, absorbing some or all-administrative costs. For non-profit organizations, describe fund-raising efforts or other in-kind assistance to the proposed project as well as usual program fund-raising efforts.

Big Horn County has committed \$25,000 in cash or 22% of the total project cost to the project. A letter of commitment is included as *Appendix B*.

3. Describe past operation and maintenance budgets and practices over the long-term, including any reserves for repair and replacement.

Past operation and maintenance budgets and practices over the long-term for Big Horn County have been consistent and practicable. Big Horn County will assume all maintenance and operational costs incurred with the new vehicles.

4. If there are indications that the problem is not of recent origin, or has developed because of inadequate operation and maintenance practices in the past, explain the circumstances and describe the actions that management will take in the future to assure that the problem will not reoccur.

Past operation and maintenance budgets and practices over the long-term have been as consistent as practicable. Age and continual use of the vehicles necessitate their replacement.

- 5. If the project involves water, wastewater or solid waste, provide the current and projected monthly household user charges, including operation and maintenance:
 - a. What is the current monthly household user charge? \$_
 - b. What is the projected monthly user charge (including operation and maintenance) when the project is complete? \$_____

Not applicable

6. What are your current debt obligations?

Big Horn County has no current debt obligations.

7. What are your current assets?

Total fixed assets for Big Horn County for Fiscal Year ending June 30, 2018 is \$41,620,535.

8. What financial accounting system do you use? BARS

9. Is the applicant in compliance with the auditing and annual financial reporting requirements provided for in the Montana Single Audit Act, 2-7-501 to 522, MCA? (Tribal governments must comply with auditing and reporting requirements provided for in OMB Circular A-133).

Yes X No Date of last completed audit or financial report June 30, 2018

10. If there have been audit findings within the last five years, have they been satisfactorily addressed?

Big Horn County has satisfactorily addressed any audit findings.

11. Additional information supporting the DEGREE OF LOCAL EFFORT IN MEETING NEEDS.

None

E. <u>Planning & Management</u>

1. Describe how your grant request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems related to coal impacts.

The grant request reasonably fits into the contemplated decline of the coal industry in Big Horn County. In order to off-set revenue lost in coal gross proceeds tax and maintain a balanced budget, Big Horn County has increased revenue received in property tax by levying more mills. The General Levy mill amount has *decreased 7.64%* over the past five years while the number of General mills levied has *increased 122.73%* over the past five years. The change in taxable value, determined by Montana Department of Revenue, reflects the decline in value of coal-producing properties.

2. Describe how the proposed project is consistent with current plans.

The proposed project is consistent with the *Big Horn County Growth Policy* (May 2014) and *Capital Improvements Plan (CIP)* (September 2014) objectives of monitoring, maintaining, and improving local services and public health and safety. Big Horn County defines local services as any and all services or facilities local

government is authorized to provide, such as water supply, sewage disposal, law enforcement, fire protection, ambulance services, transportation system, and educational system. The following is an excerpt from the growth policy that describes the projected future trend of local services.

"Local services are important for retaining and attracting residents. The county is quite large and services such as fire protection, ambulance, law enforcement, schools, and medical centers can be distant from the individuals needing the services. Law enforcement has been a historically chronic problem, particularly in areas where jurisdictions among BIA, Tribal governments, county sheriff are confusing and result in long response times and complexities for residents. Schools with high drop-out rates create incentives for residents to school their children elsewhere or leave the area, and they are a disincentive for others with children to relocate to the county. The high proportion of youth creates special needs for services. Increased numbers of older persons will also create increased demands for medical care, transportation, and other services."

Big Horn County defines public health and safety as a condition of well-being, reasonably free from danger, risk, or injury for a community at large, or for all people, not merely for the welfare of a specific individual or a small class of persons. The county must consider effects on local services and public health and safety, as well as other criteria, when reviewing subdivisions. Below are examples of items considered when evaluating the impact on local services and public health and safety.

Effect on local services:

- increased demand on services and need to expand services;
- ability to provide services to subdivision;
 - response times
 - conditions of roads, bridges, and railroad crossings
 - physical barriers
- provision of adequate local services and public facilities simultaneous or prior to onset of impact; and,
- any special or rural improvement districts that would obligate local government involvement fiscally or administratively.

Effect on public health and safety:

- creation of potential man-made hazards (e.g., unsafe road intersection, development in wildland residential interface fire areas);
- natural hazards (e.g., wildfire, flooding, steep slopes);
- existing potential man-made hazards (e.g., high pressure gas lines, lack of fire protection, cumulative impacts);
- traffic safety;
- emergency vehicle access;
- emergency medical response time;
- cumulative impacts on groundwater from individual sewage disposal systems and/or individual wells; and,
- any other item that endangers public health and safety.

The CIP acknowledges the Sheriff's responsibility for law enforcement throughout the county and management of the jail for prisoners serving time for crimes committed within the county.

ENVIRONMENTAL REVIEW CHECKLIST

NAME OF PROJECT:	Sheriff's Department Patrol Vehicles
PROPOSED ACTION:	Two patrol vehicles need procured for the Sheriff's Office.
LOCATION:	Big Horn County

Key L	_ette	er:
M: Mi	itigat	pact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; ion Required
PHYS	SIC/	AL ENVIRONMENT
Key	T	Soil Suitability, Topographic and/or Geologic Constraints (e.g., soil slump, steep slopes, subsidence, seismic activity)
		Response and source of information:
Ν		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative
		Rules of Montana (ARM) 8.2.328(2).
Key	2	Hazardous Facilities (e.g., power lines, hazardous waste sites, acceptable distance from explosive
Ν		and flammable hazards including chemical/petrochemical storage tanks, underground fuel storage tanks, and related facilities such as natural gas storage facilities & propane storage tanks)
		Response and source of information:
		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).
Key	3	Effects of Project on Surrounding Air Quality or Any Kind of Effects of Existing Air Quality on Project (e.g., dust, odors, emissions)
Ν		Response and source of information:
		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).
Key N	4	Groundwater Resources & Aquifers (e.g., quantity, quality, distribution, depth to groundwater, sole source aquifers)
		Response and source of information:
		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).

		act; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M: Required				
Key	5	Surface Water/Water Quality, Quantity & Distribution (e.g., streams, lakes, storm runoff, irrigation systems, canals)				
		Response and source of information:				
N		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).				
Key	6	Floodplains & Floodplain Management (Identify any floodplains within one mile of the boundary of the project.)				
		Response and source of information:				
Ν		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).				
Key	7	Wetlands Protection (Identify any wetlands within one mile of the boundary of the project.)				
		Response and source of information:				
Ν		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).				
Key	8	Agricultural Lands, Production, & Farmland Protection (e.g., grazing, forestry, cropland, prime or unique agricultural lands) (Identify any prime or important farm ground or forest lands within one mile of the boundary of the project.)				
		Response and source of information:				
Ν		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).				
Key	9					
		Response and source of information:				
Ν		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).				
Key	10					
		Response and source of information:				
N		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).				

	-	ion Required
Key	П	Unique Natural Features (e.g., geologic features)
N		Response and source of information: The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).
Кеу	12	Access to, and Quality of, Recreational & Wilderness Activities, Public Lands and
		Waterways, and Public Open Space
		Response and source of information:
N		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).
	1AN	ENVIRONMENT
Key	1	Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics Response and source of information:
N		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).
Key	2	Nuisances (e.g., glare, fumes)
		Response and source of information:
Ν		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).
Key	3	Noise suitable separation between noise sensitive activities (such as residential areas) and major noise sources (aircraft, highways & railroads)
		Response and source of information:
Ν		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).

Key L N: No M: Mit	Imp	r: pact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; on Required			
Key	4				
-		Response and source of information:			
N		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).			
Key	5	Changes in Demographic (population) Characteristics (e.g., quantity, distribution, density)			
Rey	5	Response and source of information:			
N		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).			
Key	6				
		Response and source of information:			
N		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).			
Key	7	Displacement or Relocation of Businesses or Residents			
		Response and source of information:			
N	1	The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).			
Key	8				
		Response and source of information:			
в		The project benefits public health and safety by providing law enforcement with reliable transportation to reach incidents quickly, transport and temporarily detain suspects, work remotely or out of the squad room, and provide a visible deterrent to crime.			

Key	9	on Required Lead Based Paint and/or Asbestos		
Rey	í	Response and source of information:		
Ν		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).		
Key	10	Local Employment & Income Patterns - Quantity and Distribution of Employment, Economic Impact		
1.1.1		Response and source of information:		
N		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).		
Key	П	Local & State Tax Base & Revenues		
		Response and source of information:		
Ν		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).		
Key	12	Educational Facilities - Schools, Colleges, Universities		
		Response and source of information:		
Ν		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).		
Key	13	Commercial and Industrial Facilities - Production & Activity, Growth or Decline.		
		Response and source of information:		
Ν		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).		
Key	14	Health Care Medical Services		
		Response and source of information:		
в		The project benefits public health and safety by providing law enforcement with reliable transportation to reach incidents quickly, transport and temporarily detain suspects, wor remotely or out of the squad room, and provide a visible deterrent to crime.		

M: Mi	tigat	ion Required
Key	15	
		Response and source of information:
В		The project benefits public health and safety by providing law enforcement with reliable transportation to reach incidents quickly, transport and temporarily detain suspects, work remotely or out of the squad room, and provide a visible deterrent to crime.
Key	16	Social Structures & Mores (Standards of Social Conduct/Social Conventions)
	1.3	Response and source of information:
В		Everyone is entitled to enjoy, on an equal basis, the improved law enforcement services the new patrol vehicles will provide.
Кеу	17	Land Use Compatibility (e.g., growth, land use change, development activity, adjacent land uses and potential conflicts)
Ν		Response and source of information:
		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).
Key	18	Energy Resources - Consumption and Conservation
		Response and source of information:
Ν		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).
Key	19	
		Response and source of information:
N		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).

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Key l	Lette	۶۲:			
N: N	o Im	pact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required;			
	-	ion Required			
Key	20	Wastewater Treatment - Sewage System Response and source of information:			
Ν		The project primarily involves the acquisition of capital equipment so it is categorically			
IN		exempt from Montana Environmental Policy Act (MEPA) review under Administrative			
		Rules of Montana (ARM) 8.2.328(2).			
Key	21	Storm Water – Surface Drainage			
		Response and source of information:			
		The project primarily involves the acquisition of capital equipment so it is categorically			
Ν		exempt from Montana Environmental Policy Act (MEPA) review under Administrative			
		Rules of Montana (ARM) 8.2.328(2).			
Key	22	Community Water Supply			
Rey		Response and source of information:			
		The project primarily involves the acquisition of capital equipment so it is categorically			
Ν		exempt from Montana Environmental Policy Act (MEPA) review under Administrative			
		Rules of Montana (ARM) 8.2.328(2).			
Key	23	Public Safety – Police			
		Response and source of information:			
		The project benefits public health and safety by providing law enforcement with reliable			
В		transportation to reach incidents quickly, transport and temporarily detain suspects, work remotely or out of the squad room, and provide a visible deterrent to crime.			
Key	24	Fire Protection – Hazards			
	1	Response and source of information:			
		The project benefits public health and safety by providing law enforcement with reliable			
	-	transportation to reach incidents quickly, transport and temporarily detain suspects, work			
В		remotely or out of the squad room, and provide a visible deterrent to crime.			
Key	25	Emergency Medical Services			
/	1	Response and source of information:			
		The project benefits public health and safety by providing law enforcement with reliable			
		transportation to reach incidents quickly, transport and temporarily detain suspects, work			
В		remotely or out of the squad room, and provide a visible deterrent to crime.			
Кеу	26	Parks, Playgrounds, & Open Space			
		Response and source of information:			
Ν		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).			

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		pact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M: Required			
Key	Cey 27 Cultural Facilities, Cultural Uniqueness & Diversity				
		Response and source of information:			
		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).			
Кеу	28	Transportation Networks and Traffic Flow Conflicts (e.g., rail; auto including local traffic; airport runway clear zones - avoidance of incompatible land use in airport runway clear zones)			
		Response and source of information:			
		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).			
Key	29	Consistency with Local Ordinances, Resolutions, or Plans (e.g., conformance with local comprehensive plans, zoning, or capital improvement plans)			
		Response and source of information:			
В		The project conforms to the <i>Big Horn County Growth Policy and Capital Improvements Pla</i> (CIP) objectives of maintaining and improving local services such as law enforcement, fire protection, ambulance, schools and medical centers.			
Key	30	Is There a Regulatory Action on Private Property Rights as a Result of this Project? (consider options that reduce, minimize, or eliminate the regulation of private property rights.)			
		Response and source of information:			
N		The project primarily involves the acquisition of capital equipment so it is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).			

Environmental Review Form

I. Alternatives: Describe reasonable alternatives to the project.

No reasonable alternatives were identified. Two patrol vehicles need replaced in the Sheriff's Office fleet. The patrol vehicles proposed for replacement exceed mileage and age thresholds. The project benefits public health and safety by providing law enforcement with reliable transportation to reach incidents quickly, transport and temporarily detain suspects, work remotely or out of the squad room, and provide a visible deterrent to crime.

- 2. Mitigation: Identify any enforceable measures necessary to reduce any impacts to an insignificant level. No enforceable measures were identified.
- 3. Is an EA or Environmental Impact Statement (EIS) required? Describe whether or not an EA or EIS is required, and explain in detail why or why not.

An EA or EIS is not required because the project primarily involves the acquisition of capital equipment. The acquisition of capital equipment is categorically exempt from Montana Environmental Policy Act (MEPA) review under Administrative Rules of Montana (ARM) 8.2.328(2).

4. Public Involvement: Describe the process followed to involve the public in the proposed project and its potential environmental impacts. Identify the public meetings -- where and when -- the project was considered and discussed, and when the applicant approved the final environmental assessment.

An Environmental Checklist for the project was completed and available for public review and comment available for public review April 10-21, 2020 at Big Horn County Commission Chambers located at 121 West 3rd Street Room 302 in Hardin, Montana, 59034 and online at www.bighorncountymt.gov. Due to the COVID-19 Novel Coronavirus pandemic Big Horn County issued Resolution 2020-7, an emergency proclamation, on March 17, 2020. Due to the pandemic, Big Horn County solicited public comment regarding the Environmental Checklists by multiple means: in person at Commissioners' Office during normal business hours; in writing to cwells@bighorncountymt.gov; Big Horn County Board of Commissioners, PO Box 908, Hardin MT 59034; or Big Horn County, Montana Facebook page; and/or by telephone at 406-665-9700 Monday thru Friday between the hours of 8:00 a.m. and 4:00 p.m. All comments had to be received by 4:00 P.M. on April 21, 2020. Big Horn County Commissioners reviewed public comment received, heard any additional public comment, and accepted the level of environmental finding for the projects at a public meeting on April 23, 2020 at 10:00 a.m. in the Big Horn County Commissioners Office. Individuals were able to connect via conference call for the public meeting by dialing (406) 665-9711, Conference ID 481# Password 59034#.

5. Person Responsible for Preparing: Lori Benner, Contracted Grant Writer

6. Other Agencies: List any state, local, or federal agencies that have over-lapping or additional jurisdiction or environmental review responsibility for the proposed action and the permits, licenses, and other authorizations required; and list any agencies or groups that were contacted or contributed information to this Environmental Assessment (EA). No other agencies were contacted.

George Real Bird I

Authorized Representative, Title

4-26-2020

Signature of Authorized Representative

LEGAL NOTICE

Big Hom County is submitting two grant applications to the Montana Coal Board on April 27, 2020. One application requests funds to purchase two vehicles for the Sheriff's Department. The other application requests funds to purchase a tractor and equipment shed for Cemetery #1. Environmental Checklists for the projects are being completed and will be available for public review April 10-21, 2020 at Big Horn County **Commission Chambers** located at 121 West 3rd Street Room 302 in Hardin, Montana, 59034 and online at www.bighomcountymt.gov. Due to the COVID-19 Novel Coronavirus pandemic **Big Horn County issued** Resolution 2020-7, an emergency proclamation, on March 17, 2020. Due to the pandemic, Big Horn County is soliciting public comment regarding the Environ-mental Checklists by multiple means: in person at Commissioners' Office during normal business hours; in writ-

ing to cwells@bighorncountymt.gov; Big Horn County Board of Commissioners, PO Box 908, Hardin MT 59034; or Big Horn County, Montana Facebook page; and/ or by telephone at 406-665-9700 Monday thru Friday between the hours of 8:00 a.m. and 4:00 p.m. All comments must be received by 4:00 P.M. on April 21, 2020. Big Horn County Commissioners will review public comment received, hear any additional public comment. and accept the level of environmental finding for the projects at a public meeting on April 23, 2020 at 10:00 a.m. in the Big Horn County Commissioners Office. Individuals can connect via conference call for the public meeting by dialing (406) 665-9711, Conference ID 481# Password 59034#, Big Hom County can provide reasonable accommodations for any known disability that may interfere with a person participating in this public review process. Should you have any questions or require more information, please contact Candy Wells, Administrative Assistant at 406-665-9700 or cwells@bighorncountymt.com.

Publish: April 10 & 16, 2020 MNAXLP

BOARD OF COMMISSIONERS BIG HORN COUNTY, MONTANA

AGENDA APRIL 23, 2020 THURSDAY

9:00 Sheriff Big Hair
9:30
10:00 Coal Board Applications – Environmental Assessment Determination Sheriff Office Vehicle purchase Cemetery District #1 tractor and equipment shed purchase
10:30
11:00
11:30
1:00
1:30
2:00

8:30

2:30

3:00

3:30

>

4:00

PUBLIC COMMENT AND DISCUSSION IS ENCOURAGED FOR EACH ITEM LISTED

Resolution 2020- $\frac{15}{5}$ to accept the determination that a Categorical Exemption is appropriate for the Sheriff's Office Patrol Vehicles Project

WHEREAS, Big Horn County has completed an assessment to identify potential environmental impacts to the Sheriff's Office Patrol Vehicle Project;

WHEREAS, the draft Environmental Assessment was made available for public comment and the findings were presented and reviewed at a public meeting;

WHEREAS, no substantive public comment was received;

WHEREAS, Big Hom County has determined that the Sheriff's Office Patrol Vehicle Project will not significantly affect the quality of the human environment and accordingly Big Hom County has determined an Environmental Impact Statement is not necessary;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners, Big Hom County, Montana, as follows;

Big Horn County, Montana adopts the final Environmental Assessment for the Sheriff's Office Patrol Vehicle Project.

DATED THIS 23rd day of April, 2020, in Hardin, Montana.

BOARD OF COMMISSIONERS BIG HORN COUNTY, MONTANA

George Real Bird III Chairman

Sidney Fitzpatrick

Member

Larry Vandersloot Member

ATTEST

Clerk and Recorder

Appendix A Cost Estimate



Veto Enterprises



1969 - 2019

212 W. Exchange St.

Sycamore, IL 60178

Celebrating 50 years!!

Outside Illinois 800-523-4733

Phone: 815-895-9755 Fax: 815-895-8719

Thank You!

www.vetoenterprises.com

Thursday, April 23, 2020

Big Horn Sheriff Dept 121 W 3rd St Hardin MT 59034

Attn: Sheriff Big Hair Captain Fuss

Ref: Quote 20.1

Dear Sheriff Big Hair,

As per your request, we are pleased to submit to you ourquotation on the following vehicles with equipment:

(2) 2020 Ford F150 SuperCrew Pickup

As per attached specs

Price: \$35,475 each

With the following equipment installed:

Pair of white LEDs for front corners Tail light flasher Pair of Sound Off MPower LED lightheads, pushbar mounted, 1-red, 1-blue Unity 6" driver's side spotlight Pair of Sound Off Intersector LED lightheads, mounted under outside mirrors, 1-red, 1-blue Whelen® Legacy™ or Liberty™ LED lightbar, with alleys & takedowns, red & blue Pair of Sound Off MPower LED lightheads, tailgate mounted, 1-red, 1-blue Streamlight rechargeable LED flashlight system with wand Red/white LED domelight 100 watt siren speaker

Police Car Sales & Equipment Specialists

Havis equipment mounting console, with all mounting brackets, heavy duty armrest, recessed cupholder, and built in accessory outlet plugs Magnetic Mic mount clip bracket Mounts for your laptop & dock, & power Whelen® 295SLSA6 siren/switching center Battery run-down protection (Chargeguard timer with relay/solenoid) AOI airbag cutoff switch Ignition override lockout system Ranchhand Summit full front bumper replacement with load leveling kit Setina 10-VSRP prisoner screen with sliding polycarbonate window and recessed panel cutout for gunrack Dual gunrack, mounted in recess of cage Antenna with cable, high gain type Full decals, reflective only on rear portion Line-X spray in bedliner Labor to install all above equipment, including your XTL radio, radar, in-car video, laptop & dock Delivery to your department Price: \$14,193 each With the following options: MPH Bee III dual antenna moving Ka band radar Price: \$2,375 WatchGuard 4RE in car video system Price: \$5,500 Breakdown: 2020 Ford F150 \$35,475 Equipment 14,193 Sub-total: \$49,668

 Radar & Video
 7,875

 Total Price:
 \$57,543 each, total \$115,086

All prices are good for 30 days. Some items may be subject to their various lead times at their respective factories beyond our control. Vehicles themselves will be supplied by Morrow Ford, and have a current factory order cutoff date of May 28th. Once vehicle(s) and all equipment is received by us, lead time to return to you would be approximately 2-3 weeks, not including transport. *Please note new payment terms:* ***All orders that include new vehicles and/or equipment will be required to pay 50% within 21 days of order.*

Please feel free to contact us at 800.523.4733 should you have any further questions or need additional information. We are looking forward to working with your department in the near future.

Very Truly Yours,

Veto Enterprises, Inc.

Poloteto

Robert A. Veto President

RAV/tf

Appendix B Letter of Cash Commitment

BOARD OF COMMISSIONERS BIG HORN COUNTY P.O. BOX 908 HARDIN, MT 59034

Fax (406) 665-9706

(406) 665-9700

E-mail to: cwells@bighorncountymt.gov

April 23, 2020

Montana Coal Board **Community Development Division** Department of Commerce PO Box 200523 Helena MT 59620-0523

RE: Funding Commitment to replace two Sheriff's Office Patrol Vehicles

Dear Montana Coal Board Members,

On behalf of Big Horn County, we are pleased to commit \$25,000 to the Big Horn County Sheriff' Office patrol vehicle purchase. This commitment of funds is approximately 25% of the total project costs.

Sincerely,

BOARD OF COMMISSIONERS BIG HORN COUNTY, MONTANA

George Real Bird III Chairman

Sidney Fitzpatrick Member

Larry Vandersloot

Member

BOARD OF COMMISSIONERS BIG HORN COUNTY, MONTANA

AGENDA APRIL 23, 2020 THURSDAY

8:30	
9:00	Sheriff Big Hair
9:30	
10:00	Coal Board Applications – Environmental Assessment Determination Sheriff Office Vehicle purchase Cemetery District #1 tractor and equipment shed purchase
10:30	
11:00	
11:30	
1:00	
1:30	
2:00	
2:30	
3:00	
3:30	
4:00	

PUBLIC COMMENT AND DISCUSSION IS ENCOURAGED FOR EACH ITEM LISTED



MAY 2 0 2020 Department of Commerce Community Development Division

REGULAR SESSION

April 23, 2020

The Board met this day in Regular Session with the following members present, to-wit: George Real Bird III, Chairman; Sidney Fitzpatrick and Larry Vandersloot, Members.

Undersheriff Eric Winburn discussed various departmental activities.

The Board adopted Resolution 2020 – 14 to amend the Emergency Proclamation to remove the authorized the assessment of a two (2) mill levy in accordance with the Governor's Directive, to-wit:

(RESOLUTION 2020 - 14)

Chairman Real Bird opened the public hearing regarding the Public Notice for Environmental Review for Big Horn County Coal Board request with the following in attendance, to-wit: Mary Slattery, Cemetery District No. 1 Board; Candy Wells, Administrative Assistant; Lance Pedersen, Legal Counsel, and Mike Opie, Accountant, were in attendance. It was noted that Big Horn County has applied for two Coal Board grants through the State of Montana Department of Commerce in order to assist with funding the Big Horn County Sheriff's Office with the purchase of two new patrol vehicles and Cemetery District No. 1 for the purchase of a new tractor and equipment shed. Candy Wells, Administrative Assistant, advised that the Montana Environmental Policy Act (MEPA) includes a procedural statute that jurisdictions applying for State of Montana Coal Board funds provide a process by which agencies and public are informed about the potential consequences of, alternatives to, and public concerns about decisions they intend to make that might affect the human environment. Ms. Wells further explained that MEPA specifies three different levels of environmental review, based on the significance of the potential impacts including (1)Statutorily exempt or categorically excluded from MEPA review; (2)Environmental assessment (EA), and (3)Environmental impact statement (EIS). Motion by Vandersloot to approve the categorical exclusion of the Big Horn County Sheriff's Office Patrol Vehicle grant application that included environmental and public review process, as complete and that Big Horn County has formally approved its determination that the project qualifies for an exclusion. Seconded by Fitzpatrick. Motion unanimously carried. Motion by Vandersloot to approve the categorical exclusion of the Cemetery District No. 1 tractor and equipment shed grant application that included and environmental and public review process, as completed and that Big Horn County has formally approved its determination that the project qualifies for an exclusion. Seconded by Fitzpatrick. Motion carried. Chairman Real Bird closed the public hearing.

The Board adopted Resolution 2020 - 15 to accept the determination that an environmental assessment is appropriate and adopts the final Environmental Assessment for the Big Horn County Sheriff's Office Patrol Vehicle purchases, to-wit:

(RESOLUTION 2020 - 15)

The Board adopted Resolution 2020 - 16 to accept the determination that an environmental assessment is appropriate and adopts the final Environmental Assessment for the Cemetery No. 1 Tractor and Equipment Shed purchases, to-wit:

(RESOLUTION 2020 - 16)

Bill Hodges, Hospital Foundation, presented a Coal Board application for the Hospital Front Entrance project. Chairman Real Bird was authorized to execute the same.

A conference call was conducted with Robie Culver, Stahly Engineering, and Daniele O'Banion, Ambulance Director, to discuss the matching fund obligation to the DLA grant. Discussion ensued with regard to various grant funds and/or an Intercap Loan in the amount of \$750,000.00. Ms. Cuvler will contact the State Board of Investments to discuss the Intercap Loan process.

There being no further business, the Board adjourned.

APPROVED:

George Real Bird III

Chairman

ATTEST Kimberly Yarlott

Clerk and Recorder

Resolution 2020- <u>/ 5</u> to accept the determination that a Categorical Exemption is appropriate for the Sheriff's Office Patrol Vehicles Project

WHEREAS, Big Horn County has completed an assessment to identify potential environmental impacts to the Sheriff's Office Patrol Vehicle Project;

WHEREAS, the draft Environmental Assessment was made available for public comment and the findings were presented and reviewed at a public meeting;

WHEREAS, no substantive public comment was received;

WHEREAS, Big Hom County has determined that the Sheriff's Office Patrol Vehicle Project will not significantly affect the quality of the human environment and accordingly Big Hom County has determined an Environmental Impact Statement is not necessary;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners, Big Hom County, Montana, as follows;

Big Horn County, Montana adopts the final Environmental Assessment for the Sheriff's Office Patrol Vehicle Project.

DATED THIS 23rd day of April, 2020, in Hardin, Montana.

BOARD OF COMMISSIONERS BIG HORN COUNTY, MONTANA

-12 an George-Real Bird III

Chairman

Sidney Fitzpatrick Member

Larry Vandersloot

ATTEST Clerk and Recorder

Member

BOARD OF COMMISSIONERS BIG HORN COUNTY, MONTANA

AGENDA MAY 14, 2020 THURSDAY

8:30

Sheriff Lawrence Big Hair-Vchicle Purchase 9:00

9:30

10:00 Victoria Olson, Detention Administrator

10:30

11:00 Public Hearing – Coal Board Application – Hospital Front Entry – Environmental Assessment Determination

11:30

1:00

1:30

- 2:00
- 2:30
- 3:00
- 3:30
- 4:00

PUBLIC COMMENT AND DISCUSSION IS ENCOURAGED FOR EACH ITEM LISTED

The Board met this day in Regular Session with the following members present, to-wit: George Real Bird III, Chairman; Sidney Fitzpatrick and Larry Vandersloot, Members.

Undersheriff Eric Winburn discussed the purchase of new patrol vehicles. Lance Pedersen, Legal Counsel; Mike Opie, Accountant; Deputy Jeramie Middlestead, and Dr. Carol Greimann were in attendance. Deputy Middlestead discussed the purchase of used vehicles from the City of Billings whom will be receiving new patrol vehicles in the Fall. The Board directed Deputy Middestead to contact the City of Billings to express Big Horn County's interest in a couple of their used vehicles. Dr. Carol Greimann, Health Officer, discussed concerns relating to individuals that have either tested positive of COVID 19, and/or had directed contact, violating the quarantine and isolation requirements. Discussion ensued with regard to jurisdictional issues within the exterior boundaries of the Northern Cheyenne and Crow Tribe Reservations. Both Undersheriff Winburn and Deputy Middlestead indicated that they would be available to provide assistance to BIA law enforcement in monitoring the situation.

Undersheriff Winburn discussed a personnel matter with the Board. Rhonda Johnson, Human Resources and Lance Pedersen, Legal Counsel, were in attendance.

Chairman Real Bird was authorized to execute the CARES Act Grant Offer with the FAA, to-wit:

(CARES ACT GRANT OFFER)

The Board met with Victoria Olson, Detention Administrator, to discuss the vacant Dispatch Manager position. Motion by Vandersloot to offer Ms. Olson an additional \$3.00 per hour to assume the Dispatch Manager position in addition to her Detention Administrator duties effective immediate. Seconded by Fitzpatrick.

As per Ms. Olson's request, motion by Vandersloot to approve an additional \$1.00 per hour wage increase to Kenny Rogers for the Lead Detention Officer position. Seconded by Fitzpatrick. Motion carried.

Motion by Vandersloot to award Dana Safety Supply the quote for the purchase of two patrol vehicles for the Sheriff's Office, in the amount of \$114,356.44. Seconded by Fitzpatrick. It was noted this quote was solicited due to the fact no bids were received during the required bidding process. Motion carried.

Motion by Vandersloot to award Dana Safety Supply the quote for the purchase of a transport vehicle for Detention facility in the amount of \$40,776.00. Seconded by Fitzpatrick. Motion carried.

Chairman Real Bird opened the public hearing regarding the Public Notice for Environmental Review for Big Horn County Coal Board request. Candy Wells, Administrative Assistant; Lance Pedersen, Legal Counsel, and Mike Opie, Accountant, were in attendance. It was noted that Big Horn County has applied for a Coal Board grant through the State of Montana Department of Commerce in order to assist with funding the Big Horn Memorial Hospital Front Entrance Improvement Project. Candy Wells, Administrative Assistant, advised that the Montana Environmental Policy Act (MEPA) includes a procedural statute that jurisdictions applying for State of Montana Coal Board funds provide a process by which agencies and public are informed about the potential consequences of, alternatives to, and public concerns about decisions they intend to make that might affect the human environment. Ms. Wells further explained that MEPA specifies three different levels of environmental review, based on the significance of the potential impacts including (1)Statutorily exempt or categorically excluded from MEPA review; (2)Environmental assessment (EA), and (3)Environmental impact statement (EIS). Motion by Vandersloot to approve the categorical exclusion of the Big Horn Hospital Front Entrance Improvement project grant application that included environmental and public review process, as complete and that Big Horn County has formally approved its determination that the project qualifies for an exclusion. Seconded by Motion unanimously carried. Chairman Real Bird closed the public hearing. Fitzpatrick.

There being no further business, the Board adjourned.

APPROVED:

George Real Bird III Chairman

ATTEST:

Kimberly Yarlott Clerk and Recorder

<u>MEMO</u>

To:Coal Board Members and Commerce StaffFrom:Division EngineerSubject:Big Horn County – Sheriff's patrol vehiclesMeeting:June 2020

History – Big Horn County provides law enforcement services throughout the county as well as contracted services to City of Hardin. Two patrol vehicles need to be replaced.

Problem – Problems identified in the application included two patrol vehicles pulled from the fleet because they exceed mileage and age thresholds.

Solution – The proposed project includes the purchase of two 4x4 pickup trucks.

The purpose of the project is to replace two vehicles that needed to be retired. Replacement of the vehicles is necessary to transport officers to the scene of an incident quickly, transport and temporarily detain suspects in the back seats, use as a location to use their police radio or laptop or to patrol an area, all while providing a visible deterrent to crime.

The Coal Board grant request is for \$90,086. The total cost is \$115,086; the County is contributing \$25,000.

Appendix A of the application contained a price quote from Veto Enterprises out of Illinois.

The implementation schedule included a line that indicated the following: *purchase vehicles in accordance with county procurement rules*.

An environmental checklist and review form were included with the application.

Coal Board Grant Applicant #0908 Big Horn County Staff Report / June 2020 Meeting

Applicant: Big Horn County **Project:** Purchase of Two 4X4 Patrol Vehicles for the Sheriff's Department **Coal Board Funds Requested:** \$90,086 **Total Project Cost:** \$115,086

Project Information: The applicant is requesting \$90,086, of a total project cost of \$115,086, in Coal Board funds to replace two patrol vehicles for the Big Horn County Sheriff's Office. The applicant is a designated unit.

Categories:

Need:

- Applicant:
 - Applicant states a deficiency exists in a basic community service provided by Big Horn County due to two vehicles exceed mileage and age thresholds.
 - Applicant states that serious public safety problems can be attributed to unreliable and/or inadequate law enforcement or emergency response vehicles.
 - Applicant states 100% of Big Horn County residents are affected by the lack of reliable and/or adequate law enforcement or emergency response vehicles.
 - Applicant states that unreliable and or inadequate law enforcement vehicles jeopardize human health and safety.
 - Applicant provided an environmental checklist, environmental review form, documentation form the newspaper notifying the public of the meeting where the environmental would be discussed, an agenda, minutes documenting that the environmental determination was made at a public meeting, and a signed resolution.
- <u>Staff Review:</u>
 - Staff has determined that the environmental process is complete.
 - Big Horn County has retired two vehicles from its fleet due to exceeding mileage and age thresholds.
 - Coal Board funds have been granted to this applicant in the past for vehicle upgrades totaling \$73,000 for the purchase of two new vehicles.
 - Coal Board funds have been granted this applicant in the past for two modular homes to be used as remote Sheriff Department staff offices totaling \$100,000.

Degree of Severity of Impact:

- <u>Applicant:</u>
 - Applicant states that nearly 100% of this project is in response to coal-related impacts.
 - Applicant states that there are a number of coal mines or coal-using complexes in Big Horn County.
- Staff Review:
 - Documentation regarding severity of impact included in the narrative responses to Severity of Impact questions in the application.

Availability of Funds:

- Applicant:
 - Applicant states that coal gross proceeds tax revenue for Big Horn County has been on the decline in recent years.
 - Applicant has committed \$25,000 cash to this project.

• Staff Review:

- Applicant is a designated unit.
- Revenues related to the Coal Natural Resource account are not sufficient to fund the costs associated with this project request.

Degree of Local Effort in Meeting Needs:

• Applicant:

- Applicant states the mill rates are \$164.93.
- Applicant states that Big Horn County has committed \$25,000 in cash or 22% of the total project cost.
- Applicant states that past operation and maintenance budgets and practices over the long-term for Big Horn County have been consistent and practicable.
- Applicant states Big Horn County has no current debt obligations.
- Staff Review:
 - Millage rates provided by MDOR data demonstrates the average millage rates for the previous three years are lower than the current year millage rates. MDOR data years: 2019-2020, 2018-2019, 2017-2018.

Planning & Management:

- Applicant:
 - Applicant states the grant request reasonably fits into the contemplated decline of the coal industry in Big Horn County.
 - Applicant states that the proposed project is consistent with the Big Horn County Growth Policy (05/2014) and Capital Improvements Plan (CIP) (09/2014) objectives of monitoring, maintaining and improving local services and public health and safety. Sheriff vehicles are not called out specifically in the CCIP spreadsheet of 2017 or the 2014 CIP.

• Staff Review:

- The applicant has demonstrated a reasonable connection between purchase of two new trucks for the Sheriff's Department with community planning. The proposed project appears to be consistent with the effort to maintain adequate community facilities in Big Horn County as referenced in the 2014 Big Horn County Growth Policy goal to "provide for the long-term infrastructure needs of the county". It is also consistent with the CIP and Growth Policy: "Maintaining and improving local services such as law enforcement, fire protection, ambulance, schools, and medical centers.
- There is a 2014 Big Horn County CIP and an updated CCIP spreadsheet. Sheriff vehicles are not called out specifically in the CCIP spreadsheet or the 2014 CIP.

Grant History:

Since 2009, the applicant has been awarded 47 projects totaling \$3,960,331. For more information on Coal Board projects for this or any other applicant, please visit the Commerce Grants Database at https://commerce.mt.gov/About/FundedProjects.

Supplemental Documents (not included in this staff report): None

Staff Summary:

See engineer memo.

The applicant provided an environmental checklist, environmental review form, documentation form the newspaper notifying the public of the meeting where the environmental would be discussed, an agenda, minutes documenting that the environmental determination was made at a public meeting, and a signed resolution. Staff has determined that the environmental process is complete.

Staff does not recommend funding due to the statutory criteria: Availability of Funds. Staff does not recommend awarding contingent upon available revenue as there is insufficient revenue to award projects currently. Staff recommend awarding projects based on revenue received to meet the Availability of Funds statutory criteria.

Applications for Consideration

September 2020

Applicant #	Applicant	Project	Funds Requested	Total Project Costs
		Description		
*0910	Lame Deer Public Schools	Purchase One School Bus	\$100,000	\$101,500
		Total Requested:	\$100,000	\$101,500

Montana Coal Impact Grant Application

Submitted to the Montana Coal Board

By

Lame Deer Public Schools, District 6

For

Purchase of One School Bus

Date submitted: July 27, 2020

ELIGIBILITY FOR COAL BOARD GRANTS

The governing body of a city, town, county, or school district, any other local or state governmental unit or agency, or the governing body of a federally recognized Indian tribe may apply for a grant to enable it to provide governmental services that are needed as a direct consequence of an increase or decrease of coal development or of an increase or decrease in the consumption of coal by a coal-using energy complex. (90-6-208, Montana Code Annotated)

Under 90-6-209, MCA, the Coal Board may not approve a grant to an Indian tribe unless:

(a) the governing body of the tribe has agreed:

(1) to waive its immunity from suit on any issue specifically arising from the transaction of a grant obtained under this part; and

(2) to the adjudication of any dispute arising out of the grant transaction in the district court of the first judicial district of the State of Montana; and

(b) approval of the transaction has been obtained from the Secretary of the United States Department of the Interior whenever approval is necessary.

CRITERIA FOR AWARD OF COAL IMPACT GRANTS

In accordance with current statute: 90-6-206, MCA Basis for awarding grants:

(1) Grants must be awarded on the basis of:

(a) need;

(b) degree of severity of impact from an increase or decrease in coal development or in the consumption of coal by a coal-using energy complex;

- (c) availability of funds;
- (d) degree of local effort in meeting these needs; and

(e) in addition, State law (90-6-207[5], MCA) requires the Coal Board to give attention "to the need for community planning before the full impact of coal development or decline is realized. Applicants should be able to show how the request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems." Therefore, pursuant to Sub-Chapter 3 of the Administrative Rules of Montana, 'planning' is an additional criterion the Coal Board will apply when judging applications.

AWARDING COAL BOARD FUNDS

(1) Eight applications, one with an original signature, must be submitted to the Department on the date posted on the Coal Board website (<u>http://comdev.mt.gov/COAL</u>) to be considered during the applicable board meeting. Applications can be submitted electronically* to <u>DOCCB@mt.gov</u>, but must be received by midnight of the application due date; or can be mailed to Department of Commerce but must be postmarked no later than the application due date. Applications can be mailed to: Coal Board Administrative Officer, Montana Coal Board, Community Development Division, Department of Commerce, P.O. Box 200523, 301 S Park Ave, Helena, MT 59620-0523 (Phone 406-841-2770, e-mail: <u>DOCCB@mt.gov</u>)

Applications are due 45 days prior to the Coal Board meeting. Any application not received or postmarked by the application due date, will be reviewed during the subsequent quarter.

* Applicants who submit applications electronically must mail one <u>signed</u> application and seven (7) copies to the address above to be received within seven days of submittal of the electronic version.

(2) Applicants must appear before the Coal Board when their application is on the agenda for consideration. Applicants will receive a summary report and an agenda prior to the meeting date. If a representative is not available to speak on behalf of the application request, the application may be tabled until the next board meeting.

(3) The Coal Board may approve, deny or table a grant. The Board may request that an applicant return to the next meeting with additional information. The Board would then move to table the application until that meeting. If the application is tabled pending receipt of the requested information, the applicant can make a request that the Board remove the application from the table after submitting further information. At that time, the application will be placed on the next Coal Board meeting agenda.

4) Coal impact grant funds used for the preparation of plans, studies, analyses, or necessary research for the preparation of a preliminary engineering report must meet the requirements of the most current Uniform Application for Montana Public Facility Projects. Coal impact grant funds used for the preparation of a preliminary architectural report must meet the requirements described in the Coal Impact Grant Application (Appendix A).

PLEASE NOTE: Applications will be evaluated as they are submitted. The Board may table an application if significant changes or new information are presented during the hearing.

DISBURSEMENT OF COAL BOARD FUNDS

Eligible and reasonable expenses will be reimbursed from a Coal Board grant after:

- a. the contract has been fully executed between the Montana Department of Commerce and the Coal Board grant recipient;
- b. the grant recipient has demonstrated that firm commitments exist for any other resources to be involved in the project. In documenting a public commitment, the grant recipient must specify the amount and use of the funds or resources. A letter of commitment from the entity, agency or organization involved must document funds or resources to be provided by a State or federal agency or private organization. The commitment of funds or resources may be contingent on Coal Board funds being awarded for the proposed project;
- c. the grant recipient has documented compliance with the auditing and reporting requirements provided for in the Montana Single Audit Act, Sections 2-7-501 to 523, MCA, and has established a financial accounting system that can properly account for the grant funds according to generally accepted accounting principles. Tribal governments must comply with auditing and reporting requirements provided for in OMB Circular A-133;

- d. the Department has received the signed signatory and depository forms; and
- e. the Department has received the completed Request for Funds form and adequate documentation (copies of statements and invoices) to verify expenditures.

INSTRUCTIONS FOR COMPLETING COAL BOARD GRANT APPLICATION

Instructions and examples to help complete the application are in gray. Once you have completed the application, please delete all the gray areas by highlighting the section using the square in the upper left hand corner, then, right clicking on your mouse and selecting "cut". This will shorten the length of the document the board members will need to review.

Boxes and charts in this application have been formatted by WORD Table. Edits can be made using the Table function of WORD.

Applications may be secured with binder clips, large paper clips or staples. The three-ring meeting notebooks sent to Board members will not accommodate binders or plastic covers.

Eight applications, one with an original signature, must be submitted to the Department on the date posed on the Coal Board website (<u>http://comdev.mt.gov/COAL</u>) to be considered during the applicable board meeting. Applications can be submitted electronically* to <u>DOCCB@mt.gov</u>, but must be received by midnight of the application due date; or can be mailed to Department of Commerce but must be postmarked no later than the application due date. Applications can be mailed to: Coal Board Administrative Officer, Montana Coal Board, Community Development Division, Department of Commerce, P.O. Box 200523, 301 S Park Ave, Helena, MT 59620-0523 (Phone 406-841-2770, e-mail: <u>DOCCB@mt.gov</u>)

* Electronically submitted applications must be followed with the original and seven (7) signed hard copies that are postmarked by the application deadline.

THE COAL IMPACT GRANT APPLICATION FORM SUBMITTED BY (NAME OF APPLICANT)

CERTIFICATION

To the best of my knowledge and belief, the information provided in this application and in the attached documents is true and correct.

In accordance with Section 90-6-205, MCA, the applicant is eligible for Coal Board grants and has the statutory authority to make expenditures to provide for the particular service or facility.

Name: Marcy Cobell

Title: Superintendent, Lame Deer Public Schools

Signature:

Date: 7/27/2020

SUMMARY INFORMATION

1. <u>NAME OF APPLICANT(S)</u>:

Lame Deer Public Schools, District #6, Rosebud County, Montana

2. <u>TYPE OF ENTITY</u>:

Public School District

3. FEDERAL TAX ID NUMBER:

81-6000899

4. SENATE AND HOUSE DISTRICTS:

House District #41 Senate District 21

- 5. AMOUNT OF COAL IMPACT GRANT REQUESTED \$ 100,000.00
- 6. NAME OF PROJECT:

Purchase of One School Bus

7. <u>TYPE OF PROJECT</u>:

To replace bus for safety reasons

8. POPULATION SERVED BY PROJECT:

Currently we have 554 students enrolled in Lame Deer Public Schools; the area serves two counties located on the Northern Cheyenne Reservation which includes Big Horn and Rosebud Counties.

Populatio	Population		
Lame Deer	2950		
Ashland	824		
Busby	745		
Birney	137		
Total:	4656		

9. NUMBER OF HOUSEHOLDS SERVED BY PROJECT:

	Households	Household with Individuals Under Age 18
Lame Deer	743	456
Ashland	285	125
Busby	733	117
Birney	30	19
Total:	1791	717

MONTANA COAL IMPACT GRANT APPLICATION 2020

10. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE:

Gerald Chouinard, Superintendent Lame Deer Public Schools PO Box 96 Lame Deer, MT 59043 (406) 477-6305 Ext. 1003 gerald.chouinard@lamedeer.k12.mt.us Fax: (406) 477-6535

11. PRIMARY ENTITY CONTACT PERSON:

Rae Peppers, Federal Programs Director Lame Deer Public Schools PO Box 96 Lame Deer, MT 59043 (406) 477-6305 Ext. 1009 rae.peppers@lamedeer.k12.mt.us Fax: (406) 477-6535

12. OTHER CONTACT PERSONS:

Yolanda Fraser, Business Manager Lame Deer Public Schools PO Box 96 Lame Deer, MT 59043 (406) 477-6305 Ext. 1001 Yolanda.fraser@lamedeer.k12.mt.us Fax: (406) 477-6535

13. MILLAGE RATES:

2010-2011: 51.00 Mills; Mill Value .51. 2019 no changes.

14. AMOUNT OF COAL GROSS PROCEEDS TAX:

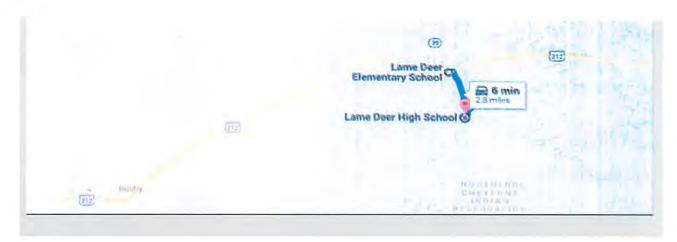
Please provide the following details:

Lame Deer Public Schools receives Zero (0) Coal Gross Proceeds.

15. IMPACTS FROM COAL INDUSTRY:

According to 2017 DataUSA information; the data collected indicates that approximately more than 252 people are continuously employed by the Coal Industry in Colstrip; with a population of over 50 or more Northern Cheyenne members employed in the surrounding coal mines of Colstrip, Decker, Spring Creek and Sarpy Creek which surround the Northern Cheyenne Reservation. Direct impacts are employment of family and relatives of children enrolled in Lame Deer Public Schools and are affected by the closure of Units 1& 2. Approximately 16% of children in District 6 are impacted directly the coal industry, while the population as a whole are impacted indirectly.

16. <u>MAPS:</u>



17. BRIEF PROJECT SUMMARY:

PROJECT SUMMARY FOR Lame Deer School District #6

Historical Information:

The Lame Deer School District is a 60-year-old public school constructed in 1955 as an elementary district and the high school opened its doors in 2010 to accommodate the growing student population. Based on impact aid data, both the high school and elementary school have a total population of 565 students for the 2019-2020 School Year, 329 students from PK-6 in the Elementary School, 95 Junior High students and 141 in the High School. With the continual increase in student population, there has been an increase in students with special needs that require transportation to and from school and for other activities and appointments; our most recent SPED population is 53, 12% of the student population. Five districts exist with in the 440,000 acres of the Northern Cheyenne Reservation, with students being picked up in all 5 areas. The average round trip bus distance traveled each day to the 5 districts is 457 miles per day for 5 buses. Ashland/Westside 126 miles; Lame Deer-Handicap 16 miles; Birney/Sweet Medicine 114 miles; Muddy Cluster/Hwy 39 51 miles; Muddy Creek/Cut Across 62 miles; Busby/Eastside 88 miles.

Problem:

Reasons for Bus Replacement:

District #6 student population continues to change every year and it is expected to increase with changes in the surrounding communities due to socio-economic changes and unfortunate closure of Units 1&2; which is the main reason for replacing or acquiring new buses. The District encompasses two county districts, Big Horn and Rosebud Counties.

The communities of Big Horn County are: Muddy Creek, Busby and Muddy; approximate times spent per day in the county are 3.16 hours and 201 miles per day transporting students in and out of county using 3 buses.

The communities of Rosebud County are: Ashland, Lame Deer Area and Birney; approximate times spent per day in the County are 4.16 hours and 256 miles per day transporting students in and out of county using 3 buses.

For every square mile there are five people meaning that our bus routes are long and driven in treacherous conditions with some buses driving over 40 miles a day on two lane roads. Montana weather is unpredictable, with temperatures ranging between 20 below in winter to over 90 degrees in summer months. Roads are often snow packed and icey or water drenched creating hazard conditions from wear and tear on the road due to weather conditions. Highway 212 is one of the most dangerous roads in the State of Montana due to out-of-state traffic, tourism and semi traffic, it is a shortcut route from several other states, with vehicle and pedestrian accidents a frequent occurrence. The latest fatality happened on January 31, 2020 with the loss of 2 lives when they hit a school bus.

School bus replacement will serve four main purposes:

- (1) Reducing the operating cost of the bus over the anticipated lifetime;
- (2) Improving the safety of buses through compliance with the latest state and federal standards;
- (3) Reducing emissions and increasing fuel-efficiency; and
- (4) Reducing maintenance costs on constant repairs of buses.

Proposed Solution:

The solution is to purchase an 80 or 84 passenger bus that meet updated state and federal standards and is compatible with current computerized systems. A majority of the buses are outdated and the cameras and radios no longer work due to obsolete software and computer equipment. A new bus will improve fuel mileage and provide safety features such as updated camera/video equipment and radio systems. I-State provided the last bus through a 2018 Coal Board Grant and a new quote is included in the application for review.

18. PROJECT BUDGET AND IMPLEMENTATION SCHEDULE:

.

A. <u>Project Budget Form</u>:

PROJECT BUDGET FOR

Lame Deer School District 6

Completed by: Rae Peppers For: (location) Lame Deer School District 6, MT Date: February 3, 2020.

ADMINISTRATIVE/FINANCIAL COSTS	SOURCE: Coal Board Grant	In-Kind SOURCE: Lame Deer School	In-Kind SOURCE:	In-Kind SOURCE:	TOTAL:
Grant Administration	\$-	\$1,500.00	\$ -	\$-	\$ 1,500.00
Office Costs	\$	\$	\$	\$	\$-
Professional Services	\$	\$	\$	\$	\$-
Legal Costs	\$	\$	\$	\$	\$ -
Travel & Training	\$	\$	\$	\$	\$ -
TOTAL ADMINISTRATIVE/FINANCIAL COSTS	\$	\$1,500.00	\$	\$	\$ 1,500.00
ACTIVITY COSTS:					
Purchase Cost	\$100,000.00	\$	\$	\$	\$100,000.00
Installation/Setup Cost	\$-	\$	\$	\$	\$-
Water/Sewer Hookups	\$-	\$	\$	\$	\$-
Renovations/Repairs					\$-
(PER's, studies, etc.)	\$	\$	\$	\$	\$-
Contingency	\$	\$	\$	\$	\$-
TOTAL ACTIVITY COSTS	\$100,000.00	\$	\$	\$	\$100,000.00
TOTAL PROJECT COSTS	\$100,000.00	\$1,500.00			\$101,500.00

B. Project Budget Narrative:

BUDGET NARRATIVE FOR Lame Deer School District 6	
ADMINISTRATIVE/FINANCIAL COSTS	
Personnel Services/Office Costs: This expense will be considered in-kind due to common daily management of Personnel and Office costs.	\$1,500.00
Professional Services: No expected Professional Services, have experienced facilities staff.	\$
Legal Costs: No legal fees anticipated for this project.	\$
Audit Fees: No audit fees anticipated for this project.	\$
TOTAL ADMINISTRATIVE/FINANCIAL COSTS	\$1,500.00
ACTIVITY COSTS	
Purchase Cost: The cost of purchase for the purchase of a 80 passenger school bus, including delivery to Lame Deer School. The cost for each unit is \$100,000.00	\$100,000.00
Installation/Setup Cost: None	\$
Contingency: None, in-kind Match if needed.	\$
TOTAL ACTIVITY COSTS:	\$100,000.00
TOTAL PROJECT COSTS:	\$100,000.00

C. Implementation Schedule:

IMPLEMENTATION SCHEDULE FOR Lame Deer Public School District 6												
Lame D	eer P	ublic	: Sch	ool D	istric	:t 6						
	QL	JARTI	ERS 2	020	QL	IARTE	RS 2	021	QUARTERS 2012			
TASK	1 ST	2 ND	3 RD	4 ^{тн}	1 ST	2 ND	3 RD	4 ^{тн}	1 ST	2 ND	3 RD	4 TH
PROJECT START-UP												
A. Sign contract with Coal Board	X	x										
B. Secure approval of other funding		X										
C. Submit progress reports and drawdown request. (Progress reports quarterly if no draws			X	X	x	X						
submitted)												
PROJECT CONSTRUCTION											-	
A. Location Design/Determination												
B. Conduct pre-construction conference								į				
C. Purchase and installation of units												
D. Monitor Progress												
E. Final Inspection												
PROJECT CLOSE-OUT												
A. Coal Board administrative staff conduct on-site monitoring of the project.						Х						:
B. Submit project completion report.							Х					
C. Include project in audits.							Х					

19. DESCRIPTION OF RELATIONSHIP TO COAL BOARD STATUTORY GRANT CRITERIA

The Coal Board does base its awards on the following four statutory criteria (90-6-206, MCA). In addition, State law (90-6-207, (5), MCA) that requires attention be given to the need for community planning before the full impact of coal development or decline is realized.

A. <u>Need</u>

Explain how the assistance that is required to eliminate or reduce a direct and obvious threat to the public health, safety, or welfare that has been caused as a direct result of coal development or decline?" (90-6-206, MCA)

1. Does a serious deficiency exist in a basic or necessary community public facility or service? Examples include emergency services such as police, fire or ambulance services.

Throughout the State of Montana, there is a need for safe school buses; many of our school districts are in very rural areas with only two lane highways. Montana weather is unpredictable and hazardous at all times of the year. Hiring good people is very competitive and due to the decline of coal, qualified people will navigate where the jobs will sustain not only their profession but also the careers of their family members as well. Lame Deer Public Schools realizes the need to offer good safe buses and reasonable pay if they are to retain drivers and other transportation staff.

2. Have serious public health or safety problems that are clearly attributable to a deficiency occurred, or are they likely to occur, such as illness, disease outbreak, substantial property loss, environmental pollution, safety problems, hazards, or health risks?

Picking up and delivering schoolchildren to the school and home again are based on safety always. Buses need to have the required lighting, crossing and stop arms, flashing lights, cameras and radios should always be available along with having the most updated computer software and hardware to ensure the buses run properly. Even with such safety measures, our buses still have to pick up children on Highway 212 in all kinds of weather conditions, in high semi-trailer traffic with the children having to walk across this dangerous road, often in a 3-lane situation. The previous transportation director has contacted the State Department of Transportation requesting more signs be placed in pickup areas for several reasons, I) a bus was run into despite the fact it had all the safety equipment available, driver claimed the sun was blinding him, 2) drivers have driven past stopped buses with flashing lights, etc. Such issues create safety problems and our older buses are constantly in repair or have obsolete computer software that is not compatible or cannot be updated.

3. Is the entire community, or a substantial percentage of the residents of the community, seriously affected by the deficiency or at risk, as opposed to a small percentage of the residents?

All of our communities in District 6 are clearly impacted by transportation issues and highway safety, over 500 students attend Lame Deer Public Schools and it is one of the largest employers on the Northern Cheyenne reservation, with approximately 158 employees from the communities surrounding the school district on and off the reservation. Most homes off school campus have more than one family living in them and our school has a large population of homeless students living with family, friends or others, safe buses are crucial to our community and education system.

4. Is there clear documentation that the current condition of the public facility or service (or lack of a facility or service) violates, or may potentially violate, a state or federal health or safety standard If the proposed project is necessary to comply with a court order or a state or federal agency directive, describe the directive and attach a copy of it.

Currently there are no violations of state or federal health or safety standards by Lame Deer Public Schools.

5. Does the standard that is being violated, or potentially may be violated; represent a significant threat or potential threat to public health or safety?

No violations exist.

6. Additional information supporting the NEED for this project.

Attached is current list of the buses in our fleet for informational purposes.

B. <u>Degree of Severity of Impact from an Increase or Decrease in Coal</u> <u>Development or In the Consumption of Coal by A Coal-Using Energy Complex</u>

Explain why the proposed project or governmental services or facilities "are needed as a direct consequence of an increase or decrease in coal development or in the consumption of coal by a coal-using energy complex" (90-6-205, (4) (a), MCA).

1. Describe why the need for the expansion or improvement to the public facility or public service is attributable to coal-related impacts. Additionally, please provide the percentage of the project that is a result of coal impacts.

Lame Deer Public School has been designated by the Coal Board as "Coal Impacted" and the Department of State Lands has certified Rosebud County and the Northern Cheyenne Reservation as being impacted by the Coal Industry.

Approximately 16% of our student population is directly impacted by the coal industry and more will be adversely affected by the decline of coal in the coming years most recently the closing of Units I & 2. In addition, a large population of students from the Northern Cheyenne Reservation attends Colstrip Public Schools and we continue to have community members working in the coal industry and in the Colstrip community. The people of the Northern Cheyenne Indian Reservation are impacted directly or indirectly by environmental and socioeconomic conditions surrounding Colstrip. According to recent census data the Native American population contributes largely to the economy of Colstrip through jobs and support the businesses of the community.

2. Name the nearest coal development area or coal-using energy complex to your community and the road miles from your community.

The closest coal-using energy complex is Colstrip, Montana, 21 miles away. The Northern Cheyenne Reservation is designated as a coal impacted area that has affected the surrounding environment, including water and air.

3. Additional information supporting the degree of severity of impact from an increase or decrease in coal development or in the consumption of coal by a coal-using energy complex.

As stated in the Coal Board Staff Report dated December 2016; in 1982, 18.5% of the Lame Deer Public School students had parents who were directly employed in the local coal industry. By 1992, that number had decreased to 10%. According to a survey of approximately 500 Lame Deer school K-12 students conducted by their teachers in May of 2011, 623 students reported having parents or relatives directly employed by a coal mine or coal-using energy facility.

With the continual decline of the coal industry by decreasing demand and supply along with environmental concerns and regulations, these impacts will affect potential funds available to the coal impacted areas such as Lame Deer Schools and to the employment of people living in the surrounding area that work, patronize, and support the businesses in the Colstrip area.

- 1. Amount requested from the Coal Board: \$_100,000.00
- 2. Amount of Coal Board funds available at the time of application \$_____ (#2 will be completed by Coal Board staff)
- 3. Explain why a coal impact grant is necessary to make the project feasible and affordable.

The Lame Deer Public Schools has no leverage from property tax mills because the Northern Cheyenne Tribe owns 97% of the land base of the Northern Cheyenne Reservation; limiting our funding capability.

4. What are the other proposed funding sources for the project?

Our main sources of funds come from Federal Impact Aid dollars and from state funding.

FUNDING SOURCES SUMMARY FOR LAME DEER SCHOOL DISTRICT #6

Source	Type of Fund	Amount	Status of Commitment	Loan Rates & Terms
Coal Board Funding	State of Montana Grant	\$100,000.00	Requested	Zero
Lame Deer Public School District #6	U.S Department of Education	\$5,000,000.00	Pending	Zero

5. If a particular proposed source of funding is not obtained, how will the applicant proceed?

Explain how the funding strategy will change if each proposed funding source is not received. (Discuss how the loss of each of the proposed funding sources would affect the completion of the project. For instance, will the applicant wait and re-apply to the funding source, will the applicant be willing to increase the amount of debt it will incur, or will the project not move forward?)

APPLICANT'S RESPONSE:

Without Coal Board Funding, Lame Deer Public School will continue to maintain its current operations and make the best of the situation. In 2018, the school requesting funding for two buses and received funding for one. It was suggested that LDPS apply for the MDT Diesel Tax Application, which we did and it was determined we did not qualify because a majority of our buses do not use diesel. We will continue to search for funding to meet our needs but we are directly coal impacted and if necessary reapply to the Coal Board.

D. Degree of Local Effort in Meeting Needs

I. If current millage rates given are lower than the average rates levied during the previous three years, briefly explain why they are lower.

Currently Lame Deer Public Schools millage value per ANB is 0.24, the statewide rate is \$23.80. As stated 98% of land base is owned by the Northern Cheyenne Tribe.

2. Describe any local efforts to meet the public facility or public service needs by providing financial contributions to the project to the extent possible, such as local funding, donations of land, absorbing some or all-administrative costs. For non-profit organizations, describe fund-raising efforts or other in-kind assistance to the proposed project as well as usual program fund-raising efforts.

School District #6 is absorbing the administrative costs and contingency funding for this project. The Northern Cheyenne Tribe is unable to contribute to this project and no other grants exist at this time to help fund this project.

3. Describe past operation and maintenance budgets and practices over the long-term, including any reserves for repair and replacement.

Due to limited funds, there are no reserves set-aside for bus purchases, all projects are financed though the General Fund. With the help of the Coal Board Grant, District #6 is hopeful that we can reverse this cycle and increase our budget to fund this project. Because federal funding is not always timely, the school administration keeps approximately \$2 million unobligated to ensure that an adequate cash flow is in place for payroll and district expenditures.

4. If there are indications that the problem is not of recent origin, or has developed because of inadequate operation and maintenance practices in the past, explain the circumstances and describe the actions that management will take in the future to assure that the problem will not reoccur.

This is not the consequence of recent origin, nor because of inadequate support services, this is a problem that developed as our student and employee population continues to increase along with our bus usage.

- 5. If the project involves water, wastewater or solid waste, provide the current and projected monthly household user charges, including operation and maintenance:
 - a. What is the current monthly household user charge? \$__0___
 - b. What is the projected monthly user charge (including operation and maintenance) when the project is complete? \$__0__
- 6. What are your current debt obligations?

As a public school, we depend mainly on Federal Impact Aid Funding and State funding such as Title monies and various grant funding to support the operations of the school district. We have no outstanding debt obligations.

APPLICANT'S RESPONSE: CURRENT DEBT SUMMARY FOR Lame Deer School District #6									
Year Issued	Purpose	Type of Bond/ Security	Amount	Maturity Date (mo./yr.)	Debt Holder	Coverage Required	Annual Payment Amount	Outstanding Balance	
								0	
								0	

7. What are your current assets?

Enclosed are the documents from Lame Deer School District's last audit for FY 2017-2018 school year. A final copy of our last audit for 2018-2019 can be provided when ready.

8. What financial accounting system do you use? Tyler Tech Accounting Software-Citrix and Maefairs.

The Board is required to ensure conformity to generally accepted accounting principles. Examples include Quick Books and MBARS.

9. Is the applicant in compliance with the auditing and annual financial reporting requirements provided for in the Montana Single Audit Act, 2-7-501 to 522, MCA? (Tribal governments must comply with auditing and reporting requirements provided for in OMB Circular A-133).

Yes X No Date of last completed audit or financial report _2017-2018 School Year

10. If there have been audit findings within the last five years, have they been satisfactorily addressed?

No findings had been found and were addressed immediately. Documentation is included.

11. Additional information supporting the degree of local effort in meeting needs.

Paid expenses and documented support by the community and staff of Lame Deer School is a continuous local effort that is supported by LDPS.

E. Planning & Management

State law (90-6-207, (5), MCA) requires the Coal Board to give attention "to the need for community planning before the full impact of coal development or decline is realized. Applicants should be able to show how the request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems." Therefore, pursuant to Sub-Chapter 3 of the Administrative Rules of Montana, Planning is an additional criterion the Coal Board will apply when judging applications.

1. Describe how your grant request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems related to coal impacts.

With the decline of the coal industry, this impact will have a major effect on the communities due to employment reduction and increase in student population due to decrease in out-of-district student allowance. Our school district is preparing to take on more students should they need too and is in dire need of adequate and safe busing solutions. Our Transportation Director is constantly working on eliminating safety problems and finding solutions to cut unnecessary costs while ensuring that our school children have save transportation. To request Coal Board funding support for the busing needs for Lame Deer School would offer a solution to a growing problem.

2. Describe how the proposed project is consistent with current plans.

Enclosed is a copy of our transportation policies for the Lame Deer School District.

Government-Wide Financial Statements

STATEMENT OF NET POSITION

June 30, 2018

ASSETS:

Current Assets	
Cash and equivalents	9,371,691
Taxes receivable	1,692
Due from other governments	267,385
Total current assets	9,640,768
Capital Assets:	
Land	2,322
Other capital assets, net of depreciation	18,827,130
Total capital assets	18,829,452
Total assets	28,470,220

GOVERNMENT-WIDE FINANCIAL STATEMENTS STATEMENT OF NET POSITION – CONTINUED

June 30, 2018

LIABILITIES:	
Accounts payable and accrued expenses	2,723
Advances from grantors	72,358
Long-term liabilities:	
Due within one year:	
Compensated absences	76,900
Due in more than one year:	
Compensated absences	307,596
Net pension liability	5,966,251
Total liabilities	6,425,828
DEFERRED INFLOWS OF RESOURCES:	
Pension related differences and changes	212,784
Total deferred inflows of resources	212,784
NET POSITION:	
Net investment in capital assets	18,829,452
Restricted for:	
Capital projects	25,083
Other fund activities	471,402
Unrestricted	3,638,149
Total net position	22,964,086

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STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2018

		Charges for	Operating	Capital Grants	Net (Expense)
	Expenses	Services	Grants	and Contributions	Revenue
Primary government	<u> </u>				
Instruction:					
Regular programs	4,011,744	0	971,418	4,129	(3,036,197)
Special programs	180,645	0	340,285	0	159,640
Vocational programs	0	0	35,509	0	35,509
Supporting services	3,101,783	0	0	0	(3,101,783)
Operations & maintenance	1,018,061	0	0	0	(1,018,061)
Student transportation	433,203	0	102,802	0	(330,401)
Community services	135,575	0	0	0	(135,575)
Food services	578,257	7,836	390,353	0	(180,068)
Extracurricular	226,132	0	0	0	(226,132)
Unallocated depreciation	958,899	0	0	0	(958,899)
Total governmental activities	10,644,299	7,836	1,840,367	4,129	(8,791,967)
General revenues:					
Property taxes, levied for general purposes					33,308
County retirement distribution					739,825
State aid					3,775,820
Impact aid					6,023,683
Interest					122,465
Miscellaneous					135,700
Total general revenues					10,830,801
Change in net position					2,038,834
Net position - beginning					20,925,252
Net position - ending					22,964,086

Fund Financial Statements

BALANCE SHEET – GOVERNMENTAL FUNDS

June 30, 2018

	General Fund	Elementary Miscellaneous Programs	High School Miscellaneous Programs	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	8,861,646	0	53,822	456,223	9,371,691
Taxes receivable, net	1,692	0	0	0	1,692
Due from other funds	206,119	0	0	0	206,119
Due from other governments	0	248,805	18,580	0	267,385
Total assets	9,069,457	248,805	72,402	456,223	9,846,887
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES Liabilities:					
Accounts payable	255	0	0	2,468	2,723
Due to other funds	0	206,119	0	0	206,119
Advances from grantors	0	1,940	70,418	0	72,358
Total liabilities	255	208,059	70,418	2,468	281,200
Deferred inflow:					
Unavailable tax revenue	1,692	0	0	0	1,692
Total deferred inflow of resources	1,692	0	0	0	1,692
Fund balances: Restricted for:					
Capital projects funds	0	0	0	25,083	25,083
Other fund activities	0	40,746	1,984	428,672	471,402
Unassigned	9,067,510	0	0	0	9,067,510
Total fund balances	9,067,510	40,746	1,984	453,755	9,563,995
Total liabilities, deferred inflow of resources and fund					<u></u>
balances	9,069,457	248,805	72,402	456,223	9,846,887

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION June 30, 2018

Total fund balance, governmental funds	9,563,995
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the statement of	
net position.	18,829,452
Property taxes receivable that are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the statement of	
net position.	1,692
Some liabilities, such as notes payable, compensated absences and net pension liability, are not included in the	
fund financial statement, but are included in the governmental activities of the statement of net position.	(6,350,747)
Deferred outflow of resources (pension contributions and related differences and changes) and inflows	
(pension related differences and changes) of resources are not included in the fund financial statement, but are	
included in the governmental activities of the statement of net position.	919,694
Net position of governmental activities in the statement of net position.	22,964,086

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS

For the Year Ended June 30, 2018

	General Fund	Elementary Miscellaneous Programs	High School Miscellaneous Programs	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes for general purposes	33,081	0	0	0	33,081
Intergovernmental:					
County	0	0	0	789,633	789,633
State	3,661,344	58,754	0	166,555	3,886,653
Federal	6,023,683	961,968	241,011	393,921	7,620,583
Interest on investments	118,843	0	0	3,622	122,465
Food services	0	0	0	7,836	7,836
Other	37,672	13,438	1,482	83,108	135,700
Total revenues	9,874,623	1,034,160	242,493	1,444,675	12,595,951
EXPENDITURES					
Current:					
Instruction	2,681,687	917,719	137,972	329,619	4,066,997
Supporting services	2,411,845	98,160	80,035	219,725	2,809,765
Operations and maintenance	942,464	0	0	75,597	1,018,061
Student transportation	266,287	0	0	166,916	433,203
Community services	65,080	0	0	70,495	135,575
Food services	156,902	0	0	421,355	578,257
Extracurricular	212,363	0	0	13,769	226,132
Capital outlay	232,451	12,000	24,448	126,102	395,001
Total expenditures	6,969,079	1,027,879	242,455	1,423,578	9,662,991
Excess (deficiency) of revenues over expenditures	2,905,544	6,281	38	21,097	2,932,960
Fund balances - beginning	6,161,966	34,465	1,946	432,659	6,631,036
Fund balances - ending	9,067,510	40,746	1,984	453,755	9,563,995

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2018

Net change in fund balances - total governmental funds:	2,932,960
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report outlays for capital assets as expenditures because such outlays use current	
financial resources. In contrast, the statement of activities reports only a portion of the outlay as expense.	
The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.	(958,899)
Governmental funds do not present revenues that are not available to pay current obligations. In contrast,	
such revenues are reported in the statement of activities when earned.	227
Statement of activities report expenses that the governmental funds do not and are not reported as	
expenditures in the governmental funds:	
Compensated absences expense	(196,706)
Governmental funds report expenses that the statement of activities do not and are not reported as	
expenditures in the statement of activities:	
Capital outlays, not including capital assets under leases	395,001
Pension expense, net of state on-behalf payment	(133,749)
Change in net position of governmental activities	2,038,834



STATEMENT OF FIDUCIARY NET POSITION AND CHANGES IN FIDUCIARY NET POSITION

For the Year Ended June 30, 2018

	PRIVATE PURPOSE TRUST
	STUDENT ACTIVITY FUND
FIDUCIARY NET POSITION	
Assets:	
Cash	177,975
Total assets	177,975
Net Position:	
Held in trust for student activities	177,975
Total net position	177,975
CHANGES IN FIDUCIARY NET POSITION	
Additions	
Revenue	72,728
Deductions	
Expenses	52,834
Change in net position	19,894
Net position, beginning of year	158,081
Net position, end of year	177,975

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2018

Note A Description of the School District and Reporting Entity

1 Reporting Entity

Lame Deer Public School District No. 6 was established under Montana law to provide educational services below the college and university level to residents of the District. The District actually consists of two separate legal entities, high school and elementary districts. Accounting records of both districts must be maintained separately per State Law because of differences in funding and tax base. Each district is managed by a Board of Trustees, elected by the citizens and by a central administration appointed by and responsible to the Boards.

The criteria for including organizations within the District's reporting entity are set forth in Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity." This statement defines the financial reporting entity as the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District. The District has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the District's financial statements. In addition, the District is not aware of any entity that would exercise such financial accountability that would result in the District being considered a component unit of the entity.

Rosebud County provides substantial services to the District; tax billings, cash collections, debt payments and warrant redemption all flow through the office of the County Treasurer. This office also maintains the District's cash and invests funds at the direction of the District. The County Commissioners have the legal obligation to set levy amounts to finance the budget of the District, as directed by the Board of Trustees. Despite the degree of services rendered, the District has determined that neither Rosebud County nor any other outside agency meets the criteria set forth in the preceding paragraph and therefore, no other agency has been included as a component unit of the District's financial statements.

The District functions in a fiduciary capacity relating to the student extracurricular fund.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

Note B Summary of Significant Accounting Policies

The financial statements of Lame Deer Public School District No. 6 have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to school districts. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's significant accounting policies are described below:

1. Basis of Presentation

a. Government-Wide Financial Statements

The statement of net position and the statement of activities show information about the overall financial position and activities of the District with the exception of the extracurricular fund. The extracurricular fund, which accounts for the extracurricular activities of the District's students, is reported as a private purpose trust fund in the statement of fiduciary net position and changes in fiduciary net position.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to students or the public who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

b. Fund Financial Statements

The District uses funds to report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate 'fund types.'

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments,* sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category) for the determination of major funds.



NOTES TO FINANCIAL STATEMENTS – CONTINUED

For the Year Ended June 30, 2018

2. Governmental Funds

The District reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the District. It accounts for resources traditionally associated with government operations which are not required to be accounted for in another fund. The District maintains the general fund to account for most of the instructional and administrative aspects of the District's operations and to account for repair and maintenance of District property.

Elementary and High School Impact Aid – The impact aid fund (Title VIII) Authorized by Section 20-9-514, MCA for the purpose of the receipt and expenditure of Public Law 81-874 Impact Aid.

The general fund has been blended with the elementary and high school impact aid funds on the governmental fund financial statements for financial reporting purposes under GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

Elementary and High School Miscellaneous Programs – The miscellaneous programs fund is used for the purpose of accounting for local, state or federal grants and reimbursements. Donations and expendable trusts for scholarships or other purposes that support district programs are deposited in this fund.

3. Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee capacity for others and are therefore not available to support District programs. The reporting focus is on net position and changes in net position and are reported using generally accepted accounting principles similar to business in the private sector.

The District's fiduciary funds are presented in the statement of fiduciary net position and statement of changes in fiduciary net position by type (private purpose and agency). Because by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the District, these funds are not incorporated into the government-wide financial statements.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

4. Basis of Accounting and Measurement Focus

a. Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as eligibility requirements imposed by the provider have been met. Generally, the effect of material interfund activity has been removed from the government-wide financial statements.

b. Fund Financial Statements

Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The District recognizes property taxes as a receivable at the time an enforceable legal claim is established and considers property taxes as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Those revenues susceptible to accrual are property taxes, special assessments, grants, interest revenue, and charges for services. Capital asset acquisitions are reported as expenditures in governmental funds and proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The District reports unavailable revenue as deferred inflows of resources and advances from grantors as liabilities on its government-wide statement of net position and on its balance sheet - governmental funds. Unavailable revenues and advances from grantors arise when potential revenue does not meet both the 'measurable' and 'available' criteria for recognition in the current period. Unavailable revenues and advances from grantors also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to resources, the deferred inflow of resources for unavailable revenue and the liability for advances from grantors are removed from the balance sheet and revenue is recognized.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

5. Cash and Investments

Cash resources of the District for all funds other than the extracurricular fund, are combined with cash resources of other school districts within Rosebud County to form a pool of cash and cash equivalents that is managed by the Rosebud County Treasurer. Investments of the pooled cash consist primarily of certificates of deposit and repurchase agreements and are carried at cost, which approximates fair value. Among the instruments which state statutes authorize the District to invest in are direct obligations of the United States government; in savings or time deposits in a state or national bank, building or loan association, savings and loan association, or credit union insured by the FDIC, FSLIC, or NCUA located in the state; in a repurchase agreement or Montana short-term investment pool. Interest income received as a result of pooling is distributed to the appropriate governmental entity utilizing a formula based on the respective entity's previous month's ending balance of cash and cash equivalents. The County Treasurer then distributes interest income to each fund utilizing a formula based on the fund's previous month's ending balance of cash and cash equivalents.

The District issues warrants in payment of its obligations. When the warrants are presented to the County Treasurer, the District's cash balance is reduced to pay the warrant. The cash and warrants payable for the payroll and claims clearing agency funds are netted for reporting purposes.

The cash and warrants payable in the payroll and claims clearing accounts are as follows:

	Payroll Clearing	Claims Clearing
Cash	102,566	232,615
Warrants payable	102,566	232,615

Information regarding the collateral and security for cash and cash equivalents is not available to the District. Montana state statute requires that collateral to secure deposits of public funds be held in direct obligations of the United States government or its agencies.

Extracurricular Fund cash of \$182,134 at June 30, 2018 is held at First Interstate Bank. The First Interstate Bank balance is insured by the FDIC up to \$250,000.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

6. Capital Assets

Capital assets, including land, buildings, improvements, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an initial useful life of one year or more. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Buildings, improvements, and equipment are depreciated using the straight-line depreciation method over the following estimated useful lives:

Description	Estimated Lives		
Buildings and improvements	5-50 Years		
Machinery and equipment	2-50 Years		

7. Short-term Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as 'due from other funds' or 'due to other funds' on the Balance Sheet.

8. Compensated Absences

All full-time District employees accumulate vacation and/or sick leave hours for later use or for payment upon termination, death or retirement. Vacation and sick leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the District will compensate the employees for the benefits through paid time off or some other means. The compensated absence liability fund is used to pay the accumulated vacation and/or sick leave of a non-teaching employee upon termination, death or retirement. Such reserve may not exceed 30% of the District's recorded liability for accumulated sick leave and 30% of accumulated vacation leave for non-teaching or administrative employees.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

9. Pensions

For the purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the State of Montana's Teachers Retirement System and the State of Montana's Public Employee Retirement System and the additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

10. Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, deferred outflow of resources, represents an expenditure of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditures) until that time. The District has only one type of item, which arises only under the accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, pension contributions and related differences and changes, is reported in the government-wide statement of net position. This amount is deferred and recognized as an outflow of resources in the period that the plans recognize the contributions and related differences and changes.

11. Deferred Inflows of Resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items, one of which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable tax revenue, is recorded in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The second relates to the differences and changes related to investment returns and assumptions in the Teachers Retirement System of Montana and the Montana Public Employees Retirement System, which is reported in the government-wide statement of net position. The amount is deferred and recognized as an inflow of resource statement of net position. The



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

12. Fund Balances

The Governmental Accounting Standards Board (GASB) has issued Statement No.54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB Statement No.54, Fund Balance Reporting and Governmental Fund Type Definitions, requires the fund balance amounts to be reported within one of the fund balance categories listed below.

Nonspendable - Amounts that cannot be spent because they are either (1) not in spendable form (e.g. inventories and prepaid amounts) or (2) legally or contractually required to be maintained intact (e.g. the corpus or principal of a permanent fund).

Restricted – Amounts that can be spent only for a specific purpose pursuant to state law, enabling legislation, grant agreement, or donor agreement.

Committed – Amounts that can be used only for specific purposes determined by a formal action of the School District's Board of Trustees (the District's highest level of decision making authority).

Assigned – Amounts that are intended to be used by the government for specific purposes under the direction of the District Clerk by authority granted by the Board of Trustees.

Unassigned – The residual classification for the government's general fund that includes all amounts that are not contained in the other classifications.

It is the District's policy that for purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance.

Encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. All encumbrances are classified as either assigned fund balance or committed fund balance. At June 30, 2018, there were no encumbrances.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

13. Net Position

Net position represents the residual of assets plus deferred outflows less liabilities and deferred inflows. Net investment in capital assets, represents net position in the form of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

14. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

15. Date of Management Review

Management has evaluated the activities and transactions subsequent to June 30, 2018 to determine the need for any adjustments to and/or disclosure within the audited financial statements for the year ended June 30, 2018. Management has performed this evaluation through December XX, XXXX, the date the financial statements were available to be issued.

Note C Property Taxes

Property taxes are collected by Rosebud County who remits to the District their respective share of the collections. The 2017 property tax levy, which was perfected and became a receivable in October 2017, was levied to finance District operations during the year ended June 30, 2018. The tax levy was collectible in November 2017 and May 2018. As of May 31, 2018 uncollected property taxes became delinquent. Property taxes are attached as an enforceable lien on the underlying property. After a period of three years, Rosebud County, the collecting agent, may begin foreclosure proceedings and sell the property at auction. The District receives its share of the sale proceeds from Rosebud County.

All property taxes are recognized in compliance with GASB interpretation "Property Tax Revenue Recognition in Government Funds," which states that such revenue is recorded when it becomes measurable and available. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

Note D Capital Assets

A summary of changes in capital assets for the year ended June 30, 2018 is as follows:

	_July 1, 2017	Additions	Deletions	June 30, 2018
CAPITAL ASSETS BEING DEPRECIATED AT COST:				
Buildings and improvements	32,208,316	341,403	0	32,549,719
Machinery and equipment	2,366,319	53,598	0	2,419,917
	34,574,635	395,001	0	34,969,636
OTHER CAPITAL ASSETS:				
Land	2,322	0	0	2,322
Total	34,576,957	395,001	0	34,971,958
LESS ACCUMULATED DEPRECIATION FOR:				
Buildings and improvements	13,379,323	839,008	0	14,218,331
Machinery and equipment	1,804,284	119,891	0	1,924,175
Total accumulated depreciation	15,183,607	958,899	0	16,142,506
Total	19,393,350			18,829,452

Depreciation expense was unallocated:

Unallocated depreciation	958,899	
Total depreciation expense	958,899	



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

Note E Long-Term Debt

The following is a summary of changes in current and long-term obligations for the year ended June 30, 2018:

					Due Within One	Long
	July 1, 2017	Additions	Reductions	June 30, 2018	Year	Term
Compensated absences payable	187,790	196,706	0	384,496	76,900	307,596
Net pension liability	5,478,639	487,612	0	5,966,251	0	5,966,251
Total	5,666,429	684,318	0	6,350,747	76,900	6,273,847

The compensated absences liability will be liquidated by several of the governmental funds.

Note F Employee Benefit Pension Plans

1 Teachers Retirement System of Montana

a. Plan Description

Teachers' Retirement System (TRS or the System) is a mandatory-participation multiple-employer cost-sharing defined-benefit public pension plan that provides retirement services to individuals employed as teachers, administrators, and in other professional and skilled positions employed in public education in Montana.

The TRS Board is the governing body of the System and the TRS staff administers the system in conformity with the laws set forth in Title 19, chapter 20 of the Montana Code Annotated, and administrative rules set forth in Title 2, chapter 44 of the Administrative Rules of Montana. Additional information pertaining to membership, benefit structure, and prior years' actuarial valuations, as well as links to applicable statutes and administrative rules, may be obtained by visiting the TRS web site at trs.mt.gov.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

b. Summary of Benefits

Through June 30, 2013, all members enrolled in TRS participated in a single-tiered plan ("Tier One"). Employees with a minimum of 25 years of service or who have reached age 60 with 5 years of service are eligible to receive an annual retirement benefit equal to creditable service years divided by 60 times the average final compensation. Final compensation is the average of the highest three consecutive years of earned compensation. Benefits fully vest after 5 years of creditable service. Vested employees may retire at or after age 50 and receive reduced retirement benefits. Beginning July 1, 2013, new members in TRS participate in a second benefit tier ("Tier Two"), which differs from Tier One as follows:

- Tier Two uses a 5-year average final compensation (as opposed to 3-year AFC in Tier One)
- Tier Two provides for unreduced service retirement benefits at age 60 with 5 years of creditable service or at age 55 with at least 30 years of creditable service (rather than at age 60 with 5 years of service or at any age with creditable service in 25 years in Tier One)
- Tier Two provides for early retirement benefits with 5 years of creditable service at age 55 (rather than age 50 in Tier One)
- Tier Two has a one percent higher normal employee contribution rate (though a temporary 1% supplemental employee contribution rate is also now currently in place for Tier One members), and
- Tier Two provides for an enhanced benefit calculation 1.85% x AFC x years of creditable service for members retiring with at least 30 years of creditable service and at least 60 years of age (rather than 1.6667 x AFC x years of creditable service)

A guaranteed annual benefit adjustment (GABA) is payable on January 1st of each calendar year for each retiree who has received at least 36 monthly retirement benefit payments prior to that date. The GABA is applicable to both Tier One and Tier Two members. The GABA for tier one members is 1.5% of the benefit payable as of January 1st. For Tier Two members the GABA each year may vary from 0.5% to 1.5% based on the retirement system's funding status and the period required to amortize any unfunded accrued actuarial liability as determined in the prior actuarial valuation.

c. Overview of Contributions

The System receives a portion of the total required statutory contributions directly from the State for all employers. The employers are considered to be in a special funding situation as defined by GASB 68 and the State is treated as a non-employer contributing entity in TRS. The System receives 2.49% of reportable compensation from the State's general fund for school districts and other employers. The System also receives 0.11% of reportable compensation from the State's general fund for all TRS employees including state agency and university system employers. Finally, the State is also required to contribute \$25 million in perpetuity payable July 1st of each year.



UOTES TO FINANCIAL STATEMENTS – CONTINUED

For the Year Ended June 30, 2018

The following tables show the history of legislated contributions for TRS members, employers and the State.

School District and Other Employers

Total Employee &

Employer	General Fund	Employers	Members	
14.73%	%11.0	%L4.T	%ST'L	Prior to July 1, 2007
%EZ.ƏL	%TT°Z	%L4.T	%ST'L	2005 to June 30, 2009 to June 30, 2009
%TT'ZT	%6 ⊅ .2	%L4.7	%ST'L	July 1, 2009 to June 30, 2013
%TT.01	%6 7 .2	%74.8	%ST:8	July 1, 2013 to June 30, 2014
%12.01	%67 [.] 2	%ZS.8	%ST.8	July 1, 2014 to June 30, 2015
%15.91	%6 ⊅ .2	%L9 [.] 8	%ST:8	July 1, 2015 to June 30, 2016
%14.01	%6 7 .2	%LL [.] 8	%ST:8	July 1, 2016 to June 30, 2017
%TS [.] 6T	%6 ⊅ .2	%८8.8	%ST'8	July 1, 2017 to June 30, 2018
%19.61	%6 7 .2	%26.8	%ST:8	July 1, 2018 to June 30, 2019
%TZ.et	°749%	%20.6	%ST:8	July 1, 2019 to June 30, 2020
%18.01	%6 ⊅ .2	%LT.6	%ST:8	July 1, 2020 to June 30, 2021
%16.01	%6 ⊅ .2	%22.6	%ST'8	July 1, 2021 to June 30, 2022
%T0'0Z	%6 ⊅ .2	%८६.6	%ST:8	July 1, 2022 to June 30, 2023
%TT.02	°7'76%	%८४.6	%ST:8	July 1, 2023 to June 30, 2024

UOTES TO FINANCIAL STATEMENTS – CONTINUED

For the Year Ended June 30, 2018

State and University Employers

%TT.02	%TT.O	%S8'TT	%ST.8	0` 505¢
%T0.02	%TT.0	%SZ.II	%ST.8	6, 2023
%T6'6T	%TT.0	%S9 [.] TT	%ST.8	2202 '0
%T8 [.] 6T	%TT'0	%SS [.] TT	%ST.8	tzoz 'o
%TL [.] 6T	%TT'0	%S t .LL	%ST.8	0202 (0
%T9 [.] 6T	%TT'0	%SE'TT	%ST.8	6707 (0
%TS'6T	%TT'0	%SZ.LI	%ST.8	8102 (0
%14.01	%TT'0	%ST'TT	%ST.8	٢٥٢ /٢
%15.91	%TT.0	%S0.II	%ST.8	9702 '0
%12.91	%TT'0	%S6'0T	%ST.8	ST0Z (0
%11.01	%TT.0	%S8.01	%ST.8	0° 2014
%TT'ZT	%TT'0	%S8.e	%ST [.] Z	6, 2013
%EL.ƏI	%TT'0	%८४.6	%ST [.] Z	600Z '0
14.73%	%TT'0	%L4.T	%ST'L	
Total Employee &	General Fund	Employers	Members	

Prior to July 1, 2007 brior to July 1, 2007 to June 30, 2009 July 1, 2007 to June 30, 2014 July 1, 2014 to June 30, 2016 July 1, 2015 to June 30, 2016 July 1, 2015 to June 30, 2018 July 1, 2019 to June 30, 2020 July 1, 2020 to June 30, 2021 July 1, 2021 to June 30, 2023 July 1, 2021 to June 30, 2023 July 1, 2022 to June 30, 2023 July 1, 2021 to June 30, 2023 July 1, 2021 to June 30, 2023 July 1, 2022 to June 30, 2023 July 1, 2023 to June 30, 2023 to Jul

a. TRS Stand-Alone Statements

TRS' stand-alone financial statements, actuarial valuations and experience studies can be found online at https://trs.mt.gov/TrsInfo/NewsAnnualReports.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

For the Year Ended June 30, 2018

e. Actuarial Assumptions

The total pension liability as of June 30, 2017, is based on the results of an actuarial valuation date of July 1, 2017. There were several significant assumptions and other inputs used to measure the total pension liability. The actuarial assumptions used in the July 1, 2017 valuation were based on the results of the last actuarial experience study, dated May 1, 2014. Among those assumptions were the following:

- Total wage increase* 4%-8.51% for non-university members and 5% for university members
- Investment return 7.75%
- Price inflation 3.25%
- Postretirement Benefit Increases
 - Tier One Members: If the retiree has received benefits for the at least 3 years, the retirement allowance will be increased by 1.5% on January 1st.
 - Tier Two Members: The retirement allowance will be increased by an amount equal to or greater than .5%, but no more than 1.5% if the most recent actuarial valuation shows the System to be at least 90% funded and the provisions of the increase is not projected to cause the funded ratio to be less than 85%.
- Mortality among contributing members, service retired members, and beneficiaries
 - For Males: 1992 Base Rates from the RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and 1992 Base Rates RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back four years, with mortality improvements projected by Scale BB to 2018.
 - For Females: 1992 Base Rates from the RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and 1992 Base Rates from the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back two years, with mortality improvements projected by Scale BB to 2018.
- Mortality among disabled members
 - For Males: RP 2000 Disabled Mortality Table for Males, set forward one year, with mortality improvements projected by Scale BB to 2018.
 - For Females: RP 2000 Disabled Mortality Table for Females, set forward five years, with mortality improvements projected by Scale BB to 2018.

*Total wage increases include 4.00% general wage increase assumption.



NOTES TO FINANCIAL STATEMENTS – CONTINUED

For the Year Ended June 30, 2018

f. Discount Rate

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities will be made based on the Board's funding policy, which establishes the contractually required rates under Montana Code Annotated. In addition to the contributions the State general fund will contribute \$25 million annually to the System payable July 1st of each year. Based on those assumptions, the System's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2122. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. No municipal bond rate was incorporated in the discount rate.

g. Target Allocations

Asset Class	Target Asset Allocation (a)	Real Rate of Return Arithmetic Basis (b)	Long-Term Expected Portfolio Real Rate of Return* (a x b)
Broad US Equity	36.00%	4.80%	1.73%
Broad International Equity	18.00%	6.05%	1.09%
Private Equity	12.00%	8.50%	1.02%
Intermediate Bonds	23.40%	1.50%	0.35%
Core Real Estate	4.00%	4.50%	0.18%
High Yield Bonds	2.60%	3.25%	0.08%
Non-Core Real Estate	4.00%	7.50%	0.30%
•	100.00%		4.75%
	<u></u>	Inflation	3.25%
	Expected	arithmetic nominal return	8.00%

*The long-term expected nominal rate of return above of 8.00% differs from the total TRS long-term rate of return assumption of 7.75%. The assumed rate is comprised of a 3.25% inflation rate and a real long-term expected rate of return of 4.50%.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

The assumed long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the System. The most recent analysis, performed for the period covering fiscal years 2009 through 2013, is outlined in a report dated May 1, 2014. Several factors are considered in evaluating the long-term rate of return assumption including long term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2018, is summarized in the above table.

h. Sensitivity Analysis

	1.0% Decrease (6.75%)	Current Discount Rate	1.0% Increase (8.75%)
The District's proportionate share of net pension			
liability	5,254,072	3,812,738	2,598,833

In accordance with GASB 68 regarding the disclosure of the sensitivity of the net pension liability to changes in the discount rate, the above table presents the net pension liability calculated using the discount rate of 7.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1.00% lower (6.75%) or 1.00% higher (8.75%) than the current rate.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

i. Summary of Significant Accounting Policies

The Teachers' Retirement System prepares its financial statements using the accrual basis of accounting. For the purposes of measuring the net pension liability, deferred inflows of resources and deferred outflows of resources related to pensions, pension expense, information about the fiduciary net position of the Teachers' Retirement System (TRS) and additions to/deductions from TRS's fiduciary net position have been determined on the same accrual basis as they are reported by TRS. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. TRS adheres to all applicable Governmental Accounting Standards Board (GASB) statements.

TRS' stand-alone financial statements, actuarial valuations and experience studies can be found online at https://trs.mt.gov/TrsInfo/NewsAnnualReports.

j. Net Pension Liability

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the Montana Teachers' Retirement System (TRS or the System). Statement 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective net pension liability. In accordance with Statement 68, the System has a special funding situation in which the State of Montana is legally responsible for making contributions directly to TRS that are used to provide pension benefits to the retired members of TRS. Due to the existence of a special funding situation, employers are also required to report the portion of the State of Montana's proportionate share of the collective net pension liability that is associated with the employer. The following table displays the amounts and the percentages of net pension liability for the fiscal years ended June 30, 2018 and June 30, 2017 (reporting dates).



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

	Net Pension Liability as of 6/30/2018	Net Pension Liability as of 6/30/2017	Percent of Collective NPL 6/30/2018	Percent of Collective NPL 6/30/2017	Change in Percent of Collective NPL
The District's proportionate share	3,812,738	3,887,148	0.2261%	0.2128%	0.0133%
State of Montana's proportionate share					
associated with the District	2,420,362	2,535,613	0.1435%	0.1388%	0.0047%
Total	6,233,100	6,422,761	0.3696%	0.3516%	0.0180%

At June 30, 2018, the District recorded a liability of \$3,812,738 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. Therefore, no update procedures were used to roll forward the total pension liability to the measurement date. The District's proportion of the net pension liability was based on the District's contributions received by TRS during the measurement period July 1, 2016, through June 30, 2017, relative to the total employer contributions received from all of TRS' participating employers. At June 30, 2018, the District's proportion was 0.2261 percent.

Changes in actuarial assumptions and other inputs: There have been no changes in actuarial assumptions and other inputs since the previous measurement date.

Changes in benefit terms: There have been no changes in benefit terms since the previous measurement date.

Change in proportionate share: There were no changes between the measurement date of the collective net pension liability and the reporting date. However, each employer may have unique circumstances that will impact the employer's proportionate share of the collective net pension liability. The District experienced no changes that are expected to have an impact on the net pension liability.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

k. Pension Expense

	Pension Expense as of 6/30/2018
The District's proportionate share	238,161
State of Montana's proportionate share	
associated with the District	50,812
Total	288,973

At June 30, 2018, the District recognized pension expense of \$288,973 for its proportionate share of the TRS' pension expense. The District also recognized grant revenue of \$50,812 for the support provided by the State of Montana for its proportionate share of the pension expense that is associated with the District.

I. Deferred Inflows and Outflows

At June 30, 2018, District reported its proportionate share of TRS' deferred outflows of resources and deferred inflows of resources related to TRS from the following sources:

	Deferred Outflows of	Deferred Inflows of
	Resources	Resources
Differences between expected and actual economic		
experience	14,022	5,700
Changes in actuarial assumptions	0	15,940
Difference between projected and actual investment		
earnings	0	15,089
Changes in proportion & differences between actual		
and expected contributions	152,173	158,475
*Contributions paid to TRS subsequent to the		
measurement date - FY 2018 contributions	261,934	0
Total	428,129	195,204



NOTES TO FINANCIAL STATEMENTS – CONTINUED

For the Year Ended June 30, 2018

* Amounts reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Deferred Outflows of Resources (a)	Deferred Inflow of Resources (b)	Amount recognized in Pension Expense as an increase or (decrease) in Pension Expense (a-b)
2019	62,774	200,582	(137,808)
2020	137,153	34,900	102,253
2021	73,840	0	73,840
2022	0	67,295	(67,295)
2023	0	0	0
Thereafter	0	0	0

2. Montana Public Employee Retirement System

a. Plan Description

The PERS-Defined Benefit Retirement Plan (DBRP), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA). This plan covers the State, local governments, certain employees of the Montana University System, and school districts.

All new members are initially members of the PERS-DBRP and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the *defined benefit and defined contribution* retirement plans. All new members from the universities also have a third option to join the university system's Montana University System Retirement Program (MUS-RP).



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

The PERS-DBRP provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are established by state law and can only be amended by the Legislature.

b. Summary of Benefits

Eligibility for benefit

Service retirement:

- Hired prior to July 1, 2011:
 - o Age 60, 5 years of membership service;
 - Age 65, regardless of membership service; or
 - o Any age, 30 years of membership service.
- Hired on or after July 1, 2011:
 - Age 65, 5 years of membership service;
 - Age 70, regardless of membership service.

Early Retirement (actuarially reduced):

- Hired prior to July 1, 2011:
 - o Age 50, 5 years of membership service; or
 - o Any age, 25 years of membership service.
- Hired on or after July 1, 2011:
 - Age 55, 5 years of membership service.

Second Retirement (requires returning to PERS-covered employer or PERS service):

- Retire before January 1, 2016 and accumulate less than 2 years additional service credit or retire on or after January 1, 2016 and accumulate less than 5 years additional service credit:
 - o A refund of member's contributions plus return interest (currently .77% effective July 1, 2017).
 - o No service credit for second employment;
 - o Start the same benefit amount the month following termination; and
 - o Guaranteed Annual Benefit Adjustment (GABA) starts again in the January immediately following the second retirement.
- Retire before January 1, 2016 and accumulate at least 2 years of additional service credit:
 - o A recalculated retirement benefit based on provisions in effect after the initial retirement; and
 - o GABA starts on the recalculated benefit in the January after receiving the new benefit for 12 months.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

- Retire on or after January 1, 2016 and accumulate 5 or more years of service credit:
 - o The same retirement as prior to the return to service;
 - o A second retirement benefit as prior to the second period of service based on laws in effect upon the rehire date; and
 - o GABA starts on both benefits in the January after receiving the original and the new benefit for 12 months.

Vesting

o 5 years of membership service.

Member's highest average compensation (HAC)

- Hired prior to July 1, 2011 highest average compensation during any consecutive 36 months;
- Hired on or after July 1, 2011 highest average compensation during any consecutive 60 months;

Compensation Cap

• Hired on or after July 1, 2013 – 110% annual cap on compensation considered as a part of a member's highest average compensation.

Monthly benefit formula

- Members hired prior to July 1, 2011:
 - o Less than 25 years of membership service: 1.785% of HAC per year of service credit;
 - o 25 years of membership service or more: 2% of HAC per year of service credit.
- Members hired on or after July 1, 2011:
 - o Less than 10 years of membership service: 1.5% of HAC per year of service credit;
 - o 10 years or more, but less than 30 years of membership service: 1.785% of HAC per year of service credit;
 - o 30 years or more of membership service: 2% of HAC per year of service credit.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

Guaranteed Annual Benefit Adjustment (GABA)

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, **inclusive** of all other adjustments to the members benefit.

- 3.0% for members hired **prior** to July 1, 2007
- 1.5% for members hired between July 1, 2007 and July 30, 2013
- Members hired on or after July 1, 2013:
 - o 1.5% each year PERS is funded at or above 90%;
 - o 1.5% is reduced by 0.1% for each 2.0% PERS is funded below 90%; and
 - o 0% whenever the amortization period for PERS is 40 years or more.

c. Overview of Contributions

Member and employer contribution rates are specified by state law and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers. The Montana Legislature has the authority to establish and amend contribution rates. Member and employer contribution rates are shown in the table below.

	Member		State &				
	Hired	Hired	Universities	Local Gove	rnments	School Di	istricts
Fiscal Year	<7/1/11	>7/1/11	Employer	Employer	State	Employer	State
2018	7.900%	7.900%	8.570%	8.470%	0.100%	8.200%	0.370%
2017	7.900%	7.900%	8.470%	8.370%	0.100%	8.100%	0.370%
2016	7.900%	7.900%	8.370%	8.270%	0.100%	8.000%	0.370%
2015	7.900%	7.900%	8.270%	8.170%	0.100%	7.900%	0.370%
2014	7.900%	7.900%	8.170%	8.070%	0.100%	7.800%	0.370%
2012-2013	6.900%	7.900%	7.170%	7.070%	0.100%	6.800%	0.370%
2010-2011	6.900%		7.170%	7.070%	0.100%	6.800%	0.370%
2008-2009	6.900%		7.035%	6.935%	0.100%	6.800%	0.235%
2000-2007	6.900%		6.900%	6.800%	0.100%	6.800%	0.100%



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

- 1) Members' contributions to the system of 7.9% are temporary and will be decreased to 6.9% on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below 25 years following the reduction of both the additional employer and additional member contribution rates.
- 2) Employer contribution to the system:
 - a. Effective July 1, 2014, following the 2013 Legislative Session, PERS-employer contributions increase an additional 0.1% per year and will continue over 10 years through 2024. The additional employer contributions including the 0.27% added in 2007 and 2009, will terminate on January 1 following an actuary valuation results that shows the amortization period has dropped below 25 years and would remain below the 25 years following the reduction of both the additional employer and additional member contribution rates.
 - b. Effective July 1, 2013, employers are required to make contributions on working retirees' compensation. Member contributions for working retirees are not required.
- 3) Non-Employer Contributions;
 - a. Special Funding
 - i. The State contributed 0.1% of members' compensation on behalf of local government entities.
 - ii. The State contributes 0.37% of members' compensation on behalf of school district entities.
 - b. Not Special Funding
 - i. The State contributed a portion of Coal Severance Tax income and earnings from the Coal Severance Tax fund.

d. Stand-Alone Statements

The financial statements of the Montana Public Employees Retirement Board (PERB) *Comprehensive Annual Financial Report* (CAFR) and the GASB 68 Report disclose the Plan's fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena MT 59620-0131, (406) 444-3154 or both are available on the MPERA website at http://mpera.mt.gov.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

e. Actuarial Assumptions

The total pension liability used to calculate the net pension liability was determined by taking the results of the June 30, 2016, actuarial valuation and applying standard roll forward procedures to update the total pension liability to June 30, 2017. There were several significant assumptions and other inputs used to measure the total pension liability. The actuarial assumptions used in the June 30, 2017, valuation was based on the results of the last actuarial experience study, dated May 2017 for the six-year period July 1, 2010 to June 30, 2016. Among those assumptions were the following:

٠	Investment Return (net of admin expense)	7.65%
٠	Admin Expense as % of Payroll	0.26%
٠	General Wage Growth*	3.50%
	*includes inflation at	2.75%
٠	Merit Increase	0% to 6.30%
	- · · · · · · · · · · · · · · · · · · ·	

• Postretirement Benefit Increases:

Guaranteed Annual Benefit Adjustment (GABA)

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage each January, **inclusive** of other adjustments to the member's benefit.

- 3.0% for members hired prior to July 1, 2007
- 1.5% for members hired between July 1, 2007 and June 30, 2013
- Members hired on or after July 1, 2013:
 - o 1.5% for each year PERS is funded at or above 90%;
 - o 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
 - o 0% whenever the amortization period for PERS is 40 years or more.
- Mortality assumptions among contributing members, service retired members and beneficiaries were based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2020 with scale BB, males set back 1 year.
- Mortality assumptions among disabled members were based on RP 2000 Combined Mortality Tables with no projections.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

f. Discount Rate

The discount rate used to measure the total pension liability was 7.65%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities would be made based on the Board's funding policy, which established the contractually required rates under Montana Code Annotated. The State contributed 0.10% of salaries paid by local governments and 0.37% paid by school districts. In addition, the state contributed coal severance tax and interest money from the general fund. The interest was contributed monthly and the severance tax was contributed quarterly. Based on those assumptions, the Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2121. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. A municipal bond rate was not incorporated in the discount rate.

g. Target Allocations

The long-term expected return on pension plan assets is reviewed as part of the regular experience study prepared for the Plan. The most recent analysis, performed for the period of July 1, 2010 to June 30,2016, was outlined in a report dated May 2017 and can be located on the MPERA website. The long-term expected rate of return on pension plan investments was determined by considering information from various sources, including historical rates of return, rate of return assumptions adopted by similar public sector systems, and by using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2017 are summarized below.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

Asset Class	Target Asset Allocation (a)	Real Rate of Return Arithmetic Basis (b)	Long term Expected Real Rate of Return (a x b)
Cash Equivalents	2.60%	4.00%	0.10%
Domestic Equity	36.00%	4.55%	1.64%
Foreign Equity	18.00%	6.35%	1.14%
Fixed Income	23.40%	1.00%	0.23%
Private Equity	12.00%	7.75%	0.93%
Real Estate	8.00%	4.00%	0.32%
Total	100.00%		4.37%
		Inflation	2.75%
	Poi	rtfolio Return Expectation	7.12%

The long-term, expected nominal rate of return above 7.12% is an expected portfolio rate of return provided by Board of Investments (BOI), which differs from the total long-term assumed rate of return of 7.65% in the experience study. The assumed investment rate is comprised of 2.75% inflation rate and a real rate of return of 4.90%.

h. Sensitivity Analysis

The sensitivity of the net pension liability to the discount rate is shown in the table below. A small change in the discount rate can create a significant change in the liability. The net pension liability was calculated using the discount rate of 7.65%, as well as what the net pension liability would be if it were calculated using a discount rate 1.00% lower or 1.00% higher than the current rate.

	1.0% Decrease	Current Discount	1.0% Increase
	(6.65%)	Rate	(8.65%)
The District's portion of net pension			
liability	3,136,407	2,153,513	1,328,447



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

i. Summary of Significant Accounting Policies

MPERA prepared financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purposes of determining the net pension liability; deferred outflows of resources and deferred inflows of resources related to pensions; pension expense; the fiduciary net position; and, additions to or deductions from fiduciary net position. Member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period in which they are due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred. Investments are reported at fair value. MPERA adhered to all accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

j. PERS Disclosure for the Defined Contribution Plan

The District contributed to the state of Montana Public Employee Retirement System Defined Contribution Retirement Plan (PERS-DCRP) for employees that have elected the DCRP. The PERSDCRP is administered by the PERB and is reported as a multiple-employer plan established July 1, 2002, and governed by Title 19, chapters 2 & 3, MCA.

All new PERS members are initially members of the PERS-DBRP and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the *defined benefit* and *defined contribution* retirement plans.

Member and employer contribution rates are specified by state law and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers. The state Legislature has the authority to establish and amend contribution rates.

Benefits are dependent upon eligibility and individual account balances. Participants are vested immediately in their own contributions and attributable income. Participants are vested after 5 years of membership service for the employer's contributions to individual accounts and the attributable income. Non-vested contributions are forfeited upon termination of employment per 19-3-2117(5), MCA. Such forfeitures are used to cover the administrative expenses of the PERS-DCRP.

At the plan level for the measurement period ended June 30, 2017, the PERS-DCRP employer did not recognize any net pension liability or pension expense for the *defined contribution* plan. Plan level non-vested forfeitures for the 300 employers that have participants in the PERS-DCRP totaled \$396,650.



NOTES TO FINANCIAL STATEMENTS – CONTINUED

For the Year Ended June 30, 2018

k. Net Pension Liability

The total pension liability minus the fiduciary net position equals the net pension liability. As GASB Statement 68 allows, a measurement date of up to 12 months before the employer's fiscal year-end can be utilized to determine the Plan's total pension liability. The basis for the total pension liability as of June 30, 2017, was determined by taking the results of the June 30, 2016 actuarial valuation and applying standard roll forward procedures. The roll forward procedure uses a calculation that adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year, and then applies the expected investment rate of return for the year. The update procedures are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

Special Funding

The State of Montana, as the non-employer contributing entity, paid to the Plan additional contributions that qualify as special funding. Those employers who received special funding are counties; cities & towns; school districts & high schools; and other governmental agencies.

Not Special Funding

Per Montana law, state agencies and universities paid their own additional contributions. These employer paid contributions are not accounted for as special funding for state agencies and universities but are reported as employer contributions. The state of Montana, as the non-employer contributing entity, also paid to the Plan coal tax contributions that are not accounted for as special funding for all participating employers.

The proportionate shares of the District's and the state of Montana's NPL for June 30, 2018, and 2017, are displayed below. The District's proportionate share equals the ratio of the District's contributions to the sum of all employer and non-employer contributions during the measurement period. The state's proportionate share for a particular employer equals the ratio of the contributions for a particular employer to the total state contributions paid. The District recorded a liability of \$2,153,513 and the District's proportionate share was 0.1106 percent.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

The District's proportionate share	Net Pension Liability as of 6/30/2018 2,153,513	Net Pension Liability as of 6/30/2017 1,591,491	Percent of Collective NPL as of 6/30/2018 0.1106%	Percent of Collective NPL as of 6/30/2017 0.0934%	Change in Percent of Collective NPL 0.0171%
State of Montana proportionate share					
associated with District	100,099	74,379	0.5101%	0.4567%	0.0535%
Total	2,253,612	1,665,870	0.6207%	0.5501%	0.0706%

Changes in actuarial assumptions and methods:

Effective July 1, 2017, the following assumption changes were used:

- Lowered the interest rate from 7.75% to 7.65%
- Lowered the inflation rate from 3.00% to 2.75%
- Updated non-disabled mortality to the RP-2000 Combined Employee and Annuitant Mortality table projected to 2020 using scale BB, males set back 1 year
- Increased rates of withdrawal
- Lowered the merit component of the total salary increase
- Lowered the wage base component of the total salary increase from 4.00% to 3.50%
- Decreased the administrative expense load from 0.27% to 0.26%.

Effective July 1, 2017, the following method changes were used:

- Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount will vary from year to year based on the prior year's actual administrative expenses.
- To be consistent with the wage base growth change, the payroll growth assumption for amortization as a level percent of pay was reduced from 4.00% to 3.50%.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

Changes in benefit terms

Effective July 1, 2017, the following benefit changes were:

- The interest rate credited to member accounts increased from 0.25% to 0.77%.
- Lump sum payouts in all systems are limited to the member's accumulated contributions rather than the present value of the member's benefit.

Changes proportionate share: Between the measurement date of the collective net pension liability and the District's reporting date there were no changes in proportion that would have an effect on the District's proportionate share of the collective net pension liability.

I. Pension Expense

	Pension Expense as of 6/30/2018	Pension Expense as of 6/30/2017
The District's proportionate share	293,173	101,394
State of Montana proportionate share		
associated with the District	5,337	6,233
State of Montana Coal Tax for District	30,806	27,883
Total	329,316	135,510

At June 30, 2018, the District recognized \$293,173 for its proportionate share of the Plan's pension expense and recognized grant revenue of \$5,337 for the state of Montana's proportionate share of the pension expense associated with the District. Additionally, the District recognized grant revenue of \$30,806 from the Coal Severance Tax fund.



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

m. Recognition of Deferred Inflows and Outflows

At June 30, 2018, the District reported its proportionate share of the Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of	Deferred Inflows of
	Resources	Resources
Actual vs. expected experience	53,034	3,117
Projected investment earnings vs actual investment		
earnings	0	14,463
Changes in assumptions	294,363	0
Changes in proportion and differences between District contributions and proportionate share of contributions	216,949	0
District contributions subsequent to the measurement		
date - FY 2018 contributions	140,003	0
Total	704,349	17,580



NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the Year Ended June 30, 2018

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in the District's pension expense as follows:

	Recognition of Deferred Outflows and Deferred Inflows in future years as an increase or (decrease) in pension
Year ended June 30:	expense
2019	76,283
2020	168,395
2021	130,975
2022	(45,837)
2023	0
Thereafter	0

Note G Risk Management

The District faces a considerable number of risks of loss, including: a) damage to and loss of property and contents; b) employee torts; c) professional liability, (i.e. errors and omissions); d) environmental damage; e) workers' compensation, (i.e. employee injuries) and f) medical insurance costs of employees. A variety of methods are used to provide insurance for these risks. Employee workers' compensation coverage is provided through the Montana Schools Group Workers Compensation Risk Retention Program (WCRRP). Employee medical insurance is provided through the Montana Unified School Trust (MUST) plan. The District does not carry coverage for environmental damages. The risk of potential loss is low and coverage is not cost beneficial.

Note H Due From Other Governments

Due from other governments at June 30, 2018 consists of amounts owed to the District from other governmental entities. These consist of the following:

Elementary miscellaneous programs	248,805
High school miscellaneous programs	18,580
Total	267,385



NOTES TO FINANCIAL STATEMENTS – CONTINUED

For the Year Ended June 30, 2018

Note I Interfund Receivables and Payables

Interfund balances at June 30, 2018 consisted of the individual fund receivables and payables listed below. These amounts will be repaid within the next twelve months.

Fund	Receivables	Payables
Elementary miscellaneous programs	0	206,119
Elementary impact aid	206,119	0
Total	206,119	206,119

Note J Non-Monetary Transactions

The District received \$27,743 in USDA Commodities during the 2017-2018 fiscal year. The commodities received are valued at the average wholesale price as determined by the distributing agency. All commodities received by the District were treated as an expense of the fund receiving the commodities.

Note K Contingent Liabilities

The District participates in a number of federally assisted grant programs that are subject to audit and adjustment by the grantors. Such grantor audits of these programs, if any, for or including the year ended June 30, 2018, have not yet been conducted. Accordingly, the District's compliance with applicable grant requirements for those programs if audited by grantor agencies will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

The District is subject to various claims and legal proceedings covering a wide range of matters. Management believes that any liability that may ultimately result from the resolution of those matters will not have a material adverse effect on the financial condition or results of operations of the District.





Independent Auditor's Report and Financial Statements

Lame Deer Public School District No. 6

Rosebud County Lame Deer, Montana June 30, 2018

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LAME DEER PUBLIC SCHOOL DISTRICT NO. 6

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ORGANIZATION – BOARD OF TRUSTEES AND OFFICIALS

For the Year Ended June 30, 2018

BOARD OF TRUSTEES

Robert McLean Jr. Eloise Snow Reginald Killsnight Sr. Lu Mary Spang Joe Fox Jr. Kim Knobloch Rosanne Headswift Tom Mexican Cheyenne Winslow White Crane Board Chair Vice Chair Trustee Trustee Trustee Trustee Trustee Trustee Trustee

OFFICIALS

Gerald Chouinard Yolanda Fraser Kristine White Joby Parker Kathy Fahrenbruck District Superintendent Business Manager County Attorney County Superintendent of Schools County Treasurer



MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2018

This section of the Lame Deer School District's annual financial report represents the management's discussion and analysis of the District's financial performance during the fiscal year that ended June 30, 2018. It is intended to provide a clear and concise analysis of the activities, financial results, and financial position during the fiscal year, and is a required element of the reporting model established by the Governmental Accounting Standards Board (GASB) in Statement Number 34. This management's discussion and analysis (MD&A) should be read in conjunction with the District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

Financial highlights for the District in fiscal year 2017-2018 were primarily positive for individual funds and for the District as a whole. Across the board, individual funds of the District experienced an increase in fund balance during the year. The fund balance of the general fund (which includes the Impact Aid funds) increased from \$6.1 million to \$9.1 million. Approximately half of that increase was due to growth in revenues and half a reduction in expenditures. FY 2017-18 expenditure levels were more indicative of a normal school year when compared to FY 2016-17 which saw the District spend approximately \$2.3 million of its reserve funds in order to complete construction of its new elementary school building.

The net position of the governmental activities increased approximately \$2 million dollars, this was due in large part because of a \$1.8 million increase in Impact Aid funding received during the year. Also contributing to the favorable increase was a more timely collection of grantor reimbursements.

The lone negative financial indicator for the 2017-2018 fiscal year was an increase in the District's compensated absences liability of approximately \$195,000 and a net \$150,000 increase in its pension related liabilities and deferred inflows/outflows.

USING THESE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements and notes for those statements. These statements are organized so the reader can understand School District No. 6 as a complex financial entity. The statement of net position and the statement of activities provide information about the activities of the whole District presenting both an aggregate view of the District's finances and a longer-term view of those finances (they include capital assets and long-term liabilities).

The fund financial statements present a short-term view of the District's activities. They include only current assets expected to be collected in the very near future and liabilities expected to be paid in the very near future. There is also summarized financial information about the students' activity trust fund for which the District acts as a trustee.



June 30, 2018

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include different kinds of statements that present both a view of the District as a whole, and individual funds statements that focus on various parts of the District's operation in more detail. The financial statements also include notes that explain some of the information presented in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements

REPORTING THE DISTRICT AS A WHOLE FINANCIAL ENTITY

One important question asked about the District's finances: "Is the District better or worse off as a result of this year's activities?" The information found in the District-wide financial statements helps answer this question. Asset wise, the answer is yes largely due to an increase in Impact Aid funding for the year which elevated the District's cash reserves at year end. From a liability standpoint, the answer is no due to increases in both the compensated absences liability and the net pension liability (TRS and PERS). These statements include all assets and liabilities using the accrual basis of accounting, and report depreciation on capital assets, which is similar to the basis of accounting used by most private –sector companies. Basis of accounting takes into account all of the current year revenues and expenses regardless of when cash was received or dispersed.

The change in net position (the difference between total assets and deferred outflows of resources less total liabilities and deferred inflows of resources) is important because it tells the reader whether, for the District as a whole, its financial position has improved or diminished. In addition, non-financial factors such as changes in enrollment, changes in the State's funding of educations costs, changes in the economy, condition of school buildings, and other facilities must be considered in making an assessment of the overall health of the District.

FUND FINANCIAL STATEMENTS

The District maintains individual governmental funds. Three of these funds are considered major funds: general fund (which includes the elementary impact aid and high school impact aid), elementary miscellaneous programs and high school miscellaneous programs funds. The fund financial statements provide detailed information about the most significant of the District's funds; the District is required to provide detailed information for its major funds.

Major funds are defined as the general fund and other funds where the assets, liabilities, revenues, or expenditures exceed 10% of total governmental fund amounts.



June 30, 2018

The governmental funds provide a short-term view of the District's operations. They are reported using an accounting method called modified accrual accounting which measures amounts using only cash and other short-term assets and liabilities (receivables and payables) that will soon be converted to cash or will soon be paid with cash.

REPORTING DISTRICT'S TRUST AND FIDUCIARY RESPONSIBILITY

Also attached are summarized financial reports about the student activity funds which the District oversees.

BUDGET TO ACTUAL COMPARISON

Only the general, transportation, retirement, and technology funds are required to have budgets. There were no significant variations between budget and actual revenues and expenditures on the budgetary comparison schedule that could not be covered by the fund itself or in our District impact aid funds.

STATEMENT OF NET POSITION

The District experienced a favorable increase in total net position from June 30, 2017 to June 30, 2018. The \$2 million increase in its overall net position was due primarily to the large \$1.8 million increase in Impact Aid funding. The District's cash position increased by approximately \$3.2 million. The District continued to do a better job of managing its grant reimbursements, experiencing an approximate \$357,000 decrease in that receivable account from 2017 to 2018. Current liabilities of the District decreased approximately \$31,000. Pension related liabilities (including deferred inflows and deferred outflows) increased by approximately \$150,000 from 2017 to 2018. Of the overall \$2 million increase in net position, investments in the District's capital assets and restricted monetary streams decreased by approximately \$600,000, while the unrestricted net position of the District experienced an overall increase of approximately \$2.6 million.

During the fiscal year, the District invested approximately \$400,000 to upgrade housing units, security equipment, locker rooms, and roads/parking areas. The annual depreciation allowance on District capital assets of approximately \$960,000 exceeded these additions thereby accounting for the roughly \$560,000 decrease in the District's investment in capital assets as of June 30, 2018.

STATEMENT OF ACTIVITIES

Revenue recognized during the fiscal year increased by approximately \$1.8 million, lifting the 2016-17 level of \$10.9 million up to \$12.7 million for the 2017-18 fiscal year. The majority of the increase was related to higher Impact Aid monies received in 2018.



June 30, 2018

Statement of Net Position

	2018	2017
Net Position:		
Current assets	9,640,768	6,778,317
Capital assets - net	18,829,452	19,393,350
Total assets	28,470,220	26,171,667
Deferred outflows of resources	1,132,478	907,253
Current liabilities	151,981	183,376
Non-current liabilities	6,273,847	5,628,871
Total liabilities	6,425,828	5,812,247
Deferred inflows of resources	212,784	341,421
Net position:		
Net investment in capital assets Restricted for:	18,829,452	19,393,350
Capital projects	25,083	21,348
Other fund activities	471,402	447,721
Unrestricted	3,638,149	1,062,833
Total net position	22,964,086	20,925,252



June 30, 2018

	2018	2017	
Revenues:			
Program revenues:		Г	
Charges for services	7,836	6,545	Revenue State
Federal grants	1,596,900	1,501,515	program
State program funding	197,788	282,017	funding Other Charges 2%
Other	49,808	78,746	1% for locit
Total program revenues	1,852,332	1,868,823	services Other
General revenues:			entry Property taxes
Property taxes	33,308	33,955	6%
County retirement distribution	739,825	710,628	
State aid	3,775,820	3,862,089	Impact Aid
Impact Aid	6,023,683	4,158,632	Sector Sector
Interest	122,465	78,504	
Other	135,700	193,942	
Total general revenues	10,830,801	9,037,750	
Total Revenues	12,683,133	10,906,573	

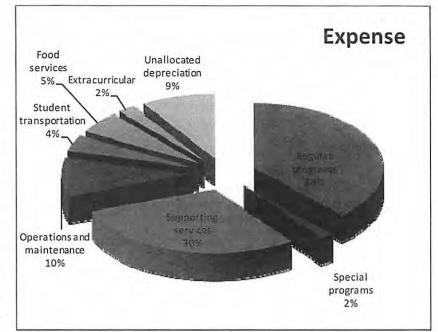
STATEMENT OF ACTIVITIES



June 30, 2018

STATEMENT OF ACTIVITIES - CONTINUED

2018	2017
4,011,744	3,696,969
180,645	407,275
3,101,783	2,572,949
1,018,061	922,983
433,203	396,146
135,575	623
578,257	576,212
226,132	236,391
958,899	864,349
10,644,299	9,673,897
	4,011,744 180,645 3,101,783 1,018,061 433,203 135,575 578,257 226,132 958,899





June 30, 2018

DISTRICT COMPARISONS

In Montana schools, the average teacher to student ratio is one teacher for every 12 students. Lame Deer Public Schools average above that ratio, sitting currently at one teacher for every sixteen students, but continues to try to lower it as revenue will allow; such is a difficult undertaking in a time of teacher shortage in the state of Montana.

The last census shows a very young average population in our District and a high rate of unemployment as compared to other Districts, with the exception of other Montana schools on reservations. We have no reasonable expectation to run a mill levy or sell bonds based on our extremely low taxpayer base.

Due to our low income levels, our District qualifies for Title I Schoolwide funding.

THE FUTURE OF THE DISTRICT

No Child Left Behind (NCLB) has been replaced by Every Student Succeeds Act (ESSA). As the ESSA is a new law, and may be pulled back, the impact of such on the District is yet to be determined, although it's testing requirements are currently being implemented.

Lame Deer JH/HS utilizes the program Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP). The goals of GEAR UP are to encourage and prepare students to stay in school, set high academic expectations, study hard, and take college/trade school prep courses. GEAR UP emphasizes community and parental involvement. There is a parent support group with monthly meetings and a parent center, with the goal to raise student achievement district-wide.

In the continued effort to improve student performance, Lame Deer Public Schools utilizes an electronic student management system called Infinite Campus, which provides easy access to attendance and academic performance to students, parents, and teachers over the school website. This website also contains downloadable student handbooks and school board policies. The school calendar and current school newsletter are available online, as well as the school food menu. This website promotes community outreach. Currently, we are in the process of a major upgrade to our website, and plan to implement the new website as we begin the new 2018-2019 school year.

A federal impact aid construction grant of approximately 4.2 million was utilized to construct the 2nd phase of the elementary construction during the 2016-2017 school year. Although the District applied for the Impact Aid Discretionary Construction Program Grant for FY 2017, we received notice on March 19, 2018 that we will not be awarded the grant, and thus, our elementary building remains unfinished.



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June 30, 2018

CONTACTING THE DISTRICT CONCERNING FINANCIAL MANAGEMENT

receives. If you have questions about this report or need additional financial information, contact School District No. 6, P.O. Box 96, 103 West Boundary This financial report is designed to provide a general overview of the District's finances and to show the District's accountability for the money it Street, Lame Deer, MT 59043.





ANDERSON ZURMUEHLEN & CO., P.C. • CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS MEMBER: AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees Lame Deer Public School District No. 6 Rosebud County Lame Deer, Montana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lame Deer Public School District No. 6 (the District), as of and for the year ended June 30, 2018, and related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the Budgetary Comparison Schedule, the Schedules of Proportionate Share of the Net Pension Liability, the Schedules of Contributions, and the Notes to the Schedules, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The supplementary information, including the schedule of expenditures of federal awards, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, including the schedule of expenditures of federal awards, are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliances.

anderson Zen Muchlen + Co, P.C.

Billings, Montana March 29, 2019

LAME DEER SCHOOL DISTRICT

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8000 SERIES NONINSTRUCTIONAL OPERATIONS

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	8110	Bus Routes and Schedules
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R	8430	Records Management
	8440	Computer Software

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1	Lame Deer Public Schools
2	
3	NONINSTRUCTIONAL OPERATIONS 8000
4	
5	Goals
6	
7	In order for students to obtain the maximum benefits from their educational program, a complex
8	set of support services must be provided by the District. These services are essential to the
9	success of the District, and the staff that provides them is an integral part of the educational
10	enterprise. Because resources are always scarce, all assets of District operations, including
11	noninstructional support services, shall be carefully managed in order to obtain maximum
12	efficiency and economy. To that end, the goal of the District is to seek new ways of supporting
13	the instructional program, which shall maximize the resources directly available for students'
14	learning programs.
15	
16	
17	
18	Policy History:
19	Adopted on: 12/14/98

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- 20 Reviewed on: 11/09/2010
- 21 Revised on:

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1 Lame	Deer Publi	ic Schools				
2						
	ONINSTRUCTIONAL OPERATIONS 8100					
4 5 <u>Transp</u>	ortation					
<u></u>	Transportation					
The Di	The District may provide transportation to and from school for a student who:					
1.		ee (3) or more miles, over the stentary or public high school;	shortest practical route, from the nearest op	erating		
2.	Is a student	with a disability, whose IEP id	lentifies transportation as a related service;	or		
3.	Has another	compelling and legally suffic	ient reason to receive transportation service	s.		
	strict may ele student.	ect to reimburse the parent or g	guardian of a student for individually transp	orting any		
The Dis	strict may pro	ovide transportation by school	bus or other vehicle or through individual			
transpo	rtation such :	as paying the parent or guardia	n for individually transporting the student.	The Board		
may pa	y board and	room reimbursements, provide	supervised correspondence study, or providence study, or providence study, supervised correspondence study, or providence study, or providence study, supervised correspondence study, or providence study, supervised correspondence s	de		
supervi	sed home stu	dy. The Board may authorize	children attending an approved private scho	ol to ride a		
school l	bus, provided	that space is available and a	fee to cover the per-seat cost for such transp	ortation is		
collecte	d. The Distri	ict may transport and charge for	or an ineligible public school student, provide	ded the		
			ansportation services. Fees collected for tra			
of inelig	gible student	s shall be deposited in the tran	sportation fund. Transportation issues that	cannot be		
resolved	d by the trust	tees may be appealed to the co	unty transportation committee.			
Homele	ss students s	hall be transported in accordar	nce with the McKinney Homeless Assistance	e Act and		
state lav	v.					
<u>In-Town</u>	n Busing					
			within three (3) miles of their school. In-te			
			ne. The Superintendent will establish guide	elines under		
	student may	request in-town busing.				
Legal R	-					
Legal R	eference:	§ 20-10-101, MCA	Definitions			
		§ 20-10-121, MCA	Duty of trustees to provide transport			
			of transportation – bus riding time lin			
		§ 20-10-122, MCA	Discretionary provision of transporta	tion and		
			payment for this transportation	.1.11		
		§ 20-10-123, MCA	Provision of transportation for nonpu	IDIIC SChool		
			children			
		10.7.101, et seq., ARM	Pupil Transportation			
		10.64.101-700, et seq., AF				
Del! T	listowe	No Child Left Behind Act	01 2001 (P.L. 107-110)			
Policy H	<u>iistory:</u>					
AGODIEG	lon. 10/1	4/09				
Reviewe		4/98 99/2010				

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1 Revised on: 10/15/02, 03/09/04, 10/11/05

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1	Lame Deer Public	Schools	
2			
3	NONINSTRUCTI	ONAL OPERATIONS	8105
4			
5	School Bus Replace	ement	
6			
7	The Board of Trust	ees understands the importan	ce of safety when transporting students. The
8	Board also understa	inds that having safe, well m	aintained, efficient buses in the fleet is important
9	for the safety of the	students and driver.	
10			
11	There comes a time	when the replacement of a b	ous is necessary for the safety of all involved.
12	Therefore, the Boar	d of Trustees will use the Bu	s Depreciation Schedule, as a guide, when
13	determining the tim	e for bus replacements.	
14			
15			
16			
17	Legal Reference:	§ 20-10-101, MCA	Definitions
18		§ 20-10-107(1), MCA	Power of trustees
19		§ 20-10-110, MCA	School bus purchase – contract – bids
20		§ 20-10-147, MCA	Bus depreciation reserve fund
21			
22	Policy History:		
23	Adopted on: 11/0	9/2010	
24	Reviewed on:		
25	Revised on:		

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1	Lam	e Deer Public Schools					
2 3	NON	INSTRUCTIONAL OPERATIONS 8110					
4		page 1					
5 6	<u>Bus I</u>	Routes and Schedules					
7 8 9	deter	The Superintendent's designee is responsible for scheduling bus transportation, including determination of routes and bus stops. Such routes are subject to approval of the county transportation committee. The purpose of bus scheduling and routing is to achieve maximum					
10 11 12		ce with a minimum fleet of buses consistent with providing safe and reasonably equal ce to all bus students.					
12 13 14		der to operate the transportation system as safely and efficiently as possible, the following rs shall be considered in establishing bus routes:					
15							
16	1.	A school bus route shall be established with due consideration of the sum total of local					
17		conditions affecting the safety, economic soundness, and convenience of its operation, including road conditions, condition of bridges and culverts, hazardous crossings,					
18 19		presence of railroad tracks and arterial highways, extreme weather conditions and					
19 20		variations, length of route, number of families and children to be serviced, availability of					
20		turnaround points, capacity of bus, and related factors.					
21		turnaround points, capacity of ous, and related factors.					
23	2.	The District may extend a bus route across another transportation service area, if it is					
24		necessary in order to provide transportation to students in the District's own					
25		transportation service area. A district may not transport students from outside its					
26		transportation service area.					
27		•					
28	3.	No school child attending an elementary school shall be required to ride the school bus					
29		under average road conditions more than one (1) hour without consent of the child's					
30		parent or guardian.					
31		Oshial has driven and an entry of the males recommendations in record to establishing on					
32	4.	School bus drivers are encouraged to make recommendations in regard to establishing or					
33		changing routes.					
34 35	5.	Parents should be referred to the Superintendent for any request of change in routes,					
35 36	Э.	stops, or schedules.					
30 37		stops, or schedules.					
38	The B	oard reserves the right to change, alter, add, or delete any route at any time such changes					
39		emed in the best interest of the District, subject to approval by the county transportation					
40	committee.						
41							
42	Bus S	tops					
43							
44		should stop only at designated places approved by school authorities. Exceptions should					
45	be ma	de only in cases of emergency and inclement weather conditions.					
46							

1 2 3	8110 page 2 of 3
4 5 6	Bus stops shall be chosen with safety in mind. Points shall be selected where motorists approaching from either direction will have a clear view of the bus for a distance of at least three hundred (300) to five hundred (500) feet.
8 9 10	School loading and unloading zones are to be established and marked to provide safe and orderly loading and unloading of students. The principal of each building is responsible for the conduct of students waiting in loading zones.
12	Delay in Schedule
4 5	The driver is to notify the administration of a delay in schedule. The administration will notify parents on routes and radio stations, if necessary.
7	Responsibilities - Students
9 20 21 22	Students must realize that safety is based on group conduct. Talk should be in conversational tones at all times. There should be no shouting or loud talking which may distract the bus driver. There should be no shouting at passersby. Students should instantly obey any command or suggestions from the driver and/or his/her assistants.
4	Responsibilities - Parents
6 7 8	The interest and assistance of each parent is a valued asset to the transportation program. Parents' efforts toward making each bus trip a safe and pleasant experience are requested and appreciated. The following suggestions are only three of the many ways parents can assist:
0 1 2 3	 Ensure that students are at the bus stop in sufficient time to efficiently meet the bus. Properly prepare children for weather conditions. Encourage school bus safety at home. Caution children regarding safe behavior and conduct while riding the school bus.
5	Safety
5 7 3 9	The Superintendent will develop written rules establishing procedures for bus safety and emergency exit drills and for student conduct while riding buses.
	If the bus and driver are present, the driver is responsible for the safety of his/her passengers, particularly for those who must cross a roadway prior to loading or after leaving the bus. Except in emergencies, no bus driver shall order or allow a student to board or disembark at other than his/her assigned stop unless so authorized by the Superintendent. In order to assure the safety of all, the bus driver may hold students accountable for their conduct during the course of transportation and may recommend corrective action against a student. Bus drivers are expressly prohibited from using corporal punishment.
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1			8110
2 3			page 3 of 3
5 6 7		ion of his/her passenger	the warning and stop signaling systems and the s. Failure to use the system constitutes negligence on
8	Inclement Weather		
9			
10	The Board recogniz	zes the unpredictability	and resulting dangers associated with weather in
11	•		ational efficiency, the Superintendent is empowered
12	to make decisions a	is to emergency operation	on of buses, cancellation of bus routes, and closing of
13	-	-	udgment. The Board may develop guidelines in .
14	cooperation with th	e Superintendent to assi	ist the Superintendent in making such decisions.
15			
16			ursement, budgets must have enough funds to cover
17	the costs of any cha	inges to the route.	
18 19	NOTE. The count	utronomatation commit	tee has authority to establish transportation service
20			bhy (demographics) warrant.
20	areas, should cheun	instances and/or geograp	my (demographics) warrant.
22			
23			
24	Legal Reference:	§ 20-10-106, MCA	Determination of mileage distances
25	-	§ 20-10-121, MCA	Duty of trustees to provide transportation – types of
26			transportation – bus riding time limitation
27		§ 20-10-132, MCA	Duties of county transportation committee
28			
2 9	Policy History:		
30	Adopted on: 12/14		
31	Reviewed on: 11/0		
32	Revised on: 10/1	1/05	

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2 3	NONIN	STRUCTIO	ONAL OPERATION	'S	8111			
4 5	<u>Transpo</u>	Transportation of Students With Disabilities						
6 7 8 9	special t	ransportatio	be provided as a relat n in order to benefit fr n placement. Transpo	ed service, when a student with a disability requinon om special education or to have access to an ortation is defined as:	res			
10 11	(a)]	Fravel to and	from school and betw	veen schools;				
12 13 14			around school buildi ructional program;	ngs or to those activities that are a regular part of	the			
15 16 17				cial or adapted buses, lifts, and ramps) if require student with disabilities.	d to			
18 19 20				abled student's Individualized Education Program student with a disability requires this related servi				
21 22	Such rec	ommendatio	ons must be specified of	on the student's IEP. Only those children with as a related service under the provisions of the ID				
23 24	shall be e access to	entitled to sp the District	ecial transportation.	All other children with disabilities in the District on system under policies and procedures applicab	have le to			
25 26	all Distri "least res	ct students. strictive envi	Utilizing the District' ronment."	s regular transportation service shall be viewed a	sa			
27 28 20	Mode of	Transportati	on					
29 30 31 32 33 34 35	Exception subdivision impact but transports	ns may be m ons due to in us schedulin ation contrac	ade in situations when adequate turning space g. In such situations of	es will be the preferred mode of transportation. e buses are prohibited from entering certain ce, or when distance from school may seriously other arrangements, such as an individual ith parents. Such voluntary agreement will stipul	ate			
36 37 38	Cross Rea	ference:	3300P Corrective A	ctions and Punishment				
39 40 41	Legal Ret	ference:	10.16.3820, ARM	Transportation for Special Education Students Disabilities	with			
42 43 44 45	Policy Hi Adopted o Reviewed	on: 12/14/9 l on:						
46	Revised o	on: 03/09/	04, 10/11/05, 11/09/20	010				

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NONINSTRUCTIONAL OPERATIONS

3 4

5 District-Owned Vehicles

6

The District owns and maintains certain vehicles. Included among them are pickups, school
buses, and vans. These are for use by properly authorized personnel of the District for District
business purposes. School Board Trustees are not employees; they are elected officials and
thereby prohibited from utilizing district vehicles.

Any driver who receives a citation for a driving violation while operating a District vehicle shall personally pay all fines levied. All citations received while the driver is a District employee,

- whether operating a District vehicle or not, must be reported and may result in disciplinary action up to and including termination.
- 16
- 17 Bus and Vehicle Maintenance, District
- 18

19 Buses used in the District's transportation program shall be in safe and legal operating condition.

20 All buses shall be inspected by the Department of Justice, Montana Highway Patrol, before the

21 beginning of each semester. The Superintendent will establish a specific list of tasks bus drivers

22 will perform on a daily basis. All other District vehicles shall be maintained following

23 established programs developed by the Superintendent.

24

25

- 26 <u>Policy History:</u>
- 27 Adopted on: 12/14/98
- 28 Reviewed on:
- 29 Revised on: 03/09/04, 06/08/04, 11/09/2010

2

NONINSTRUCTIONAL OPERATIONS

- 3 4
- 5 <u>Mileage</u> 6

One school district vehicle will be for primary use of the Superintendent. If this vehicle is not being used
 for out-of-district travel, staff will be allowed to use it for out-of-district travel.

10 In-District:

11

9

12 In-district mileage will only be paid to employees whose position required regular in-district travel, and

13 only if no school vehicle is available. Employees must maintain documentation including date,

beginning odometer reading, ending odometer reading and purpose of the travel. Positions requiring

- 15 regular in-district travel include:
- 16
- 17 Superintendent
- 18 Director of School Safety
- 19 Home School Coordinators*
- 20 Truant Officer
- 21 Inter-district Mail Clerk
- 22 Security Personnel
- Itinerant Teachers teachers assigned to work both in the elementary or junior high and high school
- 25 *Will use their own vehicle and will be paid mileage.

27 **Out-of-District:**

28

26

School district travel will be primarily through the use of school owned vehicles. If the District does not have a vehicle available, the Lame Deer Schools will pay mileage at the state recommended rate for use of personal vehicles for school district business. All mileage claims must have pre-approval of the Superintendent prior to the trip being taken. Mileage claims for mileage will be based on map miles unless documentation on beginning and ending odometer mileage is provided. When submitting odometer mileage that is substantially different than map miles, the employee must document how the additional mileage was school related.

In incidences when one or more school employee is traveling for school district business, and a district vehicle is available, mileage will not be paid. If a school district vehicle is not available, full mileage will be paid for one vehicle. If more than one vehicle is taken, the state recommended mileage rate will be divided equally among all drivers.

41

All supplies that are needed from Billings will routinely be picked up by the property and supply or
 maintenance departments. Please notify property supply far enough in advance so your supplies
 will arrive when needed.

45

46

47 <u>Policy History:</u>

- 48 Adopted on: 05/14/02
- 49 Reviewed on:
- 50 Revised on: 03/09/04, 11/09/2010

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1	Lame Deer Public	Schools			
2					
3	NONINSTRUCTIONAL OPERATIONS 8123				
4 5 6	Driver Training and Responsibility				
7	Bus drivers shall ob	serve all state statutes a	and administrative rules governing traffic safety	and	
8			each school year, the District will provide each o		
9	with a copy of the D	District's written rules for	or bus drivers and for student conduct on buses.		
10					
11			ana school bus certificate in order for a district to)	
12			's bus routes. Qualifications for bus drivers are	_	
13			board of Public Education in Arm 10.64.201. T		
14			.201 must include certification in CPR, be signed		
15		and be received after ar	n initial in-person training of at least four hours v	vith	
16	annual renewals.				
17 18	A school bus driver	is prohibited from one	rating a school bus while using a cellular phone,		
10		cellular phone devices			
20	0	n emergency situation;	, except.		
21			a mechanical breakdown or other mechanical		
22	problem;				
23	. .	e school bus is parked.			
24		-			
25	A driver may not op	erate a school bus with	out a valid, current certificate.		
26					
27			mber assigned to accompany students on a bus v		
28			students in his or her charge. The bus driver ha		
29		isibility for the bus. In	e Superintendent will establish written procedur	es ior	
30	bus drivers.				
31 32					
32 33					
35 34	Legal Reference:	§ 20-10-103, MCA	School bus driver qualifications		
35	208.	10.7.111, ARM	Bus Drivers		
36			Certification Requirement for		
37			Reimbursement		
38		10.64.201, ARM	School Bus Driver Qualifications		
39 ·		National Highway Tr	raffic Safety Administration		
40					
41	Policy History:	(0.0			
42	Adopted on: 12/14	/98			
43	Reviewed on: Revised on: 09/17	//02, 01/11/06, 11/09/20	010 00/14/16		
44		/02, 01/11/00, 11/09/20	<i>J</i> 10, 0 <i>7</i> /14/10		

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1	Lame Deer Public	Schools			
2					
3	NONINSTRUCTI	ONAL O	OPERATION	S	8124
4					
5	Student Conduct on	<u> Buses</u>			
6					
7	The Superintendent	will esta	ablish written	rules of conduct for students riding school buses.	Such
8	rules will be review	ed annu	ally by the Sup	perintendent and revised if necessary. If rules are	
9	substantially revise	d, they w	vill be submitte	ed to the Board for approval.	
10	-				
11	At the beginning of	each scl	nool year, a co	py of the rules of conduct for students riding buse	s will
12	be provided to stude	ents, and	the classroom	teacher and bus driver will review the rules with	the
13	students. A copy of	f the rule	s will be poste	d in each bus and will be available upon request	at the
14	District office and i	n each b	uilding princip	al's office.	
15					
16	The bus driver is re	sponsible	e for enforcing	the rules and will work closely with a parent and	l
17				havior. Rules shall include consistent consequen	
18	for student misbeha	vior. A	recommendati	on for permanent termination of bus privileges,	
19	accompanied by a v	vritten re	cord of the ind	cident(s) that led to the recommendation, shall be	
20	referred to the Supe	rintende	nt for final det	ermination. The student's parent or guardian may	у
21	appeal a termination	n to the H	Board. No fur	her appeal shall be allowed.	
22				**	
23					
24					
25	Cross Reference:	3310	Student Disc	cipline	
26		8111		on of Students with Disabilities	
27			•		
28	Legal Reference:	§ 20-4	4-302, MCA	Discipline and punishment of pupils – definition	on of
29		0		corporal punishment – penalty – defense	
30		§ 20-:	5-201, MCA	Duties and sanctions	
31		0			
32	Policy History:				
33	Adopted on: 12/14	4/98			
34	Reviewed on: 11/0				
35	Revised on:				

School Bus Emergencies

2

NONINSTRUCTIONAL OPERATIONS

3 4

5 6

7 In the event of an accident or other emergency, the bus driver shall follow the emergency

8 procedures developed by the Superintendent. A copy of the emergency procedures will be

9 located in every bus. To ensure the success of such emergency procedures, every bus driver will

10 conduct an emergency evacuation drill as early as possible within the first six (6) weeks of each

11 school semester. The District will conduct such other drills and procedures as may be necessary.

12

13

- 14
- 15 <u>Policy History:</u>
- 16 Adopted on: 12/14/98
- 17 Reviewed on:
- 18 Revised on: 11/09/2010

1	Lame Deer Public Schools
2	
3	NONINSTRUCTIONAL OPERATIONS 8132
4	
5	Activity Trips
6	
7	The use of school buses is strictly limited to school activities. Buses may not be loaned or leased
8	to non-school groups, unless permission is specifically granted by the Board. Buses will be
9	operated by a qualified bus driver on all activity runs, and only authorized activity participants,
10	professional staff, and chaperones assigned by the administration may ride the bus.
11	
12	A duplicate copy of the passenger list will be made for all activity trips. One (1) copy will
13	remain with the professional staff member in charge on the bus, and one (1) copy will be given
14	to the Secretary before the bus departs.
15	
16	
17	
18	Policy History:
19	Adopted on: 12/14/98
20	Reviewed on: 11/09/2010

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21 Revised on:

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Transportation is requesting this information and support due to safety and other issues:

- 1. Need to be able to get in to OPI Transportation website to keep abreast of meetings and other details. Lacking password.
- 2. Food should not be given to kids when they are leaving school for the day. Food, wrappers and trash are being shoved into corners or into seats.
- 3. During off-campus trips, teachers and AD should remain awake to monitor students under their supervision.
- 4. Athletic Director should provide a list of students traveling for any event. This is a safety issue and if riding home with family or others or not attending; should be checked off of the list by AD and driver should be informed of any changes.
- 5. Athletic Director, principals, teachers and other staff should notify Transportation director when planning to use vehicles or buses at least give 3 to 10 day notice. This eliminates conflict and opens up communication on status of a vehicle or bus. It may be down, need repairs or is unsafe.
- 6. We are requesting a tentative plan from Athletic Director for school activities and events for the school year. This will help with planning and communication.
- 7. When ordering food for students and staff while on trips, it should be fairly accurate and this eliminates waste and over spending of Food Service funds.
- 8. Monthly pictures of odometers will be taken to determine fuel usage and mileage which will help with future needs and budgeting.
- 9. Once bus usage has been completed, we are requesting that an inspection be taken by person requesting usage to see if items are not left on bus and to ensure that bus is in good condition with no trash and/or food left behind.



Lame Deer Public School District No. 6

Rosebud County Lame Deer, Montana June 30, 2018

BUDGETARY COMPARISON SCHEDULE

For the Year Ended June 30, 2018

	GENERA	L FUND
	ORIGINAL	
	AND FINAL	
	BUDGET	ACTUAL
REVENUES		
Taxes	32,809	33,081
Intergovernmental - State	3,674,227	3,661,344
Interest on investments	925	0
Other revenue	300	11,949
Total revenues before reappropriations	3,708,261	3,706,374
Budgeted reappropriations	0	
Total revenues and reappropriations	3,708,261	
EXPENDITURES		
Current:		
Instruction	3,708,261	1,915,648
Supporting services	0	1,540,723
Operations and maintenance	0	184,560
Total expenditures	3,708,261	3,640,931
Excess (deficiency) of revenues over expenditures	0	65,443
Fund balances, beginning (Non-GAAP budgetary basis)		256,807
Fund balances, ending (Non-GAAP budgetary basis)		322,250
Adjustments to generally accepted accounting principles Current year encumbrances included in expenditures		0
Fund balances, ending (GAAP basis)		322,250

NOTES TO BUDGETARY COMPARISON SCHEDULE

For the Year Ended June 30, 2018

1 Budgetary Process

State Law requires that the District adopt budgets for certain funds, generally those supported by property taxes. Budgeted and non-budgeted funds are as follows:

Fund	Budgeted	Non-Budgeted
Governmental Funds		
General	x	
Transportation	x	
Bus Depreciation	x	
School Food Services		x
Tuition	x	
Retirement	x	
Miscellaneous Programs		х
Adult Education	х	
Traffic Education		х
Compensated Absences		Х
Lease Rental		Х
Impact Aid		х
Technology	X	
Flex Fund	x	
interlocal		х
Debt Service	х	
Building		х
Building Reserve	x	
Endowment		x
Fiduciary Funds		
Extracurricular		х
Payroll Clearing		x
Claims Clearing		x



NOTES TO BUDGETARY COMPARISON SCHEDULE - CONTINUED

For the Year Ended June 30, 2018

The District's budget is prepared on the modified accrual basis of accounting, including encumbrances, which results in the accounting for certain transactions to be on a basis other than accounting principles generally accepted in the United States (modified accrual). The District's accounting records are maintained on the basis of cash receipts and disbursements during the year. At year end, certain adjustments are made to the District's accounting records to reflect the basis of accounting described above. Reported budget amounts represent the originally adopted budget. Total fund expenditures may not legally exceed the budgeted expenditures. The budget lapses at the end of each year. The results of operations, on the budget basis of accounting, described above, are presented in the budgetary comparison schedule to provide a meaningful comparison of actual results with the budget.

General fund budgets are based on the State of Montana's Foundation Program, which is based primarily on enrollment. Budgets of other funds are based on expected revenues and expenditures. Budgeted fund expenditures are limited by State Law to budgeted amounts which may be amended for emergencies as defined by State Law. Budget authority may be transferred between expenditure classifications within the same fund.

2 Budgetary policy follows:

- By the second Monday in July, the County Assessor transmits a statement of the assessed valuation and taxable valuation of all property to the County Superintendent of Schools.
- Before the second Monday in August, the County Superintendent estimates revenue by fund and provides this information to the Board of Trustees prior to the final budget meeting.
- On the second Monday in August, the Board of Trustees must meet to legally adopt the final budget. This budget is adopted consistent with the District's basis of accounting, except for encumbrances discussed below.
- Upon adoption of the final budget, expenditures and operating transfers are limited to the total fund budget. Unexpended and unencumbered appropriations lapse at year end. Under State Law and District Policy, management may amend the budget without seeking Board approval as long as the total individual fund budget is not exceeded.
- Individual fund budgets may only be increased with Board approval, in a manner prescribed by State Law (MCA 20-9-161 through MCA 20-9-166).

Encumbrances outstanding at year-end represent the estimated amount of expenditures ultimately to result if unperformed purchase orders or contracts in process at year-end were completed. They do not constitute expenditures or liabilities, and will not until performance is essentially complete. The District has no encumbrances at June 30, 2018.



SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – TEACHERS RETIREMENT SYSTEM OF MONTANA

For the Year Ended June 30, 2018

Determined as of the measurement date

	2018	2017	2016	2015
District's proportion of net pension liability	0.2261%	0.2128%	0.2176%	0.2408%
District's proportionate share of the net pension				
liability associated with the District	3,812,738	3,887,148	3,574,388	3,705,275
State of Montana's proportionate share of the net				
pension liability associated with the District	2,420,362	2,535,613	2,400,054	2,540,253
Total	6,233,100	6,422,761	5,974,442	6,245,528
District's covered payroll	2,982,586	2,761,967	2,776,700	3,036,452
District's proportionate share of the net pension				
liability as a percentage of its covered payroll	127.83%	140.74%	128.73%	122.03%
Plan fiduciary net position as a percentage of the				
total pension liability	70.09%	66.69%	6 9 .30%	70.36%

The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.



SCHEDULE OF CONTRIBUTIONS - TEACHERS RETIREMENT SYSTEM OF MONTANA

For the Year Ended June 30, 2018

Determined as of the reporting date

	2018	2017	2016	2015
Contractually required contributions	261,934	287,236	244,044	238,612
Contributions in relation to the contractually required				· · · · · · · · · · · · · · · · · · ·
contributions	261,934	287,236	244,044	238,612
Contribution deficiency (excess)	0	0	0	0
District's covered payroll	2,882,313	2,982,586	2,761,967	2,776,700
Contributions as a percentage of covered payroll	9.09%	9.63%	8.84%	8.59%

The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.



NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - TEACHERS RETIREMENT SYSTEM OF MONTANA

For the Year Ended June 30, 2018

Changes of Benefit Terms:

The following changes to the plan provision were made as identified:

The 2013 Montana Legislature passed HB 377 which provides additional revenue and created a two-tier benefit structure. A Tier One Member is a person who first became a member before July 1, 2013 and has not withdrawn their member's account balance. A Tier Two Member is a person who first becomes a member on or after July 1, 2013 or after withdrawing their member's account balance, becomes a member again on or after July 1, 2013.

The second-tier benefits structure for members hired on or after July 1, 2013 is summarized below.

- Final Average Compensation: average of earned compensation paid in five consecutive years of full-time service that yields the highest average.
- Service Retirement: Eligible to receive a service retirement benefit if the member has been credited with at least five full years of creditable service and has attained the age of 60; or has been credited with 30 or more years of full-time or part-time creditable service and has attained age 55.
- Early Retirement: Eligible to receive an early retirement allowance if a member is not eligible for service retirement but has at least five years of creditable service and attained age 55.
- Professional Retirement Option: if the member has been credited with 30 or more years of service and has attained the age of 60 they are eligible for an enhanced allowance equal to 1.85% of average final compensation times all service at retirement. Otherwise, the multiplier used to calculate the retirement allowance will be equal to 1.67%.
- Annual Contribution: 8.15% of member's earned compensation.
- Supplemental Contribution Rate: On or after July 1, 2023, the TRS Board may require a supplemental contribution up to 0.5% if the following three conditions are met:
 - o The average funded ratio of the System based on the last three annual actuarial valuations is equal to or less than 80%; and
 - o The period necessary to amortize all liabilities of the System based on the latest annual actuarial valuation is greater than 20 years; and
 - A State or employer contribution rate increase or a flat dollar contribution to the Retirement System Trust fund has been enacted that is equivalent to or greater than the supplemental contribution rate imposed by the TRS Board.
- **Disability Retirement:** A member will not be eligible for a disability retirement if the member is or will eligible for a service retirement on the date of termination.



NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - TEACHERS RETIREMENT SYSTEM OF MONTANA - CONTINUED

For the Year Ended June 30, 2018

- Guaranteed Annual Benefit Adjustment (GABA):
 - If the most recent actuarial valuation shows that Retirement System liabilities are at least 90% funded and the provision of the increase is not projected to cause the System's liabilities to be less than 85% funded, the GABA may increase from the 0.5% floor up to 1.5%, as set by the Board.

HB 377 increased revenue from the members, employers and the State as follows:

- Annual State contribution equal to \$25 million paid to the System in monthly installments.
- One-time contribution payable to the Retirement System by the trustees of a school district maintaining a retirement fund. The one-time contribution to the Retirement System shall be the amount earmarked as an operating reserve in excess of 20% of the adopted retirement fund budget for the fiscal year 2013. The amount received was \$22 million in FY 2014.
- 1% supplemental employer contribution. This will increase the current employer rates:
 - o School districts contributions will increase from 7.47% to 8.47%.
 - o The Montana University System and State agencies will increase from 9.85% to 10.85%.
 - The supplemental employer contribution will increase by 0.1% each fiscal year for fiscal year 2014 thru fiscal year 2024. Fiscal years beginning after June 30, 2024 the total supplemental employer contribution will be equal to 2%.
- Members hired prior to July 1, 2013 (Tier 1) under HB 377 are required to contribute a supplemental contribution equal to an additional 1% of the member's earned compensation.
- Each employer is required to contribute 9.85% of total compensation paid to all re-employed TRS retirees employed in a TRS reportable position to the System.

Changes in actuarial assumptions and other inputs:

To following changes to the actuarial assumptions were adopted in 2016:

• The normal cost method has been updated to align to the calculation of the projected compensation and the total present value of plan benefits so that the normal cost rate reflects the most appropriate allocation of plan cost over future compensation.





NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - TEACHERS RETIREMENT SYSTEM OF MONTANA - CONTINUED

For the Year Ended June 30, 2018

The following changes to the actuarial assumption were adopted in 2015:

- Correctly reflect the proportion of members that are assumed to take a refund of contributions upon termination and appropriately reflect the three-year COLA deferral period for Tier 2 Members.
- The 0.63% load applied to the projected retirement benefits of the university members "to account for larger than average annual compensation increases observed in the years immediately preceding retirement" is not applied to benefits expected to be paid to university members on account of death, disability and termination prior to retirement eligibility.
- The actuarial valuation was updated to reflect the assumed rate of retirement for university members at age 60 is 8.50% as stated in the actuarial valuation report.
- The actuarial valuation was updated to reflect the fact that vested terminations are only covered by the \$500 death benefit for the one year following their termination and, once again when the terminated member commences their deferred retirement annuity (they are not covered during the deferral period). Additionally, only the portion of the terminated members that are assumed to "retain membership in the System" are covered by the \$500 death benefit after termination.

The following changes to the actuarial assumption were adopted in 2014:

- Assumed rate of inflation was reduced from 3.50% to 3.25%.
- Payroll Growth Assumption was reduced from 4.50% to 4.00%
- Assumed real wage growth was reduced from 1.00 % to 0.75%
- Investment return assumption was changed from net investment and administrative expenses to net of investment expenses only.
- Mortality among contributing members, service retired members, and beneficiaries was updated to the following:
 - For Males: RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back four years, with mortality improvements projected by Scale BB to 2018.
 - For Females: RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back two years, with mortality improvements projected by Scale BB to 2018.
- Mortality among disabled members was updated to the following:
 - o For Males: RP 2000 Disabled Mortality Table for Males, set forward one year, with mortality improvements projected by Scale BB to 2018.
 - For Females: RP 2000 Disabled Mortality Table for Females, set forward five years, with mortality improvements projected by Scale BB to 2018.



NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – TEACHERS RETIREMENT SYSTEM OF MONTANA – CONTINUED For the Year Ended June 30, 2018

Method and assumptions used in calculations of actuarially determined contributions:

Actuarial cost method	Entry Age
Amortization method	Level percentage of pay, open
Remaining amortization period	22 years
Asset valuation method	4-year smoothed market
Inflation	3.25%
Salary increase	4.00% to 8.51%, including inflation for non-university members and 5.00%
	for university members;
Investment rate of return	7.75%, net of pension plan investment expense, and including inflation



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SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - MONTANA PUBLIC EMPLOYEES RETIREMENT SYSTEM

For the Year Ended June 30, 2018

Determined as of the measurement date

	2018	2017	2016	2015
District's proportion of net pension liability				
(percentage)	0.1106%	0.0934%	0.0862%	0.0948%
District's proportionate share of the net pension				
liability (amount)	2,153,513	1,591,491	1,204,355	1,181,186
State of Montana's proportionate share of the net				
pension liability associated with the District (amount)	100,099	74,379	56,592	55,216
Total	2,253,612	1,665,870	1,260,947	1,236,402
District's covered payroll	1,417,582	1,156,938	1,039,567	1,110,251
District's proportionate share of the net pension				
liability as a percentage of its covered payroll	151.91%	137.56%	115.85%	106.39%
Plan fiduciary net position as a percentage of the total				
pension liability	73.75%	74.71%	78.40%	79.87%

The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.



SCHEDULE OF CONTRIBUTIONS - MONTANA PUBLIC EMPLOYEES RETIREMENT SYSTEM

For the Year Ended June 30, 2018

Determined as of the reporting date

	2018	2017	2016	2015
Contractually required contributions	140,003	114,808	93,546	82,854
Contributions in relation to the contractually required				
contributions	140,003	114,808	93,546	82,854
Contribution deficiency (excess)	0	0	0	0
District's covered payroll	1,640,117	1,417,582	1,156,938	1,039,567
Contributions as a percentage of covered payroll	8.54%	8.10%	8.09%	7.97%

The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.



NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - MONTANA PUBLIC EMPLOYEES RETIREMENT SYSTEM

For the Year Ended June 30, 2018

Changes of Benefit Terms:

The following changes to the plan provision were made as identified:

2015 Legislative Changes:

General Revisions – House Bill 101, effective January 1, 2016

Second Retirement Benefit - for PERS

- Applies to PERS members who return to active service on or after January 1, 2016. Members who retire before January 1, 2016, return to PERS-covered employment, and accumulate less than 2 years of service credit before retiring again:
 - o Refund of member's contributions from second employment plus regular interest (currently 0.25%);
 - o No service credit for second employment;
 - o Start same benefit amount the month following termination; and
 - o GABA starts again in the January immediately following second retirement.
- For members who retire before January 1, 2016, return to PERS-covered employment and accumulate two or more years of service credit before retiring again:
 - o Member receives a recalculated retirement benefit based on laws in effect at second retirement; and,
 - o GABA starts the January after receiving recalculated benefit for 12 months.
- For members who retire on or after January 1, 2016, return to PERS-covered employment and accumulate less than 5 years of service credit before retiring again:
 - o Refund of member's contributions from second employment plus regular interest (currently 0.25%);
 - o No service credit for second employment;
 - o Start same benefit amount the month following termination; and
 - o GABA starts again the January immediately following second retirement.
- For members who retire on or after January 1, 2016, return to PERS-covered employment and accumulate five or more years of service credit before retiring again:
 - o member receives same retirement benefit as prior to return to service;
 - o member receives second retirement benefit for second period of service based on laws in effect at second retirement;
 - o GABA starts on both benefits in January after member receives original and new benefit for 12 months.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – MONTANA PUBLIC EMPLOYEES RETIREMENT SYSTEM - CONTINUED For the Year Ended June 30, 2018

Revise DC Funding Laws - House Bill 107, effective July 1, 2015

Employer Contributions and Defined Contribution Plan – for PERS and MUS-RP

The PCR was paid off effective March 2016 and the contributions of 2.37%, 0.47% and the 1.0% increase previously directed to PCR are now directed to the Defined Contribution or MUS-RP member's account.

2017 Legislative Changes:

General Revisions - House Bill 101, effective July 1, 2017.

Working Retiree Limitations – for PERS

If PERS retiree returns as an independent contractor to what would otherwise be PERS-covered employment, general contractor overhead costs are excluded from PERS working retiree limitations.

Terminating Employers – Recovery of actuary cost – for PERS

Employers who terminate participation in PERS must pay the actuarial liability associated with that termination. Starting July 1, 2017, the terminating employer must also pay for the cost of the actuarial study used to determine the liability.

Refunds

- 1) Terminating members eligible to retire may, in lieu of receiving a monthly retirement benefit, refund their accumulated contributions in a lump sum.
- 2) Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.
- 3) Trust, estates, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment.

Family Law Orders

If a Family Law Order (FLO) is silent regarding the apportionment of post-retirement benefit adjustments such as the Guaranteed Annual Benefit Adjustment (GABA), The FLO is presumed to require apportionment of the post-retirement benefit adjustment in the same percentage as the monthly retirement benefit is apportioned.



NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - MONTANA PUBLIC EMPLOYEES RETIREMENT SYSTEM - CONTINUED

For the Year Ended June 30, 2018

Disabled PERS Defined Contribution (DC) Members

PERS members hired after July 1, 2011 have a normal retirement age of 65. PERS DC members hired after July 1, 2011 who became disabled were previously only eligible for a disability benefit until age 65. Effective July 1, 2017, these individuals will be eligible for a disability benefit until they reach 70, thus ensuring the same 5-year time period available to PERS DC disabled members hired prior to July 1, 2011 who have a normal retirement age of 60 and are eligible for a disability benefit until age 65.

PERS Statutory Appropriation – House Bill 648, Effective July 1, 2017

Revenue from coal severance taxes and interest income from the coal severance tax permanent fund previously statutorily-appropriate to the PERS defined benefit trust fund will be replaced with the following statutory appropriations:

- 1) FY 2018 \$31.386 million
- 2) FY 2019 \$31.958 million
- 3) Beginning July 1, 2019 through at least June 30, 2025, 101% of the contribution from the previous year from the general fund to the PERS defined benefit trust fund, as follows:
 - a. FY 2020 \$32.277 million
 - b. FY 2021 \$32.600 million
 - c. FY 2022 \$32.926 million
 - d. FY 2023 \$33.255 million
 - e. FY 2024 \$33.588 million
 - f. FY 2025 \$33.924 million



NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – MONTANA PUBLIC EMPLOYEES RETIREMENT SYSTEM - CONTINUED For the Year Ended June 30, 2018

Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculation of actuarial determined contributions

The following actuarial assumptions were adopted from the June 30, 2017 actuarial valuation:

General wage growth*	3.50%
Investment rate of return*	7.65%
*Includes inflation at	2.75%
Merit salary increases	0.00% to 6.30%
Asset valuation method	4-year smoothed market
Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, open
Mortality (Healthy members)	For males and females: RB 2000 Combined
	Employee and Annuitant Mortality table projected
	to 2020 using scale BB, males set back 1 year.
Mortality (Disabled members)	For males and females: RP 2000 Combined
	Mortality table
Admin expense as % of payroll	0.26%

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year's actual administrative expenses.





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SUPPLEMENTAL INFORMATION

Lame Deer Public School District No. 6

Rosebud County Lame Deer, Montana June 30, 2018

COMBINING BALANCE SHEET – GENERAL FUND

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June 30, 2018

General FundImpact Aid ElementaryImpact Aid High SchoolASSETS Cash and cash equivalents Taxes receivable, net322,2502,952,2225,587,174	Total General Fund
Cash and cash equivalents 322,250 2,952,222 5,587,174	
Taxes receivable, net 1.692 0 0	8,861,646
	1,692
Due from other funds 0 206,119 0	206,119
Total assets 323,942 3,158,341 5,587,174	9,069,457
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable 0 2 253	255
Total liabilities02253	255
DEFERRED INFLOW OF RESOURCES	
Deferred inflow:	
Unavailable tax revenue1,69200	1,692
Total deferred inflow of resources1,69200	1,692
Fund balances:	
Unassigned 322,250 3,158,339 5,586,921	9,067,510
Total fund balances 322,250 3,158,339 5,586,921	9,067,510
Total liabilities, deferred inflow of resources and	
fund balances 323,942 3,158,341 5,587,174	9,069,457



COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – GENERAL FUND

For the Year Ended June 30, 2018

EXPENDITURESCurrent:1,915,648495,869270,1702,681,687Instruction1,915,648495,869298,4332,411,845Supporting services1,540,723572,689298,4332,411,845Operations and maintenance184,560395,818362,086942,464Student transportation0214,44351,844266,287Community services046,06319,01765,080Food services0154,4902,412156,902Extracurricular044,934167,429212,363					
Property taxes for general purposes 33,081 0 0 33,081 Intergovernmental: 3,661,344 0 0 3,661,344 State 3,661,344 0 0 3,661,344 Federal 0 2,924,990 3,098,693 6,023,683 Interest on investments 0 42,653 76,190 118,843 Other 11,949 16,976 8,747 37,672 Total revenues 3,706,374 2,984,619 3,183,630 9,874,623 EXPENDITURES 1,915,648 495,869 270,170 2,681,687 Supporting services 1,540,723 572,689 298,433 2,411,845 Operations and maintenance 184,560 395,818 362,086 942,464 Student transportation 0 214,443 51,844 266,287 Community services 0 46,063 19,017 65,080 Food services 0 154,490 2,412 156,902 Extracurricular 0 44,934			•	•	General
Intergovernmental: 3,661,344 0 0 3,661,344 Federal 0 2,924,990 3,098,693 6,023,683 Interest on investments 0 42,653 76,190 118,843 Other 11,949 16,976 8,747 37,672 Total revenues 3,706,374 2,984,619 3,183,630 9,874,623 EXPENDITURES 3,706,374 2,984,619 3,183,630 9,874,623 Current: 1,915,648 495,869 270,170 2,681,687 Supporting services 1,540,723 572,689 298,433 2,411,845 Operations and maintenance 184,560 395,818 362,086 942,464 Student transportation 0 214,443 51,844 266,287 Community services 0 46,063 19,017 65,080 Food services 0 154,490 2,412 156,902 Extracurricular 0 44,934 167,429 212,363	REVENUES				
State 3,661,344 0 0 3,661,344 Federal 0 2,924,990 3,098,693 6,023,683 Interest on investments 0 42,653 76,190 118,843 Other 11,949 16,976 8,747 37,672 Total revenues 3,706,374 2,984,619 3,183,630 9,874,623 EXPENDITURES 2 2 2 2 2 2 2 2 2 2 2 3,183,630 9,874,623 EXPENDITURES 3 3 3,183,630 9,874,623 2 2 9,874,623 Current: 1,915,648 495,869 270,170 2,681,687 Supporting services 1,540,723 572,689 298,433 2,411,845 Operations and maintenance 184,560 395,818 362,086 942,464 Student transportation 0 214,443 51,844 266,287 Community services 0 46,063 19,017 65,080 Food services 0 154,490 2,412 156,902 Extracurricul	Property taxes for general purposes	33,081	0	0	33,081
Federal02,924,9903,098,6936,023,683Interest on investments042,65376,190118,843Other11,94916,9768,74737,672Total revenues3,706,3742,984,6193,183,6309,874,623EXPENDITURESCurrent:1,915,648495,869270,1702,681,687Supporting services1,540,723572,689298,4332,411,845Operations and maintenance184,560395,818362,086942,464Student transportation0214,44351,844266,287Community services046,06319,01765,080Food services0154,4902,412156,902Extracurricular044,934167,429212,363	Intergovernmental:				
Interest on investments 0 42,653 76,190 118,843 Other 11,949 16,976 8,747 37,672 Total revenues 3,706,374 2,984,619 3,183,630 9,874,623 EXPENDITURES Current: 1,915,648 495,869 270,170 2,681,687 Supporting services 1,540,723 572,689 298,433 2,411,845 Operations and maintenance 184,560 395,818 362,086 942,464 Student transportation 0 214,443 51,844 266,287 Community services 0 46,063 19,017 65,080 Food services 0 154,490 2,412 156,902 Extracurricular 0 44,934 167,429 212,363	State	3,661,344	0	0	3,661,344
Other 11,949 16,976 8,747 37,672 Total revenues 3,706,374 2,984,619 3,183,630 9,874,623 EXPENDITURES 2 2 2 2 2 2 2 2 2 3	Federal	0	2,924,990	3,098,693	6,023,683
Total revenues3,706,3742,984,6193,183,6309,874,623EXPENDITURESCurrent:Instruction1,915,648495,869270,1702,681,687Supporting services1,540,723572,689298,4332,411,845Operations and maintenance184,560395,818362,086942,464Student transportation0214,44351,844266,287Community services046,06319,01765,080Food services0154,4902,412156,902Extracurricular044,934167,429212,363	Interest on investments	0	42,653	76,190	118,843
EXPENDITURES Current: Instruction 1,915,648 495,869 270,170 2,681,687 Supporting services 1,540,723 572,689 298,433 2,411,845 Operations and maintenance 184,560 395,818 362,086 942,464 Student transportation 0 214,443 51,844 266,287 Community services 0 46,063 19,017 65,080 Food services 0 154,490 2,412 156,902 Extracurricular 0 44,934 167,429 212,363	Other	11,949	16,976	8,747	37,672
Current:Instruction1,915,648495,869270,1702,681,687Supporting services1,540,723572,689298,4332,411,845Operations and maintenance184,560395,818362,086942,464Student transportation0214,44351,844266,287Community services046,06319,01765,080Food services0154,4902,412156,902Extracurricular044,934167,429212,363	Total revenues	3,706,374	2,984,619	3,183,630	9,874,623
Instruction1,915,648495,869270,1702,681,687Supporting services1,540,723572,689298,4332,411,845Operations and maintenance184,560395,818362,086942,464Student transportation0214,44351,844266,287Community services046,06319,01765,080Food services0154,4902,412156,902Extracurricular044,934167,429212,363	EXPENDITURES				
Supporting services1,540,723572,689298,4332,411,845Operations and maintenance184,560395,818362,086942,464Student transportation0214,44351,844266,287Community services046,06319,01765,080Food services0154,4902,412156,902Extracurricular044,934167,429212,363	Current:				
Operations and maintenance184,560395,818362,086942,464Student transportation0214,44351,844266,287Community services046,06319,01765,080Food services0154,4902,412156,902Extracurricular044,934167,429212,363	Instruction	1,915,648	495,869	270,170	2,681,687
Student transportation0214,44351,844266,287Community services046,06319,01765,080Food services0154,4902,412156,902Extracurricular044,934167,429212,363	Supporting services	1,540,723	572,689	298,433	2,411,845
Community services046,06319,01765,080Food services0154,4902,412156,902Extracurricular044,934167,429212,363	Operations and maintenance	184,560	395,818	362,086	942,464
Food services0154,4902,412156,902Extracurricular044,934167,429212,363	Student transportation	0	214,443	51,844	266,287
Extracurricular044,934167,429212,363	Community services	0	46,063	19,017	65,080
	Food services	0	154,490	2,412	156,902
Capital outlay 0 193,760 38.691 232.451	Extracurricular	0	44,934	167,429	212,363
	Capital outlay	0	193,760	38,691	232,451
Total expenditures 3,640,931 2,118,066 1,210,082 6,969,079	Total expenditures	3,640,931	2,118,066	1,210,082	6,969,079
Excess (deficiency) of revenues over expenditures 65,443 866,553 1,973,548 2,905,544	Excess (deficiency) of revenues over expenditures	65,443	866,553	1,973,548	2,905,544
Fund balances - beginning 256,807 2,291,786 3,613,373 6,161,966	Fund balances - beginning	256,807	2,291,786		
Fund balances - ending 322,250 3,158,339 5,586,921 9,067,510	Fund balances - ending	322,250			



SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
Department of Agriculture Programs:			
Child Nutrition Cluster:			
Cash Assistance:			
School Breakfast Program	10.553		100,700
National School Lunch Program	10.555		230,250
Summer Food Service Program	10.559		21,178
Non-Cash Assistance:			
National School Lunch Program - Commodities	10.555		27,743
Total Child Nutrition Cluster			379,871
Fresh Fruit and Vegetable Program	10.582		9,584
Total Department of Agriculture Programs			389,455



SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

For the Year Ended June 30, 2018

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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
Department of Education Programs:			
Impact Aid	84.041		3,187,712
Indian Education - Grants to Local Educational Agencies	84.060		117,976
Passed through Montana Office of Public Instruction:			
Title IV-B 21st Century Community Learning Centers	84.287	044 0792 17 18	51,600
Special Education Cluster (IDEA):			
Preschool Grants (IDEA Preschool)	84.173	044 0792 79 18	8,069
Grants to States (IDEA, Part B)	84.027	044 0792 77 18	187,983
Total Special Education Cluster			196,052
Title I, Part A, Schoolwide Programs	84.010	044 0792 32 17	82,405
Title I, Part A, Schoolwide Programs	84.010	044 1230 32 17	29,037
Title I, Part A, Schoolwide Programs	84.010	044 0792 32 18	399,931
Title I, Part A, Schoolwide Programs	84.010	044 1230 32 18	103,185
Title I, Part A, Improving Basic Programs (St Labre)	84.010	044 1230 31 17	9,645
Title I, Part A, Improving Basic Programs (St Labre)	84.010	044 1230 31 18	29,899
Title I, School Support	84.010	044 0792 33 18	48,391
Title I, School Support	84.010	044 1230 33 18	16,066
			718,559
Vocational Education - Basic Grants to States	84.048	044 1230 81 18	35,509
Title II, Part A, Teacher and Principal Training and Recruiting	84.367	044 1230 14 18	14,881
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334		65,613
Total Department of Education Programs			4,387,902
Total Expenditures of Federal Awards			4,777,357

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2018

Note A Basis of Accounting

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Lame Deer Public School District No. 6 and is presented on the modified accrual basis of accounting including encumbrances. The information in this schedule is presented in accordance with the requirements of Title 2 U.S Code of Federal Regulation (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule differ from amounts presented in or used in the preparation of the financial statements.

Note B Nonmonetary Transactions

The District received \$27,743 in USDA Commodities during the 2017-2018 fiscal year. The commodities received are valued at the average wholesale price as determined by the distributing agency. All commodities received by the District were treated as an expense of the fund receiving the commodities.

Note C Indirect Cost Rate

The District had elected not to use the 10 percent de minimis indirect cost rate allowed under Uniform Guidance.

Note D Subrecipients

The District passed through \$39,544 in Title I Part A, CFDA #84.010, funds to subrecipients.



EXTRACURRICULAR FUND - SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN NET POSITION

For the Year Ended June 30, 2018

Student Activity	Net Position July 1, 2017	Disbursements	Receipts	Net Position June 30, 2018
Class of 2014	(2,618)	0	0	(2,618)
Class of 2015	1,631	0	0	1,631
Class of 2016	1,120	0	0	1,120
Class of 2017	5,526	0	0	5,526
Class of 2018	858	7,285	7,942	1,515
Class of 2019	3,335	2,349	2,630	3,616
Class of 2020	1,162	0	587	1,749
Class of 2021	743	303	458	898
Class of 2022	823	0	327	1,150
Class of 2023	0	322	2,462	2,140
Adventure Club	84	0	0	84
English/Communication Club	473	0	0	473
FCCLA	40	0	0	40
HS Athletics	25,144	7,310	8,674	26,508
HS Cheerleading	808	0	0	808
HS Computer Business	2,440	0	0	2,440
HS Concessions	13,841	12,058	14,071	15,854
HS FFA	9,387	0	850	10,237
HS Football	0	0	1,130	1,130
HS General Fund	2,350	0	0	2,350
HS Girls Basketball	31,333	8,043	8,674	31,964
HS Girls Volleyball	1,236	0	816	2,052
HS Golf Club	616	0	0	616
HS/JH Band	90	0	0	90
HS/JH Incentives	625	0	0	625
HS Library	1,006	0	0	1,006
HS Morning Star Store Acct	1,113	0	0	1,113
HS Special Education	434	0	0	434
HS Student Council	2,592	0	177	2,769
HS Welding	0	0	552	552
HS Yearbook	1,152	0	37	1,189
Subtotal	107,344	37,670	49,387	119,061

See independent auditor's report.



EXTRACURRICULAR FUND - SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN NET POSITION - CONTINUED

For the Year Ended June 30, 2018

• - - • • · ·

Student Activity	Net Position July 1, 2017	Disbursements	Receipts	Net Position June 30, 2018
Balance from previous page	107,344	37,670	49,387	119,061
JMG Leadership	1,171	0	0	1,171
1st Grade	232	0	0	232
2nd Grade	(63)	0	0	(63)
3rd Grade	534	0	0	534
4th Grade	133	0	241	374
5th Grade	771	0	0	771
6th Grade	1,080	0	0	1,080
AISES Club	4,957	1,907	195	3,245
Cafeteria	125	0	0	125
Elementary General	1,061	0	767	1,828
Elementary Library	1,418	0	0	1,418
Elementary Special Education	328	0	0	328
JH Boys Basketball	578	0	1,380	1,958
JH Boys Football	2,544	0	864	3,408
JH Cheerleading	317	0	0	317
JH Concessions	12,565	12,032	7,996	8,529
JH Cultural Club	93	0	0	93
JH Girls Basketball	3,588	698	1,395	4,285
JH Giris Volleyball	347	0	723	1,070
JH Student Council	139	0	0	139
JH Yearbook	1,177	0	0	1,177
Kindergarten	5	0	0	5
Lame Deer Morning Star Math Club	2,089	0	559	2,648
Music/Art	11,217	0	7,500	18,717
Native American Club	1,879	0	674	2,553
Outdoor Club	596	527	991	1,060
Parent Center	1,187	0	56	1,243
Pre School	22	0	0	22
Science Fair	35	0	0	35
Student Incentive	612	0	0	612
•	158,081	52,834	72,728	177,975
:				

See independent auditor's report.

SCHEDULE OF REPORTED ENROLLMENT

For the Year Ended June 30, 2018

	Fall		Spring	
Grade	Enrollment Per FR-4	Enrollment Per District Record	Enrollment Per FR-4	Enrollment Per District Record
K-6	309	309	326	326
7-8	93	93	96	96
9-12	153	153	142	142
Totals	555	555	564	564

See independent auditor's report.





ANDERSON ZURMUEHLEN & CO., P.C. • CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS MEMBER: AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Lame Deer Public School District No. 6 Rosebud District Lame Deer, Montana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lame Deer Public School District No. 6 (the District), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 29, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit; accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Anderson Zen Muchlen + Co, P.C.

Billings, Montana March 29, 2019



INDEPENDENT AUDITOR'S REPORT COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Lame Deer Public School District No. 6 Rosebud District Lame Deer, Montana

Report on Compliance for Each Major Federal Program

We have audited Lame Deer Public School District No. 6's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2018. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part* 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Anderson Zen Muchlen + Co, P.C.

Billings, Montana March 29, 2019

LAME DEER PUBLIC SCHOOL DISTRICT NO. 6 CURRENT STATUS OF PRIOR YEAR FINDINGS Year Ended June 30, 2018

Section I – Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: Internal control over financial reporting:	Unmodified
Material weakness identified?	No
Significant deficiency identified that are not considered to be material weaknesses? Noncompliance material to financial statements noted?	None reported No
Federal Awards	
Internal control over major programs: Material weakness identified?	Na
Significant deficiency identified that are not considered to be material weaknesses?	No None reported
Type of auditor's report issued on compliance over major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CRF section 200.516(a)	No
Identification of major programs:	
Impact Aid Cluster	84.041
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No
Section II – Financial Statement Findings:	

The audit report for the year ended June 30, 2018, reported no findings.

<u>Section III – Federal Award Findings and Questioned Costs:</u> The audit disclosed no findings, which were required to be reported under the provisions of the Uniform Guidance.

LAME DEER PUBLIC SCHOOL DISTRICT NO. 6 CURRENT STATUS OF PRIOR YEAR FINDINGS Year Ended June 30, 2018

#2017-001 Review and approval of payroll timecards and allocation of time: Implemented

#2017-002 Cybersecurity Policy: Implemented

LAME DEER PUBLIC SCHOOL TRANSPORTATION

BUS ON HAND

x1. Bus (wheel chair assessable) 29-39 ml cap 54 2000 vin 1GBL7T1CXYJ515665
2. Charter 29-134 blue bird ml 140616.6 cap 60 2009 vin FA3RE1081203135527
x3. Bus 29-57 blue bird ml 1213309.4 cap 84 2009 vin 1BABNCPH39F266672
X4. Bus 29-9952B Thomas ml 8179.2 cap 87 2019 vin 4DRBUC8N5GB271371
X5. Bus 29-3914 blue bird ml cap 71 2016 vin 4DRBU8P5GB734482
*6.Bus 29- 193 blue bird ml cap 84 2009 vin 1BABNCPH39F266673
7. Bus 29-101 blue bird ml 153280.0 cap 72 2009 vin 1BAKGCKA3AF268884
X8. Bus 29-3966 blue bird ml 78320 cap 84 2015 vin 4DRBUC8N6GB271371
9. Bus 29-121 blue bird ml 212818.2 cap 84 2003 vin 1BAANCPA03F206999
10. Bus 29-128 blue bird ml 2731103.7 cap 78 2002 vin 1BABNBA12F206376
11. Bus 29-277(wheel chair assessable) blue bird ml 183874 mini bus 2001
cap 14 vin 1GBJG31F8Y1238821

 *12. Bus 29-111 blue bird ml
 cap 78 2003 vin 1BABNCPA09F262874

 *13. Bus 29-306 blue bird ml
 cap 72 2000 vin 1BAAHCPH3YF093514

X Are primary bus use

*bus that are out of service for now



Prepared For:

LAME DEER PUBLIC SCHOOLS BOX 96 LAME DEER, MT 59043 remodeue noficiono

> Prepared By : Nick Clawson I State Truck Center 4600 S. Frontage rd Billings, MT 59101 406-252-5121/ F:406-252-5910

> > Customer Order No: LD 83EFX

Quote Number: 364662

Model Profile: MVP-EF 1418S

Product Type: School Transportation Year: 2021 Chassis Model: CHS8 Chassis MFG: THOS GVWR: GVWR Passenger Capacity: 83 Headroom: 78 231 Wheelbase: Brake Type: AIR CUMMINS B6.7 260 DIESEL, 6 Cyl, 260 HP, 2600 RPM Engine Type: Fuel Type: DIESEL Fuel Tank Capacity: 100 AUTOMATIC Transmission Type: 13200-lb Capacity Axle, Front: 23000-lb Capacity Axle, Rear: MICHELIN 11R22.5 16(H) PLY XZE2 Tires, Front: MICHELIN 11R22.5 16(H) PLY XDN2 Tires, Rear: Suspension Front: Taperleaf Airliner Suspension Rear :

Quote Date:

8/12/2020

Total for 1 complete unit(s): Delivery Cost: \$ 117,484.00 Pickup Included

\$ 117,484.00

\$[COST]

Pickup Included

Includes the Following Equipment:

DEALER ADD On's EQUIPMENT

1 Cam sys

- 1 RF Comm radio
- 1 on spot chains

Meets all FMVSS requirements in effect at the time of manufacture.

Total for 1 complete unit(s): Delivery Cost:

Additional options you may want to consider: [ADDITIONAL EQUIPMENT]

Terms and Conditions: Quote Expires:

9/12/2020

Customer Signature:

Dealer Signature:

luc un

1

Date:

8/12/2020 Date:

AttachedDetall

- [B342200001] SIDE DIRECTIONAL-LED AMBER TURN, CENTER FRONT WHEEL
 - 1 [B339503000] LAMPS-LICENSE PLATE ILLUMINATION LED ONE (1)
 - 1 [B339401000] FAMPS-4" BACKUP LED
 - B336002000] LAMPS-STOP/TAIL/DIRECTIONAL AMBER/REVERSE LED
 - I [B333113000] 7" LED FRONT DIRECTIONAL LIGHTS EFX
 - I [B329100000] HOODED STEP LIGHT
 - I [B329018000] STEP LIGHT SWITCH (MARKER LIGHTS ON) EFX
 - 1 [B329001002] ENTRANCE DOOR LIGHT HOODED
 - I [B325000000] DOME LIGHT SWITCH
 - I [B323006000] DRIVER'S DOME LIGHT
 - I [B320202141] STANDARD DOME LAMPS MVP-EF
 - (OWT) STHEIJ EMOD JANOITIDDA [00010005E8]
 - [B319007141] LED LIGHT MONITOR 16 LIGHT SYSTEM
 - E303000001] SWITCH BANK 1, 1 THRU 5
 - 1 [B293548000] SIGN-STOP, ELECTRIC LED REAR SE1-7971
 - 1 [B293046000] SIGN-STOP, ELECTRIC LED FRONT SE1-7970
 - RECEIVED STORED IN THE REPORT OF A COSSON OF A COSSON
 - B283614300] EFX OPEN VIEW ES HEATED REAR VIEW MIRORS
 - B260405001] RADIO AM/FM DEA510 DELPHI, TRAUSIT W/PAGE
 - I (B260305008) PREMIUM SPEAKERS EIGHT (8)
- EBS59208000 CELLULAR PHONE POWER OUTLET REAR END WALL OF SWITCH CABINET
 - X13 (M3T6Y2 SAMOZ 200 [0000116258] 1
 - (TISNAAT) OUTSIDE SPEAKER HORN CHASSIS-MOUNTED (TRANSIT)
 - 1 [B241021000] ACRYLIC VISOR LEFT SIDE EFX
 - [B231020000] MIRROR INTERIOR 6" X 30" BACK UP CAMERA
 - 1 [B231015000] BACKING ALARM HEAVY DUTY 112DB
 - 1 [B230006000] AIR HORN UNDERFLOOR
 - [B216019000] TWO(2)DEFROSTER FANS MOUNTED OVER CENTER WINDSHIELD
 - (B214501000) SEAT BELT CUTTER TIE TECH
 - I (B209007000) REFLECTORIZED TRIANGLES (3)-REAR OF ENTRANCE DOOR STEPWELL
 - [B2060MT000] KIT BODY FLUID CLEAU-UP, COMPLIES WITH MONTANA STATE SPEC
 - [B2050MT000] KIT FIRST AID, 24 UNIT, COMPLIES W/MONTANA STATE SPECS
 - B202001000] FIRE EXTINGUISHER 5 LB.
 - B500000000] CHILD REMINDER NONE
- 1 [B183011000] THERMOPANE CLEAR TEMPERED OUTWARD OPENING ENT DR, UPPER/LOWER
 - 1 [B175100000] STORM GLASS (TEMPERED)-LEFT SIDE
 - 1 [B173100000] STORM GLASS (TEMPERED)-RIGHT SIDE
 - I [B170008000] STORM GLASS (TEMP)-DRIVER'S WINDOW, BLACK FINISH WIND FRAME
 - 3 [B164411000] TINTED TEMPERED PUSHOUT-RIGHT SIDE, VERTICAL HINGE
 - 3 [B164410000] TINTED TEMPERED PUSHOUT-LEFT SIDE, VERTICAL HINGE
 - - 1 [B162014000] TINTED WINDSHIELD W/5" BAND EFX
 - 1 (B161106141) TINTED TEMPERED GLASS COMPLETE EFX
 - I [B158006141] MARINE GRADE PLYWOOD FLOOR
 - (B157154200) VESTIBULE FLOOR COVERING GRAY MARBLE, CENTER EFX
 - I [B153520141] DARK GRAY VINYL FLOOR WITH 13" CENTER AISLE
 - 1 [B152700000] SEALING FLOOR COVERING
 - 1 [B152100000] TUFF COAT FRONT BUMPER
 - I [B151163000] STEPWELL GUARD EFX
 - 1 [B150800000] SEALING-ENTRANCE DOOR STEP TREADS
 - 1 [B150633032] GRAY KOROSEAL STEP TREADS OUTWARD OPENING ENT DOOR EFX
 - 20 [B1426000000] FELLEBING 6" HIGH
 - 1 [B147600141] YELLOW REFLEXITE 2", FLOOR LINE BOTH SIDES OF BUS BODY
 - 1 [B147515000] YELLOW REFLEXITE РЕКІМЕТЕR OF REAR EMERGENCY DOOR
 - 6 (HSA2 HOIH "8.82) HEAS TUOHEUF OF PUSHIFTER OF PUSHOUT SASH (28.5" HIGH SASH)
 - I [B147504000] YELLOW "SCHOOL BUS" SIGN REAR HOOD
 - E [B147503300] YELLOW "SCHOOL BUS" SIGN FRONT HOOD EFX
 - (147502100) YELLOW REFLEXITE 2", PERIMETER OF REAR BUS BODY
 - - 8145005000] BATTERY BOX LETTERING
 - [8144200000] LABEL DIESEL EXHAUST FLUID (DEF) ENGLISH
 - [B144032000] LABEL-APPROVED FUEL INSTRUCTIONS
 - I [B144020000] DECAL-"DIESEL FUEL ONLY"
 - 1 [B134000000] RED HANDLE EMERGENCY DOOR(S)
 - 1 [B132401000] PAINT STANDARD SASH FLAT BLACK
 - 1 [AS00100000] PDI IDENTIFIER-DEALER PERFORMED
 - 1 [A000000172] 2019 CUMMINS ENGINE TARIFF
 - 1 [A00000008] DECAL-UNITED AUTO WORKERS

Optional Equipment - Body:

- ("8.85) 9MOD-88AJB 9MBT TNIT [2001070078] 8L
- [B660010121] PROFORM EDO BLUE UPHOLSTERY-45"HIGH RECESSED BARRIER
 - [B640239000] 39"8DEG BARR-REV. WALL-MT 45"H 2009
 - 0002 27 H"24 TM JJAW, TABV-AAAA "05 [0020510408]
 - [B621008000] ASSIST RAIL R/S YELLOW EFX
- [B620039090] KICK PLATE/MODESTY PANEL-39"VERT, WALL-MTD BARRIER, RT SIDE
- - AAL NOTTU8 HEU9/REQUOURS RIE-TIER [200000138]
 - 100H02 NOITA01J994 [1000066638]
 - A93 6102 X73-TNEMTOULDA YOOB [0006466688]
 - TNAMTRULDA YOOB XA3 [XA3646688]
 - A93 0102 73-9VM-TN3MT8UL0A Y0O8 [0008556983] **GRAGNATS - XOB YRATTAB [000E3006283]** 1
 - (B599000002] BATTERY HOLD DOWN BRACKET STANDARD 3 BATTERY
 - - [B596015002] LUGGAGE COMPARTMENT SIDE MOUNT LS 100" [B596016002] LUGGAGE COMPARTMENT SIDE MOUNT RS 100"
 - [B583175000] LABEL U.S. CERTIFICATION
 - [B583004000] CERTIFICATE HOLDER 4" X 6"OVER DRIVER'S WINDOW
 - **URADNATE , TIENART THORF TNEV OITATE (0001016788)**
 - [B574127141] PADDED RAILS BLACK FIRE BLOCK UPHOLSTERY
 - (4) AUO7 23113A30N37 [0001001738]
 - [B567000000] TOW HOOKS TWO (2)
 - [B565902000] MUD FLAPS REAR, RUBBER, 22" WIDE WITH LOGO
 - [B56000000] SEALANT PLYWOOD FLOOR EDGES [B560600000] SEALANT PLYWOOD FLOOR EDGES
 - - [B548805000] WINTERFRONT, EFX
 - [B548300141] SEVERE SERVICE PACKAGE FOR BODY
 - (8546001000) EXTENDED REAR WINDOW RAILS
 - [B543000141] BOTTOM RAIL
 - [B542001000] 20 GAUGE REEDED SIDE SHEETS
 - [B537003000] LOCK BATTERY BOX DOOR
 - [B63700000] COVER LOCK
 - [B533619141] ACOUSTIC HEADLINING COMPLETE
 - [B533500000] SOUND ABATEMENT PACKAGE
 - (B533101000) POLYESTER INSULATION RAFTER CRVITIES
 - (000£102638013000) SPECIAL URETHANE FOAM INSULATION
 - MOOADA3H "87 [1410001638]
 - (S)N97HX, WTCH-TRANSPEC, LO PRO"TRIPLE VALUE" W/STAT VNT, WH, EU(2)
 - (B519015000) LATCH-LOCK DEF ACCESS DOOR
- [B518502000] VANDALOCK REAR EMERGENCY DOOR WITH INTERLOCK & BARREL BOLT
 - GRAUÐ 22419 ROOG [0000006028]
 - [B505600000] LEFT SIDE DOOR NONE
 - [B505500000] RIGHT SIDE DOOR NONE
 - [B504601700] 141828_N

ε

- [B503504829] AIR, ELECTRIC OR MANUAL OPER O/O ENT DOOR W/VANDALOCK-EFX
 - [B503009000] EXTERIOR DOOR HANDLE
 - X73 07A0VAT8/Y3JJOYTNOD 7000 71A [0004102028]
- (FL) 7573333000 UNDERSET HEATER TOP GUARD ONE (1) 84,000 BTU HEATER (FL)
 - YADT ATH TUAJOOD T1J2T OTSAB3W [0004S38148]
 - [B414512141] HEATER HOSE SILICONE, REAR HEATER
 - (B412105000) PARALLEL HEATER CONNECTION REAR HEATER(3)
 - [B412012050] 84,000 BTU HEATER 12TH SECTION LEFT SIDE
 - [8412006050] 84,000 BTU HEATER 6TH SECTION LEFT SIDE
 - [B412004050] 84,000 BTU HEATER 4TH SECTION LEFT SIDE
 - R411705000) SILICONE HEATER HOSE 300 ASTASH SNOSIJIS (0002071148)
 - (B411202000) GROCO CENTRIFUGAL BOOSTER PUMP
 - UT8 000,81, 3DIE T3J A3TA3H [0006006048]
 - (B383300000) NOISE SUPPRESSION SWITCH
 - (B380511000) ENGINE HEATER RECEPTACLE-RS FRONT AT ENTRANCE DOOR [B380022000] СОИУОLUTED СОИDUIT FOR WIRING - ВАСКИР АLARM
 - **GRAUD THOLJ BOORTS [0000001768]**
 - (B371501006) STROBE LIGHT CLEAR, 2ND SECTION FROM REAR, CENTERED
 - TI2NAAT AETAEH/W, GEJ- 2THOIJGAEH (0002028868)
 - (B364059000) MARKER LAMPS LED EFX
 - [B364058000] CLEARANCE LAMPS LED EFX
 - [B364041000] MID-MARKER LAMPS LED
 - Maters S04000 Helogen 8-Light Warning System
 - (B357602000) STROBE LIGHT(S) WIRED TO WARNING LIGHTS
 - (B342200010] SIDE DIRECTIONAL-LED AMBER TURN, CENTER REAR WHEEL L

- [B700702002] TINT TEMP GLASS-COMP(28.5")+10 2
- ("21) 29072 WODNIW [5000060078] L

- [D136800000] DECAL-BATTERY DISCONNECT
- [D505302141] UNDERCORTING-UNDERGURD
- "8 3TIHW FOOR ROOR STERIOR ROOF WHITE 6"
- [D506113141] PAINT-EXT WINDOW AREA BLACK
- [D506347000] PAINT-EXT GRD RAIL @ WINDOW BLACK
- [D506447000] PAINT-EXT GRD RAIL @ SEAT BLACK
- [D506547000] PRINT-EXT GRD RAIL @ FLOOR BLACK [D506647000] PRINT-EXT GRD RAIL @ SKRT BLACK
- [D506747002] PRINT-EXT BUMPERS FRT/RR BLACK
- [D510646141] PAINT-SOLID COLOR YELLOW
- [D622300000] LABEL-GHG CERTIFICATION ENGLISH
- TA3H\W JANOITAN A3VIAG-TA38 [1004010060]
- 230030200302001 ARMREST NATIONAL DRVR'S ST. BOTH SIDES
- JANOITAN XJA DIABAA.TZ.AD HAU [200040000]
- [D900503007] PEDESTAL-NATIONAL AIR W/2 SHOCKS
- [D900602001] COVER PEDASTAL NATIONAL NONE
- [D900702001] SLIDE STOP NATIONAL DR.ST. NONE
- **JNON TJAB.T2.9D JANOITAN AJUATAR [1005080000]**
- [D900902000] POUCH-DR.ST.S.AORAGE NONE
- [D901200003] RISER-DRIVERS SEAT, NATIONAL NONE
- [D901600001] ELEC-PEDESTAL, HEATED SEAT NAT
- TNUOM JJAW REGUBESEAG-E 2-PESSENGER WALL MOUNT 13 [D980126000] S3C 26"LS 2-PASSENGER WALL MOUNT L
- TNUOM JJAW REAGESCA9-E 23"45 3-PASSENGER WALL MOUNT 14
- [D980410166] FIREBLOCK BLUE UPHOLSTERY S3C PASSENGER SEAT 28
- TI2NAAT 3AAWDAAH TNUOM JJAW DE2 [0002006860] 82

Optional Equipment - Chassis:

[C207905000] CUMMINS ISB TURBO BRAKE

[C145634000] AXLE - REAR, DET 23K, 5.87 RATIO

L

[C207211000] ELECTRONIC STABILITY CONTROL - EFX AIR BRAKES

- [C135402000] LCE-NVLLE 200 AMP PAD-MTD ALT CUMMINS-ISB 2013 EPA

(8) EUXA AABA ROT OOBAWAOTIJAM-(AIA) EAXLE (8) EUXA AABCO FOR PALE (8) (C206504000) HEAVY DUTY AIR BRAKES - 8 5/8 REAR BRAKES, 6 FRONT BRAKES

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- [C117202000] AIR ACCESSORY SYSTEM (MVP-EF EQUIPPED WITH AIR BRAKES)

[C181618000] TRIPLE 12-VOLT BATTERIES CUMMINS ISB EFX - 2013 EPA

- CI 15806000] AIR DRYER-BENDIX AD9 WIHEATER CUMMINS ISB-200 2013 EPA
 - [C115301000] AUTOMATIC AIR TANK DRAIN HEATED, EF

[56-WAG-103] WARANTY TOWING 2Y UNLIMITED

[C600001000] PARKING BRAKE INTERLOCK TNEMTRULDA RISSAHD X7E [X7EF466620] [C599305000] CUMMINS 2017 MODEL YEAR THOIAW ARIT DAAJ NON [0001017623] 500001718E BALANCING

[C631603000] MICHELIN 11R22.5 16(H) PLY XZE2

[C631151000] MICHELIN 11R22.5 16(H) PLY XDN2

[C386005000] SYNTHETIC LUBE STD W/AXLE

[C386006000] SYNTHETIC LUBE STANDARD W/FRONT AXLE

[C336501000] 100 GALLON FUEL TANK BETWEEN THE RAILS [C241014260] CUMMINS B6.7-260 ENGINE (EFX) 2013 EPA

(8) [C361504000] AMMETER, 300 AMP, DASH-MOUNTED (8) ONAHAEVO EMAAF AAEA 8/6 201 [0007021453] [C340501000] TOW HOOKS, FRONT - TWO (2)

[C230006000] COOLANT RECOVERY BOTTLE - MVP-EF

[C221003000] CRUISE CONTROL - CUMMINS ISB ENGINE

[C605000101] ALLISON FUEL SENSE-BASIC, DSS MED [C602912129] 6SPEED SHIFT CONTL-3000 PTS

[C6556601000] MAXION-8.25 X 22.5,10 HUB PILOTED,5 HOLE - BLACK

C602808129] ALLISON 3000 PTS TRANSNISSION CUMMINS ISB-260 2013 EPA

[C440501000] FREIGHTLINER AIRLINER RR SUSPENSION-8 5/8 BRAKES, 23K LBS

[CC36950000] HOSES-RBR, ADVICED GRD(GATES BLU STRIPE)W/CONSTNT TRQ CLMP CC31610000] 6' BLOCK HEATER ELECTRIC CORD - FRONT/REAR RECEPTACLE

(C362302000) SOLID STATE ELECTRONIC FLASHER FOR HAZARD LIGHTS

[C231605000] BLOCK HEATER - 750 WATT, 120 VOLT (CUMMINS ISB'02) [C230539000] FUELWATER SEPARATOR WITH HEATER - EFX, CUMMINS ISB

(C221275000) VEHICLE SPEED LIMITING(75 MILES PER HOUR SETTING)

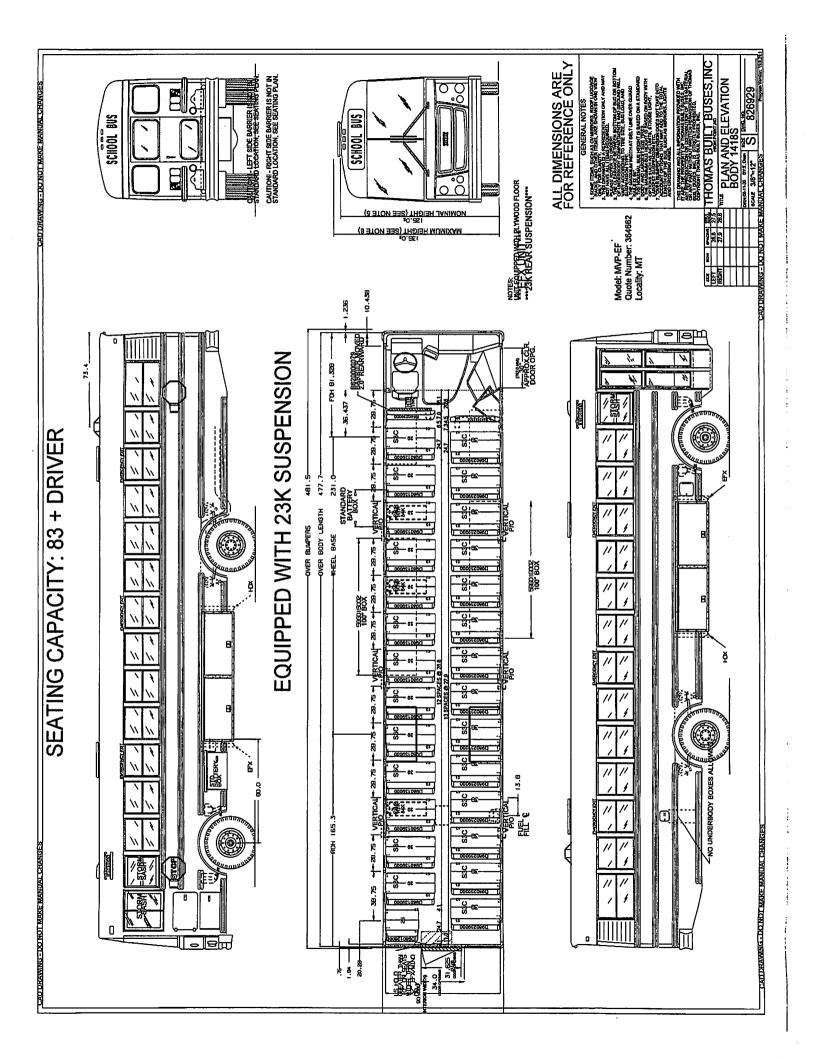
[C656501000] HUB-PILOTED WHEEL EQUIPMENT - 23,000 LB AXLE

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Prepared For:

LAME DEER PUBLIC SCHOOLS BOX 96 LAME DEER, MT 59043

P Ð

Prepared By : Nick Clawson I State Truck Center 4600 S. Frontage rd Billings, MT 59101 406-252-5121/ F:406-252-5910

> Customer Order No: LD-84HDX

Quote Number: 368853 Quote Date: 8/12/2020

Model Profile: Saf-T-Liner HDX 141YS

Product Type: School Transportation 2021 Year: CHSY Chassis Model: Chassis MFG: THOS GVWR: GWR **Passenger Capacity:** 84 Headroom: 78 Wheelbase: 277 Brake Type: AIR W/REAR AIR SUSPENSION (23K Engine Type: CUMMINS L9 300 DIESEL, 6 Cyl, 300 HP, 2200 RPM Fuel Type: DIESEL **Fuel Tank Capacity:** 100 Transmission Type: AUTOMATIC Axle. Front: 13200-lb Capacity 23000-lb Capacity Axle, Rear: MICHELIN 11R22.5 16(H) PLY XZE2 **Tires, Front:** Tires, Rear: MICHELIN 11R22.5 16(H) PLY XDN2 Suspension Front: Taperleaf **Suspension Rear:** Air

Total for 1 complete unit(s): Delivery Cost: \$ 134,869.00 Pickup Included

\$ 134.869.00

\$ [COST]

Pickup Included

Includes the Following Equipment:

DEALER ADD On's EQUIPMENT

- 1 Kenwood radio installed
- On spot Chains
- Cam system

Meets all FMVSS requirements in effect at the time of manufacture.

Total for 1 complete unit(s): Delivery Cost:

Additional options you may want to consider: [ADDITIONAL EQUIPMENT]

Terms and Conditions: Quote Expires:

9/12/2020

Customer Signature:

Kuch Chia **Dealer Signature:**

Date:

8/12/2020 Date:

AttachedDetail

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Sec. 1

(4) SUB3 (4) AUD FOUR (4) AUD - FOUR (4) AMBER AND FOUR (4) RED LENS

STHOL SUNNAAW OT DEAIW (S)THOL EBOATS [0002087858]

(B349501000] FOUR (4) ENGINE COMPARTMENT LIGHTS

[B342200010] SIDE DIRECTIONAL-LED AMBER TURN, CENTER REAR WHEEL

[B342200001] SIDE DIRECTIONAL-LED AMBER TURN, CENTER FRONT WHEEL

(1) ANO - NOITANIMULI ATAL ASVADIL-29MAJ [000503056568]

[B339401000] LAMPS-4" BACKUP LED

[B336002000] LAMPS-SAPP/TAIL/DIRECTIONAL AMBER/REVERSE LED

[B333108000] 7" LED DIRECTIONAL LIGHTS - FRONT

[B329100000] HOODED STEP LIGHT

[B329001002] ENTRANCE DOOR LIGHT - HOODED

[B32900000] STEP LIGHT SWITCH

[B325000000] DOME LIGHT SWITCH

[B323001000] DELUXE DRIVER'S DOME LIGHT XOH 29MAJ 3MOO QAAQNAT2 [1411020268]

(OWT) STHEIJ EMOD JANOITIDDA [0001000568]

[B319004140] LED LIGHT MONITOR-16 LIGHT SYS TAAAMOD EXUJED, TOORPAT "351-(8) STHEIT LIGHTAAMOD [5109008068]

[B293546000] SIGN-STOP, ELECTRIC LED REAR SE1-7970

[B293046000] SIGN-STOP, ELECTRIC LED FRONT SE1-7970

RESS9903000 ROSCO INTEGRATED STYLE - REMOTE CONTROL HEATED MIRROR

[B287599999] CROSSVIEW MIRROR INCLUDED IN REARVIEW MIRROR ASSEMBLY

B260405001] RADIO - AM/FM DEA510 DELPHI, TRANSIT W/PAGE

[B260305008] PREMIUM SPEAKERS - EIGHT (8)

[B259205000] CELLULAR PHONE POWER OUTLET REAR WALL OF SWITCH CABINET

XOH, MATEYE RANOS - 200 [1000116858]

[B241000000] ACRYLIC VISOR - LEFT SIDE

[B23102000] MIRROR - INTERIOR 6" X 30" BACK UP CAMERA

[B231015000] BACKING ALARM - HEAVY DUTY - 112DB

ЯОО000000538] - ИЯОН ЯІА [0000000528]

[B216010000] TWO(2)DEFROSTER FAUS MOUNTED OVER CENTER WINDSHIELD

[B214501000] SEAT BELT CUTTER - TIE TECH

[B20901000] KIT - BODY FLUID CLEAN-UP, COMPLIES WITH MONTANA STATE SPEC

[B2050MT000] KIT - FIRST AID, 24 UNIT, COMPLIES W/MONTANA STATE SPECS

[B202001000] FIRE EXTINGUISHER - 5 LB.

E175100000 STORM GLASS (TEMPERED)-LEFT SIDE

IE173100000] STORM GLASS (TEMPERED)-RIGHT SIDE

[B172105000] THERMOPANE GLASS - OUTWARD OPENING ENTRANCE DOOR, UPPER/LOWE

[B17000000] STORM GLASS (TEMP)-DRIVER'S WINDOW, BLACK FINISH WIND FRAME

[B164411000] TINTED TEMPERED PUSHOUT-RIGHT SIDE, VERTICAL HINGE ε

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[B164410000] TINTED TEMPERED PUSHOUT-LEFT SIDE, VERTICAL HINGE TISNAAT AB, AB-9VM AOF ONAB "8 HTIW JOBHRONIW OF NIT [0006002818]

[B161101141] TINTED TEMPERED GLASS - COMPLETE

[B158000141] PLYWOOD FLOOR - 5/8" THICKNESS

[B163520141] DARK GRAY VINYL FLOOR WITH 13" CENTER AISLE

[B152700000] SEALING - FLOOR COVERING

(100000) ENTRANCE DOOR STEPWELL - 15" DEEP FIRST STEP

SQA3AT 9478 9000 SUARTNA-DULASE [0000080818]

TER,90504017] STEP TREAD,RUBBED RUBBER,DK GRAY,WWHITE NOSING,DP STEP,MET

[в150200000] ЕLECTRICALLY НТО STEP ТRD - FRT ENT DOOR (НDX)

[B147906000] LETTERING - 6" HIGH 7.Þ

[B147600141] YELLOW REFLEXITE - 2", FLOOR LINE - BOTH SIDES OF BUS BODY

WODNIW TUOHEUG REAR OF REARINETER OF REAR PUSHOUT WINDOW

(B147511000) YELLOW REFLEXITE - PERIMETER OF EMERG DOOR, 24" W (78" HR)

(HSA2 HIGH "6.85) HSA2 TUOH2U7 OF PUSHOT APAU (28.5" HIGH APAU) YELLOW REFLEXITE-PERIMETER OF PUSH G

R147504000] YELLOW, "SCHOOL BUS" SIGN - REAR HOOD

[B147503000] YELLOW "SCHOOL BUS" SIGN - FRONT HOOD

[6147502100] YELLOW REFLEXITE - 2", PERIMETER OF REAR BUS BODY

HSIJON3 - NOITARABOER TSUAHXA A93 0102 - JEBAL [0002022418]

[B144200000] LABEL - DIESEL EXHAUST FLUID (DEF) - ENGLISH B144032000] LABEL-APPROVED FUEL INSTRUCTIONS

[B134000000] RED HANDLE - EMERGENCY DOOR(S)

[B132401000] PAINT STANDARD SASH FLAT BLACK

CANOOOOO] PDI IDENTIFIER-DEALER PERFORMED

FA000000123 2019 CUMMINS ENGINE TARIFF L

[A00000058] DECAL-UNITED AUTO WORKERS L

Optional Equipment - Body:

B660011119 PROFORM EDO BLUE UPHOLSTERY-45"HIGH RECESSED BARRIER 7.

[B640239000] 39"8DEG BARR-REV. WALL-MT 45"H 2009

2009 23 H"34 TM JAW, TABV-AAAA "65 [0056510498]

[B622003909] KICK PLATE/MODESTY PANEL-39"VERT, WALL-MTD BARRIER, RT SIDE I.

R6200010710 TA EDIS THORY, ROUCH, RIGHT SIDE AT ENTRANCE DOOR

9600000583 BELT-ELR SHOULDER/PUSH (2000001689) 1.

JOOHDS - NOITADIJ99A [1000066688]

A93 Eros Xah-TNAMTEULdA YOOB [00084E9688]

A93 0105 X0H-TN3MTSULDA YOOB [000466988]

GRAGNATS - XOB YRETTAB [000£806628]

(B59900004) BATTERY HOLD DOWN BRACKET - DELUXE 3 BATTERY

[B598700002] SEALED STORAGE COMPARTMENT W/LOCK, RIGHT SIDE FRONT

[B598700001] SEALED STORAGE COMPARTMENT W/LOCK, LEFT SIDE FRONT

[B596810000] LUGGAGE COMPARTMENT-THROUGH DELUXE-125"

MAA JOATNOO ENISSOAD ENITAAE9O DIATOEJE [0008573888]

[B583175000] LABEL - U.S. CERTIFICATION

[B583000000] CERTIFICATE HOLDER - 4" X 6"

GRADADATE , TIRNART - TNORF TNEV DITATE (0001016788)

(.A.D.A) XOH , 3018 THOIR - JIAA TRISRA [0006083788]

(B574127141) PADDED RAILS - BLACK FIRE BLOCK UPHOLSTERY

(4) AUO7 - SETTEREUR (4)

0001/W W8.SS 29AJT OUM ABBBUA AAAA [000800888]

[B566001000] MUD FLAPS - FRONT, RUBBER, 15"W WITH LOGO

(00000003 GOOWY - PLYWOOD FLOOR EDGES

[B56000000] SEALING, EXTERIOR JOINT EDGE

[B548801000] BRACKET - MOUNTING, LICENSE PLATE, FRONT

[B548400000] CORROSION RESISTANT SEALER, REAR DOOR

[B548300141] SEVERE SERVICE PACKAGE FOR BODY

[B542001000] 20 GAUGE REEDED SIDE SHEETS ŀ

[B537003000] LOCK - BATTERY BOX DOOR

[B53700000] COVER LOCK L

[8533603141] ACOUSTIC HEADLINING - COMPLETE WITH POLYESTER INSULATION

(B533101000) POLYESTER INSULATION - RAFTER CRVITIES

[B532013000] SPECIAL URETHANE FOAM INSULATION

MOOADA3H "87 [1410001238]

[B555240002] RF HATCH-TRANSPEC, LO PRO"TRIPLE VALUE" W/STAT VNT, WH, EN(2)

[B519015000] LATCH-LOCK DEF ACCESS DOOR

B518800000] VANDALOCK - REAR PUSHOUT WINDOW, WITH INTERLOCK & BARREL BOLT [B518800000] VANDALOCK - SIDE EMERGENCY DOOR WITH INTERLOCK & BARREL BOLT

[8518206000] VANDALOCK - AIR-OPERATED OUTWARD OPENING ENTRANCE DOOR

[B515500000] 24" SIDE EMERGENCY DOOR LS

[BE05500000] RIGHT SIDE DOOR - NONE Ł

[B504600502] 141Y28_LI-24-5000

[B503002000] EXTERIOR DOOR HANDLE

320H ATTATH ATVO 9MAA AOOD 3DIS [000000248]

[B420603000] CONSTRUT TORQUE CLAMPS - THREE (3) REAR UNDERSEAT HEATERS

[B420507000] PLUMBING AT SIDE DOOR WITH PLYWOOD FLOOR

(1) ALASTA HARAR CONVECTION - REAR HEATER OVE(1)

(8412107000) SERIES HEATER CONVECTION - REATERS (0007012148)

[B412013050] 84,000 BTU HEATER - 13TH SECTION LEFT SIDE

[8412005050] 84,000 BTU HEATER - 5TH SECTION LEFT SIDE [8412007050] 84,000 BTU HEATER - 7TH SECTION LEFT SIDE

(1411704141) SILICONE HEATER HOSE - FRONT CENTER HEATER

[B411203000] GROCO CENTRIFUGAL BOOSTER PUMP

[000403004000] HEATER 15,000 BTU - DRIVER'S COMPARTMENT

(B384002000) LUGGAGE COMPARTMENT LIGHT SWITCH (4) THRU, DELUXE, 96"/125" L

[B383300000] NOISE SUPPRESSION SWITCH

[B383100000] CROSSING ARM DEACTIVATION SWITCH - ELECTRIC

[B382903000] SWITCH - ENTRANCE DOOR, THREE POSITION L

[B380504000] RECEPTACLE - REAR, ENGINE HEATER (HDX) L

(B380022000) CONVOLUTED CONDUIT FOR WIRING - BACKUP ALARM

GRAUD THOLI 380RTS [0000001758]

[B371501006] STROBE LIGHT CLEAR, 2ND SECTION FROM REAR, CENTERED L

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ТІЗИАЯТ ЯЭТАЭН\W, ОЗЈ- СТНОІЛОАЭН [0006088868]

[B364041000] MID-MARKER LAMPS - LED

[B364040000] MARKER LAMPS - LED

[B364039000] ID LAMPS - LED L

[B358204000] HALOGEN 8-LIGHT WARNING SYSTEM L

[B700900003] WINDOW STOPS (12") [B70090003] WINDOW STOPS (12") [B817002000] ANTIFREEZE-34F, EXTENDED LIFE COOLANT (HDX) L [B700702002] TINT TEMP GLASS-COMP(28.5")+10 Ζ ("8.85) 900-884.9 900-884.9 (B7001070078] 81

- "8 3TIHW 700R ROOR TX3-TNIA9 [1413103020] L [D505302141] UNDERCOATING-UNDERGUARD L [D136800000] DECAL-BATTERY DISCONNECT

- YOO8 SA EMAS AERA OOW TXE-TNIA9 [1410818009]
- D506447000 PRINT-EXT GRD RAIL @ SEAT BLACK
- [D506347000] PAINT-EXT GRD RAIL @ WINDOW BLACK

[D506747002] PAINT-EXT BUMPERS FRT/RR BLACK [D506647000] РАІИТ-ЕХТ GRD RAIL @ SKRT BLACK

TISNART - ARAWORAH TAES 9127 DE2 [0095026860]

TROGNEVAD "65\"65 D52 [6506530860]

TIRNART - ERAWORAH TNUOM ROOLT DES [0015016860]

TI2NAAT - 3AAWGAAH TNUOM JJAW 952 [0005006860]

[D980410266] FIREBLOCK BLUE UPH - S3C DAVENPORT

[D980239000] 53C 39"8C 3-PASSENGER WALL MOUNT

TNUOM AOO17 AEBNESSA9-E 23"LS 39"LS 200 MOUNT

TNUOM JJAW AEONESSA9-6 2J"65 502 [0006510860]

ED9012000031 RISER-DRIVERS SEAT, NATIONAL NONE

D900802001] AD017AN ABNIATAR [1005080080]

[D900503007] PEDESTAL-NATIONAL AIR W/2 SHOCKS [D900403003] UPH DR.S.T.FABRIC BLK NATIONAL

23003020001] ARMREST NATIONAL DRVR'S ST. BOTH SIDES

[D901600001] ELEC-PEDESTAL, HEATED SEAT NAT

[D900702001] SLIDE STOP NATIONAL DR.STOP NOVE

[D900602001] COVER PEDASTAL NATIONAL NONE

TA3H/W JANOITAN A3VIAG-TA38 [1004010080] [D622300000] LABEL-GHG CERTIFICATION ENGLISH [D510646141] PAINT-SOLID COLOR YELLOW

DOUCH-DR.JZ.AGE NONE [1002060060]

[D980339104] S3C 39"LS 3-PASSENGER FLIP FLOOR MOUNT

[D980410166] FIREBLOCK BLUE UPHOLSTERY - S3C PASSENGER SEAT

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Optional Equipment - Chassis:

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[C114400000] SCHRAEDER VALVE LOCATED IN ENGINE COMPARTMENT (5,K) L

2101-WEG-103] TOWING EXTENDED WARRANTY - 2 YEARS/UNLIMITED MILES

[C602808318] ALLISON 3000 PTS TRANSMISSION - CUMMINS ISL-300 (HDX) 2013

[C44300000] HENDRICKSON COMFORT AIR SINGLE AXLE AIR SUSPENSION-23K AXL

[C362302000] SOLID STATE ELECTRONIC FLASHER FOR HAZARD LIGHTS

(C340006277) CHASSIS FRAME RAIL - HIGH STRENGTH (110KSI) HDX (277WB) [C336504000] 100 GALLON FUEL TANK, BETWEEN THE RAILS, RIGHT HAND FILL

[CS31610000] 6' BLOCK HEATER ELECTRIC CORD - FRONT/REAR RECEPTACLE

[C235820000] HOSES - GATES BLUE STRIPE W/STRINLESS PIPES - HDX

CC330641000] FUEL PRO 245 DAVCO FUEL WATER SEPARATOR - HDX

[C22127576000] VEHICLE SPEED LIMITING(75 MILES PER HOUR SETTING)

[C136600000] LEECE-NEVILLE 200 AMP ALTERNATOR-PAD MOUNTED - HDX

[C6666701000] HUB-PILOTED WHEEL EQUIPMENT - 23K (HDX)

[C386006000] SYNTHETIC LUBE STANDARD W/FRONT AXLE [C362900000] MULTI-FUNCTION GAUGE-REAR PANEL HDX

(XOH) DATHUOM-HEAD, DAMP, DASH-MOUNTED (HDX)

[C242600300] CUMMINS L9-300 ENGINE (HDX) 2013 EPA

[C602910318] 6 SPEED SHIFT CONTROL - 3000 PTS TRANSMISSION

[C656607000] DISC WHEEL - 8.25 X 22.5, 5H (BLACK)

C600001000] PARKING BRAKE INTERLOCK [C599305000] CUMMINS 2017 MODEL YEAR

[C631603000] MICHELIN 11R22.5 16(H) PLY XZE2

[C631151000] MICHELIN 11R22.5 16(H) PLY XDN2

[C343001000] PROTECTIVE PLATE- ENG OIL PAN

[C231812000] BLOCK HEATER - HDX (CUM ISL)

[C230605000] СООLАИТ RECOVERY BOTTLE - HDX

[C222800000] ADJUSTABLE PEDAL SYSTEM - HDX

(C221112000] CRUISE CONTROL - HDX (CUM ISL) [C207812000] EXHAUST BRAKE - HDX, CUMMINS ISL C207210000] ELECTRONIC STABILITY CONTROL - HDX [C207035000] ANTILOCK BRAKES - MERITORWABCO (HDX) [C182900000] TRIPLE 12-VOLT GROUP 31 BATTERIES - HDX [C145122000] AXLE - REAR, DAVA 220605, 5.29 RATIO

EC697100000 TIRE BALANCING

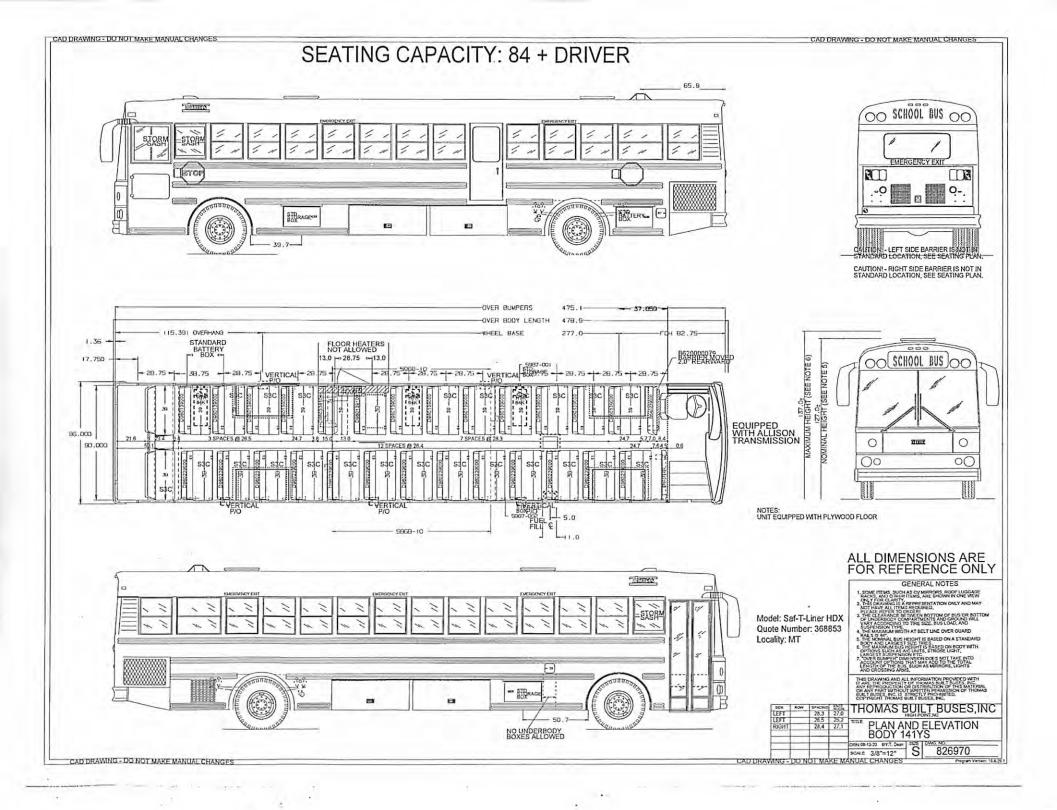
[C343000000] ENGINE SKID BYB (XDH) AABWOT TNOA7 [000000046C] [C340202000] STEPWELL GUARD (HDX)

[C6665000101] ALLISON FUEL SENSE-BASIC, DSS MED

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- [C115101000] AUTO AIR TANK DRAIN HEATED (1) HDX

- C117504000] RELOCATE AIR TANKS HDX XOH - ABTABH HTIW 9900A XIQNBB - ABYAG AIA [0000000110]



<u>MEMO</u>

To:Coal Board Members and Commerce StaffFrom:Division EngineerSubject:Lame Deer SchoolsMeeting:September 2020

History –Lame Deer School District currently has a population of 554 students (page 6) or 565 students (page 8). The School District has thirteen school buses in their fleet, three of which are described as "out of service for now."

Problem – Problems identified in the application included the following:

- some of the buses are outdated and require excessive maintenance;
- some of the busts have outdated software and computer equipment so the cameras and radios no longer work;
- some of the buses lack safety features that comply with current state and federal standards; and
- some of the buses have higher emissions and lack fuel-efficiency when compared to newer buses.

Solution – The project is for purchase of one 80 to 84 passenger school bus.

The purpose of the proposed purchase is to reduce the operating costs, improve safety through compliance with the latest standards, and reduce emissions/increase fuel efficiency.

The Coal Board grant request is for \$100,000. The budget submitted in the application was \$101,500 with the School District contributing \$1,500. However, the quote submitted shows the bus will cost \$117,484. The applicant did not identify how the \$15,984 difference will be covered.

No information was found as to whether the District planned on advertising for bids. The following are unknowns regarding the condition of the buses in the fleet:

- The mileage of existing buses was not found.
- Service issues with existing buses were not found.
- No explanation was provided for why three of the thirteen buses are out of service. All three were listed on the inventory provided in the 2018 bus grant.

Coal Board Grant Applicant #0910-Lame Deer Public Schools Staff Report / June 2020 Meeting

Applicant: Lame Deer Public Schools <u>Project:</u> Purchase of one school bus for Lame Deer Public Schools <u>Coal Board Funds Requested:</u> \$100,000 <u>Total Project Cost:</u> \$101,500

<u>**Project Information:**</u> The applicant is requesting \$100,000, of a total project cost of \$101,500, in Coal Board funds to purchase one school bus. **The applicant is a designated unit.**

Categories:

Need:

- Applicant:
 - Applicant states school district is in a very rural area and weather is unpredictable and hazardous at all times of the year.
 - Applicant states buses need to have the required lighting, crossing and stop arms, flashing lights, cameras and radios along with the most updated computer software and hardware to ensure the buses run properly.
 - Applicant states that all of the communities in District 6 are clearly impacted by transportation issues and highway safety.
 - No environmental review documentation was provided in the application.

Staff Review:

- Staff has determined that the environmental process is incomplete.
- No bid or estimate for new bus was included in the original application but was sent prior to the ten-day requirement. The bid that was received is for \$15,984 more than project total in application.
- The mileage of existing buses was not found.
- Service issues with existing buses were not found.
- No explanation was provided for why three of the thirteen buses are out of service. All three were listed on the inventory provided in the 2018 bus grant.

Degree of Severity of Impact:

- Applicant:
 - Applicant states that Lame Deer Public School has been designated by the Coal Board as "Coal Impacted".
 - Applicant states the closest coal-using energy complex is Colstrip, Montana, 21 miles away.
 - Applicant states with the continual decline of the coal industry by decreasing demand and supply along with environmental concerns and regulations, these impacts will affect potential funds available to the coal impacted areas such as Lame Deer Schools and to the employment of people living in the surrounding area that work, patronize and support the businesses in the Colstrip area.
- Staff Review:
 - Documentation regarding severity of impact included in the narrative responses to Severity of Impact questions in the application.

Availability of Funds:

- <u>Applicant:</u>
 - Applicant states without Coal Board funding, Lame Deer Public Schools will continue to maintain its current operations and make the best of the situation.

• Staff Review:

- Applicant is a designated unit.
- o It appears that this page of the application is missing content in the documents provided.
- Revenues related to the Coal Natural Resource account are not sufficient to fund the costs associated with this project request.

Degree of Local Effort in Meeting Needs:

• Applicant:

- Applicant states the millage value per ANB is 0.24, the statewide rate is \$23.80.
- Applicant states School District #6 is absorbing the administrative costs and contingency funding for this project.
- Applicant states the Northern Cheyenne Tribe is unable to contribute to this project and no other grants exist at this time to help fund this project.
- Applicant states due to limited funds, there are no reserves set-aside for bus purchases, all projects are financed through the General Fund.
- Applicant states this is not the consequence of recent origin, nor because of inadequate support services but rather a problem that developed as their student and employee population continues to increase along with the bus usage.
- Applicant states they have no outstanding debt obligations.

• Staff Review:

- Millage rates provided by MDOR data demonstrates the average millage rates for the previous three years are lower than the current year millage rates. MDOR data years: 2016-2017, 2017-2018, 2018-2019.
- No millage rates were provided by the applicant for comparison.

Planning & Management:

- Applicant:
 - Applicant states with the decline of the coal industry, this impact will have a major effect on the communities due to employment reduction and increase in student population due to decrease in out-of-district student allowance.
- Staff Review:
 - Applicant states that it has been unable to build a reserve from long-term O&M budgets due to lack of resources.
 - Applicant states that is preparing for the potential increase of students due to the decline of the coal industry and a decrease in out-of-district allowance.
 - Project conforms to Applicant's transportation plan.
 - Applicant, with assistance from County, has a history of planning including a recent PAR for Chief Dullknife College.
 - The public school's transportation needs were considered in the 2013 Rosebud County Growth Policy and Land Use Plan.

Grant History:

Since 2009, the applicant has been awarded 4 projects totaling \$587,655.00.

For more information on Coal Board projects for this or any other applicant, please visit the Commerce Grants Database at https://commerce.mt.gov/About/FundedProjects

<u>Supplemental Documents</u> (not included in this staff report): Lame Deer Schools Basic Financials, Lame Deer Schools Policies, Lame Deer Schools Supplemental Information, Lame Deer Schools Financial Statements.

Staff Summary:

See engineer memo.

No environmental review documentation was included in the application.

"The applicant must provide documentation of the completed environmental review process and include with the application all documentation of the public review process, including but not limited to, the public notice for and minutes of a public hearing at which the environmental review was discussed, the public comments received, and the final decision on the environmental determination made during a public meeting" (Montana Coal Board Application, pg 27).

The environmental review record in this application is incomplete. The Board may categorically exclude projects from MEPA requirements which apply to Coal Board regulations. The proposed project could fall under a Coal Board categorical exclusion (ARM 8.2.304(5)). Therefore, the board has two options. The board may postpone action on the project for failure to complete the application. Or the board may designate the project as categorically excluded from MEPA review (see ARM 8.101.203) during a public meeting. To facilitate the opportunity for the board to make this decision, the agenda has included public notice concerning this environmental review decision.

Further, staff does not recommend funding until environmental review record regulations have been met. Staff does not recommend funding due to the statutory criteria: Availability of Funds. Staff does not recommend awarding contingent upon available revenue as there is insufficient revenue to award projects currently. Staff recommend awarding projects based on revenue received to meet the Availability of Funds statutory criteria.

2020 Coal Board Application Revision Recommendations Summary

Commerce Staff Recommendations

- Re-format Application to be more consistent with other Commerce application guidelines including cover page, headers, footers, font, and logo, remove gray boxes in the guidelines
- Re-format application to include guidelines for application followed by the Application as an Appendix.
- Request one hard copy and one electronic copy application; 8 hard copy applications no longer needed
- 10-day rule Does the Board want to continue with the 10-day rule including a 10-day waiver process?
- Clarify MEPA requirements in the body of the Application Guidelines
- Add a Grant Administration Manual to assist grantees administration process including draw requests, reporting requirements, and closeout (draft included)
- Propose that applicants may appear in person or by conference call at the meeting.
- Remove Examples and only include templates this will reduce page length.
- Staff will add information about how to submit a Non-Disclosure Agreement to protect any information that the applicant does not want public, and provide a Commerce approved template to the application guidelines. This may not be applicable to all applicants.
- Staff recommend adding questions to the Severity of Impact section of the application that follows statute

Staff Environmental Comments

Planning studies and capital equipment purchases may both qualify for a categorical exclusion under ARM 8.2.328(2)(b) and (c) as long as the conditions in ARM 8.2.328(3) are not present.

The public review process needs to match the complexity and seriousness of the environmental issues associated with the proposed action (project). Generally speaking, projects or actions that qualify for a categorical exclusion under ARM 8.2.328(2) or 8.2.304(5) do not require a robust public review process or really any formal public meeting or hearing under MEPA. The effect of a categorical exclusion is that MEPA does not apply. Open public meeting and public participation laws still apply. If there is any question as to whether one of the conditions in ARM 8.2.328(3) is present, a public meeting may be a good idea to allow the public to comment on the proposed course of action and the potential environmental impacts. Ultimately, it is up to the Board to determine the level of public review.

If an EA is required or completed, then a public review process is necessary; however, the appropriate level of public review must be determined on a case by case basis. See ARM 8.2.307. At the very least, the EA must be made available for public review. At the very most, a notice must be published, a public hearing must be held, public comment must be accepted, and the agency must consider the substantive comments received before making a final decision on the proposed action.

Providing clarification and additional guidance in the Application or Guidelines regarding appropriate levels of the public review process may be helpful. Coal Board's ARM 8.101.202 incorporates Commerce's rules for implementing MEPA. Under ARM 8.2.304(5)(a), the Board may specify the types of actions that qualify for a categorical exclusion. The Board must do this by rule (adopting an ARM) or by a

programmatic review (which may be adopting Guidelines or a Manual). The Board must identify any extraordinary circumstances in which a normally excluded action (e.g. maybe funding an engineering study) would require an EA or EIS (e.g. if it was known the engineering study was absolutely going to directly lead to construction). Ultimately, the language in the Guidelines/Manual/ARM should allow the Board discretion to require an applicant to prepare an EA (or EIS) based on the facts and circumstances surrounding the proposed project. (see ARM 8.2.328(4)).

Public Recommendations

Dear Coal Board Staff,

In response to your request for public input regarding the Coal Board application revision, I offer the following:

- Questions 1-18 (Summary information, Project Summary, Project Budget Form, Budget Narrative, and Implementation Schedule) seem essential and do not require a large amount of time to prepare.
- 2) Question 19 (Description of Relationship to Coal Board Statutory Grant Criteria) takes a more significant amount of time to prepare to sufficiently address all the questions. I hesitate to offer suggestions for specific questions, because the value of the question to those who evaluate the applications is what is most important. Therefore, I respectful suggest that the revision team looks at the four statutory criteria and simplify/sculpt the questions within Question 19 to insure the Coal Board receives just the information needed to evaluation if the criteria is met without excess or redundancy of information. Possibly starting with the grant application scoring process and seeing what questions help the team assess if criteria is met would reveal each questions value for the Coal Board team.

Thank you for your efforts to increase efficiency,

Warm regards, Theresa Doumitt Development Specialist ATW Consulting

Montana Coal Impact Grant Application

Submitted to the Montana Coal Board

By

Name of Entity submitting the application

For

Type of Project

Date submitted:

ELIGIBILITY FOR COAL BOARD GRANTS

The governing body of a city, town, county, or school district, any other local or state governmental unit or agency, or the governing body of a federally recognized Indian tribe may apply for a grant to enable it to provide governmental services that are needed as a direct consequence of an increase or decrease of coal development or of an increase or decrease in the consumption of coal by a coal-using energy complex. (90-6-208, Montana Code Annotated)

Under 90-6-209, MCA, the Coal Board may not approve a grant to an Indian tribe unless:

(a) the governing body of the tribe has agreed:

(1) to waive its immunity from suit on any issue specifically arising from the transaction of a grant obtained under this part; and

(2) to the adjudication of any dispute arising out of the grant transaction in the district court of the first judicial district of the State of Montana; and

(b) approval of the transaction has been obtained from the Secretary of the United States Department of the Interior whenever approval is necessary.

CRITERIA FOR AWARD OF COAL IMPACT GRANTS

In accordance with current statute: 90-6-206, MCA Basis for awarding grants:

(1) Grants must be awarded on the basis of:

(a) need;

(b) degree of severity of impact from an increase or decrease in coal development or in the consumption of coal by a coal-using energy complex;

- (c) availability of funds;
- (d) degree of local effort in meeting these needs; and

(e) in addition, State law (90-6-207[5], MCA) requires the Coal Board to give attention "to the need for community planning before the full impact of coal development or decline is realized. Applicants should be able to show how the request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems." Therefore, pursuant to Sub-Chapter 3 of the Administrative Rules of Montana, 'planning' is an additional criterion the Coal Board will apply when judgingapplications.

AWARDING COAL BOARD FUNDS

(1) Eight applications, one with an original signature, must be submitted to the Department on the date posted on the Coal Board website (http://comdev.mt.gov/Boards/COAL) to be considered during the applicable board meeting. Applications can be submitted electronically* to DOCCDD@mt.gov, but must be received by midnight of the application due date; or can be mailed to Department of Commerce but must be postmarked no later than the application due date. Applications can be mailed to: Coal Board Administrative Officer, Montana Coal Board, Community Development Division, Department of Commerce, P.O. Box 200523, 301 S Park Ave, Helena, MT 59620-0523 (Phone 406-841-2770, e-mail: DOCCDD@mt.gov)

Applications are due 45 days prior to the Coal Board meeting. Any application not received or postmarked by the application due date, will be reviewed during the subsequent quarter.

* Applicants who submit applications electronically must mail one <u>signed</u> application and seven (7) copies to the address above to be received within seven days of submittal of the electronic version.

(2) Applicants must appear before the Coal Board when their application is on the agenda for consideration. Applicants will receive a summary report and an agenda prior to the meeting date. If a representative is not available to speak on behalf of the application request, the application may be tabled until the next board meeting.

(3) The Coal Board may approve, deny or table a grant. The Board may request that an applicant return to the next meeting with additional information. The Board would then move to table the application until that meeting. If the application is tabled pending receipt of the requested information, the applicant can make a request that the Board remove the application from the table after submitting further information. At that time, the application will be placed on the next Coal Board meeting agenda.

4) Coal impact grant funds used for the preparation of plans, studies, analyses, or necessary research for the preparation of a preliminary engineering report must meet the requirements of the most current Uniform Application for Montana Public Facility Projects. Coal impact grant funds used for the preparation of a preliminary architectural report must meet the requirements described in the Coal Impact Grant Application (Appendix A).

PLEASE NOTE: Applications will be evaluated as they are submitted. The Board may table an application if significant changes or new information are presented during the hearing.

DISBURSEMENT OF COAL BOARD FUNDS

Eligible and reasonable expenses will be reimbursed from a Coal Board grant after:

- a. the contract has been fully executed between the Montana Department of Commerce and the Coal Board grant recipient;
- b. the grant recipient has demonstrated that firm commitments exist for any other resources to be involved in the project. In documenting a public commitment, the grant recipient must specify the amount and use of the funds or resources. A letter of commitment from the entity, agency or organization involved must document funds or resources to be provided by a State or federal agency or private organization. The commitment of funds or resources may be contingent on Coal Board funds being awarded for the proposed project;
- c. the grant recipient has documented compliance with the auditing and reporting requirements provided for in the Montana Single Audit Act, Sections 2-7-501 to 523, MCA, and has established a financial accounting system that can properly account for the grant funds according to generally accepted accounting principles. Tribal governments must comply with auditing and

reporting requirements provided for in OMB Circular A-133;

- d. the Department has received the signed signatory and depository forms; and
- e. the Department has received the completed Request for Funds form and adequate documentation (copies of statements and invoices) to verify expenditures.

INSTRUCTIONS FOR COMPLETING COAL BOARD GRANT APPLICATION

Instructions and examples to help complete the application are in gray. **Once you have completed the application, please delete all the gray areas** by highlighting the section using the square in the upper left hand corner, then, right clicking on your mouse and selecting "cut". This will shorten the length of the document the board members will need to review.

Boxes and charts in this application have been formatted by WORD Table. Edits can be made using the Table function of WORD.

Applications may be secured with binder clips, large paper clips or staples. The three-ring meeting notebooks sent to Board members will not accommodate binders or plastic covers.

Eight applications, one with an original signature, must be submitted to the Department on the date posed on the Coal Board website (<u>http://comdev.mt.gov/Boards/COAL</u>) to be considered during the applicable board meeting. Applications can be submitted electronically* to <u>DOCCDD@mt.gov</u>, but must be received by midnight of the application due date; or can be mailed to Department of Commerce but must be postmarked no later than the application due date. Applications can be mailed to: Coal Board Administrative Officer, Montana Coal Board, Community Development Division, Department of Commerce, P.O. Box 200523, 301 S Park Ave, Helena, MT 59620-0523 (Phone 406-841-2770, e-mail: <u>DOCCDD@mt.gov</u>)

* Electronically submitted applications must be followed with the original and seven (7) signed hard copies that are postmarked by the application deadline.

THE COAL IMPACT GRANT APPLICATION FORM SUBMITTED BY (NAME OF APPLICANT)

CERTIFICATION

The chief elected official or executive officer of the applicant must sign the application certifying that to the best of the official's knowledge and belief, the information provided in the application and the attached documents is true and correct.

The chief elected official or executive officer of the applicant must also certify that, in accordance with Section 90-6-205, MCA, the applicant is eligible for a Coal Impact Grant and has the authority to administer and make expenditures to provide for the proposed service or facility.

CERTIFICATION

To the best of my knowledge and belief, the information provided in this application and in the attached documents is true and correct.

In accordance with Section 90-6-205, MCA, the applicant is eligible for Coal Board grants and has the statutory authority to make expenditures to provide for the particular service or facility.

Name:

Title:

Signature:

Date:

SUMMARY INFORMATION

1. <u>NAME OF APPLICANT(S)</u>:

Enter the name(s) of the entity submitting theapplication

2. <u>TYPE OF ENTITY</u>:

Enter the type of entity. Applicants eligible to receive financial assistance under state law include local governmental units (cities, towns, counties, school districts, water and sewer districts, etc.), state agencies, and governing bodies of federally recognized Indian tribes.

3. FEDERAL TAX ID NUMBER:

Enter the nine-digit Federal ID number for theentity.

4. <u>SENATE AND HOUSE DISTRICTS:</u>

Enter the State Senate and House of Representatives district numbers that the entity is located within.

- 5. AMOUNT OF COAL IMPACT GRANT REQUESTED \$______
- 6. <u>NAME OF PROJECT</u>:

(e.g., Mountain County Hospital Project)

7. <u>TYPE OF PROJECT</u>:

Enter the type of public facility project or service, such as water, wastewater, solid waste, first responder equipment purchase, public building/school/hospital repair or expansion, road repair, planning studies, or other (specify).

8. <u>POPULATION SERVED BY PROJECT</u>:

Enter the number of people that reside within the area served by the project.

9. <u>NUMBER OF HOUSEHOLDS SERVED BY PROJECT</u>:

Enter the number of households within the area served by theproject.

10. CHIEF ELECTED OFFICIAL OR AUTHORIZEDREPRESENTATIVE:

Enter the name and title of the chief elected official or authorized representative of the applicant. Include the mailing address, business telephone, e-mail address, and FAX number.

11. PRIMARY ENTITY CONTACT PERSON:

Provide the name, mailing address, business telephone, e-mail address, and FAX number of the person within the community designated as the primary contact person for the project. This person should be knowledgeable about the project and be authorized to speak on behalf of the applicant regarding theapplication.

12. OTHER CONTACT PERSONS:

If applicable and available, provide the name, mailing address, business telephone, FAX number, and e-mail address of any other appropriate contacts (e.g., Public Works Superintendent, project engineer, grant/loan administrator, legal counsel, bond counsel, clerk/chief financial officer, accountant, etc.)

13. <u>MILLAGE RATES</u>:

Provide the current fiscal year millage rates and those for the 3 years immediately preceding the year of application. Please state the mill value for each of those three years. Specifically list how many mills and each year's total mill value.

14. <u>AMOUNT OF COAL GROSS PROCEEDS TAX</u>:

Please provide the following details:

- Total amount of Coal Gross Proceeds tax the applicant has received during the last two
 years
 - How those monies are allocated (i.e. to general fund, etc.)
 - How does the applicant decide the use of the grossproceeds?

15. <u>NUMBER OF RESIDENTS EMPLOYED BY COAL INDUSTRY:</u>

• Number of residents that are currently employed by the coal industry within the applicant's jurisdiction

16. <u>MAPS:</u>

Each application must include a legible map showing the boundaries of the proposed project area and the locations of all proposed project activities, such as land to be acquired or public facilities to be constructed or improved.

17. BRIEF PROJECT SUMMARY:

The project summary should briefly provide some background information including:

- the age of the system, facility, equipment, building;
- the date, type and cost of the last major improvements to the system, facility, equipment, building; and
- whether there are any state administrative orders or other similar requirements to fix or modify the system, facility, equipment, and building.
- The project summary should also clearly state the specific problem(s) with the public facility and how the proposed project will solve the problem(s).

Applications for Coal Board assistance for public services or programs such as community planning, economic development, etc. should provide similar background information regarding the nature of the problem and the proposed solution.

EXAMPLE PROJECT SUMMARY

Historical Information: The Mountain County Memorial Hospital constructed in 1959 met the health care needs of the Mountain County and surrounding communities. The Hospital has undergone numerous interior renovations. The most recent renovation to the hospital completed in March 2008, included approximately 18,300 square feet of hospital improvements including twenty-three patient rooms and minor upgrades to the imaging department of the facility. The latest renovation did not include capital equipment purchases, which is the rationale for the submission of thisapplication.

Problem: The existing Hospital X-Ray Equipment has the following deficiencies

- poor clarity of image scans
- lack of tableflexibility/non-tilting
- limited work space environment for hospitalstaff
- oversized equipment for room design
- lease expires soon for equipment

Proposed Solution: The Purchase of new X-Ray Equipment would:

- improve quality of image scans and reduce costs
- increase work space for imagingstaff
- provide improved medical treatment forpatient
- increase reliability of medical provider diagnoses
- upgrade current ten year old equipment
- improve viewing area for medical providers
- increase profitability

PROJECT SUMMARY FOR ------

Historical Information:

Problem:

Proposed Solution:

18. PROJECT BUDGET AND IMPLEMENTATIONSCHEDULE:

A. <u>Project Budget Form</u>:

The proposed project budget **must** include a breakdown of all major project costs, and a description of the proposed source and use of all funds. Designate the total budget of any proposed project as either "Administrative/Financial Costs" or "Activity Costs: (such as engineering or construction). Administrative Costs may not exceed 10% of the total project cost. Refer to the description of expenditure categories shown below that outline the expenditures that may be part of the budget. The Administrative/Financial Costs cover the expenses of administering a local project, including the cost of local government personnel involved with managing the project; the cost of the local project audit; and other contractual costs for professional services (such as hiring a project manager) that may be associated with administration of the program. Administrative/Financial Costs must be reasonable and appropriate to ensure cost-effective and proper management of the project.

Any proposed Administrative/Financial Costs must be eligible, fully supported, and adequately explained. Applicants which propose to contract for project management assistance with a consultant or other entity must specifically itemize this amount in the Administrative Budget and explain it.

EXAMPLES OF BUDGET EXPENDITURE CATEGORIES

Administrative/Financial Costs

Administrative Costs - personnel, professional services to administer the project, office rent, office equipment, supplies, telephone, postage, travel, audit fees, legal costs including bond counsel, etc. These are costs incurred by the borrower in administering the project. (As applicable, specify each one as a separate line item.)

Financial Costs - Loan origination and administrative fees, debt service reserves, capitalized interest. (As applicable, specify each one as a separate line item.)

Activity Costs

Equipment Costs - Costs of specific equipment for a project.

Land Acquisition - Cost of land purchase, easements, right-of-way, leases, etc.

Preliminary Planning/Engineering - Costs associated with, but not limited to, preparation of preliminary engineering report and environmental checklist. (As applicable, specify each one as a separate line item.) **Final Architectural/Engineering Design** - Costs for preparing approved project plans and specifications. **Construction** - Costs for project construction according to approved plans and specifications.

Contingency - Construction contingencies for public facility projects typically should not exceed or be less than ten percent of the estimated construction cost. Any deviation must be adequately justified.

EXAMPLE OF A PROJECT BUDGET

PROJECT BUDGET for Mountain County Hospital Equipment

Completed by: For	: (location)	, N	1T D	ate:	
ADMINISTRATIVE/ FINANCIAL COSTS	SOURCE: Coal Board Grant	SOURCE: Mountain County	SOURCE: Mountain Hospital Foundation	SOURCE: Murdock Trust	TOTAL:
Grant Administration	*** \$	\$	\$ 500.00	\$	\$ 500.00
Office Costs	\$	\$ 250.00	\$	\$	\$ 250.00
Professional Services (grant management, etc.)	\$	\$	\$	\$	\$
Legal Costs	\$	\$	\$	\$	\$
Travel & Training	\$	\$	\$	\$	\$
TOTAL ADMINISTRATIVE/ FINANCIAL COSTS	\$	\$ 250.00	\$ 500.00	\$	\$ 750.00
ACTIVITY COSTS:					
Equipment Cost	\$ 115,500.00	\$	\$	\$	\$ 115,500.00
Construction Cost	\$	\$	\$	\$131,500.00	\$ 131,500.00
Architectural/Engineering Design	\$ 35,950.00	\$	\$	\$	\$ 35,950.00
Product Completion (PER's, studies, etc.)	\$	\$	\$	\$	\$
Contingency	\$	\$	\$ 35,000.00	\$	\$ 35,000.00
TOTAL ACTIVITY COSTS	\$ 151,450.00	\$	\$35,000.00	\$131,500.00	\$317,950.00
TOTAL PROJECT COSTS	\$ 151,450.00	\$ 250.00	\$35,500.00	\$131,500.00	\$318,700.00

PROJECT BUDGET FOR ----

Completed by:	For: (location)		, MT	Date:	
ADMINISTRATIVE/ FINANCIAL COSTS	SOURCE:	SOURCE:	SOURCE:	SOURCE:	TOTAL:
Grant Administration	*** \$	\$	\$	\$	\$
Office Costs	\$	\$	\$	\$	\$
Professional Services	\$	\$	\$	\$	\$
Legal Costs	\$	\$	\$	\$	\$
Travel & Training	\$	\$	\$	\$	\$
<u>TOTAL ADMINISTRATIVE/</u> FINANCIAL COSTS	\$	\$	\$	\$	\$
ACTIVITY COSTS:					
Equipment Cost	\$	\$	\$	\$	\$
Construction Cost	\$	\$	\$	\$	\$
Architectural/Engineering Design	\$	\$	\$	\$	\$
Product Completion (PER's, studies, etc.)	\$	\$	\$	\$	\$
Contingency	\$	\$	\$	\$	\$
TOTAL ACTIVITY COSTS	\$	\$	\$	\$	\$
TOTAL PROJECT COSTS	\$	\$	\$	\$	\$

B. Project Budget Narrative:

Include a narrative justification for the specific proposed project construction activities and related administrative/ financial costs. Explain the cost estimates for each item in the proposed budget in the narrative.

EXAMPLE OF A BUDGET NARRATIVE	=		
ADMINISTRATIVE/FINANCIAL COSTS			
Personnel Services/Office Costs: Personnel services will be at a minimum for the Mountain County Hospital X-ray purchase project. Only services conducted by the project manager dedicated to the project will be calculated at current rate of pay plus benefits over the 30-45 day project duration. Funds for this budget item will be paid for by the Hospital and considered an in-kind contribution.		\$	750.00
Professional Services: There will be no professional services required on the project.	\$	0	.00
Legal Costs: No legal costs are anticipated or budgeted for in this project.		\$	0.00
Audit Fees: Audit fees will not be necessary with thisproject.		\$	0.00
TOTAL ADMINISTRATIVE/FINANCIALCOSTS		\$	750.00
ACTIVITY COSTS			
Equipment Cost: Estimated cost of the X-ray equipment with delivery and installation factored into the quote price.		\$11	5,500.00
Construction Cost: Construction cost is the total construction including inspection fees for the renovation of the X-ray room. This cost will also include demolition of the former X-ray room and all inspection/code fees included with this price.		\$13	1,500.00
Architectural Design: This cost is for architectural fees related to the design of the X-ray room.		\$ 35	5,950.00
Contingency: Contingency cost is approximately 10% of the contract bid. Percentage is the industry standard for medical equipment recommended by the architect/ consultant.		\$ 35	5,000.00
TOTAL ACTIVITY COSTS:		\$ 3	7,950.00
TOTAL PROJECT COSTS:		\$3 I	8,700.00

BUDGET NARRATIVE FOR ------

ADMINISTRATIVE/FINANCIAL COSTS

Personnel Services/OfficeCosts:	\$
Professional Services:	\$
Legal Costs:	\$
Audit Fees:	\$
TOTAL ADMINISTRATIVE/FINANCIALCOSTS	\$
ACTIVITY COSTS	
Equipment Cost:	\$
	Ψ
Construction Cost:	\$
Architectural/Engineering Design:	\$
Contingency:	\$
TOTAL ACTIVITY COSTS:	\$
TOTAL PROJECT COSTS:	\$

C. Implementation Schedule:

Each applicant must submit an implementation schedule that describes the overall schedule for project completion.

EXAMPLE OF	IMPL	.EME	NTA		۱SC	HED	ULE					
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TASK	s⊤	2 ND	3rd	4 тн	ST	2 ND	3rd	4 тн	st	2 ND	3rd	4 тн
PROJECT START-UP						-	-					
A. Sign contract with Coal Board	x	х										
B. Secure approval of other funding	х	х										
 C. Submit progress reports and drawdown request. (Progress reports quarterly if no draws submitted) 	x	x	x	x	x	х	х	x				
PROJECT CONSTRUCTION												
A. Architectural Design		х										
B. Conduct pre-construction conference			x									
C . Construction and purchase and installation of equipment			x	x	x	х	х					
D. Monitor Progress	x	x	x	x	x	x	x	x	x			
E. Final Inspection								x				
PROJECT CLOSE-OUT												
A. Coal Board administrative staff conduct on-site monitoring of the project.								x				
B. Submit project completion report.									х			
C. Include project in audits.									х			

IMPLEMEN	ΓΑΤΙΟ	ON SC	HED	ULE	FOR							
	QU	QUARTERS 2011 QUARTERS					RS 20	2012 QUARTERS 2013				013
TASK	1 ST	2 ND	3 RD	4 [™]	1 ^{s⊤}	2 ND	3 RD	4 [™]	1 ^{s⊤}	2 ND	3 RD	4 [™]
PROJECT START-UP												
A. Sign contract with Coal Board												
B. Secure approval of otherfunding												
C. Submit progress reports and drawdown request. (Progress reports quarterly if no draws submitted)												
PROJECT CONSTRUCTION												
A. Architectural Design												
B. Conduct pre-constructionconference												
C. Construction and purchase and installation of equipment												
D. Monitor Progress												
E. Final Inspection												
PROJECT CLOSE-OUT												
A. Coal Board administrative staff conduct on-site monitoring of the project.												
B. Submit project completion report.												
C. Include project in audits.												

19. DESCRIPTION OF RELATIONSHIP TO COAL BOARD STATUTORY GRANTCRITERIA

The Coal Board does base its awards on the following four statutory criteria (90-6-206, MCA):

- Need
- degree of severity of impact from an increase or decrease in coal development or in the consumption of coal by a coal-using energy complex
- Availability of funds
- Degree of local effort in meeting these needs.

In addition, State law (90-6-207, (5), MCA) that requires attention be given to the need for community planning before the full impact of coal development or decline is realized.

A. <u>Need</u>

Explain the need for the money requested for your project (90-6-206, MCA). Please address:

- I. How the need is caused by a direct result of coal development or decline;
- 2. Whether there is a serious deficiency in a basic or necessary community public facility or service;
- 3. Documentation that the need violates state/federal health and safety standards;
- 4. Any other additional information documenting the need for the Coal Board money.
- I. Explain the overall need for the project:

APPLICANT'S RESPONSE:

2. Is there a serious deficiency in a basic or necessary community public facility or services that the project will address? If yes, explain the deficiency – i.e, whether there are health/safety concerns and how many people are affected by the deficiency.

APPLICANT'S RESPONSE:

3. Is there clear documentation that the current condition of the public facility or service (or lack of a facility or service) violates, or may potentially violate, a state or federal health or safety standard (If yes, describe the standard being violated.)? If the proposed project is necessary to comply with a court order or a state or federal agency directive, describe the directive and attach a copy of it.

APPLICANT'S RESPONSE:

B. <u>Degree of Severity of Impact from an Increase or Decrease in Coal</u> <u>Development or In the Consumption of Coal by A Coal-Using EnergyComplex</u>

Explain why the proposed project or governmental services or facilities "are needed as a direct consequence of an increase or decrease in coal development or in the consumption of coal by a coal-using energy complex" (90-6-205, (4) (a), MCA).

1. Describe why the need for the expansion or improvement to the public facility or public service is attributable to coal-related impacts. Additionally, please provide the percentage of the project that is a result of coal impacts.

Responses might include:

- □ the road maintenance and other maintenance impacts from coal hauling (rail and truck);
- □ operational impacts on emergency services (police, fire department, and ambulance services);
- impacts and services needed by local coal industry retirees and aging employees;
- □ the percentage of the households served by the public facility or service that include persons directly employed by a coal mine or coal-using energy facility or directly-related employment;
- □ the percentage of the users of the public facility or public service that are households in which one or more members are directly employed by a coal mine or coal-using energy facility or directly-related employment.

APPLICANT'S RESPONSE:

2. Name the nearest coal development area or coal-using energy complex to your community and the road miles from yourcommunity.

APPLICANT'S RESPONSE:

3. Additional information supporting the DEGREE OF SEVERITY OF IMPACT FROM AN INCREASE OR DECREASE IN COAL DEVELOPMENT OR IN THE CONSUMPTION OF COAL BY A COAL-USING ENERGY COMPLEX.

APPLICANT'S RESPONSE:

C. <u>Availability of Funds</u>

- Amount requested from the Coal Board: \$_____
- 2. Amount of Coal Board funds available at the time of application \$_____(#2 will be completed by Coal Board staff)
- 3. Explain why a coal impact grant is necessary to make the project feasible and affordable

APPLICANT'S RESPONSE:

4. What are the other proposed funding sources for the project?

APPLICANT'S RESPONSE:

EXAMPLES TO ASSIST WITH THE QUESTION WHAT ARE THE OTHER PROPOSED FUNDING SOURCES FOR THE PROJECT.

List all sources of funds that you intend to use to finance the proposed project e.g., federal and state grant or loan programs, bank loans, bonds, cash reserves, etc.). Do not provide an amount that combines both the loan and grant. If both a loan and grant will be obtained from the same source, they must be listed separately. The sources of funds listed should equal the estimated total project cost. The following box provides state and federal funding program abbreviations that can be used when listing the proposed funding sources:

ABBREVIATIONS OF STATE AND FEDERAL FUNDING PROGRAMS

CDBG – Department of Commerce - Community Development Block Grant Program
EDA - US Economic Development Administration
INTERCAP - Board of Investments – Intercap Program
MFFA – Montana Medical Facilities Financing Authority
USDA/RD – US Department of Agriculture Rural Development Program
RRGL – Department of Natural Resources & Conservation - Renewable Resource
Grant and Loan Program
SRF – Department of Natural Resources & Conservation - Wastewater Revolving
Fund Loan Program
WRF - Department of Natural Resources & Conservation – Water Revolving Fund
Loan Program
TSEP – Department of Commerce - Treasure State Endowment Program

For each source of funding listed, indicate the <u>type (grant, loan, cash, in-kind contribution, or other)</u> and agreed to the amounts requested.

Also, indicate the <u>status of the commitment</u> of those funds to the project at the time of writing this application using one of the following choices:

- a. **No Contact** No contact has yet been made with the fundingsource;
- b. **Discussed/Not Applied** Project has been discussed with the funding source, but no application has been submitted. Briefly describe the discussion with the funding source and the likelihood of obtaining the funds;
- c. **Application Submitted** An application has been submitted, but funding has not yet been awarded. Briefly describe status of application;or
- d. **Funds Committed (date)** Funds have been committed by the funding source. Attach a copy of the commitment letter or other documentation verifying the commitment offunds.

Finally, if funds are to be borrowed, state the <u>loan rate and terms</u> likely to be required by the lender or bond underwriters (for example, interest rate, number of years to repay loan, and coverage and reserve requirements). Indicate whether the funding source has agreed or tentatively agreed to the term

Source	Type of Fund	Amount	Status of Commitment	Loan Rates & Terms
CDBG	Grant	N/A	Do not qualify due to income levels within the county. Next deadline is April 2009	
TSEP	Grant	N/A	No application made – program cycle does not fit our needs	
RRGL	Grant	N/A	Project not eligible for funding	
USDA/RD	Grant	N/A`	Our county doesn't qualify for this program because it is over the 90% income level	
MFFA Montana Medical Facility Financing Authority	Loan	Any unmet financial needs	Loan application pending the amount of funding from the coal board	5 year +/- 5% loan for any balance left for the project
The Mountain County Foundation	Hard Match	\$35,750	Committed	N/A
MCCHC Mountain County Community Health Center	Contingency	\$35,000	Committed	N/A
Montana Coal Board	Grant	\$247,950	Requested	N/A
Total Project Cost		\$318,700		

FUNDING SOURCES SUMMARY FOR							
Source	Type of Fund	Amount	Status of Commitment	Loan Rates & Terms			

5. If a particular proposed source of funding is not obtained, how will the applicantproceed?

Explain how the funding strategy will change if each proposed funding source is not received. (Discuss how the loss of each of the proposed funding sources would affect the completion of the project. For instance, will the applicant wait and re-apply to the funding source, will the applicant be willing to increase the amount of debt it will incur, or will the project not move forward?)

APPLICANT'S RESPONSE:

D. <u>Degree of Local Effort in MeetingNeeds</u>

1. If current millage rates given are lower than the average rates levied during the previous three years, briefly explain why they are lower. Please note that under 90-6-206(3),MCA, if the millage rates are lower than the previous three years, the Coal Board may reject your application on this basis alone.

APPLICANT'S RESPONSE:

2. Describe any local efforts to meet the public facility or public service needs by providing financial contributions to the project to the extent possible, such as local funding, donations of land, absorbing some or all-administrative costs. For non-profit organizations, describe fund-raising efforts or other in-kind assistance to the proposed project as well as usual program fund-raising efforts.

APPLICANT'S RESPONSE:

3. Describe past operation and maintenance budgets and practices over the long-term, including any reserves for repair and replacement.

APPLICANT'S RESPONSE:

4. If there are indications that the problem is not of recent origin, or has developed because of inadequate operation and maintenance practices in the past, explain the circumstances and describe the actions that management will take in the future to assure that the problem will not reoccur.

APPLICANT'S RESPONSE:

- 5. If the project involves water, wastewater or solid waste, provide the current and projected monthly household user charges, including operation and maintenance:
 - a. What is the current monthly household user charge? \$_____
 - b. What is the projected monthly user charge (including operation and maintenance) when the project is complete? \$_____
- 6. What are your current debt obligations?

List current debt obligations. <u>If the applicant is a water, wastewater, solid waste, or other "enterprise" type</u> system, which relies on rates and charges for its financial support, only debt related to that system need be <u>entered</u>. If the applicant is a city, county, or district that relies on general taxing authority for its financial support, or is a not-for-profit organization, debt related to the general obligations of the city, county, district, or not-for-profit organization should beentered.

		<u>E</u> 2	KAMPLE OF	A CURREN	T DEBT S	<u>SUMMARY</u>		
Year Issued	Purpose	Type of Bond/ Security	Amount	Maturity Date (mo./yr.)	Debt Holder	Coverage Required	Annual Payment Amount	Outstanding Balance
1991	Operating Suite Remodel		\$2,500,000	10/2031	MFFA	110%	\$150,715	\$2,100,987
1985	Sprinkler System		\$500,000	6/2012	D.A. David- son	125%	\$36,790	\$164,177

APPLICA	NT'S RESPOI	NSE:	CURRENT	DEBT SUM	MARY FO	<u>R</u>		
Year Issued	Purpose	Type of Bond/ Security	Amount	Maturity Date (mo./yr.)	Debt Holder	Coverage Required	Annual Payment Amount	Outstanding Balance

7. What are your current assets?

List all current assets including endowments, cash, investments, certificates of deposit, accounts receivable, and any other current assets not specifically indicated. Indicate whether assets are obligated for a specific purpose and what that purpose is (i.e., Certificate of Deposit, \$100,000 - reserve requirement for SRF loan; Investments, \$200,000 - \$100,000 of it is needed to purchase line inspection equipment in 2005).

APPLICANT'S RESPONSE:

8. What financial accounting system do you use?

The Board is required to ensure conformity to generally accepted accounting principles. Examples include Quick Books and MBARS.

9. Is the applicant in compliance with the auditing and annual financial reporting requirements provided for in the Montana Single Audit Act, 2-7-501 to 522, MCA? (Tribal governments must comply with auditing and reporting requirements provided for in OMB Circular A-133).

Yes No Date of last completed audit or financial report

10. If there have been audit findings within the last five years, have they been satisfactorily addressed?

APPLICANT'S RESPONSE:

11. Additional information supporting the DEGREE OF LOCAL EFFORT IN MEETING NEEDS.

APPLICANT'S RESPONSE:

E. <u>Planning & Management</u>

State law (90-6-207, (5), MCA) requires the Coal Board to give attention "to the need for community planning before the full impact of coal development or decline is realized. Applicants should be able to show how the request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems." Therefore, pursuant to Sub-Chapter 3 of the Administrative Rules of Montana, Planning is an additional criterion the Coal Board will apply when judging applications.

1. Describe how your grant request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems related to coal impacts.

APPLICANT'S RESPONSE:

2. Describe how the proposed project is consistent with current plans.

Plans may include a local capital improvements plan, growth policy, transportation plan, comprehensive economic development plan, or any other applicable plan.

APPLICANT'S RESPONSE:

APPENDIX A

PAR PRELIMINARY ARCHITECTURAL REPORT (PAR) REQUIREMENTS

A. A PAR MUST BE SUBMITTED AS PART OF A COAL BOARD APPLICATION FOR:

- a. Utilization of a PAR for rehabilitation or construction of Coal Board funded activities for Non-Water/Non-Wastewater community facility projects;
- b. New construction of a Non-Water/Non-Wastewater community facility project;

B. A PAR MUST MEET THE REQUIREMENTSFOR:

a. Preparation of a PAR as a planning activity

C. GENERAL INFORMATION ON PARs:

- The PAR outline presented here is by no means all-inclusive. The architect should use his or her professional judgment to present sufficient information during preparation of the PAR, taking into account that different projects require varying levels of detail (rehabilitation of an existing building versus construction of a new building) and consideration of reasonable alternatives.
- Architects and project representatives can call Community Development Division staff (406-841-2770) to request clarification and guidance regarding this PAR outline.

D. ENVIRONMENTAL CONSIDERATIONS RELATED TO THEPAR

NOTE: All state and Coal Board funded projects are subject to the Montana Environmental Policy Act (MEPA). This law seeks to avoid adverse impacts on the environment by mandating careful consideration of the potential impacts of any development assisted with funds.

 MEPA seeks to avoid or mitigate adverse impacts on the natural and human environment by mandating careful consideration of the potential impacts of any development assisted with state funds or approved by a Montana state agency.

E. PAR OUTLINE

I. PROBLEM DEFINITION

- A. DESCRIBE AND DOCUMENT THE NEED FOR THE PROJECT AND THE PROBLEM(S) TO BE SOLVED. Describe the need for the project according to the followingcriteria:
- 1. Health and Safety Describe concerns and deficiencies, compliance issues, and relevant regulations such as the International Building Code, (and other codes as listed in "Special Requirements Concerning Code and Standards Enforcement"), asbestos, lead-based paint, handicapped accessibility, zoning ordinances, and other federal, state, local, or tribal requirements concerning the existing facility(ies).

Attach pertinent correspondence to or from appropriate federal, state, and local regulatory agencies, especially information that provides documentation of health and safety concerns and deficiencies.

2. Facility Operation & Maintenance (O&M) - Describe O&M concerns regarding the existing facility(ies) with an emphasis on those with the greatest financial and operational impact.

If the high cost of maintaining the existing facility(ies) is related to a proposal to modify or replace the existing facility, describe and document these concerns and potential cost savings.

3. Growth - Describe the facility's capacity to meet projected growth needs from the completion of construction through the anticipated useful life of the building

Discuss any potential for future expansion, if applicable, or any consideration given to designing for phased construction or incremental expansion of the facility in the future.

Provide both the number of current users served by the facility(ies) and the projected number of users to be served by the proposed project upon completion.

B. IDENTIFY THE PLANNING AND SERVICE AREA, INCLUDING THE EXISTING LOCATION AND POTENTIAL, ALTERNATE LOCATIONS OF THEFACILITY.

Using narrative and drawings, describe the planning and service area and alternate building(s) or sites under review or consideration. The description should include the following information:

- 1. Location Indicate legal and natural boundaries, major obstacles, environmental constraints, etc., using maps, photographs, and sketches of the planning and service area, including both the existing location and potential alternate locations for the facility.
- 2. Growth Areas and Projected Population Trends Identify specific areas of projected, concentrated population growth and relate these to the forecasted growth in the clientele to be served by the proposed project.

Provide population projections for the project's planning and service area (and for the persons and/or groups the facility will serve) as well as for the projected design period (i.e., the anticipated useful life of the proposed facility).

Base projections for the clientele to be served upon historical records, Census data, or economic projections, citing recognized sources.

- **C. EVALUATE THE CONDITION OF THE EXISTING FACILITY(IES).** Describe the existing facility(ies), including at least the following information:
 - 1. History Provide a brief history of the facility(ies), including when the structure was constructed, major improvements implemented in the past, and any past problems.
 - Condition of Facilities Describe the present condition and any problems such as code deficiencies, general structural decay, presence of asbestos, mold or moisture, lead based paint, subsidence issues, overcrowding, or handicapped accessibility. Describe the adequacy or capacity of the existing facility(ies) to meet existing and long-term needs.

II. ALTERNATIVE ANALYSIS

- A DESCRIPTION OF ALTERNATIVE SOLUTIONS. Describe each alternative design, building, or site considered -- i.e., identify and describe existing buildings with potential for rehabilitation or alternation, or alternative building sites considered for newconstruction.
- 1. If proposing rehabilitation or alteration of existing buildings Describe existing buildings within the community that could be modified or rehabilitated to accommodate the proposed facility or need.

Describe the potential benefits and possible deficiencies with each alternative design, building or site considered, including code compliance issues, floor space, handicapped accessibility, and potential for long-term expansion, as applicable.

- 2. If proposing new construction, describe alternative building sites considered for new construction, any existing structures on the site(s), potential for long-term expansion, proximity to other services, environmental constraints, etc.
- **B. REGULATORY COMPLIANCE AND PERMITS**. Describe issues that need to be addressed concerning compliance (for either a new building or a rehabilitated building) with appropriate regulations such as the International Building Code and other relevant codes, zoning issues, asbestos, lead-based paint, permits, handicapped accessibility (American Disabilities Act and HUD 504 regulations), designated 100-year floodplains, and other applicable federal, state, local or tribal requirements.
- **C. LAND ACQUISITION ISSUES**. Identify sites to be purchased or leased and any easements needed, if applicable. Specify whether these properties are currently owned, to be purchased or leased, and whether options have been obtained, contingent upon receipt of funding.
- **D. ENVIRONMENTAL CONSIDERATIONS**. For the alternative selected for the project, discuss the following:
 - **1.** Potential Environmental Impacts The PAR must include a discussion of environmental resources in the area that might be impacted or that might impact the proposed facility.
 - **2.** Mitigation Evaluate appropriate short and long-term measures to mitigate each potentially adverse impact.

Describe the mitigation measure(s) necessary to minimize potentially adverse impacts upon identified environmental resources. Projects contemplating the renovation of existing structures should thoroughly discuss mitigation measures to address any existing hazards, such as asbestos and lead-based paint, where identified, in accordance with federal and state requirements.

- **3.** Correspondence Include any environmentally-related correspondence and agency comments (e.g., comments from the State Historic PreservationOffice).
- **4.** Exhibits/Maps Include any exhibits, maps, or drawings as applicable to describe potential environmentalimpacts.
- **E. CONSTRUCTION PROBLEMS.** Discuss potential concerns such as geological constraints, limited access, underground storage tanks, high water table, asbestos, lead-based paint, contaminated soil, noise, odors, or other conditions that may affect cost of construction or long-term operation of the proposed (new or rehabilitated)facility.

- F. COST ESTIMATES FOR EACH ALTERNATIVE. For <u>each alternative considered</u>, include both:
 - 1. Project Costs (i.e., administrative, financial, engineering, architecture, and construction costs) and
 - 2. Project Annual Operation and MaintenanceCosts

III. SELECTION OF THE PREFERRED ALTERNATIVE

- **A ANALYSIS OF ALTERNATIVE SOLUTIONS**. Provide an analysis of why the preferred alternative (design, building, or location) was selected over other alternatives.
- **B. SITE LOCATION AND CHARACTERISTICS**. Discuss the site location of any current or proposed facilities, and why the preferred alternative was selected over other alternatives.
- **C. PRELIMINARY ARCHITECTURAL PLANS**. Provide preliminary architectural plans (including a proposed floor plan) for the proposed (new or rehabilitated) facility.
- **D. OPERATIONAL REQUIREMENTS**. Discuss the expertise required to operate the facility and any unique operational requirements or benefits of the facility and describe why the preferred alternative was selected over other alternatives.
- E. PROJECT COST SUMMARY / PROJECT COST ESTIMATE. Provide an itemized estimate of the project cost based on the anticipated period of construction including administrative, development and construction, land and utilities, legal, engineering, interest, equipment, contingencies, refinancing, and other costs associated with the proposed project. See 'II. F Cost Estimates for Each Alternative, above.

IV. CONCLUSIONS AND RECOMMENDATIONS

Provide any other conclusions and recommendations and any additional findings that should be considered in the evaluation of the proposed project and the selected alternative.

Environmental Review

Coal Board grants are a state action subject to the Montana Environmental Policy Act (MEPA). MEPA specifies three different levels of environmental review, based on the significance of the potential impacts. The levels are: (1) exempt or excluded from MEPA review; (2) environmental assessment (EA), and (3) environmental impact statement (EIS). The following outlines the environmental review process that must be completed by the applicant for each project proposed for Coal Board funding. For detailed information on MEPA, see A Guide to the Montana Environmental Policy Act, or A Citizen's Guide to Public Participation in Environmental Decision Making, at: http://leg.mt.gov/css/Publications/environmental/default.asp or http://leg.mt.gov/css/servicess/20division/lepo/mepa/mepaforpublic.asp

All necessary environmental review of the proposed project must be completed prior to submission of the application for grant funding. Any application received without documentation that the environmental review process has been completed may be rejected by the Department.

The applicant must provide documentation of the completed environmental review process and include with the application all documentation of the public review process, including but not limited to, the public notice for and minutes of a public hearing at which the environmental review was discussed, the public comments received, and the final decision on the environmental determination made during a public meeting.

Statutory or Categorical Exemptions

Certain actions are exempt from MEPA review, either because they have been specifically exempted by the statute or, because of their special nature, do not normally have a significant effect on the environment. The following types of actions are statutorily exempt from MEPA review under ARM 8.2.304(5):

- Administrative actions (routine clerical or similar functions, including but not limited to administrative procurement, contracts for consulting services, or personnelactions);
- Minor repairs, operations, and maintenance of existing equipment or facilities;
- Investigation and enforcement; data collection activities; inspection of facilities or enforcement of environmental standards;
- Ministerial actions (in which the agency exercises no discretion and rather acts upon a given state of facts in a prescribed manner);
- Actions that are primarily social or economic in nature and that do not otherwise affect the human environment;

The following types of actions are categorically exempted from MEPA review under ARM 8.2.328(2):

- Projects that will be partially funded by, or for which the applicant must obtain a permit from, a state or federal agency which, by reason of its funding or permitting function, has primary responsibility to consider the environmental impacts of the project under MEPA or the National Environmental Policy Act;
- Activities which do not involve or lead directly to construction, such as planning studies, scientific research and analysis, surveys, or engineering;
- Projects primarily involving the acquisition of capitalequipment;
- Projects that involve only minor repairs or rehabilitation to an existing facility, including functional replacement of an existing facility or facilitycomponents;
- Projects where the footprint of the proposed structures, pipelines, or other infrastructure would be substantially unchanged from existing conditions, and there is no increase in the population served by the facility; or
- Emergency repairs, reconstruction, restoration, retrofitting, or replacement of an existing facility that

is in operation or under construction when damaged and the action:

(i) occurs within the existing facility footprint and in a manner that substantially conforms to the preexisting design, function, and location as the original (which may include upgrades to meet existing codes and standards as well as upgrades warranted to address conditions that have changed since the original construction); and

(ii) is commenced within six months after the date of theemergency.

If the proposed project qualifies for an exemption then the applicant should submit documentation that the environmental process (including public review process) is complete and the applicant has formally approved its determination that the project qualifies for an exemption. An exemption may not be appropriate if significant public controversy exists over the project's potential effect on the quality of the human environment; the proposed project shows some potential for causing a significant effect on the quality of the human environment; or the project might possibly affect sensitive environmental or cultural resource areas or endangered or threatened species and their critical habitats.

Environmental Assessment (EA)

An EA is a written analysis of a proposed action to determine whether an EIS is required or is needed to serve one or more of the other purposes described in ARM 8.2.304(2). Normally, a thoroughly completed Environmental Checklist and responses to the six questions contained in the Environmental Review Form (see Appendix C of these guidelines) will suffice as the draft EA for public review and comment, and may then be revised as necessary to constitute the final EA. Anyone authorized to perform work on behalf of the applicant may prepare the draft EA, using all available information and evidence. The applicant's authorized representative must sign the draft EA, and the final environmental determination must be made by the applicant's representatives or board. Preparation of an EA ensures the fullest appropriate opportunity for public review and comment on a proposed action, including alternatives and planned mitigation, and examines and documents the effects of a proposed action on the quality of the human environment. The EA also allows the project proponent to determine the need to prepare an EIS through an initial evaluation and determination of the significance of impacts associated with a proposedaction.

In addition, an applicant may prepare an EA whenever the proposed action is one that might normally require an EIS, but the significant effects of the project appear to be mitigated below the level of significance through design, enforceable controls, and/or conditions imposed by the agency or other government agencies. For an EA to suffice in this instance, the applicant must determine that all of the impacts of the proposed action have been accurately identified, that they will be mitigated below the level of significance, and that no significant impact is likely to occur. The applicant may not consider compensation for purposes of determining that impacts have been mitigated below the level of significance.

An EA is a public document and may be inspected upon request. Any person may obtain a copy of an EA by making a request to the applicant. The applicant shall submit a copy of each completed EA to the **Department as a part of the complete grant application.** The applicant is responsible for providing public review of an EA as necessary to match the complexity and seriousness of environmental issues associated with a proposed action and the level of public interest in the action. Methods of accomplishing public review include publishing a news release or legal notice to announce the availability of an EA, summarizing its content and soliciting public comment; holding public meetings or hearings; maintaining mailing lists of persons interested in a particular action or type of action and notifying them of the availability of EAs on such actions; and distributing copies of EAs for review and comment. Where an action is one that normally requires an EIS, but effects that otherwise might be deemed significant are mitigated in the project proposal or by controls imposed by the applicant, public involvement must include the opportunity for public comment, a public meeting or hearing, and adequate notice. The applicant is responsible for determining appropriate methods to ensure adequate public review on a case-by-case basis.

The applicant shall consider all substantive comments received in response to a draft EA and decide, at a public meeting, that either:

- I. that an EIS is necessary;
- 2. that the EA did not adequately reflect the issues raised by the proposed action and must be revised; or
- 3. (3) that an EIS is not necessary, and make a final decision on the proposed action (executing the contract with the Department to receive Coal Board funds for the grantee's project).

The applicant must provide a copy of the Final EA to the Department with documentation of public review, opportunity for public comment, and a final decision on the EA at a public meeting.

Any time the applicant proposes substantial changes to the project affecting the original EA, the grant recipient must repeat its environmental review for the revisions to the project, assuring the environmental impacts of the revised project are adequately identified, addressed by the grantee, and any necessary public review provided. When completed, the applicant must follow the original process and again provide environmental documents to Department.

Environmental Impact Statement (EIS)

An EIS is required whenever an EA indicates that an EIS is necessary, or an applicant proposes an action that may significantly affect the quality of the human environment (a "major action").

MEPA and Department's rules require that a draft EIS circulated for public review must contain all of the following:

- 1. a description of the proposed action, including its purpose andbenefits;
- 2. a listing of any state, local, or federal agencies that have overlapping or additional jurisdiction and a description of their responsibility for the proposed action;
- 3. a description of the current environmental conditions in the area affected by the proposed action or alternatives, including maps and charts, whenever appropriate;
- 4. a description of the impacts on the quality of the human environment of the proposed action, including: direct, indirect, and cumulative impacts; potential growth-inducing or growth-inhibiting impacts; irreversible and irretrievable commitments of environmental resources, including land, air, water and energy; economic and environmental benefits and costs of the proposed action; and the relationship between local short-term uses of man's environment and the effect on maintenance and enhancement of the long-term productivity of the environment;
- 5. an analysis of reasonable alternatives to the proposed action, including the alternative of no action and other reasonable alternatives that may or may not be within the jurisdiction of the agency to implement, if any;
- 6. a discussion of mitigation, stipulations, or other controls committed to and enforceable by the applicant or other government agency;
- 7. a discussion of any compensation related to impacts stemming from the proposedaction;

- 8. an explanation of the tradeoffs among the reasonablealternatives;
- 9. the applicant's preferred alternative on the proposed action, if any, and its reasons for the preference;
- 10. a section on consultation and preparation of the EIS that includes the names of those individuals or groups responsible for preparing the EIS; a listing of other agencies, groups, or individuals who were contacted or contributed information; and a summary list of source materials used in the preparation of the draft EIS;
- II. a summary of the draft EIS; and
- 12. other sections that may be required by other statutes in a comprehensive evaluation of the proposed action, or by the National Environmental Policy Act or other federal statutes governing a cooperating federal agency.

Following preparation of a draft EIS, the applicant must distribute copies to the Governor; the Department; the Environmental Quality Council; appropriate state and federal agencies; and all persons who have requested copies. The applicant must allow 30 days for public comment on the EIS, which may be extended an additional 30 days at the discretion at the applicant or upon application of any person for good cause. When preparing a joint EIS with a federal agency or agencies, the applicant may also extend this period in accordance with time periods specified in regulations that implement the National Environmental Policy Act.

After the time for public comment and review has expired, the applicant must prepare a Final EIS for approval at a public meeting, which must also contain:

- 1. a summary of major conclusions and supporting information from the draft EIS and the responses to substantive comments received on the draft EIS, stating specifically where such conclusions and information were changed from those which appeared in thedraft;
- 2. a list of all sources of written and oral comments on the draft EIS, including those obtained at public hearings, and, unless impractical, the text of comments received by the applicant (in all cases, a representative sample of comments must beincluded);
- 3. the applicant responses to substantive comments, including an evaluation of the comments received and disposition of the issues involved;
- 4. data, information, and explanations obtained subsequent to circulation of the draft; and
- 5. the applicant recommendation, preferred alternative, or proposed decision together with an explanation of the reasons.

The applicant must distribute copies of the Final EIS to the Governor; the Department; the Environmental Quality Council; appropriate state and federal agencies; all persons who submitted comments on or received a copy of the draft EIS; and all other members of the public upon request.

The applicant may not make a final decision on the proposed action being evaluated in a Final EIS (executing the contract with the Department to receive Coal Board funds for the grantee's project) until 15 days from the date of transmittal of the Final EIS to the Governor and Environmental Quality Council. Until the applicant reaches its final decision on the proposed action, no action concerning the proposal may be taken that would have an adverse environmental impact or limit the applicant's choice of reasonable alternatives, including the no-action alternative.

Any time the applicant proposes substantial changes to the project affecting the original EIS, the applicant must repeat its environmental review for the revisions to the project, assuring the environmental impacts of the revised project are adequately identified, addressed by the grantee, and any necessary public review

provided. When completed, the applicant must follow the original process and again provide environmental documents to Department.

Coal Board applicants are responsible for compliance with all applicable state environmental requirements. Some of the other state environmental requirements that *may* apply to Coal Board projects include:

- Stream Protection Act, Title 87, Chapter 5, Part 5, MCA
- Montana Solid Waste Management Act, Title 75, Chapter 10, Part 2, MCA
- Clean Air Act of Montana, Title 75, Chapter 2, MCA
- □ <u>Water Quality Act</u>, Title 75, Chapter 5, MCA
- Public Water Supplies, Distribution and Treatment, Title 75, Chapter 6, MCA
- □ <u>Floodplain and Floodway Management</u>, Title 76, Chapter 5, MCA
- □ <u>The Montana State Antiquities Act</u>, Title 22, Chapter 3, MCA
- □ <u>The Montana Sage Grouse Habitat Conservation Program and Conservation Strategy</u>, Executive Orders 10-2014 and 12-2015 and Chapter 445, Laws 2015 (SB 261) https:\\sagegrouse.mt.gov

Some of the environmental permits that may be required on your project from other state agencies include the following:

- Asbestos Control Program contact the Department of Environmental Quality (DEQ).
- Montana Stream Protection Act (SPA 124 Permit) contact the Montana Department of Fish, Wildlife and Parks at 444-2449.
- Montana Floodplain and Floodway Management Act (Floodplain Development Permit) contact the Montana Department of Natural Resources and Conservation at 444-0860 or the local floodplain administrator.
- Federal Clean Water Act (404 Permit) contact the U.S. Army Corps of Engineers in Helena at 441-1375.
- Short-Term Water Quality Standard for Turbidity (318 Authorization) contact the Montana Department of Environmental Quality at 444-3080.
- Montana Water Use Act (Water Right Permit and Change Authorization) contact the Montana Department of Natural Resources and Conservation at 444-6667 or the local DNRC Water Resources Regional Office. A useful website regarding water rights can be found at http://www.dnrc.mt.gov/wrd/water_rts/default.asp.
- Stormwater Discharge General Permits and/or Montana Pollutant Discharge Elimination System (MPDES Permit) contact the Montana Department of Environmental Quality at 444-3080.
- Please check the DNRC website for a copy of "A Guide to Stream Permitting in Montana." Their web address is<u>http://dnrc.mt.gov/permits/stream_permitting/default.asp</u>.
- <u>Cultural Resource Survey</u> You may need to perform a cultural resource survey for your project. The MONTANA COAL IMPACT GRANT APPLICATION 2017

State Historic Preservation Office (SHPO) can be reached at 444-7715 for more information. There is guidance for consulting with SHPO at <u>http://mhs.mt.gov/shpo/archaeology/consultingwith.asp</u>.

Environmental Assessment

Each Coal Board applicant must either identify that the proposed project qualifies for an exclusion from MEPA, or identify and analyze the environmental impacts of the proposed project.

Any time the applicant proposes substantial changes to the project, after submission of the application but either before or after final ranking by the Department or approval by the Legislature and Governor, the Department will require the applicant to repeat its environmental review as set forth above.

The checklist contained within the Uniform Application for Montana Public Facility Projects, Tenth Edition, must be submitted with the Coal Board application. Please use the heading for the environmental assessment as shown below. Letters to the appropriate state and federal agencies must be sent and documented.

It is the requirement to complete the entire environmental review process and include all documentation with the application. The responsibility for completing the environmental assessment rests with the grantee. Please refer to environmental review language for specific details regarding completion of the entire environmental process.

The 'environmental review form' must be completed for Coal Board projects and submitted with the construction grant application. The form must be prepared by someone with a thorough knowledge of the project, expertise in environmental issues, and authority to sign for the applicant.

Please ensure all portions of the environmental process are completed prior to application submission.

- a. Environmental Assessment Checklist
- b. Environmental Review form
- c. Final Action taken by resolution or documented localdecision

ENVIRONMENTAL REVIEW CHECKLIST

NAME OF PROJECT:	
PROPOSED ACTION:	
LOCATION:	, Montana

Key I	Lette	er:
		pact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M:
Mitiga	ition	Required
PHY	SIC	AL ENVIRONMENT
Key	I	Soil Suitability, Topographic and/or Geologic Constraints (e.g., soil slump, steep slopes, subsidence, seismic activity)
		Response and source of information:
Key	2	Hazardous Facilities (e.g., power lines, hazardous waste sites, acceptable distance from explosive
		and flammable hazards including chemical/petrochemical storage tanks, underground fuel storage tanks, and related facilities such as natural gas storage facilities & propane storage tanks) Response and source of information:
Key	3	Effects of Project on Surrounding Air Quality or Any Kind of Effects of Existing Air Quality on Project (e.g., dust, odors, emissions)
		Response and source of information:
Key	4	Groundwater Resources & Aquifers (e.g., quantity, quality, distribution, depth to groundwater, sole source aquifers) Response and source of information:

	Key Letter:		
N: No Impact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M:			
Mitigation Required			
Key	5	Surface Water/Water Quality, Quantity & Distribution (e.g., streams, lakes, storm runoff,	
		irrigation systems, canals)	
		Response and source of information:	
Key	6	Floodplains & Floodplain Management (Identify any floodplains within one mile of the boundary of	
		the project.)	
		Response and source of information:	
Key	7	Wetlands Protection (Identify any wetlands within one mile of the boundary of the project.)	
		Response and source of information:	
Key	8	Agricultural Lands, Production, & Farmland Protection (e.g., grazing, forestry, cropland, prime or	
		unique agricultural lands) (Identify any prime or important farm ground or forest lands within one	
		mile of the boundary of the project.)	
		Response and source of information:	
Kov	9	Varatation 8 Wildlife Species 8 Habitate including Fish and Sara Chause (a.g. terrestrial suize	
Key	7	Vegetation & Wildlife Species & Habitats, including Fish and Sage Grouse (e.g., terrestrial, avian	
		and aquatic life and habitats) https://sagegrouse.mt.gov Response and source of information:	
Key	10	Unique, Endangered, Fragile, or Limited Environmental Resources, Including Endangered Species	
	10	(e.g., plants, fish or wildlife)	
		Response and source of information:	

Key Letter:		
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Mitigation Required		
Кеу	11	Unique Natural Features (e.g., geologic features)
		Response and source of information:
Key	12	Access to, and Quality of, Recreational & Wilderness Activities, Public Lands and Waterways,
		and Public Open Space
		Response and source of information:
		ENVIRONMENT
Key	I	Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics Response and source of information:
Key	2	Nuisances (e.g., glare, fumes)
		Response and source of information:
Key	3	Noise suitable separation between noise sensitive activities (such as residential areas) and
		major noise sources (aircraft, highways & railroads) Response and source of information:

Key Letter:		
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Mitigation Required		
Key	4	Historic Properties, Cultural, and Archaeological Resources
		Response and source of information:
Key	5	Changes in Demographic (population) Characteristics (e.g., quantity, distribution, density)
		Response and source of information:
Key	6	General Housing Conditions - Quality, Quantity, Affordability
Kaa	7	Response and source of information:
Key	7	Displacement or Relocation of Businesses or Residents Response and source of information:
Key	8	Public Health and Safety
		Response and source of information:

Key L	_ette	r:
N: No Impact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M:		
Mitiga	tion	Required
Key	9	Lead Based Paint and/or Asbestos
Rey	7	Response and source of information:
	10	
Key	10	Local Employment & Income Patterns - Quantity and Distribution of Employment, Economic Impact
		Response and source of information:
Key	11	Local & State Tax Base & Revenues
		Response and source of information:
Key	12	Educational Facilities - Schools, Colleges, Universities
		Response and source of information:
Key	13	Commercial and Industrial Facilities - Production & Activity, Growth or Decline.
		Response and source of information:
Kev	14	Health Care – Medical Services

Key I	Lette	er:
N: N	lo Im	pact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M:
Mitiga	ition	Required
		Response and source of information:
Key	15	Social Services – Governmental Services (e.g., demand on)
		Response and source of information:
Key	16	Social Structures & Mores (Standards of Social Conduct/Social Conventions)
		Response and source of information:
Key	17	Land Llas Carrastikilia. /a.a. arraytik land yas akanas dayalasmant astivity adiasant land yasa
кеу	17	Land Use Compatibility (e.g., growth, land use change, development activity, adjacent land uses and potential conflicts)
		Response and source of information:
Key	18	Energy Resources - Consumption and Conservation
		Response and source of information:
14		
Key	19	
		Response and source of information:

Key Letter: N: No Impact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M: Mitigation Required		
Key	20	Response and source of information:
Key	21	Storm Water – Surface Drainage
Rey	21	Response and source of information:
Key	າງ	Community Water Supply
Rey	~~~	Response and source of information:
Key	23	Public Safety – Police
Key	25	Response and source of information:
Key	24	Fire Protection – Hazards
-/		Response and source of information:
Key	25	Emergency Medical Services
		Response and source of information:
Key	26	Parks, Playgrounds, & Open Space

Key Letter:		
N: No Impact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M: Mitigation Required		
Plitiga	tion	
		Response and source of information:
Key	27	Cultural Facilities, Cultural Uniqueness & Diversity
		Response and source of information:
Key	28	Transportation Networks and Traffic Flow Conflicts (e.g., rail; auto including local traffic; airport
		runway clear zones - avoidance of incompatible land use in airport runway clear zones)
		Response and source of information:
Key	29	Consistency with Local Ordinances, Resolutions, or Plans (e.g., conformance with local
		comprehensive plans, zoning, or capital improvement plans)
		Response and source of information:
	20	
Key	30	Is There a Regulatory Action on Private Property Rights as a Result of this Project? (consider
		options that reduce, minimize, or eliminate the regulation of private property rights.) Response and source of information:

Environmental Review Form

On a separate piece of paper, please answer the following as they apply to your proposed project:

- I. Alternatives: Describe reasonable alternatives to the project.
- 2. **Mitigation:** Identify any enforceable measures necessary to reduce any impacts to an insignificant level.
- 3. Is an EA or Environmental Impact Statement (EIS) required? Describe whether or not an EA or EIS is required, and explain in detail why or whynot.
- 4. **Public Involvement:** Describe the process followed to involve the public in the proposed project and its potential environmental impacts. Identify the public meetings -- where and when -- the project was considered and discussed, and when the applicant approved the final environmental assessment.
- 5. **Person(s) Responsible for Preparing:** Identify the person(s) responsible for preparation of this checklist.
- 6. Other Agencies: List any state, local, or federal agencies that have over-lapping or additional jurisdiction or environmental review responsibility for the proposed action and the permits, licenses, and other authorizations required; and list any agencies or groups that were contacted or contributed information to this Environmental Assessment(EA).

Authorized Representative, Title

Date

(Name of) District

Chairperson

Date: _____

Sample of a resolution to accept the determination that (level of environment finding) is appropriate for the (applicant, type of project)

WHEREAS, the (Name of applicant) has completed an assessment to identify potential environmental impacts to the (describe purpose of project);

WHEREAS, the draft Environmental Assessment was made available for public comment and the findings were presented and reviewed at a public meeting;

WHEREAS, no substantive public comment was received, (or public comment was received and responded to);

WHEREAS, The (Name of applicant) has determined that the (type of Project) will not significantly affect the quality of the human environment and accordingly the (Name of Applicant) has determined an Environmental Impact Statement (or Environmental Assessment and EIS if project is Categorical Exclusion); is not necessary;

NOW, THEREFORE, BE IT RESOLVED by the (Council, Board, Commissioners) as follows;

That (Name of Applicant), Montana adopts the final Environmental Assessment for the (type of project).

Passes and approved on this date of (date)

Signed:	
Name:	
Title:	
Date:	
Attested:	



Community Development Division

Montana Coal Board

Project Administration Manual

DOCCDD@mt.gov

https://comdev.mt.gov/Boards/Coal

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Phone: (406) 841-2770 FAX: (406) 841-2771

CHAPTER I

PROJECT START-UP REQUIREMENTS

I. Overview

This chapter offers background information on the Coal Board (the Board) and summarizes the key considerations and important steps each grantee will need to take to start a successful Coal Board grant award project.

Each grantee can incur reimbursable project costs as of the authorized date of the quarterly Coal Board meeting at which the grant was awarded. Those costs will be eligible for reimbursement once the grantee meets all start-up conditions and executes a contract with the Coal Board. If the grantee fails to meet start-up requirements, a contract is not executed, a grant recipient is unable to comply with the terms and conditions of the contract, or costs incurred are not eligible for Coal Board funding, those costs will be the sole responsibility of the grantee. All biennial Coal Board projects must meet conditions and deadlines as set forth in authorizing legislation for project awards, which may impact the obligation or commitment of Coal Board funds.

In order to execute a contract with the Coal Board, the grantee must submit the following items:

- A revised project budget that is acceptable to all of the funding sources identified. The budget should clearly identify the portion of the project being funded by the Coal Board project grant, as described in the grantee's award letter;
- An updated version of the project implementation schedule to reflect current conditions at the time of contract execution;
- Documentation of firm commitment of funds;
- Compliance with Financial and Accounting Standards;

II. Project Budget

The preliminary project budget submitted in the grant recipient's application must be updated to reflect current conditions at the time of contract execution and will be attached to and incorporated by reference into the contract. At the time the project is ready to enter into a contract, an updated budget narrative explaining the amounts listed for each line item that Coal Board will be paying for, will be required to be submitted. It is important that the preliminary project budget at the time of contract execution is acceptable to all the funding sources identified. When the project is ready to begin the construction phase, the project budget will need to be revised to reflect the actual amount in the construction bid. In the event, that the construction bid is less than the budgeted amount, the construction line items must be revised to reflect the reduced costs. For information on the process to follow in amending the project budget after the contract has been executed, see Chapter 2.

If there are any savings upon completion of the project, the Department reserves the right to share proportionately in those savings with all funding sources. The Coal Board grant recipient may request to use the difference between the final actual project costs and the original grant award to fund additional work that further enhances the project. However, the Department will not approve the request until the original project is completed or at least close to completion and the total cost can be determined. The Coal Board grant recipient should submit a written request to use remaining Coal Board funds for the additional work activities, including full rationale and cost details, for Board review and approval. The decision to allow additional work activities to be funded with remaining Coal Board funds is strictly at the sole discretion of the Board.

III. Project Implementation Schedule

The project implementation schedule submitted in the grant recipient's application must be updated to reflect current conditions at the time of contract execution and will be attached to and incorporated by reference into the contract. The final implementation schedule for the Coal Board contract should identify all key tasks and more precisely define, if possible, when each must be accomplished to complete the overall project.

IV. Obtaining Firm Commitment of Other Funding Sources

As a condition of project start-up, the Coal Board grant recipient must provide adequate documentation of the firm commitment of all non-Coal Board funds. This is to prevent a situation where a project is started but cannot be finished, or payment to contractors is delayed because the necessary project funds are not available.

If the Coal Board grant recipient changes one of its sources of funding after receiving the Governor's Award letter, or if the cost of the project increases substantially after obtaining the firm commitment of non-Coal Board funds and additional funding is required from existing or new sources, the Board may, at its sole discretion, withdraw the award to the grant recipient, suspending distribution of Coal Board funds until there is once again a firm commitment of funds for the project.

V. Established Financial Accounting System

Local government and district grantees must be in compliance with the auditing and reporting requirements provided for in Section 2-7-503, MCA, and demonstrate that they have an established financial accounting system in place that conforms to generally accepted accounting principles (GAAP). Tribal governments must comply with auditing and reporting requirements provided for in OMB Circular A-133.

Program staff will confirm whether a grant recipient is in compliance with the auditing and reporting requirements with the Department of Administration, Local Government Services (LGS) Bureau, A grantee can also view information related to their audit and financial status available at any time on the Department of Administration, Local Government Services website at <u>http://sfsd.mt.gov/LGSB</u>.

The LGS Bureau services are available at the request of any local government to help the entity comply with statutory financial and budgetary reporting requirements.

VI. Adherence to Design Standards or Generally Accepted Industry Standards

The grant recipient must demonstrate that the proposed project in final design adheres to all design standards required by applicable regulatory agencies. Recipients of program funds for

projects that are not subject to any design standards must demonstrate that the final project design complies with generally accepted industry standards.

VI. The Management Plan

Coal Board grant recipients that are administering a public infrastructure or public housing project, must prepare and submit a signed management plan. A sample management plan is included as Exhibit 7. The management plan will establish how the grantee will allocate responsibility for complying with the Coal Board grant and other state requirements, including but not limited to the proper financial management of Coal Board funds, review of contracts and requests for reimbursements, compliance with labor standards, and completion of environmental review. In all cases, the grantee must maintain effective control over and accountability for all funds.

In the management plan, the grantee may designate an existing or new public employee (such as a planning director, public works superintendent, or clerk) as the Coal Board grant manager; hire a consultant to manage the grant through applicable competitive procedures for procurement of services; or contract with another local government or existing special purpose agency, such as an economic development corporation, to manage a grant. If the grantee will work with any other governmental entity or non-profit organization to manage its Coal Board grant, the grantee must execute an agreement establishing the responsibilities and duties between the two agencies. A sample agreement is included as Exhibit 8tse. All executed contracts or agreements, including those for engineering services or grant services, and documentation of procurement for applicable services, to be paid for in whole or in part by Coal Board funds must be submitted to the Department. Additionally, Coal Board may request a copy of any contract related to project activities.

VII. Environmental Review

Coal Board grants are a state action subject to the Montana Environmental Policy Act (MEPA). MEPA specifies three different levels of environmental review, based on the significance of the potential impacts. The levels are: (1) exempt or excluded from MEPA review; (2) environmental assessment (EA), and (3) environmental impact statement (EIS). For detailed information on MEPA, see A Guide to the Montana Environmental Policy Act, or A Citizen's Guide to Public Participation in Environmental Decision making, at https://leg.mt.gov/committees/interim/eqc/montana-environmental-policy-act/.

At the time of application to the Department, the environmental review process was completed and documentation of the process was submitted as part of the application. Please be advised that if project activities are modified to the extent that a new environmental review is required, MEPA processes must be followed before additional work can be completed. For additional information, please see the Coal Board website.

VIII. Coal Board Contract

The executed contract between the grantee and the Coal Board is the legal document that governs the administration of the grant, and will identify the following items:

- the total amount of Coal Board funds to be provided;
- the scope of work;
- a preliminary project budget for the use of Coal Board funds and any other funds involved in the project;
- the implementation schedule for the project;
- any special conditions placed on the grant by the Board or Department; and
- the general terms and conditions associated with the grant.

The process of finalizing the contract will include finalizing the project budget and implementation schedule and incorporating the scope of work to be completed by the grantee. The grantee's application for Coal Board grant funds, as approved by the Coal Board, is incorporated by reference into the contract and the representations made therein are binding upon the Grantee.

The Commerce project liaison will contact the grantee to confirm contract signers and additional contacts before routing the contract electronically through DocuSign.com.

CHAPTER 2

PROJECT MANAGEMENT

I. Overview

This chapter provides information about the management of the project including project administration, budget amendments, scope changes, expenses eligible for reimbursement, ineligible expenses, and what is required to receive your Coal Board funds.

Each grantee is required to comply with all applicable local, state, and federal laws of regulations throughout the project. This includes adherence to all applicable design standards, environmental mitigation requirements, and building codes. Therefore, a copy of all applicable permits that are obtained for the project must be submitted to the Department prior to commencing construction activities.

II. Project Lifespan

For Coal Board construction projects, construction activities must be completed as identified in the project's implementation schedule and the executed contract with the Coal Board. The Board, in its sole discretion, may grant an extension to the scheduled date if the project is near completion, and the grant recipient can demonstrate a good faith effort to complete the project on time and within the original budget.

III. Project Amendment

At some point during the project, the grantee may need to modify the scope, budget, or implementation schedule for the project. The following process should be followed for accomplishing such modifications:

a. Budget

Modifications to the budget of less than \$5,000 to any one-line item of the budget can be submitted as part of the grantee's request for reimbursement request, and Department of Commerce approval of the request for reimbursement will constitute approval of the modification.

For budget amendments of \$5,000 or more to any one line item of the budget, or when the sum of budget adjustments for the project exceeds \$5,000, the Coal Board grantee must provide a written justification to the Board that clearly demonstrates the appropriateness and necessity of the modification. The Board must agree in writing to any significant changes in the budget before such changes may be implemented by the grantee.

Any budget adjustments made during the project should be listed and tracked throughout the project.

The Coal Board grant recipient may request to use the difference between the final actual project costs and the original grant award to fund additional work that further enhance a project. The Coal Board grant recipient should submit a written request to use remaining Coal Board funds for the additional work activities, including full rationale and cost details, for Board review and approval. The decision to allow additional work activities to be funded with remaining Coal Board funds is strictly at the sole discretion of the Board.

b. Implementation Schedule

The grantee may modify the implementation schedule as necessary to reflect the timeline being followed as the project moves forward, so long as the project's completion date as listed in the executed contract is met. The grantee should submit details regarding any changes to the schedule as part of the grantee's next request for reimbursement, and Department approval of the request for reimbursement will constitute approval of the modification.

If the grantee seeks to extend the completion date of its Coal Board project beyond the date designated in the executed contract and implementation schedule, the grantee must request and receive Coal Board approval.

c. Scope of Work

If the grantee seeks to change any part of the scope of work of the project, as identified in the contract with the Board, the grantee must first provide a written justification to the Board that clearly demonstrates the appropriateness and necessity of the modification.

The Department or Board, in their sole discretion, may grant a modification to the project scope of work that does not materially alter the intent or circumstances under which the project was approved for funding.

IV. Eligible and Ineligible Project Expenses

Expenses eligible for Coal Board funding include, but are not limited to:

- Expenses that directly relate to project activities that implement the scope of work identified in the Coal Board contract;
- Professional services that directly relate to design activities that implement the scope of work identified in the Coal Board contract;
- Repayment of interim financing directly related to project activities that implement the scope of work identified in the Coal Board contract;

Expenses that are **not eligible** for Coal Board funding include but are not limited to:

- Costs related to refinancing, servicing, or interest on any existing debt;
- Any unauthorized costs incurred prior to the date identified in the Notice of Award letter; and
- Privately owned service lines.

V. Requests for Reimbursement and Progress Reports

a. Project Requests for Reimbursement

Prior to the first draw request, the following documentation is required:

- Documentation of the firm commitment of other funding sources for the Coal Board project, including adequate documentation if necessary. Acceptable documentation could include a letter assuring the Department that the funding is available in the Grant recipient's budget, an award letter from another grant program, a commitment letter from private donors or trusts, etc.;
- Completed and notarized Signature Certification Form for those individuals to be authorized to process and approve requests for grant funds.
- Completed Designation of Depository for Direct Deposit of Coal Board Funds.
- Certificate of liability insurance as required and described in the Commerce contract; and
- Proof of the Grant Recipient's Worker's Compensation Insurance (for more information, refer to the Commerce contract).

Grantees initiate a request for Coal Board funds by preparing and submitting the Request for Reimbursement Form. The grantee can only be reimbursed for project-related, actual costs that have been incurred, and must provide adequate and sufficient documentation supporting each claim for expenses to be reimbursed. Itemized invoices, for the contractor, any subcontractors, consultants, and vendors or suppliers, typically constitute adequate and sufficient documentation for reimbursable expenses, the invoice must include:

- a description of work performed,
- the number of hours worked to accomplish each item,
- the amount being billed for each item;
- work performed date(s) and work items completed, if upon request from Coal Board
- beginning and ending billing period dates;
- a description of any other eligible expenses incurred during the billing period; and
- the total amount being billed.

Lump-sum contracts typically do not provide for adequate and sufficient documentation for reimbursement of project expenses with Coal Board funds and they are generally not allowed for design and construction engineering services. Cost plus or 'multiplier' contracts and expenses are not allowable on Coal Board projects.

If budget modifications are found to be necessary while preparing a draw request, Commerce staff should be notified of the modification prior to the draw being submitted. Please work closely with your project liaison regarding budget modifications.

The Board may retain two percent (2%) of the total authorized grant amount until:

- the project has been completed (certificate of Substantial Completion)
- Final closeout report has been submitted by grantee and approved by the Department.

See Exhibit I and the Coal Board website for the Request for Reimbursement Form.

b. Project Progress Reports and Photos

Each request for funds must be accompanied by a Project Progress Report, which could be in the form of a document, emailed project update, and/or photographs of the project. There is no specific format of the progress report. In the absence of a draw request regularly submitted, a Project Progress Report should be submitted every 90 days as a project update on activities occurring on the project. Project progress reports can also be provided by the grantee in person at the regularly scheduled quarterly Coal Board meeting. In the project report, the grantee may describe the status of all activities in the scope of work, including: the percentage complete, costs incurred, funds remaining, projected completion date, any significant problems encountered in carrying out the Project and the scope of any necessary modifications the grantee is requesting in the scope of work, budget, or implementation schedule.

Project photos are encouraged to be submitted to the Board at the beginning of the project and at the completion of the project. Photos should evidence the improvements made with Coal Board funds.

c. Uniform Status of Funds Form and Invoice Tracking Spreadsheet

Draw requests for all project types (construction, equipment, planning) for Coal Board funds must also be accompanied by an updated Uniform Invoice Tracking Spreadsheet. The Uniform Invoice Tracking Spreadsheet provides the Board updated information on all cumulative invoices received and paid for on the project, broken out by all funding sources involved in the project.

For construction projects, a Uniform Status of Funds Form is also required. This form provides the Board updated information on the remaining budget for the project and the status of all funding sources involved in the project.

VI. Accounting and Auditing Requirements

Coal Board local government and district grantees must maintain all receipts and expenditures of Coal Board grant funds in accordance with generally accepted accounting principles (GAAP) and be in compliance with the auditing requirements of Section 2-7-503, MCA, as provided for in Section 20-9-213, MCA. Coal Board tribal government grantees must maintain all receipts and expenditures of Coal Board grant funds in accordance with the requirements provided for in OMB Circular A-133.

VII. Records Creation and Retention

The grantee must create and maintain all records of project activities funded with Coal Board grant funds, including but not limited to financial records, supporting documents, and such other records as are required by law or other authority, for five (5) years after either the completion of the project or the conclusion of any claim, litigation, or exception relating to the project taken by the State of Montana or any third party, whichever is later. The grantee must provide the Department, the Legislative Auditor, or their agents access to all project records upon request.

VIII. Ethics and Code of Conduct

Sections 2-2-12, 2-2-201, 7-3-4256, 7-3-4367, 7-5-2106, and 7-5-4109, MCA, govern the code of conduct and conflicts of interest by all local governmental entities and public employees, including elected officials, district board members, and district employees. These laws must always be followed by Coal Board grant recipients, regardless of their participation in the Coal Board grant program.

IX. Procurement Procedures

Title 7, Chapter 5, Parts 23 and 43, MCA govern the procurement of construction and purchasing contracts by Coal Board local government and district grantees. Tribal governments are subject to their own tribal procurement laws. These laws must always be followed by these entities, regardless of their participation in the Coal Board grant program.

Coal Board grantees should be prepared to provide information to the Department about how they intend to procure or procured grant administration, professional services and construction services in accordance with the procurement laws applicable to them, including but not limited to the list of vendors to be or that were solicited, a copy of any advertisements, a copy of the request for proposals, or the information detailing the scope of work if price is the only consideration.

X. Public Notice and Participation

Sections 8 and 9 of Article II of the Montana Constitution, and Sections 2-3-101, 2-3-201, and Title 7, MCA, require Coal Board local governments and district grantees to hold regular and special public meetings, provide public notice of those meetings, and allow the public the opportunity to participate in the grantee's decision-making process. These laws must always be followed by Coal Board local governments and district grantees, regardless of their participation in the Coal Board grant program. Grantees should be prepared to provide information to the Department about the public process for its Coal Board project, including but not limited to a copy of public meeting agendas and any comments submitted by the public and responses provided during administration of the project.

All press releases related to the Coal Board project must be submitted to the Department for review and approval prior to release.

XI. Non-Discrimination Laws

Coal Board grantees must fully comply with all applicable federal, state, or local non-discrimination laws, rules and regulations, including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973, in performing any project or portion thereof using Coal Board funds. All subcontractors performing work on the project are subject to the same provision. The hiring of all persons to perform work on the project must be made on the basis of merit and qualifications, and the district shall not discriminate based upon the race, color, religion, creed,

political ideas, sex, age, marital status, physical or mental disability, or national origin of the persons performing the project.

XII. Prevailing Wage Requirements

Montana's Prevailing Wage Act (Section 18-2-401, et seq., MCA) applies to all public works contracts let by Coal Board local government and district grantees (all construction contracts and non-construction contracts in excess of \$25,000). These laws must always be followed by Coal Board local government and district grantees, regardless of their participation in the Coal Board grant program. Grantees should be prepared to document the payment of prevailing wages in all applicable contracts related to the Coal Board project.

XIII. Project Monitoring

Recipients of Coal Board funding are responsible for administering their Coal Board projects in accordance with all applicable local, state and federal laws. The Board has the responsibility to assist and support grantees in successfully implementing their project activities from start-up through closeout of the project in compliance with these requirements.

To accomplish these goals, in addition to reviewing information submitted with progress reports and requests for Coal Board funds, the Board or Department may schedule a monitoring visit with each Coal Board grantee. A monitoring visit usually involves a visit to the grantee's offices to review records, inspect project activities, and meet with the local officials.

XIV. Project Completion

Project Closeout is the process by which the Board determines that the Coal Board project has been completed in accordance with the terms and conditions of the Coal Board contract.

Within 90 days of the date the certificate of substantial completion for construction projects, completion of planning documentation, or documentation of equipment purchase, the grantee must submit a final Project Completion Report for approval by the Department. The Project Completion Report is included as Exhibit 6. The report provides the Board and the Department with information on the total costs incurred for the Project, the final completion date, and any significant problems encountered in carrying out the Project. Within 30 days of approving the Project Completion Report, the Board will issue a letter approving the project completion. Once the letter is issued, the Coal Board grant project is considered complete and the file is closed. No more requests for reimbursement requests will be accepted on the project after the project is closed.

Exhibit I

Request for Reimbursement Form Note: This form is available on the COAL BOARD website in Excel format

SECTION I - COAL	BOARD RECIPIE	NT INFORMATION	l –				
COAL BOARD CONTRACT	NUMBER:			REQUEST NUME	BER:	TOTAL AMOL	JNT REQUESTED:
NAME AND ADDRESS RECIPIENT:				PRIMARY CONTACT:			
SECTION II - FINANCIAL INFORMATION							
				В		~	D
		A Amount Budgeted	Amo Pr	unt Expended ior To This Draw		C mount quested	Balance Remaining After This Draw
I. TOTAL ADMINISTR	ATION BUDGET						
		% of Total Grant	%	of Column A			l
2. Percent							
3. TOTAL ACTIVITY B	BUDGET						
		% of Total Grant	%	of Column A			
4. Percent							
5. TOTAL COAL BOAI							
SECTION III - LOCA	AL APPROVAL	ubmit all supporting invoice	s, report	s and other docum	entation.		
DATE:	SIGNATURE:				TITLE:		
DATE:	COUNTERSIGNATURI	E:			TITLE:		
SECTION IV -COMM	1ERCE APPROVA	L					
REMARKS:							
					Total R	equested	
					Adjustr	nent	
					Adjuste	d Total	
EXPENDITURES ARE REASONABLE, APPROPRIATE				APPROVED BY:			
FINANCIAL NUMBERS, SIGNATURES CORRECT				TITLE:			
CONSISTENT WITH PRECEDING DRAW, SABHRS			-				
BUDGET AMENDMENT APPROVED				DATE:			

Exhibit 2 Signature Certification Form

Montana Department of Commerce Community Development Division - Coal Board 301 S. Park Avenue PO Box 200523 Helena, Montana 59620-0523

This is to certify that the following officials¹ are authorized to sign requests for reimbursements of Montana Coal Board funds for the {name of grantee: City, Town, or County}, 20___ grant: {Include one or multiple contract numbers}.

Signature	Title	
Printed Name		
Signature	Title	
Printed Name		
Signature	Title	
Printed Name		

It is understood that any two of the above signatories must sign each request for reimbursement submitted.

²I hereby certify that I have witnessed the signing of the above named signatures.

Date: _____

Signature of Witness

Typed Name and Title of Witness

SUBSCRIBED AND SWORN TO, before me, a Notary Public for the State of Montana, on the ______ day of ______, 20___.

Notary Public for the State of Montana (type or print name) Residing at _____

My Commission expires _____

(Notary Seal)

¹Suggested signatories include the chief elected official (Mayor, Chairperson of County Commission, District President, Tribal Chairperson and/or Tribal Council Members), city, county or district clerk or treasurer, or other local officials. Consultants under contract may not be a signatory.

Exhibit 3 Designation of Depository for Direct Deposit of Coal Board Funds

SECTION I (To be completed by Coal Board recipient)

The __

Name, Address and ZIP Code of Coal Board Recipient's Bank has been designated as the depository for all funds to be received from the Montana Department of Commerce resulting from Coal Board Contract No. {Include multiples if applicable} <u>MT-CB-</u> for deposit to: \Box checking or \Box savings

Account Name / Account # / American Bankers Association # (ABA – Routing/Transit)

Name of Grant Recipient

Signature of Chief Elected Official or Executive Officer

Email address for notification of payments made to grantee from Coal Board

Date

Section II (To be completed by the bank)

The account identified in Section I has been established with this bank. All necessary documentation, including a power of attorney where necessary, which will legally enable this depository to receive state warrants from the State Auditor's Office for deposit to:

Account Name and/or Number

Name of Bank

The Depository hereby agrees to immediately notify the Recipient when a deposit is made in the above account.

Signature of Authorized Bank Officer

Title of Authorized Bank Officer

Address

Date

Address

Title of Chief Elected Official or Executive Officer

Exhibit 4

Uniform Status of Funds Form

Available at the Coal Board website:

https://comdev.mt.gov/Boards/Coal

Exhibit 5

Uniform Invoice Tracking Spreadsheet

Available at the Coal Board website:

https://comdev.mt.gov/Boards/Coal

Exhibit 6 Project Completion Report

Available at the Coal Board website:

https://comdev.mt.gov/Boards/Coal

Exhibit 7: Sample Management Plan

The management plan adopted by the local government should reflect the actual procedures utilized by the local government and based on the duties assigned to the various people involved in the project.

Note: This sample is provided to help create a plan that is structured upon the actual procedures utilized by the local government and based on the duties assigned to the various people involved in the project. This sample may be modified to fit the actual needs and management responsibilities of the project.

I. Administrative Structure

The City of ______ is an incorporated city with a Mayor-Council form of government. The following persons will have lead responsibility for administering the City's _____Biennium Coal Board) {project type} project improvements:

Mayor ______, as the City's chief elected official will have responsibility for all official contacts with the Montana Department of Commerce. The Mayor and City Council will have ultimate authority and responsibility for the management of project activities and expenditure of COAL BOARD funds. The approval of all contracts and requests for reimbursement will be the responsibility of the City Council. (Telephone ______ Email_____)

_____, Clerk-Treasurer, as the City's chief financial officer, will be responsible for management of, and record keeping for, the COAL BOARD funds and other funds involved in the financing of the {type} project. (Telephone _____ Email _____)

______, Director of the City-County Planning Board, will be designated as Grant Manager and be responsible for overall grant management and assuring compliance with applicable federal and state requirements for the COAL BOARD project. The Grant Manager will serve as the City's liaison with Department for the project. One-fourth of this position's time will be devoted to COAL BOARD administration during the term of the project. (Telephone _________)

_____, City Attorney, as the City's legal counsel, will review and advise the Mayor and Council regarding any proposed contractual agreements associated with the COAL BOARD project and provide any other legal guidance as requested. (Telephone _______)

Project Engineer, will be responsible for construction-related activities including preparation of preliminary engineering, final design plans and specifications, as well as construction inspection. Contractor compliance, scheduling, and reimbursement requests will also be subject to the Project Engineer's review and approval. (Telephone ______ Email -

- A. The Grant Manager will be responsible for:
 - I. Compliance with any applicable environmental requirements.
 - 2. Assisting the Grant Recipient with all requirements related to effective project start-up and implementation and developing a contract with the Department.
 - 3. Preparing any legal notices required to be published, and processing and conducting any required public hearings or informational meetings.
 - 4. Establishing and maintaining complete and accurate project files and preparing all documentation and reports incidental to administration of the grant.
 - 5. Assisting the Grant Recipient with selection of the Project Engineer, in conformance with procurement requirements, including the preparation of requests for proposals for publication or other distribution.
 - 6. Reviewing all proposed project expenditures or requests for reimbursement to ensure their propriety and proper allocation of expenditures to the COAL BOARD budget.
 - 7. In cooperation with the Clerk-Treasurer, processing reimbursement requests and preparing requests for reimbursement to the Department, including the Request for Reimbursement, Status of Funds Report, Invoice Tracking Spreadsheet and the Project Progress Report.
 - 8. Monitoring the contractor selection process, including the bid advertising, tabulation and award process and construction contract provisions in conformance with applicable laws.
 - 9. Attending the preconstruction conference and monthly construction progress meetings.
 - 10. Monitoring contractor compliance with applicable requirements.
 - 11. Assuring compliance with all state labor standards requirements. Responsibilities will include the review of weekly payroll reports to assure compliance with state prevailing wage requirements; periodic visits to the construction site to assure that required equal opportunity, labor standards, and prevailing wage determinations have been posted; and conducting on-site interviews with construction personnel to assure prevailing wage compliance.
 - 12. Assuring compliance with applicable equal opportunity requirements.

- 13. Preparing all required performance reports and project completion documents for submittal to the Department.
- 14. Attending Council meetings to provide project status reports and representing the COAL BOARD project at any other public meetings, as deemed necessary by the local officials.
- 15. Receiving official project complaints and ensuring that complaints are reasonably addressed in a timely manner.
- B. The Project Engineer will be responsible for:
 - I. Design and construction engineering.
 - 2. Preparation of the construction bid package in conformance with applicable requirements and supervision of the bid advertising, tabulation, and award process, including the preparation of the advertisements for bid solicitation, conducting the bid opening, and issuance of the notice to proceed.
 - 3. Conducting the preconstruction conference, with the assistance of the grant manager.
 - 4. Supervision of construction work and preparation of inspection reports.
 - 5. Reviewing and approving all contractor requests for reimbursement and submitting the approved requests to the Grant Recipient.
- III. Financial Management
 - A. The Clerk-Treasurer's financial responsibilities will be as follows:
 - I. Managing the transfer of COAL BOARD funds from the Department to the grant recipient's bank account and disbursing COAL BOARD funds based on claims and supporting documents approved by the grant manager, project engineer, and contractor.
 - 2. Entering all project transactions into the Grant Recipient's existing accounting system, and preparing checks/warrants for approved expenditures.
 - 3. With the assistance of the Grant Manager, preparing the Request for Reimbursement and accompanying reports and documentation to be submitted to Department.

- 4. With the assistance of the Grant Manager, preparing the final financial reports for project completion.
- B. The Grant Manager and Clerk-Treasurer will review all proposed expenditures of COAL BOARD funds and will prepare requests for reimbursement, which will be signed by the officials named on the signatory form. All disbursements will be handled in accordance with the Grant Recipient's established claim review procedures. Before submitting the claim to the Clerk-Treasurer, the Grant Manager will attach a certification to each claim stating that the proposed expenditure is an eligible expense of the Grant Recipient's COAL BOARD project and consistent with the project budget. The Council will review all claims before approving them.
- C. Financial record keeping will be done in conformance with state law. The original financial documents (claims with attached supporting material) will be retained in the Grant Recipient's offices.
- D. Appropriate documentation of administrative costs will be maintained by the Grant Manager and the Clerk-Treasurer to document all time worked on the COAL BOARD project that will be compensated with COAL BOARD funds.

This management plan has been approved by the Grant Recipient, ______ and the individuals named within have been informed of the responsibilities stated within this plan.

Chief Elected Official or District President

Signature

Date

Exhibit 8

Sample Agreement

Note: This sample should not simply be copied. It is only provided as a sample to help create an agreement with a governmental entity or sub-recipient that is to be reviewed and approved by all parties and their attorney's.

THIS CONTRACT is entered into by (Insert Name of County) County, herein referred to as "the County", and the (Insert Name of District/sub-recipient), herein referred to as "the District/Center".

WITNESSETH THAT:

WHEREAS, the County is the recipient of a COAL BOARD grant to (describe the Project) owned and operated by the District/Sub-recipient; and

WHEREAS, this Contract between the County and the District/Sub-recipient will enable them to enhance cooperation in implementing the County's COAL BOARD award to accomplish the above-described project; and

WHEREAS, the County, in its capacity as a COAL BOARD grantee, has determined that the District/Sub-recipient can better supervise the design and construction phases of the (water and/or sewer) system; and

WHEREAS, the Montana Department of Commerce has required the County to enter into a contract with the District/Sub-recipient specifying the terms and conditions of the County's delegation of certain COAL BOARD grant management responsibilities to the District/Sub-recipient; and

WHEREAS, both parties to this Contract understand that neither local government involved herein has in any way, expressly or implied, abrogated any of its individual powers, and that this Contract does not create any new organization or legal entity.

NOW, THEREFORE, THE COUNTY AND THE DISTRICT/SUB-RECIPIENT MUTUALLY AGREE AS FOLLOWS:

- I. Responsibilities Delegated to the District/sub-recipient
 - A. The District/sub-recipient will, subject to prior approval by the Board of County Commissioners/Directors, retain the services of a consulting engineering firm to design and supervise the construction of the project.
 - B. The District/sub-recipient will be responsible for all facets of the design and construction phases of the project, including the following:

- I. Design engineering;
- 2. Construction engineering;
- 3. Except as provided by paragraph IV. Administration below, compliance with all applicable state and federal requirements;
- 4. Except as provided by paragraph IV. Administration below, compliance with all other state and federal requirements as described in the COAL BOARD Project Administration Manual;
- 5. Preparation of construction bid documents; and
- 6. Supervision of the bid process, the awarding of construction contracts, and construction of the project. The selection of the project contractor will be subject to the ratification of the County Board of Commissioners/directors and bid solicitation documents will reflect this requirement.
- C. The District/sub-recipient and its consulting engineer will receive, review, and approve all requests for reimbursement for the items contained in paragraph B, above, and prepare and submit such requests to the County Board of Commissioners/directors in a timely fashion in accordance with established procedures.
- D. During the term of this Contract, the District/sub-recipient will maintain reasonable records of its performance hereunder in a manner consistent with generally accepted accounting principles. The District/sub-recipient will allow the County and Department and their authorized representatives access to these records at any time during normal business hours. At the request of the County, the District/sub-recipient will submit to the County, in the format prescribed by the County, status reports on its performance under this Contract.
- E. The District/sub-recipient will provide documentation that the local share of the project that exceeds COAL BOARD funds may be accessed by the County for the project no later than the time of construction bid award.
- II. Payment of Design and Construction Costs Incurred by the District/sub-recipient

In consideration of the District/sub-recipient's acceptance of the responsibilities described in paragraph I, above, the County agrees to the following:

A. Upon receipt of a valid claim for payment from the District/sub-recipient for allowable project costs as specified in the County's contract with Department, a copy of which is appended as Attachment A of this Contract, and which by this reference is made a part hereof, the County will request the required amount of COAL BOARD funds from Department and upon receipt of these funds, the

County will honor the District/sub-recipient's claim and pay the engineer or contractor accordingly.

- B. Each payment for engineering and construction costs will be requested from COAL BOARD and District/sub-recipient funds (if applicable) in amounts that are proportionate to the percentage that such funds represent of the total cost of the project as specified in Exhibit B of Attachment A.
- C. The County will deduct a retainage from each payment request equal to five percent of the request, submitted by the District/sub-recipient for construction costs incurred by the project contractor and hold this retainage until construction is completed, the engineer approves final payment, and the project is accepted, all in accordance with the conditions of the construction contract. (Note: A retainage requirement is optional.)
- D. The County will also withhold one percent of the amount of any claim submitted by the contractor and will forward this amount to the Montana Department of Revenue pursuant to section 15-50-206(2), MCA.
- E. The County may refuse to pay any claim which it deems not valid under the terms of the COAL BOARD contract with Department (Attachment A). Any agreement between a COAL BOARD grantee and a subrecipient, such as a water or sewer district, should include a "Scope of Work" which includes a description of the work to be performed, a schedule for completing the work, and a budget. (These items are standard components of any COAL BOARD grant agreement which is referred to here as an attachment.)
- III. Duration of the Contract
 - A. This Contract takes effect when the following conditions are satisfied:
 - I. Department and the County Board of Commissioners/directors have executed the COAL BOARD contract;
 - 2. The County Attorney and the attorney for the District/sub-recipient have approved this Contract as to form and content; and
 - 3. The County Board of Commissioners/directors and the District/subrecipient's governing body have each reviewed this Contract and agreed fully to its terms and conditions.
 - B. This Contract will terminate in accordance with the end date identified in the contract with the Department, or 90 days after the project engineer files a certificate of completion of the project with the Montana Department of Environmental Quality and Department closes out the COAL BOARD project with the County.

IV. Administration

For purposes of implementing the joint undertaking established by this Contract, the County's Board of Commissioners and the District/sub-recipient's Board of Directors hereby agree to coordinate with the County's COAL BOARD contract liaison, the project engineer, and a designated representative of the district/sub-recipient. These individuals may meet on a regular basis during the term of the COAL BOARD project to provide for the efficient and effective implementation of this project.

V. Management of Real Property or Equipment Acquired

The primary purpose of this Contract is to allow the County to delegate responsibility for the design and construction of the District/sub-recipient's project to the District/subrecipient and to define the procedures by which the County will disburse COAL BOARD funds to pay the costs incurred as a result of these activities. The District/sub-recipient's facilities will be constructed or improved as described in the COAL BOARD contract with Department (Attachment A) and the District/sub-recipient may continue to own and operate those facilities subject to the limitations contained in subparagraph B.

Upon the expiration of this Contract the District/sub-recipient will transfer to the County any COAL BOARD funds on hand at the time of expiration and any accounts receivable attributable to the use of COAL BOARD funds.

VI. Indemnification

The District/sub-recipient waives any and all claims and recourse against the County, including the right of contribution for loss or damage to persons or property arising from, growing out of or in any way connected with or incident to the District/sub-recipient's performance of this Contract except claims arising from the concurrent or sole negligence of the County or its officers, agents, or employees. The District/sub-recipient will indemnify, hold harmless, and defend the County against any and all claims, demands, damages, costs, expenses, or liability arising out of the District/sub-recipient's performance of this Contract except for liability arising out of the concurrent or sole negligence of the County or its officer's agents, or employees.

VII. Suspension and Termination

The County may suspend or terminate this Contract if the District/sub-recipient materially fails to comply with any term of the County's COAL BOARD contract with Department. In addition, the County may terminate this Contract for convenience with reasonable notice.

This Contract has been approved by the County's Board of Commissioners and the District/subrecipient's Board of Directors.

(Name of County) Commissioners		
	Chairman	
Date:		
	_Commissioner	
Date:		
	_Commissioner	
Date:		



COMMUNITY DEVELOPMENT DIVISION

Montana Coal <u>Board</u> Impact Grant<u>Program</u> -Application<u>and Guidelines</u>

Grant Applications Due Quarterly, 45 days before the next regularly scheduled Montana Coal Board Meeting

Meeting dates and application due dates can be found on the Montana Coal Board website: https://comdev.mt.gov/Boards/Coal/Meetings

DOCCDD@MT.GOV

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Montana Department of Commerce 2020

Montana Coal Board Program Application and Guidelines

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Table of Contents

- I. Introduction
- II. Eligible Applicants
- III. Eligible Projects
- IV. Eligible Funding
- V. Application Submission
- VI. Award Process
- VII. Project Administration

Appendix A: Montana Coal Board Grant Program Application and Statutory Review Criteria Appendix B: PAR Requirements Appendix C: Environmental Review Requirements

I. Introduction

The Montana Coal Board, a governor appointed seven-member board, was created in 1975, along with Montana's Coal Severance Tax, through the passage of Senate Bill 87. The Montana Coal Board, referred to the "Coal Board" hereafter, follows Title 90, Chapter 6, Part 2 of the Montana Code Annotated to carryout its responsibilities. The Coal Board is attached to the Montana Department of Commerce for administrative purposes.

As stated in 90-6-201 MCA, the Board's purpose is to assist local governmental units that have been required to expand the provision of public services as a consequence of large-scale development of coal mines and coal-using energy complexes or as a consequence of a major decline in coal mining or in the operation of coal-using energy complexes, to assist in the construction and reconstruction of designated portions of highways that serve the area affected by the large-scale development, to support county land planning, and to support public schools throughout the state.

The Board considers applications and awards Coal Board Impact grants to counties, communities, school districts, Indian Tribes, or other governmental units to assist them in adequately providing governmental services or facilities that are needed as a direct consequence of an increase or decrease in coal development. or in the consumption of coal by an coal-using energy complex. The Board is also responsible to award grants to local government for the purpose of paying part or all the credit that the local governmental unit is obligated to give a major new industrial facility that has prepaid property taxes.

The Board meets at least once each quarter, typically during the third week of the third month of each quarter. Additional meetings may be called by the presiding officer or majority of the members (90-6-204, MCA).

The Coal Board awards grants pursuant to 90-6-207, MCA, which provides the priorities for grants to counties, communities, school districts, or other governmental units that, as a result of the impact of coal development, has had or expects to have a net increase or decrease in estimated population. The current Coal Impact Area Report, list of designated units, and a map can be found on the Coal Board website: https://comdev.mt.gov/Boards/Coal.

These application guidelines explain how an eligible application can apply for Montana Coal Board funding and includes an application and appendices relevant to program requirements. Montana Coal Board program application and guidelines, project administration manual, other relevant information and resources are available on the Montana Department of Commerce (Commerce), Community Development Division (CDD) website at https://comdev.mt.gov/Boards/Coal. Interested persons can also e-mail MHPG program staff at DOCCDD@mt.gov or call staff at (406) 841-2770 regarding any questions they may have about the MHPG Program.

Alternative accessible formats of this document will be provided upon request. If you need this document in an alternative format, such as large print, Braille, audio tape, or computer diskette, please contact the Montana Department of Commerce Community Development Division at (406) 841-2770, TDD (406) 841-2702, or the Relay Services number, 711.

The Department of Commerce does not discriminate on the basis of disability in admission to, access to, or operations of its program, services, or activities. Individuals who need aids or services for effective communications or other disability-related accommodations in the programs and services offered are invited

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to make their needs and preferences known. Please provide as much advance notice as possible for requests.

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Montana Coal Board Program Application and Guidelines

Eligible Applicants П.

Applicants eligible to receive financial assistance for the Montana Coal Board include:

- Local governmental units (cities, towns, counties, school districts, water and sewer districts, etc.) State agencies
- Governing bodies of federally recognized Indian tribes.

Under 90-6-209, MCA, a grant to an Indian tribe may not be approved by the Coal Board unless:

(a) the governing body of the tribe has agreed:

(i) to waive its immunity from suit on any issue specifically arising from the transaction of a grant obtained under this part; and

(ii) to the adjudication of any dispute arising out of the grant transaction in the district court of the first judicial district of the state of Montana; and

(b) approval of the transaction has been obtained from the secretary of the United States department. of the interior whenever approval is necessary.

Additional Considerations for Eligible Applicants

Applicants should be familiar with their status of audit compliance and related financial considerations at the time of application, as applicable audit and financial compliance reports are reviewed by Commerce staff as part of the ranking process. Information related to the audit and financial status of a local government applicant is available at any time on the Department of Administration, Local Government Services website at http://sfsd.mt.gov/LGSB.

III. **Eligible Projects**

The Coal Board statutes do not specifically prohibit any type of project from eligibility for Coal Board funds. Eligible projects include any governmental services that are needed as a direct consequence of an increase or decrease of coal development or of an increase or decrease in the consumption of coal by a coal-using energy complex. Project types may be construction, equipment purchases, or developing a planning document.

Applicants must document how the project meets the Coal Board statutory criteria (MCA 90-6-206, 90-6-208). Grants must be awarded on the basis of:

Need: •

- Degree of severity of impact from an increase or decrease in coal development or in the consumption of coal by a coal-using energy complex;
- Availability of funds;
- Degree of local effort in meeting these needs.
 - o In determining the degree of local effort, the board shall review the millage rates levied for the present fiscal year in relation to the average millage rates levied during the 3 years immediately preceding the year of application for assistance.
 - Millage rates for the present fiscal year that are lower than the average millage rate levied 0 during the 3 years immediately preceding the year of application for assistance must be considered by the board to indicate the lack of local effort. The application under these circumstances may be rejected.
 - o Further, in determining the degree of local effort, the board shall consider the possibility of requiring that local governmental unit to increase its bonded indebtedness to provide all or part of the governmental service or facility that is needed as a direct consequence of an increase or decrease in coal development or in the consumption of coal by a coal-using energy complex.

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- To the extent that funds are needed to evaluate and plan for the impact needs caused by the increase or decrease in coal development or in the consumption of coal by a coal-using energy complex, consideration of bond issues and millage levies may be waived.
- To the extent that the applicant has no history of mill levies, the second and third bulleted items do not apply.
- Planning and Management
 - State law (90-6-207[5], MCA) requires the Coal Board to give attention "to the need for community planning before the full impact of coal doublepment or decline is realized.
 - community planning before the full impact of coal development or decline is realized. Applicants should be able to show how the request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems." Therefore, pursuant to Sub- Chapter 3 of the Administrative Rules of Montana, 'planning' is an additional criterion the Coal Board will apply when reviewing applications.

<u>Coal Board grant funds used for the preparation of plans, studies, analyses, or necessary research for the preparation of a preliminary engineering report must meet the requirements of the most current Uniform</u> <u>Application for Montana Public Facility Projects</u>. <u>Coal impact grant funds used for the preparation of a preliminary architectural report must meet the requirements described in Appendix B.</u>

IV. Eligible Funding

Coal Board grant funds are appropriated by the state legislature on a biennial basis. The Montana Coal Board may award Coal Board grants up to, but not more than the amount appropriated by the legislature by fiscal year and biennium. Quarterly fiscal updates are provided to the Board and the public on at least a quarterly basis at regularly scheduled Coal Board meetings.

The Montana Department of Commerce (referred to as "Commerce", hereafter) is required by statute. Montana Code Annotated (MCA 90-6-207) to biennially designate each county, incorporated city and town, school district or other governmental unit impacted by coal development. The specific criteria for designation are defined in detail within the statute and summarized below. This designation guides the use of funds and directs the Montana Coal Board (referred to as "Coal Board", hereafter) to award at least 50% of appropriated funds to designated local government units, except as it pertains to MCA 90-6-205(4)(b). The Coal Board cannot award more than 50% of the funds appropriated to it each fiscal year for nondesignated units.

V. Application Submission

To apply for a Coal Board grant, an eligible applicant must complete the required application (Appendix A) and submit by the due date. One hard copy and one electronic copy of the Coal Board application, PER or PAR, if applicable, completed environmental review documentation, and associated documents must be postmarked or delivered to the Department of Commerce, 301 South Park Ave., PO Box 200523, Helena MT, 59620 on or before the application date listed on the Coal Board website: http://comdev.mt.gov/Boards/COAL_

It is preferable that electronic copy of application information and documents be transmitted via the file transfer service at https://transfer.mt.gov. Simply create an account in the transfer service, upload the files and email the transfer to DOCCDD@mt.gov prior to or by close of business on the application due date. Please identify your upload(s) to include the name of the grantee in the file name. Please combine application materials into as few files as possible, this will improve the application receipt process for CDD staff.

Applications are due 45 days prior to the Coal Board meeting. Any application not received or postmarked by the application due date, will be reviewed during the subsequent quarter.

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Applicants must appear before the Coal Board, in-person or by conference call, when their application is on the agenda for consideration. Applicants will receive a staff review report and an agenda prior to the meeting date. If a representative is not available to speak on behalf of the application request, the application may be tabled until the next board meeting.

Prior to award, the applicant must provide documentation of a complete environmental review. Coal Board grants are a state action subject to the Montana Environmental Policy Act (MEPA). MEPA specifies three different levels of environmental review, based on the significance of the potential impacts. The levels are: (1) exempt or excluded from MEPA review; (2) environmental assessment (EA), and (3) environmental impact statement (EIS). The following outlines the environmental review process that must be completed by the applicant for each project proposed for Coal Board funding. For detailed information on MEPA, see A Guide to the Montana Environmental Policy Act, or A Citizen's Guide to Public Participation in Environmental Decision Making, at https://leg.mt.gov/committees/interim/eqc/montana-environmental-policy-act/.

All necessary environmental review of the proposed project must be completed prior to submission of the application for grant funding. Any application received without documentation that the environmental review process has been completed, may be denied or tabled by the Board. Additional documentation may be submitted to the Board within 10 days of the meeting or at the meeting. The applicant will need to request a waiver to the 10-day rule from the Board at the meeting.

The applicant must provide documentation of the completed environmental review process and include with the application all documentation of the public review process, including but not limited to, the public notice for and minutes of a public hearing at which the environmental review was discussed, the public comments received, and the final decision on the environmental determination made during a public meeting. For more information Coal Board website for a webinar on environmental review, sample environmental resolutions, and an Environmental Steps checklist. https://comdev.mt.gov/Boards/Coal/ProjectGrants/Toolkit. More information about the environmental review process can be found in Appendix C.

The Board may categorically exclude projects from MEPA requirements which apply to Coal Board regulations and will not normally prepare either an environmental assessment or an environmental impacts statement in considering applications for grants to finance projects. This determination is not something Commerce determines; therefore the staff report includes comments that reflect the completion of the process.

VI. Award Process

Applications are evaluated as they are submitted at the quarterly Board meeting. The Coal Board may approve, deny or table a grant. The Board may table an application if significant changes or new information are presented during the meeting. The Board may request that an applicant return to the next meeting with additional information and move to table the application until the next meeting. If the application is tabled pending receipt of the requested information, the applicant can make a request that the Board remove the application from the table after submitting further information. The application will be placed on the next Coal Board meeting agenda.

The Board may prioritize projects at each meeting based any availability of funds or other statutory criteria. Once awarded, contracts will be routed for execution with grantees in the order of prioritization, if applicable, and when revenues are sufficient for awards.

VII. Project Administration

Please see the Project Administration Manual on the Commerce website for information on how to administer a Coal Board project.

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Submitted to the Montana Coal Board By

Name of Entity submitting the application

For

Type of Project

Date submitted:

ELIGIBILITY FOR COAL BOARD GRANTS

The governing body of a city, town, county, or school district, any other local or state governmental unit or agency, or the governing body of a federally recognized Indian tribe may apply for a grant to enable it to provide governmental services that are needed as a direct consequence of an increase or decrease of coal development or of an increase or decrease in the consumption of coal by a coal-using energy complex. (90-6-208, Montana Code Annotated)

_the governing body of the tribe has agreed: (a)

(1) to waive its immunity from suit on any issue specifically arising from the transaction of a grant obtained under this part; and

to the adjudication of any dispute arising out of the grant transaction in the (2) _district court of the first judicial district of the State of Montana; and

approval of the transaction has been obtained from the Secretary of the United Department of the Interior whenever approval is necessary.

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Montana Coal Board Program **Application and Guidelines**

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CRITERIA FOR AWARD OF COAL IMPACT GRANTS

In accordance with current statute: 90 6 206, MCA Basis for awarding grants:

(I) Grants must be awarded on the basis of:

(a) need;

(b) degree of severity of impact from an increase or decrease in coal development or in the consumption of coal by a coal using energy complex;

(c) availability of funds;

(d) degree of local effort in meeting these needs; and

(e) in addition, State law (90-6-207[5], MCA) requires the Coal Board to give attention "to the need for community planning before the full impact of coal development or decline is realized. Applicants should be able to show how the request reasonably fits into an overall plan for the orderly-management of the existing or contemplated growth or decline problems." Therefore, pursuant to Sub-Chapter 3 of the Administrative Rules of Montana, 'planning' is an additional criterion the Coal Board-will apply when judgingapplications.

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AWARDING COAL BOARD FUNDS

(I) Eight applications, one with an original signature, must be submitted to the Department on the date posted on the Coal Board website (<u>http://comdev.mt.gov/Boards/COAL</u>) to be considered during the applicable board meeting. Applications can be submitted electronically* to <u>DOCCDD@mt.gov</u>, but must be received by midnight of the application due date; or can be mailed to Department of Commerce but must be postmarked no later than the application due date. Applications can be mailed to: Coal Board Administrative Officer, Montana Coal Board, Community Development Division, Department of Commerce, P.O. Box 200523, 301 S Park Ave, Helena, MT 59620 0523 (Phone 406-841-2770, e-mail: <u>DOCCDD@mt.gov</u>)

Applications are due 45 days prior to the Coal Board meeting. Any application not received or postmarked by the application due date, will be reviewed during the subsequent quarter.

* Applicants who submit applications electronically must mail one <u>signed</u> application and seven (7) copies to the address above to be received within seven days of submittal of the electronic version.

(2) Applicants must appear before the Coal Board when their application is on the agenda for consideration. Applicants will receive a summary report and an agenda prior to the meeting date. If a representative is not available to speak on behalf of the application request, the application may be tabled until the next board meeting.

(3) The Coal Board may approve, deny or table a grant. The Board may request that an applicant return to the next meeting with additional information. The Board would then move to table the application until that meeting. If the application is tabled pending receipt of the requested information, the applicant can make a request that the Board remove the application from the table after submitting further information. At that time, the application will be placed on the next Coal Board meeting agenda.

4) Coal impact grant funds used for the preparation of plans, studies, analyses, or necessary research for the preparation of a preliminary engineering report must meet the requirements of the most current Uniform Application for Montana Public Facility Projects. Coal impact grant funds used for the preparation of a preliminary architectural report must meet the requirements described in the Coal Impact Grant Application (Appendix A).

PLEASE NOTE: Applications will be evaluated as they are submitted. The Board may table an application if significant changes or new information are presented during the hearing.

DISBURSEMENT OF COAL BOARD FUNDS

Eligible and reasonable expenses will be reimbursed from a Coal Board grant after:

- a. the contract has been fully executed between the Montana Department of Commerce and the Coal Board grant recipient;
- b. the grant recipient has demonstrated that firm commitments exist for any other resources to be involved in the project. In documenting a public commitment, the grant recipient must specify the amount and use of the funds or resources. A letter of commitment from the entity, agency or organization involved must document funds or resources to be provided by a State or federal agency or private organization. The commitment of funds or resources may be contingent on Coal Board funds being awarded for the proposed project;
- c. the grant recipient has documented compliance with the auditing and reporting requirements provided for in the Montana Single Audit Act, Sections 2-7-501 to 523, MCA, and has established a financial accounting system that can properly account for the grant funds according

to generally accepted accounting principles. Tribal governments must comply with auditing and

reporting requirements provided for in OMB Circular A-133; d. the Department has received the signed signatory and depository forms; and e.d. the Department has received the completed Request for Funds form and adequate documentation (copies of statements and invoices) to verify expenditures.

INSTRUCTIONS FOR COMPLETING COAL BOARD GRANT APPLICATION

Instructions and examples to help complete the application are in gray. **Once you have completed the application, please delete all the gray areas** by highlighting the section using the square in the upper left hand corner, then, right clicking on your mouse and selecting "cut". This will shorten the length of the document the board members will need to review.

Boxes and charts in this application have been formatted by WORD Table. Edits can be made using the Table function of WORD.

Applications may be secured with binder clips, large paper clips or staples. The three-ring meeting notebooks sent to Board members will not accommodate binders or plastic covers.

Eight applications, one with an original signature, must be submitted to the Department on the date posed on the Coal Board website () to be considered during the applicable board meeting. Applications can be submitted electronically* to but must be received by midnight of the application due date; or can be mailed to Department of Commerce but must be postmarked no later than the application due date. Applications can be mailed to: Coal Board Administrative Officer, Montana Coal Board, Community Development Division, Department of Commerce, P.O. Box 200523, 301 S Park Ave, Helena, MT 59620-0523 (Phone 406-841-2770, e-mail:)

* Electronically submitted applications must be followed with the original and seven (7) signed hard copies that are postmarked by the application deadline.

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Commented [RA8]: Moved section above to administration manual.

Appendix A: Coal Board Application

THE COAL IMPACT GRANT APPLICATION FORM SUBMITTED BY (NAME OF APPLICANT)

CERTIFICATION

The chief elected official or executive officer of the applicant must sign the application certifying that to the best of the official's knowledge and belief, the information provided in the application and the attached documents is true and correct.

The chief elected official or executive officer of the applicant must also certify that, in accordance with Section 90.6 205, MCA, the applicant is eligible for a Coal Impact Grant and has the authority to administer and make expenditures to provide for the proposed service or facility.

CERTIFICATION

The chief elected official or executive officer of the applicant must sign the application certifying that to the best of the official's knowledge and belief, the information provided in the application and the attached documents is true and correct.

The chief elected official or executive officer of the applicant must also certify that, in accordance with Section 90-6-205, MCA, the applicant is eligible for a Coal Impact Grant and has the authority to administer and make expenditures to provide for the proposed service or facility.

CERTIFICATION

To the best of my knowledge and belief, the information provided in this application and in the attached documents is true and correct.

In accordance with Section 90-6-205, MCA, the applicant is eligible for Coal Board grants and has the statutory authority to make expenditures to provide for the particular service or facility.

Name:

Title:

Signature:

Date:

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SUMMARY INFORMATION

1. NAME OF APPLICANT(S):

Enter the name(s) of the entity submitting the application

2. <u>TYPE OF ENTITY</u>:

Enter the type of entity. Applicants eligible to receive financial assistance under state law include local governmental units (cities, towns, counties, school districts, water and sewer districts, etc.), state agencies, and governing bodies of federally recognized Indian tribes.

3. FEDERAL TAX ID NUMBER:

Enter the nine digit Federal ID number for theentity.

4.3. SENATE AND HOUSE DISTRICTS:

Enter the State Senate and House of Representatives district numbers that the entity is located within.

5.4. AMOUNT OF COAL IMPACT GRANT REQUESTED \$

6.5. NAME OF PROJECT:

(e.g., Mountain County Hospital Project)

7.6. <u>TYPE OF PROJECT</u>:

Enter the type of public facility project or service, such as water, wastewater, solid waste, first responder equipment purchase, public building/school/hospital repair or expansion, road repair, planning studies, or other (specify).

8-7. POPULATION SERVED BY PROJECT:

Enter the number of people that reside within the area served by the project.

9.8. NUMBER OF HOUSEHOLDS SERVED BY PROJECT:

Enter the number of households within the area served by the_project.

10.9. CHIEF ELECTED OFFICIAL OR AUTHORIZEDREPRESENTATIVE:

Enter the name and title of the chief elected official or authorized representative of the applicant. Include the mailing address, business telephone, e-mail address, and FAX number.

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11.10. PRIMARY ENTITY CONTACT PERSON:

Provide the name, mailing address, business telephone, e-mail address, and FAX number of the person within the community designated as the primary contact person for the project. This person should be knowledgeable about the project and be authorized to speak on behalf of the applicant regarding theapplication.

12.11. OTHER CONTACT PERSONS:

If applicable and available, provide the name, mailing address, business telephone, FAX number, and e-mail address of any other appropriate contacts (e.g., Public Works Superintendent, project engineer, grant/loan administrator, legal counsel, bond counsel, clerk/chief financial officer, accountant, etc.)

13.12. MILLAGE RATES:

Provide the current fiscal year millage rates and those for the 3 years immediately preceding the year of application. Please state the mill value for each of those three years. Specifically list how many mills and each year's total mill value.

14.13. AMOUNT OF COAL GROSS PROCEEDS TAX:

Please provide the following details:

- Total amount of Coal Gross Proceeds tax the applicant has received during the last two
 years
 - How those monies are allocated (i.e. to general fund, etc.)
 - How does the applicant decide the use of the grossproceeds?

15.14. IMPACTS FROM COALINDUSTRY:

 Number of residents that are currently employed by the coal industry within the applicant's jurisdiction

16.15. MAPS:

Each application must include a legible map showing the boundaries of the proposed project area and the locations of all proposed project activities, such as land to be acquired or public facilities to be constructed or improved.

17.16. BRIEF PROJECT SUMMARY:

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The project summary should briefly provide some background information including:

- the age of the system, facility, equipment, building;
- the date, type and cost of the last major improvements to the system, facility, equipment, building; and
- whether there are any state administrative orders or other similar requirements to fix or modify the system, facility, equipment, and building.
- modify the system, facility, equipment, and building.
 The project summary should also clearly state the specific problem(s) with the public facility and how the proposed project will solve the problem(s).

Applications for Coal Board assistance for public services or programs such as community planning, economic development, etc. should provide similar background information regarding the nature of the problem and the proposed solution.

EXAMPLE PROJECT SUMMARY

Historical Information: The Mountain County Memorial Hospital constructed in 1959 met the health care needs of the Mountain County and surrounding communities. The Hospital has undergone numerous interior renovations. The most recent renovation to the hospital completed in March 2008, included approximately 18,300 square feet of hospital improvements including twenty-three patient rooms and minor upgrades to the imaging department of the facility. The latest renovation did not include capital equipment purchases, which is the rationale for the submission of thisapplication.

Problem: The existing Hospital X-Ray Equipment has the following deficiencies

- poor clarity of image scans
- lack of tableflexibility/non-tilting
- limited work space environment for hospitalstaff
- oversized equipment for room design
- lease expires soon for equipment

Proposed Solution: The Purchase of new X-Ray Equipment would:

- improve quality of image scans and reduce costs
- increase work space for imaging staff
- provide improved medical treatment forpatient
- increase reliability of medical provider diagnoses
- upgrade current ten year old equipment
- improve viewing area for medical providers
- increase profitability

Historical Information:

Problem:

Proposed Solution:

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48.17. PROJECT BUDGET AND IMPLEMENTATIONSCHEDULE:

A. <u>Project Budget Form</u>:

The proposed project budget **must** include a breakdown of all major project costs, and a description of the proposed source and use of all funds. Designate the total budget of any proposed project as either "Administrative/Financial Costs" or "Activity Costs: (such as engineering or construction). Administrative Costs may not exceed 10% of the total project cost. Refer to the description of expenditure categories shown below that outline the expenditures that may be part of the budget. The Administrative/Financial Costs cover the expenses of administering a local project, including the cost of local government personnel involved with managing the project; the cost of the local project audit; and other contractual costs for professional services (such as hiring a project manager) that may be associated with administration of the program. Administrative/Financial Costs must be reasonable and appropriate to ensure cost-effective and proper management of the project.

Any proposed Administrative/Financial Costs must be eligible, fully supported, and adequately explained. Applicants which propose to contract for project management assistance with a consultant or other entity must specifically itemize this amount in the Administrative Budget and explain it.

EXAMPLES OF BUDGET EXPENDITURE CATEGORIES

Administrative/Financial Costs

Administrative Costs - personnel, professional services to administer the project, office rent, office equipment, supplies, telephone, postage, travel, audit fees, legal costs including bond counsel, etc. These are costs incurred by the borrower in administering the project. (As applicable, specify each one as a separate line item.)

Financial Costs - Loan origination and administrative fees, debt service reserves, capitalized interest. (As applicable, specify each one as a separate line item.)

Activity Costs

Equipment Costs - Costs of specific equipment for a project.

Land Acquisition - Cost of land purchase, easements, right-of-way, leases, etc. Preliminary Planning/Engineering - Costs associated with, but not limited to, preparation of preliminary engineering report and environmental checklist. (As applicable, specify each one as a separate line item.) Final Architectural/Engineering Design - Costs for preparing approved project plans and specifications. Construction - Costs for project construction according to approved plans and specifications. Contingency - Construction contingencies for public facility projects typically should not exceed or be less than ten percent of the estimated construction cost. Any deviation must be adequately justified.

EXAMPLE OF A PROJECT BUDGET										
PROJECT BUDGET for Mountain County Hospital Equipment										
Completed by: For: (location), MT Date:										
ADMINISTRATIV E/ FINANCIAL COSTS	SOURCE: Coal Board Grant	SOURCE: Mountai n County	SOURCE: Mountain Hospital Foundatio n	SOURCE: Murdoc k Trust	TOTAL					
Grant Administration	*** \$	\$	\$ 500.00	\$	\$ 500.00					
Office Costs	\$	\$ 250.00	\$	\$	\$ 250.00					
Professional Services (grant management, etc.)	\$	\$	\$	\$	\$					
Legal Costs	\$	\$	\$	\$	\$					
Travel & Training	\$	\$	\$	\$	\$					
TOTAL ADMINISTRATIVE/ FINANCIAL COSTS	\$	\$ 250.00	\$ 500.00	\$	\$ 750.00					
ACTIVITY COSTS:										
Equipment Cost	\$ 115,500.00	\$	\$	\$	\$ 115,500.00					
Construction Cost	\$	\$	\$	\$131,500.00	\$ 131,500.00					
Architectural/Engineering Design	\$ 35,950.00	\$	\$	\$	\$ 35,950.00					
Product Completion (PER's, studies, etc.)	\$	\$	\$	\$	\$					
Contingency	\$	\$	\$ 35,000.00	\$	\$ 35,000.00					
TOTAL ACTIVITY COSTS	\$ 151,450.00	\$	\$35,000.00	\$131,500.00	\$317,950.00					
TOTAL PROJECT COSTS	\$ 151,450.00	\$ 250.00	\$35,500.00	\$131,500.00	\$318,700.00					

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PROJECT BUDGET FOR -									
Completed by: For: (location), MT Date:									
ADMINISTRATI VE/ FINANCIAL COSTS	SOURCE:	SOURCE:	SOURCE:	SOURCE:	TOTAL:				
Grant Administration	*** \$	\$	\$	\$	\$				
Office Costs	\$	\$	\$	\$	\$				
Professional Services	\$	\$	\$	\$	\$				
Legal Costs	\$	\$	\$	\$	\$				
Travel & Training	\$	\$	\$	\$	\$				
<u>TOTAL</u> ADMINISTRATIVE/ FINANCIAL COSTS	\$	\$	\$	\$	\$				
ACTIVITY COSTS:									
Equipment Cost	\$	\$	\$	\$	\$				
Construction Cost	\$	\$	\$	\$	\$				
Architectural/Engineeri ng Design	\$	\$	\$	\$	\$				
Product Completion (PER's, studies, etc.)	\$	\$	\$	\$	\$				
Contingency	\$	\$	\$	\$	\$				
TOTAL ACTIVITY COSTS	\$	\$	\$	\$	\$				
TOTAL PROJECT COSTS	\$	\$	\$	\$	\$				

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B. Project Budget Narrative:

Include a narrative justification for the specific proposed project construction activities and related administrative/ financial costs. Explain the cost estimates for each item in the proposed budget in the narrative.

EXAMPLE OF A BUDGET NARRATIVE		
ADMINISTRATIVE/FINANCIAL COSTS		
Personnel Services/Office Costs: Personnel services will be at a minimum for the Mountain County Hospital X-ray purchase project. Only services conducted by the project manager dedicated to the project will be calculated at current rate of pay plus benefits over the 30-45 day project duration. Funds for this budget item will be paid for by the Hospital and considered an in-kind contribution.	\$	750.00
Professional Services: There will be no professional services required on the project.	\$ 0.0	0
Legal Costs: No legal costs are anticipated or budgeted for in this project.	\$	0.00
Audit Fees: Audit fees will not be necessary with thisproject.	\$	0.00
TOTAL ADMINISTRATIVE/FINANCIALCOSTS	\$7	50.00
Equipment Cost:	\$ 115,	500.00
Estimated cost of the X-ray equipment with delivery and installation factored into the quote price.		
Construction Cost: Construction cost is the total construction including inspection fees for the renovation of the X-ray room. This cost will also include demolition of the former X-ray room and all inspection/code fees included with this price.	\$131,	500.00
demolition of the former X-ray room and all inspection/code fees included with this price.		Program

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Architectural Design: This cost is for architectural fees related to the design of the X-ray room.	\$ 35,950.00
Contingency: Contingency cost is approximately 10% of the contract bid. Percentage is the industry standard for medical equipment recommended by thearchitect/ consultant.	\$ 35,000.00
ΤΟΤΑL ACTIVITY COSTS:	\$317,950.00
TOTAL PROJECT COSTS:	\$318,700.00

BUDGET NARRATIVE FOR							
ADMINISTRATIVE/FINANCIAL COSTS							
Personnel Services/Office Costs:	\$						
Professional Services:	\$						
Legal Costs:	\$						
Audit Fees:	\$						
TOTAL ADMINISTRATIVE/FINANCIAL COSTS	\$						
<u>ACTIVITY COSTS</u>							
Equipment Cost:	\$						
Construction Cost:	\$						
Architectural/Engineering Design:	\$						
Contingency:	\$						
TOTAL ACTIVITY COSTS:	\$						
TOTAL PROJECT COSTS:	\$						

C. Implementation Schedule:

Each applicant must submit an implementation schedule that describes the overall schedule for project completion.

EXAMPLE OF	IMPL	EME	ΝΤΑ	тю	N SC	HED	ULE					
	Q	QUARTERS 2009 QUARTERS 20			2010	Q	UART	ERS 2	2011			
TAS K	IS T	2N D	3R D	4Т Н	IS T	2N D	3R D	4Т Н	IS T	2N D	3R D	4Т Н
PROJECT START-UP												
A. Sign contract with Coal Board	х	х										
B. Secure approval of other funding	х	х										
C. Submit progress reports and drawdown request. (Progress reports quarterly if no draws submitted)	x	x	x	x	x	×	x	x				
PROJECT CONSTRUCTION												
A. Architectural Design		x										
B . Conduct pre-construction conference			х									
C. Construction and purchase and installation of equipment			x	x	x	x	x					
D. Monitor Progress	х	х	х	х	х	х	х	х	х			
E. Final Inspection								х				
PROJECT CLOSE-OUT												
A. Coal Board administrative staff conduct on-site monitoring of the project.								x				
B. Submit project completion report.									x			
C. Include project in audits.									х			

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TASK		2 ^N D	3 ^R D	₄ т н	IS T	2 ^N D	3 ^R D	₄ т н	IS T	2 ^N D	3 ^R D	4 ^т н
PROJECT START-UP												
A. Sign contract with Coal Board												
B. Secure approval of otherfunding												
C. Submit progress reports and drawdown request. (Progress reports quarterly if no draws												
submitted)												
PROJECT CONSTRUCTION												-
A. Architectural Design												
B. Conduct pre-construction conference												
C. Construction and purchase and installation of equipment												
D. Monitor Progress												
E. Final Inspection												
PROJECT CLOSE-OUT												
A. Coal Board administrative staff conduct on site monitoring of the project.												
B. Submit project completion report.												

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19.18. DESCRIPTION OF RELATIONSHIP TO COAL BOARD STATUTORY GRANT CRITERIA

The Coal Board does base its awards on the following four statutory criteria (90-6-206, MCA). In addition, State law (90-6-207, (5), MCA) that requires attention be given to the need for community planning before the full impact of coal development or decline is realized.

A. <u>Need</u>

Explain how the assistance that is required to eliminate or reduce a direct and obvious threat to the public health, safety, or welfare that has been caused as a direct result of coal development or decline?" (90-6-206, MCA)

1. Does a serious deficiency exist in a basic or necessary community public facility or service? Examples include emergency services such as police, fire or ambulance services. (Describe the nature and frequency of occurrence and provide supportingdocumentation.)

APPLICANT'S RESPONSE:

2. Have serious public health or safety problems that are clearly attributable to a deficiency occurred, or are they likely to occur, such as illness, disease outbreak, substantial property loss, environmental pollution, safety problems, hazards, or health risks? (Describe the nature and frequency of occurrence and provide supportingdocumentation.)

APPLICANT'S RESPONSE:

3. Is the entire community, or a substantial percentage of the residents of the community, seriously affected by the deficiency or at risk, as opposed to a small percentage of the residents? (Describe the number or percentage of community residents affected by the problem.)

APPLICANT'S RESPONSE:

4. Is there clear documentation that the current condition of the public facility or service (or lack of a facility or service) violates, or may potentially violate, a state or federal health or safety standard (If yes, describe the standard being violated.)? If the proposed project is necessary to comply with a court order or a state or federal agency directive, describe the directive and attach a copy of it.

APPLICANT'S RESPONSE:

5. Does the standard that is being violated, or potentially may be violated; represent a significant threat or potential threat to public health or safety?

APPLICANT'S RESPONSE:

6. Additional information supporting the NEED for this project.

APPLICANT'S RESPONSE:

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B. <u>Degree of Severity of Impact from an Increase or Decrease in Coal</u> <u>Development or In the Consumption of Coal by A Coal-Using EnergyComplex</u>

Explain why the proposed project or governmental services or facilities "are needed as a direct consequence of an increase or decrease in coal development or in the consumption of coal by a coal-using energy complex" (90-6-205, (4) (a), MCA).

 Describe why the need for the expansion or improvement to the public facility or public service is attributable to coal-related impacts. Additionally, please provide the percentage of the project that is a result of coalimpacts.

Responses might include:

the road maintenance and other maintenance impacts from coal hauling (rail and truck); operational impacts on emergency services (police, fire department, and ambulance services); impacts and services needed by local coal industry retirees and aging employees; the percentage of the households served by the public facility or service that include persons directly employed by a coal mine or coal-using energy facility or directly-relatedemployment; the percentage of the users of the public facility or public service that are households in which one or more members are directly employed by a coal mine or coal-using energy facility or directly-related employment.

APPLICANT'S RESPONSE:

2. Name the nearest coal development area or coal-using energy complex to your community and the road miles from yourcommunity.

APPLICANT'S RESPONSE:

3. Additional information supporting the DEGREE OF SEVERITY OF IMPACT FROM AN INCREASE OR DECREASE IN COAL DEVELOPMENT OR IN THE CONSUMPTION OF COAL BY A COAL-USING ENERGY COMPLEX.

APPLICANT'S RESPONSE:

C.	<u>Availability</u>	of Funds

- I. Amount requested from the Coal Board: <u>\$</u>_____
- 2. Amount of Coal Board funds available at the time of application \$_____(#2 will be completed by Coal Board staff)
- 3. Explain why a coal impact grant is necessary to make the project feasible and affordable

APPLICANT'S RESPONSE:

4. What are the other proposed funding sources for theproject?

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APPLICANT'S RESPONSE:

EXAMPLES TO ASSIST WITH THE QUESTION WHAT ARE THE OTHER PROPOSED FUNDING SOURCES FOR THE PROJECT.

List all sources of funds that you intend to use to finance the proposed project e.g., federal and state grant or loan programs, bank loans, bonds, cash reserves, etc.). Do not provide an amount that combines both the loan and grant. If both a loan and grant will be obtained from the same source, they must be listed separately. The sources of funds listed should equal the estimated total project cost. The following box provides state and federal funding program abbreviations that can be used when listing the proposed funding sources:



For each source of funding listed, indicate the <u>type</u> (grant, loan, cash, in-kind contribution, or other) and agreed to the amounts requested.

Also, indicate the <u>status of the commitment</u> of those funds to the project at the time of writing this application using one of the following choices:

- a. **No Contact** No contact has yet been made with the fundingsource;
- Discussed/Not Applied Project has been discussed with the funding source, but no application has been submitted. Briefly describe the discussion with the funding source and the likelihood of obtaining the funds;
- c. **Application Submitted** An application has been submitted, but funding has not yet been awarded. Briefly describe status of application;or
- d. **Funds Committed (date)** Funds have been committed by the funding source. Attach a copy of the commitment letter or other documentation verifying the commitment offunds.

Finally, if funds are to be borrowed, state the <u>loan rate and terms</u> likely to be required by the lender or bond underwriters (for example, interest rate, number of years to repay loan, and coverage and reserve requirements). Indicate whether the funding source has agreed or tentatively agreed to the term

Source	Type of Fund	Amount	Status of Commitment	Loan Rates & Terms
CDBG	Grant	N/A	Do not qualify due to income levels within the county. Next deadline is April 2009	
TSEP	Grant	N/A	No application made – program cycle does not fit our needs	
RRGL	Grant	N/A	Project not eligible for funding	
USDA/RD	Grant	N/A`	Our county doesn't qualify for this program because it is over the 90% income level	
MFFA Montana Medical Facility Financing Authority	Loan	Any unmet financial needs	Loan application pending the amount of funding from the coal board	5 year +/- 5% loan for any balance left for the project
The Mountain County Foundation	Hard Match	\$35,750	Committed	N/A
MCCHC Mountain County Community Health Center	Contingency	\$35,000	Committed	N/A
Montana Coal Board	Grant	\$247,950	Requested	N/A
Total Project Cost		\$318,700		

 FUNDING SOURCES SUMMARY FOR......

 Source
 Type of Fund
 Amount
 Status of Commitment
 Loan Rates & Terms

 Image: Ima

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5. If a particular proposed source of funding is not obtained, how will the applicantproceed?

Explain how the funding strategy will change if each proposed funding source is not received. (Discuss how the loss of each of the proposed funding sources would affect the completion of the project. For instance, will the applicant wait and re-apply to the funding source, will the applicant be willing to increase the amount of debt it will incur, or will the project not move forward?)

APPLICANT'S RESPONSE:

D. Degree of Local Effort in MeetingNeeds

I. If current millage rates given are lower than the average rates levied during the previous three years, briefly explain why they are lower.

APPLICANT'S RESPONSE:

2. Describe any local efforts to meet the public facility or public service needs by providing financial contributions to the project to the extent possible, such as local funding, donations of land, absorbing some or all-administrative costs. For non-profit organizations, describe fund- raising efforts or other in-kind assistance to the proposed project as well as usual program fund-raising efforts.

APPLICANT'S RESPONSE:

3. Describe past operation and maintenance budgets and practices over the long-term, including any reserves for repair and replacement.

APPLICANT'S RESPONSE:

4. If there are indications that the problem is not of recent origin, or has developed because of inadequate operation and maintenance practices in the past, explain the circumstances and describe the actions that management will take in the future to assure that the problem will not reoccur.

APPLICANT'S RESPONSE:

- 5. If the project involves water, wastewater or solid waste, provide the current and projected monthly household user charges, including operation and maintenance:
 - a. What is the current monthly household user charge? \$_____
 - b. What is the projected monthly user charge (including operation and maintenance) when the project is complete? \$ ______

6. What are your current debt obligations?

List current debt obligations. If the applicant is a water, wastewater, solid waste, or other "enterprise" type system, which relies on rates and charges for its financial support, only debt related to that system need be entered. If the applicant is a city, county, or district that relies on general taxing authority for its financial support, or is a not-for-profit organization, debt related to the general obligations of the city, county, district, or not-for-profit organization should be entered.

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		<u>E</u> 2	XAMPLE OF		NT DEB	T SUMMAR	<u>Y</u>	
Year Issue d	Purpose	Type of Bond/ Securit Y	Amount	Maturit y Date (mo./yr.)	Debt Holde r	Coverage Required	Annual Paymen t Amoun t	Outstandin g Balance
1991	Operatin g Suite Remode I		\$2,500,00 0	10/2031	MFFA	110%	\$150,715	\$2,100,98 7
1985	Sprinkle r System		\$500,000	6/2012	D.A. David - son	125%	\$36,790	\$164,177

APPLICANT'S RESPONSE: CURRENT DEBT SUMMARY FOR								
Year Issued	Purpose	Type of Bond/ Security	Amount	Maturit y Date (mo./yr.)	Debt Holde r	Coverage Required	Annual Payment Amount	Outstanding Balance

7. What are your current assets?

List all current assets including endowments, cash, investments, certificates of deposit, accounts receivable, and any other current assets not specifically indicated. Indicate whether assets are obligated for a specific purpose and what that purpose is (i.e., Certificate of Deposit, \$100,000 - reserve requirement for SRF loan; Investments, \$200,000 - \$100,000 of it is needed to purchase line inspection equipment in 2005).

APPLICANT'S RESPONSE:

8. What financial accounting system do you use? ____

The Board is required to ensure conformity to generally accepted accounting principles. Examples include Quick Books and MBARS.

 Is the applicant in compliance with the auditing and annual financial reporting requirements provided for in the Montana Single Audit Act, 2-7-501 to 522, MCA? (Tribal governments must comply with auditing and reporting requirements provided for in OMB Circular A-133).

Yes No Date of last completed audit or financial report

10. If there have been audit findings within the last five years, have they been satisfactorily

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addressed?

APPLICANT'S RESPONSE:

11. Additional information supporting the DEGREE OF LOCAL EFFORT IN MEETING NEEDS.

APPLICANT'S RESPONSE:

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E. <u>Planning & Management</u>

State law (90-6-207, (5), MCA) requires the Coal Board to give attention "to the need for community planning before the full impact of coal development or decline is realized. Applicants should be able to show how the request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems." Therefore, pursuant to Sub-Chapter 3 of the Administrative Rules of Montana, Planning is an additional criterion the Coal Board will apply when judging applications.

I. Describe how your grant request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems related to coal impacts.

APPLICANT'S RESPONSE:

2. Describe how the proposed project is consistent with currentplans.

Plans may include a local capital improvements plan, growth policy, transportation plan, comprehensive economic development plan, or any other applicable plan.

APPLICANT'S RESPONSE:

APPENDIX BA

PAR PRELIMINARY ARCHITECTURAL REPORT (PAR) REQUIREMENTS

A. A PAR MUST BE SUBMITTED AS PART OF A COAL BOARD APPLICATION FOR:

- a. Utilization of a PAR for rehabilitation or construction of Coal Board funded activities
- for Non-Water/Non-Wastewater community facility projects;
- b. New construction of a Non-Water/Non-Wastewater community facility_project;

B. A PAR MUST MEET THE REQUIREMENTSFOR:

a. Preparation of a PAR as a planningactivity

C. GENERAL INFORMATION ON PARs:

- The PAR outline presented here is by no means all-inclusive. The architect should use his or her
 professional judgment to present sufficient information during preparation of the PAR, taking into
 account that different projects require varying levels of detail (rehabilitation of an existing building
 versus construction of a new building) and consideration of reasonable alternatives.
- Architects and project representatives can call Community Development Division staff (406- 841-2770) to request clarification and guidance regarding this PAR outline.

D. ENVIRONMENTAL CONSIDERATIONS RELATED TO THEPAR

NOTE: All state and Coal Board funded projects are subject to the Montana Environmental Policy Act (MEPA). This law seeks to avoid adverse impacts on the environment by mandating careful consideration of the potential impacts of any development assisted with funds.

 MEPA seeks to avoid or mitigate adverse impacts on the natural and human environment by mandating careful consideration of the potential impacts of any development assisted with state funds or approved by a Montana state agency.

E. PAR OUTLINE

I. PROBLEM DEFINITION

- A. DESCRIBE AND DOCUMENT THE NEED FOR THE PROJECT AND THE PROBLEM(S) TO BE SOLVED. Describe the need for the project according to the following_criteria:
- Health and Safety Describe concerns and deficiencies, compliance issues, and relevant regulations such as the International Building Code, (and other codes as listed in "Special Requirements Concerning Code and Standards Enforcement"), asbestos, lead-based paint, handicapped accessibility, zoning ordinances, and other federal, state, local, or tribal requirements concerning the existing facility(ies).
- 2. Attach pertinent correspondence to or from appropriate federal, state, and local regulatory

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agencies, especially information that provides documentation of health and safety concerns and deficiencies. Facility Operation & Maintenance (O&M) - Describe O&M concerns regarding the existing facility(ies) with an emphasis on those with the greatest financial and operational impact.

If the high cost of maintaining the existing facility(ies) is related to a proposal to modify or replace the existing facility, describe and document these concerns and potential cost savings.

3. Growth - Describe the facility's capacity to meet projected growth needs from the completion of construction through the anticipated useful life of the building

Discuss any potential for future expansion, if applicable, or any consideration given to designing for phased construction or incremental expansion of the facility in the future.

Provide both the number of current users served by the facility(ies) and the projected number of users to be served by the proposed project upon completion.

B. IDENTIFY THE PLANNING AND SERVICE AREA, INCLUDING THE EXISTING LOCATION AND POTENTIAL, ALTERNATE LOCATIONS OF THEFACILITY.

Using narrative and drawings, describe the planning and service area and alternate building(s) or sites under review or consideration. The description should include the following information:

- 1. Location Indicate legal and natural boundaries, major obstacles, environmental constraints, etc., using maps, photographs, and sketches of the planning and service area, including both the existing location and potential alternate locations for the facility.
- 2. Growth Areas and Projected Population Trends Identify specific areas of projected, concentrated population growth and relate these to the forecasted growth in the clientele to be served by the proposed project.

Provide population projections for the project's planning and service area (and for the persons and/or groups the facility will serve) as well as for the projected design period (i.e., the anticipated useful life of the proposed facility).

Base projections for the clientele to be served upon historical records, Census data, or economic projections, citing recognized sources.

- C. EVALUATE THE CONDITION OF THE EXISTING FACILITY(IES). Describe the existing facility(ies), including at least the following information:
 - 1. History Provide a brief history of the facility(ies), including when the structure was constructed, major improvements implemented in the past, and any past problems.
 - Condition of Facilities Describe the present condition and any problems such as code deficiencies, general structural decay, presence of asbestos, mold or moisture, lead based paint, subsidence issues, overcrowding, or handicapped accessibility. Describe the adequacy or capacity of the existing facility(ies) to meet existing and long-term needs.

II. ALTERNATIVE ANALYSIS

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- A. DESCRIPTION OF ALTERNATIVE SOLUTIONS. Describe each alternative design, building, or site considered -- i.e., identify and describe existing buildings with potential for rehabilitation or alternation, or alternative building sites considered for new construction.
- If proposing rehabilitation or alteration of existing buildings Describe existing buildings within the community that could be modified or rehabilitated to accommodate the proposed facility or need.

Describe the potential benefits and possible deficiencies with each alternative design, building or site considered, including code compliance issues, floor space, handicapped accessibility, and potential for long-term expansion, as applicable.

- If proposing new construction, describe alternative building sites considered for new construction, any existing structures on the site(s), potential for long-term expansion, proximity to other services, environmental constraints, etc.
- B. REGULATORY COMPLIANCE AND PERMITS. Describe issues that need to be addressed concerning compliance (for either a new building or a rehabilitated building) with appropriate regulations such as the International Building Code and other relevant codes, zoning issues, asbestos, lead-based paint, permits, handicapped accessibility (American Disabilities Act and HUD 504 regulations), designated 100-year floodplains, and other applicable federal, state, local or tribal requirements.
- **C.** LAND ACQUISITION ISSUES. Identify sites to be purchased or leased and any easements needed, if applicable. Specify whether these properties are currently owned, to be purchased or leased, and whether options have been obtained, contingent upon receipt of funding.
- **D. ENVIRONMENTAL CONSIDERATIONS.** For the alternative selected for the project, discuss the following:
 - I. Potential Environmental Impacts The PAR must include a discussion of environmental resources in the area that might be impacted or that might impact the proposed facility.
 - 2. Mitigation Evaluate appropriate short and long-term measures to mitigate each potentially adverse impact.

Describe the mitigation measure(s) necessary to minimize potentially adverse impacts upon identified environmental resources. Projects contemplating the renovation of existing structures should thoroughly discuss mitigation measures to address any existing hazards, such as asbestos and lead-based paint, where identified, in accordance with federal and state requirements.

- **3.** Correspondence Include any environmentally-related correspondence and agency comments (e.g., comments from the State Historic Preservation_Office).
- 4. Exhibits/Maps Include any exhibits, maps, or drawings as applicable to describe potential environmental impacts.
- E. CONSTRUCTION PROBLEMS. Discuss potential concerns such as geological constraints, limited access, underground storage tanks, high water table, asbestos, lead- based paint, contaminated soil, noise, odors, or other conditions that may affect cost of construction or long-term operation of the proposed (new or rehabilitated) facility.

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- F. COST ESTIMATES FOR EACH ALTERNATIVE. For <u>each alternative considered</u>, include both:
 - I. Project Costs (i.e., administrative, financial, engineering, architecture, and construction costs) and
 - 2. Project Annual Operation and MaintenanceCosts

III. SELECTION OF THE PREFERRED ALTERNATIVE

- A. ANALYSIS OF ALTERNATIVE SOLUTIONS. Provide an analysis of why the preferred alternative (design, building, or location) was selected over other alternatives.
- B. SITE LOCATION AND CHARACTERISTICS. Discuss the site location of any current or proposed facilities, and why the preferred alternative was selected over other alternatives.
- C. PRELIMINARY ARCHITECTURAL PLANS. Provide preliminary architectural plans (including a proposed floor plan) for the proposed (new or rehabilitated) facility.
- D. OPERATIONAL REQUIREMENTS. Discuss the expertise required to operate the facility and any unique operational requirements or benefits of the facility and describe why the preferred alternative was selected over otheralternatives.
- E. PROJECT COST SUMMARY / PROJECT COST ESTIMATE. Provide an itemized estimate of the project cost based on the anticipated period of construction including administrative, development and construction, land and utilities, legal, engineering, interest, equipment, contingencies, refinancing, and other costs associated with the proposed project. See 'II. F Cost Estimates for Each Alternative, above.

IV. CONCLUSIONS AND RECOMMENDATIONS

Provide any other conclusions and recommendations and any additional findings that should be considered in the evaluation of the proposed project and the selected alternative.

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APPENDIX C: Environmental Review Requirements

Environmental Review

Coal Board grants are a state action subject to the Montana Environmental Policy Act (MEPA). MEPA specifies three different levels of environmental review, based on the significance of the potential impacts. The levels are: (1) exempt or excluded from MEPA review; (2) environmental assessment (EA), and (3) environmental impact statement (EIS). The following outlines the environmental review process that must be completed by the applicant for each project proposed for Coal Board funding. For detailed information on MEPA, see A *Guide to the Montana Environmental Policy Act*, or A *Citizen's Guide to Public Participation in Environmental Decision Making*, at: http://leg.mt.gov/css/Publications/environmental/default.asp or http://leg.mt.gov/css/Services%20division/lepo/mepa/mepaforpublic.asp

All necessary environmental review of the proposed project must be completed prior to submission of the application for grant funding. Any application received without documentation that the environmental review process has been completed may be rejected by the Department.

The applicant must provide documentation of the completed environmental review process and include with the application all documentation of the public review process, including but not limited to, the public notice for and minutes of a public hearing at which the environmental review was discussed, the public comments received, and the final decision on the environmental determination made during a public meeting.

Statutory or Categorical Exemptions

Certain actions are exempt from MEPA review, either because they have been specifically exempted by the statute or, because of their special nature, do not normally have a significant effect on the environment. The following types of actions are statutorily exempt from MEPA review under ARM 8.2.304(5):

- Administrative actions (routine clerical or similar functions, including but not limited to administrative procurement, contracts for consulting services, or personnelactions);
- Minor repairs, operations, and maintenance of existing equipment or facilities;
- Investigation and enforcement; data collection activities; inspection of facilities or enforcement of environmental standards;
- Ministerial actions (in which the agency exercises no discretion and rather acts upon a given state of facts in a prescribed manner);
- Actions that are primarily social or economic in nature and that do not otherwise affect the human environment;

The following types of actions are categorically exempted from MEPA review under ARM 8.2.328(2):

- Projects that will be partially funded by, or for which the applicant must obtain a permit from, a state
 or federal agency which, by reason of its funding or permitting function, has primary responsibility to
 consider the environmental impacts of the project under MEPA or the National Environmental Policy
 Act;
- Activities which do not involve or lead directly to construction, such as planning studies, scientific research and analysis, surveys, or engineering;
- Projects primarily involving the acquisition of capitalequipment;
- Projects that involve only minor repairs or rehabilitation to an existing facility, including functional replacement of an existing facility or facilitycomponents;
- Projects where the footprint of the proposed structures, pipelines, or other infrastructure would be substantially unchanged from existing conditions, and there is no increase in the population served by

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the facility; or • Emergency repairs, reconstruction, restoration, retrofitting, or replacement of an existing facility that

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is in operation or under construction when damaged and the action:

(i) occurs within the existing facility footprint and in a manner that substantially conforms to the preexisting design, function, and location as the original (which may include upgrades to meet existing codes and standards as well as upgrades warranted to address conditions that have changed since the original construction); and

(ii) is commenced within six months after the date of theemergency.

If the proposed project qualifies for an exemption then the applicant should submit documentation that the environmental process (including public review process) is complete and the applicant has formally approved its determination that the project qualifies for an exemption. An exemption may not be appropriate if significant public controversy exists over the project's potential effect on the quality of the human environment; the proposed project shows some potential for causing a significant effect on the quality of the human environment; or the project might possibly affect sensitive environmental or cultural resource areas or endangered or threatened species and their critical habitats.

Environmental Assessment (EA)

An EA is a written analysis of a proposed action to determine whether an EIS is required or is needed to serve one or more of the other purposes described in ARM 8.2.304(2). Normally, a thoroughly completed Environmental Checklist and responses to the six questions contained in the Environmental Review Form (see Appendix C of these guidelines) will suffice as the draft EA for public review and comment, and may then be revised as necessary to constitute the final EA. Anyone authorized to perform work on behalf of the applicant may prepare the draft EA, using all available information and evidence. The applicant's authorized representative must sign the draft EA, and the final environmental determination must be made by the applicant's representatives or board. Preparation of an EA ensures the fullest appropriate opportunity for public review and comment on a proposed action on the quality of the human environment. The EA also allows the project proponent to determine the need to prepare an EIS through an initial evaluation and determination of the significance of impacts associated with a proposedaction.

In addition, an applicant may prepare an EA whenever the proposed action is one that might normally require an EIS, but the significant effects of the project appear to be mitigated below the level of significance through design, enforceable controls, and/or conditions imposed by the agency or other government agencies. For an EA to suffice in this instance, the applicant must determine that all of the impacts of the proposed action have been accurately identified, that they will be mitigated below the level of significance, and that no significant impact is likely to occur. The applicant may not consider compensation for purposes of determining that impacts have been mitigated below the level of significance.

An EA is a public document and may be inspected upon request. Any person may obtain a copy of an EA by making a request to the applicant. The applicant shall submit a copy of each completed EA to the **Department as a part of the complete grant application.** The applicant is responsible for providing public review of an EA as necessary to match the complexity and seriousness of environmental issues associated with a proposed action and the level of public interest in the action. Methods of accomplishing public review include publishing a news release or legal notice to announce the availability of an EA, summarizing its content and soliciting public comment; holding public meetings or hearing; maintaining mailing lists of persons interested in a particular action or type of action and notifying them of the availability of EAs on such actions; and distributing copies of EAs for review and comment. Where an action is one that normally requires an EIS, but effects that otherwise might be deemed significant are mitigated in the project proposal or by controls imposed by the applicant, public involvement must include the opportunity for public comment, a public meeting or hearing, and adequate notice. The applicant is responsible for determining appropriate methods to ensure adequate public review on a case-by-case basis.

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The applicant shall consider all substantive comments received in response to a draft EA and decide, at a public meeting, that either:

- I. that an EIS is necessary;
- that the EA did not adequately reflect the issues raised by the proposed action and must be revised; or
- 3. (3) that an EIS is not necessary, and make a final decision on the proposed action (executing the contract with the Department to receive Coal Board funds for the grantee's project).

The applicant must provide a copy of the Final EA to the Department with documentation of public review, opportunity for public comment, and a final decision on the EA at a public meeting.

Any time the applicant proposes substantial changes to the project affecting the original EA, the grant recipient must repeat its environmental review for the revisions to the project, assuring the environmental impacts of the revised project are adequately identified, addressed by the grantee, and any necessary public review provided. When completed, the applicant must follow the original process and again provide environmental documents to Department.

Environmental Impact Statement (EIS)

An EIS is required whenever an EA indicates that an EIS is necessary, or an applicant proposes an action that may significantly affect the quality of the human environment (a "major action").

MEPA and Department's rules require that a draft EIS circulated for public review must contain all of the following:

- 1. a description of the proposed action, including its purpose andbenefits;
- 2. a listing of any state, local, or federal agencies that have overlapping or additional jurisdiction and a description of their responsibility for the proposedaction;
- 3. a description of the current environmental conditions in the area affected by the proposed action or alternatives, including maps and charts, whenever appropriate;
- 4. a description of the impacts on the quality of the human environment of the proposed action, including: direct, indirect, and cumulative impacts; potential growth-inducing or growth-inhibiting impacts; irreversible and irretrievable commitments of environmental resources, including land, air, water and energy; economic and environmental benefits and costs of the proposed action; and the relationship between local short-term uses of man's environment and the effect on maintenance and enhancement of the long-term productivity of the environment;
- an analysis of reasonable alternatives to the proposed action, including the alternative of no action and other reasonable alternatives that may or may not be within the jurisdiction of the agency to implement, if any;
- a discussion of mitigation, stipulations, or other controls committed to and enforceable by the applicant or other government agency;

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7. a discussion of any compensation related to impacts stemming from the proposedaction;

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- 8. an explanation of the tradeoffs among the reasonablealternatives;
- the applicant's preferred alternative on the proposed action, if any, and its reasons for the preference;
- 10. a section on consultation and preparation of the EIS that includes the names of those individuals or groups responsible for preparing the EIS; a listing of other agencies, groups, or individuals who were contacted or contributed information; and a summary list of source materials used in the preparation of the draft EIS;
- II. a summary of the draft EIS; and
- 12. other sections that may be required by other statutes in a comprehensive evaluation of the proposed action, or by the National Environmental Policy Act or other federal statutes governing a cooperating federal agency.

Following preparation of a draft EIS, the applicant must distribute copies to the Governor; the Department; the Environmental Quality Council; appropriate state and federal agencies; and all persons who have requested copies. The applicant must allow 30 days for public comment on the EIS, which may be extended an additional 30 days at the discretion at the applicant or upon application of any person for good cause. When preparing a joint EIS with a federal agency or agencies, the applicant may also extend this period in accordance with time periods specified in regulations that implement the National Environmental Policy Act.

After the time for public comment and review has expired, the applicant must prepare a Final EIS for approval at a public meeting, which must also contain:

- a summary of major conclusions and supporting information from the draft EIS and the responses to substantive comments received on the draft EIS, stating specifically where such conclusions and information were changed from those which appeared in the draft;
- a list of all sources of written and oral comments on the draft EIS, including those obtained at public hearings, and, unless impractical, the text of comments received by the applicant (in all cases, a representative sample of comments must beincluded);
- the applicant responses to substantive comments, including an evaluation of the comments received and disposition of the issues involved;
- 4. data, information, and explanations obtained subsequent to circulation of the draft; and
- 5. the applicant recommendation, preferred alternative, or proposed decision together with an explanation of the reasons.

The applicant must distribute copies of the Final EIS to the Governor; the Department; the Environmental Quality Council; appropriate state and federal agencies; all persons who submitted comments on or received a copy of the draft EIS; and all other members of the public upon request.

The applicant may not make a final decision on the proposed action being evaluated in a Final EIS (executing the contract with the Department to receive Coal Board funds for the grantee's project) until 15 days from the date of transmittal of the Final EIS to the Governor and Environmental Quality Council. Until the applicant reaches its final decision on the proposed action, no action concerning the proposal may be taken that would have an adverse environmental impact or limit the applicant's choice of reasonable alternatives, including the no-action alternative.

Any time the applicant proposes substantial changes to the project affecting the original EIS, the applicant must repeat its environmental review for the revisions to the project, assuring the environmental impacts of the

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revised project are adequately identified, addressed by the grantee, and any necessary public review

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provided. When completed, the applicant must follow the original process and again provide environmental documents to Department.

Coal Board applicants are responsible for compliance with all applicable state environmental requirements. Some of the other state environmental requirements that *may* apply to Coal Board projects include:

- □ <u>Stream Protection Act</u>, Title 87, Chapter 5, Part 5, MCA
- Montana Solid Waste Management Act, Title 75, Chapter 10, Part 2, MCA
- Clean Air Act of Montana, Title 75, Chapter 2, MCA
- □ <u>Water Quality Act</u>, Title 75, Chapter 5, MCA
- Public Water Supplies, Distribution and Treatment, Title 75, Chapter 6, MCA
- Floodplain and Floodway Management, Title 76, Chapter 5, MCA
- □ <u>The Montana State Antiquities Act</u>, Title 22, Chapter 3, MCA
- The Montana Sage Grouse Habitat Conservation Program and Conservation Strategy, Executive Orders 10-2014 and 12-2015 and Chapter 445, Laws 2015 (SB 261) https://sagegrouse.mt.gov

Some of the environmental permits that may be required on your project from other state agencies include the following:

- Asbestos Control Program contact the Department of Environmental Quality (DEQ).
- Montana Stream Protection Act (SPA 124 Permit) contact the Montana Department of Fish, Wildlife and Parks at 444-2449.
- Montana Floodplain and Floodway Management Act (Floodplain Development Permit) contact the Montana Department of Natural Resources and Conservation at 444-0860 or the local floodplain administrator.
- Federal Clean Water Act (404 Permit) contact the U.S. Army Corps of Engineers in Helena at 441-1375.
- Short-Term Water Quality Standard for Turbidity (318 Authorization) contact the Montana Department of Environmental Quality at 444-3080.
- Montana Water Use Act (Water Right Permit and Change Authorization) contact the Montana Department of Natural Resources and Conservation at 444-6667 or the local DNRC Water Resources Regional Office. A useful website regarding water rights can be found at http://www.dnrc.mt.gov/wrd/water_rts/default.asp.
- Stormwater Discharge General Permits and/or Montana Pollutant Discharge Elimination System (MPDES Permit) contact the Montana Department of Environmental Quality at 444-3080.
- Please check the DNRC website for a copy of "A Guide to Stream Permitting in Montana." Their web address ishttp://dnrc.mt.gov/permits/stream permitting/default.asp.

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Cultural Resource Survey – You may need to perform a cultural resource survey for your project. The

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State Historic Preservation Office (SHPO) can be reached at 444-7715 for more information. There is guidance for consulting with SHPO at http://mhs.mt.gov/shpo/archaeology/consultingwith.asp.

Environmental Assessment

Each Coal Board applicant must either identify that the proposed project qualifies for an exclusion from MEPA, or identify and analyze the environmental impacts of the proposed project.

Any time the applicant proposes substantial changes to the project, after submission of the application but either before or after final ranking by the Department or approval by the Legislature and Governor, the Department will require the applicant to repeat its environmental review as set forth above.

The checklist contained within the Uniform Application for Montana Public Facility Projects, Tenth Edition, must be submitted with the Coal Board application. Please use the heading for the environmental assessment as shown below. Letters to the appropriate state and federal agencies must be sent and documented.

It is the requirement to complete the entire environmental review process and include all documentation with the application. The responsibility for completing the environmental assessment rests with the grantee. Please refer to environmental review language for specific details regarding completion of the entire environmental process.

The 'environmental review form' must be completed for Coal Board projects and submitted with the construction grant application. The form must be prepared by someone with a thorough knowledge of the project, expertise in environmental issues, and authority to sign for the applicant.

Please ensure all portions of the environmental process are completed prior to application submission.

- a. Environmental Assessment Checklist
- b. Environmental Review form
- c. Final Action taken by resolution or documented localdecision

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ENVIRONMENTAL REVIEW CHECKLIST

PROPOSED ACTION: LOCATION:			, Montana	
PHY	SICA		MENT	
Key	I	subsidence, se		
		Response and s	source of information:	
Key	2	and flammable tanks, and rela	cilities (e.g., power lines, hazardous waste sites, acceptable distance from explosiv hazards including chemical/petrochemical storage tanks, underground fuel storag tted facilities such as natural gas storage facilities & propane storage tanks) source of information:	
Koy	2	Effects of Duci		
Key	3	Project (e.g., d	ect on Surrounding Air Quality or Any Kind of Effects of Existing Air Quality on lust, odors, emissions)	
		Response and s	source of information:	
Кеу	4	Groundwater	Resources & Aquifers (e.g., quantity, quality, distribution, depth to groundwater,	
Rey	Т	sole source aq	juifers)	
		response and s	source of information:	
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Key	5	Surface Water/Water Quality, Quantity & Distribution (e.g., streams, lakes, storm runoff,
		irrigation systems, canals)
		Response and source of information:
Key	6	Floodplains & Floodplain Management (Identify any floodplains within one mile of the boundary o
,	-	the project.)
		Response and source of information:
Key	7	Wetlands Protection (Identify any wetlands within one mile of the boundary of the project.)
		Response and source of information:
Key	8	Agricultural Lands, Production, & Farmland Protection (e.g., grazing, forestry, cropland, prime or unique agricultural lands) (Identify any prime or important farm ground or forest lands within one
		mile of the boundary of the project.)
		Response and source of information:
Key	9	Vegetation & Wildlife Species & Habitats, including Fish and Sage Grouse (e.g., terrestrial, avian and aquatic life and habitats) https:\\sagegrouse.mt.gov
		Response and source of information:
Key	10	Unique, Endangered, Fragile, or Limited Environmental Resources, Including Endangered Species
1		log plants tich or wildlite)
		(e.g., plants, fish or wildlife) Response and source of information:

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Key L	_ette	er:		
N: N	lo Im	pact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M:		
		Required		
- 8-				
Key		Unique Natural Features (e.g., geologic features)		
		Response and source of information:		
Key	12	Access to, and Quality of, Recreational & Wilderness Activities, Public Lands and Waterways,		
		and Public Open Space		
		Response and source of information:		
	IAN	ENVIRONMENT		
Key		Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics		
		Response and source of information:		
17	_			
Key	2	Nuisances (e.g., glare, fumes)		
		Response and source of information:		
Key	3	Noise suitable separation between noise sensitive activities (such as residential areas) and		
-7	2	major noise sources (aircraft, highways & railroads)		
		major noise sources (an Clait, Ingiways & Lain Odus)		
		Response and source of information:		

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Key L	ette	۲.
N: N	o Im	pact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M:
Mitiga	tion	Required
Кеу	4	Historic Properties, Cultural, and Archaeological Resources Response and source of information:
Кеу	5	Changes in Demographic (population) Characteristics (e.g., quantity, distribution, density) Response and source of information:
Key	6	General Housing Conditions - Quality, Quantity, Affordability
-		Response and source of information:
Key	7	Displacement or Relocation of Businesses or Residents
		Response and source of information:
Key	8	Public Health and Safety
		Response and source of information:

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<u>(ey</u> 9	Lead Based Paint and/or Asbestos Response and source of information:
(ey 10	Impact
	Response and source of information:
<u>ey</u> 11	Local & State Tax Base & Revenues Response and source of information:
ley 12	Educational Facilities - Schools, Colleges, Universities Response and source of information:
ey 13	Commercial and Industrial Facilities - Production & Activity, Growth or Decline.
1	Response and source of information:
Key 14	Health Care – Medical Services

Mitigation Required Response and source of information:		
Key	15	Social Services – Governmental Services (e.g., demand on)
		Response and source of information:
Kaii		Secial Structures & Manage (Standards of Secial Conduct/Secial Converting)
Key	16	Social Structures & Mores (Standards of Social Conduct/Social Conventions)
		Response and source of information:
Key	17	Land Use Compatibility (e.g., growth, land use change, development activity, adjacent land use
Rey	17	and potential conflicts)
		Response and source of information:
Key	18	Energy Resources - Consumption and Conservation
,		Response and source of information:
	[
	[
K.	10	Calid Management
Key	19	Solid Waste Management
		Response and source of information:
	[
	[
		EE Manters Carl D. J.D.
		partment of Commerce 55 Montana Coal Board Program Application and Guidelines
20		Application and Guidelines

		pact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M: Required
Key		Wastewater Treatment - Sewage System
		Response and source of information:
Key	21	Storm Water – Surface Drainage
		Response and source of information:
Key	22	Community Water Supply
/		Response and source of information:
Key	23	Public Safety – Police
itey.	23	Response and source of information:
Key	24	Fire Protection – Hazards
		Response and source of information:
Key	25	Emergency Medical Services
-1		Response and source of information:
Key	26	Parks, Playgrounds, & Open Space
		partment of Commerce 56 Montana Coal Board Program
20		Application and Guideline
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Key l	Lette	er:
N: N	lo Im	pact; B: Potentially Beneficial; A: Potentially Adverse; P: Approval/Permits Required; M:
Mitiga	tion	Required
		Response and source of information:
Key	27	Cultural Facilities, Cultural Uniqueness & Diversity
	1	Response and source of information:
Key	28	Transportation Networks and Traffic Flow Conflicts (e.g., rail; auto including local traffic; airport
		runway clear zones - avoidance of incompatible land use in airport runway clear zones)
		Response and source of information:
Key	29	Consistency with Local Ordinances, Resolutions, or Plans (e.g., conformance with local
		comprehensive plans, zoning, or capital improvement plans)
		Response and source of information:
Key	30	Is There a Regulatory Action on Private Property Rights as a Result of this Project? (consider
		options that reduce, minimize, or eliminate the regulation of private property rights.)
		Response and source of information:

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Montana Coal Board Program Application and Guidelines

Environmental Review Form

On a separate piece of paper, please answer the following as they apply to your proposed project:

- I. Alternatives: Describe reasonable alternatives to the project.
- 2. **Mitigation:** Identify any enforceable measures necessary to reduce any impacts to an insignificant level.
- 3. Is an EA or Environmental Impact Statement (EIS) required? Describe whether or not an EA or EIS is required, and explain in detail why or whynot.
- 4. Public Involvement: Describe the process followed to involve the public in the proposed project and its potential environmental impacts. Identify the public meetings -- where and when -- the project was considered and discussed, and when the applicant approved the final environmental assessment.
- 5. **Person(s) Responsible for Preparing:** Identify the person(s) responsible for preparation of this checklist.
- 6. Other Agencies: List any state, local, or federal agencies that have over-lapping or additional jurisdiction or environmental review responsibility for the proposed action and the permits, licenses, and other authorizations required; and list any agencies or groups that were contacted or contributed information to this Environmental Assessment(EA).

Authorized Representative, Title	Dat	e
	(Name of) I	District
	Chairperso	n
	Date:	
<u>Iontana Department of Commerce</u> 020	58	Montana Coal Board Program Application and Guidelines

Sample of a resolution to accept the determination that (level of environment finding) is appropriate for the (applicant, type of project)

WHEREAS, the (Name of applicant) has completed an assessment to identify potential environmental impacts to the (describe purpose of project);

WHEREAS, the draft Environmental Assessment was made available for public comment and the findings were presented and reviewed at a public meeting;

WHEREAS, no substantive public comment was received, (or public comment was received and responded to);

WHEREAS, The (Name of applicant) has determined that the (type of Project) will not significantly affect the quality of the human environment and accordingly the (Name of Applicant) has determined an Environmental Impact Statement (or Environmental Assessment and EIS if project is Categorical Exclusion); is not necessary;

NOW, THEREFORE, BE IT RESOLVED by the (Council, Board, Commissioners) as follows;

That (Name of Applicant), Montana adopts the final Environmental Assessment for the (type of project).

Passes and approved on this date of (date)

Signed:	
Name:	
Title:	
Date:	
Attested:	

TO: <u>Coal Board Chairman: John Williams</u> FROM: <u>Southeastern Montana Development</u> RE: <u>Coal Board Application Review / Recommendations</u> DATE: <u>February 19, 2020</u>

The following are a few recommendations concerning the current Montana Coal Board Application process. These were part of a recent Review conducted by staff members of the Southeastern Montana Development Corporation (SEMDC). These are only suggested recommendations in-order to make the application process more meaningful and productive for DOC Staff, Coal Board Members and Applicants.

1) Millage Rates: (Item #13)

SEMDC uses the following Format to clearly explain the Millage Rate Flow. We would suggest putting this question into a standard format so it is easy to compare for staff and board members:

Year	Mills	Taxable Value	Is this max that can be levied?			
2019-20	<u>189.82</u>	\$2,098,000	Y/N			
2018-19	190.83	\$2,000,000	Y/N			
2017-18	175.92	\$1,987,345	Y/N			
2016-17	163.11	\$1,999,045	Y/N			
* Average of	* Average of Previous Three Years: 176.62					

Are current mills being charged higher than the average of the three previous years?_____

2) Brief Project Summary: (Item #17)

- * Good Section Responses should be kept Short and Sweet
- * Bullet Points are Good
- * Use as an Executive Summary

3) DOC Staff Responses:

* Could Use Additional Staff Responses Concerning all Five (5) Criteria, not just Funding

4) Environmental Requirements:

* <u>Planning Applications</u> should be <u>Categorical Exclusions – no public meeting</u> requirement, have board make determination at meeting for planning applications

* Any Exclusive Equipment Applications should be Categorical Exclusions – no public meeting requirement, have board make determination at meeting for planning applications

* Any Construction Applications should have the needed MEPA Environmental Hearings

* This would Save Time and Money when dealing with Planning and or Equipment Applications

5) Presentations before the Coal Board and DOC Staff:

- * Brief Summary Only Present New/Revised Information or staff review concerns
- * Perhaps a Time Limit 8 Minutes exclusive of board member questions
- * Encourage Dialogue / Q & A between the Board and the Applicants

6) Combine Sources and Uses and Budget Table into one section:

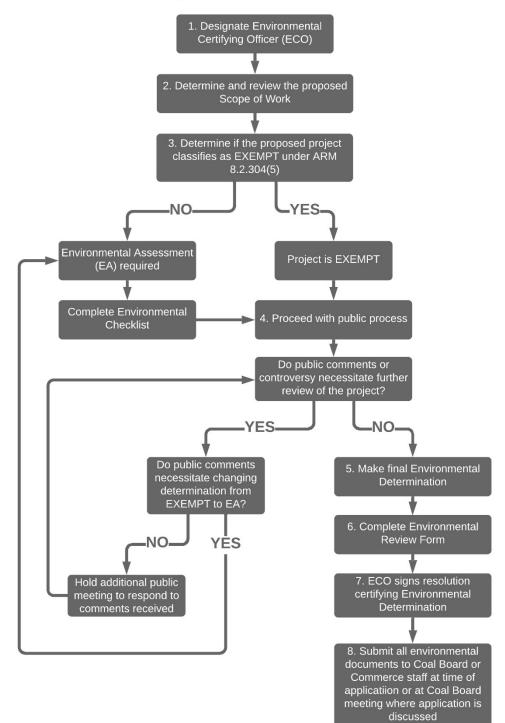
Combine these tables by adding a couple rows into the budget table to indicate what type of funds and whether or not they were firmly committed within the budget table. Also, make that table an excel spreadsheet so numbers automatically total.

7) Create a fillable form where data can be entered directly on to the form.

MONTANA COAL BOARD

Environmental Review Process Outline

For Exempt and Environmental Assessment Projects



Environmental Review Process

All applicants are required to complete an Environmental Review of the proposed project to comply with MEPA regulations. This document is intended as an overview of the process and walks through the steps of completing an Environmental Review under MEPA. Additional information and sample forms are available on the Commerce website under Montana Coal Board Grant Program at: <u>https://comdev.mt.gov/Boards/Coal</u>. The primary purpose of MEPA is to ensure environmental impact is fully considered for State funded projects and ensure the public has input. MEPA specifies 3 levels of Environmental Review depending on the scope of a project;

- 1) Exempt or excluded from MEPA Review,
- 2) Environmental Assessment,
- 3) Environmental Impact Statement.

Due to the nature of the project types, most Coal Board grant projects will fall under Exempt or Excluded. All applicants must follow the environmental review process to determine a finding level, discuss the project and finding level at a public meeting, and make a final determination. Projects seldom require an EIS, and if this level is anticipated it is recommended that applicants contact Commerce staff. The Environmental Review Process is outlined as follows:

I. Designate and Environmental Certifying Officer:

This individual will be responsible for ensuring the environmental review is completed and for signing the final environmental determination. For local governments this would be the Chief Executive Officer. An Authorized Representative may complete the Environmental Review process so long as the ECO signs all relevant documents.

2. Determine and review the proposed scope of work:

Clearly define the proposed scope of work for the proposed project and the activities involved, such as exterior repointing, climate or security systems installation, or roof replacement, etc. Consider the larger effects of the entire project, not just of the portion for which Coal Board funds would be directed. For example, an application for climate control systems for a museum expansion should consider the potential environmental impacts of the new construction. Identify any agencies or groups which may have a vested interest in the project or from whom any licenses or permits are required.

3. Determine if the project is considered Exempt from MEPA review under ARM 8.2.304(5):

Projects listed as statutorily or categorically exempt from MEPA review are not required to complete an Environmental Assessment and so do not need to complete the Environmental Checklist. If a typically exempt activity may cause significant public controversy related to its effect on the human environment or may affect sensitive cultural or environmental resources, proceeding with an EA is advised. Typical activities which are exempt under ARM 8.2.304(5) include:

- Administrative actions (routine clerical or similar functions, including but not limited to administrative procurement, contracts for consulting services, or personnel actions);
- Minor repairs, operations, and maintenance of existing equipment or facilities;
- Projects that involve only minor repairs or rehabilitation to an existing facility, including functional replacement of an existing facility or facility components;

Projects which are not listed as exempt under ARM 8.2.304(5) require an Environmental Assessment and the Environmental Checklist.

4. Proceed with the Public Process:

Public involvement is an important part of the environmental review process. All applicants must hold a public meeting regardless of the expected level of review. The meeting can be a stand-alone event or included on the agenda of another meeting such a Council or Board meeting, or public presentation about the proposed project. It is important the public is made aware or the meeting and has a reasonable opportunity to attend.

When advertising for a Public Meeting, applicants should follow their standard processes for engaging the public, should make efforts to ensure the public is made aware of the public meeting. Posting on Facebook, on the applicant's website, and placing ads in the local paper are all ways of ensuring the public is made aware of the meeting. Advertisements should include;

- A description of the project and reason for the meeting,
- The name the applicant,
- The time and location of the meeting,
- Be posted at least 48-72 hours in advance

Meetings should be held at a time and place that facilitates public participation. Holding the meeting at the proposed project site when feasible or at publicly assessible locations such as the library, City Hall, or County Courthouse is encouraged. During the meeting;

- Provide an overview of the proposed project, alternatives, and the preliminary environmental finding.
- Accept public comments regarding the project and environmental process.
- Respond to any comments which can be easily addressed within the meeting timeframe. Including a break within the meeting agenda to allow time to develop responses is suggested.
- Make a final environmental determination. If, after public comment, additional time to respond to comments is needed, or that an EA is needed, proceed accordingly and schedule a second public meeting.
- Take meeting minutes to record all comments and items discussed.

If comments cannot be easily addressed within the public meeting, allow time to respond to comments and schedule a second public meeting. Some public comments may lead to changes to the proposed project to mitigate adverse effects or improve the project. At this second meeting, respond to all comments from the previous meeting, and repeat the public process.

In some cases, a project which was initially thought to be Exempt will require completing an Environmental Assessment to fully address public comments and concerns. This typically happens when the preliminary determination is not in line with the full scope of the project, or when there is significant public controversy over the proposed project.

5. Make a Final Environmental Determination:

Once the Environmental process is complete and any relevant public comments addressed, make a final environmental determination of the proposed projects level of review. For MHPG projects the level will typically be Exempt or Environmental Assessment. If after completing an EA the project is likely to require preparing an Environmental Impact Statement, consult Commerce staff immediately. The need for an EIS is very unlikely with MHPG projects.

6. Complete the Environmental Review Form:

The Environmental Review Form will provide a summary of the proposed project, the environmental determination level, and detail the public process that was followed to arrive at the final determination. The form must be signed by the Environmental Certifying Official (ECO). An authorized representative may assist in completing the form and environmental review, in which case both the representative and ECO should sign the Environmental Review Form.

7. ECO signs resolution certifying the Environmental Determination:

In addition to the Environmental Review Form applicants must sign a resolution certifying the final Environmental Determination. The ECO must sign the resolution. Sample resolutions are available on the Coal Board Program website for both Exempt and Environmental Assessment determinations.

8. Submit all documents to the Coal Board at the time of application:

Submit completed Environmental Review to documents to the Coal Board. A complete environmental Review must include:

- Environmental Review Form,
- Resolution to Accept Determination,
- Documentation of public process including meeting minutes,
- Supporting environmental documentation and;
- Environmental Review Checklist FOR ENVIRONMENTAL ASSESMENT PROJECTS ONLY

8.101.306 STATE AGENCIES

(1) An eligible state agency is one that:

(a) is seeking a grant to assist a local governmental unit in providing a service which the local government unit is legally responsible to provide in whole or in part, and such service must be expanded because of coal development or decline impact, and the applicant state agency is either joined in the application by the local governmental unit's governing body or has received letters of support from such authority; or

(b) is applying to provide a direct service to the Coal Board to enable the board to more effectively discharge its statutory responsibilities.

History: <u>90-6-205</u>, MCA; <u>IMP</u>, <u>90-6-205</u>, MCA; <u>NEW</u>, 1980 MAR p. 2588, Eff. 9/21/80; <u>TRANS</u>, from Dept. of Comm. Affairs, Ch. 274, L. 1981, Eff. 7/1/81; <u>AMD</u>, 2006 MAR p. 1378, Eff. 6/2/06.