

STATE OF MONTANA DEPARTMENT OF COMMERCE

**MONTANA COAL BOARD MEETING**

**DATE:** December 8, 2022—Big Horn Resort, Billings, Montana

**LOCATION:** Big Horn Resort, Broso Room; 1801 Majestic Lane, Billings, MT

(Applications to be considered for this meeting were due October 24, 2022)

Join from a PC, Mac, iPad, iPhone or Android device:

Please click this URL to join:

<https://mt-gov.zoom.us/j/86551550031?pwd=NWEyR2tsSGFXNnlnNDGtIjMycTRtdz09>

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Webinar ID: 865 5155 0031

Passcode: 765098

**WHEN:** 8:30 a.m.

**December 8, 2022**

**Board Members**

Pat Lorello, Belgrade – Engineering

Jon Wells, Hardin – Impact Area

Catherine Laughner, Big Sky – Attorney

Marianne Roose, Eureka – Public Administration

Tim Schaff, Roundup – Education

Hal Fuglevand, Billings -- Impact Area

Veronica Small-Eastman, Lodge Grass -- Education

**Notice of Public Meeting**

**December 7, 2022:**

**6:30 p.m.**—The Board may gather informally for dinner at 6:30 p.m. at Rib & Chop House, 1849 Majestic Lane, Billings, MT. Members of the public are also invited to attend dinner at their own expense.

**December 8, 2022:** The Board will hold a quarterly meeting at 8:30 am, Thursday, December 8, 2022, in the Broso Room, Big Horn Resort, Billings, MT. For more information or to request reasonable accommodations for a disability, please contact Community MT staff at (406) 841-2770 or at [DOCCDD@mt.gov](mailto:DOCCDD@mt.gov) before the meeting. Conference call information for this meeting is available on the Coal Board website (<https://comdev.mt.gov/Boards/Coal/Meetings>).

**Agenda:**

1. Call to order
2. Roll call
3. Commerce Updates
  - General housekeeping items
    - Restrooms
    - For virtual attendees, please raise your hand to be unmuted for comments
    - For telephone only attendees, please mute your phone to avoid feedback and echoes
    - For Board members, please speak loudly into the microphones
  - Reminder of Coal Board Member Term Dates
    - Community MT Staff update
    - Opportunity for public comment
    - Board discussion
4. Opportunity for public comment on items not on the agenda, but within the Board's jurisdiction
5. Approval of Minutes
  - September Meeting minutes (September 8, 2022)
    - Community MT Staff update
    - Opportunity for public comment
    - Board discussion
    - Board action (as applicable)



6. Budget Status Update

- *Community MT Staff update*
- *Opportunity for public comment*
- *Board discussion*

7. Project Updates

- 0742-Town of Lodge Grass-Extension and Change of Scope Request
  - *Community MT Staff update*
  - *Opportunity for public comment*
  - *Board discussion*
  - *Board action*
- 0944-City of Roundup-Thank You Letter
  - *Community MT Staff update*
  - *Opportunity for public comment*
  - *Board discussion*
- Open and Closed project status
  - *Community MT Staff update*
  - *Opportunity for public comment*
  - *Board discussion*

8. Old Business

- Review of Proposed Updates to the Application and Guidelines
  - *Community MT Staff update*
  - *Opportunity for public comment*
  - *Board discussion*
  - *Board action (as applicable)*
- Tabled Application (See Table below)

<b>Applicant #</b>	<b>Applicant</b>	<b>Project Description</b>	<b>Funds Requested</b>	<b>Total Project Costs</b>
0942	Lame Deer Schools	Construction of Running Track at Lame Deer High School	\$800,000.00	\$2,445,000.00

9. New Business – New Applications (See Table below)

<b>Applicant #</b>	<b>Applicant</b>	<b>Project Description</b>	<b>Funds Requested</b>	<b>Total Project Costs</b>
0946	City of Colstrip	Construction Related to Completing the North End Water Loop and Administration of this Grant	\$224,484.00	\$764,400.00
0947	Rosebud County	Purchase of Rosebud County Ambulance/Extrication Equipment	\$614,200.00	\$836,200.00
0948	City of Colstrip	Purchase of Colstrip Volunteer Fire Department Pumper/Tanker	\$375,000.00	\$750,000.00
		<b>Total Requested:</b>	<b>\$1,213,684.00</b>	<b>\$2,350,600.00</b>

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

10. Opportunity for public comment

11. Board Matters



- Confirmation of next meeting dates and location
  - March 9, 2023-Helena (Legislative Years)
  - June 8, 2023-Billings (Tentative)
  - September 14, 2023-Billings (Tentative)
  - December 14, 2023-Billings (Tentative)

## 12. Adjourn



**Current Board Members:**

<b>Board Member</b>	<b>Term Start Date</b>	<b>Term End Date</b>	<b>Qualifications</b>
Marianne Roose	2/15/2019	1/1/2023	District 1 - Public Administration
Tim Schaff	2/15/2019	1/1/2023	District 2 - Expertise in Education
Veronica Small-Eastman	2/15/2019	1/1/2023	District 2 - Expertise in Education
Hal Fuglevand	1/4/2021	1/5/2025	District 2 - Impact Area
Catherine Laughner	1/4/2021	1/5/2025	District 1 - Attorney
Pat Lorello	1/4/2021	1/5/2025	District 1 - Engineering
Jon Wells	1/4/2021	1/5/2025	District 2 - Impact Area, Business Person



**Montana Coal Board**  
**Draft Meeting Minutes**  
**September 8, 2022**  
Billings, MT

**Roll Call of Board Members:**

Hal Fuglevand - Present

Pat Lorello - Present

Tim Schaff - Absent

Jon Wells - Present

Catherine Laughner - Present

Marianne Roose - Present

Veronica Small-Eastman - Present

**Montana Department of Commerce Staff Present:**

Becky Anseth, Infrastructure Program Manager

Rachel Young, Administrative Officer

Anita Proul, Executive Assistant

JB Lorenzo, Chief Council

**Public Present:**

Jim Atchison, SEMDC

Rae Peppers, NCUC

Sandra Jones, Mayor Roundup

Chad Hanson, Engineer Great West Engineering

AJ Espinoza, Road Superintendent Big Horn County

George Real Bird III, Big Horn County Commissioner

Bill Hodges, Big Horn Hospital Association

Sidney Fitzpatrick, Big Horn County Commissioner

Representative Sharon Stewart-Peregoy,

Mike Opie, Accountant Big Horn County

Tina Toyne, ED Director BH County

**Call Meeting to Order**

0:03 Chair Lorello called the meeting to order at 9:14 a.m.

0:40 Ms. Young called the roll for Board members.

**Commerce Updates**

1:22 Presenter: Ms. Young

**Opportunity for Public Comment**

1:55 Chair Lorello asked for any public comments on items not on the agenda, but within the Board's jurisdiction:

Jim Atchison, SEMDC

Bill Hodges, Big Horn Hospital Association

**Amend Board Procedure for Accepting Incomplete Applications**

35:52 Motion: Mr. Wells – comply with the rules that are in place, if an application is incomplete and the documentation required is not submitted to commerce staff before the 10 days prior to a Board meeting, it is not on the agenda for discussion

Second: Mr. Fuglevand

Ms. Young called for a vote: all yes. Motion Passed.



**Montana Coal Board**  
**Draft Meeting Minutes**  
**September 8, 2022**  
Billings, MT

**Approval of Minutes**

**June 9, 2022 MT Coal Board Meeting Minutes – page 3 of binder**

37:19 Presenter: Ms. Young  
Motion: Ms. Roose – approve minutes  
Second: Chair Lorello  
Ms. Young called for a vote: all yes. Motion Passed.

**Budget Status Update**

**Revenue History and Budget Update – page 6 of binder**

37:59 Presenter: Ms. Young

**Project Updates**

**Open and Closed project status – page 9 of binder**

39:40 Presenter: Ms. Young

**#0917 – Big Horn County – page 8 of binder**

0:40:48 Presenter: Ms. Young  
Motion: Mr. Wells – approve extension request to 12/31/2023  
Second: Ms. Small-Eastman  
Ms. Young called for a vote: all yes. Motion Passed.

**Old Business**

**#0942 – Lame Deer Schools – page 10 of binder**

0:47:00 Presenter: Ms. Young  
Motion: Ms. Small-Eastman – continue to table pending more information from Applicant  
Second: Ms. Roose  
Ms. Young called for a vote: all yes except Catherine Laughner-no. Motion Passed.

**New Business**

**#0943– Northern Cheyenne Utilities Commission – page 33 of binder**

0:49:26 Presenter: Ms. Young  
1:05:43 Motion: Mr. Fuglevand – Award application less the cost of the audit  
Second: Ms. Roose  
Board Discussion  
1:06:58 Motion: Mr. Fuglevand – Amend motion to make approval of funds contingent on receipt of  
waiver of immunity documentation  
Second: Ms. Small-Eastman  
Board Discussion  
1:12:09 Motion: Mr. Fuglevand – Second amendment to motion to award \$135,680  
Second: Ms. Small-Eastman



**Montana Coal Board  
Draft Meeting Minutes  
September 8, 2022  
Billings, MT**

Ms. Young called for a vote: all yes. Motion Passed.

**#0944 – City of Roundup – page 83 of binder**

1:14:08 Presenter: Ms. Young

1:33:34 Motion: Ms. Roose – Award full amount requested

Second: Ms. Small-Eastman

Ms. Young called for a vote: all yes except Chair Lorello-no. Motion Passed.

**#0945 – Big Horn County – page 124 of binder**

1:34:34 Presenter: Ms. Young

2:01:54 Motion: Ms. Small-Eastman – Fund \$760,000

Second: Ms. Roose

Board Discussion

2:04:02 Motion: Ms. Small-Eastman – Amend motion to award \$608,000

Second: Ms. Roose

Ms. Young called for a vote: all yes. Motion Passed.

**Opportunity for Public Comment**

2:04:54 Chair Lorello opened the meeting for any public comment:

George Real Bird III, Big Horn County Commissioner

**Board Matters**

**Confirmation of next meeting dates and location**

2:05:39 Presenter: Ms. Young

**Adjournment**

2:06:12 Meeting adjourned at 11:38 a.m.



## Coal Tax Revenue Comparison

Fiscal Year		2010	2011	2012	2013	2014	2015	2016
July			17,863.90	478,552.73	609,198.17	277,977.82	118,144.28	339,047.64
August	295,705.72		739,751.69	229,945.98	8,941.30	506,219.60	228,623.71	78,091.81
September					76.04		84,100.00	
October	338,615.57		814,596.79	518,784.61	1,016,937.04	483,339.81	274,564.66	417,407.03
November	1,017.16		44,854.14	398,977.25	6,420.77	422,231.90	210,346.50	494,680.93
December							1,640.67	
January	337,886.80		792,126.04	562,498.88	781,776.84	416,844.61	446,900.67	639,129.32
February	7,493.40		29,742.78	325,049.60	23,364.52	7,519.67	8,273.03	123,266.45
March			829.28		(3.77)		122.34	(24.48)
April	308,943.66		379,673.08	715,661.79	657,249.04	188,654.13	379,966.56	251,261.51
May	1,011,820.33		325,476.25		59,665.69	189,054.27	33,379.00	402,513.04
June				5,270.09			7,300.41	
<b>TOTAL</b>		<b>2,301,482.64</b>	<b>3,144,913.95</b>	<b>3,234,740.93</b>	<b>3,163,625.64</b>	<b>2,491,841.81</b>	<b>1,793,361.83</b>	<b>2,745,373.25</b>

Fiscal Year		2017	2018	2019	2020	2021	2022	2023
July		247,193.27			222,429.42	431,312.73	617,761.79	592,505.22
August	693,771.22		740,446.95	918,302.50	539,831.96	6,181.03	6,181.02	557,127.95
September				(504.39)	5,979.51	6,181.03	6,181.02	6,181.02
October	755,932.38		332,719.15	519,416.85	316,099.35	489,138.85	6,181.02	1,326,249.17
November	101,974.55		629,341.43	439,644.24	457,270.54	6,181.03	884,379.21	6,181.02
December			580.99			6,181.03	6,178.12	-
January	648,624.21		308,187.51	702,308.56	327,851.56	302,836.00	763,081.14	-
February	80,414.86		551,400.30	235,857.70	316,829.05	238,944.10	182,395.75	-
March	(1,551.84)				2,063.81	21,376.15	6,181.02	-
April	531,173.29		721,648.76	625,338.13	557,704.92	863,630.16	972,088.37	-
May	146,179.43		98,316.33	95,829.81	90,338.94	7,826.03	6,181.02	-
June	7,422.78		505.97	(505.97)	108,927.02	(84,162.96)	19,694.51	-
<b>TOTAL</b>		<b>3,211,134.15</b>	<b>3,383,147.39</b>	<b>3,535,687.43</b>	<b>2,945,326.08</b>	<b>2,295,625.18</b>	<b>3,476,483.99</b>	<b>2,488,244.38</b>



## Coal Board Cash Activity Detail as of 11/30/2022

	FY 2023
<b>Cash Balance as of July 1</b>	<b>\$ 5,983,334.40</b>
<b>Obligated Fund Detail</b>	
Remaining Administrative expense	\$ 115,668.62
Current Year Applicants Awarded	
Northern Cheyenne Utilities Commission	\$ 135,680.00
City of Roundup	\$ 81,000.00
Big Horn County	\$ 608,000.00
Subtotal	\$ 824,680.00
Previous Years Contracts Remaining Balance	
Bien 2014-15	\$ 26,538.32
Bien 2016-17	\$ 83,679.65
Bien 2020-21	\$ 684,149.98
Fiscal Year 2022	\$ 2,219,325.00
Subtotal	\$ 3,013,692.95
<b>Current Year Expenditures</b>	
Personal Services	\$ 33,364.41
Board Per Diem	\$ 250.00
Services	\$ 5,485.51
Supplies	\$ 1,861.04
Communications	\$ 1,441.94
Travel	\$ 3,189.99
Rent	\$ 629.14
Other Expenses	\$ 6,662.59
Leases	\$ 3,531.18
Grant Draw Requests	\$ 924,374.63
Total Expenditures	\$ 980,790.43
<b>Current Year Revenue</b>	
July	\$ 592,505.22
August	\$ 557,127.95
September	\$ 6,181.02
October	\$ 1,326,249.17
November	\$ 6,181.02
December	\$ -
January	\$ -
February	\$ -
March	\$ -
April	\$ -
May	\$ -
Total Revenue	\$ 2,488,244.38
<b>Cash Report</b>	
Cash Balance (Beginning - Expenditures + Revenue)	\$ 7,490,788.35
Less: Liabilities using current year cash	\$ (4,273.49)
Less: Obligated Grants and Administrative	\$ (3,954,041.57)
<b>Net Cash Available</b>	<b>\$ 3,532,473.29</b>
Fiscal Year 2023 Available Grant Authority	\$ 3,482,000.00
Current Year Obligated Grants	\$ 824,680.00
<b>Current Year Funding Available for Grants</b>	<b>\$ 2,657,320.00</b>



Coal Board Contract with Town of Lodge Grass: MT-CB-15-0742  
Staff Recommendation/December 2022 Meeting

Applicant: Town of Lodge Grass

Project: Construction Activities Related to Wastewater Improvement

Coal Board Funds Received: \$200,000

Total Project Cost: \$3,721,000

Coal Board Funds Remaining: \$26,538.32

See attached letter requesting change of scope and extension of contract

Staff Recommendation:

Staff does not recommend extending this contract for the reasons below:

- Contractual date to incur eligible expenses already passed on 9/30/22
- Contract has been extended six times
- Original contract was executed on 6/4/14

Staff does not recommend changing the scope of this contract for the reasons below:

- Change of scope request (to allow for engineering services to be reimbursable) from the September, 2022 Coal Board meeting was approved but a contract amendment was never executed, at the request of the town due to changes in activities and other eligible expenses
- Change of scope has been requested two times
- Current request would change funding to pay for an audit from the Town's October 20, 2022 letter for change of scope is not related to the original project scope for which they were awarded funds



# Town of Lodge Grass

*Established 1927*

P.O. Box 255

Lodge Grass, MT 59050

Phone: (406) 639-2362 Fax: (406) 639-9134

October 20, 2022

Montana Coal Board  
Montana Department of Commerce  
301 South Park Avenue  
PO Box 200501  
Helena MT 59620-0501

**RE: Request to Allocate \$26,538.32 to Audit Services and Extend Grant Contract #15-0742**

Dear Members of Montana Coal Board,

On behalf of Town of Lodge Grass, I respectfully request to use the remaining funds associated with Contract #MT-CB-15-0742, \$26,538.32, to support audit services related to the wastewater improvement project. In Fiscal Year 2019, Town of Lodge Grass expended more than \$750,000 in federal funds, mainly attributed to the wastewater improvement project, so a Single Audit is required. At the time of submitting this letter, Town of Lodge Grass has identified a firm available to conduct the audit.

Additionally, I request to extend Contract #MT-CB-15-0742 to June 30, 2023. The extension is needed to allow time to complete the audit.

If you have questions about my requests, please contact me at 406-639-2362 or [quincy.dabney@townoflodgegrass.com](mailto:quincy.dabney@townoflodgegrass.com).

Thank you for your consideration,



Quincy Dabney  
MAYOR



**Sandra Jones, Mayor**

GARY TOOMBS, President of Council  
TANYA LANTER, Clerk/Treasurer  
CASSANDRA MANN, Assistant Clerk  
LON SIBLEY, Director of public Works  
BRADLEY MARKING, City Judge

# *City of Roundup*

*P.O. BOX 660  
Roundup, MT 59072  
Phone (406) 323-2804 Fax (406) 323-2757  
Roundupmontana.net*

GARY TOOMBS Ward I  
JAMES VIVIRITO Ward I  
FLOYD FISHER Ward II  
JEREMY ERICKSON Ward II  
RICK CARLSON Ward III  
DOLLY LONG Ward III  
CAMERON MCCLEARY Ward IV  
DAVE LIGGETT Ward IV

September 9, 2022

To: The members of the Montana Coal Board

Subject: Thank You

Mr. Chairman and members of the Montana Coal Board, I am so sorry that I neglected to thank you before leaving the meeting yesterday,

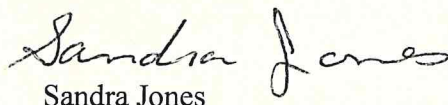
On behalf of the City of Roundup I want to thank you for your support in helping to provide the necessary funding for our project. We appreciate the task before you when you receive these applications. We appreciate what this board continues to do in giving back a portion of proceeds that has come to the State through the Coal producing communities in the state of Montana.

If any of you happen to pass through Roundup, I would be glad to give you a personal tour to see the many projects that the Signal Peak Coal Mine has helped to fund. Also, if at any time you decide to schedule a meeting here, I am sure that it would be possible to provide a tour of the mine itself if you would like.

Once again thank you!

Respectfully

Roundup Mayor

  
Sandra Jones



## Open Coal Board Grants

Grant #	Grantee Name	Project Name	Award Date	Grant Amount	Remaining Funds as of November 2022	Expiration Date	
<b>2015 Biennium</b>							
742	Town of Lodge Grass	Wastewater Project	9/27/2013	\$200,000.00	\$26,538.32	12/31/2022	
<b>2017 Biennium</b>							
787	Crow Tribe	Phase 3C WW Collection	6/16/2016	\$200,000.00	\$83,679.65	12/31/2023	
<b>2021 Biennium</b>							
886	City of Miles City	Construction of Hangar at Airport	9/12/2019	\$275,000.00	\$226,915.00	9/30/2023	
889	City of Hardin	Upgrade Wastewater Collection and Treatment Plants	3/12/2020	\$250,000.00	\$242,278.98	3/31/2023	
896	Big Horn County	Purchase of one dump truck and two graders	12/12/2019	\$562,000.00	\$15,796.00	12/31/2022	Closing Documents Being Processed
898	Town of Hysham	Wastewater System Rehabilitation, Phase 1	3/12/2020	\$125,077.00	\$4,000.00	9/30/2023	Closing Documents Being Processed
917	Big Horn County	Purchase of 2 Patrol Vehicles for Sheriff's Office	3/11/2021	\$90,086.00	\$90,086.00	12/31/2023	Extension Not Yet Executed
918	Big Horn County	Fairview Cemetery Tractor and Storage Building	3/11/2021	\$124,870.00	\$46,370.00	3/31/2023	
<b>2023 Biennium</b>							
922	Musselshell County	Phase 2 Generator Replacement Project	9/8/2021	\$292,000.00	\$238,915.00	12/31/2023	
927	Colstrip Public Schools	LED Lighting Project-Phase 1	12/9/2021	\$127,112.00	\$127,112.00	12/31/2024	Closed
929	City of Hardin	Purchase of K-9 Equipped Police Vehicle	12/9/2021	\$42,950.00	\$42,950.00	12/31/2023	
931	City of Colstrip	Purchase of Solid Waste Truck	3/10/2022	\$285,000.00	\$285,000.00	3/31/2023	
932	City of Colstrip	Business Innovation Center Construction Project	3/10/2022	\$375,000.00	\$375,000.00	12/31/2024	
933	Musselshell County	Road Chip Seal Project	3/10/2022	\$304,633.00	\$304,633.00	12/31/2024	
934	Big Horn County	Abulance Department Vehicle Replacement	3/10/2022	\$159,000.00	\$159,000.00	12/31/2024	
936	Forsyth Public Schools	Boiler Replacement Project	3/10/2022	\$150,000.00	\$14,477.00	9/30/2023	
937	City of Forsyth	Water Intake Project	6/9/2022	\$100,000.00	\$100,000.00	12/31/2024	
939	Big Horn County	Purchase of Long-term Care Transport Vehicles	6/9/2022	\$131,475.00	\$131,475.00	12/31/2023	
940	City of Colstrip	Repairs to the Filter and Clarifier Buildings	6/9/2022	\$367,875.00	\$367,875.00	12/31/2024	
941	Custer County	Phase 2 Custer County Firehall Construction	6/9/2022	\$200,000.00	\$200,000.00	12/31/2024	
943	NCUC	Purchase Work Behicle and Bobcat	9/8/2022	\$135,680.00	\$135,680.00		Contract Not Executed
944	City of Roundup	ADA Improvements for Community Stage	9/8/2022	\$81,000.00	\$81,000.00	3/30/2024	
945	Big Horn County	Purchase of 2 Road Graders	9/8/2022	\$608,000.00	\$608,000.00	3/30/2024	

Total balance remaining	\$3,906,780.95
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COMMUNITY ~~DEVELOPMENT-MT~~ DIVISION

**Montana Coal Board Impact Grant Program  
Application and Guidelines**

**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/Programs-and-Boards/Montana-Coal-Board/Planning-and-Project-Grants><https://comdev.mt.gov/Boards/Coal/Meetings>

**~~DOCCDD@MT.GOV~~**



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**Appendix A: Montana Coal Board Grant Program Application and Statutory Review Criteria**

**Appendix B: PAR Requirements**

**Appendix C: Environmental Review Requirements**

**Appendix D: Environmental Review Flowchart**



## 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 carry out its responsibilities. The Coal Board is attached to the Montana Department of Commerce (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 a 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 second 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/Programs-and-Boards/Montana-Coal-Board/https://comdev.mt.gov/Boards/Coal>.

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These application guidelines explain how an eligible ~~application applicant~~ can apply for Montana Coal Board funding and includes an application and appendices relevant to program requirements. ~~The~~ 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-MT~~ Division (~~CDD~~) website at <https://comdev.mt.gov/Programs-and-Boards/Montana-Coal-Board/Planning-and-Project-Grantshttps://comdev.mt.gov/Boards/Coal>. Interested persons can also e-mail ~~MHPG~~ program staff at [DOCCDD@mt.gov](mailto:DOCCDD@mt.gov) or call staff at (406) 841-2770 regarding any questions ~~they may have~~ about the ~~MHPG-Coal Board~~ 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-MT~~ 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 to make their needs



and preferences known. Please provide as much advance notice as possible for requests.



## II. Eligible Applicants

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.

Under ARM 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.

### 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 or facilities 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 based on:

- 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 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 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.
- 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.
- 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 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.

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 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 Appendix B.

Commented [LR1]: Link is broken

#### 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 non-designated units.

Commented [LR2]: This was already noted above.

Commented [LR3]: Already noted above.

#### 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. 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. Due dates and instructions for submitting an application are listed on the Coal Board website: <https://comdev.mt.gov/Programs-and-Boards/Montana-Coal-Board/Planning-and-Project-Grants>. 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,

Commented [LR4]: Need to add eligibility screening process. Should we note that PER, PAR, or technical is required?



~~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>.~~

~~To apply for Coal Board Funds, eligible applicants must complete the application and submit the materials via the State of Montana File Transfer Service at <https://transfer.mt.gov>. Once there, you will be asked to log in or create an ePass account if you do not already have one. Once logged in, click on "Send a New File" and pull your application file(s) into the field and click "Continue". When prompted, click on "State Employee or ePass-Montana Customer". On the "Recipients" page, select the "Find a State Group" tab. In the "Search" box, type "DOC-CDD-FTS" and hit "Search". Select the existing group found "DOC-CDD-FTS". To find the correct state distribution group, please use spaces between DOC and CDD and FTS. Follow instructions provided to submit your application. Please include the name of the applicant and "Coal Board Application" in files uploaded to the transfer service. Please combine application materials into as few files as possible. Contact us with any questions.~~

~~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 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 categorically 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 [Montana Environmental Policy Act - Montana State Legislature \(mt.gov\)](http://leg.mt.gov/committees/interim/eqc/montana-environmental-policy-act/)~~<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, ~~please see the~~ 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 Appendices C and D.

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, not the level of review required.~~

**Commented [VR5]:** Replace this section with the new OKTA (?) instructions

**Commented [LR6R5]:** We should point them to the website so we don't have to update the guidelines and go through ARMs when we make changes to the application submission process.

**Commented [LR7]:** Link is broken

**Commented [LR8]:** Link is broken

**Commented [AB9]:** Consider taking environmental off Coal Board site and link directly to EQC/MEPA site

**Commented [LR10]:** This sentence is confusing. Doesn't the local government official make the decision about categorical exclusion? Would the board ever prepare an EA or EIS statement?

**Commented [LR11]:** This is confusing too. I'm not sure what this is saying.



An applicant may submit a Confidentiality and Non-Disclosure Agreement to protect any information that the applicant does not want public to see. This may be submitted with the application or at any time during the project timeline. This may not be applicable to all applicants or project types. Please contact ~~CDD-Community~~ MT staff at [DOCCDD@mt.gov](mailto:DOCCDD@mt.gov) for the Commerce template.



## **VI. Award Process**

The Coal Board evaluates and makes decisions on aApplications ~~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.



**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**

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. NAME OF APPLICANT(S):

Enter the name(s) of the entity submitting the application

### 2. TYPE OF ENTITY:

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.

**Commented [YR12]:** I feel like this is repetitive as we have the name and generally that tells us what type of entity it is already

### 3. SENATE AND HOUSE DISTRICTS:

Enter the State Senate and House of Representatives district numbers that the entity is located within.

**Commented [LR13R12]:** I'm fine with removing this if we have an eligibility checklist so the applicant ensures they are eligible prior to spending time on an application. This has been a problem with other grant programs...

**Commented [YR14]:** I don't know why we would need this information as it is not helpful in determining eligibility

### 4.2. AMOUNT OF COAL IMPACT GRANT REQUESTED \$

**Commented [LR15R14]:** Agreed. Let's remove.

### 5.3. NAME OF PROJECT:

**Commented [LR16]:** Might be nice to see total project cost in the summary.

### 6.4. TYPE OF PROJECT:

Enter the type of ~~public facility project~~ governmental facility 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 type of project.

### 7. POPULATION SERVED BY PROJECT:

Enter the number of people that reside within the area served by the project.

### 8. NUMBER OF HOUSEHOLDS SERVED BY PROJECT:

Enter the number of households within the area served by the project.

**Commented [LR17]:** I moved these under Severity of Impact

### 9.5. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE:

Enter the name and title of the chief elected official or authorized representative of the applicant. Include the mailing address, business telephone, and e-mail address.



~~40.6.~~ **PRIMARY ENTITY CONTACT PERSON:**

Provide the name, mailing address, business telephone, and e-mail address. number of the person or people 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 the application.

~~41.7.~~ **OTHER CONTACT PERSONS:**

If applicable and available, provide the name, mailing address, business telephone 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.).

~~42.8.~~ **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.

Commented [LR18]: This is under Local Effort.

~~43.9.~~ **AMOUNT OF COAL GROSS PROCEEDS TAX:**

Please provide the following details:

- Total amount of Coal Gross Proceeds taxes the applicant has received during the last two years
  - o How those monies are allocated (i.e., to general fund, etc.)
- How does the applicant decide the use of the gross proceeds tax?

Commented [LR19]: Move under Local Effort?

~~44.~~ **IMPACTS FROM COAL INDUSTRY:**

Number of residents that are currently employed by the coal industry within the applicant's jurisdiction

~~45.10.~~ **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.



#### ~~46-11.~~ 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).

Commented [LR20]: Is this repetitive to the question about violating state orders or laws under Need?

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.

#### ~~47-12.~~ PROJECT BUDGET AND IMPLEMENTATION SCHEDULE:

##### A. Project Budget Form:

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.

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PROJECT BUDGET					
Completed by: _____ For: (location) _____, MT Date: _____					
ADMINISTRATIVE/ <del>FINANCIAL</del> COSTS	SOURCE:	SOURCE:	SOURCE:	SOURCE:	TOTAL:
Grant Administration	\$	\$	\$	\$	\$
Office Costs	\$	\$	\$	\$	\$
Professional Services	\$	\$	\$	\$	\$
Legal Costs	\$	\$	\$	\$	\$
Travel & Training	\$	\$	\$	\$	\$
<del>TOTAL ADMINISTRATIVE/</del> FINANCIAL COSTS	\$	\$	\$	\$	\$
ACTIVITY COSTS:					
Equipment Cost	\$	\$	\$	\$	\$
Construction Cost	\$	\$	\$	\$	\$
Architectural/Engineering Design	\$	\$	\$	\$	\$
Product Completion (PER's, studies, etc.)	\$	\$	\$	\$	\$
Contingency	\$	\$	\$	\$	\$
TOTAL ACTIVITY COSTS	\$	\$	\$	\$	\$
TOTAL PROJECT COSTS	\$	\$	\$	\$	\$

Commented [AB21]: Why is this information needed?



**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.

**C. Implementation Schedule:**

Each applicant must submit an implementation schedule that describes the overall schedule for project completion.



IMPLEMENTATION SCHEDULE <del>FOR</del> -----												
TASK	QUARTERS 20XX				QUARTERS 20XX				QUARTERS 20XX			
	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th
<b>PROJECT START-UP</b>												
A. Sign contract with Coal Board												
B. Secure approval of other funding												
C. Submit progress reports and <del>drawdown</del> request for reimbursement. (Progress reports quarterly if no <del>draws-reimbursements</del> submitted)												
<b>PROJECT CONSTRUCTION</b>												
A. <del>Engineering</del> /Architectural Design												
B. Conduct pre-construction conference												
C. Construction <del>and/or</del> purchase and installation of equipment												
D. Monitor Progress												
E. Final Inspection												
<b>PROJECT CLOSE-OUT</b>												
<del>A. Coal Board administrative staff conduct on-site monitoring of the project</del>												
B. Submit project completion report.												
C. Include project in <del>audits</del>												

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Commented [AB23]: Is this a requirement? I don't think we ever circle back to check an audit status. LGS and any 3rd party auditor will see 'grant awards' in budgets for any local govt and respond accordingly. Remove here



**18-13. 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. Need**

**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 and 8.101.301(2)(a), ARM)**

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 supporting documentation.
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.
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.~~
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.



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? Describe why.~~ Describe how the need for the expansion or improvement to the public facility or public service is attributable to coal-related impacts and provide supporting documentation. Include the nearest coal development areas or coal-using energy complexes to your community and the road miles from your community. Additionally, please provide the percentage of the project that is a result of coal impacts.

**Commented [LR24]:** Do we want to ask for the percentage of the impact?

**Commented [AB25R24]:** I'm not sure they will be able to respond accurately by a percentage. Likely they will just claim the whole community is impacted by coal - all services, facilities, etc. by the coal miners simply living in town/area, so the whole project is touched/serving impacted areas

6. ~~Additional information supporting the NEED for this project.~~

**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**

~~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.~~ the rapidity of growth or decline and subsequent development of the problem and the number of people affected. (90-6-205(4)(a), MCA and 8.101.301(2)(b), ARM).

1. ~~Describe the severity of the coal-related impacts including how coal is affecting rates of change in community statistics (e.g., population, employment, property taxes) and provide supporting documentation.~~
2. ~~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~~ people and households affected by the problem and that would be served by the project.
3. ~~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.~~
4. ~~Name the nearest coal development area or coal-using energy complex to your community and the road miles from your community.~~



~~3.5. 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.~~



C. **Availability of Funds**

I. Amount requested from the Coal Board: \$ \_\_\_\_\_

2. Coal Board funds available at the time of application \$ \_\_\_\_\_  
(#2 will be completed by Coal Board staff)

3.2. Explain why a coal impact grant is necessary to make the project feasible and affordable

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

**Commented [YR26]:** Commerce staff does not fill in this section on the application so I believe we could get rid of this

**Commented [LR27R26]:** Agreed.

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FUNDING SOURCES SUMMARY FOR.....				
Source	Type of Fund	Amount	Status of Commitment	Loan Rates & Terms



5.4. 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?)

**Commented [YR28]:** Some formatting is needed in this section

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**Commented [LR29]:** Should this part be under the next section (Local Effort) because it's talking about other funding sources?

#### D. Degree of Local Effort in Meeting Needs

1. 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. If current millage rates given are lower than the average rates levied during the previous three years, briefly explain why they are lower.
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.
3. Describe past operation and maintenance budgets and practices over the long-term, including any reserves for repair and replacement.
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.

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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? \$ \_\_\_\_\_
  - 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 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.

<b><u>CURRENT DEBT SUMMARY FOR -----</u></b>								
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).

8. \_\_\_\_\_  
at financial accounting system do you use?

\_\_\_\_\_ The Board is required to ensure conformity to generally accepted accounting principles. Examples include Quick Books and MBARS.

9-8. 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 \_\_\_\_\_

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**Commented [YR30]:** This has little or no effect on any decisions made by the Coal Board members

**Commented [AB31R30]:** Agreed. Or commerce I don't think. It's not like we ever verify they actually use 'a' system. They could give us Greek here and we would never know to ask. Options for types of technology that meet GAAP have expanded over the years.

**Formatted:** List Paragraph, Indent: Hanging: 1.17", Line spacing: single, Numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.81" + Indent at: 1.35", Tab stops: 0.67", Left + 0.67", Left + 6.91", Left

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~~10.9.~~ If there have been audit findings within the last five years, have they been satisfactorily addressed?

Commented [AB32]: Rachel - do you review audits?

~~10.~~ Additional information supporting the DEGREE OF LOCAL EFFORT IN MEETING NEEDS.

#### **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.

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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.



## APPENDIX B

### PAR PRELIMINARY ARCHITECTURAL REPORT (PAR) REQUIREMENTS

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#### 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 REQUIREMENTS FOR:

- a. Preparation of a PAR as a planning activity

#### C. GENERAL INFORMATION ON PARs:

- o 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.
- o 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 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.

#### 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:

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).
2. 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. 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.

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## **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.

**3.** 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.

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## **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.
2. 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 alteration, 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.

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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.

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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 each alternative considered, include both:

1. Project Costs (i.e., administrative, financial, engineering, architecture, and construction costs) and
2. 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.

### **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.



## 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 categorically 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: [Montana Environmental Policy Act - Montana State Legislature \(mt.gov\)](https://leg.mt.gov/committees/interim/eqc/montana-environmental-policy-act/) <https://leg.mt.gov/committees/interim/eqc/montana-environmental-policy-act/> or <https://leg.mt.gov/content/publications/Environmental/2002mepabrochure1-2.pdf>

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 Commerce.

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 [or resolution](#) 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 Exclusions

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 personnel actions);
- 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 capital equipment;
- Projects that involve only minor repairs or rehabilitation to an existing facility, including functional replacement of an existing facility or facility components;
- 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 the emergency.

If the proposed project qualifies for a categorical exclusion, 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 proposed action.

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 of Commerce 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:

1. 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~~Commerce 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~~Commerce

#### ***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 and benefits;
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 proposed action; an explanation of the tradeoffs among the reasonable alternatives;
8. the applicant's preferred alternative on the proposed action, if any, and its reasons for the preference;
9. 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;
10. a summary of the draft EIS; and
11. 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 of 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 the draft;
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 be included);
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
- ☐ Water Quality Act, 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
- ☐ The Montana State Antiquities Act, 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](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 [http://dnrc.mt.gov/permits/stream\\_permitting/default.asp](http://dnrc.mt.gov/permits/stream_permitting/default.asp).
- ❑ Cultural Resource Survey – You may need to perform a cultural resource survey for your project. The 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
- b.c. Public participation (notice of availability of a., b. for review)
- e. D. Final Action taken by resolution or documented local decision  
[Affidavit?](#)

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## ENVIRONMENTAL REVIEW CHECKLIST

<b>NAME OF PROJECT:</b>	
<b>PROPOSED ACTION:</b>	
<b>LOCATION:</b>	_____, Montana

<b>Key Letter:</b>							
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required							
<b>PHYSICAL ENVIRONMENT</b>							
Key	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; text-align: center;">1</td> <td>Soil Suitability, Topographic and/or Geologic Constraints (e.g., soil slump, steep slopes, subsidence, seismic activity)</td> </tr> <tr> <td></td> <td><i>Response and source of information:</i></td> </tr> <tr> <td colspan="2" style="height: 100px;"></td> </tr> </table>	1	Soil Suitability, Topographic and/or Geologic Constraints (e.g., soil slump, steep slopes, subsidence, seismic activity)		<i>Response and source of information:</i>		
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	<i>Response and source of information:</i>						



<b>Key Letter:</b>	
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required	
Key	5 Surface Water/Water Quality, Quantity & Distribution (e.g., streams, lakes, storm runoff, irrigation systems, canals)
	<i>Response and source of information:</i>
Key	6 Floodplains & Floodplain Management (Identify any floodplains within one mile of the boundary of the project.)
	<i>Response and source of information:</i>
Key	7 Wetlands Protection (Identify any wetlands within one mile of the boundary of the project.)
	<i>Response and source of information:</i>
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.)
	<i>Response and source of information:</i>
Key	9 Vegetation & Wildlife Species & Habitats, including Fish and Sage Grouse (e.g., terrestrial, avian and aquatic life and habitats) <a href="https://sagegrouse.mt.gov">https://sagegrouse.mt.gov</a>
	<i>Response and source of information:</i>
Key	10 Unique, Endangered, Fragile, or Limited Environmental Resources, Including Endangered Species (e.g., plants, fish or wildlife)
	<i>Response and source of information:</i>



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
Key	11	Unique Natural Features (e.g., geologic features)
		<i>Response and source of information:</i>
Key	12	Access to, and Quality of, Recreational & Wilderness Activities, Public Lands and Waterways, and Public Open Space
		<i>Response and source of information:</i>
<b>HUMAN ENVIRONMENT</b>		
Key	1	Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics
		<i>Response and source of information:</i>
Key	2	Nuisances (e.g., glare, fumes)
		<i>Response and source of information:</i>
Key	3	Noise -- suitable separation between noise sensitive activities (such as residential areas) and major noise sources (aircraft, highways & railroads)
		<i>Response and source of information:</i>



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
Key	4	Historic Properties, Cultural, and Archaeological Resources
		<i>Response and source of information:</i>
Key	5	Changes in Demographic (population) Characteristics (e.g., quantity, distribution, density)
		<i>Response and source of information:</i>
Key	6	General Housing Conditions - Quality, Quantity, Affordability
		<i>Response and source of information:</i>
Key	7	Displacement or Relocation of Businesses or Residents
		<i>Response and source of information:</i>
Key	8	Public Health and Safety
		<i>Response and source of information:</i>



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
Key	9	Lead Based Paint and/or Asbestos
		<i>Response and source of information:</i>
Key	10	Local Employment & Income Patterns - Quantity and Distribution of Employment, Economic Impact
		<i>Response and source of information:</i>
Key	11	Local & State Tax Base & Revenues
		<i>Response and source of information:</i>
Key	12	Educational Facilities - Schools, Colleges, Universities
		<i>Response and source of information:</i>
Key	13	Commercial and Industrial Facilities - Production & Activity, Growth or Decline.
		<i>Response and source of information:</i>
Key	14	Health Care – Medical Services



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
		<i>Response and source of information:</i>
Key	15	Social Services – Governmental Services (e.g., demand on)
		<i>Response and source of information:</i>
Key	16	Social Structures & Mores (Standards of Social Conduct/Social Conventions)
		<i>Response and source of information:</i>
Key	17	Land Use Compatibility (e.g., growth, land use change, development activity, adjacent land uses and potential conflicts)
		<i>Response and source of information:</i>
Key	18	Energy Resources - Consumption and Conservation
		<i>Response and source of information:</i>
Key	19	Solid Waste Management
		<i>Response and source of information:</i>



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
Key	20	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
		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



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
		<i>Response and source of information:</i>
Key	27	Cultural Facilities, Cultural Uniqueness & Diversity
		<i>Response and source of information:</i>
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)
		<i>Response and source of information:</i>
Key	29	Consistency with Local Ordinances, Resolutions, or Plans (e.g., conformance with local comprehensive plans, zoning, or capital improvement plans)
		<i>Response and source of information:</i>
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.)
		<i>Response and source of information:</i>



### Environmental Review Form

On a separate piece of paper, please answer the following as they apply to your proposed project:

1. **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).

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: \_\_\_\_\_

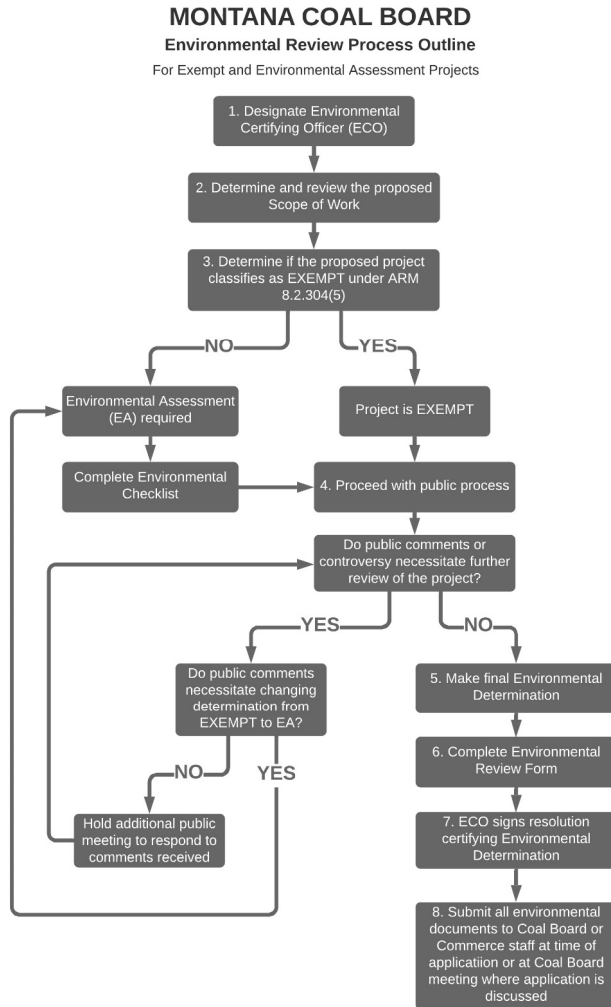
Title: \_\_\_\_\_

Date: \_\_\_\_\_

Attested: \_\_\_\_\_



## Appendix D: Environmental Review Flowchart





**Appendix A: Coal Board Application**

**THE COAL IMPACT GRANT APPLICATION FORM SUBMITTED BY** (NAME OF APPLICANT)  
**CAMERON M. MCCORMICK**  
**LAME DEER PUBLIC SCHOOLS**

**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: *William WalksAlong*

Title: *Chairman of Lame Deer School Board of Trustees*

Signature: *William WalksAlong* Date: *04/25/2022*

*Note: Superintendent Marcy Cobell is absent  
on due date for grant proposal submission*



## **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.



## **MONTANA COAL BOARD IMPACT GRANT PROGRAM APPLICATION**

**Name of Applicant:** Lame Deer Public Schools District #6, Rosebud County, MT.

**Type of Entity:** Public School District

**Senate and House Districts:** Senate District SD21; House District HD41

**Amount of Coal Impact Grant Requested:** \$800,000

**Name of Project:** Running Track for Lame Deer High School

**Type of Project:** Public School Expansion

**Population Served by Project:** 2,086 people reside in Lame Deer itself, 6,012 live within the confines of the Northern Cheyenne Indian Reservation (cheyennenation.com, accessed March 29, 2022).

**Number of Households Served by Project:** There are 1,563 total households in the surrounding area including Lame Deer, Ashland, Busby, and Birney.

**Chief Elected Official or Authorized Representative:** Marcy Cobell, Superintendent; Lame Deer Public Schools, P.O. Box 96, Lame Deer, MT. 59043; (406) 477-8900 ext. 1003, [marcy.cobell@lamedeer.k12.mt.us](mailto:marcy.cobell@lamedeer.k12.mt.us)

**Primary Entity Contact Person:** Deb Glass, Federal Programs Director, Lame Deer Public Schools, P.O. Box 96, Lame Deer, MT. 59043, (406) 477-6305 ext. 1009, [deb.glass@lamedeer.k12.mt.us](mailto:deb.glass@lamedeer.k12.mt.us)

**Other Contact Persons:** Yolanda Fraser, Business Manager, Lame Deer Public Schools, P.O. Box 96, Lame Deer, MT. 59043, (406) 477-6305 ext. 1001, [Yolanda.fraser@lamedeer.k12.mt.us](mailto:Yolanda.fraser@lamedeer.k12.mt.us)

**Millage Rates:** 2018-19—189.99; 2019-20—175.37; 2020-21—190.87; 2021-22—187.05 (Rosebud County Treasurer, accessed April 12, 2022)



Amount of Coal Gross Proceeds Tax: \$0.00

Impacts From Coal Industry: “About 125 [Northern Cheyenne Tribal] members are employed at PP & L generating stations and the mine (Field Hearing Before the Committee on Indian Affairs United State Senate, One Hundred Fourteenth Congress, accessed April 12, 2022).”

Maps : See Attachment

### **Project Summary**

Construction completed in 1999, the Lane Deer High school building though fairly new is in fair condition at best. Nevertheless, there clearly was not a running track in the heart nor mind of those responsible for the building of the structures for there is no semblance of a running track of any kind. Imagine asking a local high school to field a Varsity Basketball team when they have no gymnasium--no indoor basketball court, no baskets. All they have is a basketball and they have to practice outside—even during the winter. That is what has been going on with Lane Deer High School since '99—they have no track yet they have been trying desperately to field a Track and Field team. Further, a young Lane Deer man wants to time himself running one mile. With what lies on the grounds of LDHS right now he would have to walk behind the school up to an unkempt field comprised of weeds mixed with grass. There he would have to survey the landscape with his naked eye, mentally calculating where a four hundred meter track would be, then



excruciatingly focus his footing so as to avoid stepping in a hole and tearing up the tendons and ligaments in his ankle. Needless to say, no one can really train around Lame Deer—not for track anyway. LDHS students practice on or around this bare field which has, at one side, a slab of concrete and makeshift crow's nest/concession stand sitting on it, never knowing the correct distance of a run, nor calculating an accurate time, not ever growing accustomed to the feel of a track under their feet. How in the world they are supposed to compete with other Montana high school athletes I don't know.

As far as improvements made on or to this LDHS building--this past Summer I helped in the purchase and installation of six brand-new Gared basketball goals to hang inside the Allen Rowland gymnasium of what used to be Lame Deer High School--now about a ten-minute's drive through Lame Deer to where the current high school building actually is, and is now the Lame Deer Elementary Gym. The cost of this project amounted to roughly seventy-five thousand dollars—almost thirty-seven and a half thousand dollars for the purchase of the goals then an additional thirty-seven and a half thousand to pay PCS Construction to install them. Now, for whatever reason, in the twenty-plus year existence of the LDHS building not one person has ever decided to build a track for LD students. In Absarokee, MT, there's a dinky little red-dirt track, that reminiscent of something from the '70's,



at least. At Rocky Boy High School you'll find the same thing. At nearly every high school across Montana there is at least a red-dirt track.

So, Running Track for Lame Deer High School, would provide for Lame Deer students something that all of the other high school students in Montana already have—a running track.

**Project Budget and Implementation Schedule:**

<b>PROJECT BUDGET</b>					
<b>COMPLETED BY:</b> CAMERON MCCORMICK <b>FOR:</b> LAME DEER, MT. <b>DATE:</b> APRIL 22, 2022					
ADMINISTRATIVE/FINANCIAL COSTS	SOUR CE:	SOUR CE:	SOUR CE:	SOUR CE:	TOTAL:
GRANT ADMINISTRATION	---	---	---	---	0.00
OFFICE COSTS	---	---	---	---	0.00
PROFESSIONAL SERVICES	---	---	---	---	POTENTIAL \$410,00 0.00
LEGAL COSTS	---	---	---	---	0.00
TRAVEL & TRAINING	---	---	---	---	0.00
TOTAL ADMINISTRATIVE/FINANCIAL COSTS	---	---	---	---	POTENTIAL 0.00



					\$410,000.00
ACTIVITY COSTS:					
EQUIPMENT COST	---	---	---	---	POTENTIALLY \$1,000,000.00
CONSTRUCTION COST	---	---	---	---	POTENTIALLY \$560,000.00
ARCHITECTURAL/ENGINEERING DESIGN	---	---	---	---	POTENTIALLY \$255,000.00
PRODUCT COMPLETION (PER'S, STUDIES, ETC.)	---	---	---	---	POTENTIALLY \$215,000.00
CONTINGENCY	---	---	---	---	---
TOTAL ACTIVITY COSTS	---	---	---	---	POTENTIALLY \$2,030,000



TOTAL PROJECT COSTS	---	---	---	---	POTENTIAL \$2,445,000.00
---------------------	-----	-----	-----	-----	-----------------------------

**Project Budget Narrative:** Personnel Services/Office Costs—The expense will be considered in-kind from Lane Deer Public Schools due to common daily management of personnel and office costs. Professional Services--\$410,000; this will be the builder, a professional construction company. Legal Costs—none anticipated for this project. Audit fees—none anticipated for this project. Equipment Cost--\$1,000,000; determined by the specific surface to be used for track; concrete, stonebase, sub-surface paving, replacing topsoil, seeding, etc. Construction Cost--\$560,000; ideally this will be a two-lane, 400m running track with porous surface so cost would be considerably lower than potential estimates indicated; on-site construction will last ten to twelve weeks. Architecture/Engineering design--\$255,000; for the design and planning of the project; this will be the longest phase of the project. Product Completion--\$215,000; this includes project development; ought to be tailored to the specific needs of Lane Deer High School. At least twenty-five percent of the total cost would be in-kind from the LDPS General Fund.



Implementation Schedule for Running Track For Lane Deer High School																
				Quarters 2023				Quarters 2024				Quarters 2025				
Task				1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	



[illegible]



Construction																	
A. Architectural Design				X													
B. Conduct pre-construction conference				X													
C. Construction and purchase and installation of equipment					X	X	X	X	X	X	X						
D. Monitor Progress						X	X	X	X	X	X						



E. Final Inspect ion												X				
Project Close- out																
A. Coal Board admini strative staff conduc t on- site monito ring of the project					X							X				
B. Submit project comple tion report													X			
C. Include													X			



project																
in																
audits																

## **Description of relationship to Coal Board Statutory Grant Criteria**

### **A. NEED**

1. None
2. In this case the problem is that with no track the students cannot compete nor can community members safely walk, run or jog. If this project was completed the rate of diabetes among Lane Deer, and the surrounding area, residents could be positively impacted by a decline in diabetes cases.
3. Not having a place to jog or run affects all of the community. If a running track was at LDHS many would walk, jog or run—at least half of the community.
4. For one, high school athletes should not be asked to compete in track meets when they simply have no track to practice on—again, it's like asking to have a basketball team when there is no gymnasium to practice in.



5. Having a running track at LDHS would create a publicly healthy and safe place where community members could exercise during Spring, Summer, and Fall months.

**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**

1. LDPS was designated as Coal Impacted by the Coal Board; further, the Department of State Lands certified Rosebud County as well as the Northern Cheyenne Reservation as being impacted by Coal development.
2. The nearest coal development area or coal-using energy complex to Lane Deer is Colstrip, MT. and is twenty-one miles away.
3. According to Coal Board Staff Report from December 2016, "in 1982 18.5% of Lane Deer Public School students had parents employed by the Coal industry; by 1992 that number dropped to 10%; according to a survey conducted in May 2011—six hundred twenty-three students had parents or relatives employed by the coal industry—namely, PPL or Western Energy." The recent decline of the local coal industry has negatively impacted finance available to LDPS.



### **C. AVAILABILITY OF FUNDS**

1. Amount requested from the Coal Board: \$800,000
2. Amount of Coal Board funds available at the time of application \_\_\_\_\_
3. A coal impact grant is necessary to make Running Track For Lame Deer High School feasible and affordable because the Northern Cheyenne Tribe own ninety-seven percent of its Reservation's land base, therefore LDPS has little to no finance from property tax mills.
4. The other proposed funding sources for Running Track For Lame Deer High School are Federal Impact Aid money as well as State of Montana funding.

<b>Funding Sources Summary for Running Track for Lame Deer High School</b>				
<b>Source</b>	<b>Type of Fund</b>	<b>Amount</b>	<b>Status of Commitment</b>	<b>Loan Rates &amp; Terms</b>
<b>Montana Coal Board Impact Grant</b>	<b>State of Montana Grant</b>	<b>800,000.00</b>	<b>Requested</b>	<b>0%</b>
<b>Lame Deer Public School</b>	<b>U.S. Department of Education</b>	<b>266,666.00</b>	<b>Pending</b>	<b>0%</b>



<b>District #6</b>				

**5. If the Montana Coal Board Grant is not received then the project will not move forward; If LDPS does not contribute the requested amount then the contact persons will seek other available grants to finance the project. If neither the Montana Coal Board Grant nor the LDPS funding come through then the project will not move forward—this will simply leave Lane Deer students without a track for at least another twenty-plus years.**

**D. Degree of Local Effort in Meeting Needs**

**1. The average rates levied during the past three years is 185.41 while the current millage rate is 187.05 so it is not, in fact, lower. Nevertheless, again, ninety-seven percent of the current Reservation land base is tribally-owned, therefore, little to no finance comes from those millage rates.**



- 2. To my knowledge, there have been no contributions, donations, or fund-raising efforts whatsoever toward the building of a running track at LDHS—myself applying for this Montana Coal Board Grant seems to be the only such effort in recent years.**
- 3. All projects have been, and are, financed through the LDPS General Fund. And there is, reportedly, a Five-year Preventive Maintenance Plan being followed at LDPS.**
- 4. There is absolutely no reason whatsoever why even the simplest, most-inexpensive running track has never been constructed at LDHS. For these students anything would be better than nothing.**
- 5. A. What is the current monthly household user charge? \$0.00**
- b. What is the projected monthly user charge (including operation and maintenance) when the project is complete?**
- \$0.00**
- 6. . LDPS relies mainly on Federal Impact Aid funds as well as other State of Montana finance.**



Schools								
Year Issued	Purpose	Type of Bond/Security	Amount	Maturity Date (mo./yr.)	Debtor	Coverage Required	Annual Payment Amount	Outstanding Balance
								\$0.00
								\$0.00

**7. What are your current assets? LDPS' most current audit is available upon request.**

**8. The financial accounting system that LDPS uses is Tyler Tech Accounting Software, Citrix and Maefairs**

**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? Yes. Date of last completed audit or financial report School Year 2020-21.**

**10. To my knowledge audit findings within the last five years have been satisfactorily addressed and documentation is available upon request.**

**11. While the Northern Cheyenne Tribe has invested in a wellness center in downtown Lamar, nothing has been done by the tribe to fund a project to build a running track at LDHS.**

**Further said wellness center contains only an eighty-four foot indoor basketball court with a**



**few office-sized rooms and restrooms—no aerobics room nor weight-lifting room, let alone an indoor running track.**

#### **E. PLANNING & MANAGEMENT**

**1. How my 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 is as follows. The completion of Running Track for Lane Deer High School will provide a safe place at which people can exercise. Right now if any Lane Deer resident wants to run for thirty minutes then they must endanger their very lives by running alongside one of the most dangerous highways in the U.S., Highway 212. Or, they must drive twenty-three miles to the town of Colstrip and try to use Colstrip High School's track—the thing is many residents simply cannot afford gasoline in their vehicles and still many simply do not even own their own vehicle, at least not one that is in good, running condition. LDHS' own running track would serve the entire community, not just the students themselves. Again, the fact of the matter is that most, if not all, high schools in the entire United States have at least a basic outdoor running track so there should have been one built at LDHS in its' inception in 1999 or at least in the time since then up until now. Further, there is the probability that more Lane Deer residents would enroll their children in LDHS rather than sending them to Colstrip everyday. Finally, a running track at LDHS would allow these students to finally be competitive athletically in all sports but especially in Track and Field.**



## **MEMO**

To: Coal Board Members and Commerce Staff  
From: Division Engineer  
Subject: Lame Deer School Running Track  
Meeting: June, 2022

**History** – The existing Lame Deer School was constructed without a surfaced running track.

**Problem** – The School has been trying to have a Track and Field team but without a surfaced running track, they are unable to do so. The existing dirt running track is weedy, unkept and has an uneven surface.

**Solution** – Construct a new \$2,440,000 surfaced running track.

\*\*\*\*\*

### **A. Budget and Schedule:**

- A technical project estimate was not submitted. The budget of \$2.44 million is significantly higher than the typical cost for running tracks. According to numerous internet sites, a running track costs between \$300,000 and \$1 million, depending on the surface selected.
- After funding is achieved, a two-year time frame for construction of the track appears reasonable.

### **B. Other technical comments.**

- A large deficit between the budget (\$2.44 million) and the funding (\$1.066 million) was not addressed.
- \$266,000 of funding from the School District is not committed and represents the entire Extracurricular budget for FY22.



# Coal Board Grant Applicant #0942 Lame Deer Public Schools Staff Report / June 2022 Meeting

Applicant: Lame Deer Public Schools

Project: Construction of a Running Track at Lame Deer High School

Coal Board Funds Requested: \$800,000.00

Total Project Cost: 2,445,000.00

## I. General Project Information

### A. Eligibility:

- The applicant is a local government unit, which is eligible according to 90-6-205(4), MCA.
- The project would assist the applicant in providing for a governmental facility, which is eligible according to 90-6-205(4), MCA.
  - The following citation authorizes the applicant to make expenditures to provide school improvements: Title 20, MCA, as is required by 8.101.302, ARM.

### B. Application Items:

- The Coal Board Application form was complete.
- A technical memo addressing selection of the track type and comparison of alternatives was not provided.
- Environmental review documentation was not provided.

### C. Applicant is a designated unit according to 90-6-207, MCA.

### D. Location of applicant:

- Lame Deer is 21 miles from the Colstrip Power Plant and the adjacent Rosebud Coal Mine as well as other mines in the vicinity.

### E. Grant funding history:

- Applicant has been awarded \$587,655.00 in Coal Board Grants since 2011. This includes Lame Deer Elementary School District, Lame Deer High School District and Lame Deer Schools.

## II. Coal Board Statutory Criteria (90-6-206, MCA)

### A. Need: *What assistance 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 (Coal Board Application and Guidelines, p. 15).*

- The applicant demonstrated there is a need for a running track to serve students and community members. While the applicant described the public health benefits of a track, the lack of a running track does not appear to be a threat to public health, safety, or welfare. The applicant noted there were no serious deficiencies in basic or necessary public facilities or services, no serious public health and safety problems, and no violation of state or federal standards. Another issue is the application lacks a cost



- estimate to support the proposed project cost of \$2.4 million and an explanation as to how the total project will be funded.
- The application did not demonstrate the need for the project was caused as a direct result of coal development or decline. The application states the decline in the local coal industry has impacted financing available to the school for facilities like a running track. However, the application did not show how school finances have been impacted by coal such as demonstrating the school's revenues have decreased because of declining coal tax proceeds.
- B. Severity of Impact: *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" (Coal Board Application and Guidelines, p. 16).*
- The applicant did not demonstrate the severity of the impact as a direct consequence of coal development. The applicant provided statistics showing a decreasing number of students with parents employed by the coal industry from 1982 to 1992. While this shows a drop in coal industry employment over this time period, this information is outdated and does not show how coal development relates to the proposed project.
- C. Availability of funds: *What amount of funds is available in light of the total request submitted (Coal Board Application and Guidelines, p. 17).*
- Revenues and appropriation from the legislature related to the Coal Natural Resource account are sufficient to fund the costs associated with this project request, depending on the other projects approved by the Board at this meeting
- D. Degree of local effort: *As applicable, what bonding, millage effort, or user charge has been made in the past, those currently being made, and what effort has been made to secure funds from other sources to answer needs (Coal Board Application and Guidelines, p. 17).*
- The applicant demonstrated Lame Deer Public Schools is contributing to the project. Lame Deer Public Schools will provide the personnel services/office costs as an in-kind contribution towards this project. Application states that 25% of the total cost will be in-kind from the Lame Deer Public Schools General Fund but that funding is listed as pending.
  - The current millage rate from the application is \$187.05 listed for 2021-2022, which is higher than the average rates from the previous three years, \$185.41 (2020-2021: \$190.87, 2019-2020: \$175.37, 2018-2019: \$189.99). All information collected from the application.
- E. Planning and Management: *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. (Coal Board Application and Guidelines, p. 20).*
- The applicant did not demonstrate this project is part of an overall plan. Applicant stresses the health and other benefits of the track to the students and residents of



Lame Deer but does not explain how the project relates to planning efforts or a management strategy for the proposed facility.

### **III. Staff Summary**

The application does not include the following required items:

- Complete environmental review documentation, specifically public meeting minutes, proof of public notice, affidavit and environmental review checklist.
- A technical memo addressing selection of the track type and comparison of alternatives
- A project cost estimate for budgeting purposes
- A description of how the large deficit between the total project budget of \$2.44 million and the project funding of \$1.07 million will be met

Commerce staff does not recommend funding because the application has not demonstrated the project meets the following statutory criteria:

- **Need:** The application did not identify a direct and obvious threat to public health, safety or welfare, nor did the application demonstrate the need for the project was caused as a direct result of coal development or decline. To meet this statutory criterion, the applicant would need to provide:
  - Justification that the lack of a track is a direct and obvious threat to public health
  - Justification to show the school's revenue stream has decreased related to coal impacts like coal tax proceeds or property tax revenue
  - Justification that the proposed \$2.4 million running track is the most appropriate and cost effective alternative
- **Severity of Impact:** The applicant did not demonstrate the severity of impact or why the project is needed as a direct consequence of coal development. To meet this statutory criterion, the applicant would need to provide documentation that the need for a running track is directly related to coal development or decline.
- **Planning and Management:** The applicant did not demonstrate this project is part of an overall plan. To meet this statutory criterion, the applicant would need to document how this project is part of an overall plan to address growth or decline problems.
- This project does not appear to fit with the statutory criteria for Coal Board funding. However, the project may be eligible for ICDBG funding, ARPA funding through tribal fiscal recovery funds, or CDBG funding through Rosebud County.



**Appendix A: Coal Board Application**  
**THE COAL IMPACT GRANT APPLICATION FORM SUBMITTED BY CITY OF COLSTRIP**

**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: John Williams

Title: Mayor

Signature:

A handwritten signature in blue ink, appearing to read "John Williams", with a large loop at the bottom left.

Date:

10/18/2022



## **SUMMARY INFORMATION**

1. NAME OF APPLICANT(S):  
City of Colstrip
2. TYPE OF ENTITY:  
Local Governmental Unit - City
3. SENATE AND HOUSE DISTRICTS:  
SD 20 & 21  
HD 39 & 41
4. AMOUNT OF COAL IMPACT GRANT REQUESTED:  
\$224,484
5. NAME OF PROJECT:  
North End Water Loop
6. TYPE OF PROJECT:  
Public Facility Project - Water
7. POPULATION SERVED BY PROJECT:  
City of Colstrip – 2096 (2020 Census Data)
8. NUMBER OF HOUSEHOLDS SERVED BY PROJECT:  
1097 (2020 American Community Survey Data)
9. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE:  
John Williams, Mayor  
City of Colstrip  
PO Box 1902  
12 Cherry St.  
Colstrip, MT 59323  
PH 406-748-2302  
FAX 406-748-2303  
[mayor@cityofcolstrip.com](mailto:mayor@cityofcolstrip.com)



10. PRIMARY ENTITY CONTACT PERSON:

John Williams, Mayor  
City of Colstrip  
PO Box 1902  
12 Cherry St.  
Colstrip, MT 59323  
PH 406-748-2302  
FAX 406-748-2303  
mayor@cityofcolstrip.com

11. OTHER CONTACT PERSONS:

Michelle Richards  
City Clerk/Treasurer  
PO Box 1902  
Colstrip, MT 59323  
PH 406-748-2300 X 2304 Fax 406-748-2303  
CityClerk@cityofcolstrip.com

12. MILLAGE RATES:

**2022-2023 Total Mills Levied = 131 Mill Value = \$32,687**

2021 -2022 Total Mills Levied = 129.49 Mill Value = \$33,998

2020 -2021 Total Mills Levied = 101.84 Mill Value = \$42,528

2019 -2020 Total Mills Levied = 81.15 Mill Value = \$53,478

2018 -2019 Total Mills Levied = 76.00 Mill Value = \$56,140

2017 -2018 Total Mills Levied = 50.56 Mill Value = \$61,135

2016 -2017 Total Mills Levied = 67.11 Mill Value = \$59,270

2015 -2016 Total Mills Levied = 62.01 Mill Value = \$58,425

2014 -2015 Total Mills Levied = 42.92 Mill Value = \$59,732

2013 -2014 Total Mills Levied = 31.60 Mill Value = \$75,524

2012 -2013 Total Mills Levied = 30.30 Mill Value = \$80,507

13. IMPACTS FROM COALINDUSTRY:

Western Energy Coal Mine, Colstrip, MT  
Power Plant, Colstrip, MT  
Rosebud Power Plant, Colstrip, MT  
Total of 591 employees at the above

The four-unit Colstrip power plant located in Colstrip, MT was the second largest coal fired power plant west of the Mississippi River. Recently, two of the power generation units were shut down. Colstrip is dramatically impacted by the coal industry – both in the mining and power generation sectors.

14. MAPS:

See attached Exhibit A for map



15. BRIEF PROJECT SUMMARY:

The City of Colstrip is in Rosebud County, Montana, which is near south-central Montana. Colstrip was established in 1924 by the Northern Pacific Railway as a company town providing coal for the railway's team locomotive. In 1998, Colstrip became an incorporated City and since then Colstrip has primarily remained a power generating and coal mining town. With the City beginning developed by the Railway the town went through a period of massive expansion with little planning took place in the development of the town.

The City of Colstrip consist of rough over 2,000 people and has an estimated average daily demand of half a million gallons a day. The City of Colstrip's distribution system has over 26 miles of water mains, six high service pumps and three pressure zones, and four water tanks.

Water Zone 2 serves approximately two-thirds of the city and all the water supplied to Zone-2 is delivered by a single 12-inch AC. Due to this design Zone 2 has been identified as being highly vulnerable in the case of significant break. In addition, the single supply to the Zone makes it. Zone 2 is also the largest zone in the system supplying most of the population. Zone 2 covers the City North of Ash Street and east of Park Avenue. Water travels to this zone from the Water Treatment plant through a 14-inch AC main till just North of the Wastewater Treatment Plant where it transitions into a 12" AC that supplies the entire Zone.

There is no other water supply to this Zone making the residents extremely vulnerable to water outages. This is further increased due to the age and material of the 12-inch transmission main as it is old and asbestos cement material is known to be brittle and prone to breakage.

The main transmission main in the zone follows along Pine Butte Drive and while the individual subdivisions are looped there is no looping between the subdivision. Because of this structure, maintenance and/or replacement of the watermain under Pine Butte Drive is not possible without taking the entire subdivision off the system and depriving residents of water.

By completing the North End Water Loop, it will alleviate the problem of depriving the residents of water and make the entire system more resilient. This has been a problem numerous times this past year (2022).

16. PROJECT BUDGET AND IMPLEMENTATIONSCHEDULE:

A. Project Budget Form:

See Next Page for Project Budget



**PROJECT BUDGET**

Completed by: Julie Emmons Stoddard

For: City of Colstrip, MT

Date: 10/18/22

ADMINISTRATIVE/ FINANCIAL COSTS	SOURCE: Minimum Allocation Gant	SOURCE: Local Fiscal Recovery Funds	SOURCE: Coal Board	SOURCE:	TOTAL:
Grant Administration	*		\$ 5,000	\$	\$ 5,000
Audit	\$	\$	\$ 1,000	\$	\$ 1,000
Professional Services	\$	\$	\$	\$	\$
<b><u>TOTAL ADMINISTRATIVE/ FINANCIAL COSTS</u></b>	\$	\$	\$ 6,000	\$	\$ 6,000
ACTIVITY COSTS:					
Construction Cost	\$ 396,271	\$ 95,729	\$	\$	\$ 492,000
Architectural/Engineering Design	\$	\$	\$ 118,000	\$	\$ 118,000
ROW	\$	\$	\$ 50,000	\$	\$ 50,000
Contingency	\$	\$ 47,916	\$ 50,484	\$	\$ 98,400
<b>TOTAL ACTIVITY COSTS</b>	<b>\$ 396,271</b>	<b>\$ 143,645</b>	<b>\$ 218,484</b>	<b>\$</b>	<b>\$ 758,400</b>
<b>TOTAL PROJECT COSTS</b>	<b>\$ 396,271</b>	<b>\$ 143,645</b>	<b>\$ 224,484</b>	<b>\$</b>	<b>\$ 764,400</b>



**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.

**Grant Administration:**

*Cost estimated for services associated with grant administration for the Coal Board and ARPA grants. Estimated at \$75 per hour for 66.67 hours.*

**Audit Expense:**

*Cost estimated for services associated with required audits for ARPA and Coal Board grant funding for this project. This represents only a portion of the City of Colstrip total audit cost.*

**Engineering, Geotech, Construction Admin:**

*Cost estimate provided in preliminary planning for project by engineering company. Covers all engineering, Geotech services, and Construction Administration.*

**Construction:**

*Construction cost estimated by professional engineering firm. Cost includes mobilization, taxes, insurance, and bonds, traffic control, erosion control, removal of existing water main, cost for 12-inch diameter water main, 12 inch gate valve and box, horizontal bore, fire hydrant assembly, and 12 inch fitting.*

**Contingency:**

*20% Contingency added for changes or cost overruns for this project.*

**ROW:**

*Right of ways are estimated at a cost of \$50,000 for this project.*



**C. Implementation Schedule:**

Each applicant must submit an implementation schedule that describes the overall schedule for project completion.

<b><u>IMPLEMENTATION SCHEDULE FOR CITY OF COLSTRIP</u></b>												
	QUARTERS 2023				QUARTERS 2024				QUARTERS 2025			
<b>TASK</b>	<b>1st</b>	<b>2nd</b>	<b>3rd</b>	<b>4th</b>	<b>1st</b>	<b>2nd</b>	<b>3rd</b>	<b>4th</b>	<b>1st</b>	<b>2nd</b>	<b>3rd</b>	<b>4th</b>
<b><u>PROJECT START-UP</u></b>												
<b>A.</b> Sign contract with Coal Board	x											
<b>B.</b> Secure approval of other funding	x											
<b>C.</b> Submit progress reports and drawdown request. (Progress reports quarterly if no draws submitted)	X	X	X	X	X	X	X	X				
<b><u>PROJECT CONSTRUCTION</u></b>												
<b>A.</b> Complete RFQ process for A/E	X											
<b>B.</b> Final Design	X											
<b>C.</b> Prepare Bids/Complete Bidding Process	X	X										
<b>D.</b> Construction		X	X									
<b>E.</b> Final Inspection			X									
<b><u>PROJECT CLOSE-OUT</u></b>												
<b>A.</b> Coal Board administrative staff conduct on-site monitoring of the project												
<b>B.</b> Submit project completion report.			X									
<b>C.</b> Include project in audits.			X									



17. 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. Need**

**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 supporting documentation.

The existing design of the water distribution system does not have a loop. This causes complete disruption of water service when there is a break that needs to be repaired and the whole area is without water. This includes the high school and various subdivisions and businesses. It is an old design and old system that has recently caused several emergency situations where the area was without water for an extended period. This new addition will add to the entire water distribution system.

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.

There have been no serious public health or safety problems to date other than the entire area being without water. This includes the high school which has to shut down. A community not being able to provide a safe and consistent supply of water is considered a public health and safety problem.

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.

The area affected by this problem represents approximately 2/3 of the entire community of Colstrip.

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.

Currently, there are no DEQ mandates for Colstrip. However, should the city be unable to repair the building it could result in the inability to meet the minimum Safe Drinking Water Standards set forth by the Federal Government.

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?

Lack of safe drinking water in a community could result in a threat to public health and safety.

6. Additional information supporting the NEED for this project.



**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**

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.

Colstrip was initially a company town formed to provide housing and services to employees of the coal mine and later the power generation facility. Most of the households in Colstrip have a member of the household that works in the coal industry. At present there are nearly 591 persons employed full time by either Western Energy, the Rosebud Power Plant, or the Colstrip Power Plant. The Native American employees are significantly impacted as well. Additionally, employees are hired for the overhaul of specific units at the Colstrip Power Plant periodically. With most households in Colstrip having a member directly employed in the coal industry and the impacts of lost employment due to the closure of Units 1 and 2, it is very accurate to say that this project is a DIRECT result of a coal impact.

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

A. Talen Energy’s two-unit 1,400 MW power station located within the City of Colstrip.

B. Western Energy Company’s (WECCO) Rosebud coal mine produces approximately 8 million tons of coal has 25,000 acres adjacent to the City of Colstrip.

C. 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.

D. Rosebud Power Generation Station is north of town within seven miles of the city limits.

E. Westmoreland’s Sarpy Creek mine is 25 miles west of Colstrip.

F. Spring Creek Coal mine is located to the south of Colstrip near Busby.

G. Decker Mine is located 85 miles to the South but was recently closed.

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.

The need for assistance in paying for this project is a direct result of a contraction in the Coal Industry. Because the valuation of the coal facilities has decreased, the amount of revenue generated by taxes has declined. This directly impacts the City’s ability to afford the cost of upgrades to the system as well as costly repairs.

**C. Availability of Funds**

1. Amount requested from the Coal Board: \$ 224,484
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 City of Colstrip has lost a significant amount of tax revenue with the closure of Colstrip Units 1 and 2. The City obtains approximately 85% of its' tax revenue from the plants and will continue to be negatively impacted as the plants depreciate.

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

<b><u>FUNDING SOURCES SUMMARY FOR CITY OF COLSTRIP</u></b>				
<b>Source</b>	<b>Type of Fund</b>	<b>Amount</b>	<b>Status of Commitment</b>	<b>Loan Rates &amp; Terms</b>
Minimum Allocation Grant	Grant	\$396,271	Pending – allocated to the City of Colstrip and application submitted	N/A
Local Fiscal Recovery Funds	Grant	\$143,645	Firm	N/A
Coal Board Grant	Grant	\$224,484	Pending	N/A



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

Other funding avenues would have to be investigated as it is not feasible at this time for the City of Colstrip to make the entire investment on their own.

**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.

Current mills levied are higher than the average of the previous three years and have gone up by 100 mills since 2012. The City of Colstrip is taxing at the maximum allowable by Montana state law.

2022-2023 Total Mills Levied = 131 Mill Value = \$32,687  
2021 -2022 Total Mills Levied = 129.49 Mill Value = \$33,998  
2020 -2021 Total Mills Levied = 101.84 Mill Value = \$42,528  
2019 -2020 Total Mills Levied = 81.15 Mill Value = \$53,478  
2018 -2019 Total Mills Levied = 76.00 Mill Value = \$56,140  
2017 -2018 Total Mills Levied = 50.56 Mill Value = \$61,135  
2016 -2017 Total Mills Levied = 67.11 Mill Value = \$59,270  
2015 -2016 Total Mills Levied = 62.01 Mill Value = \$58,425  
2014 -2015 Total Mills Levied = 42.92 Mill Value = \$59,732  
2013 -2014 Total Mills Levied = 31.60 Mill Value = \$75,524  
2012 -2013 Total Mills Levied = 30.30 Mill Value = \$80,507

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.

The City of Colstrip is providing 67% of the project cost by utilizing their Minimum Allocation Grant (MAG) funds, Local Fiscal Recovery funds, and cash to the project. Coal Board funds will be leveraged 2/3 outside funding to 1/3 Coal Board funds.

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

This line did not exist in the past. There was no loop allowing water to come in from a different direction which creates resiliency for the whole water system. This was common when water lines were put in years ago. Over time, it has become standard to create loops that don't require the whole system to be out of water if maintenance has to be performed or a system goes down.

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.

N/A. The line did not exist before now. The addition of this line will improve the resiliency of the system that serves this area.



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? \$ 50
  - What is the projected monthly user charge (including operation and maintenance) when the project is complete? \$ 50

6. What are your current debt obligations?

List current debt obligations. If the applicant is a water, wastewater, solid waste, or other 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.

**CURRENT DEBT SUMMARY FOR CITY OF COLSTRIP**

Year Issued	Purpose	Type of Bond/ Security	Amount	Maturity Date (mo./yr.)	Debt Holder	Coverage Required	Annual Payment Amount	Outstanding Balance
2017	Sewer	Bond	\$987,000	7/1/37	DNRC	125%	\$43,000	\$785,000

7. What are your current assets?

See attached Exhibit B

8. What financial accounting system do you use? Black Mountain 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 x 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?

Any audit findings have been satisfactorily addressed.

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

**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.



- 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.

As Colstrip has faced a decline in taxable valuation and thereby tax revenue generated for the community, addressing infrastructure needs has become a huge priority. The taxable valuation will continue to decline since the closing of Units 1 and 2 and continuing depreciation of Units 3 and 4. The City of Colstrip has assessed numerous infrastructure needs and tried to make long lasting improvements that will serve the community for years to come in the wake of lower tax revenue coming in to the City. This represents good planning on the part of the community as it prioritizes needed improvements and spends to make those improvements while funds are available. With this particular project, the completion may have been years in the future without the availability of ARPA funding. Because of the availability of ARPA funding, the City of Colstrip can move some of the projects identified in the Capital Improvement Plan (CIP) for the City of Colstrip to the forefront rather than having to wait years to afford the completion of said projects.

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.

The North End Water Loop was identified as a high priority project in the most recently completed Capital Improvement Plan for the City of Colstrip (2021). This project is also listed as a high priority project on the Infrastructure Needs List maintained by Southeastern Montana Development Corporation (SEMDC). SEMDC regularly works with its' member communities on identifying needed infrastructure improvements, prioritizing the importance of the project, and identifying funding so that the highest priority projects are completed, and future maintenance and improvement costs can be budgeted for by the community. The City of Colstrip is also covered by the Comprehensive Economic Development Strategy (CEDS) for the SEMDC region in southeastern Montana. The CEDS identifies the need for planning and maintenance of public infrastructure to allow communities to provide for the needs of existing and future residents.



## RESOLUTION NO. 2022-R13

**WHEREAS**, the City of Colstrip has completed an assessment to identify potential environmental impacts associated with the North End Water Loop project; and

**WHEREAS**, the draft Environmental Review Checklist was made available for public review and comment and the findings were presented at a public meeting; and

**WHEREAS**, no substantive public comment was received or public comment was received and responded to; and

**WHEREAS**, the City of Colstrip has determined that the installation of this water main line will not significantly affect the quality of the human environment and accordingly the City of Colstrip has determined an Environmental Impact Statement is not necessary;

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Colstrip, that the Environmental Review Checklist for the North End Water Loop project is accepted and adopted.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF COLSTRIP IN REGULAR SESSION THIS** 11 **DAY OF** October, 2022.

  
John Williams, Mayor

**ATTEST:**

  
Michelle Richards  
City Clerk/Treasurer



Select Office

# Memorandum

**Date:** 9/27/2022  
**To:** John Williams – Mayor  
**Copy to:** Doug Whitney, PE, Julie Emmons - SEMDC  
**From:** McKenzie Butcher, PE  
**RE:** Additional Questions – Environmental Review Form (Attachment)

## Remarks

1. **Alternatives: Describe reasonable alternatives to the project.**
  - a. The only other reasonable alternatives to the project would be to do nothing.
2. **Mitigation: Identify any enforceable measures necessary to reduce any impacts to an insignificant level.**
  - a. Project will be subject to the MPWSS, DEQ , and contract specifications.
3. **Is an EA or Environmental Impact Statement (EIS) required?**
  - a. It is not anticipated that an environmental impact statement will be require.
  - b.
4. **Public Involvement: Describe the process followed to involve the public in the proposed project and its potential environmental impacts.**
  - a. The environmental checklist was made available for public comment at the City of Colstrip Council meeting held at City Hall on October 11<sup>th</sup>. No comments in regard to environmental concerns were received.
5. **Persons Responsible for Preparing: Identify the person(s) responsible for preparation of this checklist.**
  - a. The environmental checklist was prepared by McKenzie Butcher, PE with KLJ Engineering. Then was reviewed by Douglas C. Whitney, PE with KLJ Engineering. In addition, it was sent to John Williams, mayor of the City of Colstrip, and Julie Emmons with Southeastern Montana Development Corporation for final review and approval.
6. **Other Agencies: List any state, Local, or federal agencies that have over-lapping or additional jurisdiction, or environmental review responsibility of the proposed action and the permits, licenses, and other authorization required; and list any agencies or groups that were contacted or contributed information to this Environmental Assessment (EA).**
  - a. Montana Department of Transportation (MDT)
  - b. BNSF Railway
  - c. Montana Department of Environmental Quality (MDEQ)
  - d. United States Army Corps of Engineers
  - e. Montana Department of Fish, Wildlife and Parks



## ENVIRONMENTAL REVIEW CHECKLIST

<b>NAME OF PROJECT:</b>	North Water Main Loop
<b>PROPOSED ACTION:</b>	
<b>LOCATION:</b>	Colstrip _____, Montana

<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
<b>PHYSICAL ENVIRONMENT</b>		
Key	1	Soil Suitability, Topographic and/or Geologic Constraints (e.g., soil slump, steep slopes, subsidence, seismic activity)
		<i>Response and source of information:</i>
N		Project trench will be backfilled with native soil.
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)
		<i>Response and source of information:</i>
N		This project will not be near any hazardous facilities.
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)
		<i>Response and source of information:</i>
A		Project involves the construction of new water main. Dust and debris is anticipated as part of the construction efforts.
Key	4	Groundwater Resources & Aquifers (e.g., quantity, quality, distribution, depth to groundwater, sole source aquifers)
		<i>Response and source of information:</i>
N		Construction is anticipated to take place above the groundwater table. Some dewatering may be required.



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
Key	5	Surface Water/Water Quality, Quantity & Distribution (e.g., streams, lakes, storm runoff, irrigation systems, canals)
A		Response and source of information:
		Project will cross the East Fork Armelis Creek. This is a seasonal flow creek.
Key	6	Floodplains & Floodplain Management (Identify any floodplains within one mile of the boundary of the project.)
N		Response and source of information:
		There are no floodplains within 1 mile boundary according to FEMA website.
Key	7	Wetlands Protection (Identify any wetlands within one mile of the boundary of the project.)
N		Response and source of information:
		According Montana.Gov there is one man-made fresh water pond and freshland emergent wetland.
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		Response and source of information:
		No farmland within a mile.
Key	9	Vegetation & Wildlife Species & Habitats, including Fish and Sage Grouse (e.g., terrestrial, avian and aquatic life and habitats) <a href="https://sagegrouse.mt.gov">https://sagegrouse.mt.gov</a>
N		Response and source of information:
		Project will take place within City limits.
Key	10	Unique, Endangered, Fragile, or Limited Environmental Resources, Including Endangered Species (e.g., plants, fish or wildlife)
		Response and source of information:



<b>Key Letter:</b>		
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N		None anticipated.
Key	11	Unique Natural Features (e.g., geologic features)
		<i>Response and source of information:</i>
N		No unique natural features.
Key	12	Access to, and Quality of, Recreational & Wilderness Activities, Public Lands and Waterways, and Public Open Space
		<i>Response and source of information:</i>
N		Open spaces to be restored to original quality. Access to spaces to be restricted during construction process but restored once project is complete.
<b>HUMAN ENVIRONMENT</b>		
Key	I	Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics
		<i>Response and source of information:</i>
N		Watermain will be underground
Key	2	Nuisances (e.g., glare, fumes)
		<i>Response and source of information:</i>
N		Water main will be underground and will not produce a nuisance.
Key	3	Noise -- suitable separation between noise sensitive activities (such as residential areas) and major noise sources (aircraft, highways & railroads)
		<i>Response and source of information:</i>



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
N		There will noise during the construction activities, however project is not near any residents.
Key	4	Historic Properties, Cultural, and Archaeological Resources
		<i>Response and source of information:</i>
N		Project will not have an affect on any historic properties, cultural, or archaeological resources.
Key	5	Changes in Demographic (population) Characteristics (e.g., quantity, distribution, density)
		<i>Response and source of information:</i>
N		There will be no changes in demographic characteristics as part of the project.
Key	6	General Housing Conditions - Quality, Quantity, Affordability
		<i>Response and source of information:</i>
N		General housing will remain the same as part of the project.
Key	7	Displacement or Relocation of Businesses or Residents
		<i>Response and source of information:</i>
N		There will be no displacement or relocation of businesses or residents as part of the project.
Key	8	Public Health and Safety
		<i>Response and source of information:</i>



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
B		Project will be potentially beneficial to public health and safety as it will allow as the water main will provide redundancy to the the area. This will reduce the changes of water outages due to water main breaks and will better allow the City to perform maintenance in the area.
Key	9	Lead Based Paint and/or Asbestos
		<i>Response and source of information:</i>
N		No lead based paint and/or asbestos as part of the project.
Key	10	Local Employment & Income Patterns - Quantity and Distribution of Employment, Economic Impact
		<i>Response and source of information:</i>
N		Project will not have an effect on local employment or income patterns.
Key	11	Local & State Tax Base & Revenues
		<i>Response and source of information:</i>
B		Project is subject to 1% state gross receipt tax.
Key	12	Educational Facilities - Schools, Colleges, Universities
		<i>Response and source of information:</i>
B		The local High School is with in the zone that the water main will effect. This project will reduce the chances of water outage to the school.
Key	13	Commercial and Industrial Facilities - Production & Activity, Growth or Decline.
		<i>Response and source of information:</i>
B		Project will reduce the chance of water outage to any commercial or industrial facilities in the water zone. This may allow them to remain in production when a water outage would require them to shut down.
Key	14	Health Care – Medical Services



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
N		<i>Response and source of information:</i>
		Project will not have an affect on medical services.
Key	15	Social Services – Governmental Services (e.g., demand on)
N		<i>Response and source of information:</i>
		Project will not have an affect on social services.
Key	16	Social Structures & Mores (Standards of Social Conduct/Social Conventions)
N		<i>Response and source of information:</i>
		Project will not have an affect on social structures.
Key	17	Land Use Compatibility (e.g., growth, land use change, development activity, adjacent land uses and potential conflicts)
N		<i>Response and source of information:</i>
		Project will not change the existing land use in the area.
Key	18	Energy Resources - Consumption and Conservation
N		<i>Response and source of information:</i>
		Project will not have an affect on energy resources.
Key	19	Solid Waste Management
N		<i>Response and source of information:</i>
		Project will not have an affect on solid waste management.



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
Key	20	Wastewater Treatment - Sewage System
		<i>Response and source of information:</i>
N		Project will not have an affect on wastewater treatment.
Key	21	Storm Water – Surface Drainage
		<i>Response and source of information:</i>
N		Project is under an acres of disturbance so no SWPP with be required. Land to be restored to original quality by the end of the construction project.
Key	22	Community Water Supply
		<i>Response and source of information:</i>
B		Project will increase the water security and redundancy to zone 2, which supplies approximately two thirds of the population. This redundancy will allow the City to preform maintenance on the water main in the area with fewer water outages to the residents.
Key	23	Public Safety – Police
		<i>Response and source of information:</i>
N		Project will not affect public safety.
Key	24	Fire Protection – Hazards
		<i>Response and source of information:</i>
B		Project should improve fire protection in zone 2.
Key	25	Emergency Medical Services
		<i>Response and source of information:</i>
N		Project will not affect medical services.
Key	26	Parks, Playgrounds, & Open Space



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
A		<i>Response and source of information:</i>
		Areas may be affected during construction efforts but will be restored to original condition as part of the project.
Key	27	Cultural Facilities, Cultural Uniqueness & Diversity
N		<i>Response and source of information:</i>
		Project will not affect cultural facilities, uniqueness, or diversity.
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)
A		<i>Response and source of information:</i>
		Temporary Traffic control related to the construction of the project may be needed. No permanent effect to traffic should occur as part of the project.
Key	29	Consistency with Local Ordinances, Resolutions, or Plans (e.g., conformance with local comprehensive plans, zoning, or capital improvement plans)
B		<i>Response and source of information:</i>
		Project is part of the capital improvement plan for the City.
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.)
A		<i>Response and source of information:</i>
		Easement or right of way will be needed as part of the project. Project will cross land owned by Colstrip Parks and Recreation District.



# Exhibit A



# Colstrip CIP

North End Water Loop

North End Water Loop  
Connection Line

Google Earth

© 2021 Google

2000 ft





# Exhibit B



CITY OF COLSTRIP  
STATEMENT OF NET POSITION  
June 30, 2021

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and equivalents	\$ 6,520,191	\$ 685,613	\$ 7,205,804
Investments	1,391,415	253,478	1,644,893
Receivables:			
Taxes and assessments	5,068	10,357	15,425
Governments	58,128	8,300	66,428
Utility	-	167,468	167,468
Restricted assets:			
Cash and equivalents	-	502,094	502,094
Prepays	40,542	-	40,542
Capital assets:			
Land and construction in progress	146,561	155,776	302,337
Capital assets, net of accumulated depreciation	12,094,504	11,008,505	23,103,009
Total assets	<u>20,256,409</u>	<u>12,791,591</u>	<u>33,048,000</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension plans	<u>413,868</u>	<u>108,495</u>	<u>522,363</u>
<b>LIABILITIES</b>			
Accounts payable-vendors	91,063	281,118	372,181
Unearned revenues	286,858	-	286,858
Deposits payable	-	96	96
Long-term liabilities:			
Due within one year:			
Bonds and notes payable	-	107,000	107,000
Compensated absences	47,526	7,306	54,832
Due in more than one year:			
Bonds and notes payable	-	785,000	785,000
Compensated absences	119,732	14,314	134,046
Total other post-employment benefits	505,370	177,464	682,834
Net pension liability	1,814,695	475,719	2,290,414
Total liabilities	<u>2,865,244</u>	<u>1,848,017</u>	<u>4,713,261</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension plans	<u>136,295</u>	<u>35,730</u>	<u>172,025</u>
<b>NET POSITION</b>			
Net investment in capital assets	12,241,065	10,272,281	22,513,346
Restricted for:			
General government	282	-	282
Public safety	142,193	-	142,193
Public works	193,438	-	193,438
Capital projects	2,824,760	-	2,824,760
Debt service-reserve	-	133,631	133,631
Unrestricted	2,267,000	610,427	2,877,427
Total net position	<u>\$ 17,668,738</u>	<u>\$ 11,016,339</u>	<u>\$ 28,685,077</u>

See notes to basic financial statements.





# Preliminary Design Memorandum

**Date:** 10/19/2022  
**To:** John Williams – Mayor  
**Copy to:** Pat Zent – Public Work Director, Julie Stoddard – SEMDC, File  
**From:** McKenzie Butcher, PE  
**RE:** North Watermain Loop – City of Colstrip

## Introduction

The purpose of this memorandum is to introduce the North Water Loop project, discuss the need for the project, and provide the necessary design information to be submitted for funding. This project was originally identified in the 2022 Colstrip CIP.

## Background

The City of Colstrip consist of rough over 2,000 people and has an estimated average daily demand of half a million gallons a day. The City of Colstrip's distribution system has over 26 miles of water mains, six high service pumps, and two pressure zones, and four water tanks.

Of the two pressure zones, pressure Zone 2 serves approximately two-thirds of the City's population and all the water supplied to Zone 2 is delivered thru a single 12-inch asbestos cement (AC) watermain. Due to this design Zone 2 has been identified as being highly vulnerable to a significant water outage should a break occur in the 12-inch AC line. Zone 2 covers the City North of Ash Street and east of Park Avenue. Water travels to this zone from the Water Treatment plant through a 14-inch AC main till just North of the Wastewater Treatment Plant where it transitions into a 12" AC that supplies the entire Zone.

There is no other water supply to this Zone making the residents extreme vulnerable to water outages. This is further increased due to the age and material of the 12-inch transmission main as it is old and asbestos cement material is known to be brittle and prone to breakage.

The main transmission main in the zone follows along Pine butte drive and while the individual subdivisions are looped there is no looping between the subdivisions. Due to this maintenance or replacement of the watermain under Pine Butt Drive is not possible without taking entire subdivision off the system and depriving residents of water.

## Scope of Design

The intent of the North Watermain Loop project is to provide a second water supply connection to Zone 2 to that will provide redundancy for the system. The project will consist of approximately 1,500 feet of water main, connection into the existing water main west of State Highway 39, and connecting into zone 2 at Pinebutte drive. This individual crossings for this project include Highway 39, a railroad spur, and a creek crossing. The size of the watermain is anticipated to be 12" watermain which is the size of the watermain being connected to on the side of Highway 39.



By providing a secondary water supply to the Zone it will increase the water security in the area and reduce the changes for the entire Zone 2 to be out of water. It will also allow for future maintenance in the area



Figure 1: Project Location





## Cost Estimate

The following is a preliminary cost estimate for the project. Prices and quantities are subject to change with design and current cost at the time of bid.

Description	Quantity	Unit	Unit Price	TOTAL COST
Mobilization	1	LS	\$ 79,000.00	\$ 79,000.00
Taxes, Insurance, Bonds	1	LS	\$ 20,000.00	\$ 20,000.00
Traffic Control	1	LS	\$ 20,000.00	\$ 20,000.00
Erosion control	1	LS	\$ 10,000.00	\$ 10,000.00
Remove Existing Water Main	40	LF	\$ 50.00	\$ 2,000.00
12-Inch Dia. Water Main	1,600	LF	\$ 150.00	\$ 240,000.00
12-Inch Gate Valve and Box	6	EA	\$ 5,000.00	\$ 30,000.00
Horizontal Bore	200	LF	\$ 250.00	\$ 50,000.00
Fire Hydrant Assembly	2	EA	\$ 8,000.00	\$ 16,000.00
12" Fitting	5	EA	\$ 5,000.00	\$ 25,000.00
			<b>Subtotal</b>	<b>\$ 492,000.00</b>
			20% Contingency	\$ 98,400.00
			Subtotal	\$ 590,400.00
			Engineering, Geotech & Construction Admin	\$ 118,000.00
			ROW	\$ 50,000.00
			<b>Total</b>	<b>\$ 758,400.00</b>

## Proposed Schedule

The following is the proposed schedule for the North Water Loop Project.

- Design: September 2023- December 2023
- Bidding: January 2024 – April 2024
- Construction: May 2024- October 2025



# Coal Board Grant Applicant #0946 City of Colstrip

## Staff Report / December 2022 Meeting

Applicant: City of Colstrip

Project: Construction Related to the North End Water Loop Project

Coal Board Funds Requested: \$224,484.00

Total Project Cost: \$764,400.00

### I. General Project Information

#### A. Eligibility:

- The applicant is a local government, which is eligible according to 90-6-205(4), MCA.
- The project would assist the applicant in providing for a governmental facility, which is an eligible project according to 90-6-205(4), MCA.
  - The following citation authorizes the applicant to make expenditures for a water or sewer project: 7-13-4304, MCA, as is required by 8.101.302, ARM.

#### B. Application Items:

- The Coal Board Application form was complete.
- A Preliminary Design Memorandum was provided.
- Environmental documentation was provided.

#### C. Applicant is a designated unit according to 90-6-207, MCA

#### D. Location of applicant:

- The project is located within Colstrip near the Colstrip Power Plant and Rosebud Mine as well as other mines in the vicinity.

#### E. Grant funding history:

- Applicant has been awarded \$3,263,037 in Coal Board Grants since 2010.

### II. Coal Board Statutory Criteria (90-6-206, MCA)

#### A. Need: *Explain how the assistance that is required to eliminate or reduce a direct and obvious threat to the public health, safety, or welfare has been caused as a direct result of coal development or decline (Coal Board Application and Guidelines, p. 15).*

- The application demonstrated there is need for upgrades to the Zone 2 water system and failure to do so could result in the majority of Colstrip residents being vulnerable to water outages. If the city is unable to provide safe drinking water, health risks including illness and disease outbreak could occur. While there is a threat to public health and safety, no current violation of state or federal standards was identified in the application.
- The application demonstrated the threat to public health and safety has been caused as a direct result of coal development or decline. The city is experiencing decreasing tax revenue due to the declining coal industry and valuation of coal facilities in Colstrip, which is making it difficult for the city to afford the cost of upgrading the water system.



- /
- B. Severity of Impact: *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” (Coal Board Application and Guidelines, p. 16).*
- The applicant demonstrated the severity of the impact is a direct consequence of coal development. The city is experiencing decreasing tax revenue due to the declining coal industry and valuation of coal facilities in Colstrip, which is making it difficult for the city to afford the cost of upgrading the water system.
- C. Availability of funds: *What amount of funds is available in light of the total request submitted (Coal Board Application and Guidelines, p. 17).*
- Revenues and appropriation from the legislature related to the Coal Natural Resource account are sufficient to fund the costs associated with this project request, depending on the other projects approved by the Board at this meeting
- D. Degree of local effort: *As applicable, what bonding, millage effort, or user charge has been made in the past, those currently being made, and what effort has been made to secure funds from other sources to answer needs (Coal Board Application and Guidelines, p. 17).*
- The applicant demonstrated the city is contributing to the project by using the city’s Minimum Allocation Grant and Local Fiscal Recovery funds from the American Rescue Plan Act to cover about 71% of the project costs.
  - The current millage rate from the application is \$131.00 listed for 2022-2023, which is higher than the average rates from the previous three years, \$104.16 (2021-2022: \$129.49, 2020-2021: \$101.84, 2019-2020: \$81.15). All information collected from the application.
- E. Planning and Management: *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. (Coal Board Application and Guidelines, p. 20).*
- The proposed project is prioritized in Colstrip’s Capital Improvements Plan (2021).
  - The city’s updated growth policy contemplates changes in the coal industry and this project aligns with the growth policy. Also, the Southeastern Montana Economic Development District maintains the Southeastern Economic Development Corporation’s (SEMDC) Comprehensive Economic Development Strategy and the project aligns with this strategy.

### III. Staff Summary

Commerce staff recommends funding because the application is complete and demonstrates the project meets the statutory criteria.



**Appendix A: Coal Board Application**  
**THE COAL IMPACT GRANT APPLICATION FORM SUBMITTED BY ROSEBUD 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: Doug Martens

Title: Presiding Officer

Signature: 

Date: 10/24/2022



## **SUMMARY INFORMATION**

1. NAME OF APPLICANT(S):  
Rosebud County
2. TYPE OF ENTITY:  
Local Governmental Unit - County
3. SENATE AND HOUSE DISTRICTS:  
SD 20 & 21  
HD 39 & 41
4. AMOUNT OF COAL IMPACT GRANT REQUESTED:  
\$614,200
5. NAME OF PROJECT:  
Rosebud County Ambulances/Extrication Equipment
6. TYPE OF PROJECT:  
Public Facility Project – Emergency Services Equipment
7. POPULATION SERVED BY PROJECT:  
Rosebud County – 8298 (2020 Census Data)
8. NUMBER OF HOUSEHOLDS SERVED BY PROJECT:  
3723 (US Census Bureau Quick Facts, July 1, 2021)
9. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE:  
Doug Martens Presiding Officer  
Rosebud County  
1200 Main St, #2  
Forsyth, MT 59327  
PH 406-346-2251  
[rcc@rosebudcounty-mt.com](mailto:rcc@rosebudcounty-mt.com)



10. PRIMARY ENTITY CONTACT PERSON:

Doug Martens Presiding Officer  
Rosebud County  
1200 Main St, #2  
Forsyth, MT 59327  
PH 406-346-2251  
[rcc@rosebudcounty-mt.com](mailto:rcc@rosebudcounty-mt.com)

11. OTHER CONTACT PERSONS:

Sarah Kisman  
Rosebud County  
1200 Main St, #2  
Forsyth, MT 59327  
PH 406-346-2251  
[rcc@rosebudcounty-mt.com](mailto:rcc@rosebudcounty-mt.com)

12. MILLAGE RATES:

2022-2023 Total Mills Levied =	65.91	Mill Value = \$64,963.20
2021 -2022 Total Mills Levied =	57.24	Mill Value = \$63,240.92
2020 -2021 Total Mills Levied =	49.43	Mill Value = \$78,627.39
2019 -2020 Total Mills Levied =	43.13	Mill Value = \$88,395.45

13. IMPACTS FROM COALINDUSTRY:

Western Energy Coal Mine, Colstrip, MT  
Power Plant, Colstrip, MT  
Rosebud Power Plant, Colstrip, MT  
Total of 591 employees at the above

The four-unit Colstrip power plant located in Colstrip, MT was the second largest coal fired power plant west of the Mississippi River. Recently, two of the power generation units were shut down. Rosebud County is dramatically impacted by the coal industry – both in the mining and power generation sectors.

14. MAPS:

See attached Exhibit A for map

15. BRIEF PROJECT SUMMARY: Rosebud County has consistently utilized Federal Mineral Royalties funds received to make purchases for Emergency Medical Services equipment. Recently, these funds have been reduced by about \$1 million annually because of less mining on federal lands. Prior to the pressure that is being placed on mining on federal lands, Rosebud County received approximately \$1.7 million. Now, the amount received has reduced to approximately \$700,000. This has greatly impacted the county's ability to afford to replace equipment on a regular and necessary basis.

Rosebud County had anticipated to replace two ambulances during 2022. However, the reduction of revenue has prevented them from proceeding with doing that. The existing ambulances to be replaced have more than 100,000 miles on them. Repairs are becoming a more prevalent occurrence. Rosebud County has a skilled nursing care facility and a Critical Access Hospital. This requires a high number of transports to Billings for serious medical conditions. It is crucial to have ambulances that are dependable, reliable, and up to date.

In addition to having to replace two ambulances, an ambulance in Ashland was stolen from the ambulance



garage. It was crashed through the garage door and later found abandoned and destroyed condition near Lame Deer, MT. Rosebud County has had to replace that ambulance as well. This ambulance for Ashland, MT has already been ordered. A formal bid process was completed but the actual ambulance has not yet been delivered. A backup ambulance the county owns is serving the community for the immediate time period until the other ambulance is delivered.

Additionally, Rosebud County needs to purchase a new extrication system. The equipment currently owned is very outdated and cannot accommodate the newer cars and vehicles being manufactured as the steel is of a different type and is much stronger. This is a safety issue for sure with the Interstate running through Rosebud County and the number of crashes on Hwy 212 between Crow Agency and Lame Deer, MT.

## 16. PROJECT BUDGET AND IMPLEMENTATION SCHEDULE:

### A. Project Budget Form:

See Next Page for Project Budget



<b><u>PROJECT BUDGET</u></b>					
Completed by: <u>Julie Emmons Stoddard</u>		For: <u>Rosebud County, MT</u>		Date: <u>10/18/22</u>	
<b>ADMINISTRATIVE/ FINANCIAL COSTS</b>	<b>SOURCE: Coal Board Grant</b>	<b>SOURCE: Rosebud County</b>	<b>SOURCE:</b>	<b>SOURCE:</b>	<b>TOTAL:</b>
Grant Administration	*				
	\$	\$	\$	\$	\$
Audit	\$	\$	\$	\$	\$
Professional Services	\$	\$	\$	\$	\$
<b><u>TOTAL ADMINISTRATIVE/ FINANCIAL COSTS</u></b>	\$	\$	\$	\$	\$
<b>ACTIVITY COSTS:</b>					
Equipment Cost	\$ 614,200	\$ 222,000	\$	\$	\$ 836,200
Architectural/Engineering Design	\$	\$	\$	\$	\$
ROW	\$	\$	\$	\$	\$
Contingency	\$	\$	\$	\$	\$
<b>TOTAL ACTIVITY COSTS</b>	<b>\$ 614,200</b>	<b>\$ 222,000</b>	<b>\$</b>	<b>\$</b>	<b>\$ 836,200</b>
<b>TOTAL PROJECT COSTS</b>	<b>\$ 614,200</b>	<b>\$ 222,000</b>	<b>\$</b>	<b>\$</b>	<b>\$ 836,200</b>



**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.

**EMS Equipment Purchase:**

*Costs for one ambulance was \$222,000. Ambulance was ordered but has not been received. This was completed on an emergency basis since the existing ambulance was stolen and left Ashland, MT without ambulance services. Preliminary cost on other two ambulances and extrication system is \$614,200.*



**C. Implementation Schedule:**

Each applicant must submit an implementation schedule that describes the overall schedule for project completion.

<b><u>IMPLEMENTATION SCHEDULE FOR CITY OF COLSTRIP</u></b>												
	QUARTERS 2023				QUARTERS 2024				QUARTERS 2025			
<b>TASK</b>	<b>1st</b>	<b>2nd</b>	<b>3rd</b>	<b>4th</b>	<b>1st</b>	<b>2nd</b>	<b>3rd</b>	<b>4th</b>	<b>1st</b>	<b>2nd</b>	<b>3rd</b>	<b>4th</b>
<b><u>PROJECT START-UP</u></b>												
<b>A.</b> Sign contract with Coal Board	x											
<b>B.</b> Secure approval of other funding	x											
<b>C.</b> Submit progress reports and drawdown request. (Progress reports quarterly if no draws submitted)	X	X	X	X	X	X						
<b><u>PROJECT CONSTRUCTION</u></b>												
<b>A.</b> Complete Bid Process for equipment	X											
<b>B.</b> Purchase Equipment						X						
<b>C.</b>												
<b>D.</b> Construction												
<b>E.</b> Final Inspection						X						
<b><u>PROJECT CLOSE-OUT</u></b>												
<b>A.</b> Coal Board administrative staff conduct on-site monitoring of the project						X						
<b>B.</b> Submit project completion report.						X						



17. 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. Need**

**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 supporting documentation.

The extrication system being replaced does not accommodate the newer vehicles with stronger steel. It cannot cut through many of the vehicles and this is definitely a concern. The two ambulances being replaced have well over 100,000 miles on them and have a higher incidence of repair. Both of these ambulances have a high number of transports and dependability is a high priority for the community. The third ambulance being purchased was damaged in a theft/vandalism event and Rosebud County was faced with replacing it with no choice.

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.

At the present time, there have been no serious deficiencies that have occurred but it is likely to happen if the extrication system is not updated and the ambulances are not replaced.

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.

The area affected by this problem is Rosebud County. The entire communities of Ashland, Colstrip, and Forsyth as well as outlying areas of Rosebud County. The ambulances will be located at each of the above communities for service to Rosebud County residents.

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.

There are no mandates requiring the purchase of ambulances.

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?

Lack of reliable ambulance service is a significant threat to public health and safety. The ambulance that was located at Ashland, MT was stolen from the ambulance garage and destroyed in July of 2022. It was run right through the door of the garage and was later ditched near Lame Deer, MT.



6. Additional information supporting the NEED for this project.

**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**

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.

Rosebud County receives a Coal Gross Proceeds Tax. In 2022, the county received \$7,004,143. Just four years ago in 2018, Rosebud County received \$7,465,105. This is a decline \$460,962 in available funding to provide for needs of Rosebud County residents who work at the mine and power plants in Colstrip, MT. Rosebud County has also had a decline in Federal Mineral Royalties funds. These monies have been reduced by approximately \$1 million over the last two years. In addition to the decline in Coal Gross Proceeds Tax and Federal Mineral Royalties funds, the taxable value available to the county has also declined. In addition to the decline in tax revenue, Rosebud County has a lower level of employment due to the contraction in the coal industry. In July of 2018, the level of employment was 3,711 persons and in July of 2022, that level of employment had decreased to 3,416 persons. The decline in the oil, gas and timber industries in Rosebud County have affected the current population through a decline in residents to share the costs of local government services and in the general economic decline of the region. **But, more significantly, there has been a loss of 295 jobs as measured by the level of employment statistics. This has devastating impacts to businesses, employers, and employees as well as to taxpayers, in general.** As it relates to this proposed project, the impact will be realized in the reduced ability of governments and school districts to continue to provide the needed government services and facilities necessary for the general well-being, health, and safety of residents. This project is a perfect example of the strained facilities with conditions that require quick action to stabilize and preserve essential facilities that have served residents for many decades. This project relates directly to the financial ability of the County to provide the investment in its facilities to continue to provide public services within its facilities while maintaining the safety of the public.

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

- A. Talen Energy’s two-unit 1,400 MW power station located within the City of Colstrip.
- B. Western Energy Company’s (WECO) Rosebud coal mine produces approximately 8 million tons of coal has 25,000 acres adjacent to the City of Colstrip.
- C. 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.
- D. Rosebud Power Generation Station is north of town within seven miles of the city limits.
- E. Westmoreland’s Sarpy Creek mine is 25 miles west of Colstrip.
- F. Spring Creek Coal mine is located to the south of Colstrip near Busby.
- G. Decker Mine is located 85 miles to the South but was recently closed.



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.

The need for assistance in paying for this project is a direct result of a contraction in the Coal Industry. This directly impacts Rosebud County's ability to afford the cost of purchasing ambulances to serve residents of the area.

**C. Availability of Funds**

1. Amount requested from the Coal Board: \$ 614,200
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.

Rosebud County has lost a significant amount of tax revenue with the closure of Colstrip Units 1 and 2. Rosebud County also receives approximately \$1 million less in Federal Mineral Royalties funds and less Coal Gross Proceeds tax revenue.

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

<b><u>FUNDING SOURCES SUMMARY FOR CITY OF COLSTRIP</u></b>				
<b>Source</b>	<b>Type of Fund</b>	<b>Amount</b>	<b>Status of Commitment</b>	<b>Loan Rates &amp; Terms</b>
Rosebud County	Cash	\$222,000	Confirmed	N/A
Coal Board Grant	Grant	\$614,200	Pending	N/A



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

Other funding avenues would have to be investigated as it is not feasible at this time for Rosebud County to make the entire investment on their own.

**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.

Current mills levied are higher than the average of the previous three years. The average of the three previous years is 49.93. 2022 – 2023 mills levied is 65.91. Rosebud County is taxing at the maximum allowable by Montana state law. As evidenced by the mill values below, the value of a mill is decreasing significantly in Rosebud County with the closure of Units 1 and 2 and continued depreciation on the other two power plant units. A mill value has decreased \$30,163 in just six years.

2022 -2023 Total Mills Levied =	65.91	Mill Value =	\$64,963.20
2021 -2022 Total Mills Levied =	57.24	Mill Value =	\$63,240.92
2020 -2021 Total Mills Levied =	49.43	Mill Value =	\$78,627.39
2019 -2020 Total Mills Levied =	43.13	Mill Value =	\$88,395.45
2018 -2019 Total Mills Levied =	90.27	Mill Value =	\$90,469.00
2017 -2018 Total Mills Levied =	75.47	Mill Value =	\$95,126.00

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.

Rosebud County provided \$222,000 in emergency funding for the Ashland ambulance. This was not a planned capital expenditure but had to be incurred due to the theft and destruction of the ambulance that was located in Ashland, MT.

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

In the past, Rosebud County had dedicated funds from the Federal Mineral Royalties funds received to purchasing equipment for the Emergency Medical Services. There was no official reserve account set up, but the county consistently had received approximately \$1.7 million annually. That amount has been reduced by \$1 million annually due to less coal being mined on federal lands. Because of this, there has been a severe negative impact on EMS provided in the county.

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.

There is no evidence that the vehicles and extrication equipment have not been adequately maintained. Rosebud County is taking steps now to set up a reserve for a Capital Improvement Replacement fund to allow for future purchases and additions for the EMS department as well as



other capital improvements. The new Wind Farm located in Rosebud, Custer and Garfield counties will result in impact fees and is one source of revenue that can be placed into the Capital Improvement Replacement fund. The contraction in the coal industry has far reaching effects on tax revenues that will impact Rosebud County. Not all of these can be anticipated but Rosebud County is attempting to be proactive in addressing changes for the future to ensure the provision of vital public services.

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

**CURRENT DEBT SUMMARY FOR ROSEBUD COUNTY**

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?  
See attached Exhibit B
8. What financial accounting system do you use? Black Mountain 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 x No \_\_\_\_ Date of last completed audit or financial report 2021
10. If there have been audit findings within the last five years, have they been satisfactorily addressed?  
Any audit findings have been satisfactorily addressed.
11. Additional information supporting the DEGREE OF LOCAL EFFORT IN MEETING NEEDS.



## **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.

- 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.

As Rosebud County has faced a decline in Coal Gross Proceeds tax, Federal Mineral Royalties, and taxable valuation and thereby tax revenue generated for the community, addressing infrastructure needs has become a huge priority. The taxable valuation will continue to decline since the closing of Units 1 and 2 and continuing depreciation of Units 3 and 4. Rosebud County has assessed numerous infrastructure needs and is prioritizing crucial projects that will have long lasting value while the County adjusts to lower tax revenue levels. This represents good planning on the part of the county as it prioritizes needed improvements and spends to make those improvements while funds are available.

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.

Provision of Emergency Medical Services (EMS) is mentioned numerous times in the Southeastern Montana Development Corporation (SEMDC) Comprehensive Economic Development Strategy. EMS is a vital provision in every community in southeastern Montana and throughout the State of Montana. The purchase of the ambulances in Rosebud County is listed as a project on the SEMDC Infrastructure Needs List also and is classified as a Priority A.



# Exhibit A







# Exhibit B



ROSEBUD COUNTY  
MANAGEMENT'S DISCUSSION & ANALYSIS

Proprietary funds—Fees are charged to customers for the services provided—whether to outside customers or to other units of the government—these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds. We use internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for other programs and activities—such as the Self-Insurance fund.

Fiduciary funds—Fiduciary funds consist of the investment trust fund and custodial funds. The investment trust fund accounts for the external portion of the investment pool administered by the county and includes assets held for other local governments. Custodial funds account for assets held by the government as an agent for various local governments, special districts, and individuals. Included are funds for property taxes, shared revenues and other financial resources for schools, special districts, and other local and state governments.

## THE GOVERNMENT AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In our case, net position as of June 30, 2021 was \$23,297,486. Overall net position increased \$911,293 or 4.1%.

The net investment in capital assets totals \$20,305,667. Capital assets reflect the County's investment in land, construction in progress, buildings, improvements other than buildings, infrastructure and machinery and equipment. Rosebud County uses these capital assets to provide services to citizens and the community; consequently, these assets are not available for future spending.

Unrestricted net position had a deficit balance of \$8,716,180. The deficit resulted from recording the total OPEB liability under GASB Statement No. 75 and the net pension liability under GASB Statement No.'s 68 and 71 in prior years. A recap of the County's net position and change in net position follows:

### NET POSITION:

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 17,080,964	\$ 14,823,189	\$ 1,012,790	\$ 639,364	\$ 18,093,754	\$ 15,462,553
Capital assets	19,996,483	20,705,136	309,184	250,832	20,305,667	20,955,968
Total assets	37,077,447	35,528,325	1,321,974	890,196	38,399,421	36,418,521
Deferred outflows	5,765,109	2,710,091	44,002	30,905	5,809,111	2,740,996
Other liabilities	227,068	177,266	-	-	227,068	177,266
Long-term liabilities	17,661,489	12,743,170	845,792	820,512	18,507,281	13,563,682
Total liabilities	17,888,557	12,920,436	845,792	820,512	18,734,349	13,740,948
Deferred inflows	2,165,361	3,088,561	11,336	31,762	2,176,697	3,120,323
Net position:						
Net investment in capital assets	19,996,483	20,705,136	309,184	250,832	20,305,667	20,955,968
Restricted	11,707,999	11,003,699	-	-	11,707,999	11,003,699
Unrestricted	(8,915,844)	(9,479,416)	199,664	(182,005)	(8,716,180)	(9,661,421)
Total net position	\$ 22,788,638	\$ 22,229,419	\$ 508,848	\$ 68,827	\$ 23,297,486	\$ 22,298,246



## LEGAL

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### TRUSTEE POSITION OPEN Forsyth High School District

Forsyth High School District #4, Rosebud County, Forsyth, Montana, will be appointing a qualified candidate to serve as Forsyth School District Trustee. This individual will serve on the Board until the May 2023 election. This vacancy is the outlying high school position for the Ingomar District. Applicants must be registered voters in the outlying district. ZOOM will be offered for attendance of the appointed trustee member.

If you are interested in being appointed to the Board, please submit a letter of interest by 4:00 pm Friday, October 28th, 2022 to:

Chris Hess, Superintendent  
Forsyth School District # 4  
PO Box 319  
Forsyth, MT 59327

Interviews will be held at a special board meeting on Tuesday, November 6th, 2022 at 6 pm in the Forsyth Middle School Boardroom.

For further information contact Chris Hess, Forsyth Public Schools Superintendent, chess@forsyth.k12.mt.us. 406-346-2796 x 5102.

(Publish: September 15, 22, 29, October 6, 13, 20 and 27, 2022)

### MNAXLP

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### SUMMONS (CITACION JUDICIAL)

### NOTICE TO DEFENDANT: (AVISO AL DEMANDADO):

NATALIE J MORRISON, AND  
DOES 1 THROUGH 100.

**YOU ARE BEING SUED  
BY PLAINTIFF:  
(LO ESTÁ DEMANDANDO  
EL DEMANDANTE):**  
HIDDEN VALLEY  
LAKE ASSOCIATION

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. You

attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site ([www.lawhelpcalifornia.org](http://www.lawhelpcalifornia.org)), the California Courts Online Self-Help Center ([www.courtinfo.ca.gov/selfhelp](http://www.courtinfo.ca.gov/selfhelp)), or by contacting your local court or county bar association. NOTE: The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case. ¡AVISO! Lo han demandado. Si no responde dentro de 30 días, le carte puede ducidir en su contra sin escuchar su versión. Lea la Información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que la entreguen este citación y pape/es legates para presentar una respuesta por escrito en este corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California ([www.sucorte.ca.gov](http://www.sucorte.ca.gov)), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legates. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, ([www.lawhelpcalifornia.org](http://www.lawhelpcalifornia.org)), en el Centro de Ayuda de las Cortes de California, ([www.sucorte.ca.gov](http://www.sucorte.ca.gov)) o poniéndose en contacto con la corte o el colegio de abogados locales. AVISO: Por ley, la corte

de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):

Jacqueline S. Vinaccia, Vanst Law, LLP 8880 Rio San Diego Dr. St 800, San Diego, CA 92103 858 243 4299

Date: (Fecha) Mar 01 2022  
Krista D. LeVier  
Clerk, by (Secretario)  
Melanie Alexander,  
Deputy (Adjunto)

(Published September 29, October 6, 13 and 20, 2022)

### MNAXLP

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### Public Notice

Rosebud County will hold a public hearing on October 20, 2022, at 10 AM at the Rosebud County Courthouse, 1200 Main Street, Suite #2, Forsyth MT 59327 for the purpose of obtaining comments on the environmental review record for Ambuland Extrication purchases.

At the public hearing, the proposed project will be explained, including the purpose and proposed area of the project, activities, budget, possible sources of funding, and any costs that may result for local citizens because of the project, and a decision will be made on the environmental assessment. All interested persons will be given the opportunity to ask questions and express opinions regarding the proposed project and any environmental impacts.

Comments may be given orally at the meeting or submitted in writing on or before October 20, 2022, at 10 AM.

Anyone wanting to review the environmental review record and project impacts or submit questions and comments should contact Doug Martens, Presiding Officer at 406-346-2251 or [dmartens@rosebud-countymt.com](mailto:dmartens@rosebud-countymt.com), or by sending written comments to P.O. Box 47 Forsyth, MT 59327. A copy of the draft environmental record is available at the Rosebud County Courthouse and will also be available at the public meeting.

(Publish: October 6 and 13, 2022)

### MNAXLP

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REQUEST FOR PROPOSALS



OFFICE OF THE COUNTY CLERK AND RECORDER, ROSEBUD COUNTY, MONTANA, Held

The Board of County Commissioners of Rosebud County, Montana, met in Regular session on October 20<sup>th</sup>, 2022 at 10:00 a.m. in the Rosebud County Courthouse Commissioners' Office, with Douglas D. Martens, Presiding Officer, Robert E. Lee, Member, Ed Joiner, Member, and Clerk & Recorder, present.

Now is the time for the public hearing for the purpose of obtaining comments on the environmental review record for Ambulance purchases for Rosebud County. Notice of the public hearing was published in the Independent Press on October 6<sup>th</sup> and 13<sup>th</sup>, 2022.

No public comments were received as no public was present for the meeting.

Commissioner Lee motioned to approve Resolution 1142, A Resolution to Accept the Determination that Categorical Exclusion Finding is Appropriate for Rosebud County, Purchase of Two Ambulances. Commissioner Joiner seconds motion. Discussion included South Eastern Montana Development Corporation representatives Angela Mendoza and Ally Speelman stating SEMDC is in favor of this project. Motion carried, 3-0. Resolution 1142 as follows:



## ENVIRONMENTAL REVIEW CHECKLIST

<b>NAME OF PROJECT:</b>	Rosebud County Ambulance
<b>PROPOSED ACTION:</b>	Purchase 2 New Ambulances and Extrication Equipment
<b>LOCATION:</b>	Rosebud County _____, Montana

<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
<b>PHYSICAL ENVIRONMENT</b>		
Key	1	Soil Suitability, Topographic and/or Geologic Constraints (e.g., soil slump, steep slopes, subsidence, seismic activity)
N		<i>Response and source of information:</i>
		No disturbance to existing soils.
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)
N		<i>Response and source of information:</i>
		Vehicles will be maintained in an existing site. Any hazardous facilities are already an acceptable distance from work area.
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)
A		<i>Response and source of information:</i>
		An average of 31.3 kg of carbon dioxide (CO <sub>2</sub> ) is produced per ambulance response in the current box-shaped ambulance design.
		<a href="https://www.paramedicpractice.com/features/article/scoping-ambulance-emissions-recommendations-for-reducing-engine-idling-time">https://www.paramedicpractice.com/features/article/scoping-ambulance-emissions-recommendations-for-reducing-engine-idling-time</a>
Key	4	Groundwater Resources & Aquifers (e.g., quantity, quality, distribution, depth to groundwater, sole source aquifers)
N		<i>Response and source of information:</i>
		No effect anticipated



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
Key	5	Surface Water/Water Quality, Quantity & Distribution (e.g., streams, lakes, storm runoff, irrigation systems, canals)
N		Response and source of information:
		No effect anticipated
Key	6	Floodplains & Floodplain Management (Identify any floodplains within one mile of the boundary of the project.)
N		Response and source of information:
		The vehicles and equipment will be housed in an emergency services facility that is not in a flood plain. In the event of flooding the vehicles will be moved to another location.
Key	7	Wetlands Protection (Identify any wetlands within one mile of the boundary of the project.)
N		Response and source of information:
		There are no Wetlands within the limits of the project. Please see the attached Wetland Map provided by U.S. Fish and Wildlife.
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		Response and source of information:
		Prime and important farmlands do exist within the boundary of where the vehicles will operate but will not be affected by the project as the project.
Key	9	Vegetation & Wildlife Species & Habitats, including Fish and Sage Grouse (e.g., terrestrial, avian and aquatic life and habitats) <a href="https://sagegrouse.mt.gov">https://sagegrouse.mt.gov</a>
N		Response and source of information:
		This action will have no effect on vegetation and wildlife species and habitats including fish and Sage Grouse.
Key	10	Unique, Endangered, Fragile, or Limited Environmental Resources, Including Endangered Species (e.g., plants, fish or wildlife)
N		Response and source of information:



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
		There will be no impact on any unique, endangered, fragile species or resources.
Key	11	Unique Natural Features (e.g., geologic features)
N		<i>Response and source of information:</i>
		There will be no impact on any natural features.
Key	12	Access to, and Quality of, Recreational & Wilderness Activities, Public Lands and Waterways, and Public Open Space
N		<i>Response and source of information:</i>
		This project will have no effect on access to or quality of recreational & wilderness activities, public lands, waterways or open space.
<b>HUMAN ENVIRONMENT</b>		
Key	1	Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics
N		<i>Response and source of information:</i>
		There will be no effect on visual quality.
Key	2	Nuisances (e.g., glare, fumes)
N		<i>Response and source of information:</i>
		No nuisances are associated with this action.
Key	3	Noise -- suitable separation between noise sensitive activities (such as residential areas) and major noise sources (aircraft, highways & railroads)
A		<i>Response and source of information:</i>



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
		There is a limited possibility of noise concerns in residential areas when in route to perform life saving activities. There will also be a minimal noise from use of the extrication equipment.
Key	4	Historic Properties, Cultural, and Archaeological Resources
N		<i>Response and source of information:</i>
		Not Applicable
Key	5	Changes in Demographic (population) Characteristics (e.g., quantity, distribution, density)
N		<i>Response and source of information:</i>
		This action will have no effect on demographic characteristics.
Key	6	General Housing Conditions - Quality, Quantity, Affordability
N		<i>Response and source of information:</i>
		This action will have no effect on general housing conditions in the area.
Key	7	Displacement or Relocation of Businesses or Residents
N		<i>Response and source of information:</i>
		This action will not displace businesses or residents.
Key	8	Public Health and Safety
B		<i>Response and source of information:</i>



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
		In 2021 Rosebud County had 11,683 911 responses, and 9,343 interfaucilty medical transports. The county consist of Colstrip, Forsyth, Lame Deer and Ashland. This rural area is very limited in medical resources, the addition of 2 ambulances will ensure that residents are able to get emergent medical care within the Montana EMS Program of 15 minutes. <a href="https://dphhs.mt.gov/assets/publichealth/EMSTS/Data/EMSannualreport2021.pdf">https://dphhs.mt.gov/assets/publichealth/EMSTS/Data/EMSannualreport2021.pdf</a>
Key	9	Lead Based Paint and/or Asbestos
N		<i>Response and source of information:</i>
		Not Applicable
Key	10	Local Employment & Income Patterns - Quantity and Distribution of Employment, Economic Impact
N		<i>Response and source of information:</i>
		This action has no effect on employment and income patterns.
Key	11	Local & State Tax Base & Revenues
N		<i>Response and source of information:</i>
		This action has no effect on local or state tax base and revenues.
Key	12	Educational Facilities - Schools, Colleges, Universities
N		<i>Response and source of information:</i>
		This action will have no effect on educational facilities.
Key	13	Commercial and Industrial Facilities - Production & Activity, Growth or Decline.
N		<i>Response and source of information:</i>
		This action will have no effect on commercial and industrial facilities.
Key	14	Health Care – Medical Services



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
B		<p><i>Response and source of information:</i></p> <p>In 2021 Rosebud County had 11,683 911 responses, and 9,343 interfaucilty medical transports. The county consist of Colstrip, Forsyth, Lame Deer and Ashland. This rural area is very limited in medical resources, the addition of 2 ambulances will ensure that residents are able to get emergent medical care within the Montana EMS Program of 15 minutes.  <a href="https://dphhs.mt.gov/assets/publichealth/EMSTS/Data/EMSAnnualreport2021.pdf">https://dphhs.mt.gov/assets/publichealth/EMSTS/Data/EMSAnnualreport2021.pdf</a></p>
Key	15	Social Services – Governmental Services (e.g., demand on)
A		<p><i>Response and source of information:</i></p> <p>The increasing inflation rate and cost of goods and services will have an impact on the county's budget. However, this will not take away from other services provided to the residents and there will not be any foreseeable impact to taxes.</p>
Key	16	Social Structures & Mores (Standards of Social Conduct/Social Conventions)
N		<p><i>Response and source of information:</i></p> <p>This action will have no effect on social structures and mores.</p>
Key	17	Land Use Compatibility (e.g., growth, land use change, development activity, adjacent land uses and potential conflicts)
N		<p><i>Response and source of information:</i></p> <p>This action will have no effect on land use compatability.</p>
Key	18	Energy Resources - Consumption and Conservation
N		<p><i>Response and source of information:</i></p> <p>This action will have no use on energy resources.</p>
Key	19	Solid Waste Management
N		<p><i>Response and source of information:</i></p> <p>This action will have no effect on solid waste management.</p>



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
Key	20	Wastewater Treatment - Sewage System
N		Response and source of information:
		This action will have no effect on community water supply.
Key	21	Storm Water – Surface Drainage
N		Response and source of information:
		This action will have no effect on storm water.
Key	22	Community Water Supply
N		Response and source of information:
		This action will have no effect on community water supply.
Key	23	Public Safety – Police
N		Response and source of information:
		This action will have no effect on public safety.
Key	24	Fire Protection – Hazards
N		Response and source of information:
		This action will have no effect on fire protection.
Key	25	Emergency Medical Services
B		Response and source of information:
		In 2021 Rosebud County had 11,683 911 responses, and 9,343 interfacility medical transports. The county consist of Colstrip, Forsyth, Lame Deer and Ashland. This rural area is very limited in medical resources, the addition of 2 ambulances will ensure that residents are able to get emergent medical care within the Montana EMS Program of 15 minutes. <a href="https://dphhs.mt.gov/assets/publichealth/EMSTS/Data/EMSannualreport2021.pdf">https://dphhs.mt.gov/assets/publichealth/EMSTS/Data/EMSannualreport2021.pdf</a> The current extrication equipment is outdated and will not work on newer vehicles.
Key	26	Parks, Playgrounds, & Open Space



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
N		<i>Response and source of information:</i>
		This action will have no effect on parks, playgrounds and open space.
Key	27	Cultural Facilities, Cultural Uniqueness & Diversity
N		<i>Response and source of information:</i>
		This action will have no effect on cultural facilities or cultural uniqueness and diversity.
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)
N		<i>Response and source of information:</i>
		This action will have no effect on transportation networks and traffic flow counts.
Key	29	Consistency with Local Ordinances, Resolutions, or Plans (e.g., conformance with local comprehensive plans, zoning, or capital improvement plans)
N		<i>Response and source of information:</i>
		This action will not be inconsistent with local ordinances, resolutions or plans.
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.)
N		<i>Response and source of information:</i>
		This action will not involve a regulatory action on private property rights .



### Environmental Review Form

On a separate piece of paper, please answer the following as they apply to your proposed project:

1. **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).

Doug Math commissioner Date 10-20-22  
Authorized Representative, Title

(Name of) District  
Doug Mathens  
Chairperson  
Date: 10-20-2022



1. **Alternatives:** There are no alternatives to this project
2. **Mitigation:** The only adverse impact would be emissions, however, in 2012 the EPA made modification to the rules for emergency services vehicles as they provide life saving services.  
<https://www.epa.gov/regulations-emissions-vehicles-and-engines/direct-final-rule-heavy-duty-highway-program-revisions>
3. **Is an EA or Environmental Impact Statement (EIS) required?** No
4. **Public Involvement:** Public Meeting held 10/20/2022. No comments received.
5. **Person(s) Responsible for Preparing:** Julie Emmons-Stoddard with Southeastern Montana Development Corporation with assistance will be completing all required paperwork.
6. **Other Agencies:** N/A



BASEMAPS >

MAP LAYERS ▾

☒ Recent 1 ?

☒ Active 1 ?

☐ Image Year 1 ?

ZOOM TO REGION ▾


Zoom to Continental US ▾




 LEGEND

Mapping Projects

Recent

 2020

 2021

Active





## Resolution 1142

### Resolution to accept the determination that Categorical Exclusion Finding is appropriate for Rosebud County, Purchase of Two Ambulances.

**WHEREAS**, Rosebud County has completed an assessment to identify potential environmental impacts of purchasing two ambulances;

**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,

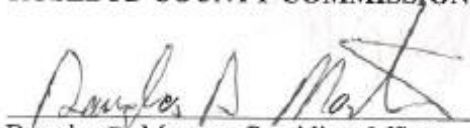
**WHEREAS**, Rosebud County has determined that the purchase of the ambulances will not significantly affect the quality of the human environment and accordingly Rosebud County has determined an Environmental Impact Statement is not necessary;

**NOW, THEREFORE, BE IT RESOLVED** by the Rosebud County Commissioners as follows;

That Rosebud County, Montana adopts the final Environmental Assessment for the purchase of two ambulances.

**PASSED AND ADOPTED** this 20<sup>th</sup> day of October 2022

#### ROSEBUD COUNTY COMMISSIONERS


  
Douglas D. Martens, Presiding Officer

  
Ed Joiner, Member

  
Robert E. Lee, Member



ATTEST:

  
Joan K. Duffield, Clerk & Recorder



# Coal Board Grant Applicant #0947 Rosebud County Staff Report / December 2022 Meeting

Applicant: Rosebud County

Project: Purchase of Two Ambulances and Extrication Equipment

Coal Board Funds Requested: \$614,200.00

Total Project Cost: \$836,200.00

## I. General Project Information

### A. Eligibility:

- The applicant is a local government, which is eligible according to 90-6-205(4), MCA.
- The project would assist the applicant in providing ambulance services for the county and is eligible according to 90-6-205(4), MCA and 8.101.302, ARM. The following citation authorizes the applicant to make expenditures to provide for the proposed governmental service or facility:
  - Ambulance service: 7-6-2527(16)

### B. Application Items:

- The Coal Board Application form was complete.
- No PER or PAR is required for equipment.
- Environmental review documentation was provided.

### C. Applicant is a designated unit according to 90-6-207, MCA.

### D. Location of applicant:

- The purchase of ambulances and extrication equipment would serve Rosebud County. Applicant lists Western Energy Coal Mine, Rosebud Power Plant and Power Plant all in Colstrip as the nearest coal development complexes and nearest mines.

### E. Grant funding history:

- Applicant has been awarded \$1,835,632.00 in Coal Board funds since 2009.

## II. Coal Board Statutory Criteria (90-6-206, MCA) *For the following, provide bulleted analysis of the project against the criteria based on facts in the application.*

### A. Need: Explain how the assistance that is required to eliminate or reduce a direct and obvious threat to the public health, safety, or welfare has been caused as a direct result of coal development or decline (Coal Board Application and Guidelines, p. 15).

- The application demonstrated there is a need to replace the current extrication system because it does not accommodate the newer vehicles with stronger steel and cannot cut through many of the vehicles. There is also a need to replace two ambulances that have over 100,000 miles and have a high incidence of repair.
- No serious public health or safety problems have occurred and no state or federal health or safety standards have been violated. However, well-functioning ambulances and a modern extrication system are needed to provide public health and safety services to county residents.



- The application demonstrated the equipment is needed as a direct result of a contracting coal industry. In the past, Rosebud County has utilized federal mineral royalties to purchase equipment for emergency medical services. Because less coal is mined on federal lands, the annual royalties have been reduced by almost 60%. This makes it difficult for the county to afford equipment purchases. Additionally, the county's third ambulance in Ashland was recently stolen and destroyed so the county had to pay the unexpected cost of replacing the ambulance.
- B. Severity of Impact: 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" (Coal Board Application and Guidelines, p. 16).
  - The applicant demonstrated the severity of the impact is a direct consequence of coal development. In the past, Rosebud County has utilized federal mineral royalties to purchase equipment for emergency medical services. Because less coal is mined on federal lands, the annual royalties have been reduced by almost 60%. This makes it difficult for the county to afford equipment purchases. Additionally, the county's third ambulance in Ashland was recently stolen and destroyed so the county had to pay the unexpected cost of replacing the ambulance.
- C. Availability of funds: What amount of funds is available in light of the total request submitted (Coal Board Application and Guidelines, p. 17).
  - Revenues and appropriation from the legislature related to the Coal Natural Resource account are sufficient to fund the costs associated with this project request, depending on the other projects approved by the Board at this meeting.
- D. Degree of local effort: As applicable, what bonding, millage effort, or user charge has been made in the past, those currently being made, and what effort has been made to secure funds from other sources to answer needs (Coal Board Application and Guidelines, p. 17).
  - The applicant demonstrated the county is contributing to the project by providing county funds for almost 27% of the total equipment cost. The county is setting up a Capital Improvement Replacement fund to better plan for future equipment purchases.
  - The current millage rate from the application is \$65.91 listed for 2022-23, which is higher than the average rates from the previous three years, \$49.93 (2021-22: \$57.24, 2020-21: \$49.43, 2019-20: \$43.13). All information collected from the application.
  -
- E. Planning and Management: 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. (Coal Board Application and Guidelines, p. 20).
  - Proposed ambulance purchases are consistent with goals of 2019 Rosebud County Growth Policy to "[e]nsure critical services such as medical facilities, emergency services and schools..." If the county does not already have a capital improvements plan that outlines maintenance and replacement schedules and estimated costs, staff recommends the county develop a capital improvements plan to complement the Capital Improvement Replacement fund.



- The provision of Emergency Medical Services is mentioned several times in the Comprehensive Economic Development Strategy developed with Southeast Montana Development Corporation (SEMDC). The purchase of new ambulances is consistent with this planning document. Purchase of ambulances is also identified as “Priority A” in the SEMDC Infrastructure Needs List.
- 

### **III. Staff Summary**

Commerce staff recommends funding because the application demonstrates the project meets the statutory criteria.



**Appendix A: Coal Board Application**  
**THE COAL IMPACT GRANT APPLICATION FORM SUBMITTED BY:**  
**THE CITY OF COLSTRIP VOLUNTEER FIRE DEPARTMENT**

**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: *John Williams*

Title: *Mayor*

Signature: *John Williams*

Date: *10/24/22*



## **SUMMARY INFORMATION**

1. NAME OF APPLICANT(S): **City of Colstrip Volunteer Fire Department (CVFD)**
2. TYPE OF ENTITY: **City**
3. SENATE AND HOUSE DISTRICTS: **SD22; HD43**
4. AMOUNT OF COAL IMPACT GRANT REQUESTED **\$375,000**
- 5.
6. NAME OF PROJECT: **CVFD Pumper/Tanker Purchase**
7. TYPE OF PROJECT: **Equipment Purchase; Pumper/Tanker**
8. POPULATION SERVED BY PROJECT: **2335 (2020 Census)**
9. NUMBER OF HOUSEHOLDS SERVED BY PROJECT: **957**
10. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE:

**Mayor John Williams**  
**PO Box 1902**  
**Colstrip, MT 59323**  
**Phone: 406-748-2300 ext 2302**  
**Fax: 406-748-2303**  
**Email: [mayor@cityofcolstrip.com](mailto:mayor@cityofcolstrip.com)**

### PRIMARY ENTITY CONTACT PERSON:

**Fire Chief Tony Reda**  
**PO Box 98**  
**Colstrip, MT 59323**  
**Phone: 406-748-3625**  
**Fax: 406-748-3850**  
**Email: [fourosixgunsmithing@gmail.com](mailto:fourosixgunsmithing@gmail.com)**

### 11. OTHER CONTACT PERSONS:

**Jaylene Allison, CVFD Admin Asst.**  
**PO Box 98**  
**Colstrip, MT 59323**  
**Phone: 406-748-3625**  
**Fax: 406-748-3850**  
**Email: [firedept@cityofcolstrip.com](mailto:firedept@cityofcolstrip.com)**

**Michelle Richards, City Clerk/Treasurer**  
**PO Box 1902**  
**Colstrip, MT 59323**  
**Phone: 406-748-2300 ext. 2304**  
**Fax: 406-748-2303**  
**Email: [cityclerk@cityofcolstrip.com](mailto:cityclerk@cityofcolstrip.com)**



12. MILLAGE RATES:

2022-2023 Total Mills Levied = 124.21	Mill Value = \$32,687
2021-2022 Total Mills Levied = 129.49	Mill Value = \$33,998
2020-2021 Total Mills Levied = 101.84	Mill Value = \$42,528
2019-2020 Total Mills Levied = 81.15	Mill Value = \$53,478
2018-2019 Total Mills Levied = 76.00	Mill Value = \$56,140

13. AMOUNT OF COAL GROSS PROCEEDS TAX: The City of Colstrip does not receive Coal Gross Proceeds tax.

14. IMPACTS FROM COAL INDUSTRY: 621 regular employees; 410 temporary employees for 2021 overhaul operations.

15. MAPS: See Attachment

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.



**PROJECT SUMMARY FOR THE CITY OF COLSTRIP VOLUNTEER FIRE  
DEPARTMENT FIRE TENDER**

**Historical Information:** The pumper/tanker (engine) currently serving in reserve status for the City of Colstrip Volunteer Fire Department is a 2001/2002 Kenworth. The truck was contracted to be built in two fiscal years. The engine chassis (frame) was contracted for purchase in 2001 and the body was completed and purchased in 2002. Fire department staff traveled to the factory and custom ordered the truck to meet our specific fire suppression needs and fit within our fire facilities. Consistent and thorough preventative maintenance, including engine and body maintenance, as well as pump testing, has allowed the truck to serve the community of Colstrip and surrounding area well for nearly 21 years.

**Problem:**

- As an aging unit, it fails to meet the technological, mechanical, and safety standards that modern engines provide.
- According to our strategic replacement plan, at 21 years of age, this reserve engine is past due to be retired and replaced by our current front-line engine. NFPA (National Fire Protection Association) guidelines recommend frontline engines be rotated into reserve status at 10 years of age and replaced at 15 years of age.
- Current build times for many fire apparatus are easily exceeding 15-18 months and costs are increasing exponentially at a greater rate than previously observed. Delaying this purchase will only result in further aging and devaluing of our current engine and increased purchase costs for a new engine.
- As the tax base of Colstrip faces uncertain fluctuations, it seems prudent to keep our engine companies up to date while the opportunity is available.

**Proposed solution:** The purchase of a new pumper/tanker apparatus would:

- Provide a fully functioning truck built in accordance with current commercial fire protection standards. Upgrades would include a custom reinforced cab/chassis better able to withstand potential collisions, a clean air filtration system designed to protect firefighters from cancer causing agents by removing smoke/carcinogens from the cab environment, digital pump controls, LED lighting, improved emissions controls on the diesel engine, and room for (5) firefighters on board which greatly improves our efficiency when responding to emergencies.
- Allow us to comply with suggested NFPA guidelines for engine rotation and/or replacement.
- Help maintain a favorable ISO rating.
- Enable us to properly protect the coal fired power plant and coal mine that operate in our community.
- Instill confidence that we can honor our mutual aid agreements throughout the county.



17. PROJECT BUDGET AND IMPLEMENTATION SCHEDULE:

A. Project Budget Form:

<b>PROJECT BUDGET FOR CITY OF COLSTRIP VOLUNTEER FIRE DEPARTMENT EQUIPMENT PURCHASE</b>					
Completed by: <u>Jaylene Allison</u>		For: (location) <u>Colstrip</u> , MT		Date: <u>09/15/2022</u>	
ADMINISTRATIVE/ FINANCIAL COSTS	SOURCE: Coal Board	SOURCE: City of Colstrip	SOURCE:	SOURCE:	TOTAL:
Grant Administration	\$	\$	\$	\$	\$ N/A
Office Costs	\$	\$	\$	\$	\$ N/A
Professional Services	\$	\$	\$	\$	\$ N/A
Legal Costs	\$	\$	\$	\$	\$ N/A
Travel & Training	\$	\$	\$	\$	\$ N/A
<b>TOTAL ADMINISTRATIVE/ FINANCIAL COSTS</b>	\$	\$	\$	\$	\$ N/A
<b>ACTIVITY COSTS:</b>					
Equipment Cost	\$375,000	\$375,000	\$	\$	\$750,000
Construction Cost	\$	\$	\$	\$	\$
Architectural/Engineering Design	\$	\$	\$	\$	\$
Product Completion (PER's, studies, etc.)	\$	\$	\$	\$	\$
Contingency	\$	\$	\$	\$	\$
<b>TOTAL ACTIVITY COSTS</b>	\$	\$	\$	\$	\$
<b>TOTAL PROJECT COSTS</b>	<b>\$375,000</b>	<b>\$375,000</b>	<b>\$</b>	<b>\$</b>	<b>\$750,000</b>



**B. Project Budget Narrative:**

**BUDGET NARRATIVE FOR CVFD Pumper/Tanker**

**ADMINISTRATIVE/FINANCIAL COSTS**

**Personnel Services/Office Costs:** \$ N/A

**Professional Services:** \$ N/A

**Legal Costs:** \$ N/A

**Audit Fees:** \$ N/A

**TOTAL ADMINISTRATIVE/FINANCIAL COSTS** \$ N/A

**ACTIVITY COSTS**

**Equipment Cost: Estimated cost of 2022 pumper/tanker based on quote obtained by Fire Chief Tony Reda.** \$ 750,000

**Construction Cost:** \$

**Architectural/Engineering Design:** \$

**Contingency:** \$

**TOTAL ACTIVITY COSTS:** \$ 750,000

**TOTAL PROJECT COSTS:** \$ 750,000



**C. Implementation Schedule:**

<b>IMPLEMENTATION SCHEDULE FOR CVFD PUMPER/TANKER</b>												
TASK	QUARTERS 2022				QUARTERS 2023				QUARTERS 2024			
	1ST	2ND	3RD	4TH	1ST	2ND	3RD	4TH	1ST	2ND	3RD	4TH
<b><u>PROJECT START-UP</u></b>												
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)												
<b><u>PROJECT CONSTRUCTION</u></b>												
A. Architectural Design												
B. Conduct pre-construction conference												
C. Construction and purchase and installation of equipment					X	X	X	X	X	X		
D. Monitor Progress												
E. Final Inspection												
<b><u>PROJECT CLOSE-OUT</u></b>												
A. Coal Board administrative staff conduct on-site monitoring of the project.												
B. Submit project completion report.										X		
C. Include project in audits.												X



## 18. DESCRIPTION OF RELATIONSHIP TO COAL BOARD STATUTORY GRANT CRITERIA

### A. Need

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 supporting documentation.

**APPLICANT'S RESPONSE:** The current engine is approaching 21 years of age and should be replaced according to NFPA standards. Pumper/tanker trucks are a crucial part of providing adequate fire protection to our community members and businesses, specifically, the coal fired power plant and coal mine that operate locally. With the exception of some wildland fires, pumper/tankers are taken to virtually every emergency call we receive.

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:** A variety of hazards exist in our coverage area (i.e. chemicals, flammable liquids, other combustibles present on plant and mine properties). Significant property loss, exposure to hazardous materials, injury, and/or loss of life is always a possibility if a pumper/tanker is unable to respond efficiently to the scene of an emergency or fails to operate properly on scene. Time is always of the essence on emergency calls.

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:** The Colstrip Volunteer Fire Department provides fire protection and emergency assistance to the entire incorporated community of Colstrip. This includes protection of Talen Energy; its two large, operational coal fired generating stations, its two moth-balled generating stations, and its outbuildings. Also in place, are fire protection and mutual aid agreements with Rosebud Power; the small coal fired generating station north of town, Westmoreland Rosebud Mining, LLC, various county entities, and numerous other businesses and residents who live within a 7-mile radius of the city limits. Any deficiency in our ability to respond efficiently to an emergency most definitely affects a substantial percentage of residents. Also, of utmost consideration and importance is the protection and safety of the firefighters responsible for fire suppression.

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:** At this time, we are not aware of any violation of state or federal health or 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: NA**

6. Additional information supporting the NEED for this project.

**APPLICANT'S RESPONSE:** Although well maintained, the CVFD recognizes that the ability of our current reserve engine to provide adequate fire suppression to the community of Colstrip, surrounding citizens/communities, local industry, and the county entities that depend on us will soon be compromised simply due to the age of the apparatus. The presence of the power plant and the mine puts us in the unique position of responding to potentially very serious emergencies. Having updated and reliable equipment benefits those we serve and prioritizes the safety of our firefighters.

**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**

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 city of Colstrip houses two operational coal fired electrical generating stations, two moth-balled generating stations, and borders the coal mine which feeds the plant operations. Our city, its various departments, employees, and the equipment they use, exist to maintain the infrastructure which supports production of this electricity. Any needed improvements can be 100% attributable to coal related impacts.

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-Colstrip Power Plant: two-unit, 740 MW, electrical generating power station located within the City of Colstrip. It employs 307 regular employees and employed approximately 405 temporary employees for the 2021 overhaul operations.

b. Western Energy Company's (WECO) Rosebud coal mine, with 314 year round employees & 5 temporary employees, produces 6.5 million tons of coal and 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. It was listed as one of Rosebud County's top 10 private employers in 1997.
  - e. Rosebud Power generation station operates north of town within seven miles of the city limits.
  - f. Westmoreland's Sarpy Creek coal mine is 25 miles west of Colstrip.
  - g. Spring Creek coal mine is located to the south of Colstrip near Busby.
  - h. Decker coal 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:** Unfortunately, Colstrip is still facing an uncertain future. Due to settlement of litigation brought by a variety of anti-coal entities, Units 1 & 2 of the Colstrip Power Plant were shuttered in 2020. The west coast entities that currently maintain ownership in units 3 & 4 are hand-cuffed by a legislated anti-coal agenda that will require some of them to remove coal from their energy portfolio as early as 2025. How, and if, this will affect unit 3 & 4 operations remains to be seen. Potential implications of shuttering units 3 & 4 are very much the same as they were with units 1 & 2. Possible issues are:

- Loss of employment for our citizens (not only from the plant, but from the Western Energy coal mine), resulting in a lower population to help keep our businesses, school district, medical district, park district, etc. functioning and viable
- Reductions in taxable valuation, which lower the amount of tax revenue flowing into the city and county, resulting in tax increases to our citizens to help maintain our city and county infrastructures and a reduced ability to implement savings plans for our city budget
- Possible loss of current volunteer firefighters and a reduced pool of potential future firefighters, resulting in an understaffed department



**C. Availability of Funds**

1. Amount requested from the Coal Board: \$ 375,000
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:** To stay within recommended NFPA guidelines for engine rotation and retirement, it's important that we obtain a new engine and rotate our current front-line engine into reserve status. We are currently past due for this process and would like to avoid any further delay. Obtaining a coal impact grant would allow us to enter into contract for the build process right away and complete the purchase in a more timely manner.

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

<b><u>FUNDING SOURCES SUMMARY FOR CVFD TANKER/PUMPER</u></b>				
<b>Source</b>	<b>Type of Fund</b>	<b>Amount</b>	<b>Status of Commitment</b>	<b>Loan Rates &amp; Terms</b>
Coal Board	Grant	\$375,000	Requested	N/A
City of Colstrip	General	\$375,000	Budgeted	N/A

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

**APPLICANT'S RESPONSE:** If a coal impact grant is not secured, The City of Colstrip Volunteer Fire Department will most likely be forced to delay the project and continue to save funds to replace the reserve engine. Due to the uncertainties surrounding coal production and usage and the rising cost of fire apparatus, it is hard to estimate how many more years of savings will be required to reach a full purchase price.

**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:** The current millage rates are not lower than the average rates levied during 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:** The CVFD does set aside funding each budget year for long term capital investments. Receiving a coal impact grant for half of the purchase price would allow us to move forward right away.

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 of Colstrip budgets funds for the full upkeep and maintenance of all equipment. Proper functioning of all fire apparatus is of the utmost importance to the department.

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:** Any wear showing on our current reserve engine can be attributed to normal usage and age.

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?

**APPLICANT'S RESPONSE:** There are no current debt obligations for the general fund.



7. What are your current assets?

**APPLICANT'S RESPONSE:**

**CASH**

Total for Entity	\$11,016,761
General Fund	\$5,523,000
Special Revenue Funds	\$917,567
Capital Improvement Funds	\$3,387,494
Water Operating Funds	\$869,000
Sewer Operating Fund	\$429,000
Restricted For Treatment Plant	\$14,500
Restricted For Revenue Bond	\$57,200
Solid Waste Operating Fund	<b>\$-181,000</b>

**ACCOUNTS RECEIVABLE:**

Taxes & Assessments Receivable	\$196,000
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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.

**APPLICANT'S RESPONSE:** The City of Colstrip adheres to the Montana Budgetary Accounting and Reporting System (MBARS) adopted by the State of Montana and Generally Accepted Accounting Principles (GAAP).

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 06/30/2021
10. If there have been audit findings within the last five years, have they been satisfactorily addressed?

**APPLICANT'S RESPONSE:** The City of Colstrip addresses all findings reported in the audits.

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

**APPLICANT'S RESPONSE:** The City of Colstrip Volunteer Fire Department is very proactive in maintaining, evaluating, and updating our equipment to best serve the city, surrounding community, and county. These practices along with implementing a savings plan for the purchase of new equipment confirm that we take our fire protection obligations seriously.



**E. Planning & Management**

- F.** 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 closure of Units 1 & 2 has altered the landscape of Colstrip and has certainly forced hard discussions about the future of Units 3 & 4. Currently, we still have the same critical fire protection obligations we've always had and feel it's important to continue maintaining a department that is equipped to handle what is expected and required of us. Whether the future brings staff and budget deficiencies or continued prosperity, it remains important that our daily operations and equipment are as up to date and efficient as possible.

- I.** 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:** The City of Colstrip Volunteer Fire Department is constantly striving to maintain and improve its training programs, its equipment, and its service to the community. Equipment acquisition is always placed in our capital improvement plan. Purchasing a more efficient and more modern pumper/tanker apparatus is in keeping with our mission to utilize our resources to provide a well-trained and well-equipped department that serves the industries and citizens of Colstrip and Rosebud County.



## ENVIRONMENTAL REVIEW CHECKLIST

<b>NAME OF PROJECT:</b>	CVFD Pumper/Tanker Purchase
<b>PROPOSED ACTION:</b>	Please refer to the attached resolution, agenda, and draft minutes regarding declaration of categorical exclusion to the environmental assessment and environmental impact statement.
<b>LOCATION:</b>	Colstrip, Montana

### Key Letter:

**N:** No Impact; **B:** Potentially Beneficial; **A:** Potentially Adverse; **P:** Approval/Permits Required; **M:** Mitigation Required

### PHYSICAL ENVIRONMENT

<b>N</b>	Key	1	Soil Suitability, Topographic and/or Geologic Constraints (e.g., soil slump, steep slopes, subsidence, seismic activity)
			Response and source of information:
<b>N</b>	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:
<b>N</b>	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:
<b>N</b>	Key	4	Groundwater Resources & Aquifers (e.g., quantity, quality, distribution, depth to groundwater, sole source aquifers)
			Response and source of information:



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
Key <b>N</b>	5	Surface Water/Water Quality, Quantity & Distribution (e.g., streams, lakes, storm runoff, irrigation systems, canals) <i>Response and source of information:</i>
Key <b>N</b>	6	Floodplains & Floodplain Management (Identify any floodplains within one mile of the boundary of the project.) <i>Response and source of information:</i>
Key <b>N</b>	7	Wetlands Protection (Identify any wetlands within one mile of the boundary of the project.) <i>Response and source of information:</i>
Key <b>N</b>	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.) <i>Response and source of information:</i>
Key <b>N</b>	9	Vegetation & Wildlife Species & Habitats, including Fish and Sage Grouse (e.g., terrestrial, avian and aquatic life and habitats) <a href="https://sagegrouse.mt.gov">https://sagegrouse.mt.gov</a> <i>Response and source of information:</i>
Key <b>N</b>	10	Unique, Endangered, Fragile, or Limited Environmental Resources, Including Endangered Species (e.g., plants, fish or wildlife) <i>Response and source of information:</i>



<b>Key Letter:</b>		
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Key <b>N</b>	11	Unique Natural Features (e.g., geologic features) <i>Response and source of information:</i>
Key <b>N</b>	12	Access to, and Quality of, Recreational & Wilderness Activities, Public Lands and Waterways, and Public Open Space <i>Response and source of information:</i>
<b>HUMAN ENVIRONMENT</b>		
Key <b>N</b>	1	Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics <i>Response and source of information:</i>
Key <b>N</b>	2	Nuisances (e.g., glare, fumes) <i>Response and source of information:</i>
Key <b>N</b>	3	Noise -- suitable separation between noise sensitive activities (such as residential areas) and major noise sources (aircraft, highways & railroads) <i>Response and source of information:</i>



Key Letter:		
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Key	4	Historic Properties, Cultural, and Archaeological Resources
N		Response and source of information:
Key	5	Changes in Demographic (population) Characteristics (e.g., quantity, distribution, density)
N		Response and source of information:
Key	6	General Housing Conditions - Quality, Quantity, Affordability
N		Response and source of information:
Key	7	Displacement or Relocation of Businesses or Residents
N		Response and source of information:
Key	8	Public Health and Safety
N		Response and source of information:



Key Letter:		
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Key N	9	Lead Based Paint and/or Asbestos <i>Response and source of information:</i>
Key N	10	Local Employment & Income Patterns - Quantity and Distribution of Employment, Economic Impact <i>Response and source of information:</i>
Key N	11	Local & State Tax Base & Revenues <i>Response and source of information:</i>
Key N	12	Educational Facilities - Schools, Colleges, Universities <i>Response and source of information:</i>
Key N	13	Commercial and Industrial Facilities - Production & Activity, Growth or Decline. <i>Response and source of information:</i>
Key	14	Health Care – Medical Services



Key Letter:		
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N		Response and source of information:
Key	15	Social Services – Governmental Services (e.g., demand on)
N		Response and source of information:
Key	16	Social Structures & Mores (Standards of Social Conduct/Social Conventions)
N		Response and source of information:
Key	17	Land Use Compatibility (e.g., growth, land use change, development activity, adjacent land uses and potential conflicts)
N		Response and source of information:
Key	18	Energy Resources - Consumption and Conservation
N		Response and source of information:
Key	19	Solid Waste Management
N		Response and source of information:



<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
Key	20	Wastewater Treatment - Sewage System
<b>N</b>		Response and source of information:
Key	21	Storm Water – Surface Drainage
<b>N</b>		Response and source of information:
Key	22	Community Water Supply
<b>N</b>		Response and source of information:
Key	23	Public Safety – Police
<b>N</b>		Response and source of information:
Key	24	Fire Protection – Hazards
<b>N</b>		Response and source of information:
Key	25	Emergency Medical Services
<b>N</b>		Response and source of information:
Key	26	Parks, Playgrounds, & Open Space



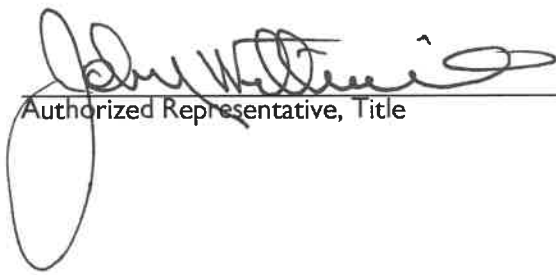
<b>Key Letter:</b>		
<b>N:</b> No Impact; <b>B:</b> Potentially Beneficial; <b>A:</b> Potentially Adverse; <b>P:</b> Approval/Permits Required; <b>M:</b> Mitigation Required		
<b>N</b>		<i>Response and source of information:</i>
Key	27	Cultural Facilities, Cultural Uniqueness & Diversity
<b>N</b>		<i>Response and source of information:</i>
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)
<b>N</b>		<i>Response and source of information:</i>
Key	29	Consistency with Local Ordinances, Resolutions, or Plans (e.g., conformance with local comprehensive plans, zoning, or capital improvement plans)
<b>N</b>		<i>Response and source of information:</i>
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.)
<b>N</b>		<i>Response and source of information:</i>



## Environmental Review Form

On a separate piece of paper, please answer the following as they apply to your proposed project:

1. **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).

  
Authorized Representative, Title

Date

11-22-2022

(Name of) District

Chairperson

Date:

**\*Please see the attached resolution in regard to the above questions. Thank you.**



## RESOLUTION NO. 2022-R15

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLSTRIP, MONTANA, DECLARING A CATEGORICAL EXCLUSION TO THE ENVIRONMENTAL ASSESSMENT AND ENVIRONMENTAL IMPACT STATEMENT

**WHEREAS**, the City of Colstrip will be submitting a grant application to the Montana Coal Board for the purchase of a fire pumper/tanker truck; and

**WHEREAS**, Coal Board grants are a state action subject to the Montana Environmental Policy Act (MEPA), although 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; and

**WHEREAS**, the City of Colstrip has completed an assessment to identify potential environmental impacts of the purchase of this vehicle; and

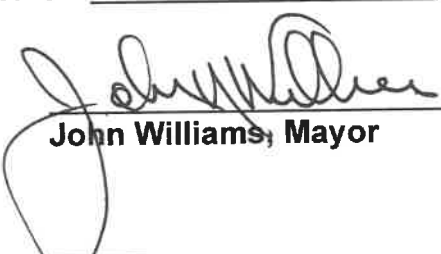
**WHEREAS**, the Environmental Assessment Checklist was made available for public review and comment and the findings were presented at a public meeting; and

**WHEREAS**, no substantive public comment was received; and

**WHEREAS**, the City of Colstrip has determined that the purchase of a fire pumper/tanker truck 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;

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Colstrip, that an Environmental Assessment and Environmental Impact Statement are not necessary and are categorically exempted under ARM 8.2.328(2).

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF COLSTRIP IN REGULAR SESSION THIS** 22 **DAY OF** November, 2022.

  
John Williams, Mayor

ATTEST:

  
Michelle Richards, City Clerk/Treasurer



# Coal Board Grant Applicant #0948 City of Colstrip

## Staff Report / December 2022 Meeting

Applicant: City of Colstrip

Project: Purchase of Pumper/Tanker for the Volunteer Fire Department

Coal Board Funds Requested: \$375,000.00

Total Project Cost: \$750,000.00

### I. General Project Information

#### A. Eligibility:

- The applicant is a local government, which is eligible according to 90-6-205(4), MCA.
- The project would assist the applicant in providing for a governmental facility, which is an eligible project according to 90-6-205(4), MCA.
  - The following citation authorizes the applicant to make expenditures to provide fire control: 7-6-2527(16) MCA, as is required by 8.101.302, ARM.

#### B. Application Items:

- The Coal Board Application form was complete.
- The PER or PAR is not applicable.
- Environmental documentation was provided.

#### C. Applicant is a designated unit according to 90-6-207, MCA

#### D. Location of applicant:

- The project is located within Colstrip near the Colstrip Power Plant and Rosebud Mine as well as other mines in the vicinity.

#### E. Grant funding history:

- Applicant has been awarded \$3,263,037 in Coal Board Grants since 2010.

### II. Coal Board Statutory Criteria (90-6-206, MCA)

#### A. Need: *Explain how the assistance that is required to eliminate or reduce a direct and obvious threat to the public health, safety, or welfare has been caused as a direct result of coal development or decline (Coal Board Application and Guidelines, p. 15).*

- The application demonstrated the current reserve vehicle is beyond the replacement timeline according to National Fire Protection Association (NFPA) standards. There is no threat to public health and safety and no current violation of state or federal standards was identified in the application.

However, the current reserve engine will not have the ability to provide adequate fire suppression in the case of an emergency where the primary engine is already in use. The Colstrip Volunteer Fire Department covers the city, two large coal fired generating stations, two moth-balled generating stations, and outbuildings. The department also has mutual aid agreements with Rosebud Power, Westmoreland Rosebud Mining, and various other county and business entities outside the city.



- The application demonstrated the threat to public health and safety has been caused as a direct result of coal development or decline. The declining coal industry is affecting the city's ability to afford replacing this vehicle due to reductions in population and taxable value.
- B. Severity of Impact: *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" (Coal Board Application and Guidelines, p. 16).*
- The applicant demonstrated the severity of the impact is a direct consequence of coal development. The declining coal industry is affecting the city's ability to afford replacing this vehicle due to reductions in population and taxable value.
- C. Availability of funds: *What amount of funds is available in light of the total request submitted (Coal Board Application and Guidelines, p. 17).*
- Revenues and appropriation from the legislature related to the Coal Natural Resource account are sufficient to fund the costs associated with this project request, depending on the other projects approved by the Board at this meeting
- D. Degree of local effort: *As applicable, what bonding, millage effort, or user charge has been made in the past, those currently being made, and what effort has been made to secure funds from other sources to answer needs (Coal Board Application and Guidelines, p. 17).*
- The applicant demonstrated the city is contributing to the project by providing city funds to cover 50% of total project costs.
  - The current millage rate from the application is \$124.21 listed for 2022-2023, which is higher than the average rates from the previous three years, \$104.16 (2021-2022: \$129.49, 2020-2021: \$101.84, 2019-2020: \$81.15). All information collected from the application.
- E. Planning and Management: *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. (Coal Board Application and Guidelines, p. 20).*
- The proposed equipment purchase is included in Colstrip's Capital Improvements Plan (2021) and the volunteer fire department planned to replace the reserve engine at 21 years.
  - The city has an updated growth policy that contemplates changes in the coal industry and this project aligns with the growth policy. Also, the Southeastern Montana Economic Development District maintains the Southeastern Economic Development Corporation's (SEMDC) Comprehensive Economic Development Strategy and the project aligns with this strategy.

### III. Staff Summary

Commerce staff recommends funding because the application demonstrates the project meets the statutory criteria.