

Montana Department of Commerce

Montana Coal Board Meeting

Date: June 4, 2026

Location: Hilton Garden Inn, 2465 Grant Road Billings, MT

Time: 8:30 a.m.

Applications to be considered for this meeting were due April 20, 2026

Register in advance for this webinar:

Join from PC, Mac, iPad or Android:

https://mt-gov.zoom.us/webinar/register/WN_iBqGgYpiRLSfaPUTmlH-aA

Passcode: 633815

Join via audio:

- 213-338-8477 U.S. (Los Angeles)
- 206-337-9723 U.S. (Seattle)
- 646-558-8656 U.S. (New York)

Webinar ID: 881 4142 0195

Passcode: 633815

International numbers available: <https://mt-gov.zoom.us/j/kcy0HJ5Dv>

Board Members

- Scott Rosenthal, Butte: Engineering
- Jon Wells, Hardin: Impact Area
- Catherine Laughner, Big Sky: Attorney
- Sandra Jones, Roundup: Public Administration

- Tim Schaff, Roundup: Education
- Hal Fuglevand, Billings: Impact Area
- Vacant: Education

Notice of Public Meeting

June 3, 2026, at 6 p.m.:

The Board typically gathers informally for dinner the evening prior to the meeting at The Windmill and Bar 51, 3429 Transtech Way, Billings, MT. Members of the public are also invited to attend dinner at their own expense.

June 4, 2026, at 8:30 a.m.: The Board will hold a quarterly meeting at the Hilton Garden Inn, 2465 Grant Road, Billings, MT. For more information or to request reasonable accommodations for a disability, please contact Commerce Community MT Division staff at 406-841-2770 or at doccdd@mt.gov before the meeting. Conference call information for this meeting is available on Commerce's website at: commerce.mt.gov.

Please Note: The use of any AI notetaking, transcription, or summarization tool is not permitted at today's meeting by any attendee, including members of the public. This restriction is in place until the State adopts formal policies governing the use of AI notetaking, transcription, or summarization at public meetings of state boards, commissions, and councils. Thank you for your cooperation.

Agenda

Informational Items

1. Call to order
2. Roll call
3. Commerce updates

4. Opportunity for public comment on items not on the agenda, but within the Board’s jurisdiction
5. Budget update
 - Community MT Staff update
 - Opportunity for public comment
 - Board discussion
6. Project updates
 - Open and closed project status
 - 1024 Musselshell County Thank you
7. New applications — presentations (See table below.)

Applicant No.	Applicant	Project Description	Funds Requested	Total Project Costs
1038	City of Colstrip	Purchase & Installation of Chlorine Analyzers at the Water Treatment Plant	\$100,000.00	\$129,652.00
1039	City of Miles City	Purchase of a Mini Pumper	\$150,000.00	\$250,500.00
		Total Requested:	\$250,000.00	\$380,152.00

Board Action Items

8. Approval of minutes

- March meeting minutes (March 12, 2026)
 - Opportunity for public comment
 - Board discussion
 - Board action

9. Board action on grant applications

10. Opportunity for public comment

11. Board matters

- Confirmation of next meeting dates and location
 - September 10, 2026 - Billings Hilton Garden Inn (Tentative)
 - December 10, 2026 - Billings Hilton Garden Inn (Tentative)

12. Adjourn

Balance Sheets

Updated April 30, 2026

Cash balance as of July 1	\$10,149,806.22
Obligated grant funds from current year	\$2,927,096.00
Obligated grant funds from previous years	\$1,832,243.67
Current year expenses	\$3,311,006.64
Current year revenue	\$3,145,399.38
Net cash available	\$5,224,859.29

Fiscal year 2026 available grant authority	\$3,482,000.00
Current year obligated grants	\$2,927,096.00
Current year funding available for grants	\$554,904.00

Coal Tax Revenue Comparison

Fiscal year	2025	2026	2027	2028
Jul	229,874.49	893,125.57		
Aug	779,907.23			
Sep	6,181.02	1,957.78		
Oct	1,237,774.60	737,645.63		
Nov	6,181.02	135,016.58		
Dec	6,181.02			
Jan	836,814.16	693,981.26		
Feb	201,066.24	78,582.81		
Mar	50,261.27	(216.75)		
Apr	910,615.18	605,306.50		
May	6,181.02			
Jun				
Total	4,271,037.25	3,145,399.38		

Fiscal year	2021	2022	2023	2024
Jul	431,312.73	617,761.79	592,505.22	776,652.84
Aug	6,181.03	6,181.02	557,127.95	380,203.53
Sep	6,181.03	6,181.02	6,181.02	6,181.02
Oct	489,138.85	6,181.02	1,326,249.17	1,150,663.76
Nov	6,181.03	884,379.21	6,181.02	6,181.02
Dec	6,181.03	6,178.12	6,181.02	6,181.02
Jan	302,836.00	763,081.14	682,360.04	679,293.47

Feb	238,944.10	182,395.75	329,880.83	479,636.88
Mar	21,376.15	6,181.02	6,181.02	6,181.02
Apr	863,630.16	972,088.37	801,341.83	686,355.14
May	7,826.03	6,181.02	470,259.15	343,007.67
Jun	(84,162.96)	19,694.51	(6,181.02)	6,181.02
Total	2,295,625.18	3,476,483.99	4,778,267.25	4,526,718.39

Fiscal year	2017	2018	2019	2020
Jul	247,193.27			222,429.42
Aug	693,771.22	740,446.95	918,302.50	539,831.96
Sep			(504.39)	5,979.51
Oct	755,932.38	332,719.15	519,416.85	316,099.35
Nov	101,974.55	629,341.43	439,644.24	457,270.54
Dec		580.99		
Jan	648,624.21	308,187.51	702,308.56	327,851.56
Feb	80,414.86	551,400.30	235,857.70	316,829.05
Mar	(1,551.84)			2,063.81
Apr	531,173.29	721,648.76	625,338.13	557,704.92
May	146,179.43	98,316.33	95,829.81	90,338.94
Jun	7,422.78	505.97	(505.97)	108,927.02
Total	3,211,134.15	3,383,147.39	3,535,687.43	2,945,326.08

Open Coal Board Grants

2021 Biennium

Grant No.	Grantee Name	Project Name	Award Date	Grant Amount	Remaining Funds as of May 19, 2026	Expiration Date
889	City of Hardin	Upgrade Wastewater Collection and Treatment Plants	March 12, 2020	\$250,000	\$25,116.67	May 31, 2027

2023 Biennium

Grant No.	Grantee Name	Project Name	Award Date	Grant Amount	Remaining Funds as of May 19, 2026	Expiration Date
932	City of Colstrip	Business Innovation Center Construction Project	March 10, 2022	\$375,000	\$46,083.32	Sept. 30, 2026
937	City of Forsyth	Water Intake Preliminary Engineering Report	June 9, 2022	\$100,000	\$100,000	Dec. 31, 2026

2025 Biennium

Grant No.	Grantee Name	Project Name	Award Date	Grant Amount	Remaining Funds as of May 19, 2026	Expiration Date
968	Musselshell County	Purchase of a Replacement Ambulance	Sept. 14, 2023	\$215,000	\$215,000	Dec. 31, 2026
985	Petroleum County Renovation	Courthouse Renovation and Reuse Project	March 14, 2024	\$250,000	\$6,447.60	Dec. 31, 2026
989	Hysham Public Schools	Preparation of a PAR	June 13, 2024	\$40,122	\$40,122	March 31, 2027
997	Town of Hysham	Phase 1B of the Water Treatment Improvements Project	Sept. 12, 2024	\$350,000	\$235,312.81	Dec. 31, 2027
1004	Hardin Public Schools	Boiler Replacement Project	Dec. 12, 2024	\$750,000	\$750,000	Dec. 31, 2026
1008	Big Horn County	Growth Policy Update	Dec. 12, 2024	\$37,500	\$18,750	March 31, 2027

1010	Town of Winnett	Purchase of a Dump Truck	Dec. 12, 2024	\$50,000	\$12,000	Dec. 31, 2026
1012	Big Horn County	Library Boiler and Fire Systems Replacements	March 13, 2025	\$155,620.87	\$155,620.87	Dec. 31, 2027
1013	City of Forsyth	Installation of a Booster Pump	March 13, 2025	\$200,000	\$200,000	Dec. 31, 2027
1019	City of Colstrip	Updated CEDS	June 5, 2025	\$30,000	\$30,000	Dec. 31, 2026

2027 Biennium

Grant No.	Grantee Name	Project Name	Award Date	Grant Amount	Remaining Funds as of May 19, 2026	Expiration Date
1023	City of Roundup	Wastewater System Improvements	Sept. 11, 2025	\$500,000	\$500,000	Dec. 31, 2029
1024	Musselshell County	Purchase of a Road Grader	Sept. 11, 2025	\$250,000	\$250,000	Dec. 31, 2026
1025	Forsyth Public Schools	School Heating System Repairs/Upgrades	Sept. 11, 2025	\$247,096	\$247,096	Dec. 31, 2027

1028	Pryor Public Schools School	Building Improvement Project	Sept. 11, 2025	\$500,000	\$455,270.25	Dec. 31, 2027
1029	Colstrip Hospital District	Purchase/ Implementation of Electronic Records Management System	Dec. 11, 2025	\$120,000	\$120,000	Dec. 31, 2027
1030	Melstone School District	Boiler Replacement Project	March 12, 2026	\$400,000	\$400,000	Dec. 31, 2027
1032	Rosebud County	Purchase of a Roll Off Truck	March 12, 2026	\$200,000	\$200,000	Dec. 31, 2027
1034	Custer County	Purchase of SCBA Equipment and Cascade Air System	March 12, 2026	\$140,000	\$140,000	Dec. 31, 2027
1035	City of Hardin	Purchase of a Dump Truck	March 12, 2026	\$200,000	\$200,000	Dec. 31, 2027

Total balance remaining: \$4,546,819.52



From: Randee Randall <rrandall@co.musselshell.mt.us>
Sent: Monday, March 9, 2026 7:39 AM
To: Young, Rachel <Rachel.Young@mt.gov>
Subject: [EXTERNAL] Musselshell County Coal Board Grant Grader

Good morning,

Would like to thank you for your support with the \$250,000 purchase towards a new Motor Grader.

Musselshell County Road Department

Randee Randall

Musselshell County Road Dept.

Secretary

506 Main St.

Roundup, MT 59072

406-323-2814 Office

406-323-2476 Fax

rrandall@co.musselshell.mt.us

Applicant 1038-City of Colstrip

The applicant is requesting \$100,000 of a total project cost of \$129,652 in Coal Board funds for the purchase and installation of Chlorine Analyzers at the Water Treatment Plant. The request to the Board is 77% of the total project cost. The applicant is a designated unit.

Coal Board Grant Applicant #1038 City of Colstrip Staff Report/June 2026 Meeting

Applicant: City of Colstrip

Project: Purchase and Installation of Chlorine Analyzers at Water Treatment Plant

Coal Board Funds Requested: \$100,000

Total Project Cost: \$129,652

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 by maintaining disinfection requirements from the Department of Environmental Quality, DEQ for the City of Colstrip's Public Water System.
- The following citation authorizes the applicant to make expenditures to provide for the proposed governmental service or facility.
 - Water or sewer project: 7-13-4304, MCA

B. Application Items:

- The Coal Board Application form is complete.
- PER/PAR is not required for equipment purchase.

C. The applicant is a designated unit according to 90-6-207, MCA.

D. Location of applicant:

- The applicant lists Talen Energy's two-unit 1,400 MW power station as the closest coal using energy complex located in the City of Colstrip.
- Forsyth is the county seat of Rosebud County.

E. Grant funding history:

- The applicant has been awarded \$4,804,191 in Coal Board funds for 28 grants since 2009, based on historical information available in Commerce projects database.
 - Ten Equipment Purchases
 - Three Road Improvements
 - Seven Planning Documents including Implementation
 - Three Construction Projects
 - Five Water or Sewer Improvements

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).

- DEQ's determination that the City of Colstrip did not meet minimum disinfection requirements impacts the city resident's quality of water. This is a direct result of coal decline due to the valuation of coal facilities decreasing which in turn has negatively impacted the revenue generated from taxes.
- The applicant states that a serious deficiency does exist. They state that on Nov. 6, 2024 the Surface Water Treatment Rule Manager for DEQ conducted a sanitary survey inspection of the Colstrip Public Water System and during this survey it was determined that disinfection treatment did not meet minimum disinfection requirements.

- There have been no serious public health or safety problems, but the applicant states that the residents of the city were notified of the deficiency.
- The applicant states that there are nearly 600 people employed full time by either Western Energy, the Rosebud Power Plant, or the Colstrip Power Plant. They also indicate that this project is a direct result of coal impact.
- The current condition of the public facility is not in compliance with the sanitary survey inspection conducted by DEQ. Documents have been included to show the correspondence from DEQ, notification to city residents, the response from the City of Colstrip to DEQ, and the development of the proposed solution.

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 states that the value of a mill has decreased 66% in the last 12 years and mills have increased from 30.31 to 187.76. The City of Colstrip is taxing at the maximum value allowable by Montana State law.
- The proposed project is a direct result of a contraction in the coal industry. The ability to generate revenue from taxes has declined due to the decrease in the valuation of coal facilities. Because of this, the City of Colstrip’s ability to afford the cost of upgrades and repairs to infrastructure has been severely impacted.

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 currently \$554,904. The total requested grants for this meeting are \$250,000.

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 current millage rate from the application is \$187.76, listed for 2025-2026, which is higher than the average rates from the previous three years. The average rate for the last three years is \$152.80. (2024-2025: \$162.30, 2023-2024: \$164.13, 2022-2023: \$131.99. All information collected from the application.
- The City of Colstrip has committed \$29,652, which is 23% of the total project cost.
- The application does not list any other funding sources.
- Based on the most recent audit submitted (2026), Commerce staff identified several concerns related to financial management. However, the report shows a corrective action plan to resolve them.

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).

- Colstrip’s taxable valuation continues to decline due to the closure of Units 1 and 2 and depreciation of Units 3 and 4. The City has reviewed its infrastructure needs and is prioritizing projects with long-term value during reduced revenue capacity. This project is a high priority because the city is not meeting DEQ standards. Addressing it now supports orderly community management during coal-related decline.
- The project directly supports the Colstrip Growth Policy and Capital Improvement Plan, both of which emphasize maintaining essential infrastructure, supporting economic development, and protecting quality of life.
- Other grant funding is not mentioned in this section for planning documents, but in the budget section local funds are committed to this project.

III. Staff Summary

Commerce staff recommend funding because the application materials are complete and meet the required statutory criteria.

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:



Date:

4/20/2026

SUMMARY INFORMATION

1. NAME OF APPLICANT(S):
City of Colstrip

2. AMOUNT OF COAL IMPACT GRANT REQUESTED: \$ 100,000

3. TOTAL PROJECT COST: \$129,652

4. NAME OF PROJECT:
Colstrip Installation of Chlorine Analyzers at Water Treatment Plant

5. TYPE OF PROJECT:
Purchase and Installation of Equipment

6. 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

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

8. OTHER CONTACT PERSONS:
Sarah Kisman
SEMDC
PO Box 1935
Colstrip, MT 59323-1935
PH 406-748-2990
skisman@semdc.org

9. MILLAGE RATES:

2025 -2026 Total Mills Levied = 187.76 Mill Value = \$23,941
2024 -2025 Total Mills Levied = 162.30 Mill Value = \$26,792
2023 -2024 Total Mills Levied = 164.13 Mill Value = \$27,009
2022 -2023 Total Mills Levied = 131.99 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

10. AMOUNT OF COAL GROSS PROCEEDS TAX:
\$0

11. MAPS:
See attached **Exhibit A**

12. BRIEF PROJECT SUMMARY:
Purchase and installation of additional Chlorine Analyzers to be installed at the Colstrip Water Treatment Plant. The equipment installation is necessary to come into compliance with the Safe Drinking Water Standards as determined by the Montana Department of Environmental Quality (DEQ).

13. 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.

PROJECT BUDGET					
ADMINISTRATIVE COSTS	SOURCE: Coal Board	SOURCE: City of Colstrip	SOURCE:	SOURCE:	TOTAL:
Engineering, Geotech, Construction Admin	*	\$	\$	\$	\$
Grant Administration	\$	\$500	\$	\$	\$500
Professional Services	\$	\$	\$	\$	\$
Legal Costs	\$	\$	\$	\$	\$
Travel & Training	\$	\$	\$	\$	\$
<u>TOTAL ADMINISTRATIVE COSTS</u>	\$	\$500	\$	\$	\$500
ACTIVITY COSTS:					
Purchase of Equipment	\$56,838	\$	\$	\$	\$56,838
Installation of Equipment	\$43,162	\$29,152	\$	\$	\$72,314
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$			\$
	\$	\$			\$
	\$	\$			\$
TOTAL ACTIVITY COSTS	\$100,000	\$29,152	\$	\$	\$129,152
TOTAL PROJECT COSTS	\$100,000	\$29,652	\$	\$	\$129,652

B. Project Budget Narrative:

Administration Cost – SEMDC charges members a \$500 fee for administration services for a Coal Board grant. This includes assistance with preparation for a coal board presentation, grant application, completion of paperwork for the grant, administration of the grant, and closeout. These fees are not due until a Coal Board grant is secured.

Equipment and Installation Cost – **included in Exhibit B** are two detailed estimates outlining the projected cost for this project. One is from InControl and the other from CEI contractors.

C. Implementation Schedule: See Next Page

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

IMPLEMENTATION SCHEDULE

TASK	QUARTERS 2026				QUARTERS 2027				QUARTERS 2028			
	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th
<u>PROJECT START-UP</u>												
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 reimbursements submitted)				X								
<u>Activity</u>												
A. Advertise for Contractor												
B. Select Contractor and Issue Notice to Proceed			X									
C. Purchase and Install Equipment			X									
D. Monitor Progress				X								
E. Final Inspection				X								
<u>PROJECT CLOSE-OUT</u>												
A. Submit project completion report.				X								

14. DESCRIPTION OF RELATIONSHIP TO COAL BOARD STATUTORY GRANT CRITERIA

The Coal Board bases awards on the following four statutory criteria (90-6-206, MCA). In addition, State law (90-6-207(5), MCA) 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.

Yes. On 11/06/24, the Surface Water Treatment Rule Manager for the DEQ conducted a sanitary survey inspection of the Colstrip Public Water System. During this sanitary survey, it was determined that disinfection treatment was not meeting minimum disinfection requirements. This required the City of Colstrip to ultimately do an engineering study with KLJ Engineering LLC and prepare a plan to change the original design and operation of the system and would ultimately require the approval of the DEQ to come into compliance. It should be noted that this plant has been in operation for 40 years.

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

Serious public health or safety problems have not occurred. However, the city residents were notified of the deficiency. **A copy of the city resident letter is included as Exhibit B.**

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

Yes. **Refer to Exhibit B.** Documents were included showing correspondence from DEQ, notification to city residents, the response from Colstrip back to DEQ, and the development of the proposed solution.

4. 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.
 - Talen Energy's two-unit 1,400 MW power station is located within the City of Colstrip in Rosebud County.
 - Western Energy Company's (WECO) Rosebud coal mine produces approximately 8 million tons of coal and has 25,000 acres adjacent to the City of Colstrip in Rosebud County.
 - 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.
 - Rosebud Power Generation Station is north of town within seven miles of the city limits and is in Rosebud County

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 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. 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 ability to generate revenue from taxes has declined. This directly impacts the City's ability to afford the cost of upgrades and/or repairs to city infrastructure, planning, services, etc. Note that the value of a mill has decreased 66% in the last 12 years and mills have increased from 30.31 to 187.76. The City of Colstrip is taxing at the maximum allowable by Montana State law.
Since 2018, the level of persons employed has decreased in Rosebud County by 395 persons. The population of Colstrip in 2018 was 2,446 and that number decreased to 1,991 in 2023. This number has stayed about the same in the following two years.
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 people and households affected by the problem and that would be served by the project. 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 600 people 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 Plan periodically and many of them stay in Colstrip or utilize services/restaurants in Colstrip. 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.

Availability of Funds

3. Amount requested from the Coal Board: \$100,000
4. Explain why a coal impact grant is necessary to make the project feasible and affordable.

The need for assistance in paying for this project is a direct result of a contraction in the Coal Industry. The declining taxable value directly impacts the City of Colstrip's ability to afford the provision of public services, planning, and infrastructure.
5. What are the other proposed funding sources for the project?

FUNDING SOURCES SUMMARY

Source	Type of Fund	Amount	Status of Commitment	Loan Rates & Terms
Coal Board	Grant	\$100,000	Pending	N/A
City of Colstrip	Cash On Hand	\$29,652	Committed	N/A

6. If a particular proposed source of funding is not obtained, how will the applicant proceed?
If the City of Colstrip is unable to obtain grant funding, it is not feasible for this project to move forward due to funding limitations.

C. Degree of Local Effort in Meeting Needs

1. Provide the current fiscal year millage rates and those for the three 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. Current mills levied are higher than the average of the previous three years. The average of the three previous years is 152.80 2025 – 2026 mills levied is 187.76. The City of Colstrip 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 Colstrip with the closure of Units 1 and 2 and continued depreciation on the other two power plant units. Mill value has decreased \$56,566 since 2012/13.

2025 -2026 Total Mills Levied =	187.76	Mill Value =	\$23,941
2024 -2025 Total Mills Levied =	162.30	Mill Value =	\$26,792
2023 -2024 Total Mills Levied =	164.13	Mill Value =	\$27,009
2022 -2023 Total Mills Levied =	131.99	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

3. 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.

SEMDC provided grant writing services to the City of Colstrip and will assist in procurement efforts and project management at a charge of only \$500.

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

As mentioned previously, this water treatment plant has been operating for 40 years. The upgrade was necessary to comply with DEQ Safe Drinking Water requirements. The City of Colstrip has maintained the plant and budgeted for repairs as necessary. This was an unanticipated change they had no control over.

5. 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 ensure that the problem will not reoccur.

N/A

6. 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? \$50/month
 - b. What is the projected monthly user charge (including operation and maintenance) when the project is complete? \$ 5 0 / m o n t h

7. 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 needs 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.

<u>CURRENT DEBT SUMMARY FOR CITY OF COLSTRIP</u>								
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%	\$44,000	\$697,000

8. What are your current assets?
See Attached **Exhibit C**
9. Is the applicant in compliance with the auditing and annual financial reporting requirements provided for in the Montana Single Audit Act, 2-7-501 to 522, MCA? (Tribal governments must comply with auditing and reporting requirements provided for in OMB Circular A-133).

Yes No Date of last completed audit or financial report: 06/30/25

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

YES – any audit findings have been addressed and the City is in good standing.

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

D. 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.

The City of Colstrip is facing a decline in taxable valuation. The taxable valuation will continue to decline since the closing of Units 1 and 2 and continuing depreciation of Units 3 and 4. Colstrip has assessed numerous infrastructure needs and is prioritizing crucial projects that will have long lasting value while they adjust to a decreased ability to generate tax revenue. This represents good planning on the part of the city as it prioritizes needed improvements and spends to make those improvements while funds are available. This project is a high priority given that the City of Colstrip is not in compliance with DEQ standards.

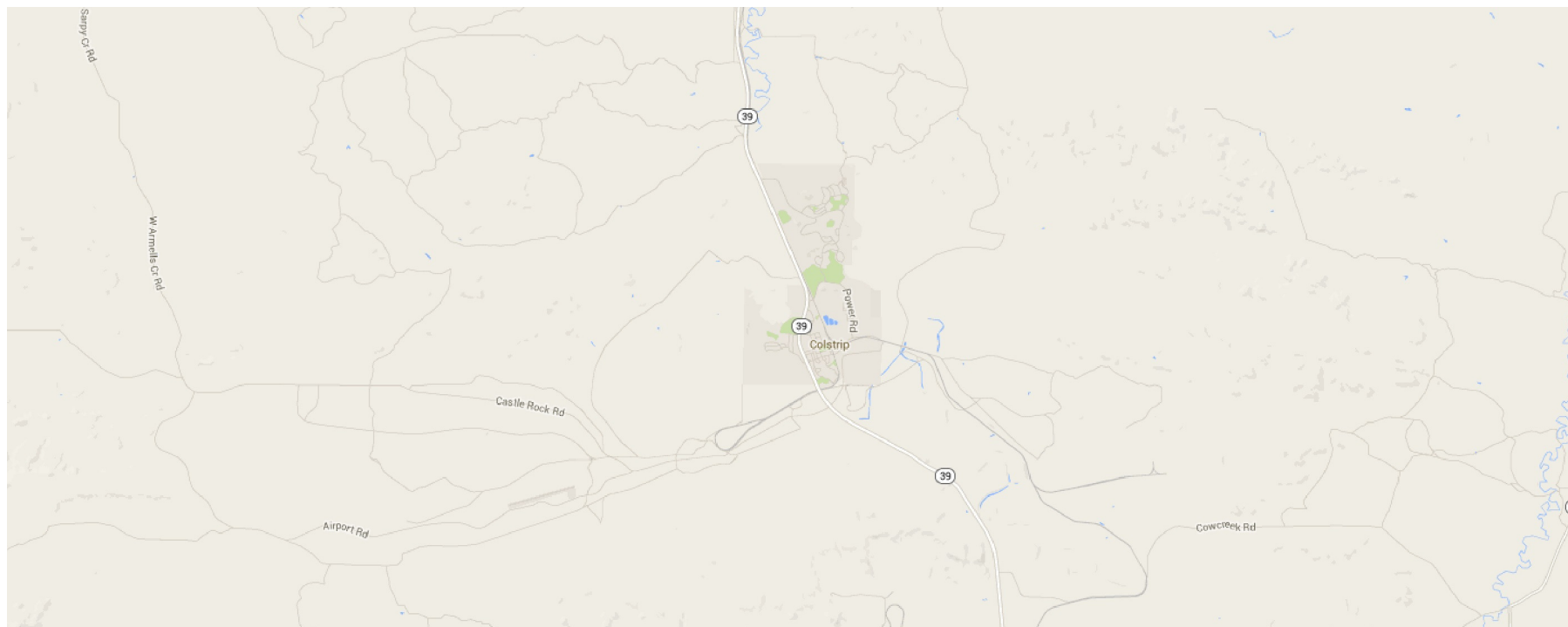
2. Describe how the proposed project is consistent with current plans.

This project is consistent with the goal of encouraging economic development, quality of life, and infrastructure maintenance as noted in the Colstrip Growth Policy and Capital Improvement Plan.

Exhibit A



Area Map - Colstrip, MT



Map Showing Colstrip, MT

Exhibit B



12 February 2025

CERTIFIED MAIL

CITY OF COLSTRIP
ATTN: PAT ZENT
PO BOX 1902
COLSTRIP MT 59323

RE: Surface Water Treatment Rule: Significant Deficiency Determination Notification,
Colstrip City of , PWSID: MT0000180

Dear Pat,

On the 6th of November 2024, I, the Surface Water Treatment Rule Manager for the Montana Department of Environmental Quality, conducted a sanitary survey inspection of the City of Colstrip Public water system. During the sanitary survey it was discovered that disinfection treatment was not meeting minimum disinfection requirements. After further review of documents and a second site visit to the water treatment plant on January 16, 2025, it was confirmed that the treatment plant is not meeting minimum disinfection requirements. Following the second site visit on January 16, 2025, potential significant deficiencies in your public water supply were submitted to the Significant Deficiency Review Committee (SDRC) for determination. The Administrative Rules of Montana (ARM) 17.38.211 and the Surface Water Treatment Rules require public water systems to address significant deficiencies. Significant deficiencies have the potential to adversely affect public health and must be corrected to remove that threat.

The issues referred to the SDRC:

Item 1: Inadequate disinfection due to design.

Item 2: Point of entry chlorine residual not being monitored for each entry point to distribution system.

Item 3: Chlorine residual not being monitored for CT calculations.

Item 4: Cross connection between contact basins

The SDRC has determined that all four items are significant deficiencies.

The SDRC recommends that:

Item 1: The system is to work with the DEQ to find and implement a solution that will ensure that minimum disinfection and monitoring requirements are met.

Item 2: The system is to work with the DEQ to secure and install the appropriate equipment for all required entry point chlorine residual monitoring.

Item 3: The system is to work with the DEQ to determine a methodology as well as the appropriate equipment and placement of equipment for continuous disinfection monitoring to assure minimum disinfection requirements are continuously met.

Item 4: The system is to work with the DEQ to find and implement a solution that prevents the possibility of water passing between the two disinfection contact basins to ensure minimum disinfection and monitoring requirements are met for all treated water.

Montana Code Annotated 17.38.104 and the primacy agreement between the state of Montana and the US EPA require:

1. That you respond to Josh Seekins (MT DEQ Surface Water Treatment Rule Manager) in writing, within 45 days (by March 29, 2025) of receiving this letter and indicate:
 - The corrective action(s) the system plans to complete, and
 - The schedule you will use to address this significant deficiency,
2. That you either complete the corrective actions within 120 days (by June 12, 2025) or be on an approved corrective action plan, and
3. That documentation and images of the completed work are submitted to Josh Seekins once the repairs are complete.

Failure to meet these requirements may result in a violation. Please note that a person may not commence or continue the construction, alteration, extension, or operation of a public water supply system or public sewage system until the applicant has submitted a design report along with the necessary plans and specifications for the system to the department or a delegated division of local government for its review and has received written approval (ARM 17.38.101).

Thank you for your prompt attention to this matter. If you have other relevant information, documentation, or any questions you would like to discuss, please contact me at (406) 444-7251 or Joshua.Seekins@mt.gov.

Sincerely,



Josh Seekins
Surface Water Treatment Rule Manager
Public Water Supply Section
PO Box 200901, Helena, MT 59620-0901
406-444-7251, (fax) 406-444-1374, Joshua.seekins@mt.gov

CC: Helena PWS file
Rosebud County Sanitarian

Pat Zent

From: Seekins, Josh <Joshua.Seekins@mt.gov>
Sent: Tuesday, November 18, 2025 12:50 PM
To: Mark Rohweder; Pat Zent; dwhitneymic@outlook.com; Steve Clayton; Jeff Iverson; Jess Wagner
Subject: RE: Colstrip Water Plant Meeting (11.18.2025)

Mark,
Thanks for the summary. Everything looks good for moving forward.



JOSHUA (JOSH) SEEKINS | Surface Water Treatment Rule Manager
Public Water Supply Bureau
Montana Department of Environmental Quality
Office: 406-444-7251
[Website](#) | [Facebook](#) | [Twitter](#) | [YouTube](#)
How did we do? Let us know here: [Feedback Survey](#)

From: Mark Rohweder <Mark.Rohweder@kljeng.com>
Sent: Tuesday, November 18, 2025 12:33 PM
To: Pat Zent <pat.zent@cityofcolstrip.com>; Doug Whitney <dwhitneymic@outlook.com>; Seekins, Josh <Joshua.Seekins@mt.gov>; Steve Clayton <steve.clayton@incontrol.net>; Jeff Iverson <jeff.iverson@incontrol.net>; Jess Wagner <jessica.wagner@kljeng.com>
Subject: [EXTERNAL] Colstrip Water Plant Meeting (11.18.2025)

Everyone,

Thank you for joining the meeting this morning. I wanted to summarize what was discussed and action items moving forward.

1. InControl will provide a proposal for the equipment and installation of 2 level transducers and 3 CL10 Hach Chlorine Analyzers to the DEQ, KLJ, and City. InControl will program the software for the City to create daily reports.
2. Once the proposal deemed acceptable, Mark Rohweder will update the compliance letter dated 3/28/2025 and include the proposal to DEQ.
3. The City and KLJ will locate the video(s) taken by the dive team on 5/23/25 when they shut the gate and share the video with DEQ. Based on the video, a recommended course of action will be determined, if necessary .
4. Procedure to create two monthly reports (daily recordings, one report for each tank):
 - a. Record peak flow based on the two existing flow meters. Split flow between the 2 tanks if both pumps are operating.
 - b. Record the lowest CL2 reading from each pair of pumps. Record CL2 readings during the peak hourly flow.
 - c. Record pH and Water Temperature with existing equipment in one tank and take grab samples from the other tank.
 - d. Record minimum volume with the 2 new level transducers.

Please let me know if I missed anything or misrepresented what was discussed.

Thank you,

Mark Rohweder, PE, PMP



406-652-1573 Direct

406-890-1193 Cell

2611 Gabel Road

Billings, MT 59102

kljeng.com [kljeng.com]

March 28, 2025

Josh Seekins
Surface Water Treatment Rule Manager
Public Water Supply Section – MTDEQ
PO Box 200901
Helena, MT 59620-0901

Re: Colstrip Response – Surface Water Treatment Rule: Significant Deficiency Determination Notification, Colstrip City of, PWSID: MT0000180

Dear Josh Seekins:

This letter addresses the Surface Water Treatment Rule: Significant Determination Notification, City of Colstrip, PWSID: MT0000180, from the Montana Department of Environmental Quality (DEQ). It aims to address the four items that DEQ identified in the Significant Deficiency Determination Notification and the corrective measures the City of Colstrip will take to address these concerns and meet the minimum disinfection requirements. A preliminary schedule for the corrective actions is provided for each action.

Item 1: Inadequate Disinfection Due to Design

During the most recent sanitary survey for the City of Colstrip system, it was discussed that the previous chlorine contact calculation included the full clear well volume in the calculations. The clear well has a wall dividing it, creating two equally sized basins that may not meet the contact time required for the system.

Corrective Action

As per a phone discussion between DEQ and KLJ Engineering regarding the corrective items, it was determined that taking the worst case of each month's operating data for a year and reviewing contact time for half the clear will suffice to address this item. The City of Colstrip has provided KLJ Engineering with operational data for the entire year of 2023. Utilizing this information, KLJ Engineering evaluated the system on a monthly basis to evaluate if chlorine contact time was being maintained for the system. A copy of these calculations is included in this letter, and it was determined that the City of Colstrip can maintain contact time in the system based on the data provided. As a result, the City of Colstrip deemed this item complete.

Schedule

No schedule is proposed, as calculations are attached as part of this letter for 2023.

Item 2: Chlorine Monitoring at Each Entry Point

The DEQ identified Item 2 as a concern with inadequate chlorine residual monitoring at each entry point to the distribution system. The clear well has four operational pumps that lead to the distribution system. One for each pressure zone is on either side of the clear well, and they pump equally out of both sides of the clear well when in operation.

Corrective Action

As per multiple discussions with DEQ regarding the clear well and configuration of the pumps, DEQ has required that a chlorine analyzer be installed on each pump to monitor residuals entering the distribution system. Both pressure zone pumps combine before leaving the treatment plant, but due to the low potential of different chlorine residuals being achieved on either side of the clear well, each pump needs to be monitored. The City of Colstrip already has one chlorine analyzer in place and one level transducer to read the water level of the left side of the c

lear well.

The City of Colstrip's corrective action will be to purchase three additional chlorine analyzers and install them on each pump's effluent line, utilizing the one already in the system for the fourth pump. A second-level transducer will be purchased and installed on the other side of the clear well so that the level on both sides of the clear well is monitored. The SCADA system will then be configured to generate four chlorine contact time reports and deactivation reports (one for each pump).

Schedule

InControl is the systems integrator and was involved in the most recent improvement projects for the City of Colstrip's SCADA system. They were contacted about this issue and attended an on-site meeting to discuss the proposed action plan on February 28th, 2025. They have provided the following schedule for completing the action plan on March 18th, 2025.

- 1 month lead time to purchase equipment upon go-ahead from the City
- 2 months of labor and programming of equipment
- Total Time = 3 months or 90 days

Assuming DEQ approves this corrective action by April 3rd, 2025, the anticipated corrections will be completed by July 31st, 2025. As the market is highly volatile right now, extra time was added to potential delays in securing equipment. The cost for the corrective item to the City is estimated at \$50,000, as provided over the phone in conversations with InControl.

Item 3: Chlorine Residual Monitoring

As per multiple discussions with DEQ regarding the clear well and configuration of the pumps, DEQ has required a chlorine analyzer installed on each pump to monitor each entry point into the system continuously. Both pressure zone pumps combine into a single effluent before leaving the treatment plant. Still, each pump needs to be monitored due to the low potential of different chlorine residuals being achieved on either side of the clear well. The City of Colstrip already has one chlorine analyzer in place and one level transducer to read the water level of the left side of the clear well.

To meet this, the City of Colstrip's corrective action will be to purchase three additional chlorine analyzers and install a chlorine analyzer on each pump's effluent line to read the chlorine residual for each effluent. In addition, the City will utilize the existing chlorine analyzer in the system for the fourth pump. A second-level transducer will be purchased and installed on the other side of the clear well so that the level on both sides of the clear well is monitored. The SCADA system will then be configured to generate four chlorine contact time reports and deactivation reports (one for each pump).

Schedule

InControl is the systems integrator and was involved in the most recent improvement projects for the City of Colstrip's SCADA system. They were contacted about this issue and attended an on-site meeting to discuss the proposed action plan on February 28th, 2025. They have provided the following schedule for completing the action plan on March 18th, 2025.

- 1 month lead time to purchase equipment upon go-ahead from the City
- 2 months of labor and programming of equipment
- Total Time = 3 months or 90 days

Assuming DEQ approves this corrective action by April 3rd, 2025, the anticipated corrections will be completed by July 31st, 2025. As the market is highly volatile right now, extra time was added to potential delays in securing equipment. The cost for this corrective item is included in item 2.

Item 4: Cross Connection Between Contact Basins

The DEQ identified item 4 as a deficiency in separating the two clear wells to prevent water from passing from one basin into the other. An open sluice gate allows water to pass between the two clear wells and hydraulically connects both sides of the clear well basin.

Corrective Action

The City will close the sluice gate between the two clear wells and seal off the passage between the two chambers to prevent water transfer between the basins. The City of Colstrip cannot shut down and drain the clear well for this operation, and the sluice gate is at the bottom of the clear well, so the City will have to contract with a company to send a diver into the clear well.

To complement these efforts, the City contracted with an Independent Inspection Service to conduct an R.O.V. inspection of the clear well on March 18th, 2025. The gate was inspected and found to be in good shape; however, it is currently unable to close and will need to be fixed.

The work will require a diver to enter the clear well during the plant's operation. Since the plant cannot shut down during work, it will need to be scheduled during low-flow periods.

Schedule

Due to the work only being able to be performed during low-flow seasons and the spring season quickly approaching, the best time to target this work would be in the fall or winter of 2025. Based on this, this corrective action is recommended for December 31st, 2025.

Please review the corrective actions, responses, and schedules submitted. If you have any questions or need additional information, please contact us.

Sincerely,

Pat Gub
Public Works
City of Colstrip



In Control, Inc.
5301 E River Rd, Suite 108
Fridley, MN 55421

PROPOSAL # QM25111801-02

To: City of Colstrip

Date: March 5, 2026

From: Jeff Iverson

Valid: 30 days

Page: 1 of 4

Attn: Pat Zent - Public Works Director
Mark Rohweder - KLJ Engineering

Re: Colstrip WTP Chlorine Monitoring - CL17sc

In Control, Inc. is pleased to provide our proposal for materials and services as part of the project referenced above.

This proposal is based upon the results of the November 18, 2025 meeting with Josh Seekins (MTDEQ), Pat Zent (city of Colstrip), Mark Rohweder & Jess Wagner (KLJ), Doug Whitney, and Steve Clayton & Jeff Iverson (In Control, Inc.). This proposal included furnishing (Qty 3) Hach CL17sc Free Chlorine Analyzers, (Qty 2) submersible transducers, and controls engineering labor (hardware design, control panel schematic updates, PLC & SCADA programming, and startup & commissioning. Installation of furnished hardware is the responsibility of city plumbing and electrical contractors.

Total.
\$ 129,152



Proposed Materials and Services

Item 1 - Clearwell & High Service Pump Chlorine Monitoring

In Control will furnish the following hardware for installation by city plumbing and electrical contractors.

- A. Hach Free Chlorine Analyzers
 - 1. (Qty 3) Model CL17sc Free Chlorine Analyzer
 - 2. (Qty 3) Standpipe Installation Kit
 - 3. (Qty 2) Model SC4500 Controller
 - 4. (Qty 3) Free Chlorine Reagent Set
 - 5. (Qty 1) Hach Field Service Startup (all three analyzers to be factory calibrated/started up at same time)
- B. Clearwell Level Transducers
 - 1. (Qty 2) Submersible Level Transducers
 - a. 0-15 PSIG
 - b. 65' Cable
 - 2. (Qty 2) Anchor Assemblies
 - a. 15#, 1/8" 316 SS 30' Cable
- C. Hardware Design Engineering, Control Panel Schematic Updates, PLC & SCADA Programming, Startup & Commissioning
- D. PLC & SCADA Programming will support the following for the reports for each clearwell:
 - 1. Record peak flow based on the two existing flow meters. Split flow between the 2 tanks if both pumps are operating.
 - 2. Record the lowest CL2 reading from each pair of pumps. Record CL2 readings during the peak hourly flow.
 - 3. Record pH and Water Temperature with existing equipment in one tank and take grab samples from the other tank.
 - 4. Record minimum volume with the 2 new level transducers.
- E. Coordination with City contractors – 8 hours, 1 round trip on-site

Proposal Summary

The price for all items above is \$ 56,838.00 USD net total excluding sales and use taxes (the "Net Total Pricing"). Freight is included to project location, FOB shipping point. Any taxes, where applicable, will be reimbursed and paid to In Control as they are incurred. Quoted pricing does not include any tariff estimates. If tariffs are implemented that affect the cost of the above quoted materials, the tariff cost will be communicated and reimbursement paid to In Control as they are incurred.

TERMS: 90% upon equipment shipment and 10% upon substantial completion.

EXCLUSIONS:

Our proposal does not include the following:

- o Bonding, Permits, Licenses, or Fees of any kind
- o Removal, demolition, or disposal of existing equipment
- o Field installation of equipment, enclosures, instrumentation, or other products furnished
- o Fasteners or mounts, wire, raceway, or fittings required for field installed products
- o Termination of any field wiring such as line power, control signals, instrumentation, etc.
- o Normal and customary items furnished or provided by a general or electrical contractor
- o Electrical Studies, Tests, or Inspections that are not detailed in this proposal
- o Network Media or Testing that are not defined in the scope of work detailed in this proposal
- o Any equipment or services that are not defined in the scope of work detailed in this proposal
- o Shipping costs to locations other than the primary project site

Thank you in advance for the consideration of our offer and for the opportunity to work together. Should you have any questions regarding this proposal, please contact me directly at your convenience. I look forward to hearing from you soon to secure and coordinate this project. This proposal is valid for thirty (30) days.

Best Regards,

Jeff Iverson

Sr Technical Sales Engineer

Mobile: 612.802.8875

Office: 763.783.9500 x3001

E-Mail: jeff.iverson@incontrol.net

ACCEPTANCE: To accept this proposal please return a signed copy with purchase order. Thank you!

Signature: Pat Zent

Purchase Order: _____

Print Name: Pat Zent

Date: 3-11-16

Title: Public Works Director

Proposal Number: **QM25111801-02**

Standard Terms and Conditions of Sale

- 1. ENTIRE AGREEMENT** – These Standard Terms and Conditions of Sale (“Terms”) govern the goods and attendant services (“Work”) that In Control, Inc. (“In Control”) will provide to Purchaser pursuant to In Control’s Proposal attached hereto (“Proposal”). The Proposal, along with these Terms, constitute the sole and entire agreement between the parties with respect to the Work (the “Order”). This Order supersedes all prior understandings, discussions, representations, and warranties, both written and oral, regarding the Work. If Purchaser’s internal systems require it to issue a separate purchase order to accept this Order, then any additional or conflicting terms in Purchaser’s purchaser order are expressly rejected and will not in any way amend, alter, change, or negate these Terms. No change or modification to this Order is effective unless in writing and signed by each party.
- 2. TERMINATION** – Either party may terminate this Order for cause if the other party (i) materially breaches this Order; (ii) becomes insolvent or admits its inability to pay its bills as they become due; or (iii) files for or is forced into a bankruptcy, receivership, or liquidation. The party seeking to terminate this Order for cause will give the other party fourteen (14) days’ written notice and the other party will have 14 days to cure the stated default(s). If Purchaser desires to terminate this Order for its own convenience before final completion of the Work, Purchaser may do so, provided that Purchaser pays In Control (i) for all Work provided at In Control’s published rates before the termination date, (ii) all reimbursable expenses incurred before the termination date, (iii) for all equipment ordered before the termination date, and (iv) an early termination fee equal to ten percent (10%) of the remaining Work to be performed as of the termination date.
- 3. ATTORNEYS’ FEES** - If either party files a lawsuit to enforce this Order, the prevailing party in such lawsuit will be entitled to recover from the other party its reasonable attorneys’ fees, costs, and expenses incurred in connection with such lawsuit, as well as any appeal or enforcement of any judgment arising from the lawsuit.
- 4. INDEMNIFICATION / INSURANCE** - Purchaser will defend, indemnify, and hold harmless In Control from and against all claims, actions, proceedings, costs, expenses, losses and liability, including all reasonable attorneys’ fees, costs and expenses, arising out of or relating to goods or services not provided by In Control pursuant to this Order. These obligations include, but are not limited to, all product liability, personal injury, death, or property damage claims. These obligations will survive the termination or completion of the Work. Each party is responsible for obtaining and maintaining appropriate insurance coverages and endorsements necessary to ensure the provisions of this paragraph and other insurable obligations under this Agreement while the Work is being performed and for a reasonable time thereafter.
- 5. WAIVER OF CONSEQUENTIAL DAMAGES / LIMITATION OF LIABILITY** - In no event will In Control be liable in contract, tort, strict liability, warranty or otherwise, for any special, incidental or consequential damages, such as delay, disruption, loss of product, loss of anticipated profits or revenue, loss of use of the equipment or system, non-operation or increased expense of operation of other equipment or systems, cost of capital, or cost of purchase or replacement equipment systems or power incurred by Purchaser as a result of In Control’s Work. Unless otherwise agreed to in writing between the Purchaser and In Control, In Control will not accept liquidated damages. Furthermore, in no event will In Control’s total liability arising out of this Order exceed two (2) times the amount of the Net Total Pricing.
- 6. FORCE MAJEURE** – The parties agree that In Control will not be responsible or liable for any failure or delay in the performance of the Work arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, supply chain disruptions, accidents, acts of war or terrorism, civil or military disturbances, health crises, nuclear or natural catastrophes, acts of nature, and interruptions of utilities, communications or computer services, or other incidents shown to be outside of In Control’s control (each a “Force Majeure Event”). In Control agrees, however, to use all commercially reasonable efforts to mitigate a Force Majeure Event and resume performance of the Work as soon as practicable under the circumstances.
- 7. WARRANTY** – Unless other or more specific warranties are expressly set forth in the Proposal, In Control warrants that the Work will be of good quality, free from defects in material and workmanship, will conform to the specifications and drawings, and be suitable for their intended purpose. This standard warranty will be in force for eighteen (18) months after shipment or twelve (12) months from startup, whichever is shorter. Any remaining allotments for Purchaser or end owner/engineer-initiated changes and call-back expire with the warranty period and are not refundable. In Control reserves the right to terminate any warranty should Purchaser’s account be in arrears for more than thirty-one (31) days. Purchaser agrees that In Control’s warranties do not apply to any damages, delays, or interruptions caused by: (i) reasonable wear and tear; (ii) pre-existing conditions at site; (iii) accidental damage caused by Purchaser; (vi) intentional damage, misuse, or abuse caused by Purchaser or a third-party; or (v) any Force Majeure Event.
- 8. ESCALATION** – This Order is conditioned upon the ability of In Control to complete the Work at present prices for material and at the existing scale of wages for labor. If In Control is, at any time while the Work is being performed, unable to complete the Work at the present prices and wages, then the Net Total Pricing will be equitably adjusted by change order to compensate In Control for significant price increases. A significant price increase is defined as a change of ten percent (10%) or more for a Work item between the date of the Proposal and the date the applicable Work is performed.
- 9. PAYMENT TERMS** - The payment terms are net thirty (30) days upon invoice receipt. Any balance remaining over thirty-one (31) days beyond the invoice date will be subject to a 2.0% monthly service fee until paid. Should a payment default occur In Control reserves the right to stop all Work, including but not limited to startup of equipment, and terminate any existing warranty. All reasonable attempts will be made between both parties to resolve the disputed portions of any invoice within the payment terms. The entire Net Total Price will be invoiced in full upon shipment, unless specific terms are described in the Proposal. No retainage is allowed.
- 10. NONWAIVER** - The failure by In Control to enforce at any time, or for any period of time, any of the provisions hereof will not be a waiver of such provisions nor the right of In Control thereafter to enforce each and every such provision.
- 11. REMEDIES** - Remedies herein reserved to In Control will be cumulative and in addition to any other or further remedies provided in law or equity.
- 12. RELATIONSHIP OF PARTIES** – The relationship between the Parties is that of independent contractors. Nothing contained in this Order shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the Parties, and neither Party shall have authority to contract for or bind the other Party in any manner whatsoever.



Colstrip Electric Inc.	647 S 18 th Street W	3273 Highway 58	4105 S. Broadway
6131 Homestead Blvd	Billings, MT 59102	Fairview, ND 59221	Minot, ND 58701
PO Box 1934	TEL: (406) 656-4365	TEL: (701) 609-9008	TEL: (701) 500-1007
Colstrip, MT 59323	FAX: (406) 656-4534	FAX: (406) 748-3135	FAX: (406) 748-3135
TEL: (406) 748-4048	cei@ceionline.com		
FAX: (406) 748-3135	www.ceionline.com		

February 19, 2026

In Control, Inc.

RE: Colstrip Water System

Attn: Jeff Iverson, Steve Clayton

CEI would like to submit the following proposal for installing additional chlorine analyzers in the Colstrip water treatment system.

Quote: \$72,314

Notes:

- 1) Electrical permit included.
- 2) Bond is *not* included; add 1.5% to be included.
- 3) GRT included.
- 4) Weekend and holiday work is not included.
- 5) Proposal assumes available I/O Points in RIO cabinet above sink.
- 6) Includes relocating pressure transducers.
- 7) 1/2 inch hubs will be welded and tapped into pipe for sample tubes.
- 8) Poly tube to be installed.
- 9) Will only require 2 controllers.

If you have any further questions, please call me at 406-748-4048.

Respectfully,

Pat Spaulding

Estimator

Exhibit C

CITY OF COLSTRIP
STATEMENT OF NET POSITION
June 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and equivalents	\$ 15,041,702	\$ 926,182	\$ 15,967,884
Investments	1,601,554	137,942	1,739,496
Receivables:			
Taxes and assessments	16,507	23,675	40,182
Governments	764,373	900,755	1,665,128
Utility	-	142,529	142,529
Other	21,913	-	21,913
Restricted assets:			
Cash and equivalents	-	369,484	369,484
Capital assets:			
Land and construction in progress	1,370,411	210,762	1,581,173
Capital assets, net of accumulated depreciation	11,220,566	12,267,873	23,488,439
Total assets	<u>30,037,026</u>	<u>14,979,202</u>	<u>45,016,228</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension plans	<u>203,024</u>	<u>52,622</u>	<u>255,646</u>
LIABILITIES			
Accounts payable-vendors	82,183	62,085	144,268
Long-term liabilities:			
Due within one year:			
Bonds and leases payable	30,889	47,000	77,889
Compensated absences	192,945	27,430	220,375
Due in more than one year:			
Bonds and leases payable	295,308	603,000	898,308
Compensated absences	55,175	3,173	58,348
Total other postemployment benefits	161,191	62,688	223,879
Net pension liability	1,564,305	405,457	1,969,762
Total liabilities	<u>2,381,996</u>	<u>1,210,833</u>	<u>3,592,829</u>
DEFERRED INFLOWS OF RESOURCES			
Pension plans	<u>62,143</u>	<u>16,107</u>	<u>78,250</u>
NET POSITION			
Net investment in capital assets	12,264,780	11,828,635	24,093,415
Restricted for:			
General government	850	-	850
Public safety	53,736	-	53,736
Public works	1,000,550	-	1,000,550
Capital projects	6,132,226	-	6,132,226
Debt service-reserve	-	57,203	57,203
Unrestricted	8,343,769	1,919,046	10,262,815
Total net position	<u>\$ 27,795,911</u>	<u>\$ 13,804,884</u>	<u>\$ 41,600,795</u>

CITY OF COLSTRIP
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:							
General government	\$ 795,855	\$ 17,395	\$ 33,443	\$ -	\$ (745,017)	\$ -	\$ (745,017)
Public safety	1,992,538	10,080	50,305	375,000	(1,557,153)	-	(1,557,153)
Public works	2,127,519	235,386	302,329	639,068	(950,736)	-	(950,736)
Public health	5,497	495	28	-	(4,974)	-	(4,974)
Culture and recreation	131,135	2,500	21	-	(128,614)	-	(128,614)
Housing and community development	6,061	-	38	725,215	719,192	-	719,192
Other current charges	94,099	-	-	-	(94,099)	-	(94,099)
Interest on long-term debt	17,381	-	-	-	(17,381)	-	(17,381)
Total governmental activities	5,170,085	265,856	386,164	1,739,283	(2,778,782)	-	(2,778,782)
Business-type activities:							
Water	1,026,312	971,710	2,914	629,698	-	578,010	578,010
Sewer	710,105	565,033	1,643	-	-	(143,429)	(143,429)
Other enterprise fund	220,517	212,233	1,094	-	-	(7,190)	(7,190)
Total business-type activities	1,956,934	1,748,976	5,651	629,698	-	427,391	427,391
Total	\$ 7,127,019	\$ 2,014,832	\$ 391,815	\$ 2,368,981	(2,778,782)	427,391	(2,351,391)
General revenues:							
Property taxes					4,712,411	-	4,712,411
Licenses and permits					90	-	90
Intergovernmental					1,061,230	-	1,061,230
Unrestricted investment earnings					599,235	49,984	649,219
Miscellaneous					29,676	57,773	87,449
Transfers					(622,145)	622,145	-
Total general revenues and transfers					5,780,497	729,902	6,510,399
Change in net position					3,001,715	1,157,293	4,159,008
Net position - beginning					24,788,901	12,740,409	37,529,310
Prior period adjustments					5,295	(92,818)	(87,523)
Net position - ending					\$ 27,795,911	\$ 13,804,884	\$ 41,600,795

CITY OF COLSTRIP
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2025

	Enterprise Funds			Total
	Water	Sewer	Other Enterprise Fund	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ -	\$ 654,406	\$ 271,776	\$ 926,182
Investments	53,812	61,429	22,701	137,942
Receivables:				
Taxes and assessments	508	425	22,742	23,675
Utility	86,522	55,068	939	142,529
Governments	900,755	-	-	900,755
Total current assets	<u>1,041,597</u>	<u>771,328</u>	<u>318,158</u>	<u>2,131,083</u>
Non-current assets:				
Restricted assets:				
Cash and cash equivalents	297,758	71,726	-	369,484
Capital assets:				
Land and construction-in-progress	124,234	86,528	-	210,762
Buildings and systems	12,863,861	8,437,073	-	21,300,934
Machinery and equipment	183,403	738,572	1,063,604	1,985,579
Less accumulated depreciation	<u>(6,244,296)</u>	<u>(4,117,385)</u>	<u>(656,959)</u>	<u>(11,018,640)</u>
Capital assets, net	<u>6,927,202</u>	<u>5,144,788</u>	<u>406,645</u>	<u>12,478,635</u>
Total non-current assets	<u>7,224,960</u>	<u>5,216,514</u>	<u>406,645</u>	<u>12,848,119</u>
Total assets	<u>8,266,557</u>	<u>5,987,842</u>	<u>724,803</u>	<u>14,979,202</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension plans	27,136	15,299	10,187	52,622
LIABILITIES				
Current liabilities:				
Accounts payable-vendors	62,050	35	-	62,085
Compensated absences	9,603	3,461	14,366	27,430
Bonds payable	-	47,000	-	47,000
Total current liabilities	<u>71,653</u>	<u>50,496</u>	<u>14,366</u>	<u>136,515</u>
Non-current liabilities:				
Compensated absences	1,111	400	1,662	3,173
Total other postemployment benefits	30,940	18,024	13,724	62,688
Bonds payable	-	603,000	-	603,000
Net pension liability	<u>209,086</u>	<u>117,883</u>	<u>78,488</u>	<u>405,457</u>
Total non-current liabilities	<u>241,137</u>	<u>739,307</u>	<u>93,874</u>	<u>1,074,318</u>
Total liabilities	<u>312,790</u>	<u>789,803</u>	<u>108,240</u>	<u>1,210,833</u>
DEFERRED INFLOWS OF RESOURCES				
Pension plans	8,306	4,683	3,118	16,107
NET POSITION				
Net investment in capital assets	6,927,202	4,494,788	406,645	11,828,635
Restricted for debt service-reserve	-	57,203	-	57,203
Unrestricted	<u>1,045,395</u>	<u>656,664</u>	<u>216,987</u>	<u>1,919,046</u>
Total net position	<u>\$ 7,972,597</u>	<u>\$ 5,208,655</u>	<u>\$ 623,632</u>	<u>\$ 13,804,884</u>

See notes to basic financial statements.

CITY OF COLSTRIP
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2025

	Enterprise Funds			Total
	Water	Sewer	Other Enterprise Fund	
REVENUES				
Charges for services	\$ 971,710	\$ 565,033	\$ 95	\$ 1,536,838
Assessments	-	-	212,138	212,138
Total operating revenues	971,710	565,033	212,233	1,748,976
OPERATING EXPENSES				
Personal services	308,082	195,839	125,839	629,760
Supplies	86,381	14,372	33,076	133,829
Purchased services	207,772	157,235	10,211	375,218
Fixed charges	169,356	12,852	7,731	189,939
Miscellaneous	355	-	-	355
Depreciation	252,744	312,695	43,660	609,099
Total operating expenses	1,024,690	692,993	220,517	1,938,200
Operating loss	(52,980)	(127,960)	(8,284)	(189,224)
NON-OPERATING REVENUES (EXPENSES)				
Interest revenue	12,404	27,892	9,688	49,984
Intergovernmental	2,914	1,643	1,094	5,651
Miscellaneous revenue	55,075	1,759	939	57,773
Loss on disposal of capital assets	(1,622)	-	-	(1,622)
Interest expense	-	(17,112)	-	(17,112)
Total non-operating revenues (expenses)	68,771	14,182	11,721	94,674
Income (loss) before capital contributions and transfers	15,791	(113,778)	3,437	(94,550)
Capital contributions	629,698	-	-	629,698
Transfers in	580,171	41,974	-	622,145
Change in net position	1,225,660	(71,804)	3,437	1,157,293
Net position - beginning	6,847,146	5,273,068	620,195	12,740,409
Prior period adjustments	(100,209)	7,391	-	(92,818)
Net position - ending	\$ 7,972,597	\$ 5,208,655	\$ 623,632	\$ 13,804,884

Applicant 1039-City of Miles City

The applicant is requesting \$150,000 of a total project cost of \$250,500 in Coal Board funds for the purchase of a Mini Pumper. The request to the Board is 60% of the total project cost. The applicant is a designated unit.

Coal Board Grant Applicant #1039 City of Miles City Staff Report/June 2026 Meeting

Applicant: City of Miles City

Project: The Purchase of a Mini Pumper

Coal Board Funds Requested: \$150,000

Total Project Cost: \$250,500

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 by providing quicker response times to fire calls as well as keeping a low Insurance Services Office score, which impacts the community rates for insurance.
- The following citation authorizes the applicant to make expenditures to provide for the proposed governmental service or facility:
 - Fire Control: 7-6-2527(16), as is required by 8.101.302, ARM

B. Application Items:

- The Coal Board Application form is complete.
- PER/PAR is not required for equipment purchase.

C. The applicant is a designated unit according to 90-6-207, MCA.

D. Location of applicant:

- The applicant lists Western Energy Coal Mine, the Colstrip Power Plant, and Rosebud Power Plant all within the City of Colstrip as the nearest coal development. Miles City is about 80 miles from Colstrip.
- The City of Miles City is the county seat for Custer County.

E. Grant funding history:

- The applicant has been awarded \$639,953 in Coal Board funds for 6 grants since 2015, based on historical information available in the Commerce projects database.
 - Two Construction Projects
 - Four Equipment Purchase
 - One Planning Document
 - a. The Planning Document was also a part of the same grant for equipment purchase.

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).

- A serious deficiency does exist. The City of Miles City was recently awarded funding of \$50,000 to use for a fire engine that is used but in good condition. The other fire engine is a 1989 model and is starting to have functionality issues to the point where the Fire Department must leave the engine when answering other emergency calls and must return to the department if a fire call comes in. This can lead to Insurance Service Office scores increasing which in turn increases insurance rates that the residents must pay.

- The applicant states that while serious public health and safety issues have not yet occurred, that they are highly likely to occur without the addition of pumping volume and a reliable vehicle.
- Since fire protection is provided to the City of Miles City, all residents are affected.
- There is no federal or state health or safety standard being violated but, the applicant notes that the city does have a responsibility to provide adequate fire protection for its residents.

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).

- Since the Colstrip Power Plant is located near the City of Miles City, the city and Custer County were negatively impacted when two of the power units were shut down. Subsequently, there has been a decrease in overhaul workers for the plant that would frequently stay in Miles City and would be bused to Colstrip daily for work. Less jobs and less people mean less money being spent in that community.
- More recently, Miles City has been made a temporary headquarter for construction of the transmission lines in the North Plains Connector Project that will connect the Eastern and Western US power grids. Although the transmission lines are an asset and will increase tax value for Custer County, Miles City will not receive the benefit of the increased taxable value but still must provide additional public services such as fire and ambulance protection.

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 currently \$554,904. The total requested grants for this meeting are \$250,000.

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 current millage rate from the application is \$238.02, listed for 2025-2026, which is higher than the average rates from the previous three years. The average from the past three years is \$193.66 (2024-2025: \$193.78, 2023-2024: \$186.37, 2022-2023: \$200.84). All information collected from the application.
- The City of Miles City has committed \$100,500, which is 40% of the total project cost.
- The application does not list any other funding sources.
- Based on the most recent audit submitted (2025), Commerce staff identified several concerns related to financial management. However, the report shows a corrective action plan to resolve them.

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 mini pumper addresses an unexpected loss of pumping capacity and restores essential fire protection. This equipment is necessary to maintain public safety, reduce dependence on outside departments, and support Miles City’s role as a regional service hub. The project is therefore a high priority consistent with orderly community management during coal-related decline.
- The project aligns with the City of Miles City’s Capital Improvement Plan, which identifies emergency services, the fire department facility, and associated equipment as priority infrastructure needs.
- No mention of grant funding sources for planning documents, city commits the funds to complete the project in the funding summary.

III. Staff Summary

Commerce staff recommend funding because the application materials are complete and meet the required statutory criteria.

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

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: Chris Grenz

Title: Mayor, City of Miles City

Signature: 

Date: 4/15/1

SUMMARY INFORMATION

1. NAME OF APPLICANT(S):

City of Miles City

2. AMOUNT OF COAL IMPACT GRANT REQUESTED \$ 150,000.00

TOTAL PROJECT COST: \$250,000.00

3. NAME OF PROJECT:

Purchase of Mini Pumper

4. TYPE OF PROJECT:

Equipment Purchase

5. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE:

Chris Grenz, Mayor City of
Miles City 17 S. 8th St
Miles City, MT 59301 PH: 406-
234-3462
mayor@milescity-mt.org

6. PRIMARY ENTITY CONTACT PERSON:

Eddy Kanduch
City of Miles City
17 S. 8th St.
Miles City, MT 59301
PH 406-234-3462
ekanduch@milescity-mt.org

7. OTHER CONTACT PERSONS:

Sarah Kisman, Grant Administrator
SEMDC
PO Box 1935
Colstrip, MT 59323
PH 406-346-2251
skisman@semdc.org

8. MILLAGE RATES:

2025 – 2026	Total Mills Levied=238.02	Mill Value = \$ 9249.26
2024 – 2025	Total Mills Levied=193.78	Mill Value = \$ 10,893.013
2023 – 2024	Total Mills Levied=186.37	Mill Value = \$ 11,001.005
2022 – 2023	Total Mills Levied=200.84	Mill Value = \$9826.28
2021 – 2022	Total Mills Levied=197.02	Mill Value = \$9743.118

9. AMOUNT OF COAL GROSS PROCEEDSTAX:
\$0

10. MAPS:

See attached Exhibit A

11. BRIEF PROJECT SUMMARY:

Purchase a Mini Pumper unit for the Miles City Fire Department

12. PROJECT BUDGET AND IMPLEMENTATION SCHEDULE:

See next page for budget information.

A. Project Budget Form:

<u>PROJECT BUDGET</u>					
ADMINISTRATIVE COSTS	SOURCE: City of Miles City	SOURCE: Coal Board	SOURCE:	SOURCE:	TOTAL:
Grant Administration	* \$500	\$	\$	\$	\$500
Office Costs	\$	\$	\$	\$	\$
Professional Services	\$	\$	\$	\$	\$
Legal Costs	\$	\$	\$	\$	\$
Travel & Training	\$	\$	\$	\$	\$
TOTAL ADMINISTRATIVE COSTS	\$500	\$	\$	\$	\$500
ACTIVITY COSTS:					
Equipment Purchase	\$100,000	\$150,000	\$	\$	\$250,000
Construction Cost	\$	\$	\$	\$	\$
Architectural/Engineering Design	\$	\$	\$	\$	\$
Product Completion (PER's, studies, etc.)	\$	\$	\$	\$	\$
Contingency	\$	\$	\$	\$	\$
TOTAL ACTIVITY COSTS	\$100,000	\$150,000	\$	\$	\$250,000
TOTAL PROJECT COSTS	\$100,500	\$150,000	\$	\$	\$250,500

B. Project Budget Narrative:

The budget costs are based on the following information:

Administration Cost – SEMDC charges members a \$500 fee for administration services for a Coal Board grant. This includes assistance with preparation for a coal board presentation, grant application, completion of paperwork for the grant, administration of the grant, and closeout. These fees are not due until a Coal Board grant is secured.

Equipment Cost – **attached as Exhibit B** is a detailed estimate outlining the projected cost for this project.

C. Implementation Schedule:

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

IMPLEMENTATION SCHEDULE

TASK	QUARTERS 2026				QUARTERS 2027				QUARTERS 2028			
	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th
<u>PROJECT START-UP</u>												
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 reimbursements submitted)			X	X								
<u>PROJECT IMPLEMENTATION</u>												
A. Solicitation For Bids			X									
B. Conduct pre-construction conference												
C. Purchase of Equipment				X								
D. Monitor Progress				X								
E. Final Inspection				X								
<u>PROJECT CLOSE-OUT</u>												
A. Submit project completion report.				X								

13. DESCRIPTION OF RELATIONSHIP TO COAL BOARD STATUTORY GRANT CRITERIA

The Coal Board bases awards on the following four statutory criteria (90-6-206, MCA). In addition, State law (90-6-207(5), MCA) 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.

Yes. The City of Miles City applied for some funding recently and received \$50,000 toward the purchase of a used but good condition fire engine. Currently the other fire engine is a 1989 model year unit and it is starting to have issues with functioning properly. The City is having to leave the Engine at the fire department when answering other emergency calls and if a fire call comes in when they are out on other calls, they have to return to the department to get the Engine to respond. The purchase of a used Mini Pumper would keep the ISO (Insurance Services Office) score down so insurance rates for the community are not having to be increased. It is also a much more affordable alternative than purchasing another Engine. A new Fire Engine can have a cost of \$1 million.

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.

While serious public health or safety problems have not yet occurred, they are highly likely to occur without the addition of pumping volume and a reliable vehicle.

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

There is not a federal or state health or safety standard being violated yet. The City of Miles City like all cities does have a responsibility to provide for adequate fire protection.

4. 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.

Western Energy Coal Mine, Colstrip, MT

Power Plant, Colstrip, MT

Rosebud Power Plant, Colstrip, MT

Total of approximately 600 employees at the above – six employees reside in the 59301-zip code which is Miles City.

Miles City is just 80 miles from Colstrip which takes a little over an hour to drive.

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 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.

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. Miles City and Custer County are affected adversely. Because two of the units were shut down, there are less people who come to Miles City during overhaul of the plants which was scheduled annually as overhaul workers frequently stay in Miles City and are bussed to Colstrip for work daily. Additionally, there has been an overall decrease in employment in Rosebud County and this impacts Miles City adversely as it is a retail and professional hub for southeastern Montana. Less jobs and less people mean less money being spent in that community.

Recently, Miles City was impacted by the coal industry and pressures upon it with the construction of a wind farm in northern Custer County. Turbines have already been constructed in Garfield, Rosebud, and Custer County. Miles City was the headquarters for construction personnel, supervisors, etc. This placed an increased demand on goods, services, and public services such as fire protection. While there may be some increase in taxable value, the City of Miles City is not the recipient of those taxes. Custer County will receive the tax increase while the demand for services is placed on the City of Miles City.

Most recently, Miles City is uniquely affected by the coal industry in that transmission lines known as the North Plains Connector are planned to be constructed to take power generated from coal and other sources away from the units at Colstrip east to North Dakota. This project will connect the US Eastern and Western electric grids. Miles City will be a temporary headquarters for construction of the transmission lines. This will bring people in for construction and will place demand for goods, services, and public services provided by the City of Miles City. The transmission lines are an asset and will increase tax value for Custer County. However, Miles City will not receive the benefit of the increase taxable value and yet is taxed with the burden of providing public services such as fire and ambulance protection.

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 people and households affected by the problem and that would be served by the project.

Because fire protection is provided to the City of Miles City, all residents are affected.

C. Availability of Funds

1. Amount requested from the Coal Board: \$150,000
2. Explain why a coal impact grant is necessary to make the project feasible and affordable.

Miles City has a stable but limited amount of tax revenue. Miles City Fire and Rescue has recently faced some extreme financial challenges. The primary detriment to the department’s budget has been the loss of the building that houses them. During a windstorm on July 10, 2017, the structure was compromised due to a microburst that impacted the structure and specifically the roof. Subsequent inspections, performed by multiple inspectors and structural engineers, caused the building to be considered unsafe to house the fire department employees and equipment. The community did pass a levy to construct a new department. The department has had limited ability to fund, equipment needs and sustains multiple failures, and challenges with attracting and retaining employees. The City of Miles City has faced its’ own challenges with financial needs and was unable to operate any non-essential activities such as the Oasis which is a recreational swimming facility. The limited financial ability also forced the city to cut staffing to the fire department and police department. There is a limited availability of funds without grant assistance.

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

<u>FUNDING SOURCES SUMMARY</u>				
Source	Type of Fund	Amount	Status of Commitment	Loan Rates & Terms
City of Miles City	Cash on Hand	\$100,000	Firm	N/A
Coal Board	Grant	\$150,000	Pending	N/A

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

The applicant will be unable to proceed without Coal Board funding or alternative grant funding.

D. Degree of Local Effort in Meeting Needs

1. Provide the current fiscal year's millage rates and those for the three 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.

The average of the three most previous years of mills levied is 193.66 and the current year mills are 238.02 so the current millage rate is NOT lower than the average of the three most previous years. Additionally, City of Miles City levies at the maximum amount allowed by Montana law.

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 fund-raising efforts.

The City of Miles City will be providing funding they have set aside in the amount of \$100,000.

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

Because of the situation the department has faced with the building construction need and replacing the fire engine and other equipment, reserves have been hard to save. The fire department has maintained the equipment to the best of their ability within allowable budgets.

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 ensure that the problem will not reoccur.

N/A

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

CURRENT DEBT SUMMARY FOR CITY OF MILES CITY								
Year Issued	Purpose	Type of Bond/ Security	Amount	Maturity Date (mo./yr.)	Debt Holder	Coverage Required	Annual Payment Amount	Outstanding Balance
10/15/21	Police Bldg			08/15/36	InterCap		\$50,155.00	\$389,844.22
12/05/12	Sew. Lift St			07/01/32	DNRC		\$101,405.00	\$634,000.00
09/21/16	WWTP 2			07/01/36	DNRC		\$394,675.00	\$3,782,000.00
12/10/09	NE Water 2			07/01/29	ARRA Loan B		\$18,513.75	\$73,000.00
03/12/08	NE Water			01/01/38	DNRC		\$25,246.25	\$268,000.00
01/29/14	NE Water			07/01/38	DNRC		\$116,520.00	\$1,204,000.00
03/12/08	Carbon Hill Tank			01/01/38	DNRC		\$25,246.25	\$268,000.00
01/29/14	Carbon Hill Tank			07/01/38	DNRC		\$113,545.00	\$1,171,000.00
09/29/23	Airport Hangar 10 Loan			08/15/26	InterCap		\$120,291	\$223,783.40
08/01/21	Airport MDT Loan			08/01/26	MDT		\$14,720.00	\$15,490.47
09/18/15	SID 211			08/15/30	InterCap		\$5,205.77	\$23,121.42
04/16/18	Fire Trning Center			04/15/44	MOFI		\$13,955.52	\$200,599.11
03/01/20	Airport Hanger			03/01/31	MDT		\$1,678.13	\$7,500.00
02/16/22	Fire Ladder Truck			02/15/29	InterCap		\$59,131.29	\$202,961.86

7. What are your current assets?

See Attached Exhibit C

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 2024

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

Any audit findings have been satisfactorily addressed. WE CURRENTLY HAVE AN ACTION PLAN IN PLACE WITH THE DEPARTMENT OF ADMINISTRATION REGARDING THE AUDIT FINDINGS.

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.

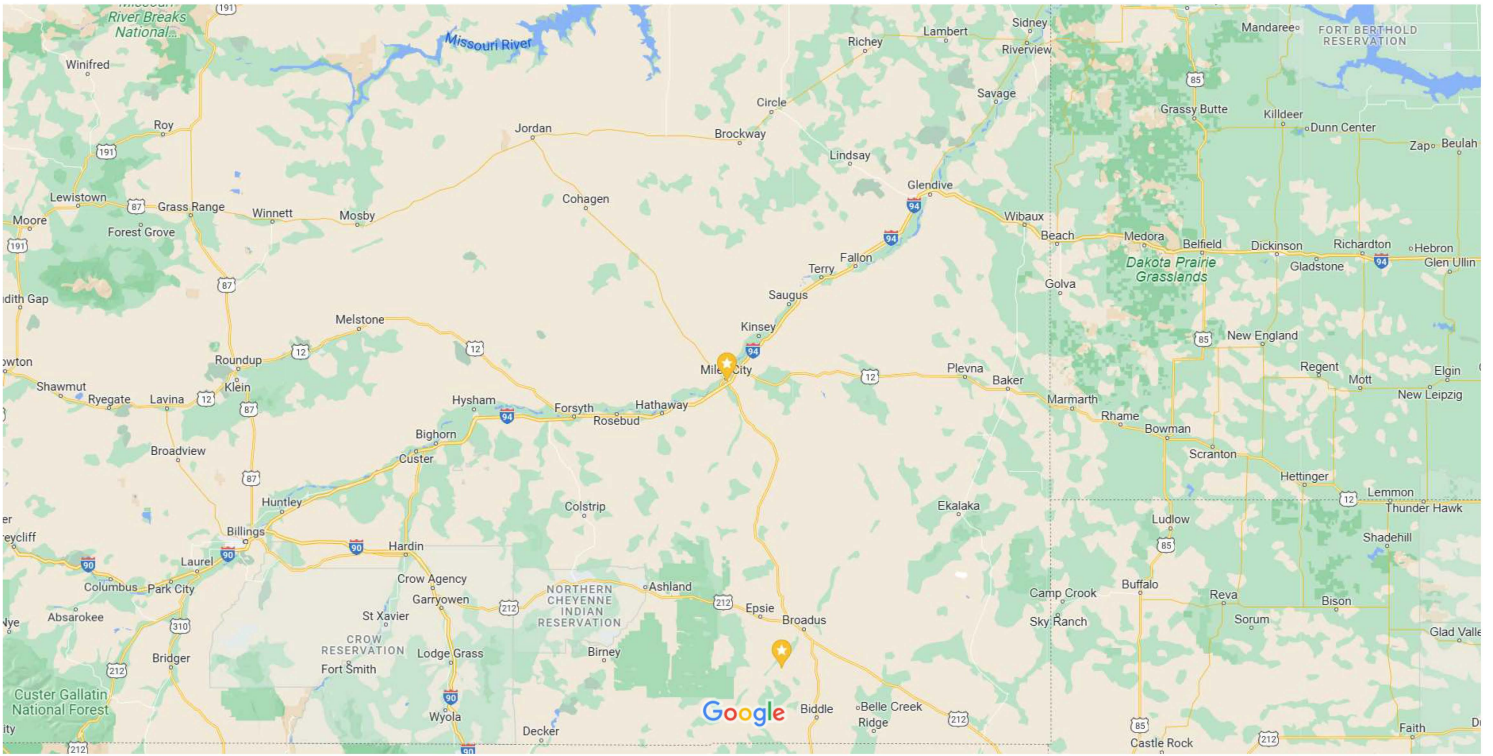
1. Describe how your grant request reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems related to coal impacts.

The mini pumper is a cost-effective solution to adding necessary pumping volume. The Fire Engine need much like the fire department building were both unanticipated emergency situations that had to be addressed immediately. Not having adequate equipment in place to provide fire protection is a safety hazard and dependence on another department to continue to provide that protection is not sustainable in the future. Therefore, this project has a high priority within the community. And this community continues to supply services and goods as a retail and service hub within eastern Montana. It provides for lodging, medical, retail, and many other services utilized by Colstrip residents and employees of the coal entities in Colstrip.

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 City of Miles City has prepared a Capital Improvement Plan and providing for emergency services is addressed in that plan. The fire department building and associated equipment are addressed in that plan.

Exhibit A



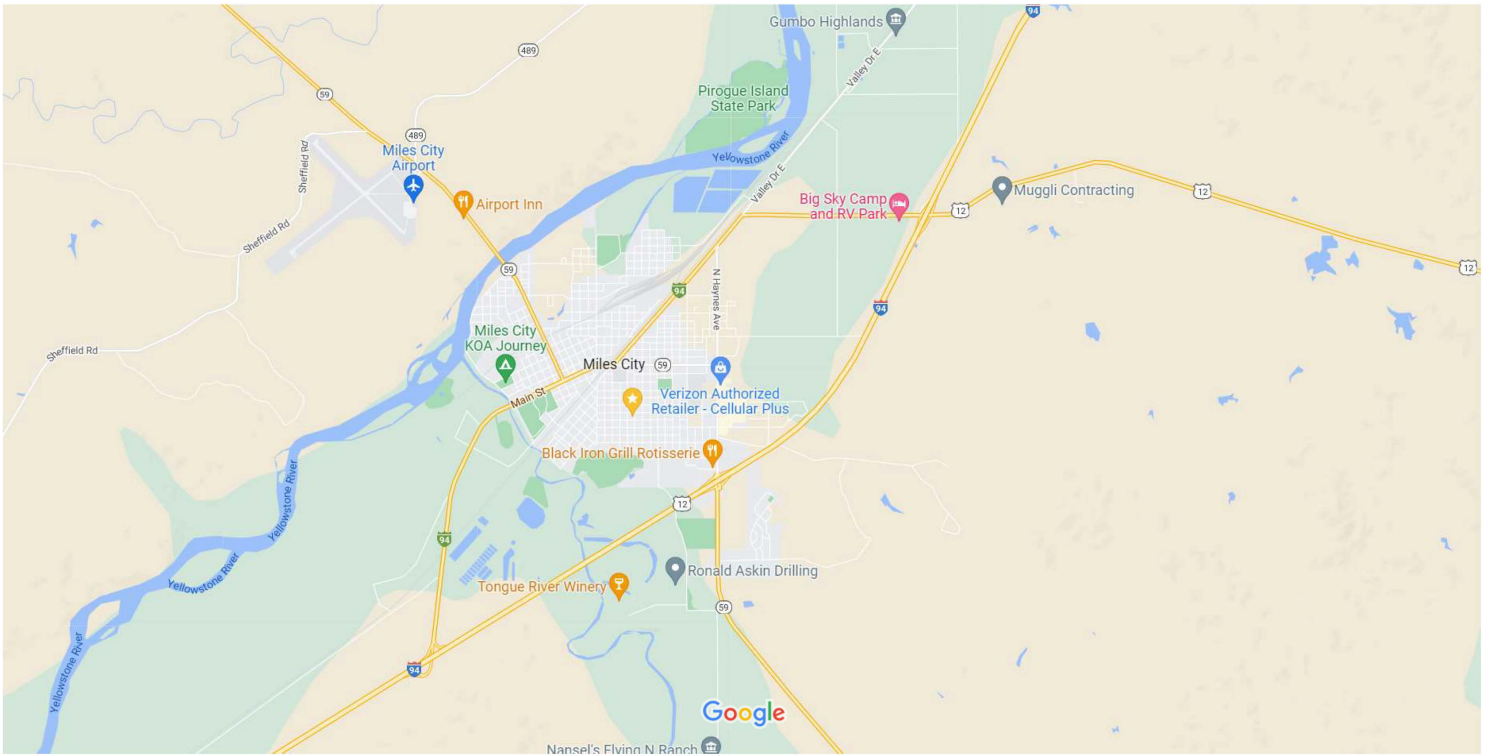
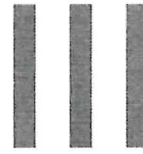


Exhibit B



Contact Us

Office : 256.776.7786

Email : sales@firetruckmall.com

Website: www.firetruckmall.com

15410 US Highway 231,

Union Grove, AL 35175

Stock #: 20495

Price: Call For Custom Quote

\$299,000

2020 E-One Ford 4x4 Commercial Mini Pumper

- 2020 E-One Ford 4x4 Commercial Mini Pumper
- Ford 6.7L 330 HP Diesel Engine
- 300 Gallon Polypropylene Tank
- Officer's Side Discharge: (2) 2.5"
- Crosslays/Speedlays: Crosslays:(2) 1.5"
- Backup Camera
- Length: 25'
- Wheelbase: 193"
- F-550 Super Duty 4x4 Ford Chassis
- Ford TorqShift Automatic Transmission
- Driver's Side Discharges: (1) 2.5"
- Officer's Side Suction: (1) 2.5"
- Air Conditioning
- Mileage: 31,813
- Height: Truck Height: 9' 6"
- Seating for 4; 2 SCBA seats
- Hale DSD125-19L 1250 GPM Side-Mount 1-Stage Pump
- Driver's Side Suction: (1) 6"
-
- Pump Heat Pan
- Additional equipment not included with purchase unless otherwise listed. Mileage readings may not be real-time and should be confirmed.
- GVWR: 19,500



Brindlee Mountain Fire Apparatus is one of the world's largest used fire truck sales and service companies. Based just outside of Huntsville, Alabama, the company has forty-five full-time personnel occupying over 12,000 square feet. Our mechanics, all of whom are EVT certified, perform pump tests, general repairs, preventative maintenance, and body, collision, and paint work on over 500 used fire trucks every year. Visit us online at www.firetruckmall.com



View images

2013 Pierce Ford Mini Pumper



Brush Trucks and Minis >

Fire Apparatus >

✔ Verified seller

📍 10,458 miles

🛢 300 gallon tank

📍 Located in OH

🚒 750 GPM

Calculate freight

Nationwide shipping available.



Virtual walk around

Schedule a call with the seller.



Calculate warranty

Learn about warranty coverage.



Calculate financing

Learn about financing options.



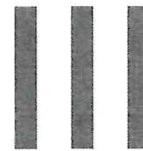
☰ Description



This Pierce-built Ford 4x4 Mini Pumper is a clean, fully operational quick-attack/initial attack engine with extremely low miles and no rust. Ideal for rural departments, wildland/urban interface, or stations needing a compact but capable pumper.

\$199,000

Message seller



Contact Us

Office : 256.776.7786

Email : sales@firetruckmall.com

Website: www.firetruckmall.com

15410 US Highway 231,

Union Grove, AL 35175

Stock #: 20114

Price: Call For Custom Quote

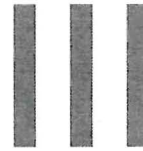
\$195,000

2019 Pierce Ford 4x4 Commercial Mini Pumper

- 2019 Pierce Ford 4x4 Commercial Mini Pumper
- Ford 6.7L 330 HP Diesel Engine
- 250 Gallon Tank
- Driver's Side Suction: (1) 5", (1) 2 1/2"
-
- Heated Mirrors
- Engine Hours: 6,030
- Length: 27' 1"
- Wheelbase: 202"
- F-550 4x4 Ford Chassis
- JC3P 7000 ZA Transmission
- 10 Gallon Foam Cell
- Officer's Side Discharge: (1) 2 1/2"
- Booster Reel
- Air Conditioning
- Mileage: 79,098
- Height: Truck Height: 8' 3"
- Seating for 5;
- Waterous CXSC20D 750 GPM Side-Mount 1-Stage Pump
- Driver's Side Discharges: (2) 2 1/2"
- Officer's Side Suction: (1) 5", (1) 2 1/2"
- Crosslays/Speedlays: Crosslays: (2) 1 3/4"
- Backup Camera
- Additional equipment not included with purchase unless otherwise listed. Mileage readings may not be real-time and should be confirmed.
- GVWR: 19,500



Brindlee Mountain Fire Apparatus is one of the world's largest used fire truck sales and service companies. Based just outside of Huntsville, Alabama, the company has forty-five full-time personnel occupying over 12,000 square feet. Our mechanics, all of whom are EVT certified, perform pump tests, general repairs, preventative maintenance, and body, collision, and paint work on over 500 used fire trucks every year. Visit us online at www.firetruckmall.com



Contact Us

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Email : sales@firetruckmall.com

Website: www.firetruckmall.com

15410 US Highway 231,
Union Grove, AL 35175

Stock #: 19849

Price: Call For Custom Quote

\$269,000

2016 Pierce Ford 4x4 Commercial Mini Pumper

- 2016 Pierce Ford 4x4 Commercial Mini Pumper
- Ford 6.7L 300 HP Diesel Engine
- 300 Gallon Polypropylene Tank
- Driver's Side Discharges: (2) 2 1/2"
- Officer's Side Suction: (1) 6"
- Air Conditioning
- Mileage: 10,781
- Height: Truck Height: 8' 6"
- F-550 4x4 Ford Chassis
- Ford Torqshift Automatic Transmission
- Husky 3 Foam System
- Driver's Side Suction: (1) 6", (1) 2 1/2"
-
- Pump Hours: 86
- Additional equipment not included with purchase unless otherwise listed. Mileage readings may not be real-time and should be confirmed.
- GVWR: 19,500
- Seating for 5;
- Hale MG-100 1000 GPM Side-Mount 1-Stage Pump
- 30 Gallon Foam Cell
- Officer's Side Discharge: (2) 2 1/2"
- Crosslays/Speedlays: Crosslays: (2) 1 1/2"
- Engine Hours: 561
- Length: 24' 2"
- Wheelbase: 186"



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Exhibit C

CITY OF MILES CITY
STATEMENT OF NET POSITION
June 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and equivalents	\$ 9,836,363	\$ 5,444,747	\$ 15,281,110
Receivables:			
Taxes/assessments	169,962	750	170,712
Governments	2,246,354	165,480	2,411,834
Utility	-	480,632	480,632
Ambulance (net of allowance for uncollectibles of \$403,365)	-	148,443	148,443
Leases	220,876	39,645	260,521
Other	44,186	-	44,186
Internal balances	(575,468)	575,468	-
Inventories	44,609	-	44,609
Prepays	27,160	7,160	34,320
Restricted cash and cash equivalents	-	3,511,269	3,511,269
Capital assets:			
Land and construction in progress	3,435,460	2,244,216	5,679,676
Capital assets, net of accumulated depreciation	22,661,826	44,889,065	67,550,891
Total assets	<u>38,111,328</u>	<u>57,506,875</u>	<u>95,618,203</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension plans	<u>754,669</u>	<u>299,945</u>	<u>1,054,614</u>
LIABILITIES			
Accounts payable-vendors	249,143	140,479	389,622
Unearned revenues	1,771,071	-	1,771,071
Deposits payable	-	120,650	120,650
Long-term liabilities:			
Due within one year:			
Bonds and notes payable	171,281	722,926	894,207
Compensated absences	164,541	80,604	245,145
Due in more than one year:			
Bonds and notes payable	5,070,139	7,593,736	12,663,875
Total other post-employment benefits liability	444,181	189,457	633,638
Compensated absences	264,513	155,819	420,332
Net pension liability	3,705,740	1,346,411	5,052,151
Total liabilities	<u>11,840,609</u>	<u>10,350,082</u>	<u>22,190,691</u>
DEFERRED INFLOWS OF RESOURCES			
Leases	208,661	38,251	246,912
Unavailable revenue-deferred assessments	17,239	-	17,239
Pension plans	<u>137,986</u>	<u>51,277</u>	<u>189,263</u>
Total deferred outflows of resources	<u>363,886</u>	<u>89,528</u>	<u>453,414</u>
NET POSITION			
Net investment in capital assets	20,855,866	38,816,619	59,672,485
Restricted for:			
General government	7,525	-	7,525
Public safety	637,548	-	637,548
Public works	2,742,098	-	2,742,098
Public health	11,590	-	11,590
Social and economic	41,115	-	41,115
Culture and recreation	273,119	-	273,119
Housing and community development	1,048,997	-	1,048,997
Capital projects	4,666,539	-	4,666,539
Debt service	8,215	602,917	611,132
Unrestricted (deficit)	<u>(3,631,110)</u>	<u>7,947,674</u>	<u>4,316,564</u>
Total net position	<u>\$ 26,661,502</u>	<u>\$ 47,367,210</u>	<u>\$ 74,028,712</u>

Draft Meeting Minutes

March 12, 2026

Billings, MT

Roll call of board members:

Hal Fuglevand - Absent

Catherine Laughner - Present

Scott Rosenthal - Present

Sandra Jones - Present

Tim Schaff - Present

Jon Wells - Present

Montana Department of Commerce staff present:

Becky Anseth, Infrastructure Manager

Mariah Meyers, Administrative Officer

Patrick Quinn, Legal

Anita Proul, Executive Assistant

Public present:

Jim Atchison, SEMDC

Cory Cheguis, Custer County Fire Warden

Anika Risener, Director Big Horn County Library

Representative Gary Parry, HD 35

Kevin St. John, Superintendent Melstone Public Schools

Matt McCleary, Trustee Melstone Public Schools Board of Trustees

Robert Lee, Rosebud County Commissioner

Tobin Novasio, Superintendent Hardin Public Schools

Kenny Shane, Dean of Students Crow Agency Public Schools

Angela Keltner, Assist. Superintendent Hardin Public Schools

Jason Strouf, Chair Custer County Board of Commissioners

Ed Joyner, Rosebud County Commissioner

Michael Hurff, Public Works Director Hardin

Andrew Lehr, Finance Officer/City Clerk Hardin
Alexandria Edwards, Project Manager Hardin
Robie Culver, Stahly Engineering
Mike Goffena, Musselshell County Commissioner
Mike Turley, Musselshell County Commissioner

Call meeting to order:

00:00:12 Chair Wells called the meeting to order at 8:30 a.m.
00:01:06 Ms. Meyers called the roll for Board members

Commerce updates:

00:01:28 Presenter: Ms. Meyers

Opportunity for public comment:

00:02:33 Chair Wells asked for any public comments on items not on the agenda, but within the Board's jurisdiction: listed above in public present

Budget update:**Cash activity detail: page 3 of binder**

00:05:41 Presenter: Ms. Meyers

Project updates:**Open and closed project status: page 5 of binder**

00:10:35 Presenter: Ms. Meyers

#0993 – Savage School District – Thank You Email for Building Repairs – page 6 of binder

00:11:51 Presenter: Ms. Meyers

#1010 – Town of Winnett – Thank You Card for Dump Truck – page 7 of binder

00:12:07 Presenter: Ms. Meyers

New applications:**#1030 – Melstone School District – Boiler Replacement Project – page 9 of binder**

00:15:04 Presenter: Ms. Meyers

#1031 – Rosebud County – Purchase Fleet Vehicles – page 192 of binder

00:28:52 Presenter: Ms. Meyers

#1032 – Rosebud County – Purchase Roll Off Truck for Landfill – page 216 of binder

00:35:10 Presenter: Ms. Meyers

#1033 – Hardin Public Schools – Bus Loop Improvements for Crow Agency School – page 239 of binder

00:42:21 Presenter: Ms. Meyers

#1034 – Custer County – Equipment Purchase for Fire Department – page 404 of binder

00:55:03 Presenter: Ms. Meyers

#1035 – City of Hardin – Purchase Dump Truck – page 477 of binder

01:09:11 Presenter: Ms. Meyers

#1036 – City of Hardin – Big Horn Visitor Information Center Phase 2 – page 560 of binder

01:19:56 Presenter: Ms. Meyers

Board Action Items:**Approval of Minutes****Dec. 11, 2025, MT Coal Board Meeting Minutes – page 689 of binder**

01:32:01 Motion: Ms. Jones – approve minutes
Second: Ms. Laughner
Ms. Meyers called for a vote: all yes. Motion Passed.

Board Action on Grant Updates**#1008 – Big Horn County – Extension Request – page 692 of binder**

01:33:14 Motion: Ms. Jones – approve extension request through March 31, 2027
Second: Ms. Laughner
Ms. Meyers called for a vote: all yes except Chair Wells. Motion Passed.

Board Action on Grant Applications**#1030 – Melstone School District – Boiler Replacement Project – page 9 of binder**

01:39:34 Motion: Ms. Jones – award \$400,000
Second: Ms. Laughner
Ms. Meyers called for a vote: all yes except Mr. Rosenthal and Chair Wells. Motion Passed.

#1031 – Rosebud County – Purchase Fleet Vehicles – page 192 of binder

01:44:20 Motion: Ms. Jones – approve to get action on floor
Second: Vice Chair Schaff
Ms. Meyers called for a vote: all no except Chair Wells. Motion Failed.

#1032 – Rosebud County – Purchase Roll Off Truck for Landfill – page 216 of binder

01:46:03 Motion: Ms. Jones – award \$200,000
Second: Mr. Rosenthal

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

#1033 – Hardin Public Schools – Bus Loop Improvements for Crow Agency School – page 239 of binder

01:47:15 Motion: Ms. Jones – approve to get action on floor

Second: Chair Wells

Ms. Meyers called for a vote: all no except Vice Chair Schaff and Chair Wells. Motion Failed.

#1034 – Custer County – Equipment Purchase for Fire Department – page 404 of binder

01:49:15 Motion: Mr. Rosenthal – award full amount, \$140,000

Second: Ms. Jones

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

#1035 – City of Hardin – Purchase Dump Truck – page 477 of binder

01:50:37 Motion: Ms. Laughner – award full amount, \$200,000

Second: Ms. Jones

Ms. Meyers called for a vote: all yes except Mr. Rosenthal. Motion Passed.

#1036 – City of Hardin – Big Horn Visitor Information Center Phase 2 – page 560 of binder

01:51:48 Motion: Ms. Jones – deny application

Second: Vice Chair Schaff

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

Opportunity for public comment:

01:53:08 Chair Wells opened the meeting for any public comment: listed above in public present

Board matters:

Confirmation of next meeting dates and location

01:55:23 Presenter: Ms. Meyers

Adjournment:

01:59:27 Meeting was adjourned at 10:42 a.m.

DRAFT