



GOVERNOR
STEVE BULLOCK

STATE OF MONTANA

SECTION F: LONG-RANGE PLANNING

Long-Range Building Pgm

Cultural & Aesthetic Grant Pgm

Treasure State Endowment Pgm

State Building Energy
Conservation Pgm

Reclamation & Development Grants

Consolidated Information
Technology Projects

Renewable Resource Grants & Loans

School Facilities Grant Pgm

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GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

BUILD MONTANA PROGRAM

Purpose – The Build Montana Program (BMP) provides the legislature the opportunity to create jobs by completing state infrastructure projects throughout Montana. LC 719 provides funding for the Long-Range Building program, Renewable Resource Grants and Loans, Reclamation and Development Grants, Treasure State Endowment Program & Regional Water, Quality School grants, and Eastern Montana projects.

Executive Recommendation –

- The 2017 Build Montana Program is comprised of Long-Range Building program funds, State Special Revenue, Federal Special Revenue, and bond funds. Table F-1 shows the state programs and the funding to achieve the Build Montana Program.
- Following the chart, each program provides a list of projects and more details about the program.
- State funding includes long range funds, agency contributions of SSR, and SSR bonds totaling \$122,035,953.
- FSR included in projects totals \$13,350,000.
- General obligation bonds included in the bill \$185,311,754.
- Authority only projects contribute \$70,200,000 to the bill.

Table F-1

Build Montana Program

	LRBP	SSR	GO Bonds	SSR Bonds	FSR	Other	Authority
LRBP	15,806,500	33,651,000	103,080,000	-	13,350,000		70,200,000
RRGL	-	7,472,615	6,311,134	-	-		
RDGP	-	6,295,215	1,707,694		-		
Loans	-	-	-	26,602,374	-		-
TSEP	-	16,787,510	10,126,568		-	-	
Regional Water	-	3,259,761	-		-		
Quality Schools	-	12,160,979	19,086,359		-		
Eastern MT	-	-	45,000,000		-		
Total	15,806,500	79,627,079	185,311,754	26,602,374	13,350,000	-	70,200,000
State Funding	307,347,707						

LONG-RANGE BUILDING PROGRAM

LRBP

Purpose - The Long-Range Building Program (LRBP) was initiated in 1965 to provide funding for construction and maintenance of state buildings. The LRBP was developed in order to present a single, comprehensive and prioritized plan for allocating state resources for capital construction and maintenance of state-owned facilities. Primary statutory authority is Title 17, Chapter 7, part 2, MCA.

Executive Recommendations –

- **Volume 3 of the Governor’s 2017 biennium Executive Budget** contains complete descriptions of all recommended projects. Long Range Building revenue is shown in **Table F-2**. The recommended state funded projects total \$49,457,500. The recommended general obligation bond projects total \$ 103,080,000. Projects for Long Range Building are shown within **Table F-3**.
- Volume 3 includes a listing of all LRBP project requests submitted by Agencies for the 2017 biennium.
- The LRBP contains \$15,806,500 LRBP, \$33,651,000 state special revenue, \$13,350,000 federal special revenue, and \$ 103,080,000 of general obligation bonds funding a total of 48 projects.
- Highest priorities in the 2017 biennium are the First Step- mental health project and projects that address life safety, deferred maintenance, and mechanical system needs.
- Also requested in the LRBP is \$70,200,000 of authority only for projects that have or will receive funding in the off-season of the legislature.

Since the Last Legislative Session –

The Architecture & Engineering Division has completed:

- Installation of the Safety Handrails on the Grand Stair in Capitol;
- HVAC System Upgrades - Phase 2 to the Scott Hart Building;
- Repairs and Upgrades to the HVAC Systems in the Capitol;
- Property Purchase for the Malta Readiness Center;
- Renovation to the Laundry Facilities at Montana State Prison;
- Roof Replacement at Great Falls College-MSU;
- Equipment Storage Buildings, MDT, Statewide;
- Seismic Retrofit to the Creative Arts Complex, MSU Bozeman;
- Energy Improvement Projects, Statewide.

Design is in-progress for:

- Natural Resources Research Center Addition, UM Tech;
- Main Hall Renovation, Phase 3, UM-Western;
- Automotive Technology Center, MSU-Northern;
- Science & Industrial Technology Building Addition, MSU-Billings.

Construction is in-progress for:

- Missoula College, UM-Missoula;
- Repairs to the Department of Corrections Parking Garage;
- The Butte Justice Center;
- Water Supply System Upgrade for the Montana Law Enforcement Academy;
- Building System Repairs and Upgrades to the Pine Hills Youth Correctional Facility;
- Jabs Hall, MSU Bozeman;
- Athlete Academic Center, UM-Missoula;
- Sewage Collection System, Infrastructure Repair at MSH.

LONG-RANGE BUILDING PROGRAM LRBP

TABLE F-2

**REVENUE ESTIMATE
LONG-RANGE BUILDING PROGRAM ACCOUNT
PROJECTIONS AS OF August 20, 2014
2017 BIENNIUM**

Estimated Beginning Cash Balance (July 1, 2015)		\$3,050,638
Revenues:		
	Cigarette Tax	3,509,309
	Coal Severance Tax	14,303,478
	Interest Earnings	2,557,959
	Supervisory Fees	683,650
	DEQ Transfer - Energy Savings	250,000
	General Fund Transfer (OTO)	0
Total Revenues		21,304,396
Funds Available		24,355,034
Expenditures:		
	Operating Costs - A & E Division	(4,228,807)
	Debt Service - 2003G Issue ¹	(3,408,990)
	Debt Service - 2005A Issue ²	(2,194,888)
	Funding Switch ³	1,330,000
Total Expenditures - Excluding Capital Projects		(8,502,685)
Funds Available For Capital Projects		15,852,348
Funding Proposals		
	Capital Construction Program - LRBP Projects Only	15,806,500
Balance Remaining		\$45,848

¹ Refunding the 2003G (1996D) bond issue

² Refunding portions of the 2005A (1997B and 1999C) bond issues

³ Funding switch authorized by the 2001 legislature - Montana Session Laws 2001, Chapter 486, Section 11

LONG-RANGE BUILDING PROGRAM LRBP

Table F-3 Long-Range Building Program Funded With Cash & Bonded Debt									
Priority	Agency	Project Description	Project County	Funding Sources					Total
				LRBP Cash	LRBP Bonds	State Special	Federal Special	Authority Only	
1	DPHHS	First Step, Mental Health	Fergus, Deer Lodge	7,600,000					7,600,000
2	DOA	Life Safety & Deferred Maintenance	Statewide	2,300,000	500,000				2,800,000
3	MUS	Life Safety & Deferred Maintenance	Statewide	4,600,000					4,600,000
4	DPHHS	Replace Boiler, MVH	Flathead	331,500					331,500
5	MSDB	Miscellaneous Improvements	Cascade	125,000					125,000
6	DOA	Infrastructure Repairs, Capitol Complex	Lewis & Clark			2,000,000			2,000,000
7	DOA	Elevator Modifications, Capitol Complex	Lewis & Clark			700,000			700,000
8	DMA	Firing Range Cleanup	Statewide	250,000			250,000		500,000
9	DofCOM	Historic Buildings Maintenance	Lewis & Clark Madison	400,000					400,000
10	DOA	Flooring Replacement, Capitol Complex	Lewis & Clark			500,000			500,000
11	DOA	Fire Protection Measures, Capitol Complex	Lewis & Clark			300,000			300,000
12	DOA	Deferred Maintenance & Repairs, Original Governor's Mansion	Lewis & Clark	200,000					200,000
13	MDT	Equipment Storage Buildings	Richland, Roosevelt, Fergus, Sanders			4,300,000			4,300,000
14	MDT	Maintenance, Repair & Small Projects	Statewide			2,500,000			2,500,000
15	DEQ	Energy Improvements	Statewide			2,500,000			2,500,000
16	DMA	Federal Spending Authority	Statewide				3,000,000		3,000,000
17	DMA	Mechanical System Corrections, GFAFRC USAR	Cascade				450,000		450,000
18	DMA	Sandblast Booth, CSMS	Lewis & Clark				1,500,000		1,500,000
19	DMA	Misc. Improvements, VA Cemetery	Lewis & Clark				2,000,000		2,000,000
20	MUS	AUTHORITY ONLY- General Spending Authority MUS	Gallatin, Missoula					6,000,000	6,000,000
21	MUS	AUTHORITY ONLY- Engineering Building - MSU Bozeman	Gallatin					60,000,000	60,000,000
22	MUS	AUTHORITY ONLY - Bitterroot College Facility	Rivalli					4,200,000	4,200,000

LONG-RANGE BUILDING PROGRAM LRBP

Priority	Agency	Project Description	Project County	Funding Sources					Total
				LRBP Cash	LRBP Bonds	State Special	Federal Special	Authority Only	
23	FWP	Habitat Montana	Statewide			10,668,000			10,668,000
24	FWP	Upland Game Bird Program	Statewide			849,000			849,000
25	FWP	Wildlife Habitat Maintenance	Statewide			1,234,000			1,234,000
26	FWP	Bighorn Sheep Habitat	Statewide			460,000			460,000
27	FWP	Forest Management	Statewide			320,000			320,000
28	FWP	Migratory Bird Program	Statewide			845,000			845,000
29	FWP	Parks Program	Statewide			2,766,800	1,300,000		4,066,800
30	FWP	Grant Programs	Statewide			139,000	3,750,000		3,889,000
31	FWP	Future Fisheries	Statewide			1,277,000			1,277,000
32	FWP	FAS Acquisition	Statewide			245,000	100,000		345,000
33	FWP	FAS Site Protection	Statewide			847,200	600,000		1,447,200
34	FWP	Hatchery Maintenance	Statewide			600,000			600,000
35	FWP	Dam Maintenance	Statewide			50,000			50,000
36	FWP	Community Fishing Ponds	Statewide			50,000			50,000
37	FWP	Sekokini Springs Hatchery Rearing Ponds	Flathead				400,000		400,000
38	DOC	Life Safety, Deferred Maintenance & Energy Improvements	Statewide		2,000,000				2,000,000
39	DOA	Roof Repairs & Replacements	Statewide		1,950,000				1,950,000
40	DOA	New Montana Heritage Center	Lewis & Clark		39,500,000				39,500,000
41	MJS	Romney Hall - MSU Bozeman	Gallatin		28,000,000				28,000,000
42	MJS	Renovate Clapp Science Building, UM-Missoula	Missoula		10,000,000				10,000,000
43	DOA	Remodel 1100 North Last Chance Gulch	Lewis & Clark		2,500,000	500,000			3,000,000

LONG-RANGE BUILDING PROGRAM LRBP

Priority	Agency	Project Description	Project County	Funding Sources					Total
				LRBP Cash	LRBP Bonds	State Special	Federal Special	Authority Only	
44	MUS	MT Ag Experiment Station Projects	Statewide		2,480,000				2,480,000
45	MUS	Library Renovation, MSU-Billings	Yellowstone		2,650,000				2,650,000
46	MUS	Renovate Engineering Facilities, UM-Tech	Silver Bow		10,000,000				10,000,000
47	FWP	State Park Electrical Upgrades, Lewis & Clark Caverns	Jefferson		2,000,000				2,000,000
48	FWP	Fire Alarm System Upgrade, Bannack State Park	Beaverhead		1,500,000				1,500,000
TOTAL LONG RANGE BUILDING PROGRAM				\$15,806,500	\$103,080,000	\$33,651,000	\$13,350,000	\$70,200,000	\$236,087,500

State Buildings Energy Conservation Program SBCEP

Purpose - The State Buildings Energy Conservation Program, operated by the Department of Environmental Quality (DEQ), was established by the 1989 Legislature to reduce operating costs in state facilities by identifying and funding cost effective energy efficiency improvements. Statutory authority is Title 90, Chapter 4, part 6, MCA.

Background

- The program was started with one-time-only federal grant funding, then from 1993-2007 the state sold general obligation (G.O.) bonds and used the bond proceeds to pay for energy efficiency improvements. These bonds are being repaid using the energy cost savings from the projects.
- General fund was used for the program in 2007 and again for a portion of the program in 2009.
- The program changed from a G.O. bond program to a self-funded revolving program with an infusion of one-time-only federal funds in 2009 and clarifying legislation in 2011. These funds maintain their federal character in perpetuity.
- Projects are designed so the energy cost savings meet or exceed the investment in the project plus 3% interest. Repayments are collected annually and used for reinvestment in new projects and to operate the program. Repayments are collected from both the general funds and federal funds invested in the program.
- After energy improvements are in place, the DEQ reviews energy use and provides technical assistance to facility staff to ensure that energy savings are maintained.

Since the Last Legislative Session

Department of Administration

	Investment	Savings
▪ State Capitol Building mechanical and control upgrade	\$500,000	\$37,773

Department of Corrections

▪ Men’s Prison Laundry project	\$650,000	\$63,011
▪ Pine Hills Youth Correctional Facility mechanical upgrade	\$500,000	\$51,710 Women’s Prison
Irrigation improvements	\$ 8,734	\$ 2,340
▪ Women’s Prison Mechanical Upgrades	\$499,500	\$35,348

Department of Public Health and Human Services

▪ Montana Mental Health Nursing Care Center Kitchen upgrade	\$ 37,000	\$ 3,323
▪ Therapeutic Learning Center Mechanical upgrades	\$ 54,600	\$ 4,877
▪ Montana State Hospital Support Program	\$ 72,000	\$ 5,820

University System

▪ Montana State University Northern –Metals Technology		
▪ Welding Exhaust upgrade	\$ 42,000	\$ 3,946
▪ University of Montana Lighting Phase 3	\$206,642	\$20,671
▪		

Executive Recommendation-

DEQ is requesting an appropriation of \$2.5 million for projects during the 2017 Biennium. Projects are listed in Table F-4. This appropriation is included in LRBP chart as Energy Improvements.

Table F-4 SBCEP	
Department of Corrections Dairy Digester	
Dairy Digester	\$ 600,000
Department of Administration	
Capitol Complex Energy Improvements	\$ 1,150,000
1100 Last Chance Gulch Mechanical Upgrades	\$ 150,000
MUS	
Campus Lighting Upgrades	\$ 600,000
Total Spending Authority	\$ 2,500,000

Renewable Resource Grant and Loan Program

RRGL

Purpose - The Renewable Resource Grant and Loan Program offers funding for projects that conserve, manage, develop, and preserve renewable resources to provide economic and other benefits of the state's natural heritage. The Department of Natural Resources and Conservation (DNRC) administers the program, which is provided for in Title 85, Chapter 1, part 6, MCA. Governmental entities may apply to the program to obtain funding for community resource-related projects. Project eligibility covers a wide spectrum including irrigation system rehabilitation, stream restoration, watershed management, public water and sewer systems, and resource assessment projects.

Executive Recommendation -

- **Volume 6 of the Governor's 2017 biennium Executive Budget** contains the complete project evaluations and funding recommendations for all grant and loan applications. Table **F-5** shows the funded projects.
- Renewable Resource grant awards are included in LC 719 and will be funded with an appropriation of \$7,472,615 of state special revenue and \$6,311,134 of GO bonds.
- RRGL recommends provision for \$700,000 for project planning grants, \$100,000 in emergency grants to communities with projects that present immediate threats to public health, \$200,000 for irrigation grants \$300,000 for development of the Watershed Grants, \$100,000 for septic loan grants and \$12,383,748 for RRG project grants during the 2017 biennium.
- Table F-5 shows the requests for the grants.

Since the Last Session -

RRGL Program to date- 2015 Biennium:

- 83 of the 90 authorized projects have been contracted for a total of \$8,267,632
- Emergency Grants contracted 6 for a total of \$85,000
 - Contracted Ten Mile/Pleasant Valley Sewer District -\$250,000
- Planning Grants – 91 grants contracted for a total of \$740,250
- Capacity Grants- - 18 grants contracted for \$197,000
- Irrigation Development Grants- 20 grants contracted for \$192,829
- Private Grants- 7 grants contracted for \$23,160
- Grants to Jefferson County- 2 grants contracted for \$1,273,686
- State Water plan contracted for \$200,000

Renewable Resource Grant and Loan Program RRGL

Table F-5

Renewable Resource Grant and Loan Program							
Rank	County	Applicant	Project Title	Recommend ed Grant	Cumulative	RRGL Loan Amount	Project Type
1	Ravalli	Bitterroot Conservation District	Bitterroot CD Supply Diversion Improvement Project	\$125,000	\$125,000		IR
2	Flathead	Whitefish, City of	Whitefish I & I Mitigation Project	\$125,000	\$250,000		WW
3	Meagher	White Sulphur Springs, City of	White Sulphur Springs Wastewater Improvements Project - Phase 2	\$125,000	\$375,000		WW
4	Lake	Polson, City of	Polson Wastewater System Improvements	\$125,000	\$500,000		WW
5	Park	Livingston, City of	Livingston, City of Wastewater Treatment Plant Upgrades	\$125,000	\$625,000		WW
6	Cascade	Cascade, Town of	Cascade Missouri River Reclamation	\$125,000	\$750,000		WM
7	Ravalli	Bitter Root Irrigation District	Bitter Root Irrigation District: Siphon 1 - Phase 3 Improvements Project = loan for \$1.77	\$125,000	\$875,000	\$1,773,976	IR
8	Sheridan	Westby, town of	Westby Wastewater System Improvements	\$125,000	\$1,000,000		WW
9	Roosevelt	Bainville, town of	Bainville Wastewater System Improvements	\$125,000	\$1,125,000		WW
10	Fallon	Fallon County Water and Sewer District	Fallon County WSD Wastewater Collection System	\$125,000	\$1,250,000		WW
11	Richland	Sidney, City of	Sidney Wastewater Improvements Project Phase II	\$125,000	\$1,375,000		WW
12	Prairie	Terry, town of	Terry Wastewater Treatment Upgrades	\$125,000	\$1,500,000		WW
13	Fergus, Garfield, Golden Valley,	Department of Natural Resources and Conservation-Water Resources Division	DNRC Musselshell Basin Instrumentation Project	\$125,000	\$1,625,000		IR
14	Pondera	Pondera County Conservation District	Pondera CD Wasteway Rehabilitation and Water Quality Improvements Project	\$125,000	\$1,750,000		IR
15	Cascade	Upper and Lower River Road Water and Sewer District	Upper and Lower River Road Water and Sewer District Phase 5 Water and Sewer Improvements	\$125,000	\$1,875,000		W&WW
16	Missoula	Missoula County	Missoula County Mill Creek Restoration Project	\$125,000	\$2,000,000		WM
17	Daniels	Flaxville, Town of	Flaxville Wastewater System Improvements	\$125,000	\$2,125,000		WW
18	Blaine, Hill, Phillips, Valley	Milk River Joint Board of Control	Milk River Joint Board of Control Hydrometric Gauging Station Expansion and Upgrade Project	\$125,000	\$2,250,000		WM
19	Missoula	Missoula, City of	Missoula, City of Caras Park Outfall Stormwater Treatment Retrofit, Phase 1	\$125,000	\$2,375,000		SW
20	Liberty	Chester, town of	Chester Wastewater Improvements	\$125,000	\$2,500,000		WW

Renewable Resource Grant and Loan Program RRGL

Rank	County	Applicant	Project Title	Recommended Grant	Cumulative	RRGL Loan Amount	Project Type
21	Treasure	Hysham, town of	Hysham Water System Improvements	\$125,000	\$2,625,000		W
22	Cascade	Simms County Sewer District	Simms County Sewer District Wastewater System Improvements	\$125,000	\$2,750,000		WW
23	Lewis & Clark	Ten Mile/Pleasant Valley Sewer District	Ten Mile Creek Estates/Pleasant Valley Sewer District Wastewater System Improvements Phase 3	\$125,000	\$2,875,000		WW
24	Yellowstone	Laurel, city of	Laurel Water System Improvements	\$125,000	\$3,000,000		W
25	Pondera	Pondera County Conservation District	Pondera CD C-5 Canal Conversion Project	\$125,000	\$3,125,000		IR
26	Carbon	Fromberg, town of	Fromberg Wastewater System Improvements	\$125,000	\$3,250,000		WW
27	Jefferson	Jefferson County	Whitehall Sugar Beet Row Wastewater System Improvements	\$125,000	\$3,375,000		WW
28	Sweet Grass	Sweet Grass County Conservation District	Sweet Grass CD Electric Light Ditch Irrigation Diversion Rehabilitation Project	\$125,000	\$3,500,000		IR
29	Silver Bow	Butte-Silver Bow Government	Moulton Reservoir - Reclamation & Protection Project	\$125,000	\$3,625,000		WM
30	Silver Bow	Rocker Montana County Water and Sewer District	Rocker Sewer Connection to TIFID Wastewater Pipeline	\$125,000	\$3,750,000		WW
31	Cascade, Chouteau, Teton	Tri-County Water District	Tri-County Water District Water System Improvements	\$125,000	\$3,875,000		W
32	Cascade	Neihart, town of	Neihart Water System Improvements	\$125,000	\$4,000,000		W
33	Glacier	Cut Bank, City of	Cut Bank, City of Wastewater Treatment Project	\$125,000	\$4,125,000		WW
34	Missoula	Missoula County	Missoula County - Buena Vista Trailer Community Wastewater Improvements Phase 1	\$125,000	\$4,250,000		WW
35	Fergus	Denton, town of	Denton Water System	\$125,000	\$4,375,000		W
36	Dawson	Buffalo Rapids Irrigation Project District 1	Buffalo Rapids District 1 Lateral 19.3 Pipeline Conversion Project Phase 1	\$125,000	\$4,500,000		IR
37	Fergus	Winifred, Town of	Winifred Water System Improvements	\$125,000	\$4,625,000		W
38	Chouteau	Highwood County Water and Sewer District	Highwood Water and Sewer District Wastewater System Improvements	\$125,000	\$4,750,000	\$47,022	WW
39	Dawson, Richland	Lower Yellowstone Irrigation Project	Lower Yellowstone ID Wasteway Project	\$65,000	\$4,815,000		IR
40	Granite	Department of Natural Resources and Conservation-Water Resources Division	DNRC East Fork Rock Creek Main Canal Lining Project	\$125,000	\$4,940,000		IR
41	Gallatin	Riverside Water and Sewer District	Riverside Water & Sewer District Wastewater Facility Plan	\$125,000	\$5,065,000		WW
42	Fergus	Lewistown, City Of	Lewistown Riverdale Subdivision Wastewater Collection System	\$125,000	\$5,190,000		WW

Renewable Resource Grant and Loan Program RRGL

Rank	County	Applicant	Project Title	Recommended Grant	Cumulative	RRGL Loan Amount	Project Type
43	Lewis & Clark	East Clark Street Water and Sewer District	East Clark Street WSD Wastewater Collection System	\$125,000	\$5,315,000		WW
44	Ravalli	Daly Ditches Irrigation District	Daly Ditches Irrigation District Preservation and Conservation of Resources	\$125,000	\$5,440,000		IR
45	Custer	Buffalo Rapids Irrigation Project District 2	Buffalo Rapids Irrigation District 2 Main Canal Rehabilitation	\$125,000	\$5,565,000		IR
46	Richland	Sidney Water Users Irrigation District	Sidney WU ID High Canal Phase 5 Project	\$125,000	\$5,690,000		IR
47	Musselshell	Lower Musselshell County Conservation District	Lower Musselshell CD DMWUA South Canal Pre-Tunnel Lining Project	\$125,000	\$5,815,000		IR
48	Missoula	Clinton Irrigation District	Clinton ID Canal Wasteway Rehabilitation	\$125,000	\$5,940,000		IR
49	Musselshell	Roundup, City of	Roundup Water System Improvements	\$125,000	\$6,065,000		W
50	Statewide	Missoula County Weed District	Missoula County Weed District Montana Biological Weed Control Coordination Project	\$100,500	\$6,165,500		WEED
51	Garfield	Jordan, Town of	Jordan Wastewater System Improvements	\$125,000	\$6,290,500		WW
52	Big Horn	Crow Tribe of Indians	Crow Tribe Wastewater Collection System Improvement Project	\$125,000	\$6,415,500		WW
53	Lewis & Clark	Helena Valley Irrigation District	Helena Valley Irrigation District Irrigation Efficiency and Water Conservation Project	\$125,000	\$6,540,500		IR
54	Cascade	Fort Shaw Irrigation District	Fort Shaw Irrigation District's Reduce Waste Project	\$125,000	\$6,665,500		IR
55	Treasure	Hysham Irrigation District	Hysham Irrigation District Re-Lift Canal Improvement Project	\$125,000	\$6,790,500		IR
56	Cascade	South Wind Water and Sewer District	South Wind Water and Sewer District water distribution and wastewater collection study	\$125,000	\$6,915,500		W&WW
57	Roosevelt	Bainville, town of	Bainville Water System Improvements	\$125,000	\$7,040,500		W
58	Cascade	Black Eagle-Cascade County Water & Sewer District	Black Eagle Sewer District Wastewater Collection System Rehabilitation Phase 2	\$125,000	\$7,165,500		WW
59	Yellowstone	Yellowstone Boys and Girls Ranch WSD	Yellowstone Boys & Girls Ranch Wastewater Improvements Project	\$125,000	\$7,290,500	\$750,000	WW
60	Roosevelt	Fort Peck Tribes	Fort Peck Tribes Lateral L-42M Rehabilitation Project, Phase 1	\$125,000	\$7,415,500		IR
61	Broadwater	Toston Irrigation District	Toston ID Toston Canal Rehabilitation Project	\$125,000	\$7,540,500		IR
62	Sanders	Hot Springs, town of	Hot Springs Wastewater Improvements Project	\$125,000	\$7,665,500		WW
63	Yellowstone	Lockwood Irrigation District	Lockwood ID Pump Station Rehabilitation	\$125,000	\$7,790,500		IR
64	Missoula	Missoula, City of	Missoula, City of Buckhouse Bridge Outfall - Stormwater Treatment Retrofit	\$125,000	\$7,915,500		SW

Renewable Resource Grant and Loan Program RRGL

Rank	County	Applicant	Project Title	Recommended Grant	Cumulative	RRGL Loan Amount	Project Type
65	Wheatland	Harlowton, City of	Harlowton Phase 3 Water System Improvements	\$125,000	\$8,040,500		W
66	Teton	Greenfields Irrigation District	Greenfields ID J-Lake Rehabilitation and Water Quality Improvement	\$125,000	\$8,165,500		IR
67	Phillips	Malta Irrigation District	Malta ID Exeter Siphon Replacement Project	\$125,000	\$8,290,500		IR
68	Garfield	Garfield County Conservation District	Garfield CD Little Dry Water User's Association-Infrastructure Improvements	\$125,000	\$8,415,500		IR
69	Gallatin	Gallatin County Compliance Department	Gallatin County Septic System Repair Assistance Program	\$125,000	\$8,540,500		WM
70	Daniels	Flaxville, Town of	Flaxville Water System Improvements	\$125,000	\$8,665,500		W
71	Valley	Glasgow, city of	Glasgow Water System Improvements	\$125,000	\$8,790,500		W
72	Pondera	Conrad, City of	Conrad Water System Improvements	\$125,000	\$8,915,500		W
73	Missoula	Missoula Irrigation District	Missoula Irrigation District Water Conservation Project	\$125,000	\$9,040,500		IR
74	Phillips	Malta Irrigation District	Malta ID Peoples Creek Diversion Dike Rehabilitation Project	\$125,000	\$9,165,500		IR
75	Beaverhead	East Bench Irrigation District	East Bench ID Main Canal Gate Automation	\$125,000	\$9,290,500		IR
76	Beaverhead	Dillon, City of	Dillon Water System Improvements	\$125,000	\$9,415,500	\$5,000	W
77	Sheridan	Medicine Lake, Town of	Medicine Lake Wastewater Improvements	\$125,000	\$9,540,500		WW
78	Toole	Kevin, Town of	Kevin Wastewater Improvement Project - 2014	\$125,000	\$9,665,500		WW
79	Statewide	Department of Environmental Quality	Montana Time of Travel – Interactive Web Map Application for Montana	\$125,000	\$9,790,500		WM
80	Liberty	Liberty County Conservation District	Liberty County CD Marias River Bank Stabilization Project - Phase 2	\$125,000	\$9,915,500		WM
81	Flathead	Foys Lakeside County Water and Sewer District	Foys Lakeside Estates Water System Improvements	\$125,000	\$10,040,500		W
82	Madison	Ruby Valley Conservation District	Smith Slough/Smith Ditch Fisheries Enhancement Project	\$125,000	\$10,165,500		WM
83	Sanders	Green Mountain Conservation District	Green Mountain CD Improving Water Quality and Fish Habitat in the Vermilion River Watershed	\$120,248	\$10,285,748		WM
84	Lincoln	Glen Lake Irrigation District	Glen Lake ID Costich Drop Rehabilitation Project	\$125,000	\$10,410,748		IR
85	Lincoln	Lincoln County	Lincoln County measuring and modeling the effects of mining and associated reclamation activities on selenium and nitrate inputs to Lake Koocanusa	\$110,500	\$10,521,248		WM
86	Golden Valley, Musselshell, Petroleum, Wheatland	Petroleum County Conservation District	Musselshell Watershed Prioritized Projects Initiative	\$125,000	\$10,646,248		WM

Renewable Resource Grant and Loan Program RRGL

Rank	County	Applicant	Project Title	Recommended Grant	Cumulative	RRGL Loan Amount	Project Type
87	Chouteau	Big Sandy, town of	Big Sandy Water System Improvements	\$125,000	\$10,771,248		W
88	Gallatin	RAE Subdivision County Water and Sewer District No 313	RAE Water and Sewer District Woodland Park Well	\$125,000	\$10,896,248		W
89	Wheatland	Judith Gap, town of	Judith Gap Phase Sewer Improvements	\$125,000	\$11,021,248		WW
90	Cascade	Gore Hill County Water District	Gore Hill WSD Water System Improvements	\$125,000	\$11,146,248		W
91	Flathead, Lake	Department of Natural Resources and Conservation-Flathead Basin Commission	Flathead Basin Watershed Plan	\$125,000	\$11,271,248		WM
92	Yellowstone	Huntley Project Irrigation District	Huntley Project Irrigation District Feasibility study	\$125,000	\$11,396,248		IR
93	Big Horn	Crow Tribe of Indians	Crow Agency Renewable Energy Technology Wastewater Treatment Facility	\$117,500	\$11,513,748		WW
94	Park	Park County Conservation District	Park CD Upper Shields River Fish Barrier and Road Improvements	\$120,000	\$11,633,748		WM
95	Gallatin	Bozeman, City of	Bozeman Sourdough Canyon Natural Water Storage Assessment	\$125,000	\$11,758,748		WM
96	Madison	Department of Natural Resources and Conservation-Water Resources Division	DNRC Willow Creek Access Road Rehabilitation Project	\$125,000	\$11,883,748		WM
97	Sanders	Sanders County	Sanders County Middle Clark Fork River, Plains Reach - Channel Stabilization	\$125,000	\$12,008,748		WM
98	Sanders	Thompson Falls, City of	Thompson Falls Water System Improvements	\$125,000	\$12,133,748		W
99	Toole	Shelby, City of	Shelby Stormwater System Improvements	\$125,000	\$12,258,748		SW
100	Silver Bow	Mile High Conservation District	Mile High CD Blacktail Creek Non Point Nutrient Management Project	\$125,000	\$12,383,748		WM

Reclamation and Development Grant Program

RDGP

Purpose - The Reclamation and Development Grants Program (RDGP) was established by the Montana Legislature in 1987 to enable funding for projects that indemnify the people of Montana for the effects of mineral development on public resources and that meet other crucial needs serving the public interest and the total environment of the citizens of Montana. Administered by the Department of Natural Resources and Conservation (DNRC), the RDGP fulfills this mission by funding projects that (1) repair, reclaim, and mitigate environmental damage to public resources from nonrenewable resource extraction, and (2) develop and ensure the quality of public resources for the benefit of all Montanans. The RDGP Act is Title 90, Chapter 2, part 11, MCA.

Executive Recommendation -

- **Volume 5 of the Governor's 2017 biennium Executive Budget** contains the complete project evaluations and funding recommendations for the RDGP. Table **F-6** shows the funded projects.
- RDGP presents the reclamation and development grant awards that will be funded with an appropriation of \$4,781,215 in state special revenue and \$1,707,694 in GO bonds.
- *Representative mineral reclamation projects include* reclamation and cleanup of the Kennedy Creek Mine, reclamation of South Fork Lower Willow Creek Black Pine Mine, tailings –contaminated sludge disposal from decommissioned wastewater lagoons in Philipsburg, and the Sawpit Mine reclamation.
- Non-mineral projects include the aquatic invasive plant management project, petroleum cleanup at the Joseph Allotment and Elmo Cash Store, removal of contaminated soils at the former Milwaukee Roundhouse in Powell County, and cleanup of herbicide and pesticide contamination at the former Malta airport.
- Also included is an appropriation for \$800,000 for planning grants and \$500,000 for aquatic invasive species control grants and \$214,000 for MSCA.

Since the Last Session -

As of October 1, 2014,

- 15 of the 19 grantees that received appropriations from the 63rd Legislature have started their projects for a total of \$3.29 million.
- 31 planning grants have been awarded for a total just over \$1 million
- 15 projects and contracts have been funded for aquatic invasive species control and technical support for \$405,015
- 12 projects and contracts have been funded for groundwater baseline information in areas of oil and gas development for a total of \$192,000

Reclamation and Development Grant Program RDGP

Table F-6

RECLAMATION AND DEVELOPMENT PROGRAM

Rank	County	Applicant	Project Name	Recommend	Cumulative Funding	Project Type
1	Powder River, Fallon, Daniels	MBOGC	2015 Southern District	\$300,000	\$300,000	Oil & gas
2	Daniels, Roosevelt	MBOGC	2015 Northeast District	\$300,000	\$600,000	Oil & gas
3	Cascade	MDEQ	Belt Water Treatment Project	\$500,000	\$1,100,000	Mining
4	Granite	MDEQ	Black Pine Mine - South Fork Lower Willow Creek Fluvially Deposited Mill Tailings	\$500,000	\$1,600,000	Mining
5	Missoula	Missoula County	Martina Creek & Ninemile Creek Reclamation	\$484,000	\$2,084,000	Mining
6	Lincoln	City-County Board of Health Lincoln County	Protocols Public Health Protection & Commercial Use of Wood Products Impacted by Vermiculite Mining	\$430,595	\$2,514,595	Mining
7	Deer Lodge	Deer Lodge CD	French Gulch Placer Mining Restoration	\$500,000	\$3,014,595	Mining
8	Phillips	MDEQ	Landusky Bio-Reactor Rehabilitation	\$500,000	\$3,514,595	Mining
9	Jefferson	MDEQ	Basin Creek Mine - Site Stability Project	\$500,000	\$4,014,595	Mining
10	Cascade	MDEQ	Sand Coulee Acid Mine Drainage Source Control	\$332,443	\$4,347,038	Mining
11	Deer Lodge	Deer Lodge CD	Moose-French Placer Mining Restoration	\$85,000	\$4,432,038	Mining
12	Wheatland	MDEQ	Mitigation of Threat to Harlowton Public Drinking Water	\$82,440	\$4,514,478	us Substanc
13	Madison	Madison County	North Willow Creek Reclamation	\$499,828	\$5,014,306	Mining
14	Cascade	Cascade County	Identifying the Fate of Acid Mine Drainage and Potential Impacts to Madison Aquifer	\$327,322	\$5,341,628	Mining
15	Silver Bow, Richland, Roosevelt, Sheridan	MBMG	Enhance Monitoring Fox Hills-Hell Creek Aquifer	\$499,109	\$5,840,737	Oil & gas
16	Silver Bow	MBMG	Enhance Montana's Manufacturing Growth through Production of Commodities from Remediation	\$498,171	\$6,338,908	Mining
17	Roosevelt	Roosevelt County	Kenco Refinery Highest Priority Cleanup	\$150,000	\$6,488,908	us Substanc
Cumulative Totals				\$6,488,908	\$6,488,908	

Notes:

CD=Conservation District MBOGC=Montana Board of Oil & Gas Conservation MBMG=Montana Bureau of Mines & Geology

MDEQ = Montana Department of Environmental Quality

Shading indicates the project had a planning grant.

Renewable Resource Loans and Bonds Coal Severance Tax Bonds

Purpose – Department of Natural Resources (DNRC) is authorized to make loans to political subdivisions and local governments to help finance renewable resource projects.

Executive Recommendation-

- RRGL recommends reauthorization for two renewable resource loans and associated bonds. Currently, there are six projects that will need loans and bonds. Table F-7 shows the requests for the 2017 Biennium plus authority to assist projects during the biennium.
- Included is a 10% reserve on the coal severance bonds \$ 2,418,398.

Since Last Session

City of Libby

Flower Creek Dam Replacement Project

Flower Creek Dam is a concrete arch dam owned by the City of Libby for the storage of municipal water from Flower Creek. Located approximately 3.5 miles upstream from the City of Libby, the high-hazard structure has been determined to be structurally unsafe due to concrete deterioration since its construction in the late 1940's. An engineering study identified the preferred alternative as demolition and total replacement of the existing dam at a cost of approximately \$8 million. The funding package includes a House Bill 8 loan in the amount of \$800,000, used for the design of the project. The project has bid and a contract has been awarded. Construction will begin late in 2014 with completion scheduled for late 2015.

Montana Department of Natural Resources and Conservation

Ruby Dam Rehabilitation Project-Phase 2

Located in Madison County and constructed in the late 1930's, Ruby Dam is an earthen embankment high-hazard dam owned by the State of Montana and operated by the Ruby Water Users Association. Rehabilitation of the aging structure has been completed in two phases, both financed in major part with House Bill 8 loans. Phase 1 consisted of the total replacement of the concrete spillway structure and was completed in 2011. Phase 2, the rehabilitation of the outlet works including the replacement of gates and appurtenances, was completed early in 2014. The total cost of the rehabilitation project was approximately \$13 million.

F-7					
Renewable Resource Loan					
Applicant		County	Loan		
Dry Prairie Regional Water System	Local Share	Roosevelt	\$ 6,000,000	Reauthorization	
North Central Regional Water System	Local share	Hill	10,000,000	Reauthorization	
Deadmans Basin Project		Wheatland	500,000		
Bitter Root Irrigation District		Ravalli	1,773,976		
Refinance existing debt & Construction			5,000,000		
Highwood Water/Sewer		Choteau	60,000		
Yellowstone Boys and Girls Ranch		Yellowstone	800,000		
Dillon		Beaverhead	50,000		
Total			\$ 24,183,976		

Treasure State Endowment Program TSEP

Purpose - The Treasure State Endowment Program (TSEP) is a state-funded grant program created to help local governments fund infrastructure projects, defined by statute as drinking water systems, wastewater treatment, sanitary sewer or storm sewer systems, solid waste disposal and separation systems, and bridges. TSEP was authorized by Montana voters through the passage of Legislative Referendum 110 in June 1992 (Sections 90-6-701, *et seq.*, MCA). Title 90, Chapter 6, Part 7, MCA sets out the basic requirements for TSEP. The mission of TSEP is to assist local governments in funding infrastructure projects that will:

- create jobs for Montana residents;
- promote economic growth in Montana by helping to finance the necessary infrastructure;
- encourage local public facility improvements;
- create a partnership between the state and local governments to make necessary public projects affordable;
- support long-term, stable economic growth in Montana;
- protect future generations from undue fiscal burdens caused by financing necessary public works;
- coordinate and improve infrastructure financing by federal, state, local government, and private sources; and
- enhance the quality of life and protect the health, safety, and welfare of Montana citizens.

Executive Recommendation

Volume 4 of the Governor's 2017 Biennium Executive Budget contains the department's evaluation of each of the TSEP applications and the detailed funding recommendations.

- For the 2017 biennium, there were 51 complete applications requesting \$26 million in project grant funds.
- TSEP contains two lists of projects recommended for TSEP infrastructure grant funds – one list for eligible infrastructure projects (Table **F-8**) and the other for bridge projects (Table **F-9**). Both tables list each project and the recommended grant award.
- 11 bridge projects and 40 other infrastructure projects request funding in the 2017 biennium with an appropriation of \$15,787,510 in state special revenue and \$10,126,568 in GO bonds.
- TSEP contains appropriations to the Department for \$900,000 for matching infrastructure planning grants, and \$100,000 for emergency projects during the 2017 biennium.
- The TSEP administration appropriation is contained in HB 2 for \$1,275,660.

Since the Last Session

As of November 1, 2014:

- 46 of the 64 grantees that received a TSEP grant award from the 63rd Legislature have met start up conditions for their projects and executed a contract with the Department of Commerce, for a total obligation of \$22,354,538 of the interest earnings appropriated for the 2015 biennium.
- 4 of 64 grantees have completed the projects that received a grant award from the 63rd Legislature.
- 4 emergency grants have been awarded by the Department for a total of \$63,000.
- 64 planning grants have been awarded by the Department for a total of \$894,500.

Treasure State Endowment Program TSEP

Table F-8

Treasure State Endowment Program					
Water/ WasteWater					
R A N K	APPLICANT	County	Project Type	Recommended Amount	Recommended Amount
			Wastewater		
1	Fallon County WSD	Fallon	Improvements	\$680,000.00	\$680,000.00
2	Polson, City of	Lake	Wastewater Improvements	\$750,000.00	\$1,430,000.00
3	Harlowton, City of	Wheatland	Water System Improvements	\$750,000.00	\$2,180,000.00
4	Havre, City of	Hill	Stormwater Improvements	\$500,000.00	\$2,680,000.00
5	Bainville, Town of	Roosevelt	Water System Improvement	\$625,000.00	\$3,305,000.00
6	Crow Tribe of Indians	Big Horn	Wastewater Improvements	\$750,000.00	\$4,055,000.00
7	East Clark Street W & S District	Lewis&Clark	Wastewater Improvements	\$536,850.00	\$4,591,850.00
8	Whitefish, Town of	Flathead	Wastewater Improvements	\$500,000.00	\$5,091,850.00
9	Hysham, Town of	Treasure	Water System Improvements	\$625,000.00	\$5,716,850.00
10	Big Sandy, Town of	Chouteau	Water System Improvement	\$750,000.00	\$6,466,850.00
11	Roundup, City of	Mussellshell	Water System Improvements	\$500,000.00	\$6,966,850.00
12	Laurel, City of	Yellowstone	Water System Improvements	\$500,000.00	\$7,466,850.00
13	Terry, Town of	Prairie	Wastewater Improvements	\$750,000.00	\$8,216,850.00
14	Fromberg, Town of	Carbon	Wastewater Improvements	\$750,000.00	\$8,966,850.00
15	Upper/Lower River Road WSD	Cascade	Water & Wastewater	\$340,000.00	\$9,306,850.00
16	Westby, Town of	Sheridan	Wastewater Improvements	\$625,000.00	\$9,931,850.00
17	Hot Springs, Town of	Sanders	Wastewater Improvements	\$103,000.00	\$10,034,850.00
18	Glasgow, City of	Valley	Water System Improvements	\$500,000.00	\$10,534,850.00
19	White Sulphur Springs, City of	Meagher	Wastewater Improvements	\$750,000.00	\$11,284,850.00
20	Lewistown, City of	Fergus	Wastewater Improvements	\$500,000.00	\$11,784,850.00
21	Greater Woods Bay SD	Lake	Wastewater Improvements	\$750,000.00	\$12,534,850.00
22	Ten Mile Crk Estates/Pleasant	Lewis&Clark	Wastewater Improvements	\$500,000.00	\$13,034,850.00

**Treasure State Endowment Program
TSEP**

R A N K	APPLICANT	County	Project Type	Recommended Amount	Recommended Amount
23	Thompson Falls, City of	Sanders	Water System Improvements	\$499,000.00	\$13,533,850.00
24	Butte-Silver Bow City/County	Silver Bow	Wastewater Improvements	\$406,526.00	\$13,940,376.00
25	Flaxville, Town of	Daniels	Wastewater Improvements	\$625,000.00	\$14,565,376.00
26	Conrad, City of	Pondera	Water System Improvements	\$500,000.00	\$15,065,376.00
27	Dillon, City of	Beaverhead	Water System Improvements	\$625,000.00	\$15,690,376.00
28	Medicine Lake, Town of	Sheridan	Wastewater Improvements	\$500,000.00	\$16,190,376.00
29	Denton, Town of	Fergus	Water System Improvements	\$344,000.00	\$16,534,376.00
30	Neihart, Town of	Cascade	Water System Improvements	\$500,000.00	\$17,034,376.00
31	Tri-County WD	Chouteau	Water System Improvements	\$661,000.00	\$17,695,376.00
32	Winifred, Town of	Fergus	Water System Improvements	\$625,000.00	\$18,320,376.00
33	Livingston, City of	Park	Wastewater Improvements	\$625,000.00	\$18,945,376.00
34	Simms County SD	Cascade	Wastewater Improvements	\$500,000.00	\$19,445,376.00
35	Sunburst, Town of	Toole	Wastewater Improvements	\$107,000.00	\$19,552,376.00
36	Judith Gap, Town of	Wheatland	Wastewater Improvements	\$125,000.00	\$19,677,376.00
37	Chester, Town of	Liberty	Wastewater Improvements	\$500,000.00	\$20,177,376.00
38	Jordan, Town of	Garfield	Wastewater Improvements	\$500,000.00	\$20,677,376.00
39	Foys Lakeside Estates WSD	Flathead	Water System Improvements	\$157,150.00	\$20,834,526.00
40	Philipsburg, Town of	Granite	Wastewater Improvements	\$545,000.00	\$21,379,526.00
Total				\$21,379,526.00	\$21,379,526.00

Treasure State Endowment Program TSEP

Table F-9

Treasure State Endowment Program

Bridges

R A N K	APPLICANT	County	Project Type	Recommended Amount	Recommended Amount
1	Hill County	Hill	1 bridge replacement	\$291,997.00	\$291,997.00
2	Custer County	Custer	2 bridge replacements	\$467,397.00	\$759,394.00
3	Sweet Grass County	Sweet Grass	1 bridge replacement	\$303,898.00	\$1,063,292.00
4	Yellowstone County	Yellowstone	1 bridge replacement	\$648,475.50	\$1,711,767.50
5	Valley County	Valley	1 bridge replacement	\$494,108.00	\$2,205,875.50
6	Madison County	Madison	1 bridge replacement	\$750,000.00	\$2,955,875.50
7	Carbon County	Carbon	3 bridge replacements	\$500,000.00	\$3,455,875.50
8	Fergus County	Fergus	2 bridge replacements	\$337,594.00	\$3,793,469.50
9	Chouteau County	Chouteau	1 bridge replacement	\$207,184.00	\$4,000,653.50
10	Ravalli County	Ravalli	2 bridge replacements	\$195,798.50	\$4,196,452.00
11	Broadwater County	Broadwater	3 bridge replacements	\$338,100.00	\$4,534,552.00
Total			18 Bridges	\$4,534,552.00	\$4,534,552.00

TSEP Regional Water Program

Purpose

The State of Montana, through the Department of Natural Resources and Conservation (DNRC) provides financial support and state coordination for four regional water systems in Montana. When built out, the Rocky Boys–North Central, Fort Peck–Dry Prairie, Musselshell–Judith, and Dry Redwater systems will provide clean drinking water to more than 65 communities in central and northern Montana. Two of the regional water systems benefit from Tribal partnerships, and are authorized by Congress. The other two are progressing through planning phases specified by the Department of Interior, and could both be federally authorized projects within the coming biennium.

Executive Recommendation

- Regional Water appropriates the state's share of regional water system construction funding. Grant funding is limited to \$3,259,761 of state special revenue for construction projects conducted by the nontribal authorities for the Fort Peck-Dry Prairie and Rocky Boys–North Central systems.
- There is an appropriation in HB 2 for administration of \$1,500,000.
- Regional Water also had a negative fund balance of approximately \$1,500,000. This amount was deducted from the 2017 biennium revenue for Montana regional water.

Since the Last Session -

- In the 2015 Biennium, the Dry Prairie Regional Water Authority completed work on 21 miles of pipeline and two storage tanks. The Dry Prairie system provides good quality water and needed volume of water. This system has been a great help to those in Eastern Montana impacted by energy development. This pipeline Phase 6 project will provide water to the City of Plentywood with water flowing by spring 2015. The project construction cost is estimated at \$6 million.
- The North Central Regional Water system has completed the Brady to Conrad pipeline. This project is complete and should have water flowing to Brady by January 2015. The North Central system is also working on the pipeline to carry water from Shelby to Cut Bank. The construction start date is estimated to be April 2015 and is expected to cost about \$12 million.

Quality School Grant Program

QS

Purpose - The Quality Schools Grant Program (Quality Schools) is a competitive grant program created to provide infrastructure grants, matching planning grants, and emergency grants to K-12 public school districts in Montana. The statute creating the Program was passed by the 61st Legislature became law on April 28, 2009 (Sections 90-6-801, *et seq.*, MCA). Under state law, the principal objectives of the Quality Schools program are to:

- enhance the quality of life and protect the health, safety, and welfare of Montana's public school students;
- ensure the successful delivery of an educational system that meets the accreditation standards provided for in 20-7-111;
- extend the life of Montana's existing public school facilities;
- promote energy conservation and reduction;
- integrate technology into Montana's education framework to support student educational needs for the 21st century; and
- be fiscally responsible by considering both long-term and short-term needs of the public school district, the local community, and the state.

Executive Recommendation

Volume 4 of the Governor's 2017 biennium Executive Budget contains the department's evaluation of each of the Quality Schools applications and the detailed funding recommendations.

- There is \$11,160,979 of state special revenue and \$19,086,359 in GO bonds available for Quality Schools program grants. For the 2017 biennium, there were 53 applications requesting over \$30 million in project grant funds.
- Table **F-10** lists each project and the recommended grant.
- Quality Schools requests for \$1,000,000 to be used by the department to award for matching planning grants, and for emergency projects.
- Quality Schools administration request is in HB 2 for \$839,021.

Since the Last Session

As of November 1, 2014:

- All 30 grantees that received a Quality Schools grant award from the 63rd Legislature have met start up conditions for their projects and executed a contract with the Department of Commerce, for a total obligation of \$11,418,642.
- 13 of 30 grantees have completed the projects that received a grant award from the 63rd Legislature.
- 3 emergency grants have been awarded by the Department for a total of \$44,500.
- 44 planning grants have been awarded by the Department for a total of \$900,000.

Quality School Grant Program QS

Table F-10 Quality Schools Grant Program					
Rank	Applicant	County	Project Description	Recommended Amount	Cumulative
1	Miles City ELE	Custer	Fire alarm and security system upgrades	\$359,623	\$359,623
2	Custer County HS	Custer	Reconfigure sewer and storm drains and replace roof	\$960,254	\$1,319,877
3	Yellowstone Academy ELE	Yellowstone	Wastewater system improvements project	\$470,000	\$1,789,877
4	Pryor ELE	Big Horn	Replace unsafe elementary school	\$1,220,000	\$3,009,877
5	Wolf Point ELE & HS	Roosevelt	Update the roof and parking lot drainage	\$862,300	\$3,872,177
6	Arlee ELE	Lake	Boiler replacement	\$375,000	\$4,247,177
7	Livingston ELE	Park	Heating and ventilation upgrades	\$665,000	\$4,912,177
8	Polson ELE	Lake	Boiler replacement	\$1,337,981	\$6,250,158
9	Rosebud K-12	Rosebud	Domestic water quality improvement	\$174,300	\$6,424,458
10	Ashland ELE	Rosebud	Roof replacement	\$1,013,000	\$7,437,458
11	Grass Range HS	Fergus	Partial roof replacement	\$62,763	\$7,500,221
12	Park City ELE & HS	Stillwater	Replace leaking roof	\$562,396	\$8,062,617
13	Troy ELE	Lincoln	Boiler replacement	\$125,400	\$8,188,017
14	Amsterdam ELE	Gallatin	Fire sprinkler system installation	\$232,650	\$8,420,667
15	Roundup HS	Musselshell	Fire alarm system upgrade	\$137,376	\$8,558,043
16	Troy HS	Lincoln	Energy efficiency upgrades	\$295,887	\$8,853,930
17	Trout Creek ELE	Sanders	Foundation repairs and asbestos abatement	\$102,600	\$8,956,530
18	Cascade ELE	Cascade	Heating and ventilation upgrades	\$335,544	\$9,292,074
19	Superior K-12	Mineral	Heating and ventilation upgrades	\$470,403	\$9,762,477
20	Lavina K-12	Golden Valley	Classroom and technology center addition	\$1,500,000	\$11,262,477
21	Shields Valley ELE	Park	Boiler and heating controls replacement	\$458,311	\$11,720,788

Quality School Grant Program QS

Rank	Applicant	County	Project Description	Recommended Amount	Cumulative
22	Billings HS	Yellowstone	HVAC and lighting upgrades	\$1,533,212	\$13,254,000
23	Missoula ELE	Missoula	Demonstration projects at Lewis and Clark Elementary and Meadow Hill Middle School	\$681,337	\$13,935,337
24	Missoula HS	Missoula	Demonstration project at Big Sky High School	\$323,827	\$14,259,164
25	Plentywood K-12	Sheridan	Boiler replacement	\$900,000	\$15,159,164
26	St Regis K-12	Mineral	Relocate school administration to improve safety and security	\$544,943	\$15,704,107
27	Kalispell ELE	Flathead	Energy efficiency upgrades	\$525,898	\$16,230,005
28	Powell County HS	Powell	Lighting upgrades	\$244,789	\$16,474,794
29	Stevensville ELE	Ravalli	HVAC upgrades	\$865,894	\$17,340,688
30	Bridger K-12	Carbon	Replace boiler	\$318,000	\$17,658,688
31	Forsyth HS	Rosebud	HVAC upgrades	\$255,410	\$17,914,098
32	Libby K-12	Lincoln	HVAC upgrades	\$1,069,278	\$18,983,376
33	Lockwood ELE	Yellowstone	Roofing and daylight harvesting	\$912,524	\$19,895,900
34	Stevensville HS	Ravalli	HVAC upgrades	\$950,051	\$20,845,951
35	Glasgow K-12	Valley	Building access and security monitoring upgrades	\$150,930	\$20,996,881
36	Three Forks HS	Gallatin	Electrical distribution upgrade	\$121,997	\$21,118,878
37	Fair-Mont-Egan ELE	Flathead	Construct two-classroom addition and convert existing space for other uses	\$366,367	\$21,485,245
38	Frenchtown K-12	Missoula	Window replacement and installation of exterior sun screen	\$426,408	\$21,911,653
39	Havre HS	Hill	HVAC upgrades	\$525,000	\$22,436,653
40	Townsend K-12	Broadwater	HVAC upgrades	\$231,339	\$22,667,992
41	West Valley ELE	Flathead	Purchase kitchen equipment	\$350,000	\$23,017,992
42	Laurel ELE	Yellowstone	HVAC upgrades	\$632,000	\$23,649,992
43	Butte HS	Butte Silver-Bow	HVAC upgrades	\$1,190,645	\$24,840,637
44	North Star HS	Hill	HVAC upgrades	\$392,615	\$25,233,252

Quality School Grant Program QS

Rank	Applicant	County	Project Description	Recommended Amount	Cumulative
45	Stanford K-12	Judith Basin	HVAC upgrades	\$413,040	\$25,646,292
46	Lolo ELE	Missoula	Safety and security improvements	\$340,350	\$25,986,642
47	Hamilton K-12	Ravalli	Building envelope improvements	\$953,216	\$26,939,858
48	Power HS	Teton	Kitchen and cafeteria remodel and addition	\$557,053	\$27,496,911
49	Anderson ELE	Gallatin	HVAC upgrades	\$209,000	\$27,705,911
50	Colstrip ELE	Rosebud	High school renovation to accept middle school students	\$750,000	\$28,455,911
51	North Star ELE	Hill	HVAC upgrades	\$334,810	\$28,790,721
52	Simms HS	Cascade	Construction of new Vo-Ag and Science Ed building	\$1,142,833	\$29,933,554
53	Clinton ELE	Missoula	Energy efficiency upgrades	\$313,784	\$30,247,338
Total				\$30,247,338	\$30,247,338

Eastern Montana Grant Program

Purpose – To provide grant funding for public safety and infrastructure improvements in Eastern Montana.

Executive Recommendation

The Executive proposes a \$45 million appropriation to distribute grants to local and tribal governments in Eastern Montana for public facility infrastructure projects and public safety improvement projects. The grants will be used to assist local governments in Eastern Montana to address public safety and infrastructure needs which have developed due to the increase in population and business activity in that part of the state. The appropriation is funded from G.O. Bond proceeds to the Department of Commerce.

Cultural and Aesthetic Grant Program HB 9

Purpose - The Cultural and Aesthetic (C&A) Grant Program began in the 1979 biennium for protection of works of art in the state capitol and for other cultural and aesthetic projects as provided in 15-35-108, and Title 22, Chapter 2, part 3, MCA. Initially administered by the Montana Historical Society (MHS), the C&A program was transferred to the Montana Arts Council (MAC) in the 1985 biennium and continues to be funded by the interest from a statutory trust that receives coal severance tax revenues. Project applications are submitted to the MAC for review and ranking by the 16-member Cultural and Aesthetic Projects Advisory Committee, half of whom are appointed by the MAC and half by the MHS.

Coal severance tax revenue of 0.63 percent is statutorily allocated to the capitol art protection trust fund for partial funding of the recommended grants. There was \$2,133,253 in grant requests. The recommended grant awards total \$385,132 for the 2017 biennium.

Executive Recommendation –

- **Volume 7 of the Governor's 2017 biennium Executive Budget** contains the C&A project applications and advisory committee assessment information.
- **HB 9** contains the projects recommended by the advisory committee for funding in the amount of \$385,132. Table F-11 shows the requested amount and recommended grant amounts.
- Projects are organized into four categories: special projects less than \$4,500, special projects, operational support, and capital expenditure grants.
- The revenue estimate for cultural trust interest earnings for the 2017 biennium is \$904,220.
- Montana Arts Council administration and services are recommended for \$519,088 and appropriated in HB 2.
- Language in HB 9 provides a mechanism for spending the funds within the total revenue available.

Cultural and Aesthetic Grant Program HB 9

Table F-11

Cultural and Aesthetic Grant Program

GRANT#	Organization Name	REQUEST	Rank	RECOMMENDED	CUMULATIVE
Project					
1801	Council for the Arts, Lincoln	\$ 4,500	1	\$ 3,000	\$ 3,000
1805	Preservation Cascade, Inc.	\$ 4,500	2	\$ 3,000	\$ 6,000
1807	The Extreme History Project	\$ 4,500	3	\$ 2,000	\$ 8,000
1804	Granite County Museum and Cultural Center	\$ 3,191	4	\$ 2,000	\$ 10,000
1806	Signatures from Big Sky	\$ 4,500	5	\$ 2,000	\$ 12,000
1800	Cohesion Dance Project	\$ 4,500	6	\$ 2,000	\$ 14,000
1802	Dolce Canto, Inc.	\$ 4,500	7	\$ 2,000	\$ 16,000
1803	Flathead Lake Music Camp	\$ 2,000	8		\$ 16,000
Special Project					
1828	Montana Preservation Alliance	\$ 40,000	SSO-1	\$ 10,000	\$ 26,000
1827	Montana Performing Arts Consortium	\$ 40,000	SSO-2	\$ 10,000	\$ 36,000
1822	Humanities Montana	\$ 28,000	1	\$ 10,000	\$ 46,000
1824	Missoula Writing Collaborative	\$ 7,500	2	\$ 5,000	\$ 51,000
1815	CoMotion Dance Project	\$ 22,970	3	\$ 8,000	\$ 59,000
1826	Montana Historical Society	\$ 25,200	4	\$ 7,000	\$ 66,000
1831	Upper Swan Valley Historical Society Inc	\$ 20,000	5	\$ 4,000	\$ 70,000
1813	Chouteau County Performing Arts	\$ 7,606	6	\$ 3,000	\$ 73,000
1812	Butte-Silver Bow Public Archives	\$ 41,153	7	\$ 7,000	\$ 80,000
1816	Emerson Center for the Arts & Culture	\$ 20,000	8	\$ 3,000	\$ 83,000
1820	Helena Symphony	\$ 60,000	9	\$ 5,000	\$ 88,000
1817	Friends of Chief Plenty Coups Advisory Council	\$ 22,150	10	\$ 3,000	\$ 91,000
1818	Grandstreet Broadwater Productions, Inc.	\$ 41,000	11	\$ 5,000	\$ 96,000
1821	Hockaday Museum of Art	\$ 18,905	12	\$ 3,000	\$ 99,000
1823	International Choral Festival	\$ 11,855	13	\$ 3,000	\$ 102,000
1810	Bozeman Symphony Society	\$ 41,345	14	\$ 5,000	\$ 107,000
1819	Headwaters Dance Co.	\$ 10,000	15	\$ 3,000	\$ 110,000
1830	Musikanten Inc	\$ 11,000	16	\$ 2,000	\$ 112,000
1809	Alpine Artisans, Inc.	\$ 20,000	17	\$ 3,000	\$ 115,000
1814	Clay Arts Guild of Helena	\$ 5,000	18	\$ 2,000	\$ 117,000
1829	Montana Public Radio	\$ 8,430	19		\$ 117,000
1825	Montana Chamber Music Society	\$ 12,500	20		\$ 117,000
1811	Butte Citizens for Preservation and Revitalization	\$ 20,550	21		\$ 117,000
1808	Allison McGree Fine Art	\$ 4,500	22		\$ 117,000

Cultural and Aesthetic Grant Program HB 9

GRANT#	Organization Name	REQUEST	Rank	RECOMMENDED	CUMULATIVE
Operational Support					
1860	Montana Arts	\$ 20,000	SSO-1	\$ 10,000	\$ 127,000
1861	Montana Association of Symphony Orchestras	\$ 20,000	SSO-2	\$ 10,000	\$ 137,000
1854	MAGDA	\$ 25,000	SSO-3	\$ 10,000	\$ 147,000
1865	Museums Association of Montana	\$ 17,500	SSO-4	\$ 10,000	\$ 157,000
1862	Montana Dance Arts Association	\$ 20,000	SSO-5	\$ 10,000	\$ 167,000
1879	VSA Montana	\$ 15,000	1	\$ 8,000	\$ 175,000
1835	Art Mobile of Montana	\$ 25,000	2	\$ 10,000	\$ 185,000
1864	Montana Shakespeare in the Parks	\$ 40,000	3	\$ 10,000	\$ 195,000
1863	Montana Repertory Theatre	\$ 32,000	4	\$ 10,000	\$ 205,000
1873	Schoolhouse History & Art Center	\$ 39,327	5	\$ 8,345	\$ 213,345
1856	MCT, Inc.	\$ 20,000	6	\$ 8,000	\$ 221,345
1834	Archie Bray Foundation	\$ 50,000	7	\$ 8,000	\$ 229,345
1885	Zootown Arts Community Center	\$ 26,000	8	\$ 6,000	\$ 235,345
1855	Mai Wah Society	\$ 18,000	9	\$ 4,000	\$ 239,345
1876	Stillwater Historical Society	\$ 20,000	10	\$ 6,000	\$ 245,345
1848	Great Falls Symphony	\$ 30,000	11	\$ 6,000	\$ 251,345
1858	Missoula Cultural Council	\$ 4,800	12	\$ 2,000	\$ 253,345
1878	Verge Theater	\$ 10,000	13	\$ 3,000	\$ 256,345
1842	Carbon County Arts Guild & Depot Gallery	\$ 28,000	14	\$ 4,000	\$ 260,345
1849	Hamilton Players, Inc	\$ 36,893	15	\$ 5,000	\$ 265,345
1852	Intermountain Opera Association	\$ 30,000	16	\$ 5,000	\$ 270,345
1867	Paris Gibson Square Museum of Art	\$ 42,000	17	\$ 6,000	\$ 276,345
1884	Yellowstone Art Museum	\$ 20,000	18	\$ 4,000	\$ 280,345
1875	Southwest Montana Arts Council	\$ 46,000	19	\$ 5,000	\$ 285,345
1851	Holter Museum of Art	\$ 70,000	20	\$ 4,000	\$ 289,345
1866	Northwest Montana Historical Society	\$ 19,500	21	\$ 4,000	\$ 293,345
1870	Queen City Ballet Company	\$ 16,000	22	\$ 5,000	\$ 298,345
1871	Ravalli County Museum	\$ 25,000	23	\$ 5,000	\$ 303,345
1882	Whitefish Theatre Co	\$ 15,000	24	\$ 4,000	\$ 307,345
1836	Beaverhead County Museum	\$ 18,000	25	\$ 4,000	\$ 311,345
1837	Big Horn Arts and Craft Association	\$ 16,000	26	\$ 4,000	\$ 315,345
1880	WaterWorks Art Museum	\$ 45,000	27	\$ 4,000	\$ 319,345
1846	Gallatin Historical Society	\$ 20,000	28	\$ 4,000	\$ 323,345
1859	MonDak Heritage Center	\$ 40,000	29	\$ 4,000	\$ 327,345
1877	Sunburst Foundation	\$ 15,000	30	\$ 4,000	\$ 331,345
1838	Billings Symphony Society	\$ 30,000	31	\$ 4,000	\$ 335,345
1883	World Museum of Mining	\$ 45,000	32	\$ 4,000	\$ 339,345
1832	Alberta Bair Theater	\$ 30,000	33	\$ 4,000	\$ 343,345
1850	Helena Presents/Myrna Loy Center	\$ 18,000	34	\$ 4,000	\$ 347,345
1869	Pondera History Association (PHA)	\$ 8,000	35	\$ 4,000	\$ 351,345
1843	Carbon County Historical Society	\$ 30,000	36	\$ 4,000	\$ 355,345

Cultural and Aesthetic Grant Program HB 9

GRANT#	Organization Name	REQUEST	Rank	RECOMMENDED	CUMULATIVE
1872	Rocky Mountain Ballet Theatre	\$ 20,000	37	\$ 4,000	\$ 359,345
1844	Creative Arts Council	\$ 24,000	38	\$ 4,000	\$ 363,345
1874	Shane Lalani Center for the Arts	\$ 30,000	39	\$ 3,000	\$ 366,345
1853	Irwin & Florence Rosten Foundation	\$ 50,000	40	\$ 3,000	\$ 369,345
1881	Western Heritage Center	\$ 30,000	41		\$ 369,345
1847	Glacier Symphony and Chorale	\$ 40,000	42		\$ 369,345
1833	Alpine Theatre Project, Inc.	\$ 20,000	43		\$ 369,345
1841	Butte Symphony Association	\$ 12,000	44		\$ 369,345
1840	Butte Center for the Performing Arts	\$ 30,000	45		\$ 369,345
1845	Daly Mansion Preservation Trust	\$ 41,900	46		\$ 369,345
1857	Missoula Community Access Television	\$ 15,000	47		\$ 369,345
1868	Pondera Arts Council	\$ 12,000	48		\$ 369,345
1839	Bitterroot Performing Arts Council	\$ 20,000	49		\$ 369,345
Capital Expenditure					
1888	Montana Fish, Wildlife & Parks (Montana State Parks)	\$ 17,828	1	\$ 7,787	\$ 377,132
1886	City of Shelby Champions Park	\$ 40,000	2	\$ 3,000	\$ 380,132
1887	Missoula Art Museum	\$ 30,000	3	\$ 5,000	\$ 385,132
1890	Original Montana Club	\$ 7,650	4		\$ 385,132
1889	NOVA Center for the Performing Arts	\$ 25,000	5		\$ 385,132
TOTAL		\$ 2,133,253		\$ 385,132	
AVERAGE		\$ 27,017		\$ 5,073	

Long-Range Information Technology Program HB10

Table F-12 shows new appropriations to LRIT projects for the 2017 Biennium. Brief descriptions of the projects are included in the IT section of this volume. The projects are presented to the legislature in HB 10.

Volume 9 of the Governor's 2017 biennium Executive Budget contains complete descriptions of all recommended projects.

Table F-12 Long Range Information Technology Projects					
Dept	Project	GF	SSR	FSR	Total
DOA	Network Equipment and Maintenance	\$ 5,589,000			\$ 5,589,000
DOA	Data Protection Initiative	\$ 1,887,000			\$ 1,887,000
DOA	Statewide Public Safety Communications	\$ 2,000,000			\$ 2,000,000
COR	Security System Replacements/Assessments	\$ 1,200,000			\$ 1,200,000
JUD	Court Technology Improvement Program	\$ 490,000			\$ 490,000
DOJ	Court Data Exchange Enhancement	\$ 834,000			\$ 834,000
	Program and Project Mgmt/Risk-based				
MDT	Asset Mgmt and Linear Ref System		\$ 650,000	\$ 4,350,000	\$ 5,000,000
MDT	Financial Management Suite			\$ 3,000,000	\$ 3,000,000
Total		\$ 12,000,000	\$ 650,000	\$ 7,350,000	\$ 20,000,000