

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON LONG-RANGE PLANNING

Call to Order: By CHAIR MARY ELLEN CONNELLY, on February 7, 1991, at 8:00 a.m.

ROLL CALL

Members Present:

Rep. Mary Ellen Connelly, Chair (D)
Sen. Bob Hockett, Vice Chairman (D)
Rep. Francis Bardanouve (D)
Sen. Ethel Harding (R)
Sen. J.D. Lynch (D)
Rep. Bob Thoft (D)

Staff Present: Jim Haubein, Principal Fiscal Analyst (LFA)
Jane Hamman, Senior Budget Analyst (OBPP)
Claudia Montagne, Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

OVERVIEW ON COAL SEVERANCE TAX LOAN PROGRAM

Tape No. 1:A:060

John Tubbs, DNRC, said the day was set aside for reviewing the Coal Severance Tax Loan Projects. He presented information on the Coal Severance Tax proceeds, 50% of which go into the Coal Severance Tax Trust Fund. **EXHIBIT 1** He described the flow of the funds within the Coal Severance Tax Trust Fund, the Trust. **EXHIBIT 2** To date, \$55,000,000 in loans through the Water Development Program have been made, with all loan payments current. The interest subsidies on these loans paid by the Coal Severance Tax Revenues amount to \$500,000 per year. There is \$57,000,000 left in bonding capacity within the program, not including those loans already authorized for which bonds have not been sold.

REP. BARDANOUVE commented if the trust is capped, the bonding capacity would be reduced. He asked for time to thoroughly review any proposals that would reduce the bonding capacity. **Mr. Tubbs** said actions of the committee could take the balance down to \$11,000,000 from \$57,000,000. He distributed a list of the new and reauthorized loans to be reviewed that day, the five new loans, the thirteen large public loans authorized last session in HB 778, and the small loans under \$200,000, often given in association with a grant. **EXHIBITS 3 & 4** He clarified that the total of these reauthorized loans, \$26,885,837, had not been

counted as part of the \$57,000,000 bonding capacity. The total for the new loans, the reauthorizations and the Tongue River Dam is \$45,168,431, leaving a balance of \$11.8 million. REP.

BARDANOUE said this would be the largest total loan authorization of any session. **Mr. Tubbs** said in new loans, the number is relatively small. He had separated the Tongue River loan because it is in negotiation with the Reserve Water Right Compact Commission. He clarified that the small loans on Exhibit 3 are funded by GO bonds and Coal Severance Tax bonds, depending upon the applicant.

Anna Miller, Financial Advisor, DNRC, said GO bonds are sold, backed by the general taxing authority of the State. There is no subsidy, and the bonding capacity is \$10,000,000. There is a Loan Loss Reserve Program recently set up and funded by a nominal percentage on the loans to take care of any defaults on the GO bonds.

Mr. Tubbs said the most recent bond sale with Coal Severance Taxes was for \$9.6 million to refinance existing bonds, saving \$1.2 million in costs over the life of the loan. These went from a variable rate to a fixed rate of interest. **Ms. Miller** said they still had two bond issues at a variable rate: the Broadwater for over \$20,000,000, and one other. **Mr. Tubbs** said they were considering converting the Broadwater bond, with a face value of \$22 million and an impact on bonding authority of \$34 because of the variable rate, to a revenue bond, thus freeing up \$34 million in bonding capacity. REP. **BARDANOUE** said the most economical solution should be the first consideration, not increasing the bonding capacity.

SEN. HOCKETT asked if interest subsidies would be discussed. **Ms. Miller** said the median income of communities was examined as well as the impact of putting in a facility in the determination of the subsidy.

REP. **BARDANOUE** said initially 15% of the interest from the Coal Trust was set aside for subsidies. However, in the course of balancing the budget, now 3% is set aside. **Ms. Miller** said the amount is approximately \$500,000 per year and remains stable. **Mr. Tubbs** distributed an overview of the balances in the permanent Coal Severance Tax Trust. EXHIBIT 5 The projections assume the current percentage of taxation, 15%, and a constant level of coal production.

HEARING ON COAL SEVERANCE TAX LOANS

Tape 1:B:000

City of Columbia Falls: Water Improvements

Ted Brittenham, City Councilman, presented on behalf of project PL1 and distributed a packet prepared by their engineers. EXHIBIT 6 He reviewed the report, which covers their conversion

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from a surface water supply to groundwater. He addressed the nature of their community which has a large percentage of retired people on fixed incomes. They need to keep their rates, which are double those in Kalispell, at a reasonable rate. In addition to improving the quality of the drinking water, the project would also increase the fire fighting capacity for the downtown area and the schools.

Questions from Subcommittee Members:

REP. BARDANOUVE asked if they were metered at this time. Mr. Brittenham said the city had mandated meters. REP. BARDANOUVE asked if this project allowed for expansion, and if non-city residents were charged the same. Mr. Brittenham said this did allow for expansion, and that non-city residents were charged 125% of the city rate.

SEN. HOCKETT asked if they were going from a storage tank supply system to a closed tank supply system. Mr. Brittenham said they had an open reservoir at present, from a dam that was rebuilt in the early 70's.

SEN. BARDANOUVE asked if they were agreeable to the terms of the loan, a pay back in 20 years with a 1% subsidy for five years. Mr. Brittenham said yes.

City of Forsythe: Water Treatment Plant Improvements

Mike Hagel, Superintendent of Water, Wastewater and Distribution, Forsythe, spoke in support of PL2. The renovation of the water treatment plant and distribution system to alleviate emergency essentials has exhausted their funds, necessitating the application for this loan. He mentioned the substantial increase in water rates, as much as 12% per annum since 1984, for a community of 2600 persons.

James Karaker, Engineer, HKM Associates, outlined the changes needed. Based on the 1974 Safe Drinking Water Act, they were in violation due to a critical situation with the filters. He gave a history of the plant, and the reasons for upgrading the system: silts and solids in the intake from the Yellowstone River; the chemical mixing, which does not have adequate energy to properly mix; disinfection, with the current detention time of 34 minutes violating existing regulations; inadequate system backup; and sludge handling.

Mr. Karaker said the base rates at present for water are \$9, with an average monthly rate of \$20. With this loan, the rates would increase to \$39. This represents a substantial commitment on the part of the community to make these improvements. Another problem not addressed in this application has surfaced in December of 1990 with the distribution system downtown.

He requested allowing the city to use this loan money to repair the distribution system. Priorities could be rescheduled.

Questions from Subcommittee Members:

2:A:000

REP. BARDANOUVE asked if the money were used for the distribution system, would they have enough money to address the issues in the application, and if not, what they would do. Mr. Karaker said there would not be enough money. The city would do as much as they can, with subsidies from other grants and loans. REP. BARDANOUVE asked if they had an algae problem which contributes to the sludge. Mr. Karaker said yes.

SEN. HOCKETT said their interest rate would be lower than projected. REP. BARDANOUVE said those were estimates which were high. The current issues would have a rate of less than 6%. The estimated monthly charge would go down, especially with the 2% subsidy for the first five years. Mr. Tubbs said there is also a provision in HB 8 that if a project is reduced substantially, there is a recalculation of the subsidy.

Huntley Irrigation District: Rehabilitation and Reconstruction of Diversion Structure and Main Canal

Jo Brunner, Executive Secretary, Montana Water Resources Association, offered testimony for Duane Calvin, Manager, Huntley Irrigation District, in support of their project, the Rehabilitation and Reconstruction of Diversion Structure and Main Canal. EXHIBIT 7

Questions From Subcommittee Members:

SEN. HOCKETT asked about the environmental impacts due to diversions of considerable amounts of water during periods of low flow. He asked if anyone would challenge that issue. Mr. Tubbs said there was a constraint on it, found in a recommendation by the bureau that the district water rights not be exceeded and that the use of senior water rights and the fishery is not adversely affected by the district's increased diversion during low flow. REP. BARDANOUVE asked what the O & M charges at the present time. Mark Marty, DNRC, said their present rate was \$18 per acre, increasing to \$21.06, a 17% increase.

There followed a discussion of the percentage rate for bonding used by the department to calculate cost. REP. BARDANOUVE asked why the 10% figure was being used. He could not recall a time when a rate of 10% was paid on these bonds. Mr. Tubbs replied that he would have to check to see if a memo setting that figure had been sent out to applicants prior to his coming into the program in November, 1990. REP. BARDANOUVE said the use of the high percentage did not give a true figure for the cost of the project. A 2% difference over 20 years amounts to a lot of money. Mr. Tubbs said they had one bond sale go out at 10.26% in

1985, and suggested that the Department was presenting the worst case scenario despite the fact that it was not representative of today's market. REP. BARDANOUE said the subcommittee should have the most reasonable rate presented relative to current rates, and said one bond issue in 1985 had no bearing on interest rates now or in the future. Mr. Tubbs said the most recent bond sale for \$9,620,000 was sold at average rate of 7%.

REP. DAVE BROWN, HD 72, Butte/Silver Bow, supported the project, saying he grew up on the end of that ditch, and suffered the normal irrigation problems of running out of water. REP. BARDANOUE commented that Rep. Thoft had told him that his father had always said to be the first on the creek.

Mr. Haubein said the amount for the loan should read \$749,797.00, calculating off of page 57, Water Development Projects.

Tape No. 2:A:450

Beaverhead County Red Rock River Water and/or Sewer District:
Lima Dam Rehabilitation

REP. DICK SWYSGOOD, HD 73, Beaverhead County, introduced and spoke in favor of the Lima Dam Rehabilitation project, submitted by Beaverhead County and the Red Rock River Water and/or Sewer District. He offered letters of support for the project from the United States Department of the Interior, Bureau of Reclamation (BLM), East Bench Irrigation District, County Commissioners of Beaverhead County, and the United States Department of Interior, Fish and Wildlife Service, Red Rocks Lakes National Wildlife Refuge. EXHIBITS 8, 9, 10, and 11

Allen Martinell, President Red Rock River Water and/or Sewer District, testified for the project. EXHIBIT 12

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Orrin Ferris, HKM and Associates, described the technical aspects of the project. He submitted plans of the project, and reviewed these in his testimony. EXHIBIT 13 He described the use of roller compacted concrete on the downstream face, a relatively new technology which has economic and environmental benefits. He also addressed the need for the interest subsidy.

Questions From Subcommittee Members:

SEN. HARDING asked how the concrete was applied. Mr. Ferris said it was a lean soil/cement mixture laid on with earth moving equipment. He said it was economical, although it had not a long history, and was very strong. REP. BARDANOUE questioned the wisdom of the 30 year interest subsidy.

REP. BARDANOUE repeated that he could not support the interest for the life of the loan.

HOUSE LONG-RANGE PLANNING SUBCOMMITTEE

February 7, 1991

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2:B:000

SEN. HOCKETT asked about the peak of four ton per acre in hay production, and the current water assessment of \$1.44 per acre. He considered this amount very moderate. With his figures, he estimated that the interest subsidy would amount to \$6,000 per landowner per year. He would have difficulty supporting 0% interest. He suggested that in light of the endangered and semi-endangered species affected, the DFWP, Nature Conservancy, Audubon Society and a few others could look at participating in this project too. He asked the Department how they determined a 0% interest rate for one group and a 10% rate for someone else.

Mr. Tubbs replied that the Department recommendations reflected the request as it reaches the Department and the payment capacity analysis, in this case, as prepared by HKM, which showed 0, and that they would be willing to put that additional money in above what they can show that they can afford to pay. The Department's reasons for justifying the subsidy were the same: the lack of money available, the safety of the downstream inhabitants near the rivers that could be flooded, the unique wildlife resource, and the fact that it doesn't help them. In many projects, there is help in the form of dam or reservoir enlargement, or in more efficient flow of water with a resulting higher yield per acre. In the case of Lima Dam, there would be no increase in water delivery, and simply a cost incurred by the water district members. Therefore the Department came up with this proposal and concurred with the applicant.

REP. BARDANOUVE asked how the principal would be repaid.

Mr. Ferris said the repayment schedule calls for \$7.50, with \$1.25 of that for O&M, and the balance to repay the loan. 1/30th of the outstanding principal, or approximately \$100,000 per year, would be paid each year. **REP. BARDANOUVE** commented that a very low interest rate had been given before to this area on a gravity irrigation system.

REP. SWYSGOOD responded this is just the beginning for Montana with regards to the rehabilitation of dams, both state-owned and private, due to the costs to bring them into compliance with the Dam Safety Act. At least these people are willing to pay back the principal. For other state owned dams that don't meet compliance, the State will be subsidizing the whole costs. They felt the need to do something comprehensive and in the best interest of the downstream users and those who depend upon the system for irrigation. He acknowledged that the 0 interest is a concern with them is well, but this proposal represents their ability to pay.

SEN. HOCKETT asked if this reservoir was open to general public use. **REP. SWYSGOOD** said it was.

REP. BARDANOUVE said the reality is that if Montana has to underwrite all the dams declared hazardous, the State will be

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broke, perhaps for 500 years. He cited five dams on the prison ranch for which there is no solution. **REP. THOFT** gave the irrigators credit for preserving the wildlife potential of the area. He cited the removal of land from the tax rolls for wildlife enhancement, and asked why this was any different. He suggested that HB 526 money should go into these types of projects.

Richard Dawsman, Vice President, Water Users Association, pointed out that to date, the Lima Dam has been totally paid for by the private landowners. Society as a whole does accrue benefits from this dam, which is why they feel justified in asking for a 0% interest loan. Benefits include flood control as well as wildlife habitat enhancement. If this dam, the first on the Missouri system, were to fail, there would be tremendous impacts downstream.

Jo Brunner, Montana Water Resources Association, expressed strong support for this project and others of this type.

Seeley Lake - Missoula County Water District: Water Treatment Plant

Paul Torok, Manager, Seeley Lake Water District, testified in support of PL5. **EXHIBIT 14** This project would include the construction of a 200,000 gallon storage tank, doubling current capacity.

REP. THOFT asked the source of the water. **Mr. Torok** said Seeley Lake was and would remain the source. Well depths in the area are estimated to be 700 feet, which is too deep to gamble on.

REP. BARDANOUE asked the boundaries of the district and the population. **Mr. Torok** said the water district covers areas beyond downtown Seeley Lake, portions of Double Arrow, and extends as far north as the ranger station. The population is based on school records. It has decreased sharply and is now level. There is additional summer recreational use with water supplied to campgrounds.

SEN. HARDING asked about the increase in the rates and the deferment and the number of users. **Mr. Torok** said some places in the district are paying off their bonds (Double Arrow) will be paying \$60 if the water rates go up to \$25. There are 385 hookups, with three persons per household, for a total of approximately 1,000.

REP. BARDANOUE asked how soon they would actually borrow the money. He was trying to relate this loan to the bonding payments still outstanding. **Mr. Torok** said they would not be starting this year. In addition, the Surface Water Treatment Rule from the State has not been finalized yet. They will not begin construction before they know what is required.

Town of Dutton: Dutton Water Reservoir

Dan McCauley, Engineer, Damschen and Associates, testified in support of WD10, a grant in the amount of \$91,319, a project to address problems and inadequacies in their water system. The source of Dutton's water is a shallow well 5.5 miles north of town and two submersible pumps. It sits next to the Teton River. Due to erosion, the distance between the well and the river is decreasing, and a severe flood event could take out the well. There is no back up system. Other systems explored, such as tying in with the Tiber system, proved to be cost ineffective.

He asked to reauthorize the \$150,000 loan, authorized in a previous session to find a different source of water, for another purpose. They would add this to the grant amount for a new 500,000 gallon storage tank. Their present tank with a capacity of 100,000 gallons is insufficient to meet fire fighting needs. In addition, they would rip rap the bank of the Teton River to protect this sole source, replace the transmission line, install a new telemetry system, improve the well house building and add chlorination equipment.

Mr. McCauley said \$26.75 was the average rate now, which would go up to \$33 with the loan, and \$30 if the grant were awarded. He cited the public health and economic needs the project would address.

REP. BARDANOUVE asked what the interest rate was on the loan. **Mr. Tubbs** said the loan was authorized in 1985 for a much larger project at \$650,000 with a 4% subsidy for the first five years. This was before they got the Community Block Grant of \$273,000. **REP. BARDANOUVE** said the interest rate would have to be recalculated. The loan is listed in HB 7 due to its original status at the 4% subsidy level. The interest amount should be changed to a more appropriate subsidy.

REP. JANE DEBRUYCKER, HD 11, Teton and portions of Pondera Counties, supported the proposal.

Bob Stephens, Property owner in Dutton, spoke in support of the proposal.

Mr. Tubbs said there were loans previously authorized but not obligated during the biennium for the committee to consider. He had not request the applicants' attendance, and submitted letters signed by representatives of the entities indicating whether they wanted reauthorization. **EXHIBIT 15** These would be contained within HB 7. **REP. BARDANOUVE** asked that a report be prepared for the committee on these loan requests with any changes in scope. **Mr. Tubbs** said he would provide specific project descriptions. Everyone on the large loan list indicated interest in reauthorization. One applicant in the bill but not on the list is Noxon, because they have already entered into a contract and

no longer need the reauthorization. On the small loan lists, the City of Bozeman has come under contract, and no longer needs reauthorization. Cascade indicated they did not want funds. They would speak for themselves.

DNRC: Middle Creek Dam Rehabilitation

Rick Bondy, DNRC, addressed the Middle Creek Dam Rehabilitation project. It is a state-owned dam south of Bozeman, supplying water to irrigators and the city of Bozeman. It is unsafe. The bids for the rehabilitation, including the installation of a new spillway, raising the dam, and repairing the existing spillway, have been opened and the contracts are about to be let. Construction will start soon, and the funding is secure. This loan will not need to be authorized.

3:A:000

REP. BARDANOUVE asked how it was funded. Mr. Bondy said their main funding is a loan from the Bureau of Reclamation at 0% interest for the irrigation water, and 7.5% interest for municipal water and other agricultural uses. The remaining funding is a combination of grants and loans: a federal grant for \$775,000, state money that paid for design, and this loan in the amount of \$5,100,000. Mr. Bondy said Bozeman pays for the water, and picks up \$5/acre foot in excess cost since the irrigators cannot pay their share of the loan. The City pays \$30-35 for their water, while the irrigators pay \$5 per acre foot.

DNRC: Broadwater Hydroelectric Project

Mr. Bondy also addressed the Broadwater Hydroelectric Project and requested an amendment. The project was financed through the sale of bonds and there is still some construction work to be done, as well as bond proceeds. The Department needs reauthorization to spend those bonds over the next biennium. There is another problem in that the exact amount of money is not known. There is \$2,000,000 credited to this project in the interest bearing account, with the construction costs estimated to be \$1 to \$2 million. He requested appropriation to the Department the remaining funds in the account. EXHIBIT 16

REP. BARDANOUVE asked if there was an engineering plan and prioritized list of needs. Mr. Bondy said they have more things that they need than money; however, some can wait. They do have priorities set.

City of Cascade: Cascade Water Project

Don Rose, Citizens' Improvement Association, Cascade, testified on the problems there. Regarding the reauthorization request for their grant. They have accumulated \$1,200,000 in grants, and the

City Council turned it down. The engineering is done, with \$31,000 of that paid. In addition there are Community Development Block Grants, hopefully a DNRC grant and an FHA grant, with a total cost of the project at \$1,407,000. They asked to come back after meeting again with the City Council that evening at a public meeting.

REP. BARDANOUVE commented on the situation in Cascade, where a sewage lagoon is situated on an island in the Missouri River. He noted that the sewage was going into the river, and had not been noticed until an 81 year old legislator flew over and noticed an empty lagoon. Mr. Rose said recent studies by the Water Quality Bureau have indicated contamination downstream from the lagoon, resulting in the need to line the lagoon for another \$75,000-\$100,000.

Mr. Rose introduced Julie Birkenbuel, City Council, Cascade, who said she hoped to straighten things out that evening.

Sun Prairie Village County Water and Sewer District: Water System Improvement Project

Bob Broadway, Manager, Sun Prairie Village Water and Sewer District, asked for the reauthorization of the \$200,000 loan. There is a change in the project from the initial plan to replace the existing raw water line. There are more serious problems, which he reviewed on a handout. EXHIBIT 17 There is approval for the bond by the community and the district has been created. With the county taking some action on the existing potential delinquency on the SID, some growth has been realized in the community. With the conclusion of both the water and sewer projects, growth could be expected at a more rapid rate.

REP. BARDANOUVE said he had reservations about loaning the money in the first place because of the shaky financial condition. He asked about the sale of the lots since the last biennium. Mr. Broadway said seven additional lots had been sold in the past year. The County has taken over 78 of the lots, with 100 in the tax deed process. Cascade County is not charged any fees until those lots are sold and on line. The lots are for sale. The SID has been restructured and there is no longer the potential default. With this loan, the total water and sewer rate will be \$44.00 per month. REP. BARDANOUVE acknowledged the situation looked much better.

Tim Meredith, Morrison-Maierle, clarified that in the last biennium, the water project had not been done yet. The sewer project is 46% complete. Regarding the water project and water bond, the water and sewer rates were set at the time the district was created and have been charged since September of 1989. Therefore there is collection experience. They were successful in their application for a Community Block Grant, and were awarded a grant in December, 1990. The design contract is now

before the Dept. of Commerce for their review. The schedule anticipates completion of a large percentage of the project this year.

REP. BARDANOUVE asked if there were any other crises. Mr. Meredith said there were no more crises. However, several communities including Sun Prairie may not meet the new sulfate requirements. The treatment process, reverse osmosis, is very expensive. Hopefully, that expense would be taken into consideration and waivers would be granted.

Mr. Tubbs announced a special situation with the Evergreen Water and Sewer District. The engineers on the project cannot proceed until this loan is reauthorized because the CDBG will not release their funds to pay the retained engineer until this committee acts on this loan. REP. DAVE WANZENRIED has submitted a bill to reauthorize the one project in order to expedite the process so they can do the engineering now and begin construction this year.

ADJOURNMENT

Adjournment: 11:20 a.m.



MARY ELLEN CONNELLY, Chair



CLAUDIA MONTAGNE, Secretary

MEC/cm

HOUSE OF REPRESENTATIVES
LONG-RANGE PLANNING SUBCOMMITTEE

ROLL CALL

DATE 2-7-91

NAME	PRESENT	ABSENT	EXCUSED
REP. FRANCIS BARDANOUVE	✓		
SEN. ETHEL HARDING	✓		
SEN. BOB HOCKETT, VICE-CHAIRMAN	✓		
SEN. J.D. LYNCH	✓		
REP. BOB THOFT	✓		
REP. MARY ELLEN CONNELLY, CHAIR	✓		

HR:1991
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FIGURE 1.

**RESOURCE INDEMNITY
TRUST INTEREST INCOME**

(\$16.5 MILLION / BIENNIUM FY 92-93 ESTIMATE)

ENVIRONMENTAL CONTINGENCY ACCOUNT
(UP TO \$175,000/BENNIUM)
75-1-1101

OIL & GAS PRODUCTION DAMAGE MITIGATION ACCOUNT
(UP TO \$50,000/BENNIUM)
82-11-151

	FY90	FY90	FY88	FY82
	4%	46%	8%	30%
	(\$662,000 / Biennium)	(\$7.6 M/B)	(\$1.3 M/B)	(\$4.9 M/B)

ENVIRONMENTAL QUALITY
PROTECTION FUND
75-10-704

DIES - HAZARDOUS WASTE/
CERCLA ACCOUNT
75-10-621

RECLAMATION
AND DEVELOPMENT
GRANTS PROGRAM
(RDG)
90-2-1104

RENEWABLE
RESOURCE
DEVELOPMENT
PROGRAM
(RRD)
Title 90, Chapter 2

WATER
DEVELOPMENT PROGRAM
(WDP)
SPECIAL REVENUE
ACCOUNT
85-1-604

LOAN REPAYMENTS

COAL SEVERANCE TAX

(\$75.7 MILLION / BIENNIUM FY 92-93 ESTIMATE)

	15-35-108	15-35-108	15-35-108	FY88-FY93
	38%	12%	50%	
	(\$28.8 M/B)	(\$9.1 M/B)	(\$37.9 M/B)	

Article IX, Sec. 5, Montana Constitution

1.25% VARIOUS PROGRAMS
FY 90 (\$359,597/B)

HIGHWAY
RECONSTRUCTION
TRUST FUND ACCOUNT

COAL SEVERANCE
TAX TRUST
FUND
See Figure 2

EFFECTIVE JULY 1, 1990:
17.5% LOCAL IMPACT AND EQUALIZATION AID TO PUBLIC SCHOOLS
30% STATE EQUALIZATION TRUST FUND FOR PARKS
5% NONEXPENDABLE TRUST FUND FOR PARKS
WORKS OF ART IN STATE CAPITOL AND
OTHER CULTURAL AND AESTHETIC PROJECTS
2% MONTANA GROWTH THROUGH AGRICULTURE ACCOUNT
1% COUNTY LAND PLANNING ACCOUNT
1% BASIC LIBRARY SERVICES THROUGH LIBRARY
FEDERATIONS AND NETWORKING
7/2 of 1% CONSERVATION DISTRICTS
REMAINDER TO GENERAL FUND

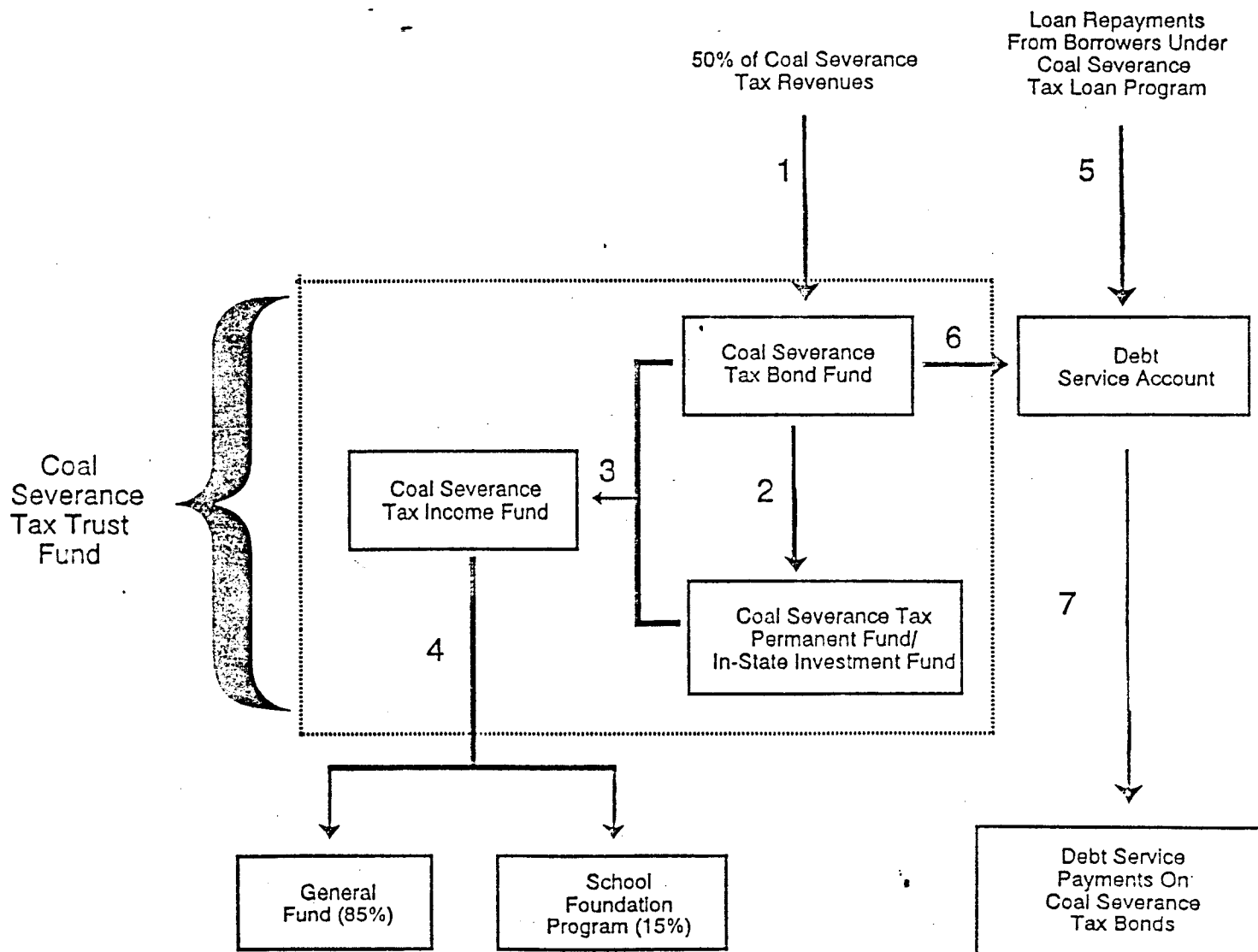
RENEWABLE
RESOURCE
DEVELOPMENT
BOND FUND
SPECIAL
REVENUE
ACCOUNT

LOAN REPAYMENTS

DATE 2-7-91
HB 7 *Coal Se Tax*
Long Range Planning

Coal Severance Tax Trust Fund

Flow of Funds Summary



- (1) Within 30 days of the end of each calendar quarter, coal severance taxes are paid to the State, 50% of which are deposited in the Coal Severance Tax Trust Fund (the "Trust"). Three accounts are established within the Trust; the Coal Severance Tax Bond Fund, the Coal Severance Tax Permanent Fund (within which is established the In-State Investment Fund) and the Coal Severance Tax Income Fund. Coal tax revenues which flow to the Trust are initially deposited in the Bond Fund and made available for the payment of debt service on the Coal Severance Tax Bonds.
- (2) Periodically, the amount in the Bond Fund in excess of the next twelve months' debt service on the Bonds is transferred to the Permanent Fund. On each January 1, all amounts on hand in both the Bond Fund and the Debt Service Account (see footnotes 5 and 6 below) are swept to the Permanent Fund, except for an amount equal to one-twelfth of the next year's debt service on the Bonds. Twenty-five percent of the receipts to the Permanent Fund are segregated in an account within the Permanent Fund (the In-State Investment Fund) established for the purpose of making investments in Montana.

- (3) *Investment income on the monies in the Bond Fund and the Permanent Fund is periodically transferred to the Income Fund.*
- (4) *Eighty-five percent of the balance in the Income Fund is transferred to the State's General Fund; the remaining 15 percent is transferred to the State's school foundation program.*
- (5) *Under the Coal Severance Tax Loan Program, the State sells Coal Severance Tax Bonds and loans the proceeds to local government entities for various water projects. The borrowers make semiannual loan payments, which upon receipt are credited to a Debt Service Account created specifically in connection with the Bonds. The terms of the loans vary, but generally involve an interest rate subsidy for the first five years of the loan followed by a direct pass-through of the interest rate on the Bonds for the remaining life of the loan.*
- (6) *Debt service payments on the Bonds are due each June 1 and December 1. To the extent funds on hand in the Debt Service Account from loan repayments are insufficient to pay principal and interest on the Bonds when due, funds are transferred to the Debt Service Account from the Coal Severance Tax Bond Fund.*
- (7) *On each June 1 and December 1, the State pays debt service on the Bonds from amounts on hand in the Debt Service Account.*

Water Development Program

February 5, 1991

Coal Severance Tax Loans

New Loans

	Type of Project	
Columbia Falls	Water System Improvements	1,623,720
Forsyth	Water System Improvements	1,948,916
Huntly Irr. Dist	Irrigation Diversion/Canal Rehab	747,808
Beaver Head County	Dam Rehabilitation	3,040,000
Seeley Lake	Water System Improvements	922,150

		8,282,594

Reauthorized Loans

Anaconda-Deer Lodge	Sewer System Improvements	500,000
Browning	Sewer System Improvements	447,014
Dutton	Water System Improvements	150,000
East Bench	Irrigation	431,000
East Glacier	Water System Improvements	484,270
Evergreen W&S Dist.	Sewer System Improvements	3,226,900
Glendive	Water System Improvements	4,075,000
Lake C./Big Arm W&S Dist.	Sewer System Improvements	2,283,893
Middle Creek	State-owned multi-purpose dam	5,100,000
Pondera CD	Irrigation	750,000
Sommers W&S Dist.	Sewer System Improvements,	3,151,960
Whitefish	Water System Improvements	6,035,800
Wibaux	Water System Improvements	250,000

		26,885,837

Tongue Riv. Dam

Grand Total

Bonding Capacity

Diff.

EXHIBIT

3

DATE

2-7-91

HB

7 Long Range
Planning

Reauthorized Loans from HB775, 51st Legislature

PROJECT SPONSOR	LOAN AMOUNT	TYPE OF PROJECT
City of Belgrade	200,000	Water System Improvements
City of Bozeman	386,893	Water System Improvements
Carbon Co./City of Roberts	142,500	Water System Improvements
Cascade Co. RID (Sun Prairie Village)	200,000	Water System Improvements
Town of Cascade - Withdrawn	200,000	Water System Improvements
Glacier Water and Sewer District	116,380	Water System Improvements
Town of Hysham	200,000	Water System Improvements
Sage Creek County Water District	158,600	Water System Improvements
City of Shelby	100,000	Water System Improvements

	1,704,373	

EXHIBIT 4
DATE 2-7-91
HB 7 Long Range
Planning

Permanent
Coal Severance Tax Trust

EXHIBIT 5
DATE 2.7.91
HB Long Range Planning

Fiscal Year	Balance per year
-------------	---------------------

Actual

1980	\$39,964,765
1981	75,187,459
1982	118,336,314
1983	158,358,806
1984	202,936,358
1985	252,420,524
1986	309,384,250
1987	339,883,180
1988	381,180,287
1989	411,838,993
1990	446,511,416

Projected

*1991	470,206,908
*1992	488,999,755
*1993	507,773,480

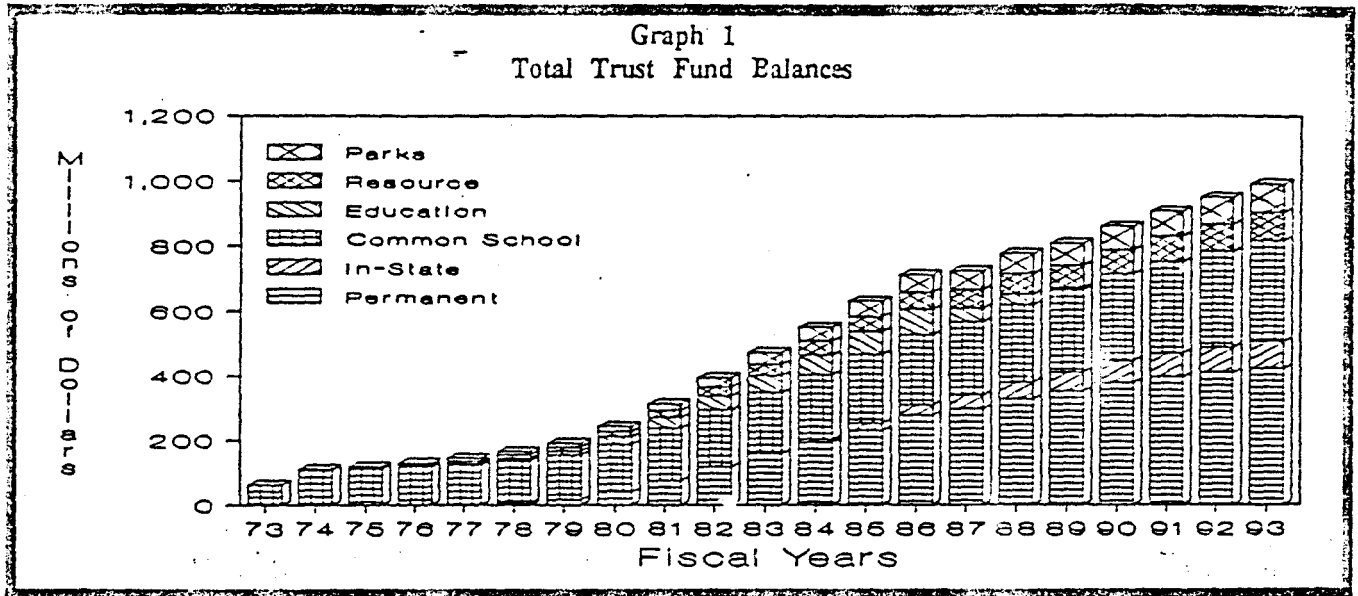
* Projected balance figures using the Legislative Fiscal Analysts Revenue Projects for FY 91 to FY 93.

** Projections for FY 92 and FY 93 use a 15% CST rate under current law that is the tax rate that will be in effect.

The column above is the 50% of all taxes collected on coal.

This information taken from the Legislative Fiscal Analyst Book:
Summary Section (Yellow Pages) p. 77, 78.

TRUST FUNDS--INTEREST AND BALANCES



Constitutional Trusts

Permanent Coal Tax Trust

Article IX, Section 5 requires that 50 percent of all coal severance tax revenue be deposited in a permanent trust fund and that the principal of the trust "shall forever remain inviolate unless appropriated by a three-fourths vote of each house." By statute, interest on this trust is distributed 85 percent to the general fund and 15 percent to the school equalization account.

The interest earned on this trust is an important general fund revenue source. During the period fiscal 1978 through fiscal 1990, \$276.3 million in interest from this trust was deposited in the general fund. In fiscal 1990, permanent coal tax trust interest provided 10 percent of total revenue to the general fund.

Initiative 95, approved by voters in 1982, requires that 25 percent of the revenue deposited in the permanent coal tax trust after June 30, 1983, be placed in the in-state investment trust fund for investment in the Montana economy "with special emphasis on investments in new or expanding locally owned

enterprises." Through fiscal 1990, the Board of Investments had invested nearly \$70 from the in-state investment fund in Montana businesses.

Coal tax revenue flowing into the permanent trust is also used to secure state bonds issued to finance water resource development projects and activities. Since 1981 when the legislature authorized this bonding program, \$24.5 million in water development projects throughout the state have been funded with revenue from these bonds.

The Executive Budget proposes to "cap" the permanent coal tax trust to fund a new program called the Big Sky Dividend. Under this proposal, the Executive Budget seeks legislative approval to: a) divert revenue that would be deposited in the trust during the 1993 biennium; and b) submit a constitutional amendment to voters in 1992 to end the flow of revenue into the trust. This proposal is discussed below.

Common School Trust

Article X, Sections 2 and 3 require that all royalties and other proceeds received from school lands granted to the state under the federal enabling act must be deposited in the common school

TRUST FUNDS--INTEREST AND BALANCES

Trust Fund Balances

Montana has a number of constitutional and statutory trusts that provide interest to fund current state government operations. While past legislatures spent the principal of the education trust and slowed the flow of revenue into the park acquisition trust for several years, substantial balances

remain. By the end of the 1993 biennium, under current law, these trust balances will be near \$1 billion.

Table 1 shows the history of the six major trusts since fiscal 1973. Forecasted amounts are shown for fiscal 1991 through fiscal 1993. Following the table is a description of each trust and the income it generates.

Table 1
 Trust Fund Balances
 FY 1973-1993

Fiscal Year	Permanent Coal Tax Trust Fund	In-State Investment Trust Fund	Common School Trust Fund*	Education Trust Fund	Resource Indemnity Trust Fund	Parks Acquisition Trust Fund	Total Trust Funds
1973			\$ 64,223,773				\$ 64,223,773
1974			108,998,870		\$ 1,141,385		110,140,255
1975			113,064,188		3,287,456		116,351,644
1976			117,849,628	\$ 2,227,793	5,552,291	\$ 278,725	125,908,437
1977			123,281,528	6,039,530	8,232,247	758,308	138,311,613
1978	\$ 6,268,262		129,949,247	8,983,763	10,646,851	1,174,356	157,022,479
1979	16,940,538		137,716,735	12,339,549	12,574,209	1,475,732	181,046,763
1980	39,964,765		147,527,943	23,905,146	16,204,531	3,565,371	231,167,756
1981	75,187,459		163,163,556	33,624,170	21,165,464	5,325,746	298,466,395
1982	118,336,314		176,467,365	44,338,477	28,328,946	7,480,418	374,952,020
1983	158,358,306		189,390,417	52,665,410	36,181,889	9,481,542	446,078,064
1984	192,761,293	\$10,175,065	201,319,109	60,925,268	42,986,123	11,565,460	519,732,323
1985	230,599,496	21,820,328	214,764,544	70,500,922	47,396,179	13,359,181	598,941,350
1986	276,754,249	32,650,001	217,677,906	79,761,708	53,039,675	16,222,131	675,085,670
1987	297,844,102	42,039,073	227,687,073	44,091,429	56,861,627	16,513,608	685,136,917
1988	328,950,439	52,229,348	239,553,633	33,671,110	61,750,961	16,581,042	732,737,033
1989	352,330,943	59,508,050	254,128,428	8,651,477	66,665,000	16,608,706	757,892,604
1990	378,543,232	67,968,184	268,496,362		72,811,618	17,936,701	805,756,097
1991	396,314,851	73,392,057	282,093,660		77,544,869	18,857,242	848,702,679
1992	410,409,486	78,590,269	295,690,958		82,705,546	19,590,392	886,986,650
1993	424,489,780	83,283,700	309,288,256		87,590,609	20,320,354	924,972,699

*Balances include land value assets.

Note: The balances shown above reflect book values and not market values.

Narrative for Department of Natural Resources

Water Development Loan Application

Amount of Request: \$1,163,720

City of Columbia Falls

Water System Improvements

Purpose:

The loan will be used to construct a new one million gallon on-ground storage tank, refurbish an existing well, drill one additional well, and construct a new transmission line to connect the well to town.

Need:

The current source of supply for the Columbia Falls water system is Cedar Creek. It is actually a creek paralleling a fairly large urban highway North of town combined with the flow from two open springs. The springs were developed as part of a WPA project back in the 30's. Cedar Creek flows into what is commonly called Cedar Creek Reservoir which is a large earthen dam reservoir. An intake in the reservoir, provides water to a chlorination station and thence to a 16 inch transmission line to the city and the distribution system. Since construction of the reservoir in 1973, the town has been plagued with odor and taste problems. Recently with the institution of multiple plate examinations, the occurrence of giardia within the reservoir has been documented.

In 1986 Congress passed amendments to the Safe Drinking Water Act which contained mandates for filtration of all surface water or other measures to provide safety to the consumer. Two engineering evaluations have been completed on this system. The recommended solution for development of supply resource is groundwater. Groundwater would not be subject to the taste and odor problems, nor to giardia contamination.

With the abandonment of the surface source and Cedar Creek Reservoir, additional storage is needed. The one million gallon tank located at an elevation to meet the current hydraulics of the system supplies this need. The one million gallon size is the minimum required for domestic and fire flow purposes.

The current regulations require two groundwater sources. The city purchased one well from Louisiana Pacific in 1986 and is currently using this on a part-time basis. A second well will be needed to meet current and future demands as well as comply with the regulations. Groundwater in the area is plentiful and development of a second source an adequate distance from the Louisiana Pacific well is a recommended alternative.

A new pump will be needed in the Louisiana Pacific well to increase capacity and transmission line from the proposed well to town, to provide the water to the distribution system at a critical junction. The pumphouse and other improvements will be included with the second well.

With two wells and a storage tank, a new control system will be needed to interface the tank to the well production. This will be completed with centralized facilities located in City Hall.

Completion of these improvements will provide a long term solution to the water source and storage needs for the City of Columbia Falls.

Costs:

Construction cost estimates have been prepared for the various improvements. They are as follows:

1 million gallon on-ground storage tank	\$450,000
Test wells	22,340
Production well with house & improvements	289,380
Transmission line	<u>157,000</u>

Total Construction Cost	\$918,720
-------------------------	-----------

The difference between the construction cost and requested amount is as follows:

\$43,270	Inflation
\$32,635	Loan closing cost
\$132,895	Interim interest

6 p. 3
2-7-91
Long Range Planning

Total Projected Cost \$1,163,720

User Cost:

Currently there are approximately 1,162 users on the Columbia Falls water system. This is a combination of residential, commercial, industrial, governmental, and other. Total water revenues are \$179,289.82 which produces an average monthly service cost of \$12.86 per user. Debt service for a \$1,163,720 loan would be \$136,690 per year. In addition, coverage of 25% would be required, which would result in net service fees of \$170,862.90. Expressed as a percentage, this would be a 95% increase to the users in Columbia Falls to pay for the needed improvements. The average bill would increase to \$25.08 per month. Loan Repayment will be with a Revenue Bond.

Lands and Rights-of-Way:

All construction activities, such as construction of the tank, water mains or wells, will be on property owned by the city of public right-of-way. No additional easements or land purchases will be needed for this project.

lm

Department of Natural Resources and Conservation
Water Development and
Renewable Resource Public Loan Programs

RATE AND ASSESSMENT INFORMATION SHEET

I. Applicant City of Columbia Falls

II. Project Title Water System Improvement

III. User and Fee Information for System. For each class of user listed on the table below, provide the number of users and the annual fee per user if a flat fee is charged, or an average annual fee if the fee is based on water usage. In the right hand column provide the rate needed to repay the loan you request. (Complete this section only if users will be repaying the debt, i.e., municipal water or sewer revenue bonds, county water or sewer district bonds.)

Type of Users on System to be Financed	<u>Current</u>		<u>Projected</u>		<u>*Annual Fee Per User to Repay Loan</u>
	<u>Users</u>	<u>Annual Fee</u>	<u>Users</u>	<u>Annual Fee</u>	
A. Residential	1019	154.32	1019	300.90	146.58
B. Commercial	99	154.32	99	300.90	146.58
C. Industrial	5	154.32	5	300.90	146.58
D. Institutional	39	154.32	39	300.90	146.58
E. TOTAL USERS AND RATE REVENUES	1162	179,289.82			

IV. Describe the number and type of users you serve outside your jurisdictional boundaries and any increase or decrease in these users in the last 5 years.

Residential	201	Numbers have not changed in the last few years.
Commercial	22	
Industrial	5	
Government	<u>2</u>	
	230	

*Use 10 percent interest and a 20-year term to figure loan repayment.

COST ESTIMATES
COLUMBIA FALLS WATER SYSTEM

EXHIBIT 6 p. 5
DATE 2-7-91
HBL Long Range Planning

DEVELOPMENT OF WELL SUPPLY

ITEM NO.	DESCRIPTION	EST. QUANTITY/UNIT	UNIT PRICE	AMOUNT
<u>TEST WELLS (TWO)</u>				
1.	Mobilization			\$ 1,200.00
2.	Drill test Wells	500 L.F.	\$ 22.00	11,000.00
3.	Furnish & Install Steel Casing	500 L.F.	6.00	3,000.00
4.	Drive Shoe	2 EA.	150.00	300.00
5.	Test Pump	24 Hr.	50.00	1,200.00
6.	Water Quality Test	2 EA.	400.00	800.00
7.	Seal & Grout	2 EA.	500.00	<u>1,000.00</u>
	Total:			\$ 18,500.00
	Contingency - 5%			925.00
	Engineering, Legal & Administrative - 15%			<u>2,915.00</u>
	TOTAL:			\$ 22,340.00

Water Supply Well

1.	Mobilization	Lump Sum		\$ 1,200.00
2.	Drill Water Well - 18"	240 L.F.	120.00	28,800.00
3.	Furnish & Install Conductor Pipes	Lump Sum		1,100.00
4.	Furnish & Install 18" Steel Casing	200 L.F.	34.00	6,800.00
5.	Drive Shoe	Lump Sum		1,100.00
6.	18" Telescoping Screen	40 L.F.	400.00	16,000.00
7.	Television Inspect Well	Lump Sum		1,300.00

Item No.	Description	Est. Quantity/Unit	Unit Price	Amount
8.	Develop Well	48 HRS.	180.00	8,640.00
9.	Install Test Pump	Lump Sum		2,600.00
10.	Test Pump Well	72 HRS.	80.00	5,760.00
11.	Seal & Grout	Lump Sum		4,000.00
12.	Plumbness and Alignment Tests	Lump Sum		350.00
13.	Disinfect Well	Lump Sum		175.00
14.	Abandon Well	Lump Sum		4,500.00
15.	Water Quality Tests	Lump Sum		400.00
16.	Pumphouse No. 1, Complete	Lump Sum		43,200.00
17.	Auxiliary Generator	Lump Sum		29,700.00
18.	Pump	Lump Sum		34,580.00
19.	Electrical, Transfer Switch, Auto Transformers			
	Start & Building Electrical	Lump Sum		27,945.00
20.	Piping			17,500.00
21.	Site Work	Lump Sum		<u>4,000.00</u>
	Total:			\$239,650.00
	Contingency - 5%			11,980.00
	Engineering, Legal & Administrative - 15%			<u>37,750.00</u>
	TOTAL:			\$289,380.00

Pump Supply Line - Talbot Road from Well to 12th Avenue West

1.	Type II Pipe Bedding Material, in Place	100 C.Y.	\$ 12.00	\$ 1,200.00
2.	Water Main, in Place			
	6"	20 L.F.	15.00	300.00
	12"	3,700 L.F.	32.00	118,400.00

DATE 2-7-91
 HB Long Range Planning

Item No.	Description	Est. Quantity/Unit	Unit Price	Amount
3.	Cast Iron Fittings, in Place	600 LB.	2.50	1,500.00
4.	Gate Valve and Valve Box, in Place			
	6"	1 EA.	500.00	500.00
	12"	2 EA.	1,400.00	2,800.00
5.	Flexible Coupling, in Place			
	12"	2 EA.	500.00	1,000.00
6.	Connection to Existing Water Mains	1 EA.	1,000.00	1,000.00
7.	Pavement Replacement, in Place	200 S.Y.	15.00	<u>3,000.00</u>
Total:				\$129,700.00
Contingency - 5%				6,500.00
Engineering, Legal & Administrative - 15%				<u>20,800.00</u>
TOTAL:				\$157,000.00

TOTAL ESTIMATED COST OF WELL DEVELOPMENT.....\$468,720.00



UNITED STATES
DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
RED ROCK LAKES NATIONAL WILDLIFE REFUGE
Monida Star Route, Box 15
Lima, Montana 59739

EXHIBIT 11
DATE 2.7.91
HB

January 15, 1991

Members of the Long Range Building Committee
c/o Representative Charles Swysgood
Capitol Station
Helena, MT 59620

Dear Mr. Swysgood and Members,

As per your request of January 7, 1991, we compiled some facts concerning the benefits to wildlife provided by Lima Reservoir. The U.S. Fish and Wildlife Service has for many years used dams and similar structures to enhance wetland habitats for wildlife, especially waterfowl. Used correctly, such structures can result in increased waterfowl and other wildlife use.

Lima Reservoir is used as a molting area by up to 10,000 or more non-breeding Canada geese from several states and Canadian provinces. This is an example of a strange phenomena called "molt migration". A thesis in the mid-1970's concluded that several thousand geese, either non-breeders or unsuccessful breeders, actually migrated to Lima Reservoir specifically to molt, which is the process by which waterfowl replace their worn flight feathers. These geese spend most of the summer on the Reservoir as it provides the necessary seclusion, security, and food for them during this flightless stage.

During July and August, 10,000 or so ducks, such as redheads, canvasbacks, mallards, gadwalls, pintails, lesser scaup, and ruddy ducks, will molt on the Reservoir as well. I have also noticed wildlife use in the downstream area created by the dam.

In addition, Lima Reservoir is known to summer up to 200 non-breeding trumpeter swans. In recent years, about 50 trumpeters have used the reservoir. At least one to three pairs of trumpeters also attempt to nest in the area.

The Reservoir provides habitat for sandhill cranes, white pelicans, California gulls, great blue herons, western grebes, and many shorebirds, including willets, avocets, godwits, and sandpipers. I'm sure antelope and other big game use the area on occasion as well, as do muskrats.

Its proximity to nesting sites for Endangered peregrine falcons makes it a crucial hunting area for the falcons as they pursue and capture the abundant waterfowl and shorebirds. Endangered bald eagles will also take and feed on the waterfowl. Both bald eagles and ospreys take advantage of the fish available for sustenance. Lima Reservoir is nationally important where Endangered Species are concerned.

All in all, Lima Reservoir is a favored spot for a diversity of wildlife. Its aquatic food source and the associated bird species help hold together a wildlife web which adds to the beauty of the Centennial Valley and the Red Rock River. We at this Refuge certainly support the rehabilitation of this dam, not only for the wildlife benefits, but also for the public safety concerns and the agricultural uses associated with it. We wish you luck in gaining the assistance you need.

Sincerely,

A handwritten signature in cursive script that reads "Daniel Gomez".

Daniel Gomez
Refuge Manager

cc: Senator Conrad Burns
Beaverhead County Commissioners

STORAGE IMPROVEMENTS

ITEM NO.	DESCRIPTION	EST. QUANTITY/UNIT	UNIT PRICE	AMOUNT
<u>Water Storage Tank</u>				
1.	1,000,000 Gallon Welded Steel Storage Tank			\$275,000.00
2.	Foundation			45,000.00
3.	Yard and Connection Piping			25,000.00
4.	Fencing			7,000.00
5.	Site Grading & Roadway			<u>20,000.00</u>
	Total:			\$372,000.00
	Contingency - 5%			19,000.00
	Engineering, Legal & Administrative - 15%			<u>59,000.00</u>

TOTAL ESTIMATED COST OF STORAGE IMPROVEMENTS.....\$450,000.00

WATER SYSTEM CONTROLS

Radio Controlled Automated Unit,
including reservoir sending unit,
pump controls, and system monitoring.
Modified Auto-transformer Starter,
L.P. Well.

\$ 30,000.00

Total: \$ 30,000.00

Contingency - 5% 1,500.00

Engineering, Legal & Administrative - 15% 4,700.00

TOTAL ESTIMATED COST OF CONTROL SYSTEM.....\$ 36,200.00

CITY OF COLUMBIA FALLS

DRAWER G

COLUMBIA FALLS, MONTANA 59912

892-4391

WATER RATE

*MINIMUM

First 10,000 gals.	\$1.42	\$5.68 - 3/4" meter (0 to 4,000 gals.)
Next 20,000 gals.	\$1.30	\$7.12 - 1" meter (0 to 4,000 gals.)
Next 30,000 gals.	\$1.19	
	Per Thousand	

For rates above 50,000 gals., or meters larger than 1" contact the office

RESIDENTIAL SPRINKLING RATE. April-September, .37¢ per thousand gallons for gallonage used over the average for six winter months.

OUT-OF-CITY RATES. Plus 25%

If a bill becomes delinquent, a \$2.00 delinquent fee may be added to the bill. Bills become delinquent if not paid by the 15th of the month following the billing date.

A copy of Ordinance #415 establishing "Rules and Regulations for the Operation of the Columbia Falls Water Department" is posted for public viewing in the office.

SEWER RATE

*MINIMUM

\$2.7645 per thousand gallons \$11.06 (0 to 4,000 gals.)

OUT OF CITY RATE (where applicable) plus 25%.

"WATER LEAKS ARE EXPENSIVE"

One thousand gallons of city water seems to cost so little that small leaks in the plumbing may seem of no consequence, but this also adds to your sewer cost too. Leaks run continuously, 24 hours a day. Even drops can accumulate into quite a sizeable amount in a month's time. Ordinance No. 415-Rule XVI (3) "Leakage in a system which results in a large bill is not a disputable item." The average family uses about 200 gallons per day.

WATER WASTED IN JUST 24 HOURS

60 drops per minute.....	6.4 gallons
90 drops per minute.....	10.3 gallons
120 drops per minute.....	14.3 gallons
A stream the size of a pin.....	170.0 gallons
A stream the size of a match.....	980.0 gallons
A stream the size of a pencil.....	3,600.0 gallons

Running toilets are real costly and cannot always be seen or heard. A dark liquid coloring in the tank can help detect a leaky toilet (do not flush). If coloring shows in the toilet bowl - there is a leak.

CITY OF COLUMBIA FALLS

DRAWING

COLUMBIA FALLS, MONTANA 59912

892-4391

EXHIBIT 6 p. 11
DATE 2-7-91
HB Long Range Planning

WATER & SEWER RATE HISTORY

- September 17, 1973 - After discussion and motion by Council members, the charges for users was set to encourage people to hookup before the deadline. The City will charge for sewer service whether hooked up or not after Oct. 1, 1974. ($\frac{1}{2}$ of Water Charge)
- November 1979 - New water rates - charged sewer at 100% of water (as charged prior to new water rate). \$4.80 minimum. Multiple Users - gals + units x rate - 4.80 min./unit *Docket No. 987) PSC ORDER NO. 9568)*
- February 1980 - Sewer not charged in lieu of waiting for orders from PSC:
- March 25, 1980 - Sewer charges adjusted on all accounts to 65% of water or \$4.00 minimum - (Per PSC)
Multiple Users - gals + units (4.00 min./unit)
- March 1980 - Sewer charge 65% of water rate - 4.00 minimum
Multi users - gals + units - 4.00 min/unit
- June 26, 1980 - Multi-users adjusted to 65% of water rate on gallonage used - 4.00 minimum (adjusted back to 1979, November.
- September 1980 - Effective 8-18-80 Sewer 110% of water rate, 6.60 minimum
Multi users too.
- January 1981 - Multi user water rate schedule omitted. *Reso. 634*
- February 1981 - Effective 1-19-81 = Sewer \$1.65/M - \$6.60 minimum
- June - 1981 - Effective 5-11-81 = Sewer \$1.80/M - \$7.20 minimum
- * October 1982 - Water Rate Increase 12% - \$5.36 minimum - \$1.34/M *4 Minutes 11/5/82*
- November 1982 - Sewer Rate Increase \$2.38/M - \$9.52 minimum
- May 1984 - Sewer Rate Increase \$2.85/M - \$11.40 minimum

Testimony of Dueane Calvin before the House Subcommittee - Long Range Plan on HB #7.

The Huntley Irrigation Project is the oldest established Bureau of Reclamation project in the State of Montana, with original construction implemented in 1904 and first water delivered on 1908. The Project is located on the Yellowstone River approximately 20 miles east of Billings. It contains 27,607 irrigated acres and supports approximately 910 family units, either directly or indirectly.

In 1927 the Huntley Project Irrigation District was incorporated as per Montana Statutes and assumed operation and maintenance of the facilities under a contract with the United States.

Since that time there have been several occasions on which the District has found it necessary to spend relatively large sums of money on the Project. The first such incident was in 1934 when the then rock & timber diversion dam was replaced with a modern concrete structure.

In 1940 auxiliary diversion gates were installed immediately above the new concrete diversion dam.

In 1957 major problems with the stability of the diversion dam required that the District borrow funds from the United States to accomplish the required repairs. The stabilization problems occurred when erosion below structure caused it to start to "roll" downstream. Using the best construction technology available the structure was moved back into proper alignment and protected on the downstream side with heavy rip-rap.

In the ensuing years the diversion structure has continued to deteriorate, mainly due to the heavy "bed-load" of rock and ice formations that are carried annually by the Yellowstone River. In part this deterioration is contributed to by structural damage that occurred during the 1957 stabilization work. A second problem that is currently a growing menace to the District diversion ability is a large gravel bar accruing in front of the main diversion gates, which are located approximately 1300 feet upstream of the diversion. This has led the District to plan for the addition of larger and more effective gates immediately above the diversion dam - adjacent to the present auxiliary gates.

Additionally, there are three concrete lined tunnels within the first, two mile reach of the main canal system that are in need of major repairs. At this point the full extent of those repair requirements are being determined by engineers under contract with the

The main canal system for the District was constructed along the southern edge of the Yellowstone River valley and in many

cases traversing large gravel depositions and areas of out-wash from the adjacent "dry-lands". These areas are prone to be very porous and contribute to major areas of seepage below the canal system. From the stand point of conservation of diverted water and the damage that is accruing to the adjacent lands it is necessary that these high loss or seepage areas be sealed with some form of permanent lining.

The loan of funds provided for in this legislation will permit the District to initiate and complete many of repairs needed for the above enumerated problems. We feel strongly that this Project is in keeping with the ideals set forth in the Montana statutes with regard to the care and preservation of Montana's natural resources.

In this light the District thanks you for your time and consideration and urges that you support, fully, our requested funding for this Project.



United States Department of the Interior
BUREAU OF RECLAMATION
Great Plains Region
Montana Projects Office
P.O. Box 30137
Billings, Montana 59107-0137



IN REPLY
REFER TO:

MT-452

FEB 5 1991

EXHIBIT 8
DATE 2.7.91
HB _____

Members of the Long Range Building Committee
% Representative Charles Swysgood
Capitol Station
Helena MT 59620

Subject: Rehabilitation of Lima Dam located on the Red Rock
River (Safety of Dams)

Dear Members:

Lima Dam is a facility owned by the Water Users Irrigation Company and is leased to the Beaverhead County Red Rock Water and/or Sewer District (District). The District has submitted an application for a loan under the Water Development Public Loan Program to rehabilitate Lima Dam. According to the owners of Lima Dam, the dam has been classified as an unsafe, high-hazard dam by the Army Corps of Engineers and must be rehabilitated by 1995 to be in compliance with the Dam Safety Act of Montana. As you may know, Lima Dam is located on the Red Rock River which is upstream of Clark Canyon Dam, a facility owned by the Bureau of Reclamation (Reclamation). Failure of Lima Dam would result in high inflows into Clark Canyon Dam which would create operational problems associated with flood control storage in Clark Canyon Reservoir. Reclamation supports any effort by the Water Users Irrigation Company and the District to rehabilitate the dam to restore the structural integrity of the dam and spillway.

Sincerely,

J. (Jim) L. Wedeward
Project Manager

cc: Beaverhead County Red Rock River Water
and/or Sewer District
P.O. Box 1046
Dillon MT 59725

Orrin Ferris
HKM Associates
P.O. Box 31318
Billings MT 59107-1318

EAST BENCH IRRIGATION DISTRICT

1100 HIGHWAY 41 • DILLON, MONTANA 59725

January 15, 1991

EXHIBIT 9
DATE 2.7.91
HB

Long Range Building Committee
% Representative Charles Swysgood
Capital Station
Helena, MT. 59620

Dear Committee Members:

We have been provided a copy of House Bill No. 7 and are particularly interested in that part of the bill identified as GROUP D which provides for a "no interest" loan in the amount of \$3,040,000 to the Red Rock River Water and Sewer District for the purpose of rehabilitating Lima Dam so the structure will be in compliance with the Montana Dam Safety Act.

Lima Dam and its storage is critical to the water supply to Clark Canyon Dam and to the corresponding water supply to the 60,000 acres of irrigated land under the East Bench Unit.

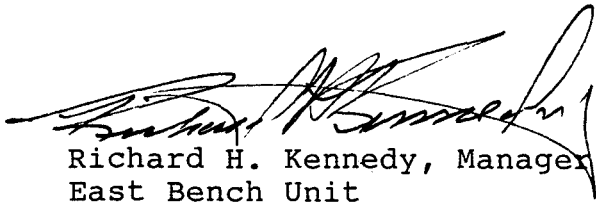
Clark Canyon Dam was designed with a storage capacity which excluded Lima Dam inflows and storage. That is, inflows above Lima Dam would be stored in Lima Dam and released at a later date at a uniform and gradual rate as required to meet conservation and irrigation demands. Controlled releases of excess inflows and irrigation return flows provide regulated and even return flows into Clark Canyon Reservoir thereby maximizing use of Clark Canyon storage capabilities. Without Lima Dam storage and the secondary storage provided by the irrigation of valley lands between Lima Dam and Clark Canyon Dam much of the spring and early summer run-off could not be stored in Clark Canyon Dam because of the lack of storage capacity. Unless Clark Canyon Dam was rebuilt to provide additional storage capacity, these excess spring and early summer flows would have to be released which could result in water shortages later in the summer and fall.

Financial participation in the modification of Lima Dam by the East Bench Irrigation District and the U.S. Bureau of Reclamation has been proposed. The East Bench Irrigation District is unable to participate because of the financial losses brought on by the severe and extended drought in the Beaverhead Valley. Further it is presently under a heavy debt burden with its contract repayment obligations to the U.S. Government and the State of Montana. Recent changes in

Federal laws by the U.S. Congress and Federal budget restraints make it undesirable and in many cases virtually impossible for the Red Rock River Water and Sewer District to participate in any Federal Program.

It is a credit to the Montana Legislature to have initiated and financed programs which would permit the rehabilitation of Lima Dam as well as other long rang water development programs.

The East Bench Irrigation District Commissioners and Clark Canyon Water Supply Company Directors strongly approve the conditions of GROUP D of House Bill NO. 7 and respectfully requests the Committee's endorsement and support of the requested loan.



Richard H. Kennedy, Manager
East Bench Unit

BEAVERHEAD
County Commissioners



Dillon, Montana

January 14 1990

EXHIBIT 10
DATE 2-7-91
HB _____

Long Range Building Committee Members
c/o Representative Charles Swysgood
Capitol Station
Helena, Montna 59620

Dear Committee Members:

The Water Users Irrigation Company and its public entity the Red Rock River Water &/or Sewer District are faced with the mandate of rehabilitating the Lima Dam. To do this project they are applying for an interest free loan in the amount of 3.04 million dollars.

The Beaverhead County Commissioners are in full support of this loan request. There are approximately 30 families in this area that the Lima Dam affects which in turn affects the economy of Beaverhead County and the State of Montana. This dam provides supplemental irrigation to approximately 16,000 acres in Beaverhead County and is important to the total water management scheme of the upper Missouri Basin and to the Clark Canyon Project. The Lima Dam plays major a part in flood control as was shown in the 1984 flood situation. This dam and its reservoir are also considerable contributors to waterfowl management, recreation, and downstream fisheries. Another point that should be strongly considered is that the irrigators would be willing to assume financial responsibility for the rehabilitation of the Lima Dam.

The Beaverhead County Commissioners wholeheartedly support the Water Users Irrigation Company and its public entity the Red Rock River Water &/or Sewer District's request for a interest free loan for the rehabilitation of the Lima Dam.

Thank you for your time and consideration on this matter.

Sincerely,

A handwritten signature in dark ink, appearing to read "David I. Moss", is written over a horizontal line.

David I. Moss
Chairman
Beaverhead County Commissioners

Testimony submitted to the Long Range Building Committee
by the Beaverhead County Red Rock River Water
and/or Sewer District February 7, 1991.

PROJECT No.: PL-5

APPLICANT NAME: Beaverhead County Red Rock River Water and/
or Sewer District

PROJECT/ACTIVITY NAME: Lima Dam Rehabilitation

Lima Dam is located on the Red Rock River in extreme Southwestern Montana about twenty miles below the river's beginning, and is the first dam on the Missouri system. The Red Rock River is considered to be the source of the Missouri.

The Dam is an earth embankment first built in 1890 and rebuilt in 1909 and again in 1933. At an elevation of 45.45 feet it stores a useable pool of 84,050 acre feet. This would make it one of the most efficient sites in the state in terms of capacity per foot of elevation.

The dam was evaluated by the Corps of Engineers in 1980 and was declared an unsafe, high hazard dam. Montana Law mandates that those conditions which render it unsafe be rectified by 1995. The owner contracted with the engineering firm of HKM to conduct an in-depth study of the structure and prepare a plan for rehabilitation. This work was financed by a grant of \$64,000 from the D.N.R.C. and a \$43,000 contribution by the owners. The Lima Dam Rehabilitation Study is the culmination of this effort and the bottom line is a cost of \$3,040,000 for the rehabilitation effort.

The Lima Dam is privately owned by the Water Users Irrigation Co. which is a consortium of the twenty-six landowners who use its storage to provide supplemental irrigation on 16,221 acres in the Red Rock Valley. The stockholder members of the W.U.I.C. have formed the Beaverhead County Red Rock River Water and/or Sewer District, a legal public entity. The reason for doing this was to become eligible for receiving public loans and grants. The W.U.I.C. and the B.C.R.R.R.W./S.D. have the same constituency.

The Red Rock Valley is 6000 feet in elevation and the agriculture is livestock oriented. Crops grown are almost exclusively limited to hay and a minor amount of feed grain. Hay yields at that elevation peak at approximately four ton per acre. Current water assessments are \$1.44 per acre for Operations and Maintenance. The general consensus among the water users is that the maximum willingness to pay is in the range of \$6.00 to \$7.50 per acre which is approximately a 500% increase over current costs.

In addition to the direct benefits accruing to the irrigators from this project we would point out that society as a whole is a beneficiary.

The Lima Dam and Reservoir play an important part in the total water management scheme of the upper Missouri Basin as attested to by Mr. Dick Kennedy, Manager of the East Bench Irrigation District. The return flows from irrigation provided by Lima Dam maintain a constant,

instream flow in the lower Red Rock and create a viable, high quality fishery on that river.

Lima Dam, as the first storage dam on the Missouri systems, plays an important part in flood control. During the 1984 flood the storage behind Lima Dam prevented a potentially serious situation from developing at Clark Canyon Dam. It also minimized the flood damage on the Red Rock between Lima Dam and Clark Canyon Dam. East Bench irrigators consider Lima Dam and the water stored temporarily underground from flood irrigation in the Red Rock Valley to be valuable supplemental storage for their project.

Lima Reservoir is important to the wildlife management in the area. It is an important food source for the peregrine falcon. There are currently six nesting pairs of peregrine falcons in the Centennial Valley which is more than can be found in the rest of Montana. The reservoir supports the largest population of non-breeding molting Canadian Geese in the northern Rockies in July and August each year. In a rare type of migration these young geese come from a large area to live in safety during this period when they are incapable of flight. The reservoir is also used by about 100 young molting Trumpeter Swans and about 20 pairs of adults nest in the area. It also serves as a staging area for all types of geese, ducks, and shore birds as they prepare for fall migration. It serves as a nesting and roosting area for many Sandhill Cranes and serves as a

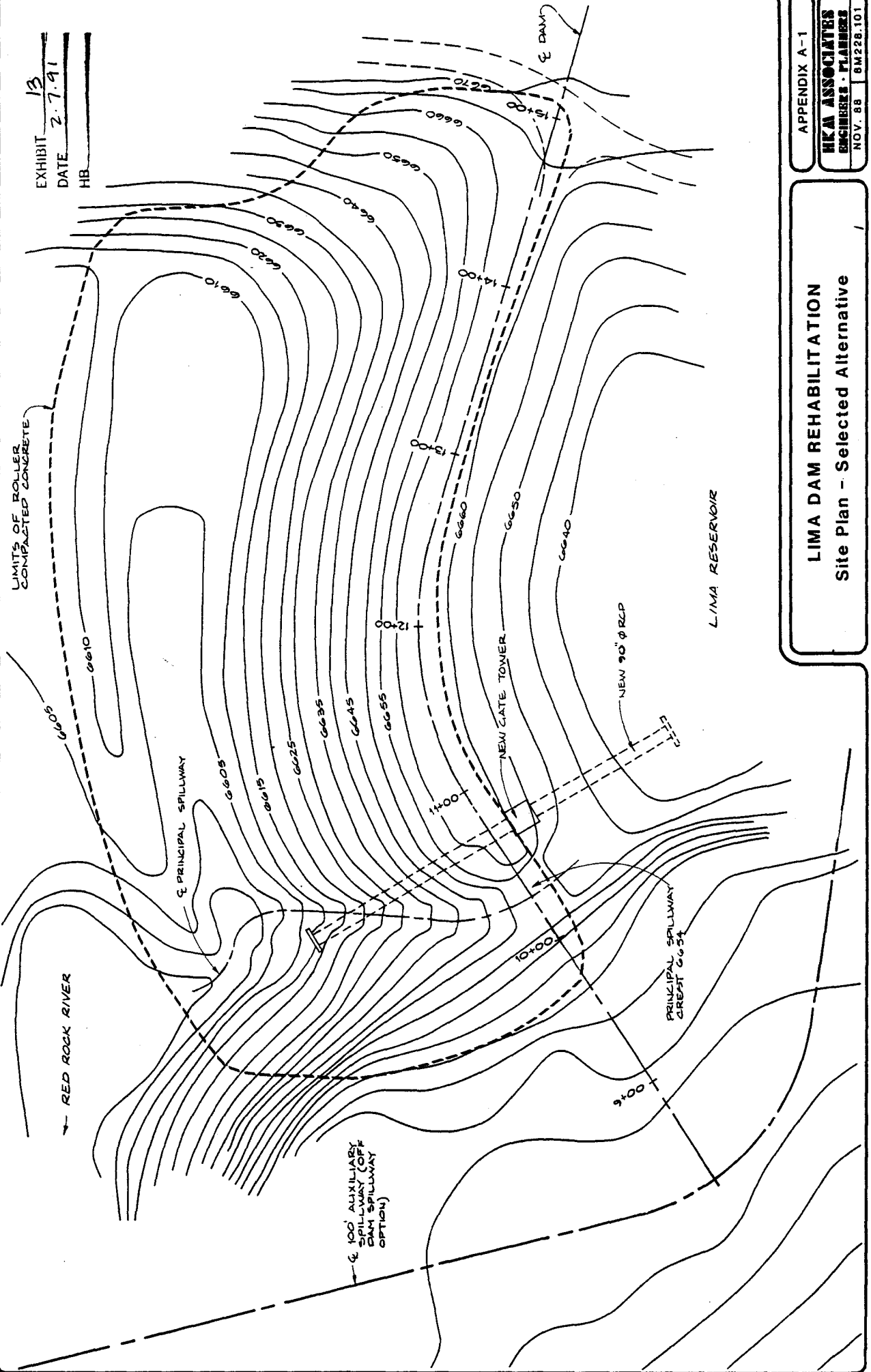
food source for Bald Eagles that live in the area. The reservoir is an important drinking water source for antelope, deer and elk.

With these thoughts in mind we approach this committee to request a zero interest loan for \$3,040,000. Recognize that the irrigator is willing to pay the principal cost of the project while we ask the State of Montana to subsidize the interest cost. We feel that we are justified in this request because of the many benefits that accrue to society as a whole from the project. The rehabilitated structure will increase the safety for all developments downstream as well as water users supplied by the project.

One final point is that there will be no new land brought under irrigation or additional water storage on which to spread the cost of the rehabilitation. Therefore, the additional costs must be paid by the current water users as increased operation costs on current irrigated acres.

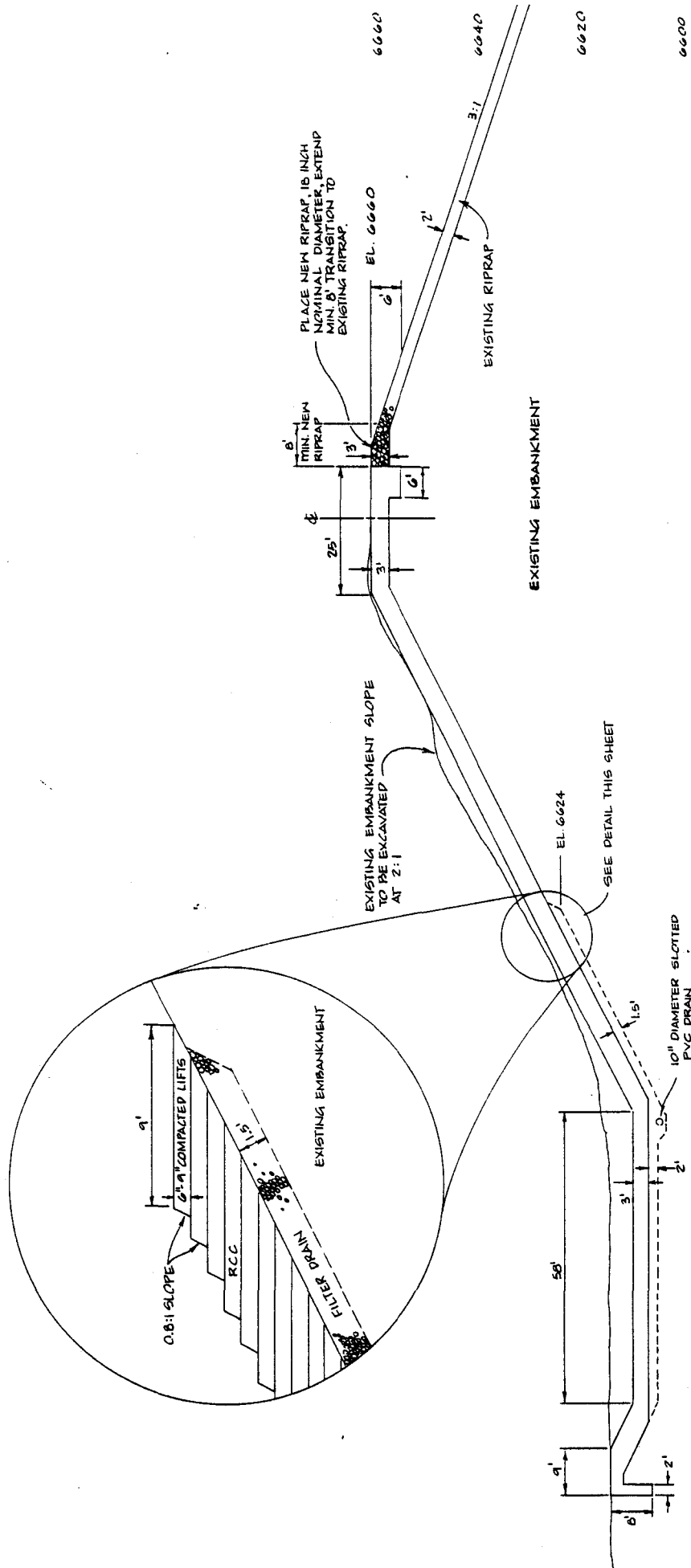
We thank you for your time and consideration.

EXHIBIT 13
 DATE 2-7-91
 HB _____



LIMA DAM REHABILITATION
 Site Plan - Selected Alternative

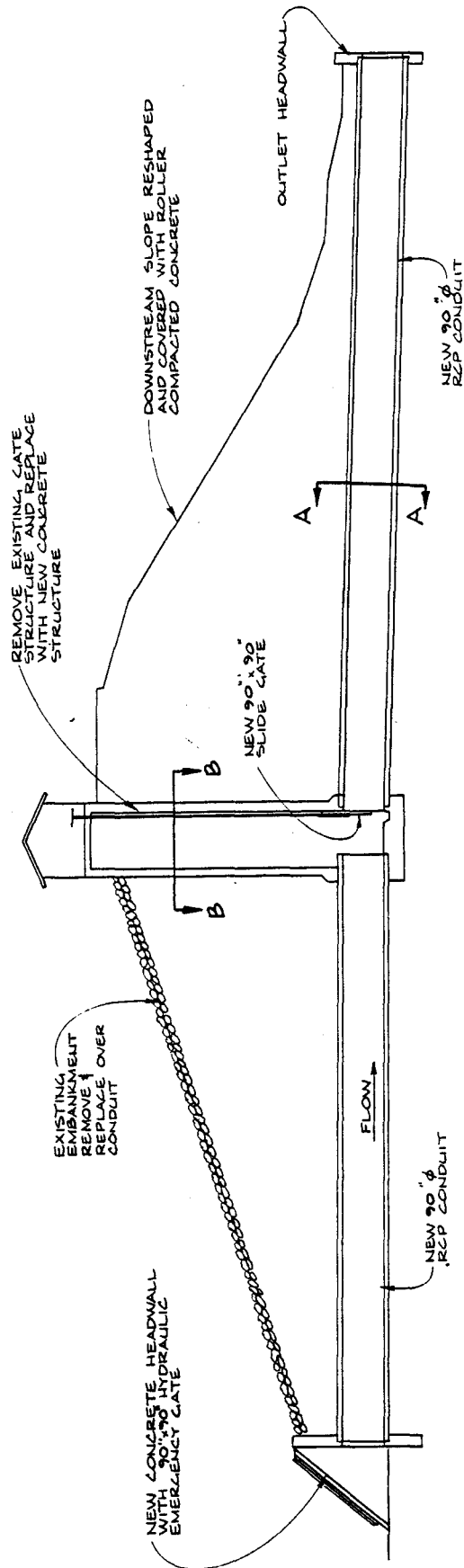
APPENDIX A-1
HKA ASSOCIATES
 ENGINEERS - PLANNERS
 NOV. 88 8M228.101



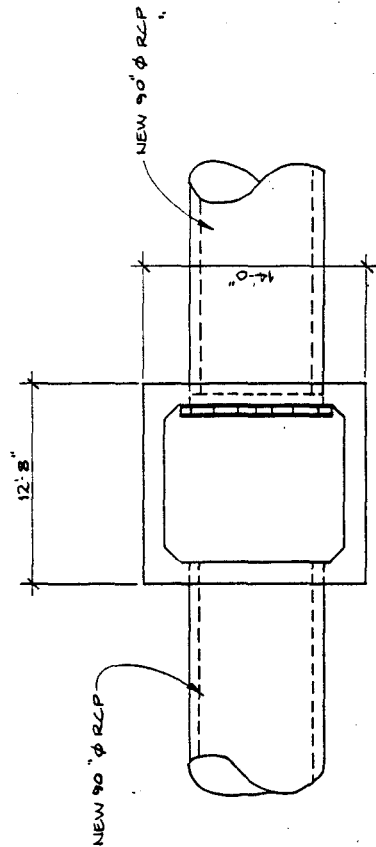
LIMA DAM REHABILITATION
Selected Alternative
Roller Compacted Concrete Section

APPENDIX A-2

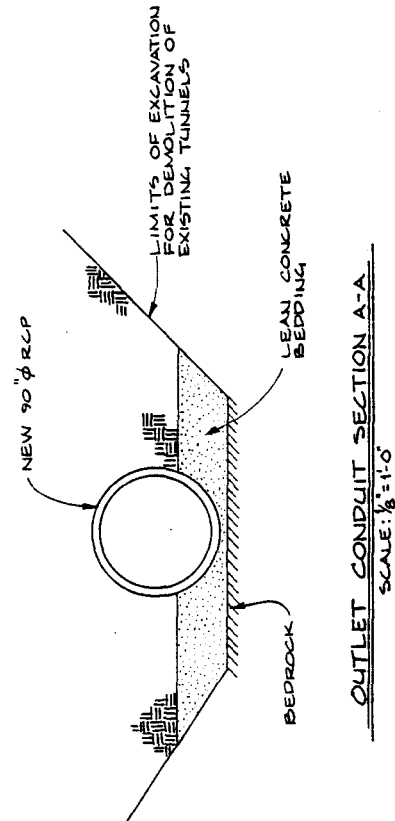
HKA ASSOCIATES
ENGINEERS - PLANNERS
 NOV 88 8M228.101



OUTLET SECTION
N.T.S.

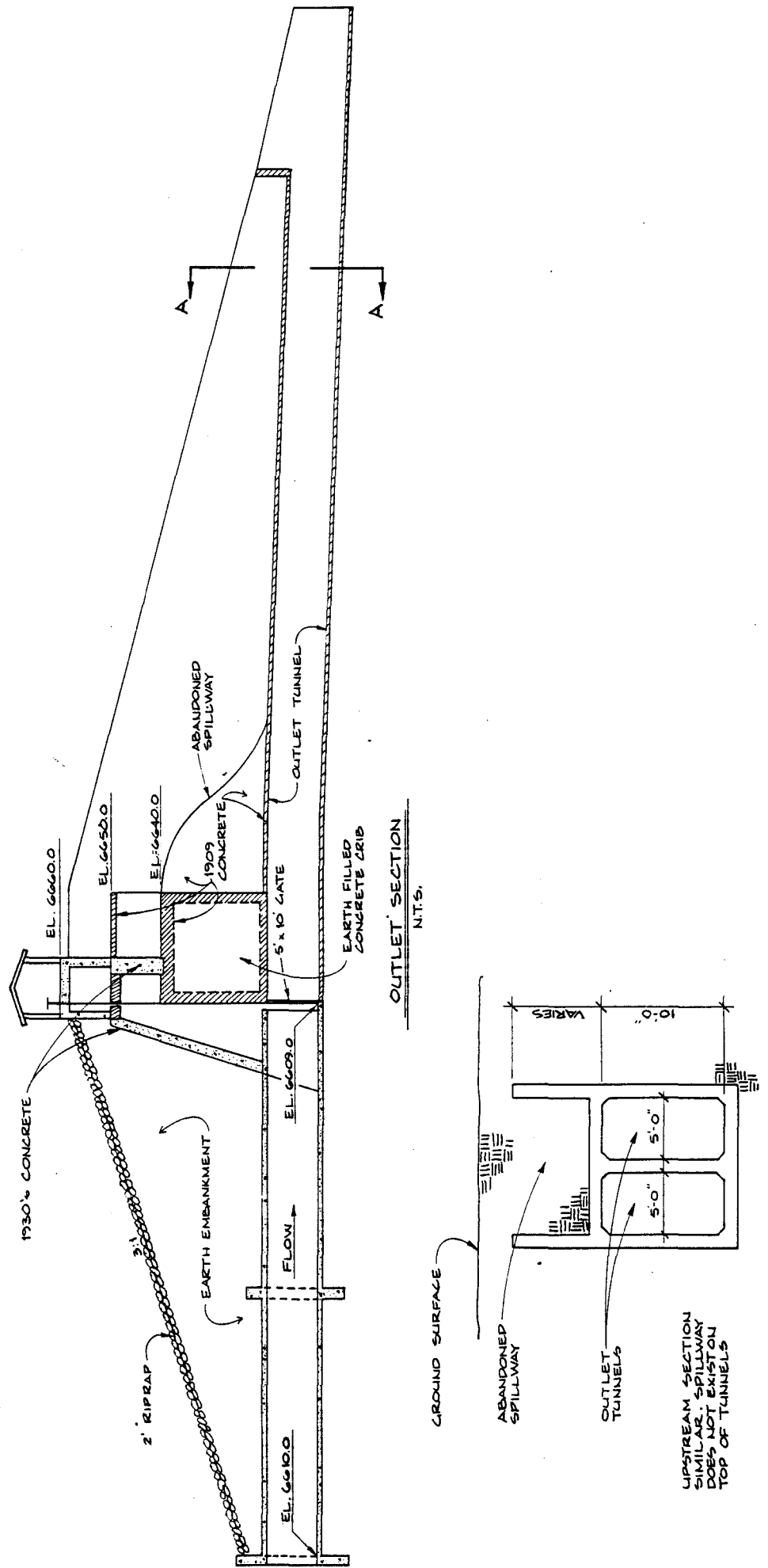


GATE TOWER SECTION B-B
SCALE: 1/8" = 1'-0"



OUTLET CONDUIT SECTION A-A
SCALE: 1/8" = 1'-0"

LIMA DAM REHABILITATION
Outlet Works - Selected Alternative



DOWNSTREAM OUTLET SECTION A-A

SCALE: 1/8" = 1'-0"

LIMA DAM REHABILITATION
Existing Outlet Works

APPENDIX A-4

HKA ASSOCIATES
ENGINEERS - PLANNERS
NOV. 86 84228.101

SEELEY LAKE - MISSOULA COUNTY WATER DISTRICT

TELEPHONE (406) 677-2559

BOX 503 SEELEY LAKE, MONTANA 59868

EXHIBIT 14
DATE 2.7.91
HB Long Range Planning

February 5, 1990

Committee Members
D.N.R.C.
Room 317 Capitol Building
Helena Mt. 59602

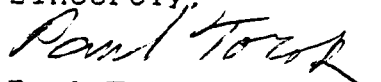
Dear Committee Members,

To meet the Surface Water Treatment Rule (SWTR) requirements, the Seeley Lake Water District will be forced to install a water treatment facility. Over the past two years the Seeley Lake Water District has been investigating various types of filtration techniques. We have found that for our needs, a slow-sand filter will be the most economical. We have performed various tests using a pilot plant. From this we are able to determine the proper sand size, how large the filtration beds must be, and how long the life of the filter bed will be before it needs to be cleaned. With the help of an engineering firm (Neil Consultants Inc.), we compared not only construction costs but also the cost of operations and maintenance of the slow-sand filter to the other more conventional types of filtration, and, as stated before it proved to be the most cost efficient for our needs.

In regards to the financing of this project let me first remind you that Seeley Lake Water District is a small system having only 385 service connections. Any additional charges to these people, many of whom are seasonal workers and low income, is certainly going to be burdensome. Presently our water rates are \$18.00 per month. To finance the slow-sand filter project, we anticipate that the water rates will increase by \$25.00 per month. Bringing the new water rate to \$43.00 per month. Some of the customers of the Seeley Lake Water District are also paying off bonds. The first bond will not be finished until October of 1994 and the other one will end in July 1995. The monthly payment for the customers paying on the 1994 bond will be \$57.17. For those paying on the bond that ends in 1995, will be \$60.50 per month. Although this outlook is very bleak, it is our only source of funding. We have also contacted FmHA to try to obtain the necessary funding, and was told by them that we could apply but we would certainly be wasting our time.

The Seeley Lake Water District Board of Directors would like to thank you for this opportunity to present our case.

Sincerely,


Paul Torok, Manager

Ex. 141 p. 2

2-7-91

Long Range Planning

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

LEE METCALF BUILDING
1520 EAST SIXTH AVENUE

STAN STEPHENS, GOVERNOR

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301



December 13, 1990

Rick Bondy
Engineering Bureau
DNRC
Middle Creek Dam Rehabilitation

Dear Rick:

The 1989 Legislature authorized a loan in the amount of \$5,100,000 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$5,100,000 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "John E. Tubbs".

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.

A handwritten signature in cursive script, appearing to read "Richard L. Bondy".
Project Sponsor

1-3-91
Date

A handwritten signature in cursive script, appearing to read "John E. Tubbs".
John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1-3-91
Date

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

RECEIVED
JAN 09 1991

MONT. DEPT. of NATURAL
RESOURCES & CONSERVATION
LEE METCALF BUILDING
1520 EAST SIXTH AVENUE



STAN STEPHENS, GOVERNOR

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

EX-114 P. 3
DATE 2-7-91
HE Long Range Planning
HELENA, MONTANA 59620-2301

December 13, 1990

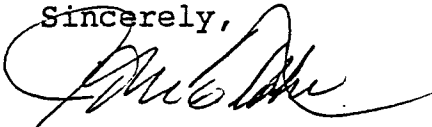
Bobby B. Broadway
Sun Prairie Village County
Water and Sewer District
P. O. Box 1127
Great Falls, MT 59403

The 1989 Legislature authorized a loan in the amount of \$200,000 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

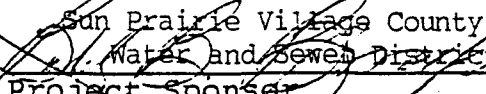
Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$200,000 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

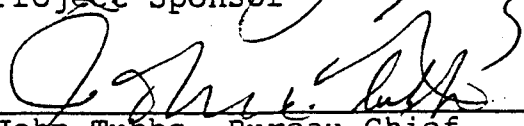

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.


Sun Prairie Village County
Water and Sewer District
Project Sponsor

January 7, 1991
Date


John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1-10-91
Date

Ex. 14 p. 1
DEC 20 REC'D
2-7-91
Long Range Pl.

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION



STAN STEPHENS, GOVERNOR

LEE METCALF BUILDING
1520 EAST SIXTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

RECEIVED

December 13, 1990

JAN 15 1991

Barbara Witt
Town of Cascade
Box 314
Cascade, MT 59421

MONTANA DEPT. OF NATURAL
RESOURCES & CONSERVATION

Dear Ms. Witt:

The 1989 Legislature authorized a loan in the amount of \$200,000 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$200,000 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

Handwritten signature of John E. Tubbs.

John E. Tubbs
Bureau Chief

☐ Yes, we would like to use the loan funds authorized.

☒ No, we will not be using the loan funds authorized.

Handwritten signature of the Project Sponsor.

Project Sponsor

1-3-91

Date

Handwritten signature of John Tubbs.

John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1-16-91

Date

RECEIVED

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

JAN 3 1991

MONT. DEPT. of NATURAL
RESOURCES & CONSERVATION
LEE METCALF BUILDING
1520 EAST SIXTH AVENUE



STAN STEPHENS, GOVERNOR

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

EXHIBIT 15
DATE 2.7.91
HB Long Range Planning

Gene Vuckovich
City/County Manager
Wastewater Treatment Facility
Anaconda/Deer Lodge County Courthouse
800 South Main Street
Anaconda, MT 59711

Dear Mr. Vuckovich:

The 1989 Legislature authorized a loan in the amount of \$500,000 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$500,000 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

John E. Tubbs

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.

Gene Vuckovich
Project Sponsor

1-2-91
Date

John E. Tubbs
John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1-7-91
Date

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

Ex. 15 p.2
2-7-91
Long Range Pl.



STAN STEPHENS, GOVERNOR

LEE METCALF BUILDING
1520 EAST SIXTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

RECEIVED

JAN 15 1991

Henry Hataway
City of Belgrade
P.O. Box 268
Belgrade, MT 59714

MONTANA DEPT. OF NATURAL
RESOURCES & CONSERVATION

Dear Mr. Hataway:

The 1989 Legislature authorized a loan in the amount of \$150,000 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$150,000 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

Handwritten signature of John E. Tubbs.

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.

Project Sponsor

Date

John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

Date

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

EXHIBIT 15 p.3
DATE 2-7-91
Long Range Plan.



STAN STEPHENS, GOVERNOR

LEE METCALF BUILDING
1520 EAST SIXTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

Billmayer Engineering
Browning Sewage Treatment Facility Improvements
City Hall
Browning, MT 59417

Dear Sir:

The 1989 Legislature authorized a loan in the amount of \$447,014 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$447,014 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "John E. Tubbs".

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.

A handwritten signature in dark ink, appearing to read "Steve Barcus".
Project Sponsor - Mayor Steve Barcus

1-11-91
Date

A handwritten signature in dark ink, appearing to read "John Tubbs".
John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

Date

RECEIVED DEC 19 1990

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

Ex. 15 p. 4
2-7-91
Long Range Plan



STAN STEPHENS, GOVERNOR

LEE METCALF BUILDING
1520 EAST SIXTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

RECEIVE

December 13, 1990

JAN 15 1991

Ms. Janis McRea
Dutton Water Supply Construction
Box 156
Dutton, MT 59433

MONTANA DEPT. OF NATURAL
RESOURCES & CONSERVATION

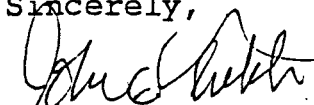
Dear Ms. McRea:

The 1989 Legislature authorized a loan in the amount of \$150,000 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.


Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$150,000 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

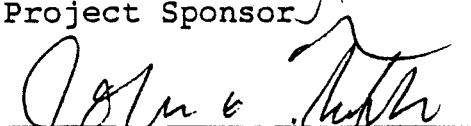

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.


Project Sponsor

1-7-91
Date


John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1-16-91
Date

RECEIVE

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

DEC 24 1990

MONTANA DEPT. OF NATURAL
RESOURCES & CONSERVATION
LEE METCALF BUILDING
1520 EAST SIXTH AVENUE

STAN STEPHENS, GOVERNOR

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

Richard H. Kennedy
East Bench Irrigation District
Gravity Sprinkler Irrigation No. 3
1100 Highway 41
Dillon, MT 59725EXHIBIT 15 p. 5
DATE 2-7-91
HB Long Range Planning

Dear Mr. Kennedy:

The 1989 Legislature authorized a loan in the amount of \$431,000 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$431,000 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

Handwritten signature of John E. Tubbs.

John E. Tubbs
Bureau Chief☒ Yes, we would like to use the loan funds authorized.☐ No, we will not be using the loan funds authorized.Handwritten signature of Richard H. Kennedy.
Project Sponsor
Richard H. Kennedy, Manager12/20/90
DateHandwritten signature of John Tubbs.
John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation1-3-91
Date

Ex. 15 p. 6
2-7-91 RECEIVED
Long Range Planning
JAN 14 1991

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

MONT. DEPT. of NATURAL
RESOURCES & CONSERVATION
LEE METCALF BUILDING
1520 EAST SIXTH AVENUE



STAN STEPHENS, GOVERNOR

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

Steve Sherburne
East Glacier Water System
P.O. Box 218
East Glacier Park, MT 59434

Dear Mr. Sherburne:

The 1989 Legislature authorized a loan in the amount of \$484,270 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$484,270 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "John E. Tubbs".

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.

A handwritten signature in cursive script, appearing to read "John E. Tubbs".

Project Sponsor

1-11-91

Date

A handwritten signature in cursive script, appearing to read "John Tubbs".

John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1-14-91

Date

Ex. 15 p. 7

2-7-91

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

Long Range Pl.



STAN STEPHENS, GOVERNOR

LEE METCALF BUILDING
1520 EAST SIXTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

Steve Sherburne
East Glacier Water and Sewer
P.O. Box 218
East Glacier Park, MT 59434

15 p. 7
2-7-91
HE Long Range Planning

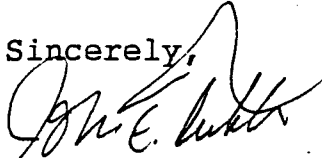
Dear Mr. Sherburne:

The 1989 Legislature authorized a loan in the amount of \$76,380 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

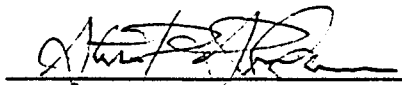
Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$76,380 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

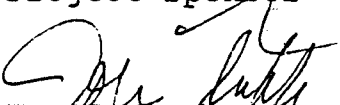

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.


Project Sponsor

1-11-91
Date


John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1-14-91
Date

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

EX. 15 p. 3
2-7-91
Long Range Pl.
RECEIVED

DEC 31 1990

LEE METCALF BUILDING
1520 EAST SIXTH AVENUE

MONT. DEPT. OF NATURAL
RESOURCES & CONSERVATION

HELENA, MONTANA 59620-2301



STAN STEPHENS, GOVERNOR

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

December 13, 1990

Lester Ollerman
Glendive Water Treatment Plant
P.O. Box 780
Glendive, MT 59330

Dear Mr. Ollerman:

The 1989 Legislature authorized a loan in the amount of \$4,075,000 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$4,075,000 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.

Project Sponsor

12-20-90
Date

John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1-3-91
Date

706
DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

Ex. 15 p. 9
2-7-91
Long Range Plan.



STAN STEPHENS, GOVERNOR

LEE METCALF BUILDING
1520 EAST SIXTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

Larry Fink, Mayor
Town of Hysham
P.O. Box 228
Hysham, MT 59038

EX-15 p. 9
DATE 2-7-91
RE Long Range Planning

Dear Mayor Fink:

The 1989 Legislature authorized a loan in the amount of \$150,000 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$150,000 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

Handwritten signature of John E. Tubbs.

John E. Tubbs
Bureau Chief

X Yes, we would like to use the loan funds authorized.

 No, we will not be using the loan funds authorized.

Larry E. Fink
Project Sponsor

January 4, 1991
Date

John E. Tubbs
John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1/10/91
Date

cc: Rusty Roberts

CENTRALIZED SERVICES
DIVISION
(406) 444-6700

CONSERVATION & RESOURCE
DEVELOPMENT DIVISION
(406) 444-6667

ENERGY
DIVISION
(406) 444-6697

OIL AND GAS
DIVISION
(406) 444-6675

WATER RESOURCES
DIVISION
(406) 444-6601

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

Ex. 15 p. 10
2-7-91
Long Range Pl.



STAN STEPHENS, GOVERNOR

LEE METCALF BUILDING
1520 EAST SIXTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

~~Paddy~~

~~Patti~~ Trusler

Lake County/Big Arm Sewer District
Big Arm, MT 59910

MR.

Dear ~~Ms.~~ Trusler:

The 1989 Legislature authorized a loan in the amount of \$2,283,893 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$2,283,893 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "John E. Tubbs".

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.

A handwritten signature in cursive script, appearing to read "Paddy Trusler".

Project Sponsor

1-3-91

Date

A handwritten signature in cursive script, appearing to read "John Tubbs".

John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1-10-91

Date

Ex. 15 p. 11
2-7-91

RECEIVED 30

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

DEC 21 1990

Long Range Plan
MONT. DEPT. OF NATURAL
RESOURCES & CONSERVATION



STAN STEPHENS, GOVERNOR

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

Pat Ingraham
Sanders County
Noxon Water System Improvements
P.O. Box 519
Thompson Falls, MT 59875

EX-15 p. 11
DATE 2-7-91

Long Range Planning

Dear Ms. Ingraham:

The 1989 Legislature authorized a loan in the amount of \$222,550 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$222,550 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

Handwritten signature of John E. Tubbs.
John E. Tubbs
Bureau Chief

_____ Yes, we would like to use the loan funds authorized.

_____ No, we will not be using the loan funds authorized.

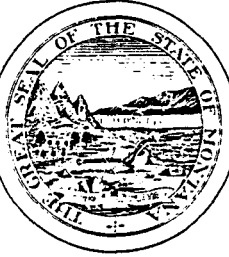
Loan has been closed and payments
to DNRC are being made by Noxon Water District 12/20/90 Ms. Pat Ingraham
Project Sponsor Date

Handwritten signature of John Tubbs.
John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1-3-91
Date

Ex. 15 p. 12
2-7-91

DEPARTMENT OF NATURAL RESOURCES *Long Range Plan*
AND CONSERVATION



STAN STEPHENS, GOVERNOR

LEE METCALF BUILDING
1520 EAST SIXTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

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DEC 27 1990

Fay Stokes
Pondera Conservation District
Irrigation system Rehabilitation
23 - 5th Avenue S.E.
Conrad, MT 59425

MONTANA DEPT. OF NATURAL
RESOURCES & CONSERVATION

Dear Ms. Stokes:

The 1989 Legislature authorized a loan in the amount of \$750,000 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$750,000 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

Handwritten signature of John E. Tubbs.

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.

Handwritten signature of Gerald D. Anderson.
Project Sponsor

September 19, 1990
Date

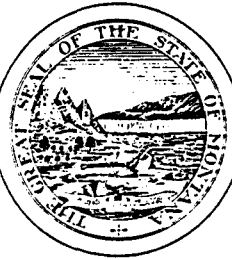
Handwritten signature of John Tubbs.
John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1-3-91
Date

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

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JAN 14 1991



STAN STEPHENS, GOVERNOR

MONT. DEPT. OF NATURAL
RESOURCES & CONSERVATION
352 BOONVILLE AVENUE
HELENA, MONTANA 59620-2301

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

Marco Lerowe
Roberts Water System Improvements
P.O. Box 157
Roberts, MT 59070

EXHIBIT 15 p. 13

DATE 2-7-91

Long Range Planning

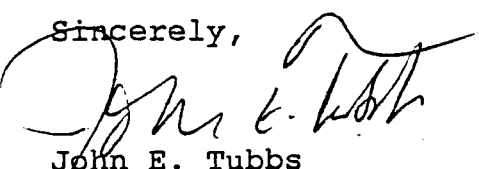
Dear Mr. Lerowe:

The 1989 Legislature authorized a loan in the amount of \$142,500 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$142,500 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

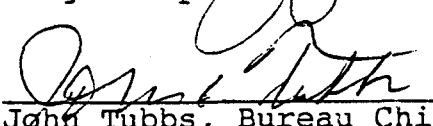

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.


Project Sponsor

1-7-1991
Date


John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1-13-91
Date

Ex. 15 p. 14

2-7-91

Long Range Pl. DEPARTMENT OF NATURAL
AND CONSERVATION



STAN STEPHENS, GOVERNOR

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

December 13, 1990

John Cicon
Sage Creek
Box 541
Chester, MT 59522

Dear Mr. Cicon:

The 1989 Legislature authorized a loan in the amount of \$158,600 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$158,600 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.

John M. Cicon
Project Sponsor

1-10-91
Date

John E. Tubbs
John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1-16-91
Date

WE ARE STILL IN THE
PROCESS OF NEGOTIATIONS
SO ARE NOT SURE
OF THE STATUS OF
THIS PROJECT AT THIS
TIME. HOPEFULLY WE
WILL GET THINGS WORKED
OUT !!

THANKS

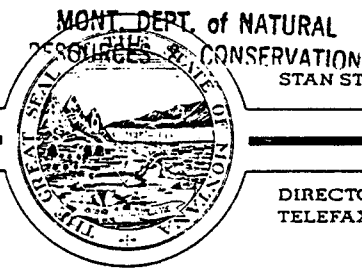
John M. Cicon
SAGE CREEK COUNTY H.D. DIST.

G
JE
—
—
101

RECEIVED

Copy to Mayor

DEC 20 1990 DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION



STAN STEPHENS, GOVERNOR

DEC 19 1990

LEE METCALF BUILDING
1520 EAST SIXTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

Larry J. Bonderud, Mayor
Irene Gottfried
Shelby Water Rehabilitation
Box 743
Shelby, MT 59474

EXHIBIT 15 p. 15
DATE 2-7-91
- Long Range Planning

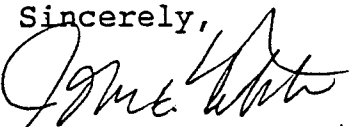
Dear Ms. Gottfried:

The 1989 Legislature authorized a loan in the amount of \$100,000 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

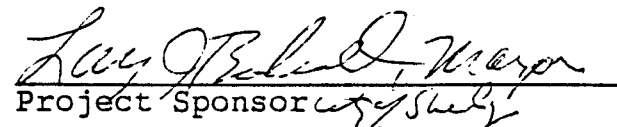
Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$100,000 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,



John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.


Project Sponsor *Shelby*

12-19-90
Date


John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1-3-91
Date

2-7-91
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Long Range Planning
JAN 14 1991

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION



STAN STEPHENS, GOVERNOR

MONT. DEPT. of NATURAL
RESOURCES & CONSERVATION
1520 EAST SIXTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

Robert Foley
Bruce Lutz
Somers County Water and Sewer District
Box 117
Somers, MT 59932

Dear Mr. Lutz:

The 1989 Legislature authorized a loan in the amount of \$3,151,960 for your ^{sewer} ~~Water~~ System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$3,151,960 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.

Project Sponsor

1/10/91
Date

John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

1/13/91
Date

AND CONSERVATION

STAN STEPHENS, GOVERNOR

LEE METCALF BUILDING
1520 EAST SIXTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

Mr. Ralph Freidman
Whitefish Water Treatment and Distribution
P.O. Box 158
Whitefish, MT 59937

EXHIBIT 15 p. 17

DATE 2-7-91

HB Long Range Planning

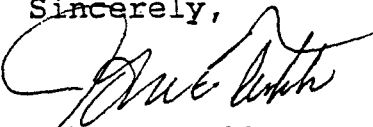
Dear Mr. Freidman:

The 1989 Legislature authorized a loan in the amount of \$6,035,800 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

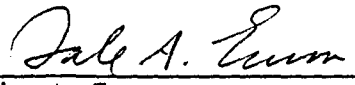
Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$6,035,800 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,



John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.


Project Sponsor

16 January 1991
Date


John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

Date

EX. 12 P. 10
2-7-91
Long Range Plan.

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION



STAN STEPHENS, GOVERNOR

LEE METCALF BUILDING
1520 EAST SIXTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE (406) 444-6699
TELEFAX NUMBER (406) 444-6721

HELENA, MONTANA 59620-2301

December 13, 1990

Mr. Kevin Dukart
Wibaux Water Storage Reservoir/Transmission Line
P.O. 219
Wibaux, MT 59353

Dear Mr. Dukart:

The 1989 Legislature authorized a loan in the amount of \$250,000 for your Water System project. As of today's date, we understand that you intend to use these funds.

We need your authorization to request that the legislature reauthorize your loan during the 1991 legislative session. You will need to submit an updated budget for the project and a description of any changes that have occurred in the project since your original application for funds.

Your signature on the line at the bottom of this letter will constitute your letter of intent to DNRC to use the \$250,000 loan that was authorized by the 1989 Legislature in H.B. 775. Please have your authorized representative sign and date the line below and return this letter to our department by January 16, 1991. Don't hesitate to call me at 444-6668 if you have any questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "John E. Tubbs".

John E. Tubbs
Bureau Chief

☒ Yes, we would like to use the loan funds authorized.

☐ No, we will not be using the loan funds authorized.

Project Sponsor

Date

A handwritten signature in dark ink, appearing to read "John Tubbs".

John Tubbs, Bureau Chief
Resource Development Bureau
Department of Natural Resources
and Conservation

Date

EXHIBIT 16
DATE 2.7.91
HB Long Range
Planning.

Broadwater Dam Construction Revenues Appropriated

There is a biennial appropriation from the Broadwater Construction account of all funds remaining for completion of project construction and payment of bond debt.

SUN PRAIRIE VILLAGE
COUNTY WATER AND SEWER DISTRICT
WATER SYSTEM IMPROVEMENT PROJECT

EXHIBIT 17
DATE 2-7-91
HB Long Range Plan

Request for Reauthorization of \$200,000.00 loan.

Sun Prairie Village is located approximately 6.8 miles West of Great Falls, MT and has a population of approximately 1,200.

Water is supplied from five wells located near the Sun River about one and a half miles away. Improvements to the existing wells are required to provide better protection from potential contamination. An automatic well control system is needed to provide a more dependable source of water and efficiently utilize District resources.

The existing water reservoir can not^{be} taken out of service for maintenance and as a result is in very poor condition. A reservoir bypass will be installed to allow reservoir rehabilitation and subsequent maintenance.

System water pressure is sustained by a booster pump station. Improvements are required on a badly deteriorated outlet manifold to maintain pump station operation. A pump priming system is required to ensure pump start up upon demand.

A new elevated on-line water reservoir is needed to minimize problems of low pressure and associated health risks during high use periods and to provide a dependable source of water during emergencies.

PROPOSED IMPROVEMENT PROJECT

* Improve existing wells	\$ 80,000.
* Well control system	18,000.
* Improved disinfection system	21,000.
* Reservoir bypass	8,000.
* Reservoir rehabilitation	30,000.
* Pump station rehabilitation	34,000.
* Elevated Storage tank	225,000.
* Engineering, Legal and Administrative costs	124,800.
TOTAL	\$ 540,000.

FUNDING SOURCES

Community Development Block Grant (Tentative award)	\$ 340,000.
Department of Natural Resources (Water Development Program loan)	\$ 200,000.

**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

Long Range Planning SUBCOMMITTEE DATE 2-7-91
DEPARTMENT(S) DNRC - RIT Grants DIVISION WD + RRD

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NAME	REPRESENTING	
<i>Linda M. Miller</i>	<i>DNRC</i>	
<i>Michael F. Nagel</i>	<i>City of Forestburg</i>	
<i>James F. Kausche</i>	<i>" "</i>	
<i>Ed Brittenham</i>	<i>City of Columbia Falls</i>	
<i>John Brunner</i>	<i>MAWA</i>	
<i>Orvin Ferris</i>	<i>HKM Assoc. - Bowerhead Co. Water & Sewer District</i>	
<i>Allen Martinell</i>	<i>Bowerhead Co. Water & Sewer District</i>	
<i>Dick Hasman</i>		
<i>Paul Torgals</i>	<i>Seelye Lake Winter Boat</i>	
<i>Bryson Phillips</i>	<i>" "</i>	
<i>Bobby Broadway</i>	<i>Sun Prairie Village Co. Water & Sewer</i>	
<i>Julie Birkenshael</i>	<i>Town of Cascade</i>	
<i>Don Rose</i>	<i>Cascade Citizens Imp. Assoc.</i>	
<i>Don McCue</i>	<i>DAMSCITEN ASSOC. - DUTTON</i>	
<i>Bob Goodell</i>	<i>Dutton Mt</i>	
<i>Phil Berry</i>	<i>Morrison - Mainville</i>	
<i>John F. Edwards</i>	<i>Town of Dutton</i>	
<i>Jane Schreyer</i>	<i>HD II - Town of Dutton</i>	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Long Range Planning SUBCOMMITTEE DATE 2-7-91
DEPARTMENT(S) DNRC - RIT Grants DIVISION _____

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NAME	REPRESENTING	
Rick Bondy	DNRC	
Bob Stephens	Tony J. Dutton	
Nancee Miller	DNRC	

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