

Lori Stratton

From: Larry Bonderud
Sent: Thursday, January 19, 2017 3:24 PM
To: Lori Stratton
Subject: Fwd: Resolution

Next packets.

Sent from my iPhone

Mayor Lar

Begin forwarded message:

From: Jason Crawford <Jason.Crawford@kljeng.com>
Date: January 19, 2017 at 3:17:33 PM MST
To: Jade Goroski <jade@shelbymt.com>
Cc: Larry Bonderud <larry@shelbymt.com>
Subject: RE: Resolution

For what it's worth, I can provide the following few comments regarding recitals 1-4.

Recital 1 – The comparison of the sanitary sewer meter readings to precipitation events indicate that water from these events is entering the sanitary sewer system.

Recital 2 – The 2012 PER included a capacity assessment of the existing storm water system and concluded that much of the system is undersized when compared to MT DEQ Circular 8 requirements. Based on information from Shelby public works, sump pumps throughout town discharge collected water to the sanitary sewer system.

Recital 3 – It is very common in older gravity systems (storm water, sanitary sewer, any other none pressurized system) for water to infiltrate the pipes at joints, cracks, root intrusions, or at other flaws in the old pipe. Reference recital 1 for further justification.

Recital 4 – The existing treatment system is operating beyond its hydraulic capacity. The water that is introduced to the sanitary sewer system during precipitation events is contributing to the hydraulic loading of the existing treatment system.

From: Jade Goroski [<mailto:jade@shelbymt.com>]
Sent: Thursday, January 19, 2017 10:14 AM
To: Jason Crawford <Jason.Crawford@kljeng.com>
Cc: Larry Bonderud <larry@shelbymt.com>
Subject: Resolution

Jason,

Attached is the resolution we attempted to pass at the meeting Tuesday. Recitals 1-3 or 4 is what one council member had a problem with.

Jade Goroski
Finance Officer
City of Shelby
112 1st Street South
Shelby, MT 59474

Lori Stratton

From: Larry Bonderud
Sent: Thursday, January 19, 2017 6:43 PM
To: Lori Stratton
Subject: Fwd: HB 3 Notes
Attachments: HB 3 Notes.docx; ATT00001.htm

Next packets.

Sent from my iPhone

Mayor Lar

Begin forwarded message:

From: Melissa Lewis <melissa@mlewisassoc.com>
Date: January 19, 2017 at 6:44:44 PM MST
To: Larry Bonderud <larry@shelbymt.com>
Subject: HB 3 Notes

Attached are notes from today's hearing on House Bill 3. HB 3 is essentially a reverse supplemental. It gives the Governor's Office rescind authority. The discussion will start with the cuts recommended in the Governor's Budget and add additional items. This does not affect the 2017 base. It would just reduce unspent 2017 appropriations. The bill is intended to capture unspent 2017 monies to bolster the state's General Fund. Let me know if you have any questions! Melissa

January 19, 2017

Senate State Administration

Room 303

1:30 pm

HB 3- Revising expenditures and providing supplemental appropriations

Summary: HB 3 has been amended to cut additional funding from unspent 2017 General Fund appropriations, including an additional \$5 million in unspent funding from the Medicaid and Health Services Branch.

Bill Sponsor Introduction: Nancy Balance HD 87- This is for providing supplemental appropriations for the fiscal year ending in June 30, 2017. This is not the budget bill for the upcoming biennium. This is for the remainder of the biennium. Typically you would see requests for additional spending based on different circumstances that occurred during the time of the budget from last session. We have seven of those that are shown in section two that add up to \$20M. Usually that would be the end of the supplemental bill but because of the situation we find ourselves in for the upcoming biennium, we are taking additional steps in HB 3 to also reduce appropriations in the remainder 5 months of fiscal year 2017.

Section 3- Directs the Budget Director to reduce spending of at least \$10M for the remainder of fiscal year 2017.

Section 4- Temporarily reduces the governor's emergency fund from \$16M to \$4M for the remainder of the next five and a half months.

Section 5- Allows the prior fund to be used as a backfill for declared emergencies only to be used for the remainder of the next five and a half months.

Sections 6-12- Are reductions to fiscal year 2017 General Funds.

Proponents:

Dan Villa- Budget Director for Governor Bullock- One request I would make would be to wait until February for the A and B count. If we have any changes with the count, we would have to adjust.

Dennis Parman- Executive Director for the Department of Public Instruction- We are in support of HB 3.

Pat Sehlauch- Business Manager Services for the Department of Corrections – We did not anticipate the increase in individuals we would have in county jails. The county jail biennial budget is \$7M over the budgeted amount. If HB 3 doesn't pass, we would have to save \$4M in five months. We would have to choose 200 people to release and their assessments show they still need to be in our facility.

Dough Mitchell- Montana Department of Commerce- The legislature last time changed the coal board percent from 2.9% to 5.9% which is great, but we were not given the proper expenditure authority. We are asking for that expenditure authority today.

Bob Gilbert- Colstrip- Same as Doug's reasons.

Diane Burk- Executive Director for Montana Quality Education Coalition- We have had increased enrollment. These increased funds would help students.

Tyler Trevor- Deputy Commissioner for Higher Education- We support HB 3.

Opponents:

Shyla Patera- Talking about section B of DPHHS a lot of the cuts being outlined in HB 3 are out of the ordinary. This year because of the budget crisis, we are looking at reducing services and contracts that have already passed. We help people transition out into the community and to be able to go back home. We will lose independent living contracts. We won't be able to help people learn how to ride the bus or get a job. PAS is the life line for people with disabilities.

Sheila Thompson- Opportunity Resources Inc. - I oppose the cuts outlined in HB 3 because they directly affect my line of work and the people I work to help.

Informational Witnesses:

None

Committee Questions:

Phillips-Page 3 of the bill lines 11-18 speaks for additional reductions of \$10M where is that coming from?

Deputy Director- We don't know yet.

Phillips- Are you taking more reductions for DPHHS yet again?

Deputy Directory-That could likely happen.

Phillips-Can you give me the logic behind specific reductions of \$5M from DPHHS. You heard today from some people the dramatic effect this will have on many citizens.

Ballance- In the meeting we had with the Joint House Appropriations and Senate Finance & Claims, every agency shared different dollars that are unspent for the remainder of the next five and a half months and it was in that meeting that it was mentioned there was \$5M available and part of that was from DPHHS.

Phillips- What is the rational for lines 21-26?

Balance- For clarity.

Chairman Jones-When we begin work on this bill, was there a request from the Budget Office to have some authority?

Ballance- Chairman Jones, We did not mandate that \$10M on our own. That came from the Budget Office. The original request from the budget office was for \$16M.

[END]

Lori Stratton

From: Larry Bonderud
Sent: Thursday, January 19, 2017 7:08 AM
To: Deb Clark; Lyle Kimmet; Gary McDermott; Brian Lee; Bill Moritz; pega@3rivers.net; Jade Goroski; Lori Stratton
Subject: Fwd: Daily summary Jan 18th 2017

Sent from my iPhone

Mayor Lar

Begin forwarded message:

From: Statehill <no-reply@statehill.com>
Date: January 19, 2017 at 4:05:13 AM MST
To: <larry@shelbymt.com>
Subject: Daily summary Jan 18th 2017



Hi Larry, here's your daily summary from yesterday Jan 18th 2017.

Updates

No bill updates on your tracked bills yesterday.

Introduced

HB280 Allow Legislators to conceal or open carry handguns on state property

SB130 Revise tax increment finance laws

SB132 Revise tax laws related to pollution control equipment

HB281 Locate certain utilities over water

HB282 Grant county commission authority to correct certain election results

HB279 Revise period of retention for unclaimed veteran remains

Requested

LC2551 Major facility siting act for water bottling plants
LC2552 Generally revise water laws
LC2553 Resolution to delist Montana grizzly bear population from ESA
LC2554 Generally revise legislative bill drafting process laws
LC2555 Generally revise mining laws
LC2556 Generally revise water laws
LC2557 Confirm Governor appointees to the Judiciary
LC2558 Confirm Governor appointee for Director of Dept. of Administration
LC2559 Confirm Governor appointee for Adjutant General, Department of Military Affairs
LC2560 Confirm Governor appointee for Director of Dept. of Environmental Quality
LC2561 Confirm Governor appointee for Director, Dept. of Nat Resources and Conservation
LC2562 Confirm Governor's appointee to NW Power Planning Council
LC2563 Confirm Governor's appointee to NW Power Planning Council
LC2564 Confirm Governor's appointee Director, Dept. of Public Health and Human Services
LC2565 Confirm Governor's appointee for Director, Dept. of Revenue
LC2566 Confirm Governor's appointee for Director, Dept. of Transportation
LC2567 Confirm Governor's appointee for Director, Dept. of Labor and Industry
LC2568 Confirm Governor's appointees to boards related to business
LC2569 Confirm Governor's appointee to Board of Outfitters
LC2570 Confirm Governor's appointee to Board of Outfitters

LC2571 Confirm Governor's appointee to health-related boards
LC2572 Confirm Governor's appointees to boards relating to education
LC2573 Confirm Governor appointees to boards related to energy
LC2574 Confirm Governor appointees to Board of County Printing
LC2575 Confirm Governor's appointees to boards related to public safety
LC2576 Confirm Governor's appointees to natural resource boards
LC2577 Confirm Governor's appointees to agriculture and livestock related boards
LC2578 Confirm Governor's appointee for State Tax Appeals Board
LC2579 Confirm Governor's appointees to boards of PERS and Veterans Affairs

Today's calendar

Hearing on HB209 (HB209) Room 152 at 8:00 AM
Hearing on HB215 (HB215) Room 152 at 8:00 AM
Hearing on SB70 (SB70) Room 172 at 8:30 AM
Hearing on SB112 (SB112) Room 405 at 9:00 AM
Hearing on HB3 (HB3) Room 303 at 1:30 PM
Hearing on SB36 (SB36) Room 317 at 3:00 PM

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Lori Stratton

From: Larry Bonderud
Sent: Friday, January 20, 2017 7:52 AM
To: Lori Stratton
Subject: Fwd: Daily summary Jan 19th 2017

Packets.

Sent from my iPhone

Mayor Lar

Begin forwarded message:

From: Statehill <no-reply@statehill.com>
Date: January 20, 2017 at 4:05:18 AM MST
To: <larry@shelbymt.com>
Subject: Daily summary Jan 19th 2017



Hi Larry, here's your daily summary from yesterday Jan 19th 2017.

Updates

No bill updates on your tracked bills yesterday.

Introduced

HB288 Require fee for presidential preference primary candidates

HB286 Allow livestock loss reimbursement for mountain lion predation

HB287 Revise absentee ballot list confirmation laws

HB285 Establish a palliative care advisory council and education program

SB133 Prohibit use of tanning devices by a person under 18 years old

SB136 Revise laws related to legislator disclosure of payment for out of state travel

SB135 Generally revise laws related to first aid training in schools

HB284 Revise funding for food and agriculture development centers

SB134 Revise laws related to motorcycle operation

SR6 Confirm Governor's appointee to NW Power Planning Council

SR5 Confirm Governor's appointee to NW Power Planning Council

SR4 Confirm Governor's appointee Director, Dept. of Public Health and Human Services

SR3 Confirm Governor's appointee for Director, Dept. of Transportation

Requested

Nothing was requested yesterday.

Today's calendar

Hearing on HB147 (HB147)
Room 137 at 8:00 AM

Hearing on HB148 (HB148)
Room 137 at 8:00 AM

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Lori Stratton

From: Larry Bonderud
Sent: Friday, January 20, 2017 1:18 PM
To: Lori Stratton
Subject: Fwd: Hearing notes
Attachments: Hearing notes_HB 209 and HB 215.docx; ATT00001.htm

Packets

Sent from my iPhone

Mayor Lar

Begin forwarded message:

From: Melissa Lewis <melissa@mlewisassoc.com>
Date: January 20, 2017 at 1:13:50 PM MST
To: Larry Bonderud <larry@shelbymt.com>
Subject: Hearing notes

Mayor,

Attached are hearing notes on HB 209, Extend funding to Coal Board and HB 215, Revise oil and gas tax laws.

HB 215 doesn't have much of a chance of passing the 2017 legislature.

HB 209 might pass. Although it wouldn't directly impact Shelby, I'm sending the hearing notes for your situational awareness of budget issues/discussions taking place at the 2017 legislature.

Call with questions!

Melissa

Melissa Lewis
800 E. 6th Avenue
Helena, MT 59601
Cell: 406-465-8045
Office: 406-422-0988
www.mlewisassoc.com

January 18, 2017

Senate State Administration

Room 152

8:00 am

HB 215- Revise oil and gas tax laws

Summary: There were an equal number of proponents and opponents on HB 215. Many of the proponents believe that oil and gas companies should pay more taxes, especially when they are starting up a new well because wells produce more oil/gas in the first few years. Opponents say technology and research is expensive and that it costs more to produce oil and gas in Montana compared to other states.

Bill Sponsor Introduction: Mary Ann Dunwell HD 84- This bill solves a lot of our problems with General Fund revenue. It doesn't eliminate the tax holiday after 18 months. Right now is the best time to bring this bill. It would go into effect a year from now. We have very little production happening right now. This will give those companies time to plan.

Proponents:

Dorf Johnson- Montana Environmental Information Center- This is an issue of fairness. Oil and gas companies need to pay their way so we aren't hit with major social distress.

Ellis Smith- Member of Northern Plains Resource Council- Oil and gas companies need to pay their fair share. This is a fairness issue. Wells produce more at the beginning of their life, so taxing less at the start is irresponsible. We need to properly tax these companies. This bill will have a minimal effect on oil and gas companies.

Dan Ropper- Montana Audubon Society- Tax reform is important. When oil prices are down we are still talking about millions of dollars.

Dawn Catlit- Montana Resident- Giving a tax holiday of 1.5% is fair. It should really be closer to 9% because at the beginning of a new well they produce more oil and gas. Right now, this is not a win-win for everyone. This is a win for oil and gas companies. The rest of us as taxpayers are not winning.

Opponents:

Jessica Sena- Montana Petroleum Association- This idea was proposed last session and we opposed that. We have opposed this policy for 24 years. I know it is recognized as an incentive, but it really isn't. Compared to Wyoming, Montana doesn't produce much oil. Wyoming produces more oil in a day than Montana produces in a month. We can't have a bill such as HB 215 if we want to be able to compete with neighboring states.

Bob Gilbert- Musselshell County- You were told that this is your oil. It is not your oil. It is the land owners' oil. You were also told when it's gone, it's gone. That's not true. You can pump water down and oil comes up. That's called secondary recovery. There is also horizontal drilling and vertical drilling that produces more oil.

Ed Bartlett- Lobbyist and Attorney- This is a 9 times increase on a tax. This is not a good thing. It is more expensive to produce oil in the state of Montana than other states.

Informational Witnesses:

Kory Hofland- Representative of Montana Department of Revenue- We are here to answer any questions you may have.

Committee Questions:

Fern- Can you give us a feel for what lays under us for oil production and what would happen if prices go up?

Sena-We have fewer reserves than other oil manufacturing states. I cannot predict what would happen.

Welch-What do our neighboring states do for tax holidays and incentives?

Hofland-I do not have that information with me, but I can find it and present it to you.

White- Can you give me your thoughts on the decline of rigs even when the oil prices were high and they were expecting oil prices to rise?

Dunwell- I can't respond to what the thinking of the oil and gas industry is. It shows how effective the incentive is.

White- Even when oil prices where high, rigs were leaving the state. Why is that?

Sena- Not every rig will produce the same amount of oil. If a rig isn't getting any oil, they will leave. Rigs will move to places with more reserves and more chances for recovery. The reasons for leaving can vary dramatically.

Hertz- The tax holiday is an incentive. But there reaches a point where the incentive isn't really an incentive. At what point is it no longer an incentive?

Sena- I cannot properly answer that. It could possibly be that the land doesn't have enough reserves.

Jacobson- There is no tax holiday in the state of Wyoming. Is it true that their production taxes are 50% higher than Montana's?

Bartlett- I do not know what Wyoming's tax rates are.

Jacobson- I can tell you they are 50% higher. Would you say that Montana has a pretty good deal right now on taxes when it comes to the industry?

Bartlett- Yes

Bill Sponsor Closing Statement: This has been a hardy and lively discussion. I want to give a shout out to the oil and gas industry. We have a tax fairness issue. No other industry has a tax incentive or a tax holiday like this.

Senate State Administration

Room 152

8:00 am

HB 209-Extend funding to Coal Board

Summary: Most supported the bill. Only one witness spoke in opposition. This bill would have a \$3.2 million dollar impact on the General Fund.

Bill Sponsor Introduction: Barry Usher HD 40- The coal board was supposed to get a 5.8% return of funding. Right now, they only 2.9% back. That money is supposed to come back to coal communities. Last year this bill was known as HB 228.

Proponents:

Bud Clinch-Montana Coal Council- In the last fiscal year, over \$60M was collected from the tax on the production of coal in Montana. 50% of that goes into the permanent coal trust fund which now totals \$1B. The other half comes to the legislature for your discretions and for other programs.

Alan Olson- Resident of Musselshell County- Coal mining cities are in great need of funding. The Roundup hospital greatly benefited from the coal community when they needed a new boiler.

Bob Gilbert- Rosebud County and City of Colstrip- A lot of these coal communities have out dated sewer systems and water systems because of the lack of funding. Coal companies pay a lot of taxes and receive nothing back for their communities. In the early 1950s, Colstrip was a vacant town and now it is a booming town, but it lacks updated amenities. Rosebud county commissioners wrote a letter in support to HB 209.

Opponents:

Doug Mitchell- Director of Montana Department of Commerce- The Coal Board does amazing work for its constituents. We would be able to implement this bill without any additional staff or overhead. The only reason we would oppose this bill is because there is a \$3.2 million dollar biennial General Fund impact with this bill.

Informational Witnesses: None

Committee Questions:

Fern- Can you educate us on the allocation of the sub fund and the reason you end up here every two years?

Clinch-It's the legislature's prerogative to not bind any future legislatures to that appropriation.

Fern- Would you surmise that 5.9% that you are asking for to be reallocated accurately reflects the current inventory of needs of the coal country?

Clinch- We receive requests that exceed our 5.9%. But 5.9% is an accurate amount.

Dunwell- I understand the concerns to the local communities. I'm also concerned about the environmental damage. How are you going to replace the loss from the General Fund?

Usher- The funds come from coal country and we are asking for the funds to come back to the coal country. This money has not been in the General Fund in the past because it has gone to the Coal Board. Coal fund taxes will eventually go down, and that will hurt us.

Beard –When will the diminishing tax happen?

Usher- It's going to happen at some point, we just don't know when.

Hamilton- Can you tell us a few of the projects the coal board grants?

Clinch- Some of the highest priority projects are safety equipment such as fire trucks, ambulances, police equipment that provide essential safety and a wide variety of infrastructure issues like water projects and boilers at the schools.

Fern- Is the 2.9% a statutory minimum that must exist?

Mitchell- The current statute is 5.9% that was changed in the last session. It will come back down to the 2.9% if this bill doesn't get enacted.

Fern- Could you supply us with an inventory from the last year of projects?

Mitchell- Yes, we could supply the committee through the chair with a list of those projects.

Abbott- There are technical concerns about spending. Can you explain how we can fix that?

Mitchell- Last session, this same bill passed. It passed and provided an additional \$3M to the Department. The Department did not receive expenditure authority. So, there are a number of projects that we have funded but haven't been able to begin because we don't have expenditure authority. That \$3M is still sitting there because we do not have the expenditure authority.

Smith- Do you have a figure for 2016 the amount?

Clinch- I do not because coal production just ended less than 30 days ago. We won't have those figures until the end of January.

Dunwell- Will it impact the General Fund?

Mitchell- You are not raising the taxes. It will affect the General Fund because we will be \$3.2M short.

Jacobson- What kinds of projects are waiting for funding?

Mitchell-Maybe a water and sewer project, fire truck or fire house.

Jacobson- These projects have not been funded or started in the last two years?

Mitchell- Some have been funded and have started. Some have been accepted for funding, but have received no funding yet.

Beard- Will there be a decrease in the estimated General Fund revenue if this sunset is extended and if the coal revenue is decreased?

Mitchell- If this bill were to pass, there would be a \$3.2 million shortage to the General Fund.

Bill Sponsor Closing Statement: Usher- You have heard from a lot of experts. The governors' oversight is why there's a fiscal issue. Fire fighters need different training and equipment in a town with coal mines than a fire fighter in a community without coal mines. These coal mining communities rely on grants. Coal mining is part of Montana's history and heritage. When people say coal mines and oil rigs are an eye sore, I see dollar signs. I believe we will be mining coal for many years to come. We need to ensure coal revenue goes up.

Lori Stratton

From: Larry Bonderud
Sent: Friday, January 20, 2017 6:03 PM
To: Lori Stratton
Subject: Fwd: Week 3 Update

Packets.

Sent from my iPhone

Mayor Lar

Begin forwarded message:

From: Melissa Lewis <melissa@mlewisassoc.com>
Date: January 20, 2017 at 5:12:34 PM MST
To: Larry Bonderud <larry@shelbymt.com>
Subject: **Week 3 Update**

Hi Mayor,

Happy Friday! Here is your weekly update on the happening in Helena.

Budget work continues with appropriations subcommittee hearings. Soon, subcommittee work will be done and full appropriations committee work will begin. Our state budget is currently estimated to be south of \$50 million. To bolster the General Fund, HB 3 would give the Governor's Office rescind authority to revert a certain amount of unspent 2017 funding to the General Fund. That bill passed the House 94-3 and was heard by Senate Finance & Claims yesterday.

Summary of Hearings:

SB 88, Create a Montana Trust Fund, Sponsor Jon Sesso (D-Butte) Governor's infrastructure bill. This bill would create the Build Montana Trust Fund within the coal severance tax trust. It would sunset the infusion of Coal Severance Tax funding for the TSEP program and Rural Water Projects, which would continue to be funded through interest earnings. Proponents included Governor Bullock's Budget Director Dan Villa, Darryl James with Montana Infrastructure Coalition, Tim Burton with MT League of Cities and Towns, Steve Wade on behalf of the Contractors Association, Bridger Mahlum with the Montana Chamber of Commerce. There were no opponents.

SB 42, Revise Major Facility Siting Act, Sponsor Dick Barrett (D-Missoula) was heard Monday. It was supported by MPA and opposed by a number of environmental organizations. Niles Hushka supported the bill. Niles was on the Governor's Key Industry Network that helped draft the bill. DEQ testified as an informational witness and provided the committee with helpful background information. If the bill is enacted, it would alter the MFSA changing corridor width for linear facilities from one mile to 500 feet with the option to expand or reduce the width of the corridor in consult with project owner. It is intended to make the permitting of a linear project easier.

HB 211, Require Sage Grouse Population Report was heard in committee on Tuesday. It would require FWP to report current sage grouse population numbers on an annual basis. There is no fiscal note.

SB 112, Revise laws related to corporate loss carryback and carry forward was heard yesterday. MPA has concerns with it. The Montana Taxpayers Association is opposed.

HJ 3, Interim study of water right change process, Sponsor Zach Brown (D-Bozeman)

This bill would request an interim study to examine the process for changing a water right, primarily the use of historical data and records. It would also require that the final results of the study be reported to the 2019 legislature.

HB 14, Bonding Program, Sponsor Jim Keane (R-Butte) Governor's bonding bill. TSEP and RRGL hearings occurred January 17. KJ testified on behalf of the City's projects.

HB 221, Revise laws related to public records of municipalities, Sponsor Don Jones (R-Billings) The bill is a benign code cleanup bill that would remove a redundancy related to public records of municipalities. The bill passed the House 91-0 and heads to the Senate.

SB 93, Provide for notification at certain dwellings for oil and gas operations, Sponsor Tom Richmond (R-Billings) This bill would replace recent Board of Oil, Gas and Conservation rule regarding notification of an occupied structure within 1320' of a well bore and substitute with notification of an occupied dwelling within 660 of a wells surface location.

Upcoming Bills:

HB 250, Require county and school district approval for adoption of TIF program. Hearing is January 24.

Let me know if you want me to testify. <http://leg.mt.gov/bills/2017/billpdf/HB0250.pdf>

HB 187, Establish an angel investor/venture capital tax credit. Hearing is January 24.

This is a Key Industry Network bill. <http://leg.mt.gov/bills/2017/billpdf/HB0187.pdf>

HB 188, Enact a Small Business Growth Encouragement Act. Hearing is January 24.

This is a Key Industry Network bill. <http://leg.mt.gov/bills/2017/billpdf/HB0188.pdf>

HB 228, Provide funding for sage grouse stewardship. Hearing is January 24.

This is a Budget Office bill. It reduces the \$10 million appropriation to \$2 million annually from 2018-2012 due to budget constraints. The Sage Grouse Working Group supports it.

<http://leg.mt.gov/bills/2017/billpdf/HB0228.pdf>

HB 242, Constitutional amendment to establish a natural resources trust fund. Hearing is January 24.

Oil, gas and coal counties are likely to oppose. <http://leg.mt.gov/bills/2017/billpdf/HB0242.pdf>

HB 267, Revise laws related to bicycles on roadways. Hearing is January 23.

This requires motorists to drive 3 feet from bicyclists if traveling 35 mph or less and 5 feet if driving faster than 35mph. <http://leg.mt.gov/bills/2017/billpdf/HB0267.pdf>

SB 98, Establish property ownership fairness act, Sponsor Cary Smith (R-Billings). The hearing is January 27.

Don't spend too much time reviewing this bill. It is not likely to advance. It has technical problems identified by the legislative services division and a massive fiscal note (\$600 million over 6 years). This is an eminent domain bill. It would allow a party to sue for damages if a permitted activity reduces

property values. Although possibly well intended, it could come with unintended consequences of giving non-governmental organizations an opportunity to use the law against MPA members. It was brought forward by the Goldwater Institute. <http://leg.mt.gov/bills/2017/billpdf/SB0098.pdf>

HB 281, Locate Certain Utilities Over Water. Hearing has not been scheduled.

This bill is concerning to owners of transmission lines and pipelines. It is not likely to get out of committee but I am monitoring. <http://leg.mt.gov/bills/2017/billpdf/HB0281.pdf>

LC 1573, Revise oil and gas lease provisions. Hearing has not been scheduled.

This is Austin Knudsen's bill. It is still in the drafting process. I have requested a copy of the bill in current from Legislative Services so we can take a peek.

LC 2204, Provide civil penalty for unmanned aerial vehicle trespass. Hearing has not been scheduled.

The bill is being edited and could be introduced next week. I think this is former Senator Matt Rosendale's 2015 drone bill, which would prohibit drones within 500 feet of land.

Below is a link to your bill tracking list.

<https://reports.statehill.com/cErHPcmoSEmvzmAJZrLSweiLKcwpmqZkUpcaRmtVkkZpwNGRCn>

Call or email w/ questions!

Melissa
Melissa Lewis
800 E. 6th Avenue
Helena, MT 59601
Cell: 406-465-8045
Office: 406-422-0988
www.mlewisassoc.com

Lori Stratton

From: Larry Bonderud
Sent: Monday, January 23, 2017 5:09 PM
To: Lori Stratton
Subject: Fwd: Prison Tank
Attachments: IMG_0256.JPG; IMG_0260.JPG; IMG_0242.JPG; IMG_0245.JPG; IMG_0255.JPG

Packets

Sent from my iPhone

Mayor Lar

Begin forwarded message:

From: "Loren Skartved" <loren@3rivers.net>
To: "Larry Bonderud" <larry@shelbymt.com>
Subject: FW: Prison Tank

From: Rich Kemmis [<mailto:kemmisr@maguireiron.com>]
Sent: Monday, January 23, 2017 1:08 PM
To: Loren Skartved (loren@3rivers.net) <loren@3rivers.net>
Subject: Prison Tank

Loren,

I received your voicemail.

Attached are the pictures of the repair for you.

If you have any questions or need additional information, please don't hesitate to contact me. Thank you.

Rich Kemmis
Sales / Field Representative
"Growing the Family"

Maguire Iron, Inc.
PO Box 1446
Sioux Falls SD 57101
605.334.9749 Office
605.334.9752 Fax
605.310.7661 Cell













Non-Federal Cost Share Summary

North Central Montana Regional Water Authority

DISCUSSION DRAFT

January 24, 2017

Participating Water System	Nominated Capacity (gpd)	Reserve Payment using 25% Factor	Reserve Payment using 15% Factor	Current Rate
Annual Capital Reserve Requirement for Interim Service Scenarios-2017 dollars		\$ 331,723	\$ 177,949	
North Havre CWD	100,000	\$ 1,424	\$ 764	\$ 1,832
Riverview Colony	50,000	\$ 712	\$ 382	\$ 915
South Chester CWD	100,000	\$ 1,424	\$ 764	\$ 1,829
Brady CWD	160,000	\$ 2,278	\$ 1,222	\$ 2,587
Cut Bank (1/4)	750,000	\$ 10,680	\$ 5,729	\$ 10,792
Oilmont CWD	200,000	\$ 2,848	\$ 1,528	\$ -
Nine Mile CWD	50,000	\$ 712	\$ 382	\$ -
Town of Kevin	151,000	\$ 2,150	\$ 1,153	\$ -
Town of Sunburst	467,000	\$ 6,650	\$ 3,567	\$ -
Sweetgrass CWD	40,000	\$ 570	\$ 306	\$ -
City of Cut Bank (3/4)	2,250,000	\$ 32,039	\$ 17,187	\$ -
Town of Dutton	260,000	\$ 3,702	\$ 1,986	\$ -
Devon Water Inc.	100,000	\$ 1,424	\$ 764	\$ -
Galata CWD	200,000	\$ 2,848	\$ 1,528	\$ -
Eagle Creek Colony	85,000	\$ 1,210	\$ 649	\$ -
Hill CWD	1,216,000	\$ 17,315	\$ 9,289	\$ -
Big Sandy	833,000	\$ 11,861	\$ 6,363	\$ -
Sage Creek CWD	166,000	\$ 2,364	\$ 1,268	\$ -
City of Shelby	3,000,000	\$ 42,718	\$ 22,916	\$ -
Tiber CWD	1,001,000	\$ 14,254	\$ 7,646	\$ -
City of Chester	1,261,000	\$ 17,956	\$ 9,632	\$ -
City of Conrad	2,716,000	\$ 38,674	\$ 20,746	\$ -
City of Havre	7,700,000	\$ 109,644	\$ 58,817	\$ -
Loma CWD	440,000	\$ 6,265	\$ 3,361	\$ -
Total	23,296,000	\$ 331,723	\$ 177,949	\$ 17,955

Current Rate was calculated using the 25% factor but the updated calculation reflects the increase in nominated capacity gallons. In addition, the interest rate for SRF borrowing dropped to 2.5% from 3.75%

Target for the capital reserve is 5% of the noncore system. To achieve the target in 42.5 years with estimated 3.3% inflation requires an

The capital reserve payment for the interim scenarios does not include an O&M reserve component.

DISCUSSION DRAFT

Participating Water System	No change for Hill, Nine Mile or Oilmont					Increase Oilmont; add Nine Mile with adjustment to reserve					Capital Contribution Indexed to 2017	Potential adjustment to cost allocation	
	Nominated Capacity (gpd)	Share of Reserve Capacity	Allocate Costs from Nominated Capacity	Allocate Costs from Reserve	Total share of costs 2017 projected dollars	Nominated Capacity (gpd)	Share of Reserve Capacity	Allocate Costs from Nominated Capacity	Allocate Costs from Reserve	Total share of costs 2017 projected dollars			Adjustment to reallocate reserve
Remaining Ceiling to Allocate - 2017 Projected Dollars			\$ 21,769,383	\$ 938,497	\$22,707,880			\$ 21,863,233	\$ 844,648	\$22,707,880			
North Havre CWD	100,000	4,311	\$ 93,850	\$ 4,046	\$97,896	100,000	3,863	\$ 93,850	\$ 3,626	\$97,475	-\$420	\$115,041	\$17,565
Riverview Colony	50,000	2,156	\$ 46,925	\$ 2,023	\$48,948	50,000	1,932	\$ 46,925	\$ 1,813	\$48,738	-\$210	\$56,538	\$7,800
South Chester CWD	100,000	4,311	\$ 93,850	\$ 4,046	\$97,896	100,000	3,863	\$ 93,850	\$ 3,626	\$97,475	-\$420	\$112,385	\$14,910
Brady CWD	160,000	6,898	\$ 150,160	\$ 6,474	\$156,633	160,000	6,181	\$ 150,160	\$ 5,801	\$155,961	-\$672	\$149,419	-\$6,542
Cut Bank (1/4)	750,000	32,333	\$ 703,873	\$ 30,345	\$734,218	750,000	28,975	\$ 703,873	\$ 27,193	\$731,066	-\$3,152	\$714,954	-\$16,112
Oilmont CWD	150,000	6,467	\$ 140,775	\$ 6,069	\$146,844	200,000	7,727	\$ 187,699	\$ 7,251	\$194,951	\$48,107		
Nine Mile CWD		0	\$ 0	\$ -	\$0	50,000	1,932	\$ 46,925	\$ 1,813	\$48,738	\$48,738		
Town of Kevin	151,000	6,510	\$ 141,713	\$ 6,109	\$147,822	151,000	5,834	\$ 141,713	\$ 5,475	\$147,188	-\$635		
Town of Sunburst	467,000	20,133	\$ 438,278	\$ 18,895	\$457,173	467,000	18,042	\$ 438,278	\$ 16,932	\$455,210	-\$1,962		
Sweetgrass CWD	40,000	1,724	\$ 37,540	\$ 1,618	\$39,158	40,000	1,545	\$ 37,540	\$ 1,450	\$38,990	-\$168		
City of Cut Bank (3/4)	2,250,000	96,999	\$ 2,111,619	\$ 91,034	\$2,202,653	2,250,000	86,925	\$ 2,111,619	\$ 81,579	\$2,193,198	-\$9,455		
Town of Dutton	260,000	11,209	\$ 244,009	\$ 10,519	\$254,529	260,000	10,045	\$ 244,009	\$ 9,427	\$253,436	-\$1,093		
Devon Water Inc.	100,000	4,311	\$ 93,850	\$ 4,046	\$97,896	100,000	3,863	\$ 93,850	\$ 3,626	\$97,475	-\$420		
Galata CWD	200,000	8,622	\$ 187,699	\$ 8,092	\$195,791	200,000	7,727	\$ 187,699	\$ 7,251	\$194,951	-\$840		
Eagle Creek Colony	85,000	3,664	\$ 79,772	\$ 3,439	\$83,211	85,000	3,284	\$ 79,772	\$ 3,082	\$82,854	-\$357		
Hill CWD	1,216,000	52,423	\$ 1,141,213	\$ 49,199	\$1,190,411	1,216,000	46,978	\$ 1,141,213	\$ 44,089	\$1,185,301	-\$5,110		
Big Sandy	833,000	35,911	\$ 781,768	\$ 33,703	\$815,471	833,000	32,181	\$ 781,768	\$ 30,202	\$811,970	-\$3,500		
Sage Creek CWD	166,000	7,156	\$ 155,791	\$ 6,716	\$162,507	166,000	6,413	\$ 155,791	\$ 6,019	\$161,809	-\$698		
City of Shelby	3,000,000	129,333	\$ 2,815,492	\$ 121,378	\$2,936,870	3,000,000	115,900	\$ 2,815,492	\$ 108,772	\$2,924,263	-\$12,607		
Tiber CWD	1,001,000	43,154	\$ 939,436	\$ 40,500	\$979,936	1,001,000	38,672	\$ 939,436	\$ 36,293	\$975,729	-\$4,206		
City of Chester	1,261,000	54,363	\$ 1,183,445	\$ 51,019	\$1,234,464	1,261,000	48,717	\$ 1,183,445	\$ 45,720	\$1,229,165	-\$5,299		
City of Conrad	2,716,000	117,089	\$ 2,548,959	\$ 109,888	\$2,658,846	2,716,000	104,928	\$ 2,548,959	\$ 98,475	\$2,647,433	-\$11,413		
City of Havre	7,700,000	331,954	\$ 7,226,429	\$ 311,538	\$7,537,967	7,700,000	297,476	\$ 7,226,429	\$ 279,180	\$7,505,610	-\$32,357		
Loma CWD	440,000	18,969	\$ 412,939	\$ 17,802	\$430,741	440,000	16,999	\$ 412,939	\$ 15,953	\$428,892	-\$1,849		
Total	23,196,000	1,000,000	\$ 21,769,383	\$ 938,497	\$22,707,880	23,296,000	900,000	\$ 21,863,233	\$ 844,648	\$22,707,880	\$0		
Combined Nominated & Reserve Capacity		24,196,000					24,196,000						
2017 remaining ceiling to allocate	\$	22,707,880											
Systems that have made a capital contribution via debt or loan payment													
Systems that have made a capital contribution via hardship													



NO.	DATE	REVISION

DRAFTED	LLT
REVIEWED	JRC
PROJECT NUMBER	4605014
ISSUE DATE	1/20 /2016

GALATA WATER SYSTEM REVIEW
 NCMRWA
 SHELBY, MONTANA
 I-15 WATERLINE CROSSING

SHEET #



