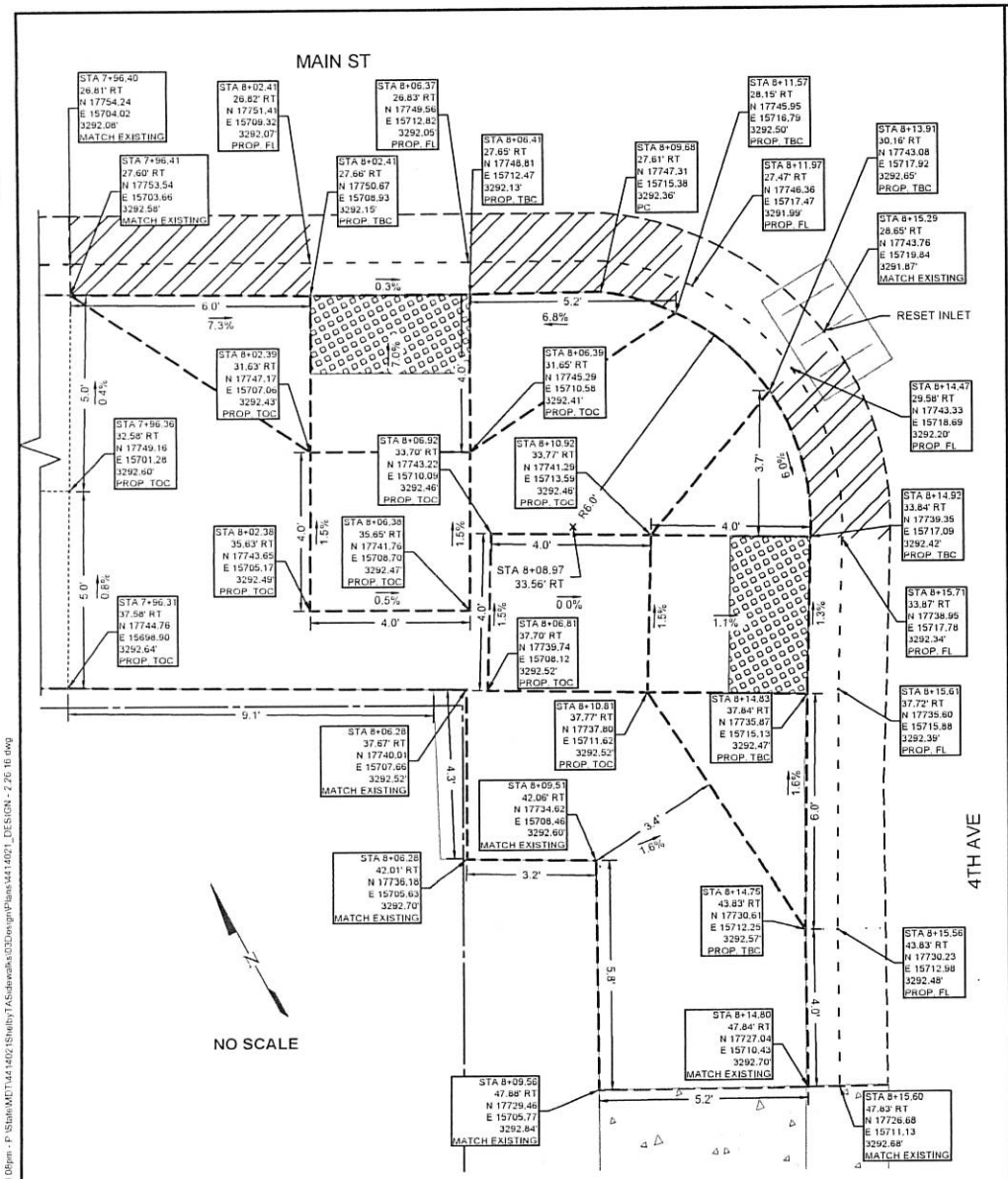

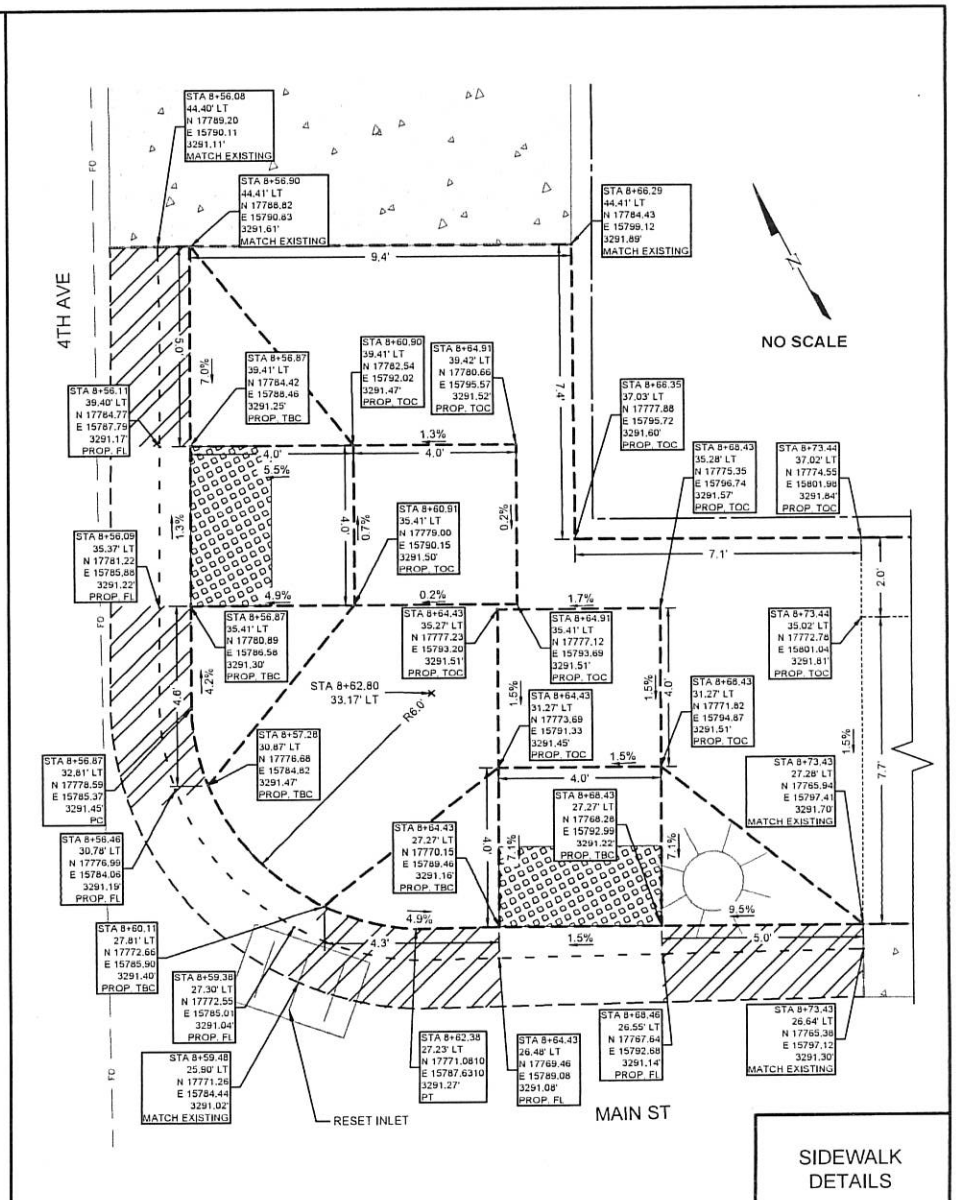

SIDEWALK DETAILS

3	MDT MONTANA DEPARTMENT OF TRANSPORTATION	SIDEWALK PLANS	MAIN STREET ADA RAMPS - SHELBY	TA 91(66)
2		TOOLE COUNTY		UPN 8698	SHEET 15
1				

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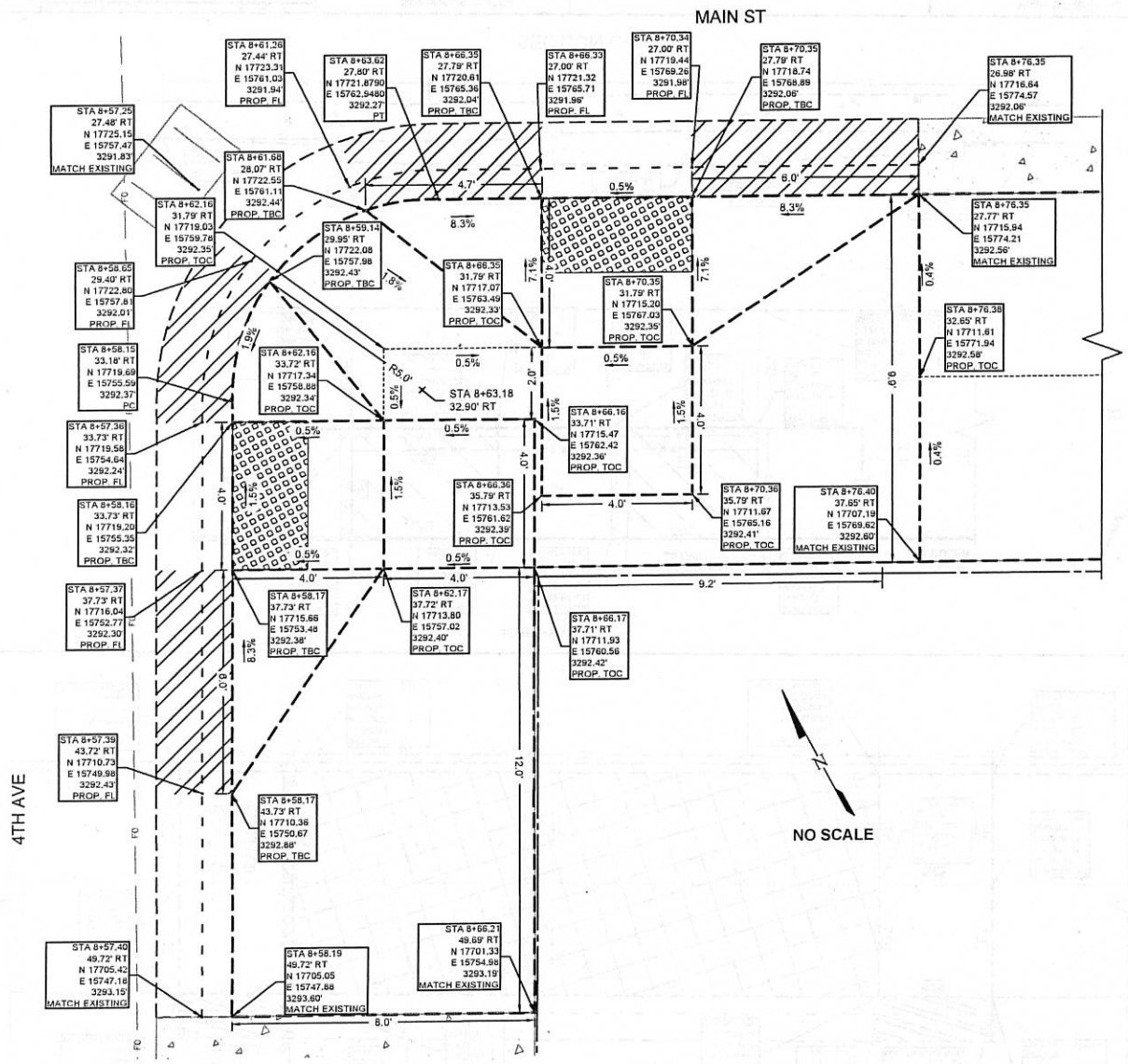

SIDEWALK DETAILS

3	MDT MONTANA DEPARTMENT OF TRANSPORTATION	SFILEABBREVS	DESIGNED BY T. URIBE	3/2016	SIDEWALK PLANS	MAIN STREET ADA RAMPS - SHELBY	TA 51(66)
2		SCATES	REVIEWED BY J. SLATTON	3/2016	TOOLE COUNTY	UPN 8698	SHEET 16
1		STIMES Susername	CHECKED BY				

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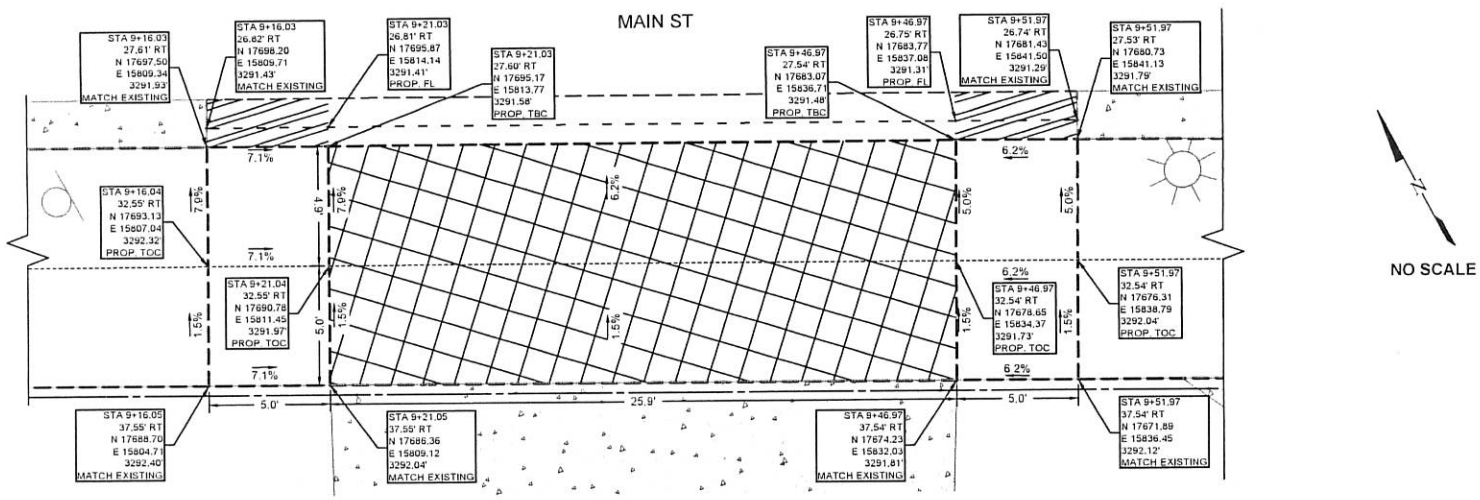

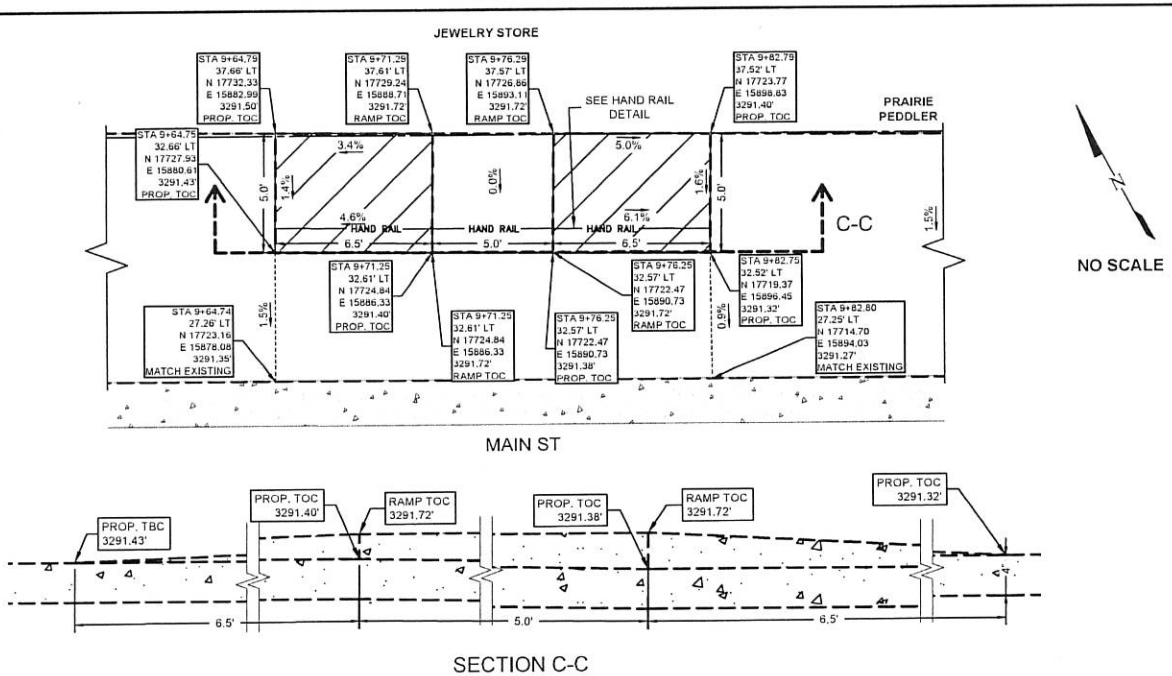

SIDEWALK DETAILS

3	MDT MONTANA DEPARTMENT OF TRANSPORTATION	SHEET ABBREVS	DESIGNED BY	T. URBE	2/2016	SIDEWALK PLANS	MAIN STREET ADA RAMPS - SHELBY
2		SDATES	REVIEWED BY	J. SLAYTON	2/2016	TOOLE COUNTY	UPN 8698
1		STIMES Susumanna	CHECKED BY				

TA 51(66)

SHEET 17

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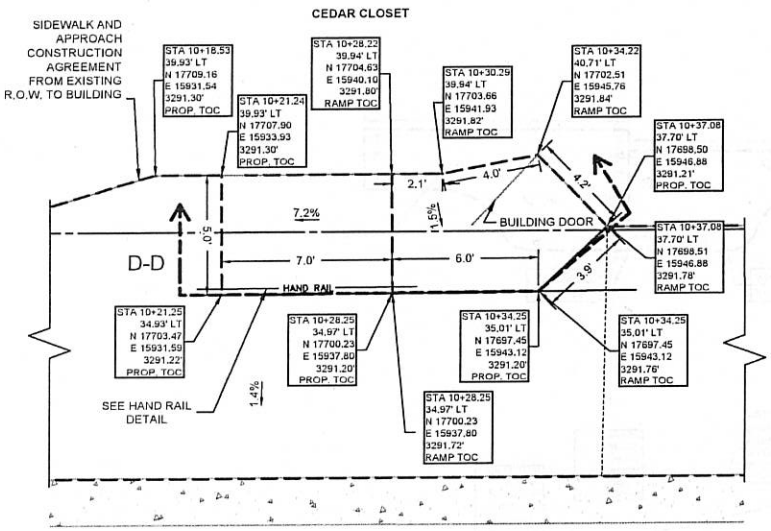

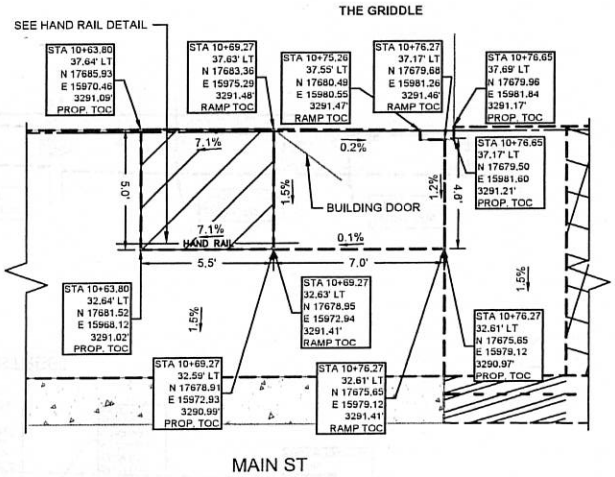

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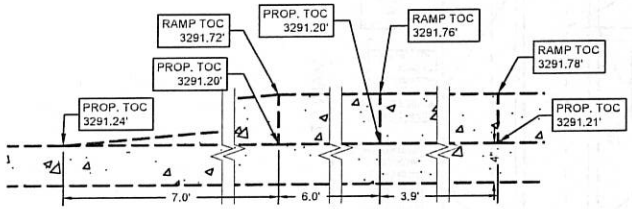
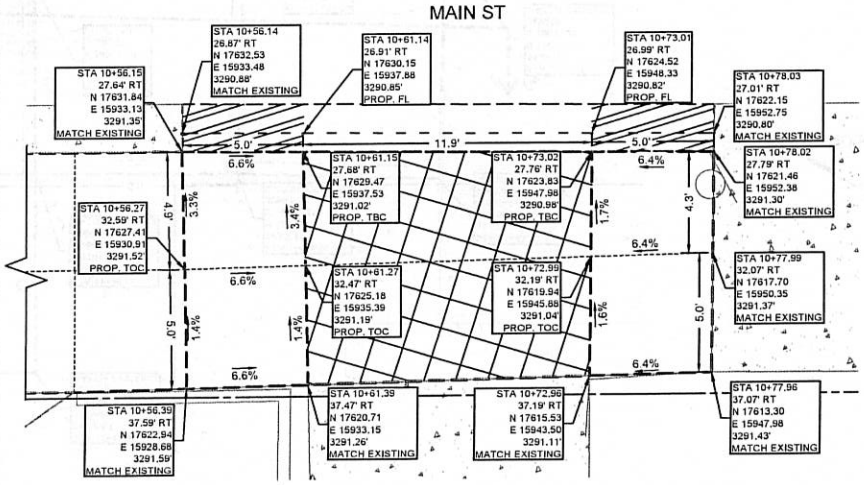


SECTION D-D



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SIDEWALK DETAILS

3	MDT MONTANA DEPARTMENT OF TRANSPORTATION	SHEETABBREVS	DESIGNED BY	T. URIRE	2/2016	SIDEWALK PLANS	MAIN STREET ADA RAMPS - SHELBY
2		SDATES	REVIEWED BY	J. SLAYTON	2/2016	TOOLE COUNTY	UPN: 8698
1		STIMES Swarnames	CHECKED BY				

TA 51(66)

SHEET 18

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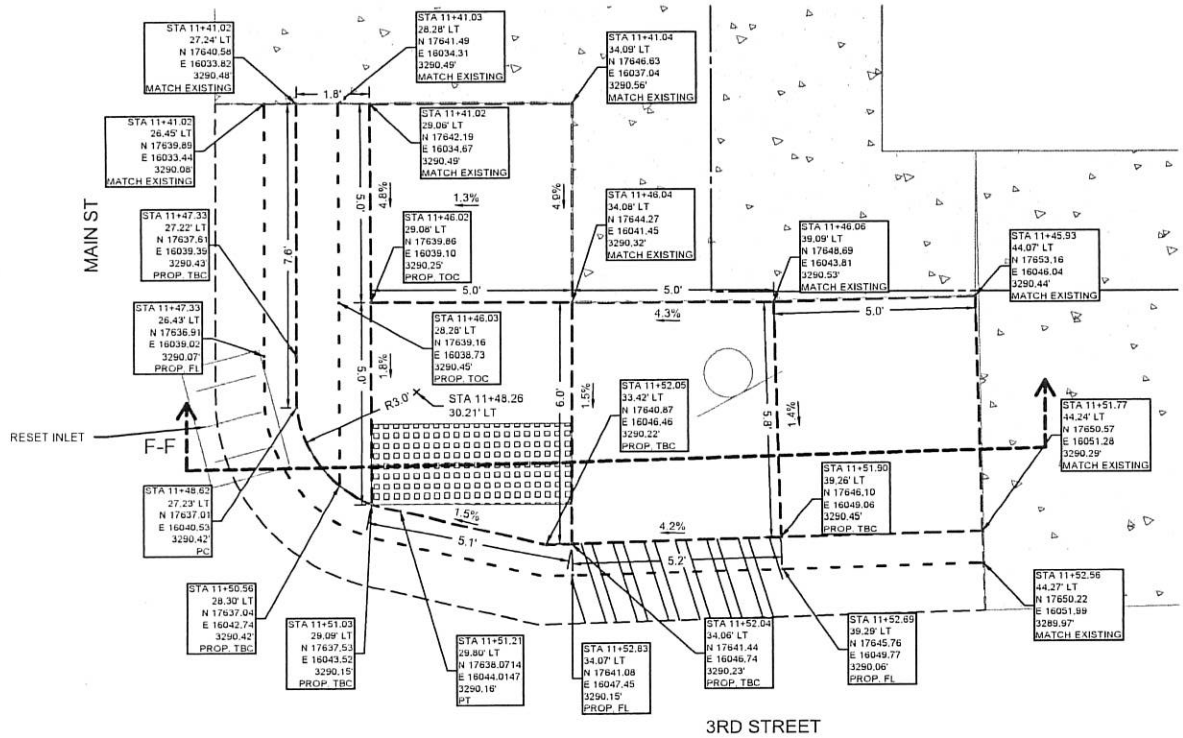

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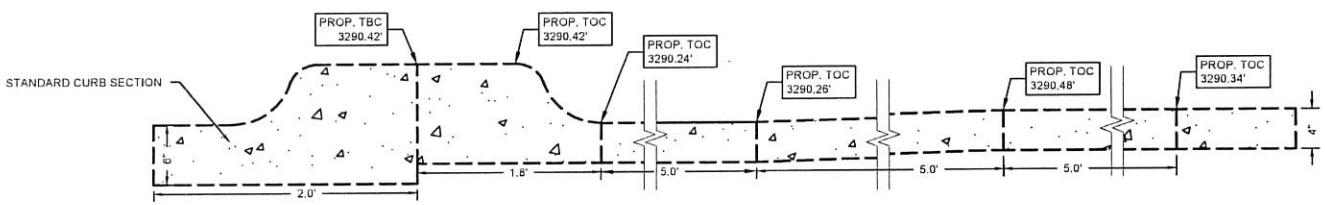

SECTION F-F

SIDEWALK DETAILS

3	MDT MONTANA DEPARTMENT OF TRANSPORTATION	SHEET ABBREVS	DESIGNED BY T. URBE	30016	SIDEWALK PLANS	MAIN STREET ADA RAMPS - SHELBY	TA 51(66)
2		SLATES	REVIEWED BY J. SLAYTON	30016	TOOLE COUNTY	UPN 8698	SHEET 19
1		STIMES Sesemanes	CHECKED BY				

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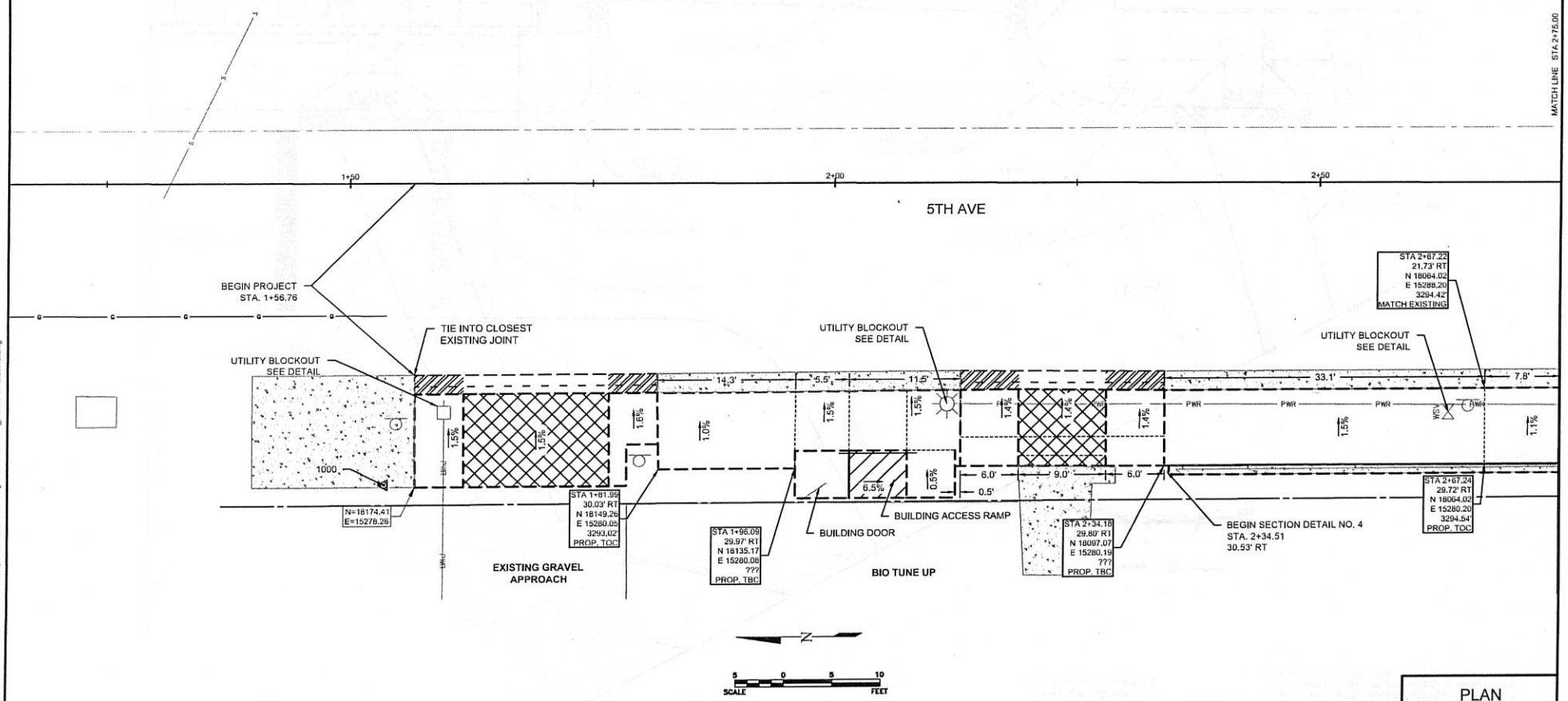
DO NOT DISTURB
1+59.84 RT POWER POLE
2+11.79 RT LIGHT POLE

ADJUST VALVE BOX
2+63.43 WATER VALVE BOX

ADDITIONAL STATION CALLOUTS
1+96.09 RT BEGIN ACCESS RAMP
2+00.68 RT BEGIN HAND RAIL
2+08.68 RT END HAND RAIL
2+12.67 RT END ACCESS RAMP



PLAN

3	MDT MONTANA DEPARTMENT OF TRANSPORTATION	SFILEABBREVS	DESIGNED BY T. URBRE	3/2015	SIDEWALK PLANS	MAIN STREET ADA RAMPS - SHELBY
2		SDATES	REVIEWED BY J. SLAYTON	3/2016	TOOLE COUNTY	TA 51(68)
1		STIMES	CHECKED BY			UPN 8698 SHEET 20

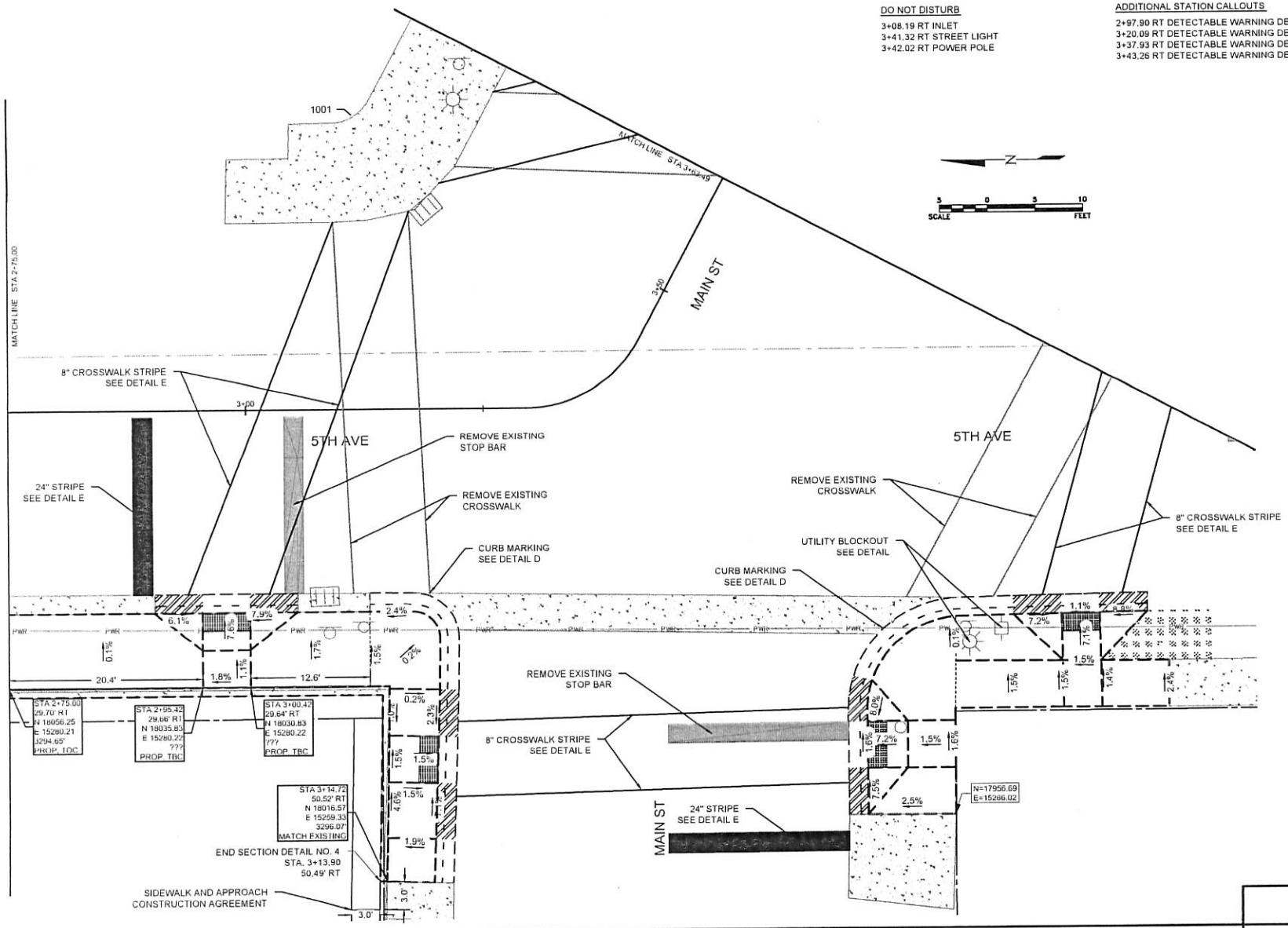
Feb 26, 2016 - 3:09pm - P:\State\MDT\441402\Shelby\TA\Sidewalks\03\Design\Plans\441402_DESIGN - 2.26.16.dwg

DO NOT DISTURB

3+08.19 RT INLET
3+41.32 RT STREET LIGHT
3+42.02 RT POWER POLE

ADDITIONAL STATION CALLOUTS

2+97.90 RT DETECTABLE WARNING DEVICE (TYPE 1)
3+20.09 RT DETECTABLE WARNING DEVICE (TYPE 1)
3+37.93 RT DETECTABLE WARNING DEVICE (TYPE 1)
3+43.26 RT DETECTABLE WARNING DEVICE (TYPE 1)



PLAN

3	MDT MONTANA DEPARTMENT OF TRANSPORTATION	SFILEABBREVS	DESIGNED BY	T. URIBE	2/2015	SIDEWALK PLANS	MAIN STREET ADA RAMPS - SHELBY
2		SDATES	REVIEWED BY	J. SLAYTON	2/2016	TOOLE COUNTY	UPN 8698
1		STIMES Susemarries	CHECKED BY				

TA 51(66)

SHEET 21

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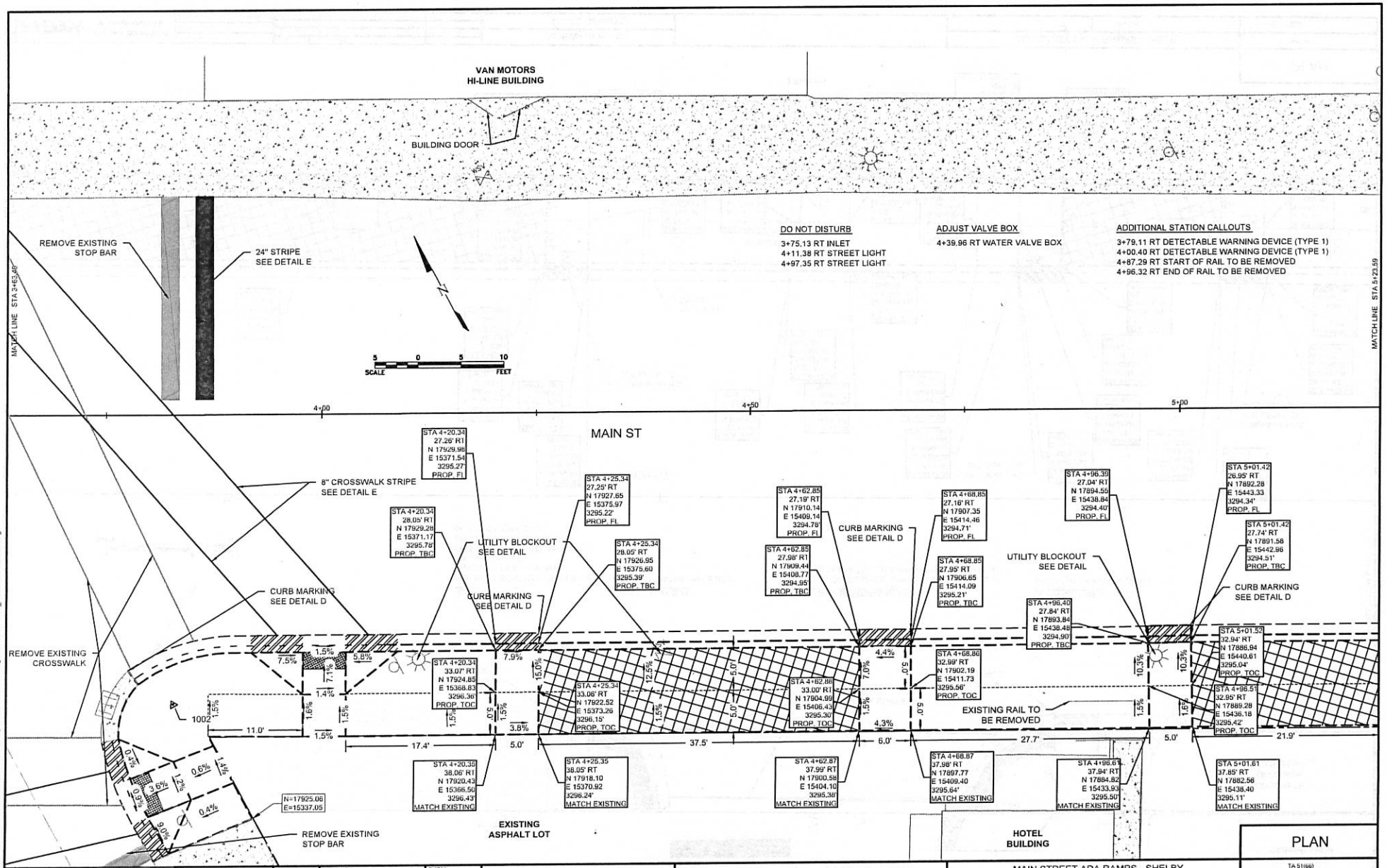

PLAN

3	MDT MONTANA DEPARTMENT OF TRANSPORTATION	SFILEABBREVS	DESIGNED BY T. URBE	2/2016	SIDEWALK PLANS	MAIN STREET ADA RAMPS - SHELBY
2		SDATES	REVIEWED BY J. SLAYTON	2/2016	TOOLE COUNTY	UPN: 8698
1		STIMES Susurnames	CHECKED BY			

TA 51(66)

SHEET 22

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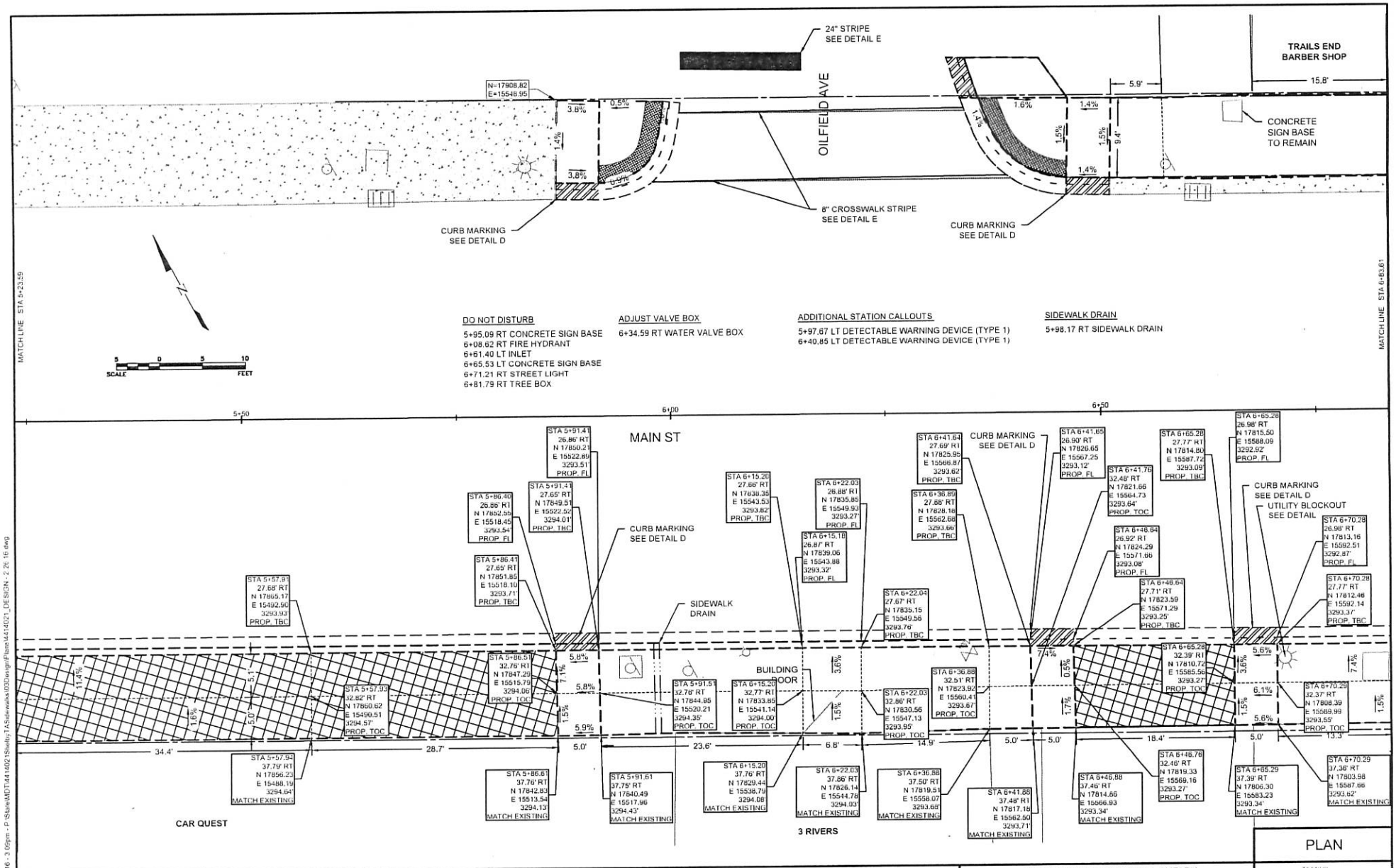

PLAN

3	MDT MONTANA DEPARTMENT OF TRANSPORTATION	SHLEABBREVS	DESIGNED BY T. LOBE	2/2012	SIDEWALK PLANS	MAIN STREET ADA RAMPS - SHELBY
2		SLATES	REVIEWED BY J. SLATTON	2/2016	TOOLE COUNTY	UPN 8688
1		STIMES Sunmathew	CHECKED BY			SHEET 23

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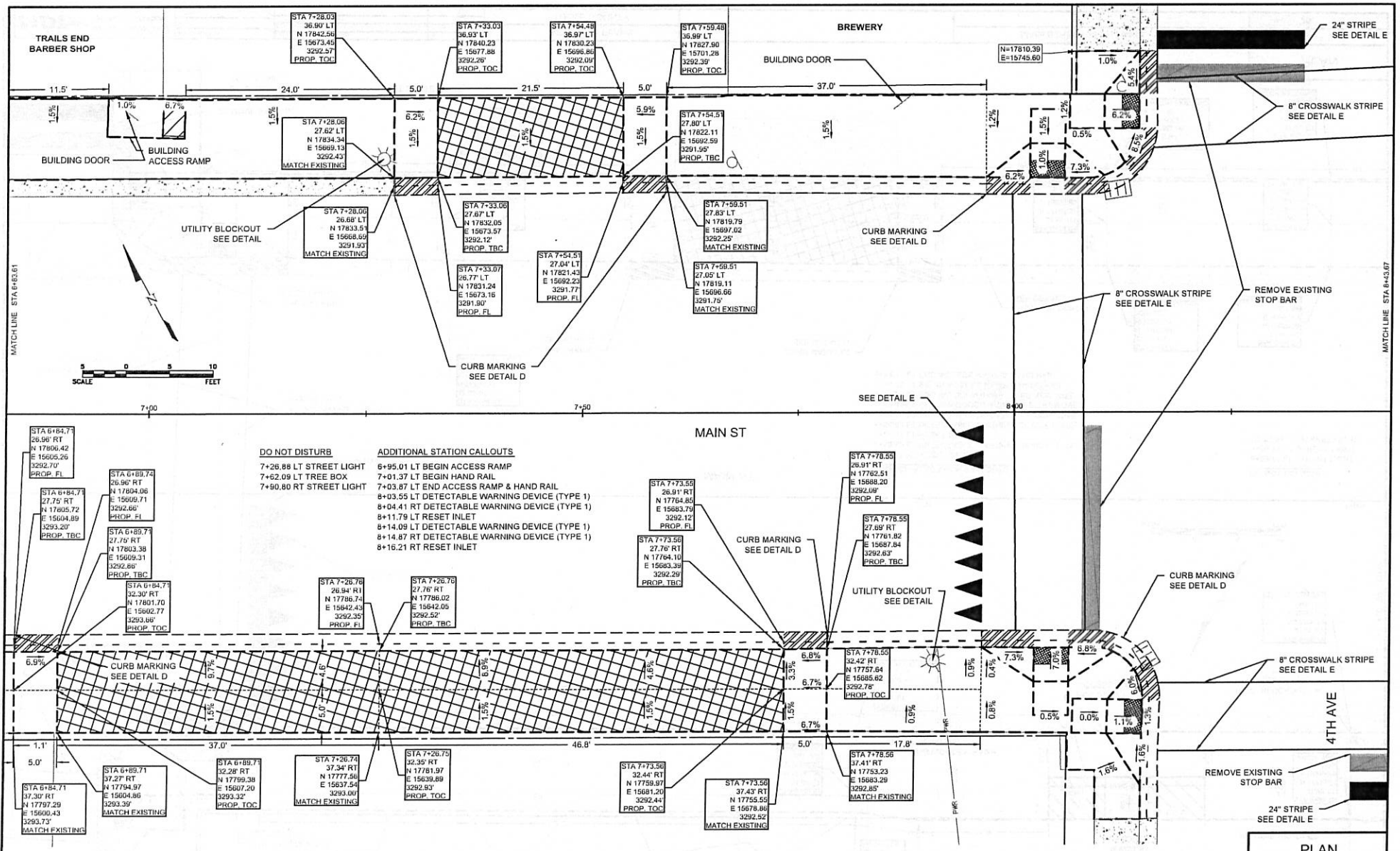

PLAN

3	MDT MONTANA DEPARTMENT OF TRANSPORTATION	SFILEABBREVS	DESIGNED BY T. UPIRE	2/2016	SIDEWALK PLANS	MAIN STREET ADA RAMPS - SHELBY
2		SDATES	REVIEWED BY J. SLATTON	2/2016	TOOLE COUNTY	UPN 8698
1		STIMES Sisewmains2	CHECKED BY			

TA 51(66)

SHEET 24

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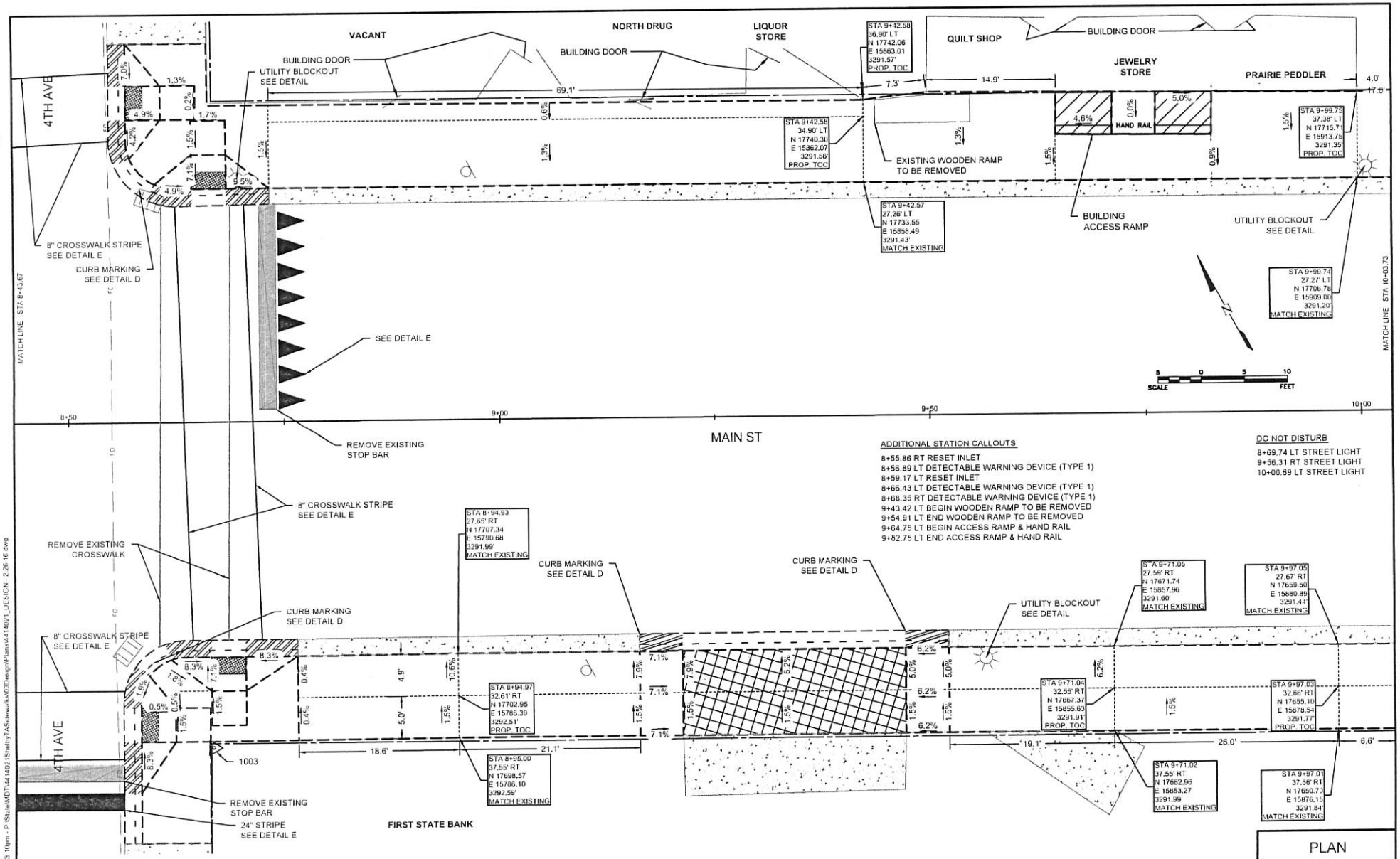

PLAN

MONTANA DEPARTMENT OF TRANSPORTATION

SIDEWALK PLANS
TOOLE COUNTY

MAIN STREET ADA RAMPS - SHELBY

SHEET 25

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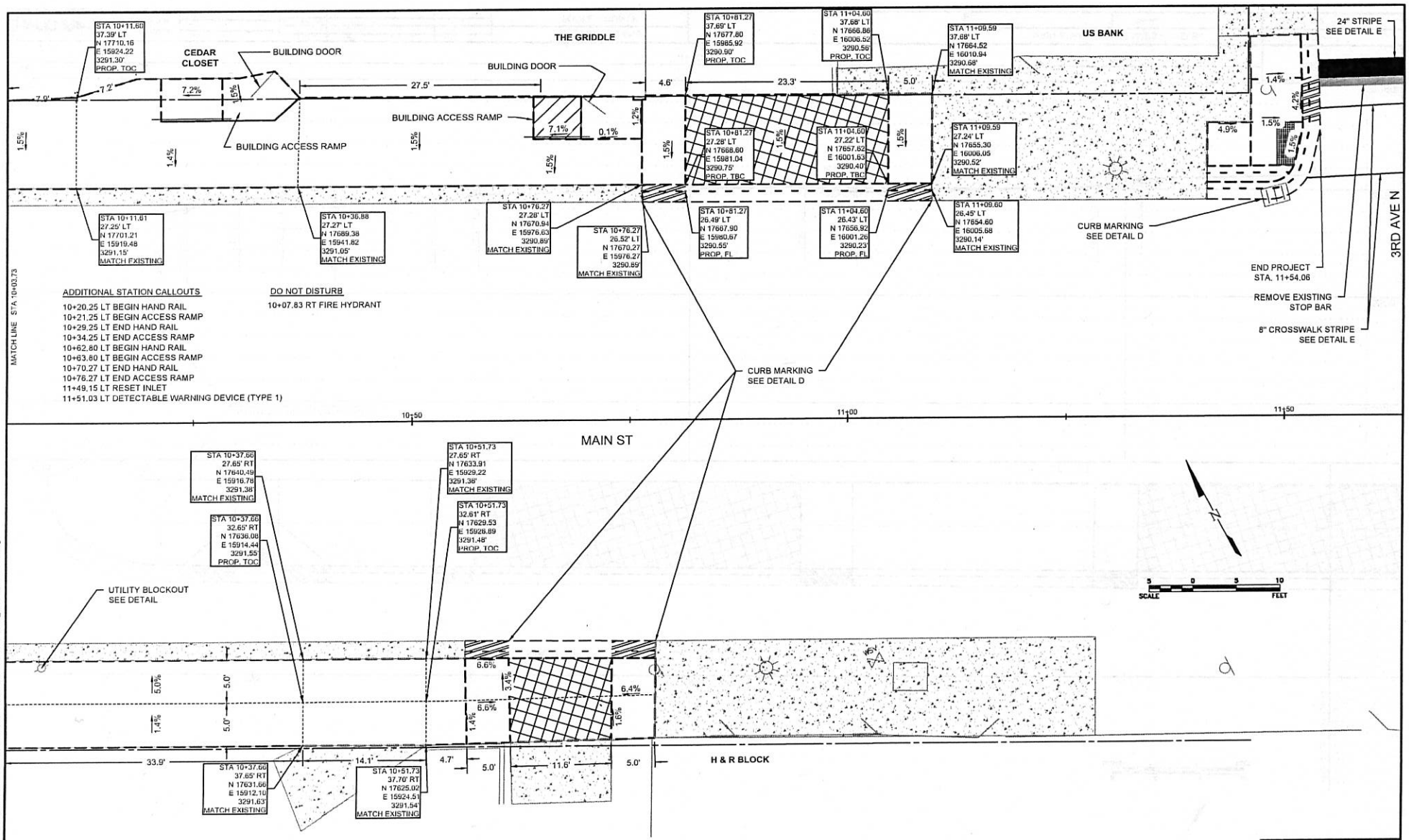

3	MDT MONTANA DEPARTMENT OF TRANSPORTATION	SPLEABBREVS	DESIGNED BY	T. URIBE	2/2016	SIDEWALK PLANS	MAIN STREET ADA RAMPS - SHELBY
2		DATES	REVIEWED BY	J. SLAYTON	2/2016	TOOLE COUNTY	UPN: 8698
1		STIMES	CHECKED BY				

PLAN

TA S1(06)

SHEET 26

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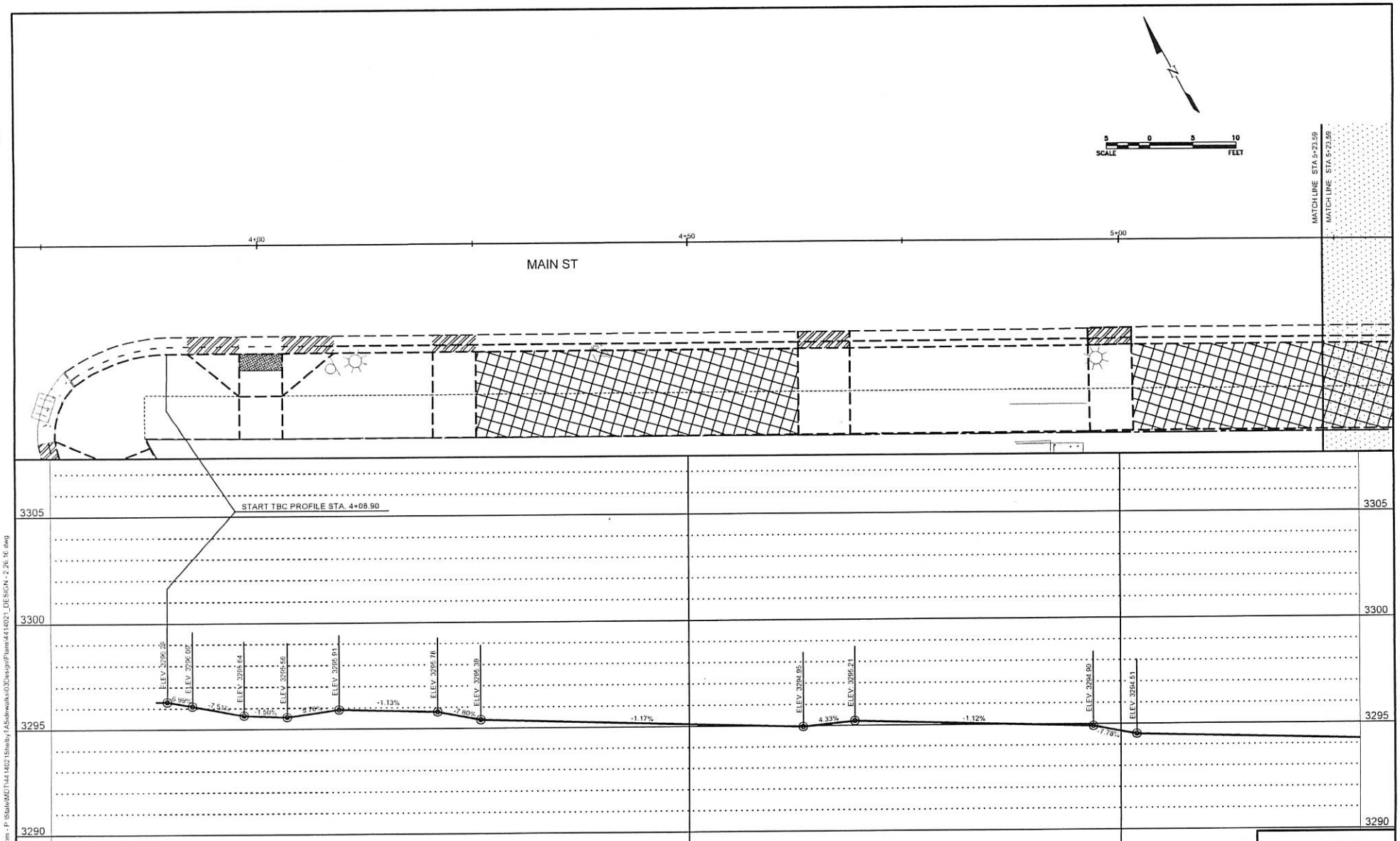

PROFILE

3	MDT MONTANA DEPARTMENT OF TRANSPORTATION	SFILLABBREVS	DESIGNED BY	T. HARRE	2/2015	SIDEWALK PLANS	MAIN STREET ADA RAMPS - SHELBY
2		SDATES	REVIEWED BY	T. SLAYTON	2/2015	TOOLE COUNTY	UPN 8698
1		STIMES Supernatrics	CHECKED BY				

TA 51(66)

SHEET 27

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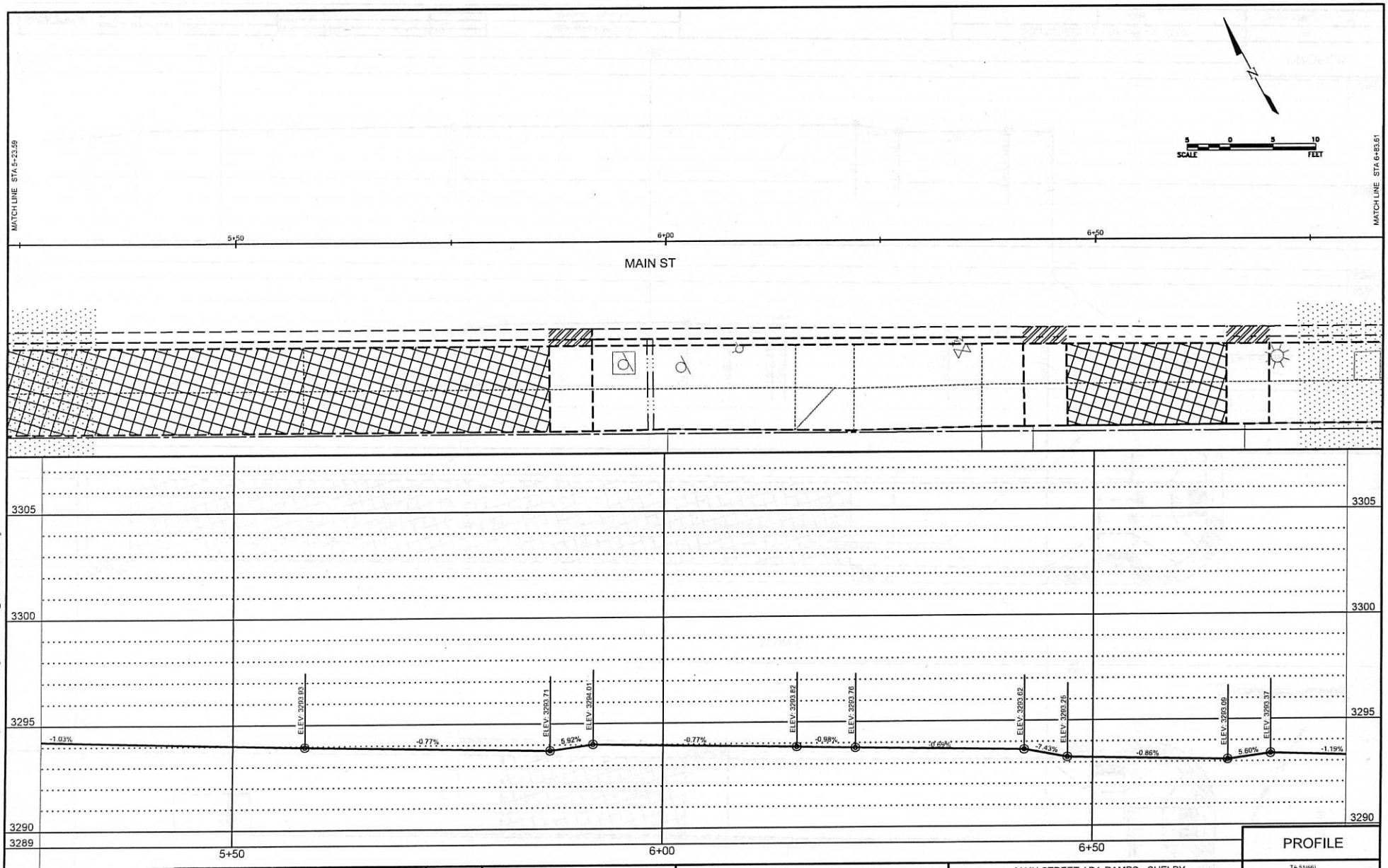

PROFILE

3	MDT MONTANA DEPARTMENT OF TRANSPORTATION	SFILEABBREVS	DESIGNED BY T. URIBE	2/2016	SIDEWALK PLANS	MAIN STREET ADA RAMPS - SHELBY
2		SDATES	REVIEWED BY J. SLAYTON	2/2016	TOOLE COUNTY	TA 51(66)
1		STIMES Superimposed	CHECKED BY			UPN 8698 SHEET 28

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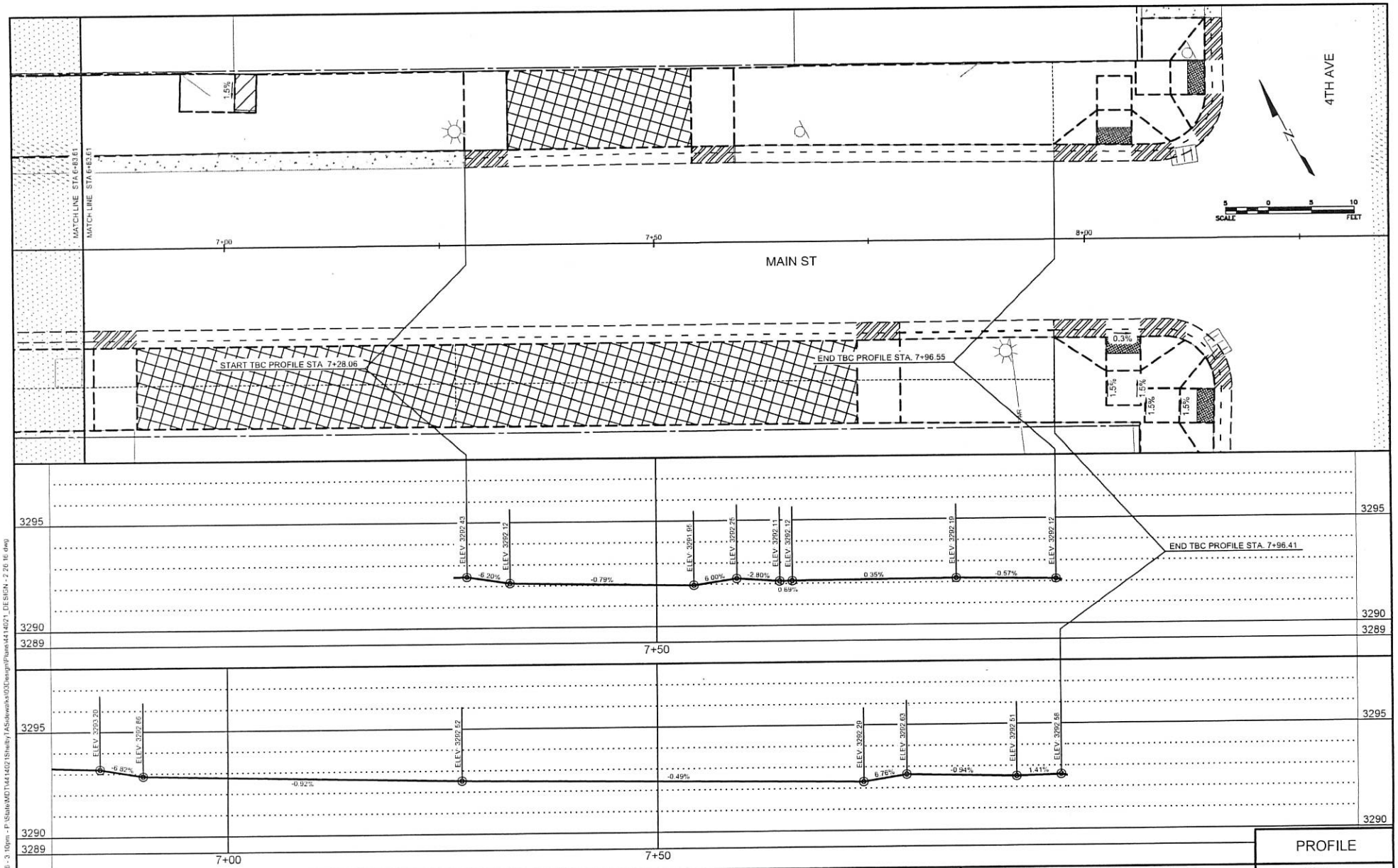

PROFILE

3	MDT MONTANA DEPARTMENT OF TRANSPORTATION	SFILEABBREVS	DESIGNED BY	T. LEBRE	2/2016	SIDEWALK PLANS	MAIN STREET ADA RAMPS - SHELBY
2		SDATES	REVIEWED BY	J. SLATTON	2/2016	TOOLE COUNTY	TA 31(66)
1		STIMES	CHECKED BY				UPN 8698 — SHEET 29

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Mayor
3/10/16

DEQ
Montana Department
of Environmental Quality

RECEIVED
MAR 10 2016
CITY OF SHELBY
Montana

March 9, 2016

Jason Crawford, PE
KLJ Engineering
P.O. Box 1567
Helena, MT 59624

RE: Town of Shelby Well 4 approval, EQ#16-1621

Dear Mr. Crawford:

I have received the information you submitted on January 29, 2016 and the additional information provided on February 10, 2016 for the above-mentioned project and reviewed it in accordance with DEQ-1, Design Standards for Water Works. The information submitted was found to be incomplete. Please address the items listed below.

1. *1.1.2. ENGINEER'S REPORT. The engineer's report for new water works and for existing water systems, where pertinent, must present the following information: Extent of water works system, including: description of the nature and extent of the area to be served; provisions for extending the water works system to include additional areas; and appraisal of the future requirements for service, including existing and potential industrial, commercial, institutional, and other water supply needs.* Please identify the maximum flow you are seeking approval for with this project. The design report describes but does not quantify future demands on the system. Note that if Well 4 and the UV treatment system are eventually approved, <u>the maximum treatment capacity with all units in service will be 1750 gpm or 2.52 mgd, because the reators need to run in series, not in parallel.</u>

2. *ENGINEER'S REPORT. The engineer's report for new water works and for existing water systems, where pertinent, must present the following information: Water use data, including a description of the population trends as indicated by available records, and the estimated population which will be served by the proposed water supply system or expanded system, a minimum of 20 years in the future in five year intervals or over the useful life of the critical structures and equipment;* Please provide an estimate for the number of lots or connections that have been approved but have not yet been constructed, e.g. Trails West RV Park and include this quantity in the maximum day demand calculations. Please provide an estimate of the proposed population to be served 20 years in the future.

3. *1.1.5. ENGINEER'S REPORT. The engineer's report for new water works and for existing water systems, where pertinent, must present the following information: Water use data, including present water consumption and the projected average and maximum daily demands or peak instantaneous demand where appropriate, including fire flow demand (see Section 1.1.6);* The 174 gpcd demand and 2.86 peaking factor used in your November letter were based on the average usage over a three year period (2007 to 2009). The maximum day demand sent in early February was based on one year of data (2015). In general, an average value taken over multiple

10. *UV Standard C.4. INSTALLATION OF UV SYSTEMS. The UV system must have the ability to automatically shut down flow and/or alarm operators in the event that treatment requirements/validated conditions are not being met. When power is not being supplied to the UV reactor, shut down valves must be in a closed (fail-safe) position.* Please describe the conditions when the automatic switchover to chlorine gas occurs.

11. *UV Standard C.8.h. INSTALLATION OF UV SYSTEMS. At a minimum, the following appurtenances, which are necessary to the operation and control of the UV reactors, must be provided: on-line UVT analyzers (required for systems for which UVT is integral to dose monitoring or as otherwise required by MDEQ).* Does the UV system have automatic UVT analyzers?

Review of the project will continue when all of the additional information listed above has been received. Please be aware the Montana Public Water Supplies, Distribution and Treatment Act (MCA 75-6-101 through 75-6-121) requires an applicant to gain the department's approval of plans and specifications prior to beginning construction.

Thank you for your efforts to meet our requirements. If I can offer any further information or assistance, please feel free to contact me at (406) 444-6722 or rclark@mt.gov

Sincerely,

Rachel Clark

Rachel Clark, PE
Public Water and Subdivisions Bureau

cc: Toole County EH Office
Mayor Bonderud, Town of Shelby
Mike O'Brien, TD&H Engineering
Roy Benjamin, Devon WUA
DEQ-SRF

TECHNICAL MEMORANDUM

To: Bob Ganter
Brad Koon, PE

From: Nate Weisenburger, PE

Re: **NCMRWS Segment W5 - Shelby to Sweet Grass Service Scenarios**

Date: March 21, 2016

Background

Segment W5 of the North Central Montana Regional Water System (NCMRWS) consists of a pipeline system extending from the City of Shelby to the north for about 27 miles. At this location, a pump station will be required to provide service to the Oilmont County Water District (CWD) and Nine Mile CWD. The pump station is also intended to provide future service to Sweet Grass County Water and Sewer District (CWSD) through a small diameter, 10-mile long pipeline system. Segment W5 continues north of the proposed pump station for about 2.8 miles to connect to the Town of Sunburst water system. A branch from Segment W5 also extends west to serve the Town of Kevin. Segment W5 also includes about 1.4 miles of large diameter water main in Shelby to transfer water from the primary transmission pipeline system. This Technical Memorandum is intended to describe three potential service scenarios for this area.

Interim Service to Oilmont CWD and Nine Mile CWD

The first interim service scenario option would provide water from the Town of Sunburst to the Oilmont CWD and Nine Mile CWD. Oilmont CWD is currently experiencing challenges with one of the springs that are used to supply water to its customers. The water source has tested positive for fecal coliform, and production from the spring has recently declined. Nine Mile CWD represents a developing system intended to provide water to an unserved area east of Sunburst. The interim service option would address the challenges experienced by Oilmont CWD and provide the water system capacity necessary to build the Nine Mile CWD system.

The water produced by the wells operated by the Town of Sunburst is of relatively poor quality. It should be noted that Oilmont CWD has concerns about the water quality that would be provided from Sunburst. If Oilmont CWD chooses to receive water under this option and continues to operate its existing water sources, it will be necessary to conduct a blending evaluation to verify that the water provided by the Town of Sunburst is compatible with the existing water quality in the Oilmont CWD system. In addition, the capacity of the well field operated by the Town of Sunburst will likely need to be increased.

Providing water from the Town of Sunburst to the Oilmont CWD and Nine Mile CWD would require construction of the following components:

- a 10-inch water line from the Town of Sunburst to a pump station (a distance of about 2.8 miles);
- a pump station, about 2 miles southeast of Sunburst;
- a 6-inch water line from the pump station to a new storage tank to serve the Oilmont CWD and Nine Mile CWD systems (a distance of about 7.5 miles);
- a new storage tank that will serve both the Oilmont CWD system and the Nine Mile CWD system;
- a 6-inch water line from the new storage tank to the Oilmont CWD and Nine Mile CWD systems (about 2.3 miles); and
- metered connections to the Oilmont CWD and Nine Mile CWD systems.

The proposed improvements are shown in Figure 1. The proposed improvements are estimated to cost approximately $3.04 million, including land acquisition, engineering design, environmental services, construction engineering, and construction administration.

Interim Service to Sunburst, Sweet Grass CWD and Oilmont CWD

The second interim service scenario option would include service to the Town of Sunburst, Nine Mile CWD, and Oilmont CWD. The water capacity for this interim service option would potentially come from the City of Shelby prior to completion of the Rocky Boy's/NCMRWS Water Treatment Plant. The Town of Sunburst, along with Nine Mile CWD, would secure improved water quality via the receipt of water from the City of Shelby. Oilmont CWD would secure additional capacity while maintaining an improved quality of water as compared to that available from Sunburst. It should be noted that the demand from Sunburst will likely be required to maintain adequate water quality in the pipeline system.

Capacity enhancements to the City of Shelby water system are in progress, and revisions to the available water rights are also in progress. This concept includes connection provisions for water service to the Town of Kevin and Sweet Grass CWSD in the future. In addition to the components noted above for interim service from Sunburst to Oilmont CWD and Nine Mile CWD, this service scenario would require construction of the following components:

- a 16-inch diameter line from the Shelby Industrial Park to the ground storage tank on the northeast edge of Shelby (a distance of about 1.4 miles);
- a pump station at the northeast edge of Shelby;
- a 12-inch diameter line from the pump station at Shelby to the proposed pump station near Sunburst (a distance of about 27 miles);
- a standpipe at a high point about 4 miles southeast of the proposed pump station near Sunburst;

The proposed improvements for this service scenario are shown in Figures 2 and 3. The improvements for this service scenario are estimated to cost approximately $11.9 million,

including land acquisition, engineering design, environmental services, construction engineering, and construction administration.

Service to Sunburst, Kevin, Sweet Grass CWSD, Oilmont CWD and Nine Mile CWD

The full buildout of Segment W5 would include service to the Town of Sunburst, the Town of Kevin, Sweet Grass CWSD, Oilmont CWD, and Nine Mile CWD. The water capacity for this option could potentially come from the City of Shelby; however, the Town of Kevin and Sweet Grass CWSD have indicated a lack of interest in the receipt of water from the regional project in the near term. Therefore, it is anticipated that full buildout will likely coincide with the completion of the Rocky Boy's/NCMRWS Water Treatment Plant and the large diameter transmission pipeline along the Highway 2 corridor to Shelby.

In addition to the components noted above for interim service options, the full buildout option would require construction of the following components:

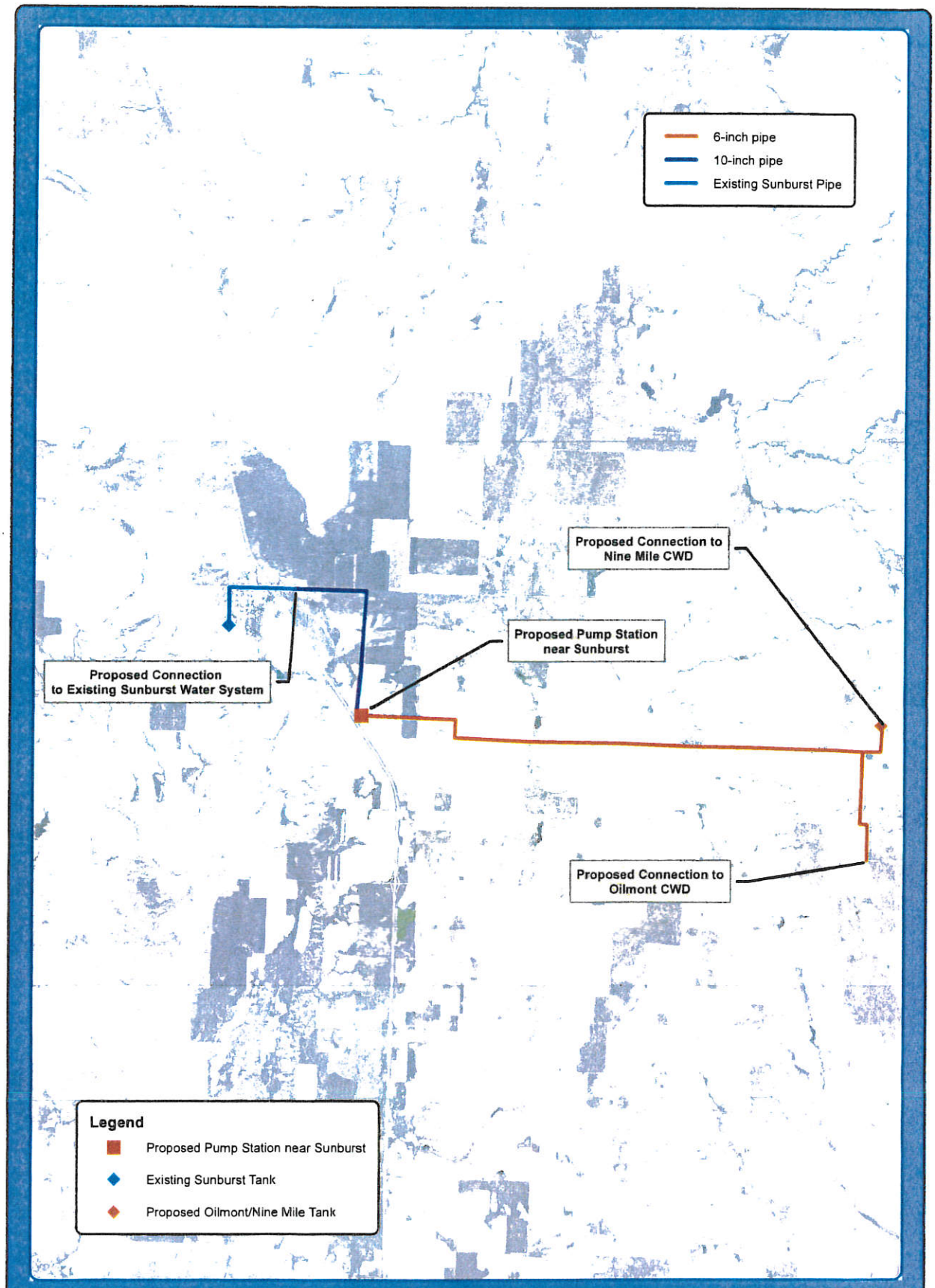
- a 6-inch diameter branch service pipeline from the 12-inch diameter line to the Town of Kevin;
- a 4-inch diameter service pipeline from the proposed pump station near Sunburst to the existing ground storage tank currently operated by Sweet Grass CWSD.

The proposed improvements for this service scenario are also shown in Figures 2 and 3. The full build-out improvements are estimated to cost approximately $15.3 million, including land acquisition, engineering design, environmental services, construction engineering, and construction administration.

Implementation Considerations

The cost for the option of providing interim service from the Town of Sunburst to Nine Mile CWD and Oilmont CWD, pending water quality limitations, is within the typical range of funding available to the North Central Montana Regional Water Authority (NCMRWA) on an annual basis. If authorization to proceed with land acquisition and preliminary/final design is approved, the project could probably be completed within a two-year period of time. As noted above, the well system operated by the Town of Sunburst would also need to be addressed.

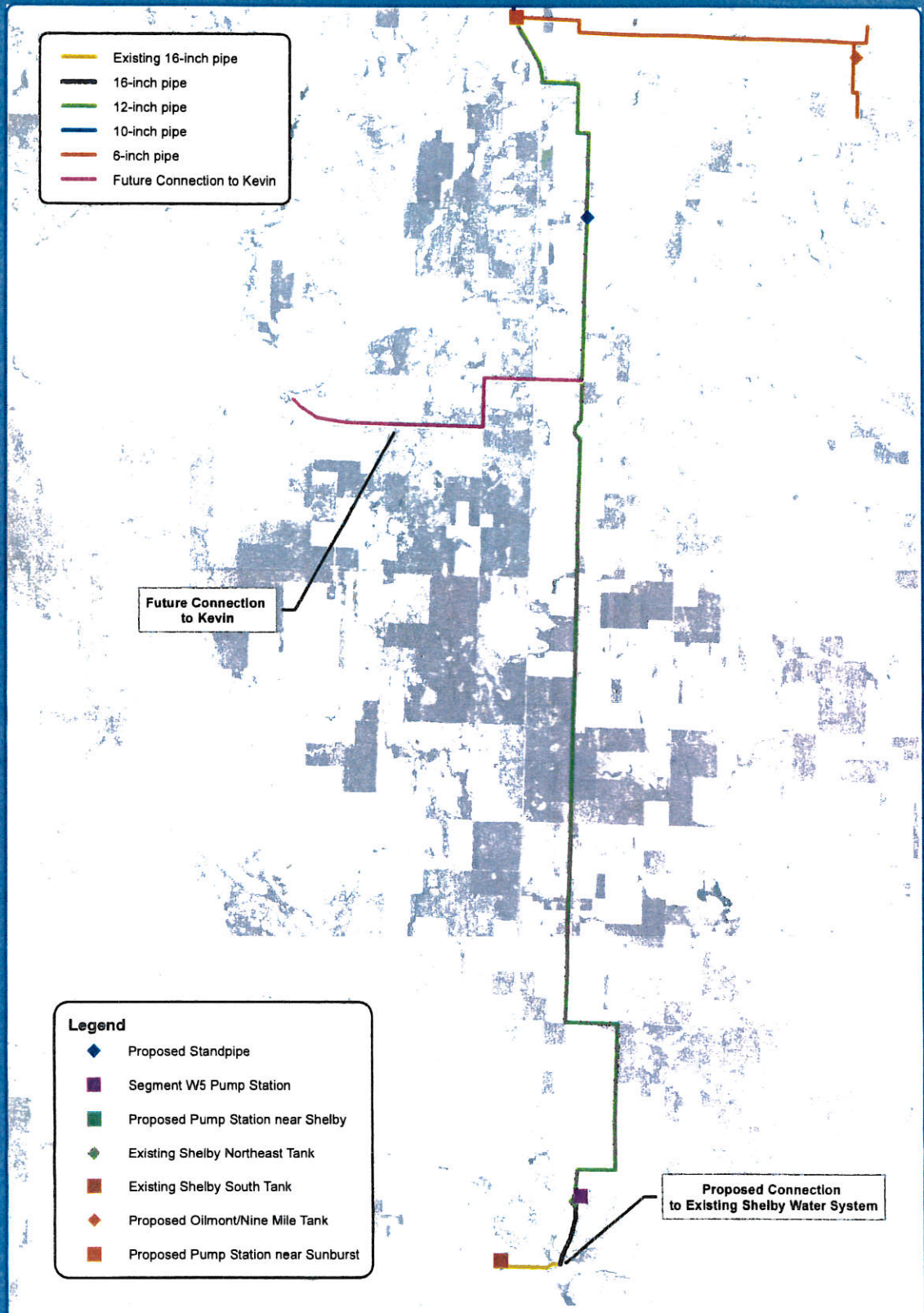
The cost for the option of providing interim service from the City of Shelby to the Town of Sunburst, Nine Mile CWD, and Oilmont CWD exceeds the typical range funding available to the NCMRWA on an annual basis. However, construction could be phased over multiple construction seasons to accommodate the receipt of funding. As noted above, the option would place increased demands on the Shelby water system capacity and corresponding water rights. To lessen the impact on the Shelby water system, the Town of Sunburst could use its wells during the summer months to supplement the system capacity received from the City of Shelby.



Segment W5 Shelby to Sweetgrass
Figure 1: Interim Service Scenario
Sunburst to Oilmont CWD
& Nine Mile CWD

KLJ

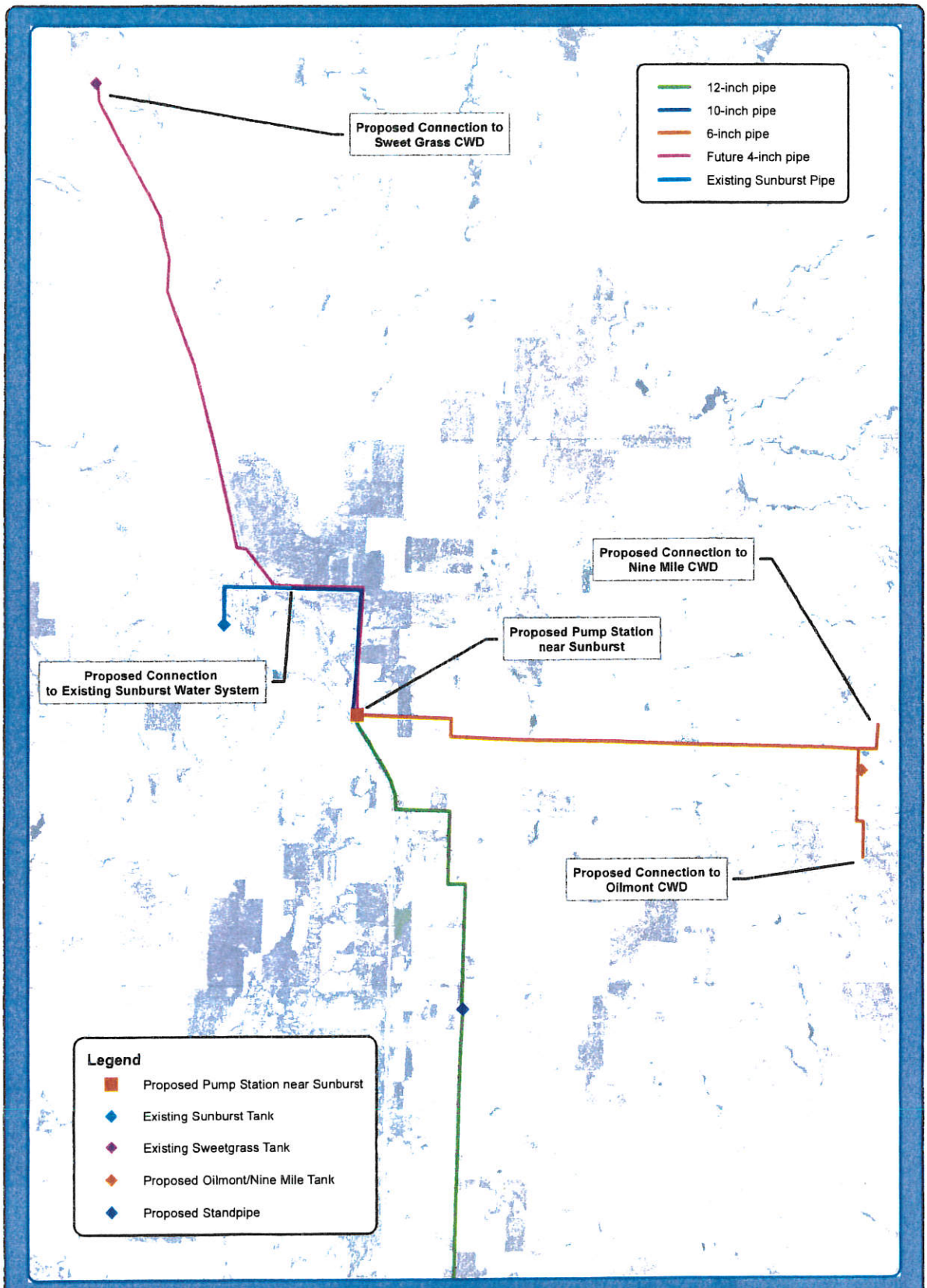
AES
Advanced Engineering and Environmental Services, Inc.



Segment W5 Shelby to Sweetgrass
Figure 2: Alignment and Hydraulic Features
South Portion

KLJ

AES
Advanced Engineering and Environmental Services, Inc.



Segment W5 Shelby to Sweetgrass
Figure 3: Alignment and Hydraulic Features North Portion

KLJ

AES Advanced Engineering and Environmental Services, Inc.

NORTH CENTRAL MONTANA REGIONAL WATER AUTHORITY
SEGMENT W5 - INTERIM SERVICE FROM SUNBURST
OPINION OF TOTAL PROBABLE PROJECT COST
March 18, 2016

NCMRWA Infrastructure

ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	INSTALLED COST	
A. General Conditions					
1.0 General Conditions					
a. Insurance, Bonds, Mobilization, Travel, Subsistence, Etc.	1	l.s.	$1,893,375	$132,536	0.07
Subtotal General Conditions				$132,536	
B. Water Distribution System					
1.0 Water Distribution System					
a. Water Main					
1. 4" PVC - IPS SDR 17	0	l.f.	$7.00	$0	
2. 6" PVC - IPS SDR 26	28,000	l.f.	$8.25	$231,000	
3. 6" PVC - IPS SDR 17	30,000	l.f.	$9.45	$283,500	
4. 10" PVC - IPS SDR 26	14,500	l.f.	$16.75	$242,875	
5. 12" PVC - IPS SDR 26	0	l.f.	$24.00	$0	
6. 16" PVC - C905 SDR 25	0	l.f.	$57.05	$0	
b. Appurtenances (Valves, Fittings, etc.)	1	l.s.	$114,000	$114,000	
c. Bores					
1. HPDE Bore (4" Equivalent)	0	l.f.	$80	$0	
2. HPDE Bore (6" Equivalent)	400	l.f.	$90	$36,000	
3. HPDE Bore (10" Equivalent)	500	l.f.	$150	$75,000	
4. HPDE Bore (12" Equivalent)	0	l.f.	$160	$0	
5. HPDE Directional Bore (6" Equivalent)	1,200	l.f.	$90	$108,000	
6. HPDE Directional Bore (12" Equivalent)	0	l.f.	$160	$0	
7. Highway Bore	0	l.f.	$180	$0	
Subtotal Water Distribution System				$1,090,375	
C. Facility Improvements					
1.0 Facility Improvements					
a. Pump Station nr. Sunburst	1	l.s.	$435,000.00	$435,000	
b. Pump Station at Shelby	0	l.s.	$750,000.00	$0	
c. Storage Tank near Oilmont CWD connection	1	l.s.	$295,000.00	$295,000	
d. Storage Tank south of Sunburst	0	l.s.	$350,000.00	$0	
e. Service Connection Vault	2	ea.	$36,500.00	$73,000	
f. Meter Stations					
1. Sunburst	0	ea.	$250,000.00	$0	
2. Kevin	0	ea.	$205,000.00	$0	
3. Sweet Grass	0	ea.	$175,000.00	$0	
Subtotal Facility Improvements				$803,000	
Subtotal Probable NCMRWA Construction Costs				$2,025,911	
Contingencies (10%)				$202,591	
Total Probable NCMRWA Construction Costs				$2,228,502	
D. Lands and Rights					
1.0 Land Acquisition/ Crop Damage	14	mi.	$17,500.00	$245,000	
Other Costs					
Engineering (Design and Bidding) (6%)				$121,555	
Investigation/Environmental (8%)				$162,073	
Engineering (Construction and Post-Construction) (10%)				$202,591	
BOR Construction Administration (4%)				$81,036	
				$567,255	
Total Probable NCMRWA Construction Costs (2016)				**$3,040,758**	

NORTH CENTRAL MONTANA REGIONAL WATER AUTHORITY
SEGMENT W5 - NOT INCLUDING SWEET GRASS AND KEVIN
OPINION OF TOTAL PROBABLE PROJECT COST
March 18, 2016

NCMRWA Infrastructure

ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	INSTALLED COST	
A. General Conditions					
1.0 General Conditions					
a. Insurance, Bonds, Mobilization, Travel, Subsistence, Etc.	1	l.s.	$7,566,725	$529,671	0.07
Subtotal General Conditions				$529,671	
B. Water Distribution System					
1.0 Water Distribution System					
a. Water Main					
1. 4" PVC - IPS SDR 17	0	l.f.	$7.00	$0	
2. 6" PVC - IPS SDR 26	28,000	l.f.	$8.25	$231,000	
3. 6" PVC - IPS SDR 17	30,000	l.f.	$9.45	$283,500	
4. 10" PVC - IPS SDR 26	14,500	l.f.	$16.75	$242,875	
5. 12" PVC - IPS SDR 26	140,000	l.f.	$24.00	$3,360,000	
6. 16" PVC - C905 SDR 25	7,000	l.f.	$57.05	$399,350	
b. Appurtenances (Valves, Fittings, etc.)	1	l.s.	$678,000	$678,000	
c. Bores					
1. HPDE Bore (4" Equivalent)	0	l.f.	$80	$0	
2. HPDE Bore (6" Equivalent)	400	l.f.	$90	$36,000	
3. HPDE Bore (10" Equivalent)	500	l.f.	$150	$75,000	
4. HPDE Bore (12" Equivalent)	0	l.f.	$160	$0	
5. HPDE Directional Bore (6" Equivalent)	1,200	l.f.	$90	$108,000	
6. HPDE Directional Bore (12" Equivalent)	0	l.f.	$160	$0	
7. Highway Bore	0	l.f.	$180	$0	
Subtotal Water Distribution System				$5,413,725	
C. Facility Improvements					
1.0 Facility Improvements					
a. Pump Station nr. Sunburst	1	l.s.	$435,000.00	$435,000	
b. Pump Station at Shelby	1	l.s.	$750,000.00	$750,000	
c. Storage Tank near Oilmont CWD connection	1	l.s.	$295,000.00	$295,000	
d. Storage Tank south of Sunburst	1	l.s.	$350,000.00	$350,000	
e. Service Connection Vault	2	ea.	$36,500.00	$73,000	
f. Meter Stations					
1. Sunburst	1	ea.	$250,000.00	$250,000	
2. Kevin	0	ea.	$205,000.00	$0	
3. Sweet Grass	0	ea.	$175,000.00	$0	
Subtotal Facility Improvements				$2,153,000	
Subtotal Probable NCMRWA Construction Costs				$8,096,396	
Contingencies (10%)				$809,640	
Total Probable NCMRWA Construction Costs				$8,906,035	
D. Lands and Rights					
1.0 Land Acquisition/ Crop Damage	42	mi.	$17,500.00	$735,000	
Other Costs					
Engineering (Design and Bidding) (6%)				$485,784	
Investigation/Environmental (8%)				$647,712	
Engineering (Construction and Post-Construction) (10%)				$809,640	
BOR Construction Administration (4%)				$323,856	
				$2,266,991	
Total Probable NCMRWA Construction Costs (2016)				**$11,908,026**	

NORTH CENTRAL MONTANA REGIONAL WATER AUTHORITY
SEGMENT W5 - SHELBY NORTH
OPINION OF TOTAL PROBABLE PROJECT COST
March 18, 2016

NCMRWA Infrastructure

ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	INSTALLED COST
A. General Conditions				
1.0 General Conditions				
a. Insurance, Bonds, Mobilization, Travel, Subsistence, Etc.	1	l.s.	$9,665,975	$676,618
Subtotal General Conditions				$676,618
B. Water Distribution System				
1.0 Water Distribution System				
a. Water Main				
1. 4" PVC - IPS SDR 17	55,000	l.f.	$7.00	$385,000
2. 6" PVC - IPS SDR 26	65,000	l.f.	$8.25	$536,250
3. 6" PVC - IPS SDR 17	30,000	l.f.	$9.45	$283,500
4. 10" PVC - IPS SDR 26	14,500	l.f.	$16.75	$242,875
5. 12" PVC - IPS SDR 26	140,000	l.f.	$24.00	$3,360,000
6. 16" PVC - C905 SDR 25	7,000	l.f.	$57.05	$399,350
b. Appurtenances (Valves, Fittings, etc.)	1	l.s.	$781,000	$781,000
c. Bores				
1. HPDE Bore (4" Equivalent)	1,000	l.f.	$80	$80,000
2. HPDE Bore (6" Equivalent)	1,000	l.f.	$90	$90,000
3. HPDE Bore (10" Equivalent)	500	l.f.	$150	$75,000
4. HPDE Bore (12" Equivalent)	3,000	l.f.	$160	$480,000
5. HPDE Directional Bore (6" Equivalent)	1,200	l.f.	$90	$108,000
6. HPDE Directional Bore (12" Equivalent)	1,500	l.f.	$160	$240,000
7. Highway Bore	400	l.f.	$180	$72,000
Subtotal Water Distribution System				$7,132,975
C. Facility Improvements				
1.0 Facility Improvements				
a. Pump Station nr. Sunburst	1	l.s.	$435,000.00	$435,000
b. Pump Station at Shelby	1	l.s.	$750,000.00	$750,000
c. Storage Tank near Oilmont CWD connection	1	l.s.	$295,000.00	$295,000
d. Storage Tank south of Sunburst	1	l.s.	$350,000.00	$350,000
e. Service Connection Vault	2	ea.	$36,500.00	$73,000
f. Meter Stations				
1. Sunburst	1	ea.	$250,000.00	$250,000
2. Kevin	1	ea.	$205,000.00	$205,000
3. Sweet Grass	1	ea,	$175,000.00	$175,000
Subtotal Facility Improvements				$2,533,000
Subtotal Probable NCMRWA Construction Costs				$10,342,593
Contingencies (10%)				$1,034,259
Total Probable NCMRWA Construction Costs				$11,376,853
D. Lands and Rights				
1.0 Land Acquisition/ Crop Damage	61	mi.	$17,500.00	$1,067,500
Other Costs				
Engineering (Design and Bidding) (6%)				$620,556
Investigation/Environmental (8%)				$827,407
Engineering (Construction and Post-Construction) (10%)				$1,034,259
BOR Construction Administration (4%)				$413,704
				$2,895,926
Total Probable NCMRWA Construction Costs (2016)				**$15,340,279**

Lori Stratton

From: Larry Bonderud
Sent: Tuesday, March 22, 2016 11:35 AM
To: Lori Stratton
Subject: Fwd: Shelby-Devon connection

Packets.

Sent from my iPhone

Mayor Lar

Begin forwarded message:

> **From:** "Clark, Rachel (DEQ)" <rclark@mt.gov>
> **Date:** March 22, 2016 at 11:31:22 AM MDT
> **To:** Jason Crawford <Jason.Crawford@kljeng.com>, Roy Benjamin <roybenj@northerntel.net>, Mike Obrien <Mike.Obrien@tdhengineering.com>, Larry Bonderud <larry@shelbymt.com>, "Golz, Marc" <mgolz@mt.gov>
> **Cc:** "stevew@bkbh.com" <stevew@bkbh.com>, "jody@ncmrwa.com" <jody@ncmrwa.com>, Brad Koon <brad.koon@kljeng.com>
> **Subject: RE: Shelby-Devon connection**
>
> Good morning. We have reviewed the revised contract between Shelby and NCRWA and given that there is no minimum contract amount that Shelby is required to deliver and also that Cut Bank has and will maintain their own water source, the water delivered to Cut Bank will not count towards maximum day demand on the Shelby system. Shelby currently has adequate source and treatment capacity to serve the Devon connection (even without Well 4). If Devon will address the remaining items from my March 30, 2015 letter, I can approve the connection.
>
> Please feel free to let me know if you have any questions.
>
> Rachel Clark, PE
> Montana Department of Environmental Quality
> Public Water and Subdivisions Bureau
> (406) 444-6722

City proposes raising base rates for water by 19% and sewer by 48%

By LeAnne Kavanagh Pioneer Press Editor | Posted: Wednesday, March 23, 2016 6:00 am

No good news came out of the Cut Bank City Council meetings on March 14 and March 21. Council members reluctantly accepted the resignation of Clerk/Treasurer Diana Filban at last week's meeting. Her resignation is effective April 15. The council also approved resolutions of intent to substantially increase the city's water and sewer rates.

"This is a personal choice and has nothing to do with the turnovers we have recently gone through," assured Filban. "This is something that has been under my consideration for years due to my health issues." Filban has been a city employee for almost 21 years.

News_1_City

At its March 14 meeting, council members took the necessary steps to begin the process of raising residential base water rates by 18% to 53% per month, depending on the size of the meter. The majority of residential meters in town are 5/8" meters. If approved, the rates for those 1,218 properties will increase $5 per month.

Residential properties with 1" meters, which number 133, will see rates increase almost $9 per month. The 23 properties with 2" meters will see a proposed rate hike of approximately $36 per month.

Under the proposed commercial base rate, Blackfeet Utilities would see their monthly rate increase from $1,448.05 to $1,775.36, an approximate increase of 18 percent per month.

The monthly base rates for the North Cut Bank Water and Sewer District (NCBW&S) would also increase significantly. The NCBW&S monthly base rate would go up from $1,333.88 to $1,655.33, or a rake hike of roughly 19%.

The reason cited for the proposed increase in water user charges was the need for the City of Cut Bank to "pay approximately $76,000 annually as the City's cost" of the North Central Montana Regional Water Authority (NCMRWA) project, which provides the city with an "interim water solution." The increase amounts to "a monthly base rate increase in the EDU rate to $5 per month per

equivalent dwelling unit."

Total projected revenue from the rate increase is $9,444.51 per month, or $113,334.12 annually, or roughly $37,000 more than the estimate for the NCMRWA project. According to City Superintendent Jim Suta, those funds will be put in a reserve account for the operation and maintenance of the NCMRWA project.

The council is also proposing to increase City sewer rates a whopping 48 percent. That resolution of intent was approved at the council's March 21 meeting.

The resolution originally set the rate increase at 42% but once the computations were questioned it was determined the rate increase would actually be 48%.

According to the resolution, "The City Council finds… the proposed increase in sewer rates is necessary in order to provide the funds necessary to meet the requirements of the loan agreements required to finance the City's waste water system improvements and continuing system obligations as well as normal operation and maintenance for the waste water system."

Public hearings on both rate increases will be held on April 18 at 6:30 p.m. at the Cut Bank Voting Center. If approved after the public hearings, the rate increases would go into effect in June.

In other news from the recent meetings, the council:

•Voted 3-1 against Councilman Don Grubb's motion to waive the $5 electricity fee for the Shakespeare in the Parks production in August. Grubb, who is the council's representative to the Chamber, suggested the waiver as a means of the city showing support and willing to partner with community projects. He, however, was the lone council member supportive of that line of thinking.

Council President Tim Curtiss opposed the fee waiver, citing "if you waive it for one" the council would have to do it for all. He offered to personally pay the $5 fee. Grubb tried to explain again his reason for asking for the waiver–stressing the Chamber did not ask for the waiver, but he offered to ask for it as a gesture on behalf of the city's support of community projects. In conjunction with the free Shakespeare in the Parks performance, the Chamber sponsors a free barbecue in the park that night.

Suta reminded the council when the fee was put into place "there weren't supposed to be any waivers" and the $5 usage fee goes toward off-setting the $12,000 improvements made to the electrical service in the City Park. Voting against the waiver of the $5 fee were council members Kevin Quinlan, Kelly Solberg and Curtiss. Grubb cast the only vote in favor of the waiver.

CITY OF
SHELBY
MONTANA

Lorette Carter
Community Development
112 1st Street South
Shelby, MT 59474
(406) 424-8799
(406) 450-4067
Fax: (406) 424-8413
www.shelbymt.com

March 29, 2016

Toole County Commissioners
226 1st St. So.
Shelby, MT 59474

Re: Historic Swimming Pool Planter

Hello Commissioners,

I am writing on behalf of the City of Shelby in hopes you might donate the planters located at the Lavaun Brittain home back to the City of Shelby. As you know, the city has been working on the new Splash Park at the Shelby Swimming Pool. Historic photos show these art deco planters once graced the original swimming pool. We are hoping owners of these historic planters might donate them back to the pool to grace our new Splash Park.

City crew would be happy to pick up the planters is you are agreeable. Your donation will restore a great piece of history to Shelby. Please give me a call at 424-8799 or 450-4067 or e-mail me at shbcdc@3rivers.net if you are willing to donate a planter.

Thank you very much.

Sincerely,

Lorette Carter

Lorette Carter
Shelby Community Development Director

Cc: Larry J. Bonderud, Mayor

CITY OF
SHELBY
MONTANA

Lorette Carter
Community Development
112 1st Street South
Shelby, MT 59474
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(406) 450-4067
Fax: (406) 424-8413
www.shelbymt.com

March 29, 2016

Kay Seymour
P.O. Box 643
Shelby, MT 59474

Re: Historic Swimming Pool Planter

Hello Kay,

I am writing on behalf of the City of Shelby in hopes you might donate your planter back to the City of Shelby. As you know, the city has been working on the new Splash Park at the Shelby Swimming Pool. Historic photos show the art deco planters once graced the original swimming pool. We are hoping that those community members who own one of these historic planters might donate them back to the pool to grace our new Splash Park.

City crew would be happy to pick up the planter is you are agreeable. Your donation will restore a great piece of history to Shelby. Please give me a call at 424-8799 or 450-4067 if you are willing to donate a planter.

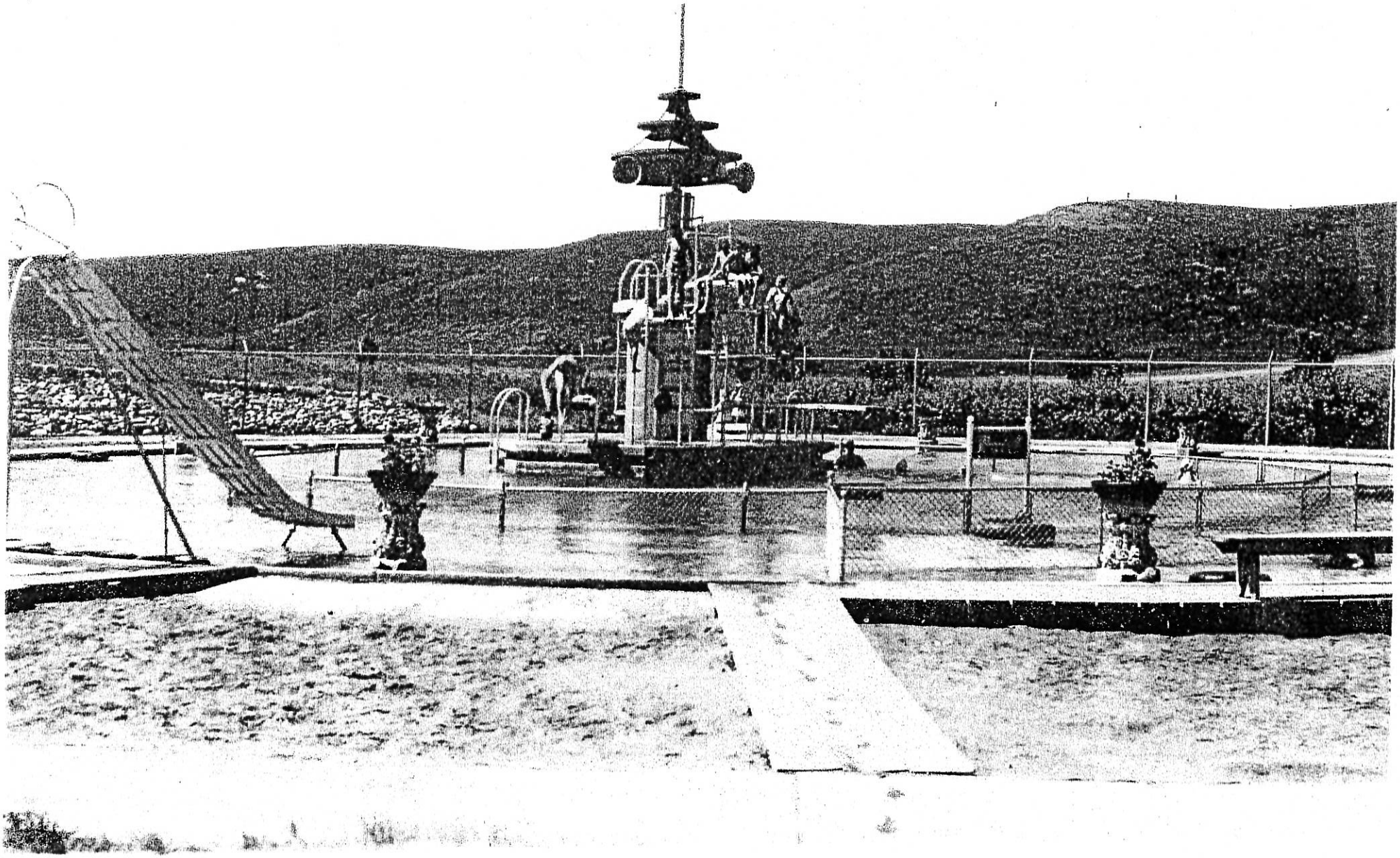
Thank you very much.

Sincerely,

Lorette Carter

Lorette Carter
Shelby Community Development Director

Cc: Larry J. Bonderud, Mayor



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Lorette Carter
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Shelby, MT 59474
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Fax: (406) 424-8413
www.shelbymt.com

March 29, 2016

Town Pump Charitable Foundation
Attn: Grant Committee
P.O. Box 6000
Butte, MT 59702

Re: Charitable Giving

Dear Grant Committee,

On behalf of the City of Shelby, I want to thank you again for your generosity to our community. You are wonderful neighbors and friends of Shelby and we can't thank you enough for your support through the years.

City officials are very aware of the critical nature of cardiac arrest at our recreation/exercise center and swimming pool. Staff are qualified in basic life support, but the addition of automated external defibrillators (AEDs) will give our citizens a greater chance of survival in the event of an incident where cardiac arrest occurs. We hope the Town Pump Charitable Foundation might consider supporting our community in the purchase of two AEDs for our community facilities.

We truly appreciate your generosity and collaboration for the benefit of our community and hope we can work together to continue to make Shelby a great place to live, work and raise our families.

Sincerely,

Lorette Carter

Lorette Carter
Shelby Community Development Director

Cc: Larry J. Bonderud, Mayor
Shelby City Council

Lori Stratton

From: Larry Bonderud
Sent: Wednesday, March 30, 2016 5:52 PM
To: Lori Stratton
Subject: Fwd: Holdover Senators and Unopposed Candidates

Packets

Sent from my iPhone

Mayor Lar

Begin forwarded message:

From: Melissa Lewis <melissa@mlewisassoc.com>
Date: March 30, 2016 at 5:43:03 PM MDT
To: Larry Bonderud <larry@shelbymt.com>
Subject: Holdover Senators and Unopposed Candidates

Mayor,

Unless something unexpected happens, these individuals WILL be in the 2017 Legislature. As you know, holdover senators and unopposed candidates are able to submit bill draft requests to the Montana Legislative Services Division at this time. I've sent you a copy of the bill draft requests submitted thus far.

Holdover Senators

1. SD 01 Sen. Chaz Vincent
2. SD 04 Sen. Mark Blasdel
3. SD 05 Sen. Bob Keenan
4. SD 08 Sen. Lea Whitford
5. SD 09 Sen. Llew Jones
6. SD 11 Sen. Ed Buttrey
7. SD 12 Sen. Mary Moe
8. SD 13 Sen. Brian Hoven
9. SD 14 Sen. Kris Hansen
10. SD 19 Sen. Eric Moore
11. SD 20 Sen. Duane Ankney
12. SD 22 Sen. Doug Kary
13. SD 24 Sen. Mary McNally
14. SD 27 Sen. Cary Smith
15. SD 29 Sen. David Howard
16. SD 30 Sen. Nels Swandal
17. SD 32 Sen. Jedediah Hinkle
18. SD 33 Sen. JP Pomnichoswski
19. SD 34 Sen. Gordon Vance
20. SD 41 Sen. Mary Caferro

21. SD 42 Sen. Jill Cohenour
22. SD 43 Sen. Pat Connell
23. SD 48 Sen. Cynthia Wolken
24. SD 49 Sen. Diane Sands
25. SD 50 Sen. Tom Facey

Unopposed Candidates

26. Senator Mike Phillips (D-Missoula) for SD 31
27. George Kipp III (D-Heart Butte) for HD 15
28. Susan Webber (D-Browning) for HD 16
29. Tom Jacobson (D-Great Falls) for HD 21
30. Bridget Smith (D-Wolf Point) for HD 31
31. Jonathan Windy Boy (D-Box Elder) for HD 32
32. Rae Peppers (D-Lame Deer) for HD 41
33. Sharon Stewart Peregoy (D-Crow Agency) for HD 42
34. Tom Woods (D-Bozeman) for HD 62
35. Denise Hayman (D-Bozeman) for HD 66
36. Jim Keane (D-Butte) for HD 73
37. Amanda Curtis (D-Butte) for HD 74
38. Ryan Lynch (D-Butte) for HD 76
39. Jenny Eck (D-Helena) for HD 79
40. Janet Ellis (D-Helena) for HD 81
41. Moffie Funk (D-Helena) for HD 82

Melissa

Melissa Lewis
Melissa Lewis & Associates
Office:406-422-0988
Cell: 406-465-8045
Fax: 406-437-9113
www.mlewisassoc.com

Lori Stratton

From: Larry Bonderud
Sent: Wednesday, March 30, 2016 5:51 PM
To: Lori Stratton
Subject: Fwd: Legislators not running in 2016

Packets.

Sent from my iPhone

Mayor Lar

Begin forwarded message:

> **From:** Melissa Lewis <melissa@mlewisassoc.com>
> **Date:** March 30, 2016 at 5:43:03 PM MDT
> **To:** Larry Bonderud <larry@shelbymt.com>
> **Subject: Legislators not running in 2016**
>
> Mayor,
>
> Here is a list of current legislators who are not running for re-election in 2016. These individuals will NOT be in the legislature in 2017.
>
> Christine Kaufmann (D-Helena)
> Jerry Bennett (R-Libby)
> Matt Rosendale (R-Glendive)
> Ed Lieser (D-Whitefish)
> Bob Mehlhoff (D-Great Falls)
> Christy Clark (R-Choteau)
> Roy Hollandsworth (R-Brady)
> Chuck Hunter (D-Helena)
> Tom Berry (R-Roundup)
> Clayton Fiscus (R-Billings)
> Dave Hagstrom (R-Billings)
> Kathleen Williams (D-Bozeman)
> Matthew Monforton (R-Billings)
> Mike Miller (R-Helmville)
> Nancy Wilson (D-Missoula)
>
> Melissa
>
> Melissa Lewis
> Melissa Lewis & Associates
> Office:406-422-0988
> Cell: 406-465-8045
> Fax: 406-437-9113
> www.mlewisassoc.com

Lori Stratton

From: Larry Bonderud
Sent: Wednesday, March 30, 2016 5:12 PM
To: Lori Stratton
Subject: Fwd: RRGL & TSEP Emergency Grants
Attachments: RRGL_EmergencyGrantReport2017 Biennium.pdf; ATT00001.htm; TSEPEmergencyGrantReport.pdf; ATT00002.htm

Packets.

Sent from my iPhone

Mayor Lar

Begin forwarded message:

From: Melissa Lewis <melissa@mlewisassoc.com>
Date: March 30, 2016 at 4:36:11 PM MDT
To: Larry Bonderud <larry@shelbymt.com>
Subject: RRGL & TSEP Emergency Grants

Mayor,

When the Legislative Finance Committee met earlier this month, they discussed the status of DNRC's RRGL Emergency Grant Program and also the Dept. of Commerce's TSEP Emergency Grant Program.

Both programs have unobligated appropriated funds to award to eligible projects this biennium--$65,000 is available for Emergency RRGL Grants and $80,000 is available for Emergency TSEP grants. Please see attachments.

Melissa

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Fax: 406-437-9113
www.mlewisassoc.com

EMERGENCY GRANT REPORT

MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION-RESOURCE DEVELOPMENT BUREAU

Report Date: January 1, 2016

Renewable Resource Grant and Loan Program Emergency Grant

Appropriation for the 2017 Biennium	**$100,000**
Carryover from 2015	**$ 15,000**
2017 Appropriation Balance:	**$ 65,000**

Yellowstone Irrigation District **$20,000**
Canal Failure Emergency Repair Project-2015
September 2015

Yellowstone Irrigation District (Rosebud-Treasure Counties) diverts water from the Yellowstone River near Forsyth to a system of canals that irrigates 11,898 acres. The annual assessment is $11 per acre, producing an annual revenue of $130,878. The approximate O&M budget for 2015 is approximately $100,000 plus and additional $30,000 that was included for canal maintenance in the failed section that is the subject of this emergency grant request.

On August 8, 2015, a section of concrete-lined canal failed due to probable seepage and embankment failure. A local contractor from Forsyth was hired to repair the failure; repairs were completed by August 18, 2015. The repair consisted of concrete rubble removal, reshaping and compaction of the canal prism, and lining with 30-mil *Hueskers* liner material at an approximate cost of $160,000.

Town of Philipsburg **$20,000**
Water System Emergency Repairs-2015
December 2015

In early September, a water main serving 13 residences along Main Street failed, leaving those connections without water until repairs could be made. Due to the extent of deterioration, the town elected to connect the houses to a parallel 8" line on the opposite side of the street. This was done at an approximate cost of $80,000, and the work was completed within a one-week timeframe. The work involved the abandonment of the failed water line and directionally drilling each of the service connections under Main Street to the parallel line on the opposite side of the street.

Town of Winifred **$10,000**
Water System Emergency Repairs-2015
January 2016

In September, 2014, an inspection of the on-grade steel water storage reservoir that provides storage for Winifred's municipal water system revealed a collapsed roof. In response, Maguire Iron, Inc., a midwest steel tank design and construction firm, was contracted to inspect the structural integrity of the tank and recommend an emergency fix, since the tank is scheduled to be replaced as part of a water system improvements project pending the success of grant appications to both the TSEP and RRGL programs in 2014. The proposed fix is to externally rig and jack the roof to its normal position and weld external steel support beams to prevent further collapse and potential total failure.

In October, 2014, a $10,000 RRGL emergency grant was awarded; however, in an effort to minimize costs, the town elected to perform the repairs themselves, and the RRGL grant was terminated with no disbursements having been made.

One year later, in the fall of 2015, it became apparent that the town's fix was inadequate, and Maguire Iron, a tank fabricator, was hired to make substantial and necessary repairs to the tank roof. The cost of the project was $28,000.

EMERGENCY GRANT STATUS REPORT

MONTANA DEPARTMENT OF COMMERCE
TREASURE STATE ENDOWMENT PROGRAM

Date: February 4, 2016

Contact: Kelly Lynch
Division Administrator
Community Development Division
841-2770

Amount appropriated for emergency grants for the 2017 biennium: $100,000
Amount awarded for emergency grants for the 2017 biennium: $20,000
Amount reimbursed for emergency grants for the 2017 biennium: $0

Emergency grants awarded during the 2017 biennium include:

- Lodge Grass - $10,000 was awarded on January 7, 2016, to resolve a water system emergency. The funds will be used to help reimburse the Town for replacement of two well pumps. The well pump failures nearly led to the Town running completely out of water. The new pumps have been installed; the total amount of the grant has not yet been disbursed.

- Town of Winifred - $10,000 was awarded on January 7, 2016, to resolve a water system emergency. The funds will be used to help reimburse the Town for repairs to its water storage tank. Previous repair attempts were not completely successful which led to a situation where the tank roof was in danger of collapse. The repair work has been completed; the total amount of the grant has not yet been disbursed.

Lori Stratton

From: Larry Bonderud
Sent: Wednesday, March 30, 2016 5:12 PM
To: Lori Stratton
Subject: Fwd: LFC Meeting & Budget Director's Report
Attachments: BSR-Report.pdf; ATT00001.htm; Legislative Finance Committee_Budget Status Report.docx; ATT00002.htm

Packets.

Sent from my iPhone

Mayor Lar

Begin forwarded message:

> **From:** Melissa Lewis <melissa@mlewisassoc.com>
> **Date:** March 30, 2016 at 5:00:16 PM MDT
> **To:** Larry Bonderud <larry@shelbymt.com>
> **Subject: LFC Meeting & Budget Director's Report**
>
> Hi Mayor,
>
> Please see attached brief notes from the Budget Director's report to the Legislative Finance Committee this month. I've also attached a more detailed Budget Status Report for your review. In summary, the projected ending fund balance is what the Budget Director expected to see this time of year. According to Legislative Finance Committee staff, the State Budget is in a "safe place" right now unless something dramatic happens with our economy before the end of the fiscal year. A few highlights from the Budget Status Report:
>
> - Property taxes are doing as expected.
> - Oil and gas is down $14.9M year to date (YTD). That represents a 57% drop. A 19% drop was anticipated, so it's down quite a bit more than expected. Oil and gas production is decreasing. The rig count has dropped to 0 in MT and ND has had massive declines as well.
> - Corporate income tax is looking about 26% below last year.
> - Vehicle taxes are fees are below by 4.8 percent.
> - Video gaming tax is down 2 percent.
> - Insurance tax is normal. YTD growth about 3.2 percent higher than projected.
>
> Melissa
>
> Melissa Lewis
> Melissa Lewis & Associates
> Office:406-422-0988
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FY 2016 BUDGET STATUS REPORT

A Report Prepared for the
Legislative Finance Committee

By

Legislative Fiscal Division Staff

March 10, 2016

LFD
MONTANA LEGISLATIVE FISCAL DIVISION

GENERAL FUND BALANCE SHEET

The anticipated ending fund balance for FY 2017 is $357.2 million. The FY 2015 Comprehensive Annual Financial Report (CAFR) by state accounting has been published and FY 2015 CAFR adjustments of $328,000 are included in the balance sheet. In addition, FY 2016 carryforward updates through March 4 are included.

General Fund March 2016 ($ Millions)	Actual FY 2014	Actual FY 2015	Budget FY 2016	Budget FY 2017
Beginning Fund Balance	$537.600	$424.451	$455.436	$353.624
Revenue	2,077.044	2,199.653	2,262.932	2,355.360
Total Funds Available	2,614.644	2,624.104	2,718.368	2,708.985
Disbursements				
Ongoing				
HB 2, pay plan, pension bills, lang. approps, bills with base funding lang.	1,763.500	1,822.770	1,937.403	1,985.308
HB 2 supplemental		21.168		
Statutory	254.621	261.240	276.987	293.498
Transfers	14.761	26.527	15.250	16.412
Other appropriation bills (includes 2015 bi remaining HB1 authority)	1.518	8.401	5.586	5.377
Assumed FY 2017 Appropriations (HB 1 & SB 260)				7.600
Reversions			(7.100)	(7.300)
OTO				
HB 2	20.600	21.923	60.888	45.922
Transfers - includes fire transfers	135.500	13.308	50.314	
Transfers - other (HB 10, HB 403)			11.300	
Contingent Fund Transfer & FY Transfer			12.500	5.000
Other (includes: carry forward)		2.564	1.616	
Total Disbursements	2,190.500	2,177.901	2,364.744	2,351.816
Adjustments - includes Comprehensive Annual Financial Report adjustments	0.307	9.233		
Ending Fund Balance (Unassigned)	$424.451	$455.436	$353.624	$357.169

The CAFR ending fund balance for FY 2015 includes general fund spend down of $75 million. The balance sheet reflects this in FY 2016 budgeted revenues and expenditures.

OVERVIEW

The above estimated ending fund balance will not change materially until fiscal year end 2016, when HJ 2 revenues and budgeted expenditures are replaced with actual revenues and expenditures. This will be reported in the September 2016 LFC meeting.

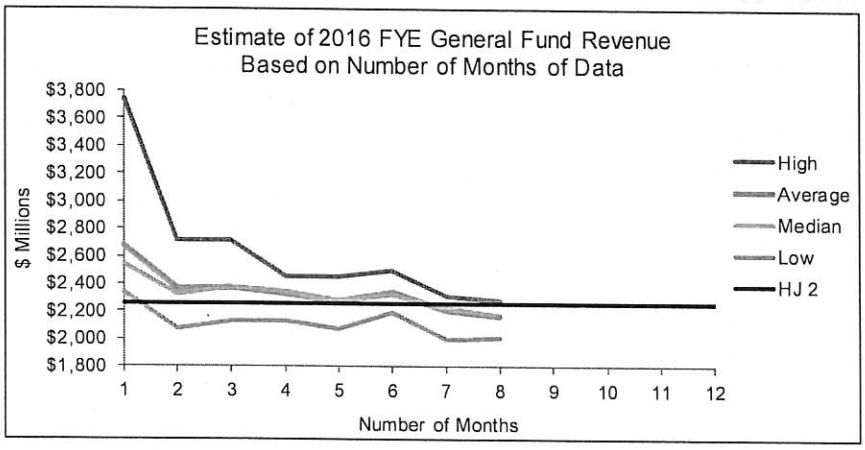
Current revenue trends calculated by using year to date median collections compared to historical collection patterns indicate end of the year general fund collections at $2,175 million or about $90 million less than HJ 2 revenue estimate. If a similar $90 million shortage occurs in FY 2017, the ending fund balance would still be sufficient and the 17-7-140 (3) "trigger" would not occur as the fund balance would have to fall below $118 million. This means the estimated biennial shortfall would need to be more than $239 million ($357 million anticipated ending fund balance less $118 million required ending fund balance).

GENERAL FUND REVENUE AND HISTORICAL COLLECTION PATTERNS

Combining year-to-date revenue with historical revenue collection patterns (FY 2002 to FY 2015) the total revenue ranged from as high as $2,284 million or $21 million above HJ 2 to $256 million below

estimate. For the June meeting, the LFD will reforecast FY 2016 through FY 2019 and will have a better sense of how this change is impacting all years in the forecast period.

As FY 2016 progresses, the accruing data allows for a closer estimate of final collections based on historical collection patterns. Potential total general fund collections for FY 2016 are calculated using various year-to-date percentages—minimum, maximum, median and average—since FY 2002. The results are shown in the graph below. Based on collections through the end of February, the difference between the high and low is less than $300 million, with the average and median values below the HJ 2 estimate.



Potential total general fund collections range from a low of $2,007 million to a high of $2,284 million, with a median value of $2,175 million and an average value of $2,164 million. The FY 2016 estimate for total general fund in HJ 2 is $2,263 million.

IMPORTANT CONSIDERATIONS

The economy is strong and the decline in revenue is not due to the current economy. Wages are growing as anticipated at about 5% and withholding is up at about 3.3%. The declines in anticipated revenues are due to lower natural resource taxes related to drops in price and interest earnings that are lower than anticipated in HJ 2.

Additional risk in FY 2016 could come from income tax revenue. CY 2014 capital gains income was relatively high and resulted in higher tax revenue in FY 2015. It is unknown how CY 2014 capital gains realizations may have impacted CY 2015 capital gains income and FY 2016 tax revenue. Potential options include the following:

- The recent average trend of growth over the past several years will continue and capital gains will be strong, potentially stronger than CY 2014
- The flat stock market in CY 2015 will provide opportunity for taxpayers to offset gains made in CY 2014 with losses in CY 2015 and reduce tax liability

REVENUES

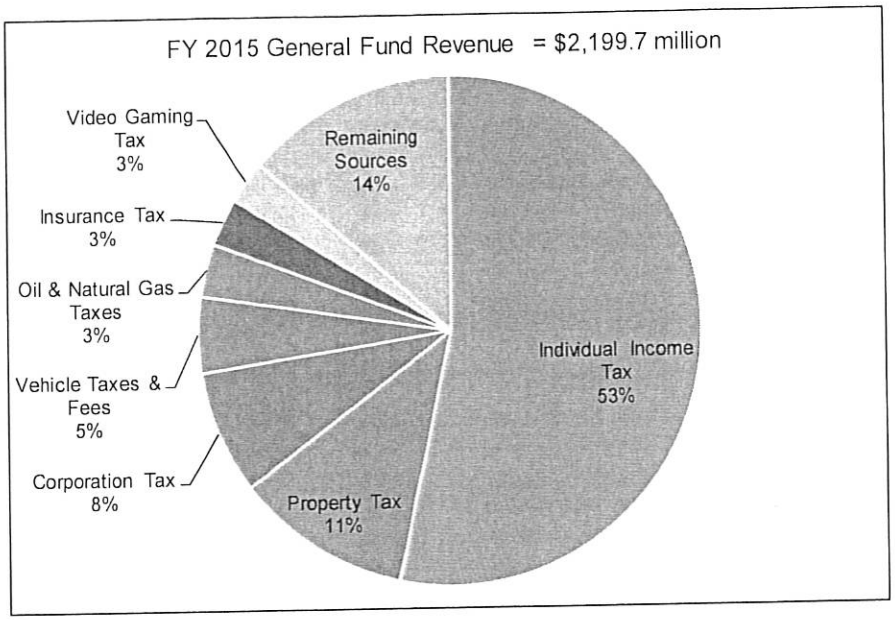
General fund revenue collections are $26.5 million or 2.0% less than FY 2015 amounts through February, and are currently below the overall growth estimate of 2.9% contained in HJ 2. The decline in revenue is somewhat inflated due to a posting error of $9.3 million made in February 2015 which was subsequently reversed the following month. Adjusting for the error produces a year-to-date decline of $17.2 million or 1.3%.

All major revenue sources and any other sources with significant differences will be discussed in further detail in the next section.

General Fund Revenue Monitoring Report ($ Millions)							
Revenue Source	Actual FY 2015	HJ 2 Est. FY 2016	HJ 2 Est. % Change	2/28/2015 FY 2015	2/29/2016 FY 2016	YTD Difference	YTD % Change
Largest Seven Sources							
Individual Income Tax	$1,175.745	$1,229.616	4.6%	$806.899	$833.227	$26.328	3.3%
Property Tax	247.881	253.799	2.4%	140.960	143.816	2.855	2.0%
Corporation Tax	172.729	179.898	4.2%	104.929	76.319	(28.610)	-27.3%
Vehicle Taxes & Fees	106.382	106.199	-0.2%	62.641	59.638	(3.002)	-4.8%
Oil & Natural Gas Taxes	73.184	59.250	-19.0%	26.182	11.260	(14.922)	-57.0%
Insurance Tax	66.582	72.279	8.6%	27.982	31.397	3.415	12.2%
Video Gaming Tax	59.799	62.007	3.7%	29.537	30.050	0.514	1.7%
Other Business Taxes							
Drivers License Fee	4.811	4.081	-15.2%	2.854	2.877	0.024	0.8%
Investment Licenses	6.773	7.412	9.4%	6.209	6.631	0.422	6.8%
Lodging Facilities Sales Tax	19.697	21.872	11.0%	11.201	13.044	1.843	16.5%
Public Contractor's Tax	3.257	3.560	9.3%	3.640	2.524	(1.116)	-30.7%
Railroad Car Tax	3.706	3.741	0.9%	2.842	3.111	0.269	9.5%
Rental Car Sales Tax	3.907	3.486	-10.8%	2.348	2.700	0.352	15.0%
Retail Telecom Excise Tax	18.257	18.999	4.1%	8.656	8.569	(0.086)	-1.0%
Other Natural Resource Taxes							
Coal Severance Tax	16.063	14.434	-10.1%	8.712	7.506	(1.206)	-13.8%
Electrical Energy Tax	5.133	4.580	-10.8%	2.561	2.374	(0.187)	-7.3%
Metal Mines Tax	8.320	8.311	-0.1%	0.390	0.241	(0.149)	-38.2%
U.S. Mineral Leasing	26.960	24.069	-10.7%	16.252	11.854	(4.398)	-27.1%
Wholesale Energy Trans Tax	3.795	3.595	-5.3%	1.948	1.832	(0.116)	-6.0%
Other Interest Earnings							
Coal Trust Interest Earnings	21.168	19.805	-6.4%	10.833	10.152	(0.681)	-6.3%
TCA Interest Earnings	2.164	8.527	294.0%	1.147	1.954	0.807	70.4%
Other Consumption Taxes							
Beer Tax	3.034	3.129	3.1%	1.804	1.766	(0.038)	-2.1%
Cigarette Tax	29.604	31.036	4.8%	18.753	19.476	0.723	3.9%
Liquor Excise Tax	19.257	19.521	1.4%	11.418	11.558	0.140	1.2%
Liquor Profits	11.000	11.021	0.2%	-	-	-	
Lottery Profits	12.363	11.031	-10.8%	2.555	2.417	(0.138)	-5.4%
Tobacco Tax	6.056	6.396	5.6%	3.640	3.631	(0.009)	-0.3%
Wine Tax	2.307	2.363	2.4%	1.406	1.426	0.020	1.4%
Other Sources							
All Other Revenue	40.822	40.060	-1.9%	22.919	18.408	(4.510)	-19.7%
Highway Patrol Fines	4.042	4.349	7.6%	2.249	2.282	0.033	1.5%
Nursing Facilities Fee	4.810	4.756	-1.1%	2.404	2.395	(0.009)	-0.4%
Public Institution Reimbursement	16.819	16.606	-1.3%	6.763	1.677	(5.086)	-75.2%
Tobacco Settlement	3.225	3.145	-2.5%	-	0.023	0.023	
Largest Seven Subtotal	1,902.301	1,963.049	3.2%	1,199.130	1,185.707	(13.423)	-1.1%
Remaining Sources Subtotal	297.352	299.883	0.9%	153.503	140.428	(13.075)	-8.5%
Grand Total	$2,199.653	$2,262.932	2.9%	$1,352.632	$1,326.135	($26.498)	-2.0%

MAJOR SOURCES

In FY 2015, the largest seven revenue sources accounted for just over 86% of total general fund revenue. This section will highlight current trends with each source and further revenue detail if applicable.

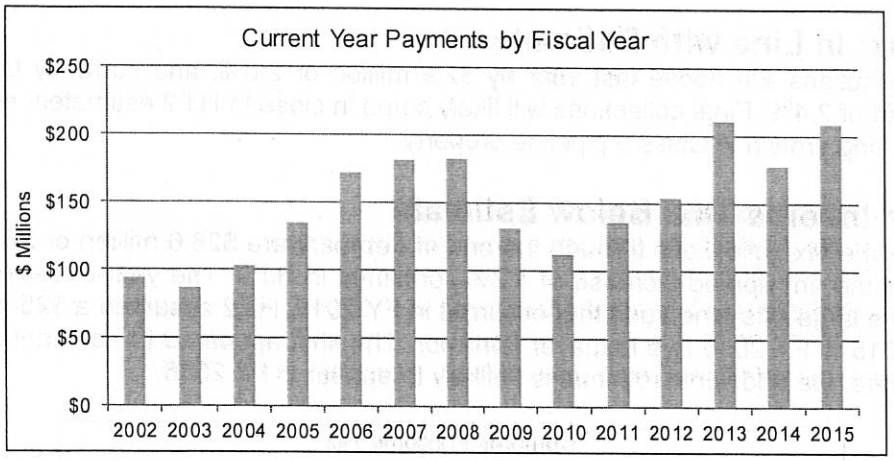


Individual Income Tax: On Track with HJ 2 after Adjusting for FY 2015 Posting Error

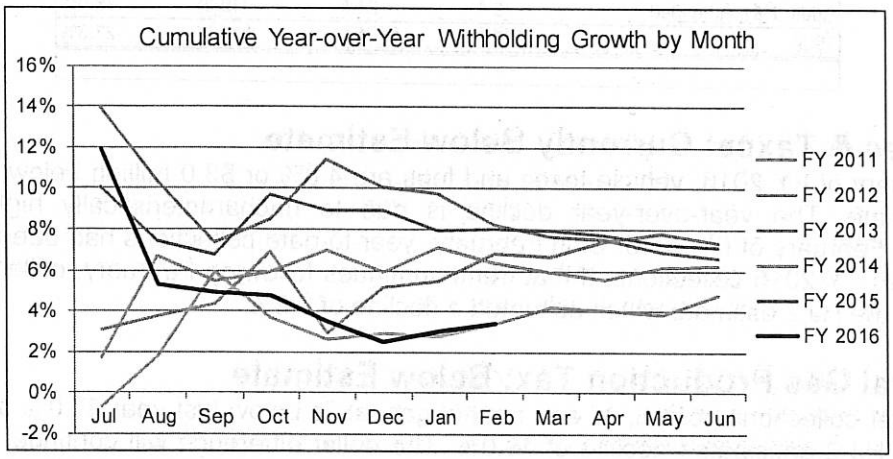
Individual income tax collections are $26.3 million or 3.3% above last year, which is below the anticipated growth of 4.6% contained in HJ 2. In February 2015, there was a payment of $9.3 million that was mistakenly posted to the mineral royalties withholding account that should have been posted to the oil and natural gas clearing account; the correction will be shown in the March year-to-date report. Accounting for the error in the table below would result in a mineral royalties decline of 46.1%, and total growth of $35.6 million or 4.5% above this time last year.

Individual Income Tax ($ Millions)				
	YTD 2016	YTD 2015	$ Difference	% Difference
Withholding	$578.1	$558.9	$19.2	3.4%
Estimated Payments	182.2	171.7	10.4	6.1%
Current Year Payments	26.0	21.3	4.7	22.2%
Audit, P&I, Amended	31.9	22.9	9.1	39.6%
Refunds	(136.9)	(124.1)	(12.9)	10.4%
Refund Accrual Reversal	140.0	132.6	7.4	5.6%
Partnership Income Tax	6.8	4.7	2.1	45.0%
Mineral Royalties	5.2	18.9	(13.7)	-72.7%
Total	$833.2	$806.9	$26.3	3.3%

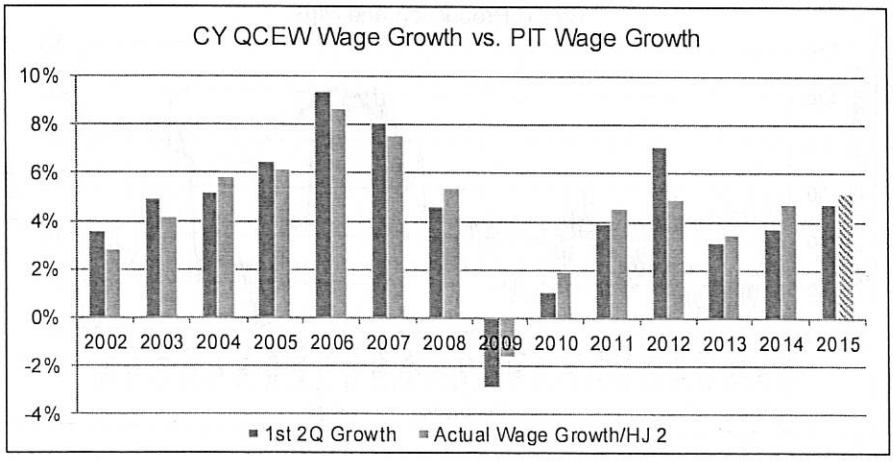
The increase in current year payments reflect the tax due by tax year 2014 extension filers, rather than that of 2015 filers. Current year payments have fluctuated in recent years, perhaps in response to taxpayers' capital gains realizations of the prior tax year. For example, FY 2013 payments were high primarily due to the increased capital gains realizations at the end of CY 2012 as taxpayers responded to the potentially higher federal capital gains tax rates of the "fiscal cliff." About three-quarters of total current year payments are received in April.



Withholding shows weak growth when compared to FY 2015 collections; however, as shown in the following chart, withholding growth tends to be relatively volatile in the first half of the year. By February, the year-over-year growth seems to stabilize, along with potential assessments of overall FY 2016 withholding growth.



Although withholding comes primarily from wage income, change in withholding may also reflect taxpayers' changing expectation of other income sources such as retirement income and possibly capital gains. The current slower growth in withholding appears to be due to factors other than wage growth; as shown in the chart below, wage growth in the first half of 2015 was nearly 5%.



Property Tax: In Line with Estimate

Property tax collections are above last year by $2.9 million or 2.0%, and currently below the HJ 2 estimated growth of 2.4%. Final collections will likely come in close to HJ 2 estimates, perhaps slightly above due to strong growth in Class 9 pipeline property.

Corporation Income Tax: Below Estimate

Corporation income tax collections through the end of February are $28.6 million or 27.3% below last year, and below the anticipated increase of 4.2% contained in HJ 2. The year-over-year decrease is primarily due to a large one-time audit that occurred in FY 2015. HJ 2 assumed a $25 million revenue shift from FY 2015 to FY 2016 due taxpayer behavior. The shift appeared to have not materialized in FY 2015; therefore, the additional revenue is unlikely to appear in FY 2016.

Corporation Income Tax
($ Millions)

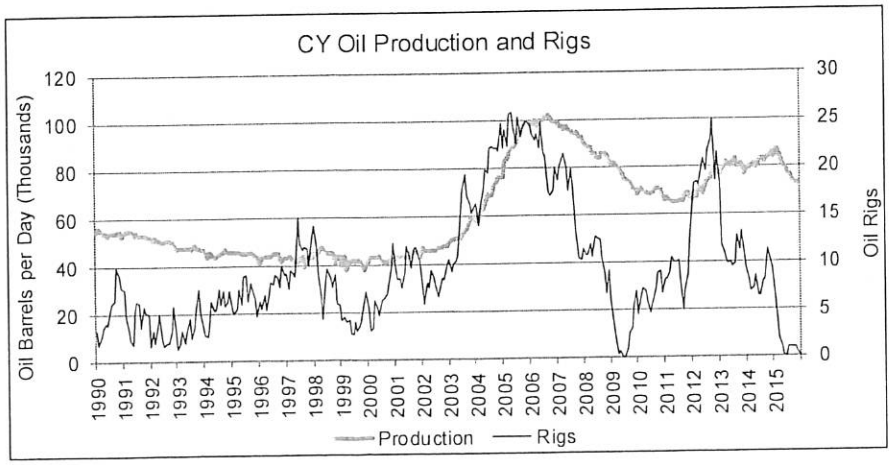
Account	YTD 2016	YTD 2015	$ Difference	% Difference
Corporation Tax	$11.0	$13.7	($2.7)	-19.7%
Estimated Payments	69.1	72.8	(3.7)	-5.1%
Refunds	(13.2)	(14.2)	1.0	-6.7%
Refund Accrual Reversal	4.3	8.1	(3.8)	-47.0%
Audit, P&I, Amended	5.1	24.5	(19.3)	-79.0%
Total	$76.3	$104.9	($28.6)	-27.3%

Vehicle Fees & Taxes: Currently Below Estimate

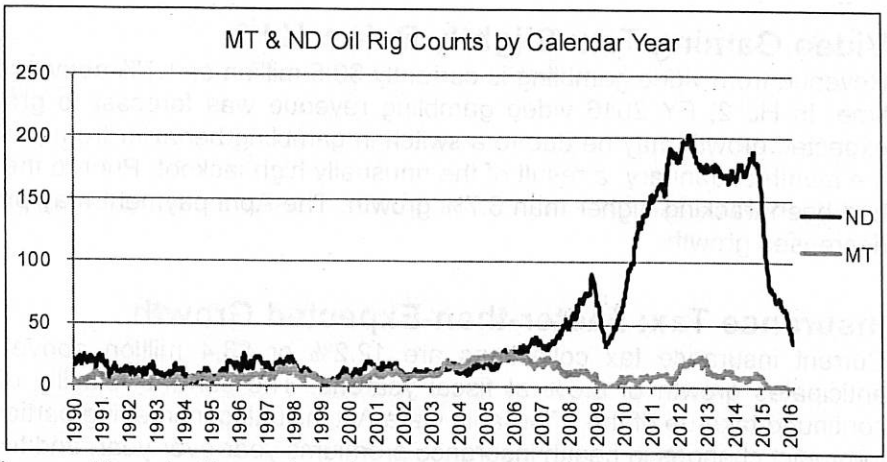
Through February of FY 2016, vehicle taxes and fees are 4.8% or $3.0 million below collections last year at this time. The year-over-year decline is due to uncharacteristically high light vehicle registrations in February of FY 2015. Until February, year-to-date collections had been approximately 10% higher than FY 2015 collections. If that trend continues following February, collections are likely to end up near the HJ 2 estimate which assumed a decline of 0.2%.

Oil & Natural Gas Production Tax: Below Estimate

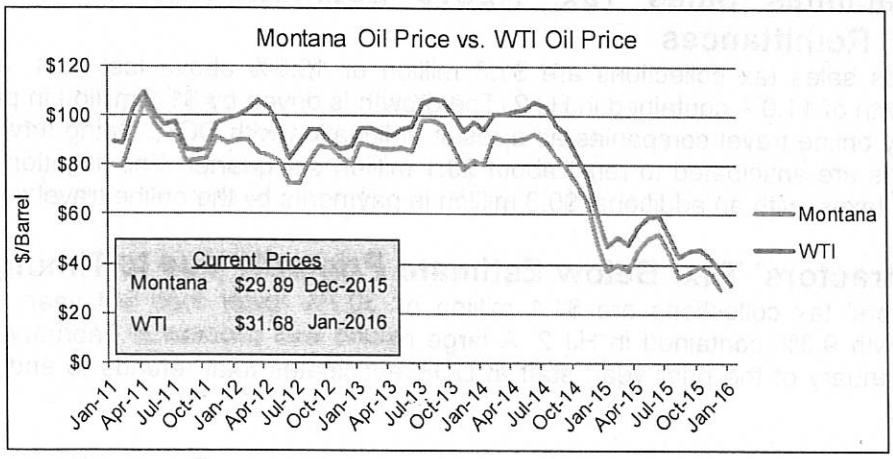
With first quarter collections posted, oil and natural gas tax is below last year 57.0% or $14.9 million, and below the HJ 2 anticipated decline of 19.0%. The dollar difference will continue to increase but the percentage difference should move somewhat closer to HJ 2 as the first quarter compares to the first quarter of FY 2015, which was the strongest quarter that year. Production continues to decline as shown in the following chart, and there has only been at most one rig operating in the state since March of 2015.



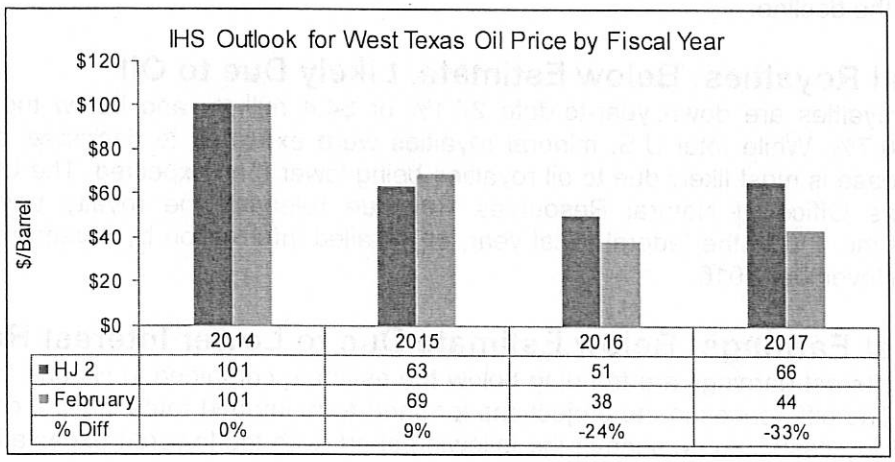
The impact of the oil industry response to lower prices has been even more pronounced in North Dakota, as illustrated in the adjacent chart.



The decline in price is the primary driver in the reduced revenue collections. The following chart compares the monthly average price for Montana oil with the WTI price. There is a two-to-three month lag in available monthly price data.



Current West Texas Intermediate (WTI) oil price is below the estimate contained in HJ 2, and the most recent outlook from IHS suggests that the lower prices will continue throughout the remainder of the 2017 biennium. The chart below shows the WTI price contained in HJ 2 and the outlook for WTI from the IHS February 2016 forecast.



	2014	2015	2016	2017
HJ 2	101	63	51	66
February	101	69	38	44
% Diff	0%	9%	-24%	-33%

Video Gaming Tax: Slightly Below HJ 2

Revenue from video gambling is currently $0.5 million or 1.7% above collections from last year at this time. In HJ 2, FY 2016 video gambling revenue was forecast to grow by 3.7%. The slower-than-expected growth may be due to a switch in gambling behavior from gaming machines to the lottery in the month of January, a result of the unusually high jackpot. Prior to the January payment, this source had been tracking higher than 3.7% growth. The April payment may provide more information on the decreased growth.

Insurance Tax: Faster-than-Expected Growth

Current insurance tax collections are 12.2% or $3.4 million above FY 2015 year-to-date. HJ 2 anticipates growth of 8.6% at fiscal yearend. The current volatility of this source comes from the continued take-up of the Affordable Care Act including increasing participation on the exchange, hard-to-predict changes in health insurance premiums year-over-year, and timing of payments.

Other Key Differences

Lodging Facilities Sales Tax: Above Estimate Due to Online Travel Companies' Remittances

Lodging facilities sales tax collections are $1.8 million or 16.5% above last year, and above the anticipated growth of 11.0% contained in HJ 2. The growth is driven by $1.1 million in payments made in November by online travel companies as a result of litigation with DOR. Going forward, the online travel companies are anticipated to remit about $0.1 million per quarter. The litigation also impacted rental car sales taxes, with an additional $0.3 million in payments by the online travel companies.

Public Contractors' Tax: Below Estimate Primarily due to Timing

Public contractors' tax collections are $1.1 million or 30.7% lower than last year, and below the anticipated growth 9.3% contained in HJ 2. A large refund was process in February that had been processed in January of the prior year; staff at DOR anticipates total refunds to end up in line with historical trends.

Coal Severance Tax: Below Estimate Due to Lower Production

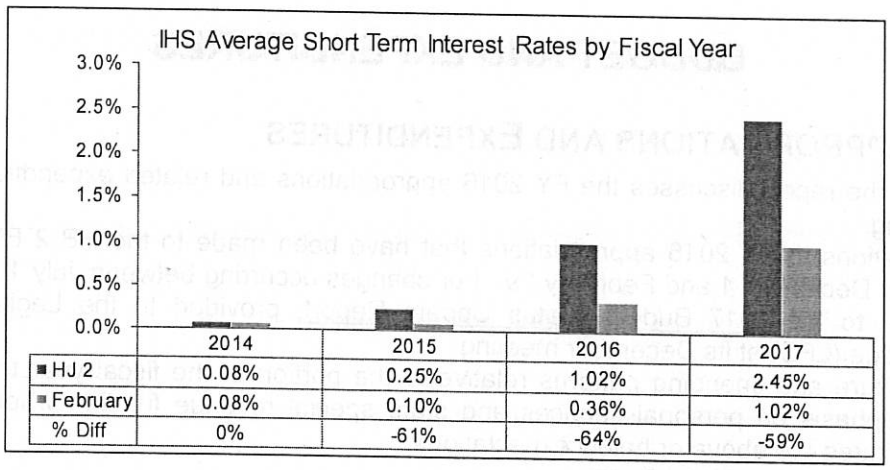
Coal severance tax revenue is $1.2 million or 13.8% below year-to-date collections in FY 2015, and below the HJ 2 estimated decline of 10.1%. General fund collections were expected to decrease primarily due to HB 228 shifting coal distribution from the general fund to the coal board account; however, total coal collections were expected to stay flat. Production is down somewhat however, accounting for the decline.

U.S. Mineral Royalties: Below Estimate, Likely Due to Oil

U.S. mineral royalties are down year-to-date 27.1% or $4.4 million, and below the HJ 2 forecast decrease of 10.7%. While total U.S. mineral royalties were expected to decrease, the larger-than-expected decrease is most likely due to oil royalties being lower than expected. The U.S. Department of the Interior's Office of Natural Resources Revenue releases the royalty payment category breakdowns at the end of the federal fiscal year, so detailed information by revenue type will not be available until November 2016.

TCA Interest Earnings: Below Estimate Due to Lower Interest Rates

To date, TCA interest earnings are trending below the estimate contained in HJ due to continued low interest rates. The differences in the projections for short-term interest rates in HJ 2 compared to IHS February 2016 forecasts can be seen in the following chart, with the lowered expectations for interest rates continuing throughout the 2017 biennium.



All Other Revenue: Below Estimate Due to SB 405 Premiums

To date, all other revenue collections are 19.7% or $4.5 million below last year's collections, primarily due to a decrease in abandoned property collections. In HJ 2, collections were expected to decrease by 1.9%. In addition, the official estimate included nearly $3.0 million in premium collections from SB 405, which have not been collected yet.

Public Institution Reimbursements: Below Estimate

Public institution reimbursements are currently 75.2% or $5.1 million behind last fiscal year. Part of this is likely due to the historically erratic of these collections, but there are some explainable irregularities this year. Part of SB 411 specified that in FY 2017 some of the revenues from this source be withheld from the general fund to pay off bonding associated with MDC. Instead, DPHHS withheld those funds this year and are paying the bond in FY 2016. Some of the funds currently withheld are anticipated to be deposited back into the general fund for FY 2016. The impact of moving this payment to FY 2016 will net to zero for the biennium.

BUDGET AND EXPENDITURES

FY 2016 APPROPRIATIONS AND EXPENDITURES

This portion of the report discusses the FY 2016 appropriations and related expenditures by budget section including:

- Modifications to FY 2016 appropriations that have been made to the HB 2 FY 2016 budget between December 1 and February 29. For changes occurring between July 1 and November 30 refer to the 2017 Budget Status Update Report, provided to the Legislative Finance Committee (LFC) at its December meeting.
- Expenditure and spending patterns relative to the portion of the fiscal year that has passed with emphasis on personal services and state special revenue funding where revenues or expenditures are above or below expectations
- Non-budgeted proprietary funds
- Statutory appropriations
- Budget amendments
- Carry forward authority
- Other appropriations authority granted to state agencies

As used in the report the following definitions apply:

- Allocated budget - HB 2 appropriations provided by the legislature including allocations of appropriation authority between state agencies made by the executive in accordance with legislative intent as directed in HB 2 and companion legislation. Allocated budgets include pay plan distributions and transfers of contingency funds to various state agencies. Changes that do not modify the legislative budget by first level expenditure or funding category are also included
- Modified budget – HB 2 allocated budget as modified by the Executive, Legislative, or Judicial Branch for transfer of authority between programs, changes between expenditure categories, or transfer of appropriation authority and FTE to restructure agency functions. Statute provides for the Executive, Legislative, and Judicial Branches to make these types of budget modifications when the legislature is not in session

Legislative Fiscal Division (LFD) has developed a guide to the transactions included in each both budget types.

The vast majorities of the appropriation changes examined in this report do not impact the overall agency budget, but alter allocated budgets between programs, expenditures categories, or the organizational units of the agency. As illustrated in Appendix A, Budget Changes by Program, the December report's allocated and modified budgets are used as the beginning point. Further columns in Appendix A show modifications for reorganizations, program transfers, and operating plan changes that occurred between the December and March reports. These modifications establish the March modified budget used to compare budgeted appropriations to actual expenditures and to determine the remaining budget authority. It should be noted that for the purposes of this report appropriations provided as one-time-only are included as part of total appropriations and expenditure.

Typically, through the end of February of each year personal service costs for the first 16 pay periods or 61.5% of personal services and 66.7% of other costs is normally what has been disbursed at this point in the fiscal year, leaving between 38.5% and 33.3% respectively in remaining authority. Analysts examined differences in expenditures that varied from these percentages that are calculated based on the amount of time elapsed in the budget year, referred to in this report as fiscal year expenditure percentages. This report focuses on fiscal year expenditure percentages that were below 50.0% or above 70.0% of expenditure for general fund or state resources as a whole.

> Fiscal year expenditure percentages are calculated based on the amount of time elapsed in a budget year.

To provide a more complete picture of agency resources, the following narrative includes appropriation authority beyond HB 2 provided through non-budgeted proprietary funds[1], statutory appropriations, budget amendments, and carry forward authority[2]. These additional appropriations are included in the summary chart of state resources in Appendix B, State Resource Summary of FY 2016 Budgeted Authority and Actual Expenditures. It should be noted that budget amendments and carry forward authority that have been "continued" from a previous fiscal year are included along with Long-Range Building and Information Technology Program projects approved by previous legislatures under continuing appropriations. Those that were added to the budget in FY 2016 are reflected in the appropriate columns.

Required Report and Budget Amendments

The Legislative Finance Committee (LFC) receives a number of reports from various state agencies including:

- Budget amendments increasing agency appropriations for state or federal special revenues or proprietary funds between December 1 and February 29. Details by budget amendment and a summary of the changes are provided in Appendix C
- Operating plan changes and program transfers meeting requirements for LFC review received between December 4 and February 29. Letters from the Office of Budget and Program Planning outlining these proposed changes are included in Appendix D
- Other agency reports statutorily required to be provided to the LFC

LFC Review

Staff reviewed budget amendments, operating plan changes, and program transfers and have raised no concerns of the transactions meeting statutory criteria. The LFC may wish to comment on the transactions during its review and discussion of the March FY 2016 Budget Status Update.

HB 2 General Fund By Agency

The following table illustrates the budgeted and actual expenditures of general fund for HB 2 through February 29. The budgeted number reflects the March modified budget as previously discussed. A summary of budgetary changes by section, agency, and program can be found in Appendix A.

[1] Non-budgeted proprietary funds include both internal service and enterprise funds. HB 2 includes legislatively adopted rates for internal service funds. The rates approved by the legislature act as both revenue and expenditure caps as the rates are the maximum the program may charge during the biennium. The legislature does not approve rates or appropriate funds for the majority of enterprise funds.

[2] By statute, an agency may re-appropriate up to 30% of unused appropriations for personal services, operating expenses, and equipment in HB 2. The funding may be "carried forward" for use in the next two years for any purpose that is consistent with the agencies' goals and objectives. For budgeting purposes carry forward authority is considered a one-time-only (OTO) appropriations.

Comparison of Modified Budget to Year to Date Actual Expenditures
FY 2016
HB 2 - General Fund Only

	FY 2016 Modified Budget	Actual and Accruals	% Expended
Section A - General Government			
Legislative Branch	$12,794,317	$7,731,367	60.4%
Governor's Office	9,376,140	3,951,786	42.1%
Commissioner of Political Prac	681,125	420,554	61.7%
State Auditor's Office	4,500,000	2,594,134	57.6%
Department of Revenue	54,282,625	31,177,370	57.4%
Department of Administration	7,685,762	4,148,221	54.0%
Department of Commerce	7,324,891	3,494,951	47.7%
Department of Labor & Industry	1,875,267	1,264,602	67.4%
Department of Military Affairs	6,481,572	3,618,557	55.8%
Section A - General Government Total	105,001,699	58,401,541	55.6%
Section B - Health and Human Services			
Department of Public Health and Human Services	505,884,833	298,415,061	59.0%
Section B - Health and Human Services Total	505,884,833	298,415,061	59.0%
Section C - Natural Resources and Transportation			
Department of Fish,Wildlife, and Parks	973,158	347,788	35.7%
Department of Environmental Quality	5,595,412	2,938,450	52.5%
Department of Livestock	2,656,816	1,149,747	43.3%
Department of Natural Resources and Conservation	28,265,506	17,149,125	60.7%
Department of Agriculture	981,141	556,477	56.7%
Section C - Natural Resources and Transportation Total	38,472,033	22,141,588	57.6%
Section D - Judicial Branch, Law Enforcement, and Justice			
Judicial Branch	48,531,678	26,189,958	54.0%
Board of Crime Control	2,480,780	1,519,003	61.2%
Department of Justice	34,759,844	19,954,960	57.4%
Office of the Public Defender	34,682,575	20,453,326	59.0%
Department of Corrections	198,812,191	117,915,364	59.3%
Section D - Judicial Branch, Law Enforcement, and Justice Total	319,267,068	186,032,611	58.3%
Section E - Education			
35010 Office of Public Instruction	780,805,388	483,766,850	62.0%
51010 Board of Public Education	187,428	94,569	50.5%
51020 Commissioner of Higher Ed	241,563,673	173,852,090	72.0%
51130 School for the Deaf & Blind	7,044,650	4,153,046	59.0%
51140 Montana Arts Council	550,429	306,698	55.7%
51150 Library Commission	3,062,738	1,787,102	58.3%
51170 Historical Society	3,481,038	2,032,182	58.4%
Section E - Education Total	1,036,695,344	665,992,537	64.2%
Grand Total	$2,005,320,977	$1,230,983,338	61.4%

As reflected in the figure, state agency expenditures supported through general fund are 61.4% expended compared to about 66.0% using fiscal year expenditure percentages. Over $1,727.0 million of the $2,005.3 million in FY 2016 general fund appropriations or 86.1% is contained in four state agencies:

- Department of Public Health and Human Services
- Department of Corrections
- Office of Public Instruction
- Commissioner of Higher Education

Agency spending by these four agencies drives the overall general fund 61.4% expended. Discussion of general fund expenditures can be found in the section narratives for each agency beginning on page 20.

HB 2 State Resources By Agency

The following table illustrates the budgeted and actual FY 2016 expenditures for all state resources appropriated to state agencies through HB 2. This includes general fund, state and federal special revenue, and budgeted proprietary funds. As discussed previously budget changes are included in the modified budget used for comparisons.