

Montana Coal Board
Meeting Minutes
June 20, 2019
Billings, MT

Board Members Present

Chairman John Williams, Vice-Chair Sidney Fitzpatrick, Tim Schaff, Marianne Roose, Amber Henning, Veronica Small-Eastman, and Sean Smith was absent.

Montana Department of Commerce Staff Present

Jennifer Olson, Division Administrator, A.C. Rothenbuecher, Operations Manager, Anne Pichette, Administrative Officer, and Anita Proul, Executive Assistant.

Public Present

Marc R. Osborn	Fuego Volunteer Fire Chief
George Real Bird III	Big Horn County Commissioner
Thomas M. Stockert	Musselshell County Rd Dept
Jay Kohnn	KTVQ Billings
Brad Pfeiffer	Hawk Creek VFD
Brent Burton	Colstrip Public Schools
Lon Sibley	City of Roundup
Denis Pitman	Yellowstone County Commissioner
Bob Pentecost	Bob Pentecost Const.
Jody Bird Williams	Colstrip, MT
Casey Joyce	Grant Writer & Consultant
Bruce W Brown	Colstrip School Board
Fred Morgenthaler	Fuego VFC
Robert N. Hurd, MD	Chairman Fuego Fire Service Area
June Beartusk	NCMA
Debbi Beartusk Dove	Everything Beautiful Thrift Store
Marshall Phil	Blueline Engineering
Becky Bey	KLJ
Kelli Roemer	MSU Student
Jim Atchison	SEMDC
Ken Holmlund	MT State Legislature HD 30
Dianne Lehm	Big Sky Econ
Rudy King, Jr.	Big Horn County
Larry Vandersloot	Big Horn County Commissioner
Bill Hodges	Big Horn Hospital Association
Joanne Schrupp	Colstrip Public Schools
Bob Lewandowski	Colstrip Public Schools
Paula Small-Plenty	Big Horn Hospital Association
Eldon C. Johnson	Hardin School District
Tyler Bush	McKinstry
Nicole Borner	Musselshell County Commissioner
Tory Kolkhorst	Senator Daine's Office
Ryan Tooke	Dahl Memorial Healthcare Association
Ed Joiner	Rosebud County Commissioner

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Pastor Dean Smith	Everything Beautiful Thrift Store
Kathie Bailey	Snowy Mountain Development Corporation
Michael Fuss	Big Horn County Sheriff's Office
Chad Hanson	Great West Engineering

Welcome – Call to order

Chairman Williams called to order the meeting of the Montana Coal Board at 8:30 a.m.

Roll call

Ms. Pichette called the roll for board members. The following board members were present: Chairman Williams, Vice-Chair Sidney Fitzpatrick, Amber Henning, Marianne Roose, Tim Schaff, Veronica Small-Eastman, and Sean Smith was absent.

Opportunity for Public Comment

- Tom Stockert – Musselshell County Road Department, thanked the Board for past support.
- Jim Atchison – SEMDC, congratulated everyone involved with the successful passage of HB 292, Rep. Usher, Rep. Holmlund, Rep. Jerry Custer, and Sen. Duane Ankney, keeps 5.8% rate good for another 4 years, through June 2023. Gave handouts – 16th Annual Energy Open and newest Montana Coal Council brochure. Update One and Two – closing December 31st/ de-commissioning process started, no word on jobs. Economic development - we will continue to move forward at break-neck speed and continue to minimize negative impacts and increase diversification opportunities. Will keep the Coal Board informed and opportunities and success stories as they come out.
- Paula Small-Plenty – Big Horn Hospital Assoc. and Heritage Acres, Project 810 elevator modernization, thanked the Coal Board for the overall project funding and for the extension granted in 2018.
- Bill Hodges – Big Horn Hospital Association, project update and handed out brochures. Hope to have phase one done in 2 ½ weeks. Really benefiting the public that they serve. Thank you.
- Kathie Bailey – Snowy Mountain Development Corporation, ditto to Jim Atchison's comments. Asked if board want letters of support attached to applications? i.e. Rep. Usher indicated he supported Musselshell County and Roundup applications but wanted to know why he wasn't asked for a letter. Chairman Williams replied that it would be appropriate to hear about support – always good to hear about that type of support.
- Tory Kolkhorst – Senator Daine's Office, federal update on new EPA rule – Final Affordable Clean Energy Rule, also called ACE. Repeal clean power plans. Replaces prior administrations clean power plans. Restores rule of law. Empowers states and supports energy diversity and affordability. ACE would protect Montana's high paying jobs, especially that have to do with coal and Colstrip.

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Approval of Minutes (March 21, 2019)

- Chairman Williams called for discussion from the Board regarding the minutes and any comments from the public. No discussion or comments.

Action by the Board: Ms. Roose made a motion to approve the minutes. Ms. Henning seconded. Minutes were approved.

Budget Status Update

- Ms. Olson discussed the budget update report that was handed out by Ms. Pichette. Provided the most current and updated information for any decisions and any awards today. The update was as of June 14, 2019.

	<u>Direct</u>
Funds available for 2019 Biennia:	\$6,822,204.00

2018 State Fiscal Year (July '17 – June '18)

- | | |
|---|----------------|
| • Funds appropriated for SFY 2018: | \$3,403,336.00 |
| • Coal Board funds awarded for SFY 2018: | \$3,403,336.00 |
| • Revenue available in Coal Natural Resource account: | \$3,631,279.46 |
| • Balance of available SFY 2018 appropriation: | <u>\$ 0.00</u> |
| • Balance of available revenue less awards made: | <u>\$ 0.00</u> |

2019 State Fiscal Year (July '18 – June '19)

- | | |
|---|-----------------------|
| • Funds appropriated for SFY 2019: | \$3,418,868.00 |
| • Coal Board funds awarded for SFY 2019: | \$2,106,090.00 |
| • Revenue available in Coal Natural Resource account: | \$ 632,809.73 |
| • Balance of available SFY19 appropriation: | <u>\$1,312,778.00</u> |

Bi-Total awarded:	\$5,509,426.00
Bi-Total Revenue:	\$6,231,796.87
Bi-Total appropriation available:	\$1,312,778.00
Bi-Balance of available revenue:	\$ 494,427.41

Total 2018 funds reverted: \$138,382.32
Balance of revenue with reverted funds: \$632,809.73

- Ms. Olson informed/reminded them that of the total appropriation available \$1,312,778.00, if any is left on the table at the end of June that it will be lost and not carry over to the new biennium.

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- Ms. Olson - currently, projects in front of board in exceedance of total amount of appropriation in regards to requests but do have less than the amounts of revenue in the account. Recommending, of the \$632,809.73, that is cash available in the account, those can be awarded to projects today. However, any projects the board would like to award that are the difference between the \$632,000 and the \$1.3 million in available appropriation authority, that those be awarded contingent upon revenue received during the 2019 Biennium but reported by the Department of Revenue likely in the 2021 Biennium – July.
- Ms. Olson – update also shows 7% Tribal/State, Designated, and Non-Designated and where they stand.
- Chairman Williams asked for Board discussion or questions and any questions from the public on Ms. Olson’s update. No discussion or comments.
- Chairman Williams thanked grant recipients for returning or reverting unused funds as that allows the board to support additional projects.
- Chairman Williams reminded the board of the shortfall of cash on hand versus the grant applications and the appropriated amount of funds and asked that the board specify in their motions weather it is cash on hand or contingent.

Action by the Board: Mr. Schaff made a motion to approve the budget. Ms. Henning seconded. Motion passed.

Project Updates

- Number of projects awarded since the beginning of the 2019 Biennia: 46
- There are currently 38 open contracts and 6 in process
- Ms. Olson requested of the Chairman and Board to please help with executing the contracts by June 30th. With fiscal year end, they need to be executed by the end of June or the funds will not be secured and not securely obligated.
- Ms. Pichette reminded the Board about moving exclusively to the MT.gov emails and that help logging in would be available after the meeting for those needing it.
- Ms. Pichette provided updated information from numerous awardees regarding completions, extension requests, draws, and contract routing. See the following for a prioritized list approval and scope of work change:

**Contract #0830 Northern Cheyenne Utilities Commission – Water and Wastewater Equipment
\$170,356**

- Ms. Pichette – Board awarded but requested a prioritized list of equipment that the utilities commission wanted to order. List provided by grantee and needs approval by board

Action by the Board: Ms. Roose made a motion to approve the prioritized list. Mr. Schaff seconded. Motion passed.

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Contract #0846 Hardin Public Schools – Activity Center Pool Roof Replacement **\$100,000**

- Ms. Pichette – scope of work change. Original contract for roof replacement on the pool, scope change to use award to purchase some fire suppression that they feel is a more urgent need.
- Chad Johnson, Superintendent Hardin School District – passed out two sets of documents and explained why they are requesting a scope change. Much larger issue with facility than the roof, the entire facility needs attention and don't want to put ½ million-dollar investment into the roof when chances are something more drastic will have to be done with the building. With permission of the school district board, looked to submit a scope change for the award of #0846 and take it away from the improvement on the roof and put it into fire suppression throughout the entire district.

Action by the Board: Mr. Schaff made a motion to approve scope change. Ms. Small-Eastman seconded. Discussion from Board –

- Ms. Henning – since changing scope drastically from roof repair to fire suppression, concern in allowing change is that original environmental check list and environmental impact related to the roof and need to know if compliance with MEPA has been done in relation to fire suppression? Cannot personally approve a change in scope without documentation. Mr. Johnson confirmed that documentation is not available at this time.
- Chairman Williams – the motion had been moved and seconded and that Ms. Henning brought up a good point about the environmental assessment and public hearing process. Suggestion to board that an amendment to motion be made requesting environmental assessment.
- Ms. Pichette – this original contract has not been executed and for these funds to be obligated, some type of contract for this project will need to be executed. Typically, when you get a scope change, it is for a contract that has already been signed. Options for motion to possibly allow for a light contract that is contingent on the environmental documentation; however, to have these funds obligated in this fiscal year, some type of contract will have to be signed.
- Ms. Henning – move to amend the motion to allow change in scope contingent on the environmental process being completed.
- Ms. Olson – responsibilities for environmental review process. Coal Board grants go through a MEPA process and if board chooses to take action on an exempt activity, you are within your right to do that, but awarding contracts contingent upon further environmental review doesn't technically follow the MEPA process because it doesn't afford for public comment and you are taking action on a project that hasn't been vetted by public.
- Ms. Henning – withdraw amendment to motion
- Chairman Williams – amendment withdrawn. Asked for guidance on next steps.
- Ms. Olson – options, 1- school board executes original contract and completes activity, or not, and comes to the Coal Board with a change of scope that is further deliberated on regarding the environmental review; 2- proceeding with the original project.

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Action by the Board: Chairman Williams referenced the current motion, that was moved and seconded, to approve the scope change and asked for a vote; Ms. Pichette called for vote: Yes = Vice-Chair Fitzpatrick, Ms. Roose, Mr. Schaff, Ms. Small-Eastman, Chairman Williams; No = Ms. Henning.

Action by the Board: Chairman Williams made a motion to bring #0846 back to the table for reconsideration. Ms. Henning seconded.

Discussion from Board –

- Ms. Henning – scope of work change. Original contract for roof replacement on the pool, scope change to use award to purchase fire suppression. The Issue comes because the scope request change is completely different than the original application request. MEPA requirements must be followed. Under MEPA you can either ask that your grant request be categorically excluded under the criteria; that goes through a public comment period and the local government or entity taking on the grant request takes that responsibility going through that process. Other options are doing an environmental assessment or what is called an EIS. When the board received the scope change request, there was no documentation or discussion from Hardin Schools whether this new change of the fire suppression system meets MEPA. Without that documentation, the board cannot make that scope change because they are taking on that liability and do not have the authority under the statutes either. Other problem is fiscal year end is June 30th and there is not enough time for Hardin Schools to go back and try to do all this process and bring it forward to the board again for the board, under statute, to approve such a scope request. Really not a scope request change, in and of itself, is actually a new application and board does not have a full application. For those reasons, recommend the board deny the scope request change due to the lack of documentation. Three-fold, moving to reconsider the motion and vote on that, after that, suggest that the board rescind the prior motion of approving the scope change, then make a new motion denying the scope change.
- Chairman Williams asked for Board discussion or comments from the public. No discussion or comments.
- Chairman Williams asked for a vote on the motion to bring the previous motion back to table – All Yes

Action by the Board: Ms. Henning made a motion to rescind previous motion approving the scope change for #8046. Mr. Schaff seconded.

Discussion from Board –

- Ms. Henning – under the board’s statutory criteria, do not have the authority to approve the scope change at this time.
- Mr. Schaff – realize that, statutorily, can’t move forward the way I made the motion, but can we categorically exclude based on what I know is going to happen when they work on that construction project?
- Ms. Henning – that is an option, I strongly urge the board we do not do that without proper documentation. We do not have the information in front of us as to which school, as it is for the

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district, is getting the fire suppression system. We just don't have the needed documentation – wish we could approve the scope change as it is a vital and important request, but without the required documentation, I just can't support this change.

- Ms. Roose – could motion be made to categorically exclude contingent upon them providing the categorical exclusion?
- Ms. Henning – again, don't think that would work as we would have to get everything in within 10 days, by the end of the fiscal year. Unfortunately, don't think we have enough time due to needing to have another public meeting and the meeting publicly noticed.
- Chairman Williams – this is \$100,000 request for change. Because of the issues that would possibly be precedent setting and the other issues associated with this that Ms. Henning has already identified, I do not feel it places value on us to move forward with this. The other thing we can do is to encourage the Hardin School District to make another application. They can come forward at the next meeting with a new application and have all of the issues associated with their request identified and follow through the process as it has been identified.

Chairman Williams asked for comments from the public. No comments.

- Ms. Rothenbuecher – just notified that the superintendent would be returning in about 20-30 minutes so that's probably why you are not having any additional public comments at this time.

Chairman Williams asked for any other discussion.

- Mr. Schaff – moved to table the motion to rescind until the superintendent returned.
- Ms. Henning – recommend voting on motion to rescind now and then tabling discussion until the superintendent returns, then we would be having a new motion either approving or denying at that time.

Chairman Williams asked for any other discussion from the board or public. No Discussion.

Chairman Williams asked for a vote – Ms. Pichette called for a vote: Yes = All Board Members

- Passed motion to rescind pending discussion with superintendent upon his return.
- Mr. Schaff – question to staff: If we deny the scope, they've already been granted the \$100,000 on the pool, they are going to basically say they are going to give that money back or they have to execute the contract on the pool roof – correct?
- Ms. Olson – recap: If you deny change of scope, there is still an outstanding contract that is not yet executed, if not executed by the end of the biennium, the money goes away. Important discussion to have with the superintendent when he returns – what their thoughts/next steps are. If the fire suppression system is their priority, how will they meet the contract execution date by fiscal year end?
- Chairman Williams – the Hardin School District Superintendent, Chad Johnson has returned to the meeting, board can readdress. Asked Superintendent Johnson if he had been informed of the process/things that have occurred?
- Mr. Johnson – No

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- Chairman Williams – request pulled of the table and have a motion to rescind that motion because of issues associated with request – rethinking to do and why we asked you to come back in. Introduced Ms. Henning so she could explain the problem/situation.
- Ms. Henning – explained the boards discussion/problems with the scope change request and the direction from the Board attorney in Helena. Leaves you with two options – board will have a motion again to approve scope request, if not approved, continue on original contract with pool roof for the \$100,000 or you can terminate the contract and reapply in the next biennium for the fire suppression system for the \$100,000.
- Mr. Johnson – understand the decision. Would rescind and ask that agreement be canceled. Makes no sense to continue with project with the original scope, not a wise investment of funds and if we can't go the other way, I would ask then that be removed, and the contract be canceled.
- Ms. Henning – the public commends you because that leaves more money to grant.
- Chairman Williams – thank you, Superintendent

Action by the Board: Ms. Henning made a motion to deny the scope request change for #8046. Mr. Schaff seconded. Ms. Pichette called for a vote: Yes = All Board Members
Chairman Williams – Motion to deny granted

Discussion from Board - asked about the \$100,000 for awarding and impact of rescission

- Ms. Olson – stated that applicant had to submit contract by June 28th to receive funding.
- Mr. Johnson – I will rescind my decision to cancel project #0846 and have contract submitted by June 28th

Contract #0850 Big Horn County – Big Horn County Memorial Hospital Renovation \$250,000

Ms. Pichette – scope change for Big Horn Hospital Association project. Asking for a scope change to turn this large project into phases.

Bill Hodges, Big Horn Hospital Association Foundation Director – explained phases and requested that the \$250,000 that has already been awarded be allocated to the first phase that has already been completed.

Action by the Board: Ms. Small-Eastman made a motion to approve scope change. Ms. Roose seconded. Vice-Chair Fitzpatrick recused himself from vote. Motion Passed.

Further Staff Updates

- Ms. Pichette – reminded the Board that, as a carryover from orientation the previous day, the board discussed having a work session to talk about the boards policies and procedures that the board follows regarding public participation, also looking at all aspects of that including election of officers and any other policies that may need to be updated. This would be an agenda item for the next meeting
- Ms. Olson – clarified work session and directed the board to their Orientation packet, Tab 8 and encouraged the Board to review the Coal Board procedures and what they would like to do to

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change to ensure following open meeting law and public participation law. Any changes that are recommended will be presented at the following subsequent meeting for the public to comment on.

- Ms. Olson – HB652 passed legislation that provided for Delivering Local Assistance funds, new funds, \$21.5 million available for local governments to apply between June 1st and September 30th to the Department of Commerce so that communities that are experiencing impacts from natural resource development could receive funding to specifically address some of those impacts in their communities.
- Ms. Olson – HB292, thank you/appreciation to Representative Usher for carrying that bill.

Coal Impact Report

Chairman Williams directed the public to the report on the table in the back of the room

- Ms. Olson – Department of Commerce is charged with biennially designating coal impacted communities. Can be reviewed any time during biennium, most appropriate at end of biennium so designation goes back to board so board can see where designated communities are and make awards based on that designation. Statute also provides that no more than 50% of the funds appropriated to board are awarded to non-designated communities – majority of funds going to designated communities. Ms. Olson explained/reviewed the report, which was also available in the board packet.
- Chairman Williams asked for Board discussion or questions and any questions from the public on Ms. Olson’s update.
- Chairman Williams – with the identified closure of Units 1 and 2, could this report show energy production that has occurred over the years and the impact of that, on the report.
- Ms. Olson – happy to consider that. We will take that information back and look at what that request is regarding what is required in the statute. We want to make sure that we are not adding anything or taking away from anything that is already provided in the statute to carry that out.
- Ms. Olson – thank you to the Resource Information staff at the Department of Commerce, they provided a lot of information in regards to the analysis of data collection and also the GIS mapping. They were largely involved and very instrumental in giving us facts to work with to develop the report.

No other board or public discussion or comments.

New Business

Chairman Williams – reminded the board that there are funds available and appropriation available. Suggestion to board, go all the way through the applications and come back and make recommendations and motions for awards, and as motions are made that they are specific to the amount and how the funding will occur.

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Application #0871 Musselshell County – New Mower for Road Department **\$58,736**

- The applicant is requesting \$58,736 to complete the purchase of a new mower.
- Tom Stockert – Musselshell County Road Dept, currently only have one mower and just over 500 miles of road and about 1,100 miles of barrow-ditch for one mower. Tall grass at the edges of roads critical – visibility problems, fire hazard, and snow drifts in winter. New mower cuts time in half, more efficient. Safety concern with old mower nearly rolling over to go in ditches, side arms on new mower maintain tractor on roadway and swing mower down into barrow ditch. Thank you.

Action by the Board: Ms. Roose moved to fund \$58,746 from cash. Ms. Henning seconded. Ms. Pichette called for a vote: all yes. Motion approved, number two priority.

Application #0872 Yellowstone County – New fire station for Fuego Fire Service Area **\$135,080**

- The applicant is requesting \$135,080 to complete the building of a new fire station.
- Casey Joyce – Grant Writer/Consultant, build off MT Hwy 3 between Indian Cliffs subdivision and city of Acton, north of Billings. A lot of residential growth in the area and their equipment is currently stored on the west end of billings takes about a half hour to 45 minutes to get up to their fire service area. Submitted meeting minutes/documents to satisfy environmental. Submitted foundation and floor plans in response to the engineering report. Information on number of bays and construction materials – builder contractor is here, may be able to answer those questions or the board members and trustees for the fire service area are here and might be able to address those. Thank you.
- Marc Osborn – Fire Chief, vital service we provide with Yellowstone County (YC) and we are a signatory on mutual aid response with all the volunteer companies in YC. Wanted to impress upon you the importance of having our fire equipment near where we are at. Meetings are sporadically throughout the area in Billings at personal homes. Until this year, equipment stored in my personal garage, but I just couldn't do it anymore. Equipment deteriorating sitting out in the sun. Did go out for multiple bids. Thank you.
- Dr. Robert Hurd – Resident of Fuego and original member of Fuego which was a private fire department, been going for over 25 years – area has grown to where more equipment needed, more homes, vital to get equipment under cover. Fuego Fire Service area is a government entity, board appointed by YC and I am chairman and can answer any questions from the public nature of things. Thank you.
- Dennis Pittman – YC Commissioner, you have our letter of support and hope you will consider awarding this with the rail line going through there, the response time is vital for the fire house to be there. Thank you.
- Fred Morgenthaler – Secretary/Treasurer Fuego Volunteer Fire Dept, here to answer any questions on financing/numbers. Critical need – 6 wildland fires last year and our department was a first responder to every fire because the equipment was parked at personal homes – just not feasible for operation of a fire department. Been a fire service area for about 3 years, been

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part of the county neutral aid program as long, and in that 3 years have responded to every 911 page received – car wrecks, heart attacks, fires, whatever – we are a dedicated, hard-working, conscientious group. Thank you.

Questions and comments from the Board –

- Chairman Williams – you are a new district, correct? Formed in 2016? How do you currently receive your funding? Did you form a district in 2016 so you have taxing authority within your district?
 - Marc Osborn – correct, we officially formed in 2016. Informally being covered by Shepherd Fire previously. No, it is a fire service area not a district, there is a difference. Have a contract with YC. We went out to all members and asked for \$300/household, about 40% gave money, so we were trying to figure out how to make it more equitable. With the YC contract, there is an assessment that the county does, believe \$.15/acre so my house is on 10 acres, I pay about \$1.50. If we were to operate just on that we would be in trouble. Have based everything on donations and the generosity of people up there.

Action by the Board: Ms. Small moved to fund \$135,080 from cash. Vice-Chair Fitzpatrick seconded. Ms. Pichette called for a vote: all yes. Motion approved, number six priority.

Application #0873 Colstrip Public Schools – Replace Bleacher Seating and Resurface

Gym Floor **\$473,550**

- The applicant is requesting \$473,550 to complete the replacement of bleacher seating for ADA compliance and resurfacing of the gym floor.
- Bob Lewindowski – Superintendent, Colstrip Public Schools, Thank you! Colstrip Days 21st, 22nd, 23rd. Address 10-day rule for the minutes of the Colstrip Public School Board’s actions – environmental determination. I have asked that they be included and waive the 10-day rule.

Action by the Board: Ms. Henning moved to waive the 10-day requirement and allow Colstrip Public schools to submit their meeting minutes. Mr. Schaff seconded.

Discussion from the Board and comments from the public. No discussion or comments.

Ms. Pichette called for a vote: all yes except Chairman Williams abstained.

- Bob Lewindowski – Superintendent, also address the staff report. Opportunity to add for consideration – project is first and foremost issues of safety which include the need to sand and refinish the gym floor. Address the degree of local effort meeting the needs – ask the board to note that on behalf of the people of Colstrip and our school district, we’d ask the Board to note that the community of Colstrip has supported annual levies and special levies and requests that come from Colstrip Public Schools for over three decades without fail. Mr. Lewindowski further explained/expanded why Colstrip Public Schools is applying for this grant and the degree of taxpayer’s efforts meeting the needs. Thank you.
- Brent Burton – Vice-Chair Colstrip School Board, long-term resident/small business owner and can speak to the impact the school has on the community. Have over \$3.5 million in deferred

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maintenance in district, this will go a long way towards taking care of that and the safety issues. Thank you.

- Bruce Brown – Colstrip School Board, long-term resident and thank you for the consideration of this application.
- Tyler Bush – Project Manager, Mckinstry, school district looking at declining numbers and wanted an assessment of their facilities – centralization project. Phased project for centralization, district considers the high school the anchor facility. Other improvements will be done to the high school that trigger ADA rules and this is initial ADA compliance project for those measure to be installed. High is the anchor for project and the community. Thank you.
- Jim Atchison – SEMDC, support this project. They are a major employer in our community, one of biggest in Rosebud county as well. This school district is one of five tax districts directly impacted within the community of Colstrip. They are working their centralization plan into the economic development plan and others as well. Two school district buildings are available for potential redevelopment as well. Thank you.
- Joanne Schrupp – District Clerk/Business Manager Colstrip School District, long-term resident. The last time district came to the Coal Board for help was when the school was opened. In the interim, have promoted and maintained the facilities on our own. With the declining of coal, the district finds themselves in a position of wanting to set themselves up for the future in a good way. Expanded on the safety and ADA needs of the high school. We ask you for your support and thank you for the service that you provide coal country in your service to the state.
- Jody Bird Williams – Colstrip, when you look at what the high school does for the entire county, and it is the 5th largest in Montana, it is a great benefit. I hope you give us some favor
- **Questions and comments from the Board** – Did you receive multiple bids on this equipment and the resurfacing? What is current seating? In your letter is says you will have a loss of 500 seats.
- Tyler Bush – No. With regards to the specific bleacher equipment, we used MT Co-Op which is a service provided by the Montana School Board Association. They go out for bid process and select vendors that are on a pre-approved list, so those are the vendors that have been selected and those are the budget numbers reflected in that.
- Bob Lewindowski – seating right now is 2500. We look to host 2000 seats – would lose seating to do this because the isles would have to be widened and push back some seating for wheelchair access, etc.

Action by the Board: Mr. Schaff moved to fund full amount \$473,550 - \$207,224 from cash and \$266,326 contingent. Vice Chair Fitzpatrick seconded. Ms. Pichette called for a vote: all yes, except Chairman Williams abstained. Motion approved, number seven priority, but number one priority for appropriated funds.

Application #0874 Musselshell County – Upgrade Hawk Creek VFD Building

\$15,848.00

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- The applicant is requesting \$15,848 to complete the purchase of materials to upgrade the Hawk Creek Volunteer Fire Department building.
- Brad Pfeiffer – Fire Chief Hawk Creek VFD, gave a handout highlighting/explaining who the fire department is and what they need. Fire department formed in 1985 and serve all the unincorporated areas of Musselshell County including the town of Musselshell. Experienced a lot of growth, last time here 2014/15 for help with a command vehicle and search and rescue vehicle. Provided statistics on equipment, firefighters/EMT's, and other departments they support. Build and maintain equipment, receive a very small county budget, work hard on donations including from firefighters. Blessed with county giving them an old building but had to tear down/move/set up - done with donations. Looking to do all the work themselves. Looking to turn cold storage into a warm storage building. Explained how they can provide the labor. This grant request will take the entire inside of the building and finish it to where it is fully heated, insulated and ready for winter.
- **Questions and comments from the Board / Response** – This is what Montana is and this is what coal country is. This is one of the best examples of that that I have seen since I started on the board. Thank you for the presentation.
- Brad Fifer – thank you very much, it means a great deal to us.

Action by the Board: Ms. Henning moved to fund \$15,848 from cash. Ms. Roose seconded. Ms. Pichette called for a vote: all yes. Motion approved, number four priority.

Application #0875 Colstrip Hospital District – Purchase Monitor/Defibrillator Units and Radiology Equipment

\$55,000

- The applicant is requesting \$55,00 to complete the purchase of two monitor/defibrillator units and radiology equipment.
- Jim Atchison – SEMDC, address the resolution, affidavit, and public notice including the minutes of what the clinic board did recently; basically, determined a categorical exclusion exists because it is equipment. Have that to hand out at this time and ask the board to concur with that.

Action by the Board: Ms. Henning made a motion to accept the resolution and documentation provided by the Colstrip Hospital District and waive the 10-day rule. Mr. Schaff seconded.

Discussion from Board and public. No discussion.

Ms. Pichette called for a vote: all yes except Chairman Williams abstained. Approved to accept the environmental determination and resolution as it has been handed out.

- John Poole – Administrator Colstrip Medical Center, point of clarification, staff report and application, our application is correct. The millage rates over the last 3 years, averaged 8.56 mills and it goes up yearly. Current rate this year is 9.15 mills and we always levy maximum we can. These have been backed up by the county treasurer and our auditors. Audit in packet handed out. Explained the need and urgency for the equipment. Overall, we believe the

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equipment will improve our patient quality, safety, and the care we provide and become a lot more efficient. We appreciate your consideration of our project and thank you very much.

- Janice Breyer – Chairman Colstrip Medical Foundation, our goal, is a group of people that do fundraisers throughout the year to raise money to purchase things that the Colstrip Medical Center may need. We have been doing fundraisers for 3-4 years for the radiology equipment. The Colstrip Medical Foundation is willing to donate \$15,000 towards that equipment. Feel it's an important thing for our community and we work very hard throughout the years and provide fundraising for the Colstrip Medical Center.
- Jim Atchison – Explained impacts and the 5 tax districts. Only healthcare in our community. Part of planning document. Working closely with city and county on their goals/revisions going on at this time.
- Ed Joyner – Rosebud County Commissioner, we support this project and very well needed. Important to our community and surrounding areas. We appreciate your support, thank you.
- Chairman Williams - on your application you provided the management discussion and analysis and also a copy of the audit report and every governmental unit is required to put together a management discussion and analysis geared toward the audit report and it makes it easy for the layman to go through and take a look at the financial position of the local government unit. It's a great report and I'd like to have this as a requirement on our application. I would like to put this on the agenda for discussion. Response to Ms. Olson's question – Yes.
- Ms. Olson – clarification, are you asking at the next Coal Board meeting that we bring to the Board our example or template application to be considered for changes and updates? Also, to advise the Board, any changes you want to make to the application, you can consider them at the board meeting, but you can't take any action on them until it goes through an Administrative Rule Process (ARM). Slightly different than normal practice – discuss those changes here then the department would carry out an ARM proceeding separate because the application is adopted into ARMs, though you might want to look comprehensively and staff has potential suggestions just to organize the application to be a little bit easier to apply.
- Jody Bird Williams – go to their board meetings sometimes, these guys do a lot and they work really hard with what they have and provide great support. Your chairman is walking/talking testimony how good they are. I hope you will approve their request.

Action by the Board: Ms. Roose moved to fund \$55,000 from cash. Ms. Henning seconded. Ms. Pichette called for a vote: all yes, except Chairman Williams abstained. Motion approved, number three priority.

Application #0876 Carter County – Electronic Health Record System

\$135,000

- The applicant is requesting \$135,000 to complete the replacement of the electronic medical records software for Dahl Memorial Healthcare Association.

Action by the Board: Vice-Chair Fitzpatrick moved to waive the 10-day requirement and allow Carter County to submit their resolution. Mr. Schaff seconded.

Discussion from the Board and comments from the public. No discussion or comments.

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Ms. Pichette called for a vote: all yes. Motion approved.

- Ryan Tooke – CEO Dahl Memorial Healthcare, Ekalaka – Electronic system will not meet the 3 stages of meaningful use for Medicare. Have secured other funding sources/loans. Award from Coal Board would be greatly appreciated, but project is covered if award doesn't happen. Community involvement - mills have drastically increased due to the pipelines going through, county always very supportive of healthcare facility. Significant growth in community, electric co-op just built new building – want board to feel comfortable that you're not putting money into a black hole.
- **Questions from the Board** – environmental not completed, do you have additional documentation for board? Do you have the minutes, just need the minutes? Need as soon as possible. With the other funding sources discussed, are you still requesting the \$135,000?
- Ryan Tooke – yes, info was emailed, and receipt confirmed. Requested an exclusion, commissioners noticed it, had public hearing. May I have the Clerk & Recorder email minutes to me before the end of the meeting? Yes, but smaller award is appreciated, anything is helpful.

Action by the Board: Ms. Henning moved to fund remaining appropriated amount. Vice-Chair Fitzpatrick seconded. Ms. Pichette called for a vote: all yes. Motion approved, number three priority from appropriated funds.

Application #0877 Big Horn County – Data Terminals for Vehicles and Desktop Computers \$32,800

- The applicant is requesting \$32,800 to complete the purchase of data terminals for vehicles and desktop computers for the Sheriff's Department.
- George Real Bird III – Big Horn County Commissioner, handed out request to modify original grant request. Received grant from 911 to fund 20 mobile data terminals. Would like to take those out and add 9 additional PCs? Must update all sheriff's office computers as well as server. Add PCs and server for \$39,915, approximately \$26K less than original grant amount and county funding at 50%. Respectfully request Coal Board grant funding of \$19,957.50 for project. Handed out budget for change request.
- Michael Fuss – Captain Big Horn County Sheriff's Office, explained need for computers and updated operating system.
- **Questions from the Board** – (procedural) asking for a change in application, does it need to be noticed and put forward to the next meeting? Clarifying, 15 computers or 9? The number with 50% from the county, \$19,957.50?
- Ms. Olson – because it has been noticed, the application is here, that allows board to have this conversation right now and make determinations. This is embodied within the conversation of the application.
- Michael Fuss – 15. That is correct dollar amount.

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Action by the Board: Ms. Small-Eastman moved to fund \$19,958 from cash. Ms. Roose seconded. Ms. Pichette called for a vote: all yes, except Vice-Chair Fitzpatrick abstained. Motion approved, number five priority.

Application #0878 Rosebud County – Construct New Thrift Store in Lame Deer \$150,000

- The applicant is requesting \$150,000 to complete the construction of a new thrift store building.
- June Beartusk – Northern Cheyenne Ministerial Assoc (NCMA) we appreciate the time we've been given to present our request. Would like to request to waive the 10-day rule and permission to provide public hearing notices, minutes, and categorical exclusion resolution, and photos of thrift store project – handouts provided.

Action by the Board: Ms. Henning moved to waive the 10-day rule and allow Rosebud County to submit the afore mentioned documents. Ms. Roose seconded.

Discussion from the Board and comments from the public. No discussion or comments.

Ms. Pichette called for a vote: all yes. Motion approved

- June Beartusk – grant money is to finish the interior of the Everything Beautiful Thrift Store. Explained the mission and urgent need for the thrift store as well as the scope of the project. We extend our gratitude and thank you to the Montana Coal Board for a previous award of \$300K to construct the shell of the thrift store building. Thank you for your consideration.
- Pastor Dean Smith – Morning Star Baptist Church, Northern Cheyenne Indian Reservation. Chair and Co-Chair apologize for not being here. Honored to stand before you. Walked through panels of pictures, reinforced the need for the thrift store and thank you for the seed money that got us going. A lot of great causes here and for limited dollars, if the board considers our recommendation that we have put forth in our application and it falls less than the \$150K, that is perfectly fine. Thank you so much from the bottom of our hearts.
- Debbi Beartusk-Dove – Board member NCMA and member Northern Cheyenne Tribe, thank you for helping to get the walls, floors, windows, and doors up on our new thrift store building. Community members can see with greater clarity what the building represents to them. Humbled by your previous generosity and it is not easy to come before you again and ask you to help us to get to the finish line on construction. Thank you for your time and consideration.
- Ed Joyner – Rosebud County Commissioner, volunteers from all over the area. They have applied for a grant from The Murdock Foundation, and the If they do receive that grant, I have asked them to return the Coal Board funds, if awarded.
- Jim Atchison – SEMDC, support the project and doing more in the planning efforts with the reservation.
- June Beartusk – explained the situation and funding requests with The Murdock Trust. Discussed Murdock's guidance on submitting better proposals, their business plan and sustainability of the program.

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- Joanne Schrupp – Colstrip Schools, segment of our student population benefits from the thrift store and they all do a great job. It is something that is tremendously beneficial. Thank you very much for listening to them and to me.
- Jody Bird Williams – Colstrip, commended them for having a ministerial organization that works together. I hope you fund them.

Action by the Board: Vice-Chair Fitzpatrick moved to fund \$150,000 from cash. Ms. Small-Eastman seconded. Ms. Pichette called for a vote: all yes. Motion approved, number one priority.

Application #0879 City of Roundup – Install/Replace Water Lines **\$400,000**

- The applicant is requesting \$400,000 to complete the installation and replacement of approximately five blocks of water line.
- Ms. Pichette – environmental is not complete, however they submitted documentation after the 10 days so they will be asking for a waiver of the 10 days. Hand out given to the board.

Action by the Board: Vice-Chair Fitzpatrick moved to waive the 10-day rule and allow the City of Roundup to submit documents. Mr. Schaff seconded.

Discussion from the Board and comments from the public. No discussion or comments.

Ms. Pichette called for a vote: all yes. Motion approved

- Lon Sibley – Public Works Director City of Roundup, presenting in place of Mayor Jones, apologies she is not able to attend. Signal Peak mine is just south of town and while numerous employees live in town, the city receives no tax dollars from mine. Thank you for past contributions.
- Chad Hanson – Great West Engineering, original water distribution system installed in 1905, and lot of cast iron mains left in town and they were chipping away at replacing them every couple years. We started working with them to leverage their funds with grant money and accelerate replacement. To date: Four phases of replacement, replaced over 24K linear feet of water mains, still have over 15K to go. Currently planning phase five \$2.443 million-dollar project. Explained the city's financial obligations and commitments to this phase, the urgency of replacing the leaking water mains currently outside of this phase, how the additional mains would be worked into the phase, and the role the Coal Board funding would play. Thank you for the previous partnership.
- Kathie Bailey – SMDC, work on the comprehensive economic development strategy for the region, update annually, and infrastructure is part of goals and objectives and Roundup is one of those right at the top. Doing a super job on what they've done so far. I hope you will fund this; I know it's a lot of money, but the urgency is there, and they've done their part as far participating in sponsorship and changes in the water system.

Action by the Board: Mr. Schaff moved to fund \$400,000 contingent. Ms. Roose seconded. Ms. Pichette called for a vote: all yes. Motion approved, number two priority appropriated funds.

Opportunity for Public Comment

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- Representative Ken Holmlund – Representative HD 38 Miles City, couple items that are pretty important where the legislature is involved. We’ve been talking today about the 5.8% funding and the 2.9% funding. I don’t think the average people in the communities realize how important your testimony is when you come before the legislature. We see lobbyists all the time, but we don’t see the people from the communities there. This has been a rather contentious issue for the three terms that I have been there. If we can impress upon you how important it is that if you can get to Helena to testify and maybe talk to your representative, how much influence you can have one them. We listen when constituents come in front of us. Please consider that when this is coming up because it will be happening again in ’21. Please, if you can get the opportunity to get up there because we need your help to be able to get this continued. Second thing, we’ve been doing some talking also about a mistake that was made again, by the legislature and the money. The one topic that was discussed was to put it into HB 3 – not a good idea. If we can avoid putting stuff into HB 3 it’s going to make my life a lot easier because I carry it this time and I’ll probably carry it next time. It’s a supplemental. It’s actually funds that are above what was budgeted for departments. Not very popular in the legislature. If we can avoid that I would highly recommend that. Thank you for your time.
- Tom Stockert – Thank you for the tough decisions you have to make, and you do a really nice job.
- Lon Sibley – Thank you.
- Bob Lewindowski – Thank very much.
- Brad Pfeifer – Thank you very much, it’s a great thing you’re doing for us.
- John Poole – Thank you, you did a good job for the patients in Colstrip.
- Casey Joyce – Thank you.
- Dr. Robert Hurd – Thank you.
- Pastor Dean Smith – Thank you again for another miracle.
- George Real Bird III – Thank you.
- Ryan Tooke – Thank you.
- Fred Morgenthaler – Thank you

Board Matters:

Reminder of calendar – Upcoming meetings:

- Second week of month, Thursday – March, June, September, December

Confirm location for next meeting

- Thursday, September 12th, 8:30 am, Billings
- Thursday, December 12th, 8:30 am, Billings

Items for agenda

- Board internal procedures including meeting notice and election of chair/vice-chair. Audit requirement and management analysis.

Adjournment: Mr. Schaff made a motion to adjourn. Ms. Roose seconded. Meeting adjourned at 3:18 pm