

**MONTANA  
TREASURE STATE ENDOWMENT  
PROGRAM**

***EMERGENCY GRANT  
APPLICATION GUIDELINES***

MONTANA DEPARTMENT OF COMMERCE

2015

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## **INTRODUCTION**

The Treasure State Endowment Program (TSEP) is a state-funded program created in 1992. It was established to help solve serious health and safety problems and assist communities with the financing of public facilities projects. The program helps local governments with infrastructure planning as well as constructing or upgrading drinking water systems, wastewater treatment facilities, sanitary or storm sewer systems, solid waste disposal and separation systems, and bridges. These guidelines pertain to Emergency Grants only; instructions on how to apply for Construction or Infrastructure Planning Grants are contained in separate guidelines.

Grant funds for TSEP Emergency grants are awarded through the Legislature each biennium. Applications for emergency grants will be accepted on a continuous basis, until there are no more TSEP emergency grant funds available in any given biennium.

These application guidelines explain how cities, towns, counties, special purpose districts, and tribal governments can apply for TSEP financial assistance pertaining to emergency grants.

There are various administrative procedures and requirements that go along with receiving TSEP funds. TSEP grantees must enter into a contract with the Montana Department of Commerce before any funds can be reimbursed. Reimbursement requests must include copies of applicable invoices, the reimbursement request form, a signature certification form, a designation of depository form, and a Uniform Invoice Tracking Sheet. Please contact the Commerce staff person assigned to your project for copies of these forms.

If you have any questions regarding the *TSEP Emergency Grant Application Guidelines*, the application form, or other aspects of the Treasure State Endowment Program, contact:

Montana Department of Commerce  
Community Development Division  
301 South Park Avenue  
PO Box 200523  
Helena, MT 59620-0523

Telephone: (406) 841-2770 - FAX: (406) 841-2771

E-mail address: [DOCTSEP@mt.gov](mailto:DOCTSEP@mt.gov)

Web page: <http://comdev.mt.gov/default.mcp>

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## **ELIGIBLE APPLICANTS**

- A. Eligible applicants for TSEP emergency grant assistance include any:
1. Incorporated city or town;
  2. County;
  3. Consolidated government;
  4. County or multi-county water, sewer, or solid waste district; or
  5. Tribal government (includes any federally recognized Indian tribe within the State of Montana).
- B. Private water or sewer users associations are not eligible to apply for TSEP emergency funds, because they are not a public entity. In order to apply for TSEP funds an association would first have to be legally created as a county or multi-county water and sewer district (pursuant to sections 7-13-22 and 23, MCA) before submitting a TSEP application.

Non-public entities are not eligible for TSEP emergency assistance. Under Article V, Section 11 of the Montana Constitution, the Legislature is prohibited from making any appropriation for religious, charitable, industrial, educational, or benevolent purposes to any private individual, private association, or private corporation not under the control of the State.

## **ELIGIBLE PROJECTS**

- A. Types of projects eligible for TSEP emergency grant assistance include:
1. Drinking water systems;
  2. Wastewater treatment systems;
  3. Sanitary sewer or storm sewer systems;
  4. Solid waste disposal and separation systems, including site acquisition, preparation, or monitoring; and
  5. Bridges.

## **DETAILS OF EMERGENCY GRANTS**

The Legislature has historically appropriated \$100,000 per biennium of TSEP funds to provide grants for emergency projects. Emergency grants may be awarded by Commerce at any time between, and during, legislative sessions for infrastructure projects necessary to remedy conditions that if allowed to continue until legislative approval could be obtained would endanger the public health or safety and expose the applicant to substantial financial risk.

The situation being corrected must be the result of reasonably unforeseen circumstances and not the result of normal use, age, deterioration, or negligence on the part of the owner; funding will generally not be recommended for projects that would have been addressed and prevented through an adequate O&M program.

Before being considered an emergency for purposes of this program, the project must mitigate a problem that is critical to the operation of a system. Funding will normally not be provided for preventive maintenance or to provide a backup to an existing system component. All of the proposed expenditures must be essential to resolving the emergency and necessary for completing the proposed emergency project.

Eligible applicants requesting an emergency grant should be in compliance with the State's auditing and reporting requirements provided for in Section 2-7-503, MCA. If an applicant has failed to conduct audits or submit reports as required by statute, or has received an adverse audit opinion or disclaimer from any state or federal agency or authorized agent thereof, Commerce may deny requests for an emergency grant until the applicant can demonstrate that it is in compliance with the State's requirements.

The applicant may be required to demonstrate that it has contributed as much financial and other resources as reasonably possible towards completing the proposed emergency project. The use of TSEP funds, and expenses that will be eligible for reimbursement, will be determined on a case-by-case basis.

In order to determine whether to fund a request for emergency grant funds, Commerce may consult with the Department of Natural Resources and Conservation, the Department of Environmental Quality, or the Department of Transportation, depending on the type of project. Upon being contacted about an emergency, the Emergency Grant Review Form will be completed by the applicant – with assistance from Commerce staff - to determine if an emergency project should be funded (see Appendix). Please note this form may be modified at any time by Commerce; the most current form will be posted on the Commerce website.

Local governments that have an emergency-related project should contact Richard Knatterud ([rknatterud@mt.gov](mailto:rknatterud@mt.gov)) at 841-2784.