EXHIBIT 1-B

SAMPLE MANAGEMENT PLAN FORMAT

FOR A PUBLIC FACILITIES PROJECT
ADMINISTERED BY LOCAL GOVERNMENT STAFF

1. Administrative Structure

The City of ______________ is an incorporated city with a Mayor-Council form of government. The following persons will have lead responsibility for administering the City's FY____ Community Development Block Grant (CDBG) public facilities project.

Mayor ______________, as the City's chief elected official will have responsibility for all official contacts with the Montana Department of Commerce (MDOC). The Mayor and City Council will have ultimate authority and responsibility for the management of project activities and expenditure of CDBG funds. The approval of all contracts and drawdown requests will be the responsibility of the City Council. (email ___________

___________________, Clerk-Treasurer, as the City's chief financial officer, will be responsible for management of, and record keeping for, the CDBG funds and other funds involved in the financing of the water project. […] One-fourth…] of this position's time will be devoted to CDBG administration during the term of the project. (email ___________

___________________, Director of the City-County Planning Board, will be designated as Project Manager and will be responsible for overall project management and assuring compliance with applicable federal and state requirements for the CDBG project. The Project Manager will serve as the City's liaison with MDOC for the project and will serve as the designated Environmental Certifying Officer and Labor Standards Officer. One-third of this position's time will be devoted to CDBG administration during the term of the project. (email ___________

___________________, City Attorney, as the City's legal counsel, will review and advise the Mayor and Council regarding any proposed contractual agreements associated with the CDBG project and provide any other legal guidance as requested. (email ___________

___________________, Project Engineer [or Architect], will be responsible for construction-related activities including preparation of preliminary and final engineering [or architectural] design plans and specifications, as well as construction inspection. Contractor compliance, scheduling, and payment requests will also be subject to the Project Engineer's [or Architect's] review and approval. (email_________

The Mayor, Clerk-Treasurer, and Planning Director will attend the MDOC CDBG Grant Administration Workshop (as required of all CDBG grant recipients).

2. Project Management

A. The Project Manager will be responsible for:
1. Preparing the Environmental Review Record (ERR) to assure full compliance with the National and Montana Environmental Policy Acts, completion of the statutory checklist, and any other applicable environmental requirements as outlined in Chapter 2 of the CDBG Manual. The Project Manager will also be responsible for preparing any legal notices required to be published for the ERR process and conducting any required public hearings or informational meetings.

2. Preparing a request for release of funds to MDOC (upon completion of the Environmental Review).

3. Developing a contract with MDOC and assisting the City with all requirements related to effective project start-up and implementation.

4. Establishing and maintaining complete and accurate project files and preparing all MDOC documentation and reports incidental to administration of the grant.

5. Assisting the City with selection of the Project Engineer [or Architect], in conformance with CDBG procurement requirements, including the preparation of requests for qualifications/proposals for publication or other distribution to assure free and open competition.

6. Reviewing all proposed project expenditures or requests for payment to ensure their propriety and proper allocation of expenditures to the CDBG budget.

7. In cooperation with the Clerk-Treasurer, processing payment requests and preparing drawdown requests to MDOC, including the Request for Payment and Status of Funds Report, the Project Progress Report and all other required documentation to substantiate payment requests.

8. Monitoring the contractor selection process, including the bid advertising, tabulation and award process for conformance to CDBG requirements. The manager will review the construction contract provisions for CDBG compliance and will request MDOC clearance (debarment check) of the lowest (and second) lowest bidders before a contract (to be reviewed and approved by CDBG) is awarded.

9. Attending the pre-construction conference and monthly (weekly) construction progress meetings.

10. Monitoring all contractors' compliance with applicable requirements.

11. Serving as the City's designated labor standards officer and assuring compliance with all applicable federal and state labor standards requirements. Responsibilities will include the weekly review of weekly payroll reports to assure compliance with federal Davis-Bacon prevailing wage requirements; periodic visits to the construction site to assure that required equal opportunity, labor standards, and Davis-Bacon wage
determinations have been posted; and conducting regular on-site interviews with a representative sample of construction personnel (working for the prime contractor and subcontractors) to assure federal Davis-Bacon labor standards compliance.

12. Assuring compliance with applicable acquisition, civil rights, Section 504/ADA evaluation and labor standards requirements, including the preparation of an equal employment opportunity plan, an ADA compliance plan and a fair housing ordinance, which will be adopted by the City.

13. Supervising the delivery of CDBG financial assistance to low and moderate income households (for water service hookup and meter installation ...).

14. Preparing all required performance reports and project closeout documents for submittal to MDOC

15. Assist the City with the selection of an independent auditor.

16. Attending City Council meetings to provide project status reports and representing the CDBG project at any other public meetings, as deemed necessary by the Mayor.

B. The Project Engineer [or Architect] will be responsible for:

1. Design and construction engineering.

2. Acquisition of all land and easements

3. Preparation of the construction bid package for review (and approval) by CDBG for conformance with applicable CDBG requirements (as outlined in Chapter 9 of the CDBG Manual); supervision of the bid advertising, tabulation, and award process, including the preparation of the advertisements for bid solicitation, conducting the bid opening, securing a state and federal debarment check of tentatively-selected contractor(s) and issuance of the notice to proceed.

4. Conducting the pre-construction conference, with the assistance of the project manager.

5. Supervision of construction work and preparation of inspection reports.

6. Reviewing and approving all contractor requests for payment and submitting the approved requests to the City.

3. Financial Management

A. The Clerk-Treasurer's responsibilities will be as follows:
1. Establishing the CDBG bank account and transferring CDBG funds from that account to the town's treasury for disbursements, based on claims and supporting documents approved by the project manager, project engineer [or architect], and contractor. Note: Since the City uses an interest bearing account for its general disbursements, a separate non-interest bearing account will be used for CDBG funds as required by federal CDBG regulations. Balances in that account will not exceed $5,000 for a period of three days.

2. Entering all project transactions into the City's existing accounting system, and prepare checks/warrants for approved expenditures.

3. With the assistance of the Project Manager, preparing the Request for Payment and Status of Funds Reports to be submitted to MDOC. All drawdown requests will be signed by two of the three following persons: Mayor, Clerk-Treasurer, and Council President. No expenditures will be made without the approval of the Council at a regular meeting.

4. With the assistance of the Project Manager, preparing the final financial reports for project closeout.

B. The Project Manager and Clerk-Treasurer will review all proposed expenditures of CDBG funds and will prepare drawdown requests, which will be signed by the officials cited above. All disbursements will be handled in accordance with the City's established claim review procedures. Before submitting the claim to the Clerk-Treasurer, the Project Manager will attach a certification to each claim stating that the proposed expenditure is an eligible expense of the City's CDBG project and consistent with the project budget. The Council will review all claims before approving them.

C. Financial record keeping will be done in conformance with the recommendations of MDOC's Community Development Division as described in Chapter 4 of the CDBG Administration Manual. The original financial documents (claims with all supporting material attached) will be retained in the City's offices.

D. Hourly timesheets will be maintained by the Project Manager and the Clerk-Treasurer to document all time worked on the CDBG project.

A project implementation schedule, which outlines the basic steps and timetable involved in the management of the project, is attached.

E. Weekly timesheets will be maintained by the Project Manager and the Clerk-Treasurer to document all time worked on the CDBG project.

F. The City's housing and neighborhood revitalization project will generate some program income from loan repayments and the sale of the sites of unsafe, abandoned property acquired and demolished through the CDBG project. Any program income received from these sources will be deposited in the City's established community development fund. Any program income received prior to project closeout will be used to assist additional households with housing
rehabilitation needs. The use of program income received after project closeout will be determined at the discretion of the City Council.

A sample Project Implementation Schedule, which outlines the basic steps and timetable involved in the management of the project, can be found in the CDBG Application Guidelines or by contacting the Department project liaison for fillable forms. A general description/outline is provided below.

**SAMPLE PROJECT IMPLEMENTATION SCHEDULE**

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<td><strong>A. START-UP</strong></td>
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<tr>
<td>1.</td>
<td>Attend MDOC Workshop</td>
<td>City Council</td>
<td>May</td>
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<td>2.</td>
<td>Update Management Plan, Budget, &amp; Schedule for the CDBG contract</td>
<td>Council &amp; Project Mg.</td>
<td>March</td>
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<td>3.</td>
<td>Establish Public Facilities Project Files</td>
<td>Project Manager</td>
<td>May</td>
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<td>4.</td>
<td>Award Engineering Contract</td>
<td>City Council</td>
<td>March</td>
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<td>5.</td>
<td>Determine Audit Requirements</td>
<td>Project Manager</td>
<td>May</td>
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<td>6.</td>
<td>Schedule Local Govt Audits</td>
<td>Council &amp; Project Mg.</td>
<td>June</td>
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<td>7.</td>
<td>Authorize Final Design</td>
<td>City Council</td>
<td>March</td>
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<td>8.</td>
<td>Complete ERR/Submit to CDBG</td>
<td>Project Manager</td>
<td>May</td>
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<td>9.</td>
<td>Secure MDOC Approval of RROF</td>
<td>Project Manager</td>
<td>June</td>
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<td>10.</td>
<td>Complete Final Design</td>
<td>Project Engineer</td>
<td>April</td>
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<td><strong>B. IMPLEMENTATION</strong></td>
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<tr>
<td>1.</td>
<td>Submit First Drawdown Request</td>
<td>Clerk-Treasurer</td>
<td>June</td>
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<td>2.</td>
<td>Present Final Design for Review</td>
<td>Project Engineer</td>
<td>April</td>
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<tr>
<td>3.</td>
<td>Complete Final Plans</td>
<td>Project Engineer</td>
<td>April</td>
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<td>4.</td>
<td>Submit Plans to DEQ and CDBG</td>
<td>Project Engineer</td>
<td>May</td>
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<td>5.</td>
<td>Secure Wage Rate Determination</td>
<td>Project Engineer</td>
<td>June</td>
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<td>6.</td>
<td>Prepare Construction Bid Documents and Secure CDBG Approval</td>
<td>Project Engineer</td>
<td>June</td>
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<td>7.</td>
<td>Advertise For Bids</td>
<td>City Council</td>
<td>June</td>
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<td>8.</td>
<td>Bid Opening</td>
<td>Project Engineer</td>
<td>July</td>
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<td>9.</td>
<td>Clearance of Low Bidders</td>
<td>Project Engineer</td>
<td>July</td>
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10. **Bid Award**
   - City Council
   - July 20xx

**C. CONSTRUCTION**

1. **Pre-construction Conference**
   - Project Engineer
   - August 20xx

2. **Submit Compliance Documents**
   - Project Engineer
   - August 20xx

3. **Start Construction**
   - Project Engineer
   - Sept 20xx

4. **Weekly Labor Standards Monitoring**
   - Project Manager
   - Sep-Dec 20xx

5. **CDBG on-site monitoring/review**
   - CDBG Liaison
   - October 20xx

6. **Submit Drawdowns (with Progress Reports) & Qrtrly Progress Reports**
   - Project Manager
   - Clerk-Treasurer
   - Ongoing As Needed

7. **Final Inspection**
   - Project Engineer
   - Dec 20xx

8. **Final Payment to Contractor**
   - City Council
   - Jan 20xx

9. **In-service System Training**
   - Project Engineer
   - Dec 20xx

10. **Connect Households to System**
    - Project Engineer
    - Nov 20xx

11. **Final Payment to Engineer**
    - City Council
    - Feb 20xx

**D. CLOSEOUT**

1. **Project Closeout Begins**
   - Project Manager
   - Dec 20xx

2. **Project Completion Report**
   - Project Manager
   - Jan 20xx

3. **Audits are conducted/reviewed**
   - Project Manager & CDBG
   - Sept 20xx