Montana Coal Board
Draft Meeting Minutes
March 21, 2019
Helena, MT

Board Members Present

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

Montana Department of Commerce Staff Present

Jennifer Olson, Division Administrator, A.C. Rothenbuecher, Operations Manager, Anne Pichette, Administrative Officer, Anita Proul, Executive Assistant, Kasia Bothman-Little, Administrative Assistant, and Bonnie Martello, Paralegal.

Public Present

Jim Atchison	Southeastern Montana Development Corporation
Julie Emmons	Southeastern Montana Development Corporation
George Real Bird III	Big Horn County Commissioners
Jody Williams	Rosebud County Commissioners
Bryan Swan	City of Colstrip
Daniele O'Banion	Big Horn County Ambulance
Ed Joiner	Rosebud County
Bill Briggs	Chief Dull Knife College
Bob Lewandowski	Colstrip Public Schools
Tyler Bush	McKinstry Construction
Becky Bey	KLJ Engineering
Molly Herrington	KLJ Engineering
Quincy Dabny	City of Lodge Grass
Thomas Stockert	Musselshell County
Reginald Killsnight Jr.	No. Cheyenne Department of Transportation
Nicole Borner	Musselshell County Commissioner

Welcome – Call to order

Chairman Williams called to order the meeting of the Montana Coal Board at 8:34 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, and Marianne Roose. On the phone via conference call was Tim Schaff. Veronica Small-Eastman was absent.

Opportunity for Public Comment

- Chairman Williams asked Ms. Olson to introduce the new Director for the Department of Commerce.

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- Ms. Olson – Division Administrator, Department of Commerce – introduced Ms. Tara Rice.
- Ms. Tara Rice – Director, Department of Commerce, welcomed the Board to Helena and expressed thanks and appreciation for all the important work that the Montana Coal Board does for the State of Montana.
- Ms. Olson – also introduced both Anita Proul as the new Executive Assistant that will be assisting both Montana Coal Board and the Hard Rock Mining Impact Board and Kasia Bothman-Little, as the new Administrative Assistant.
- Jim Atchison – SEMDC, provided updates on various projects; specifically, #0839 regarding the hiring of the Diversification Consultant. Interest in coal country is rising; fiber optics are expanding, a think tank for solutions and opportunity in the Colstrip area has been formed. HB 202 is working through the Legislature regarding the funding to the Board at the current level of $5.8 million. The coal mine in Colstrip is coming out of bankruptcy, is digging more coal and are running full blast; all positive news in coal country.

Approval of Minutes (September 20, 2018)

- Chairman Williams called for discussion from the Board regarding the minutes and any comments from the public. Chairman Williams asked for correction to the minutes regarding the attendance of Legislators to reflect that it was Senator Jason Small in attendance. Anne Pichette will make the correction.

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

Budget Status Update

- Ms. Olson – Community Development Division Administrator, discussed the updated budget spreadsheet and reminded all that the spreadsheet is available on the website. She provided two handouts to the Board; the Revenue History spreadsheet with updates through February, and the Budget Update Report.

	Direct
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:	$2,976,073.00
• Revenue available in Coal Natural Resource account:	$3,631,279.46
• Balance of available SFY 2018 appropriation:	$ 427,263.00
• Balance of available revenue less awards made:	$ 655,206.46

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

- Funds appropriated for SFY 2019: $3,418,868.00
- Coal Board funds awarded for SFY 2019: $1,397,393.00
- Revenue available in Coal Natural Resource account: $1,005,049.28
- Balance of available SFY19 appropriation: $2,021,475.00

Bi-Total awarded: $4,373,466.00
Bi-Total Revenue: $5,606,458.74
Bi-Total appropriation available: $2,448,738.00
Bi-Balance of available revenue: $1,232,992.74

Total 2018 funds reverted: $138,382.32
Balance of revenue with reverted funds: $1,143,431.60

- Tribal 7% limitations are being tracked and as of yet this fiscal year, the Board has made no awards to State or Tribal projects. Currently the available balance for such is $239,320.76. Also, Designated vs. Non-Designated funds are being tracked. Statute identifies funds can be spent anywhere but 51% must be in designated impact areas and any other projects must meet statute criteria.
- Kathie Bailey – SMDC, the amount that shows awards made to date is for awards under contract as well as not under contract?
- Ms. Olson – the total is for all funds awarded by the Board to date; both contracted and not contracted.
- Kathie Bailey – concerned about the length in time for receiving contracts. Awardees are not purchasing anything until the contract is signed and then finding items have risen in cost or are no longer available. This leads to significant delays, increased costs, and difficulty in leading projects forward. She requested guidance.
- Chairman Williams – as a local government, Colstrip doesn't proceed until signed contract is in hand but cannot speak for the Board.
- Ms. Olson – provided further information regarding the Revenue History spreadsheet as to what to the Board can expect to see at the June meeting in relation to revenue received, estimated revenue for the month of June, and the full legislative appropriation so that action can be taken accordingly.

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

Project Updates

- Number of projects awarded since the beginning of the 2019 Biennia: 39

- There are currently 41 open contracts and 10 are in process.
- Ms. Pichette provided updated information from numerous awardees regarding completions, extension requests, draws, and contract routing. See the following extension requests:
- Contract #0790 – Town of Broadview Fire Department

Action by the Board: Ms. Henning made a motion to extend the contract for six months?? Mr. Schaff seconded. Motion passed.

- Contract #0829 – Musselshell County

Action by the Board: Ms. Roose made a motion to extend the contract for one year. Mr. Schaff seconded. Motion passed.

Ms. Pichette notified the Board that Mr. Shawn Fredrickson is no longer a member. Also, Community Development Division is moving towards a new email for applicants and the application online has an updated website and email address.

Old Business

- Chairman Williams reviewed for the Board that there were 2 tabled applications.

Action by the Board: Ms. Roose made a motion to remove applications #0854 and #0858 from the table. Ms. Henning seconded. Motion passed.

Application #0854 Northern Cheyenne Tribe – Transportation Sand/Salt Storage Facility $154,621

- The applicant is requesting $154,621 to complete the construction of a sand/salt storage facility for the transportation department.
- Becky Bey – KLJ, Government Relations for the Northern Cheyenne Tribe, apologized for not being present. A letter from the Tribal President and a letter of support from Montana Department of Transportation was given to the Board. This project is part of a larger project to update the facility. A large grant was received from the Federal Government towards the total transportation facility. It will be used by both the Tribe and MDT. 57% of the paved roads which is approximately 80 miles are the responsibility of the Tribe, 59.5 miles are the responsibility of MDT. MDT will be supplying the sand/salt mix. $300,000 has been committed for the building by the Tribe. (handouts were provided)
- Reginald Killsnight Jr – Assistant Director and Planner for the Tribal Transportation Program, happy to answer any questions.
- **Questions and comments from the Board –** the amount of $257,000 is just for the sand/salt facility total cost? With the request to the Board for $154,000, where will the balance come from? Have all the pieces now been received for the ER process?
- Becky Bey – yes, the Tribal Transportation Program will make up the difference in funding.
- Anne Pichette – all the pieces for the ER process have been received.

Action by the Board: Vice-Chair Fitzpatrick made a motion to fully fund this project. Ms. Henning seconded. Motion passed.

Application #0858 City of Lodge Grass – Community Renewal Equipment $56,500

- The applicant is requesting $56,500 to complete the community renewal project with the purchase of equipment and machinery.
- Quincy Dabney – Mayor, City of Lodge Grass, followed up with the City Council and had all the documentation completed.

Action by the Board: Mr. Schaff made a motion to fully fund this project. Ms. Roose seconded. Motion passed.

New Business

Application #0864 City of Colstrip – Jet/Vac/Hydro Excavator $300,000

- The applicant is requesting $300,000 to complete the purchase of a jet/vac/hydro excavator.
- Bryan Swan – Public Works Director, thanked the Board for their generous support to the community through previous projects. Sewer system maintenance is key for public works. This equipment clears blockages and maintains the system. Time delay waiting for a truck to come from Billings can be devastating to a homeowner with a backup. High water table in some areas of the City makes it critical to stay on top of maintenance. In December the truck was down for a month. The City is updating it's CIP and while this equipment was not listed previously, this was due to the unknown length of service remaining in the current equipment.
- Jim Atchison – SEMDC, the City is very active with planning and both the City and County are currently updating their Growth Policies. Also, the City is listed in the Infrastructure Needs List. As we speak, there is standing water in the City. (handouts were provided)

Action by the Board: Vice-Chair Fitzpatrick made a motion to fully fund this project. Ms. Henning seconded. Motion passed. Chairman Williams recused himself from this vote.

Application #0865 Musselshell County – Farrel Street Bridge Replacement $389,969

- The applicant is requesting $389,969 to complete the replacement of the Farrel Street Bridge.
- Nicole Borner – Musselshell County Commissioner, apologized for not having the minutes attached to the application but they have now been provided. (handouts were provided)
- Thomas Stockert – Musselshell County Road Dept, with all the natural disasters in our area, there are many needs we are addressing including this bridge. There are about 20-25 families that would be affected if the bridge fails and after this year's runoff, much of the bridge may be gone.
- **Questions and comments from the Board –** the ER process has now been completed? Why have the Mills been reduced in the area of bridges? Millage rates must be looked at and considered; other government entities were cautioned to pay attention to their millage rates.
- Anne Pichette – CDD, the minutes have been received which were the missing piece in the ER process.

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- Nicole Borner – will clarify with the Council regarding the lowering of the Mills.
- Chairman Williams – during the break, Commissioner Borner did confirm that the Mills have been lowered. There must be local effort. The photos of the bridge show the very poor condition. Local governments bear responsibility to provide for the safety of their residents.

Action by the Board: Vice-Chair Fitzpatrick made a motion to fully fund this project. Mr. Schaff seconded. Motion passed.

Application #0866 Rosebud County – PAR Chief Dull Knife College $50,000

- The applicant is requesting $50,000 to complete the Preliminary Architectural Report for Chief Dull Knife College.
- Julie Emmons – SEMDC, representing Rosebud County, is excited to see expansion of higher education in the area. The highest levels of poverty in the state are here which includes the Northern Cheyenne reservation. Population is increasing on the reservation, so the demand is great for higher education.
- Bill Briggs – Economic Dean, Chief Dull Knife College, read a letter from the Tribal President. Students come from outside the area and the College does supports other programs in the region, but it needs to update and grow to meet the needs of the students. Read another letter from a student.
- Jim Atchison – SEMDC, this project is listed on the Infrastructure Needs List and the CEDS document. Lame Deer is one of the communities on the CEDS document and this project is highly noted there. (handouts were provided)
- Ed Joiner – Rosebud County Commissioner, fully supports this project as it is truly regional as tribal members fully support it as well.
- Jody Williams – Colstrip, the College is efficient, has many offerings, is friendly and fully support them.
- Bob Lewandowski – Colstrip Public Schools, the College provides higher credits to our students at a minimal cost. Fully support this project.
- Jim Atchison – though a small request, it is a large step for education in the area.
- Bill Briggs – the hope is to have part of this returned to a Vo-Tech as there is a great need in the area.
- **Questions and comments from the Board –** this is a great request. There is huge support for this project by all surrounding communities and hopes it will help with the poverty.

Action by the Board: Ms. Roose made a motion to fully fund this project. Vice-Chairman seconded. Motion passed.

Application #0867 Big Horn County – Battery-powered Rescue Tools $25,370

- The applicant is requesting $25,370 to complete the purchase of battery-powered rescue tools for the ambulance department.

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- Stuart Rupert III - Big Horn County Commissioner, will turn to Mr. O'Banion to explain this request. Minutes and Resolutions have been brought along per the request of staff and covers all four applications. (handouts were provided)
- Daniele O'Banion – Director, Big Horn County Ambulance Department, this equipment is similar to the Jaws of Life. Currently the Ambulance Department must carry gasoline on the units to service the current equipment which is very unsafe as these are rescue units. Extreme cold can also make these very difficult to start.
- Ed Joiner – First Responder, lighter weight equipment is so needed and would be greatly appreciated.

Action by the Board: Ms. Henning made a motion to fully fund this project. Ms. Roose seconded. Motion passed. Vice-Chairman Fitzpatrick recused himself from this vote.

Application #0868 Big Horn County – Front-line Ambulance Remount $69,000

- The applicant is requesting $69,000 to complete the remount for one ambulance.
- Daniele O'Banion – Big Horn County Ambulance Department, the department operates 7 vehicles. In 2017, 260,000 miles were driven on the vehicle needing remount. Life of an ambulance is reached every 5 years at which time the box is put on a new chassis, saving money; each year the goal is to replace one.

Action by the Board: Ms. Roose made a motion to fully fund this project. Ms. Henning seconded. Motion passed. Vice-Chairman Fitzpatrick recused himself from this vote.

Application #0869 Big Horn County – Lodge Grass Cemetery Improvement Project $18,500

- The applicant is requesting $18,500 to purchase management software and to complete a planning document for capital improvements.
- Stuart Rupert III – Big Horn County Commissioner, the software will help the County to know who is in the plots; it has GPS and will manage all the information of each deceased, and other vital information. The CIP will address the planting of trees, water usage from the on-site well and such.

Action by the Board: Ms. Roose made a motion to fully fund this project. Ms. Henning seconded. Motion passed. Vice-Chairman Fitzpatrick recused himself from this vote.

Application #0870 Big Horn County – Power Lift Stretchers with Loading Devices $72,000

- The applicant is requesting $72,000 to complete the purchase of new stretchers with loading devices.
- Daniele O'Banion – Director, Big Horn County Ambulance Department, the current mounting is no longer the same type as with the newer ambulances so cannot be interchanged as previously. These newer lifts will reduce potential personnel injury.

Action by the Board: Ms. Henning made a motion to fully fund this project. Ms. Roose seconded. Motion passed. Vice-Chairman Fitzpatrick recused himself from this vote.

Opportunity for Public Comment

- Bill Stoddard – Musselshell County Road Department, thanked the Board for all the assistance; it has a huge impact.
- Nicole Borner – Musselshell County Commissioner, thanked the Board for the recommendation regarding millage.
- Stuart Rupert III – Big Horn County Commissioner, expressed appreciation for the support provided by the Board.
- Ed Joiner – Rosebud County Commissioner, provided an updated on the Thrift Store project.
- Bill Briggs – Chief Dull Knife College, thanked the Board for the award.
- Reginald Killsnight Jr – Northern Cheyenne thanked the Board for the award.
- John Williams – shared that the City of Colstrip has now changed the process for winter street maintenance to full mag-chloride and the difference that has made and encouraged other communities to consider doing the same.
- Bryan Shaw – City of Colstrip, thanked the Board for the award for his community.
- Quincy Dabney – Lodge Grass expressed love for the Coal Board and all they do, and the help provided is making a huge impact to the community.

Board Matters

- The dates and location for the next meeting were confirmed. June 19, 2019 will be Orientation and June 20, 2019 will be the Quarterly meeting to be held in Billings. Logistics will be provided by staff when confirmed.

Items for Agenda

- Discussion regarding the September meeting being held in Roundup.

Adjournment

With no other business, the meeting was adjourned by Chairman Williams at 11:22 a.m. The next meeting is scheduled for June 19 and 20, 2019 in Billings, Montana, location to be announced.

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