

HOUSE BILL NO. 6

INTRODUCED BY B. MCCHESENEY

BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION AND THE OFFICE OF BUDGET AND PROGRAM PLANNING

A BILL FOR AN ACT ENTITLED: "AN ACT IMPLEMENTING THE RENEWABLE RESOURCE GRANT AND LOAN PROGRAM; APPROPRIATING MONEY TO THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FOR GRANTS UNDER THE RENEWABLE RESOURCE GRANT AND LOAN PROGRAM; PRIORITIZING GRANTS AND AMOUNTS; ESTABLISHING CONDITIONS FOR GRANTS; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**NEW SECTION. Section 1. Appropriations from natural resources projects state special revenue account.** (1) There is appropriated from the natural resources projects state special revenue account established in 15-38-302 to the department of natural resources and conservation up to:

- (a) \$100,000 to be used for emergency projects to be awarded over the course of the biennium;
- (b) \$800,000 to be used for planning grants to be awarded by the department over the course of the biennium;
- (c) \$300,000 to be used for irrigation development grants to be awarded by the department over the course of the biennium;
- (d) \$50,000 to be used for water project private grants to be awarded by the department over the course of the biennium; and
- (e) \$180,000 to be used for development of the state water plan and inventory to be awarded by the department over the course of the biennium.

(2) There is appropriated from the natural resources projects state special revenue account established in 15-38-302 to the department of natural resources and conservation \$5,780,000 that is available in the natural resources projects state special revenue account for grants to political subdivisions and local governments during the 2013 biennium. The funds in this section must be awarded by the department to the named entities for the described purposes and in the grant amounts set out in subsection (3), subject to the conditions set forth in



1 [sections 1 through 3] and the contingencies described in the renewable resource grant and loan program  
 2 January 2011 report to the 62nd legislature. The legislature, pursuant to 85-1-605, approves the grants listed in  
 3 subsection (3). Funds must be awarded up to the amounts approved in this section in the following order of  
 4 priority until available funds are expended. Funds not accepted or used by higher-ranked projects must be  
 5 provided for projects farther down the priority list or planning grants that would not otherwise receive funding. If  
 6 at any time a grant sponsor determines a project will not begin before June 30, 2013, the sponsor shall notify the  
 7 department of natural resources and conservation. After receiving notification, the department may revert the  
 8 grant amount to the natural resources projects state special revenue account to make it immediately available  
 9 for other projects. After all eligible projects are funded, remaining project funds may be used for any renewable  
 10 resource program projects authorized under this section or for reclamation and development program projects  
 11 authorized by the 62nd legislature in House Bill No. 7. With the exception of planning grants, projects that are  
 12 funded by the reclamation and development grants program may not be funded under [sections 1 through 3].

13 (3) The following are the prioritized grant projects:

14 RENEWABLE RESOURCE GRANT AND LOAN PROGRAM

| 15 Applicant/Project                                                                  | Grant Amount |
|---------------------------------------------------------------------------------------|--------------|
| 16 Department of Natural Resources and Conservation -- Water Resources Division       |              |
| 17 (Hydropower Feasibility Study)                                                     | \$100,000    |
| 18 Sheridan, Town of                                                                  |              |
| 19 (Wastewater System Improvements)                                                   | \$100,000    |
| 20 Deer Lodge, City of                                                                |              |
| 21 (Wastewater System Improvements)                                                   | \$100,000    |
| 22 Fergus Conservation District                                                       |              |
| 23 (Big Spring Creek Stream Restoration at the Machler Conservation Easement)         | \$100,000    |
| 24 Department of Natural Resources and Conservation -- Trust Land Management Division |              |
| 25 (Smith Lake Dam Rehabilitation)                                                    | \$100,000    |
| 26 Culbertson, Town of                                                                |              |
| 27 (Wastewater System Improvements)                                                   | \$100,000    |
| 28 Upper and Lower River Road Water and Sewer District                                |              |
| 29 (Water Distribution and Wastewater Collection, Phase 4)                            | \$100,000    |
| 30 Beaverhead Conservation District                                                   |              |

|    |                                                                        |           |
|----|------------------------------------------------------------------------|-----------|
| 1  | (Poindexter Slough Fishery Enhancement)                                | \$100,000 |
| 2  | Pondera Conservation District                                          |           |
| 3  | (C Canal Rehabilitation)                                               | \$100,000 |
| 4  | Buffalo Rapids Project - District 1                                    |           |
| 5  | (System Improvements - Lateral 26.4)                                   | \$100,000 |
| 6  | Pondera Conservation District                                          |           |
| 7  | (Wasteway Rehabilitation and Water Quality Improvement)                | \$100,000 |
| 8  | Flathead County                                                        |           |
| 9  | (Bigfork Storm Water System Improvements)                              | \$100,000 |
| 10 | Hebgen Lake Estates Water and Sewer District                           |           |
| 11 | (Wastewater System Improvements)                                       | \$100,000 |
| 12 | Harlem, City of                                                        |           |
| 13 | (Wastewater System Improvements)                                       | \$100,000 |
| 14 | Polson, City of                                                        |           |
| 15 | (Water System Improvements)                                            | \$100,000 |
| 16 | Amsterdam-Churchill Sewer District No. 307                             |           |
| 17 | (Wastewater System Improvements)                                       | \$100,000 |
| 18 | Stanford, Town of                                                      |           |
| 19 | (Water System Improvements)                                            | \$100,000 |
| 20 | Montana Department of Fish, Wildlife, and Parks                        |           |
| 21 | (Chadbourne Diversion Dam Repair and Selective Fish Passage Retrofits) | \$99,500  |
| 22 | Helena Valley Irrigation District                                      |           |
| 23 | (Pump No. 2 Rehabilitation)                                            | \$100,000 |
| 24 | Belt, Town of                                                          |           |
| 25 | (Water System Improvements)                                            | \$100,000 |
| 26 | Sun Prairie Village County Water and Sewer District                    |           |
| 27 | (Water System Improvements)                                            | \$100,000 |
| 28 | Fort Belknap Indian Community                                          |           |
| 29 | (Fort Belknap Indian Community Water Conservation)                     | \$100,000 |
| 30 | Sweet Grass County Conservation District                               |           |

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|----|---------------------------------------------------------------------------------|-----------|
| 1  | (Big Timber Creek Channel Stabilization)                                        | \$99,998  |
| 2  | Sidney Water Users Irrigation Districts 1 and 2                                 |           |
| 3  | (Increasing Irrigation Efficiency: Districts 1 and 2, Phase 3)                  | \$100,000 |
| 4  | Sidney Water Users Irrigation District                                          |           |
| 5  | (Increasing Irrigation Efficiency: District 5, Lateral 2)                       | \$100,000 |
| 6  | Clinton Irrigation District                                                     |           |
| 7  | (Schoolhouse Lateral Pipeline Conversion)                                       | \$100,000 |
| 8  | East Bench Irrigation District                                                  |           |
| 9  | (Main Canal Check Structure Rehabilitation)                                     | \$100,000 |
| 10 | Lower Musselshell Conservation District                                         |           |
| 11 | (Lower Musselshell Delphia Melstone Irrigation Structure Rehabilitation Lining) | \$100,000 |
| 12 | Madison Conservation District                                                   |           |
| 13 | (South Meadow Creek Water Efficiency)                                           | \$100,000 |
| 14 | Confederated Salish and Kootenai Tribes                                         |           |
| 15 | (Jocko Upper S Canal Lining)                                                    | \$100,000 |
| 16 | Malta Irrigation District                                                       |           |
| 17 | (Dodson North Canal Siphons Replacement)                                        | \$100,000 |
| 18 | Roberts Carbon County Water and Sewer District                                  |           |
| 19 | (Roberts Wastewater System Improvements)                                        | \$100,000 |
| 20 | Chippewa Cree Tribe of the Rocky Boy's Reservation                              |           |
| 21 | (Dry Fork Farms Irrigation Enhancement)                                         | \$97,429  |
| 22 | Flathead Joint Board of Control                                                 |           |
| 23 | (Jocko Upper J Canal Diversion Structure)                                       | \$100,000 |
| 24 | Lockwood Irrigation District                                                    |           |
| 25 | (Intake Canal Spillway Replacement)                                             | \$100,000 |
| 26 | Glendive, City of                                                               |           |
| 27 | (Glendive Floodplain Feasibility Study)                                         | \$100,000 |
| 28 | Fort Shaw Irrigation District                                                   |           |
| 29 | (Water Quality and Quantity Improvements)                                       | \$100,000 |
| 30 | Department of Natural Resources and Conservation -- Water Resources Division    |           |

|    |                                                                              |           |
|----|------------------------------------------------------------------------------|-----------|
| 1  | (East Fork Rock Creek Diversion and Fish Screen)                             | \$100,000 |
| 2  | Daly Ditches Irrigation District                                             |           |
| 3  | (Hedge Canal Improvement)                                                    | \$100,000 |
| 4  | Gallatin Gateway County Water and Sewer District                             |           |
| 5  | (Wastewater System Improvements)                                             | \$100,000 |
| 6  | Greenfields Irrigation District                                              |           |
| 7  | (Big Coulee Wastewater and Water Quality)                                    | \$100,000 |
| 8  | Park Conservation District                                                   |           |
| 9  | (Park-Branch Paradise Canal Water Efficiency)                                | \$100,000 |
| 10 | Huntley Project Irrigation District                                          |           |
| 11 | (Lower Canal Seepage Lining)                                                 | \$100,000 |
| 12 | Anaconda-Deer Lodge County                                                   |           |
| 13 | (Systemwide Water Meter Installation)                                        | \$100,000 |
| 14 | Fairfield, Town of                                                           |           |
| 15 | (Water System Improvements)                                                  | \$100,000 |
| 16 | Fort Peck Tribes                                                             |           |
| 17 | (Lateral L-2M Rehabilitation)                                                | \$100,000 |
| 18 | Hardin, City of                                                              |           |
| 19 | (Water System Improvements)                                                  | \$100,000 |
| 20 | Bitter Root Irrigation District                                              |           |
| 21 | (Siphon 1 Improvement, Phase 2)                                              | \$100,000 |
| 22 | North Havre County Water District                                            |           |
| 23 | (Water System Improvements)                                                  | \$100,000 |
| 24 | Roundup, City of                                                             |           |
| 25 | (Musselshell Watershed Sustainable Irrigation Management Program)            | \$60,000  |
| 26 | Department of Natural Resources and Conservation -- Water Resources Division |           |
| 27 | (Clark Fork River Basin Task Force)                                          | \$32,000  |
| 28 | Green Mountain Conservation District                                         |           |
| 29 | (Tuscor Creek Restoration)                                                   | \$84,778  |
| 30 | Lewistown, City of                                                           |           |

|    |                                                                              |           |
|----|------------------------------------------------------------------------------|-----------|
| 1  | (East Fork Dam Repair)                                                       | \$100,000 |
| 2  | Crow Tribe                                                                   |           |
| 3  | (Crow Agency Water System Improvements, Phase 4A)                            | \$100,000 |
| 4  | Hill County Water District                                                   |           |
| 5  | (Water System Improvements)                                                  | \$100,000 |
| 6  | Roundup, City of                                                             |           |
| 7  | (Water System Improvements)                                                  | \$100,000 |
| 8  | Kevin, Town of                                                               |           |
| 9  | (Water System Improvements, Phase 3)                                         | \$100,000 |
| 10 | LaCasa Grande Water and Sewer District                                       |           |
| 11 | (Wastewater System Improvements)                                             | \$100,000 |
| 12 | Whitefish, City of                                                           |           |
| 13 | (Haskill Basin Water Conservation and Preservation)                          | \$100,000 |
| 14 | Ravalli County                                                               |           |
| 15 | (LiDAR Mapping for Flood Hazard Identification, Phase 3)                     | \$75,000  |
| 16 | Lockwood Water and Sewer District                                            |           |
| 17 | (Wastewater System Improvements)                                             | \$100,000 |
| 18 | Teton Conservation District                                                  |           |
| 19 | (Eureka Reservoir Improvements)                                              | \$100,000 |
| 20 | East Helena, City of                                                         |           |
| 21 | (Wastewater System Improvements)                                             | \$100,000 |
| 22 | Missoula County                                                              |           |
| 23 | (Spring Meadows Sewer)                                                       | \$100,000 |
| 24 | Missoula County                                                              |           |
| 25 | (Missoula County LiDAR Mapping)                                              | \$50,000  |
| 26 | Department of Natural Resources and Conservation -- Water Resources Division |           |
| 27 | (Martinsdale Supply Canal Headworks Rehabilitation)                          | \$98,688  |
| 28 | Ravalli County Environmental Health                                          |           |
| 29 | (Bitterroot Valley Septic Systems Impact Evaluation Model, Phase 2)          | \$73,745  |
| 30 | Foy's Lakeside County Water and Sewer District                               |           |

|    |                                                                                |           |
|----|--------------------------------------------------------------------------------|-----------|
| 1  | (Water System Improvements)                                                    | \$100,000 |
| 2  | Pablo/Lake County Water and Sewer District                                     |           |
| 3  | (Water System Improvements)                                                    | \$100,000 |
| 4  | Cut Bank, City of                                                              |           |
| 5  | (Water System Improvements, Phase 4)                                           | \$100,000 |
| 6  | University of Montana Natural Heritage Program                                 |           |
| 7  | (Wetland and Riparian Mapping for the Lower and Middle Musselshell Watersheds) | \$99,934  |
| 8  | Bozeman High School, Montana School District No. 7                             |           |
| 9  | (Mandeville Creek Restoration and Community Education)                         | \$100,000 |
| 10 | White Sulphur Springs, City of                                                 |           |
| 11 | (Water System Improvements)                                                    | \$100,000 |
| 12 | Department of Natural Resources and Conservation -- Water Resources Division   |           |
| 13 | (Cooney and Deadman's Basin Automated Instrumentation)                         | \$100,000 |
| 14 | Park Conservation District                                                     |           |
| 15 | (Livingston Ditch Water Efficiency and Infrastructure Protection)              | \$100,000 |
| 16 | Carbon Conservation District                                                   |           |
| 17 | (Whitehorse Canal Company -- River Bank Stabilization)                         | \$82,950  |
| 18 | Ronan, City of                                                                 |           |
| 19 | (Storm water System Improvements)                                              | \$100,000 |
| 20 | Fromberg, Town of                                                              |           |
| 21 | (Water System Improvements)                                                    | \$100,000 |
| 22 | Jordan, Town of                                                                |           |
| 23 | (Water System Improvements)                                                    | \$100,000 |
| 24 | Lower Yellowstone Irrigation Project Board of Control                          |           |
| 25 | (Lower Yellowstone On-Farm Water Conservation Measures)                        | \$100,000 |
| 26 | Butte-Silver Bow Consolidated City-County Government                           |           |
| 27 | (Big Hole River Pump station Rehabilitation)                                   | \$100,000 |
| 28 | Manhattan, Town of                                                             |           |
| 29 | (Water System Improvements)                                                    | \$100,000 |
| 30 | North Powell Conservation District                                             |           |

|    |                                                                              |           |
|----|------------------------------------------------------------------------------|-----------|
| 1  | (Blackfoot Irrigation Efficiency)                                            | \$60,000  |
| 2  | Kalispell, City of                                                           |           |
| 3  | (Woodland Park Pond Remediation)                                             | \$100,000 |
| 4  | Department of Natural Resources and Conservation -- Water Resources Division |           |
| 5  | (StreamStats Interactive Web Map Application)                                | \$100,000 |
| 6  | Libby, City of                                                               |           |
| 7  | (Wastewater Collection System and Treatment Facility Upgrades)               | \$100,000 |
| 8  | Toston Irrigation District                                                   |           |
| 9  | (Crow Creek Pumping Plant Rehabilitation)                                    | \$100,000 |
| 10 | Em-Kayan Water and Sewer District                                            |           |
| 11 | (Water System Improvements)                                                  | \$100,000 |
| 12 | Gallatin County Solid Waste District                                         |           |
| 13 | (Logan Landfill Waste-to-Energy Feasibility Study)                           | \$100,000 |
| 14 | Hill County Conservation District                                            |           |
| 15 | (Milk River Basin Riparian and Hydrology Restoration)                        | \$54,245  |
| 16 | Brady County Water and Sewer District                                        |           |
| 17 | (Water System Improvements)                                                  | \$100,000 |
| 18 | Lincoln Conservation District                                                |           |
| 19 | (Sinclair Creek Watershed Improvement)                                       | \$100,000 |
| 20 | Tin Cup Water and Sewer District                                             |           |
| 21 | (Tin Cup Lake Dam Improvements)                                              | \$94,638  |
| 22 | Melrose Water and Sewer District                                             |           |
| 23 | (Wastewater System Improvements)                                             | \$100,000 |
| 24 | Augusta Water and Sewer District                                             |           |
| 25 | (Wastewater System Improvements)                                             | \$100,000 |
| 26 | Target Range Water and Sewer District                                        |           |
| 27 | (Replacing Obsolete Septic Systems)                                          | \$100,000 |
| 28 | Carbon Conservation District                                                 |           |
| 29 | (Pleasant Valley Canal Rehabilitation)                                       | \$100,000 |
| 30 | Troy, City of                                                                |           |



|    |                                                                                                      |           |
|----|------------------------------------------------------------------------------------------------------|-----------|
| 1  | (Water System Improvements, Phase 3)                                                                 | \$100,000 |
| 2  | Department of Natural Resources and Conservation -- Water Resources Division                         |           |
| 3  | (Water Resource Survey Framework)                                                                    | \$71,000  |
| 4  | University of Montana                                                                                |           |
| 5  | (Developing Wolf Population Monitoring Techniques to Advance Management                              |           |
| 6  | and Conservation of Wildlife in Montana)                                                             | \$100,000 |
| 7  | Lockwood Area/Yellowstone County Water and Sewer District                                            |           |
| 8  | (Water Treatment Plant Clearwell Addition)                                                           | \$100,000 |
| 9  | Eureka, Town of                                                                                      |           |
| 10 | (Wastewater System Upgrade and Expansion)                                                            | \$100,000 |
| 11 | Joliet, Town of                                                                                      |           |
| 12 | (Water System Improvements)                                                                          | \$100,000 |
| 13 | University of Montana                                                                                |           |
| 14 | (An Experimental Assessment of the Ecological and Social Dimensions of                               |           |
| 15 | Human-Bear Conflict)                                                                                 | \$99,067  |
| 16 | Bigfork County Water and Sewer District                                                              |           |
| 17 | (Water Supply and Transmission Main Improvements)                                                    | \$100,000 |
| 18 | Park County                                                                                          |           |
| 19 | (Shields River Surface and Groundwater Analysis, Planning and                                        |           |
| 20 | Long-Range Policy Formulation)                                                                       | \$81,192  |
| 21 | Petroleum County Conservation District                                                               |           |
| 22 | (Horse Creek Coulee Water Storage)                                                                   | \$82,286  |
| 23 | Shelby, City of                                                                                      |           |
| 24 | (West Interceptor Water System)                                                                      | \$100,000 |
| 25 | Sidney, City of                                                                                      |           |
| 26 | (Optimizing Water Development from the City of Sidney Well Field)                                    | \$100,000 |
| 27 | Thompson Falls, City of                                                                              |           |
| 28 | (Transmission Main Replacement)                                                                      | \$100,000 |
| 29 | (4) Grant projects listed in subsection (3) are eligible for a loan up to the amounts recommended in |           |
| 30 | subsection (3) in lieu of a grant. The authorization for the loan is contained in House Bill No. 8.  |           |

1 (5) To the entities listed in this section, this appropriation constitutes a valid obligation of these funds for  
2 purposes of encumbering the funds within the 2013 biennium pursuant to 17-7-302.

3  
4 **NEW SECTION. Section 2. Conditions of grants.** Disbursement of funds under [sections 1 through  
5 3] for grants is subject to the following conditions that must be met by project sponsors:

6 (1) approval of a scope of work and budget for the project by the department of natural resources and  
7 conservation. Changes in the project scope of work or budget that reduce the public or natural resource benefits  
8 as presented in department reports and applicant testimony to the 62nd legislature may result in the proportional  
9 reduction in grant amount.

10 (2) satisfactory completion of conditions described in the recommendation section of the project narrative  
11 in the renewable resource grant and loan program project recommendations and biennium report submitted to  
12 the 62nd legislature for the 2013 biennium or, in the case of emergency, irrigation development, and private grant  
13 and planning grant applications, of conditions specified at the time of written notification of approved grant  
14 authority;

15 (3) execution of a grant agreement with the department; and

16 (4) accomplishment of other specific requirements considered necessary by the department to  
17 accomplish the purpose of the grant as evidenced from the application to the department or from the proposal  
18 to the legislature.

19  
20 **NEW SECTION. Section 3. Appropriations established.** For any entity of state government that  
21 receives a grant under [sections 1 and 2], an appropriation is established for the amount of the grant listed in  
22 [section 1(3)]. Grants to entities from prior biennia are reauthorized for completion of contract work.

23  
24 **NEW SECTION. Section 4. Review of previously authorized grants.** Recipients of renewable  
25 resource grants authorized by previous legislatures that have not completed startup conditions must be notified  
26 by the department of natural resources and conservation that the legislature, at the next regular session, will  
27 review renewable resource grants to determine if the commitment of the renewable resource grant should be  
28 withdrawn.

29  
30 **NEW SECTION. Section 5. Notification to tribal governments.** The secretary of state shall send a

1 copy of [this act] to each tribal government located on the seven Montana reservations and to the Little Shell  
2 Chippewa tribe.

3  
4 NEW SECTION. **Section 6. Severability.** If a part of [this act] is invalid, all valid parts that are severable  
5 from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part  
6 remains in effect in all valid applications that are severable from the invalid applications.

7  
8 NEW SECTION. **Section 7. Effective date.** [This act] is effective July 1, 2011.

9 - END -