



Water & Sewer Infrastructure Advisory Commission

Notice of Public Meeting

Location: Capitol Building, Room 102 or Zoom

[Watch & Listen Online](#)

1301 E. 6th Avenue, Helena, MT 59601

AGENDA*

Thursday, June 23, 2022

9:00 AM

1. **OPEN MEETING– 9:00 AM** **Rep. Sue Vinton, Chair**
 - a. Call to Order and Notice of Audio/Video Recording
 - b. Roll Call and Proxies
 - c. Approval of Minutes (Tab 1)

2. **ARPA PROGRAM UPDATE – 9:05 AM** **Scott Mendenhall, ARPA Program Director**
 - a. Expense Forms
 - b. Flooding Resources

3. **DEPARTMENT OF ADMINISTRATION– 9:25 AM**
 - a. Update on Local Fiscal Recovery Funds to NEUs **Danielle Vincent, Bureau Chief, DOA**
 - b. Update on State Capitol Project 604 Applications **Russ Katherman, State Architect, DOA**
 - c. ARPA Funded State Projects Update
 - d. Commission Discussion

4. **LEAD IN SCHOOLS – 9:35 AM** **Gino Pizzini, Drinking Water Supervisor, DEQ**
 - a. Sampling and Results Update (Tab 2)
 - b. Public Comment
 - c. Commission Discussion

5. **WATER & SEWER PUBLIC OUTREACH– 9:45 AM** **Adam Schafer, Deputy Director, DOC**
 - a. Department of Commerce Outreach and Technical Assistance Summary (Tab 3)

6. **MINIMUM ALLOCATION GRANTS – 9:55 AM** **Autumn Coleman, Bureau Chief, DNRC**
 - a. Certified Projects (Volume 12)
 - b. Project Contracting and Expenditures Update
 - c. Commission Questions
 - d. Public Comment
 - e. Commission Discussion and Action

PO BOX 201176

Helena, MT 59602-1706

PHONE (406) 444-3064

67th Montana Legislature

Senate Members

Doug Kary

Mike Cuffe

Ellie Boldman

House Members

Sue Vinton

Jerry Schillinger

Jim Keane

Executive Members

Amanda Kaster

Chris Dorrington

Rachel Meredith



Water & Sewer Infrastructure Advisory Commission

7. COMPETITIVE & IRRIGATION GRANTS – 10:15 AM

Autumn Coleman, Bureau Chief, DNRC

- a. Award Update (Tab 4)
- b. Commission Questions

8. PUBLIC COMMENT – 10:25 AM

Rep. Sue Vinton, Chair

- a. Public Comment Summary
- b. Public Comment

9. OTHER – 10:40 AM

Scott Mendenhall, ARPA Program Director

- a. Future Meeting Dates:
- b. Deadlines
 1. November 1, 2022 – Minimum Allocation Grant Applications Due
 2. December 31, 2024 – ARPA Funds Must Be Obligated
 3. December 31, 2026 – ARPA Funds Must Be Expended and Reported

10. ADJOURN – 10:45 AM

*This agenda has been subject to modification up to 24 hours in advance of the start of the meeting.

Agenda, handouts, past meeting information online: arpa-mtdnrc.hub.arcgis.com/pages/commission-meetings

PO BOX 201176

Helena, MT 59602-1706

PHONE (406) 444-3064

67th Montana Legislature

Senate Members

Doug Kary
Mike Cuffe
Ellie Boldman

House Members

Sue Vinton
Jerry Schillinger
Jim Keane

Executive Members

Amanda Kaster
Chris Dorrington
Rachel Meredith



DRAFT IAC MEETING MINUTES- May 26, 2022 – 1:00 P.M.

OPEN MEETING

Call to Order and Notice of Audio/Video Recording

Rep. Sue Vinton, Chair, called the May 26th, 2022, State of Montana ARPA Infrastructure Advisory Commission (IAC) meeting to order at 1:05pm and notified of meeting being Audio/Video Recorded.

Roll Call

Rep. Sue Vinton, Chair, R-Billings; **Rep. Jerry Schillinger**, R-Circle, **Rep. Jim Keane**, D-Butte; **Sen. Mike Cuffe**, R Eureka; **Sen. Doug Kary**, R-Billings; **Rachel Meredith**, Chief Legal counsel to Governor Greg Gianforte; **Director Chris Dorrington**, Director, Department of Environmental Quality (DEQ); **Director Scott Mendenhall**, ARPA Program Director, Governor's Office. **Sen Ellie Boldman**, D-Missoula **Director Amanda Kaster**, Director of Department of Natural Resources and Conservation (DNRC) by Proxy **Director Chris Dorrington**, Director, Department of Environmental Quality (DEQ).

Others Present

Autumn Coleman, DNRC; Anna Miller DNRC; Samantha Kemp, DNRC; Lindsay Volpe, DNRC; Katherine Certalic, DNRC; Russ Katherman, DOA; Renee Lemon, DOC; Cody Ferguson, DOC; Greg Montgomery, DEQ; Mark Sheets, Mayor of Thompson Falls; Mike Murphy, Montana Water Resources Association (MWRA), Tara Boulanger, OPI; Carrie Gardner, Great West Engineering; Clayton Elliott, Montana Trout Unlimited. Paul Taylor, OPI; Jay Phillips, OPI.

Approval of State of Montana ARPA IAC Meeting Minutes April 20th, 2022

MOTION

Sen. Doug Kary

Moved to approve the April 20th IAC Meeting Minutes as rewritten.

Motion passes unanimously.

ARPA PROGRAM UPDATE

Director, Scott Mendenhall

The second tranche of funds were received at the State about a week ago. This money does allow for the second round for competitive grants to go forward.

Autumn Coleman, Department of Natural Resources and Conservation (DNRC)

Federal Infrastructure Funding Update- The Governors' Budget office is heading up a task force of agencies to track how the Federal Infrastructure Bill will impact those agencies.

DEPARTMENT OF ADMINISTRATION

Russ Katherman, Architecture and Engineering Division of The Department of Administration

We have not heard much from Treasury concerning the 604 dollars. The round 1 applications are still in the queue, and we are still holding the round 2 projects pending Treasury's reaction to round 1 submissions. Flathead Valley Community College did find information on

ARPA INFRASTRUCTURE ADVISORY COMMISSION MEETING MINUTES

May 26th, 2022, MINUTES

procurement requirements which we are reviewing under the ARPA 604 grant agreement, and we will report back to the commission. The deadline to use these funds is still 2026.

Director Chris Dorrington, Director, Department of Environmental Quality (DEQ)

Would it help if the Montana Congressional Delegation was aware of what we are trying to do?

Russ Katherman, Architecture and Engineering Division of The Department of Administration

I believe that both the senate and the house are aware and have reached out. I have no direct information but the feedback we got was that it did not “look good” at this point. But Treasury has not given an official position one way or another.

LEAD IN SCHOOLS

Director Chris Dorrington, Director, Department of Environmental Quality (DEQ)

Greg Montgomery from DEQ, OPI, and DPHHS are here to speak more on this. These agencies worked together to do lead in schools sampling and infrastructure improvement.

Greg Montgomery, Department of Environmental Quality (DEQ)

In the [materials provided to the commission](#) which go over a brief update on where the program stands now. When the handouts were generated, we had received samples from 363 schools, as of this morning it is up to about 387. We are still at about 73% of schools that have sampled that have at least one fixture that has come back greater than the action level that exceeds 5 ppb. About 50% of schools have had fixtures that exceeded and about 81% of the schools that have sampled have had 20 or less fixtures that have exceeded. Especially for the 50% of schools, that’s roughly a few thousand dollars could correct all the lead issues in that particular school. In the [materials provided to the commission](#) there is a proposal and how to create a potential funding program. The program we are proposing would be based more on eligibility than ranking. We felt that a program based on eligibility would be fair going across the state and would allow for the applications to be quickly reviewed and approved on a monthly rolling basis. This would be open to public and private schools however, private schools would have to work under a local government entity. It would be a reimbursement type program focusing on lead source removal. If match were required, we would look at more in-kind services. The applications would go through the DNRC with Submittable and pass through this committee to be recommended to the governor for approval. There is an [interactive map](#) that shows the schools that have sampled and the demographic information. Poverty level was included here so we can see if there is a link for schools with higher poverty rates have higher lead concentrations. We have not seen this direct connection in Montana. 206 schools out of 593 have not sampled as of today.

Director Chris Dorrington, Director, Department of Environmental Quality (DEQ)

There are schools that have still not sampled, it is challenging because for regulated schools they do not have a lot of control, it’s unclear if they can make someone sample. The deadline was very clear for December 2021, and we will not be extending it because we are not rewriting the rules of the program. However, I did recently have a call that I believe was effective, as we can see that more schools have sampled.

Rep. Sue Vinton, Chair

I am honestly frustrated by the schools that have not sampled and I am wondering if there is a carrot, or a stick that we can use to encourage these schools to get this done?

Jay Phillips, Chief Financial Officer, Office of Public Instruction

The [handout](#) provided to the Commission details information about three different buckets for the ESSER funds 1, 2, and 3. The first page of the handout is the ESSER 1 money from the CARES Act funding. The budget end is 9/30/2021 but the Department of Education grants have what is called a tydings amendment which allows for school districts to receive an additional 12 months to expend all the funding plus another 3 months for liquidation. We received about \$1 million dollars and were required to distribute all of that directly to school districts, about \$37 million and the remaining money is what they call a 10% set aside which OPI retains for administering the program. While there is the administration money that OPI retains to administer the program, there is also flowthrough which are the funds directly distributed to school. We have spent all the administrative funds and \$33 million of the flowthrough to schools has been expended. We are at about 82% expended for the CARES Act grant year. On ESSER 2 we got \$170 million, we were required to set aside 90% of those funds to schools, and there is a more detailed breakdown on that the 10% is broken down on the [handout](#) provided. We have expended about 11% of the administration funds. The funding available to use for water improvement projects would be the flowthrough in ESSER 2 and 3. As of May 17th we have distributed about \$57 million with around \$103 million left over for schools to spend. Initially there was not guidance if funds could be used for lead remediation or asbestos but within the last month, they have said that this would be an allowable use of funds. We have kept schools aware of this and any other changing guidance so that they may come in to redirect some of their funding if they so choose. OPI does not have control over how schools choose to spend their money, if the school wants to use the money for lead remediation, that is their choice.

Rep. Jim Keane

If OPI has no control over how these funds are spent, but we do have a program that is ready for this project, how can we continue to protect the children of Montana against lead in schools?

Jay Phillips, Chief Financial Officer, Office of Public Instruction

OPI agrees that the health and safety of students is very important, and we can continue to educate them that it is important but with the board of control and the local trustees are the ones who make the decisions on how the funds can be utilized.

Rep. Jim Keane

If the press is out there, they should be printing that every grandparent, parent, and family member ask their school board, are your children or grandchildren drinking lead in their water. We have a problem, we have identified a problem, and a way of solving a problem is to put some money at the problem. We do that through a program, much like the one that Mr. Montgomery created. I want this problem solved.

Rep. Sue Vinton, Chair

As a former school board trustee, I must echo Mr. Phillips in that is where the decisions are made. Parents should be contacting their local schools to see the status of their testing and to see what they are doing about it.

Director Chris Dorrington, Director, Department of Environmental Quality (DEQ)

It would look like to me that between ESSER 2 and 3 there are \$60 million unexpended, and schools could use this money if they came to you with a revised plan on spending the money, is that right? And is there any influence over the schools that you have that you could describe to help them be aware of the funding available and the need?

Jay Phillips, Chief Financial Officer, Office of Public Instruction

That is correct, schools have full flexibility which is beneficial as they can change the way the money is spent. We do keep the schools updated on the most current guidance on how the

funds can be spent so they are aware. We do have to be cautious of influence with the board of control as we do not want to give them the impression that OPI is telling them how to spend their funds.

Director Chris Dorrington, Director, Department of Environmental Quality (DEQ)

Do you know of any instances when the schools have been allocated money, they have fully expended their allotment, and there still may be a lead sampling or remediation need?

Jay Phillips, Chief Financial Officer, Office of Public Instruction

We do have schools that have expended all their funds, whether they have addressed their potential lead issues is not certain. We could work with DEQ to combine data and find this.

Sen. Doug Kary

Could DEQ do a new release to all the media in the State indicating that there is over \$400 million available to the school districts to take care of the lead issue?

Director Chris Dorrington, Director, Department of Environmental Quality (DEQ)

DEQ would be willing to put in a new news release. The school boards should do their due diligence to address this so we can weave the balance between control and influence.

Rep. Sue Vinton, Chair

I'm glad that was brought up because there is an upcoming meeting for the Montana School boards Association early to mid-June where they bring in state-wide schoolboard trustees. I would be happy to contact them to get this put on their agenda.

MOTION

Rep. Jim Keane

I make a motion to take \$5 million out of the reversions to put it in there and be matched with other monies from other available sources to remediate lead in schools.

Discussion

Sen. Doug Kary

Could representative Keane clarify, instead of having \$400 million you want to \$410 to do something similar?

Rep. Jim Keane

I want this ARPA program to go on record about doing something about the lead in schools issue, we do that through the program that was stood up here before us, that we put \$5 million into that program but it has to be used as the program sees fit and has to be matched with other money to start now in remediating lead in schools.

Autumn Coleman, Department of Natural Resources and Conservation (DNRC)

Lead testing, sampling, planning, and lead remediation are all allowable uses of ARPA funds. With the minimum allocation grant program that is open, we would be able to fund anything dealing with lead in schools this way. We do cover the proposal for reverted funds later in today's agenda. HB632 states that if a project cannot go forward or be successful the governor may award another project with those funds. It would not be the commission's decision to begin a program, rather a recommendation to the governor and he would make the final decision.

Sen. Doug Kary

Is not the majority of our money already spoken for an allocated so we would have to wait for anything that reverted back to do this? We are asking for something that we don't know if we have the money to do.

Director, Scott Mendenhall

These funds must be obligated by 12/31/24 and spent by 12/31/26 for a reminder. We have had a lot of success with the technical assistance program and maybe something like that could be developed for schools to help guide them through how to do this.

Jay Phillips, Chief Financial Officer, Office of Public Instruction

Under ESSER 2, the obligation period is 9/30/2023 and for the ARPA funding the obligation is 9/30/2024 in both instances they have until December of that year.

Rep. Jerry Schillinger

It sounded like legislatively we did not put any sideboards on the \$400 million to be distributed to the schools. I was curious if legislatively we could not change that for money to be directed toward the lead in schools problem.

Jay Phillips, Chief Financial Officer, Office of Public Instruction

Since the funds have been appropriated out, the schools have submitted applications and those funds are technically obligated. The only time we would be able to change things legislatively is if funds were to come back. The funds have been allocated out to the schools and the balance on your [handout](#) is the portion of what has been allocated out that has not been expended by the schools to date. If a school was interested in redirecting their funds, they can submit a cash request to OPI to reimburse them for those activities.

Rep. Jim Keane

I would like to amend my motion to be clearer, I think we should take the first remediated money that comes in up to a maximum of \$5 million so that we can continue the program that Mr. Montgomery will be able to identify and start working with. This money has to be matched at least 50% by other sources of funding.

Sen. Doug Kary

50% for a lot of school districts is a huge amount to find matching funds, and that would be very difficult for some schools to come up with.

Rep. Jim Keane

I would like to amend that to 25%.

Rep. Sue Vinton, Chair

Can you remind the commission on how the reverted funds would be available and expended?

Autumn Coleman, Department of Natural Resources and Conservation (DNRC)

If we would receive notice that a project that has been awarded that was unlikely to go forward or would need to revert their funds, HB 632 the governor would be able to redirect those funds to another project.

This vote was postponed until agenda item #8 in this meeting so that commission members could hear more about the reverted funds proposal.

WATER AND SEWER PUBLIC OUTREACH**Renee Lemon, Division Administrator for Community Development, Department of Commerce**

In the last month we have been focusing on reaching out to the 70 communities that had not applied for a minimum allocation grant. In the next month we are targeting the 45 communities that still have some portion of the minimum allocation left. Next week staff will be meeting in person with 4 counties along the High Line. We do have enough money to assign 9 more engineering firms to communities. For an update on the Montana Coal endowment program,

there is a handout for the [MCEP Bridge Project Grant Applications handout](#), the deadline was just for last Thursday. We received a total of 52 project applications requesting a total of \$31 million, including 12 bridge projects, there were 40 water and sewer project applications requesting a total of 424 million. The next steps are for our staff to rank and review the applications, that list will eventually go to the governor, a revenue projection will be completed to set a funding line. This information goes to the legislature then they make the decision on which projects are funded.

Lindsay Volpe, Department of Natural Resources and Conservation

The RRGL program applications were due May 16th, we had 74 submissions with a total funding request of \$8.99 million. Applicants put together their funding table that has funding sources that may or may not work. The competitive grant program has brought more than \$25 million to these projects. Distribution of project types, we typically see water and wastewater coming in around 50% but this biennium we see about 60% related to the ARPA funds. We typically see about 40% for irrigation projects but we are seeing 30% this time, but it is very typical to fluctuate. We also have received applications on May 16th for our Reclamation and Development Grant program. This program is unique as it can fund a bit more than RRG can offer but it also touches on crucial state needs that not many programs address.

MINIMUM ALLOCATION GRANTS

Autumn Coleman, Department of Natural Resources and Conservation (DNRC)

In [Volume 11 of the budget book](#), one can find information on what has been funded, what has the potential to be funded, and much more. There are 4 new projects and 5 projects that requested more minimum allocation grant funds. There are a total of 9 minimum allocation grant requests for a total ask of \$696, 079. When we see some projects come in more expensive than they originally anticipated, we go over their options with them. One option might be minimum allocation grant funds that have not been applied for, and we show them how to apply for those. If they do not have any minimum allocation grant funds, then we try to help them find ways to either reduce the scope of their project or look to other funding sources.

Sen. Mike Cuffe

Last meeting, we heard from Basin, were we able to help them get on track with anything?

Autumn Coleman, Department of Natural Resources and Conservation (DNRC)

We did meet with members of the new board in Basin about their project. DNRC ARPA staff, DNRC staff with SRF loans, DOC staff, and DEQ staff on how to get them a project and funding package would work for their community. Jefferson County has pledged support for that project through minimum allocation grant funds. Basin has hired an engineering firm and they are looking at a preliminary engineering report then they would put together a funding package. Basin did apply for a Renewable Resource grant.

PUBLIC COMMENT

Mark Sheets, Mayor of Thompson Falls, MT

I would like to suggest that if there is any of the minimum allocation fund left over at the end of this that they be put forth into the competitive grant program so that more funding of that can take place. I would also like to see that on the competitive part you just start funding what was left from the second round of the funding and move down on that.

MOTION**Sen. Doug Kary**

I move that this Advisory Commission certify that the 9 minimum allocation grants for \$696,079 recommended by the DNRC today, May 26, 2022, are necessary investments in water and sewer infrastructure and are eligible as defined in the American Rescue Plan Act and all applicable guidance, to the extent that subsequent actions follow all necessary applicable laws, regulations, and guidance. In addition to that, the advisory commission recommends to the Governor, that the Governor award funding for these projects.

Motion passes unanimously.

COMPETITIVE & IRRIGATION GRANTS**Autumn Coleman, Department of Natural Resources and Conservation (DNRC)**

The second tranche of funding is here, we will be working with the Governor to get award letters out.

Rep. Jim Keane

I would like to go back to the Regional Water Authority, I heard that the Infrastructure Bill put a lot of money toward these regional water authorities, do we have to put money towards them?

Anna Miller, Department of Natural Resources and Conservation (DNRC)

On the Regional Water Projects there is a federal cost share, and a non-federal cost share. Even if a project has a certain amount, they must have a non-federal cost share and those ARPA funds from the State can contribute to the State and non-federal cost share. If this was taken away and they did not have any non-federal cost share that might cause some of the projects to be put on hold. Those monies are allocated in HB632, and they are using them as non-federal cost share for match on those projects.

Sen. Mike Cuffe

What we were able to do here is to use the State ARPA money to leverage those which ordinarily comes through HB8.

Anna Miller, Department of Natural Resources and Conservation (DNRC)

That is correct, along with the money in HB11 which provides some of the non-federal cost share. The ARPA money helps especially in this time of inflation, and it helps cut down the State's indexing costs.

WATER SEWER GRANT FUND MANAGEMENT**Autumn Coleman, Department of Natural Resources and Conservation (DNRC)**

People are interested in what will happen with any minimum allocation funds that are not used and concerned about funds that are reverted, state agencies put together a proposal to address this. The proposal was out for public comment and held specific stakeholder engagement events. Eligible costs for ARPA are incurred any time between March 3rd, 2021, to December 2026. There is also a deadline set by the federal law that ARPA funds must be obligated by December 31st, 2024. HB632 added the January 1st, 2023, deadline for minimum allocation grants. HB632 indicates that grant funds not applied for and awarded or in a pending status are transferred to the competitive grant program. The proposal is that we set an application deadline for minimum allocation grants for November 1st, 2022, for time to review eligibility, communicate with applicants, and resolve any outstanding issues to bring to them to the Infrastructure Advisory Commission for review and recommendation. No constructive feedback

was given on this issue. The other part of this proposal is the minimum allocation grants funds that are transferred to the competitive program. This proposal would say any of these transferred funds would fund the projects that were on the round 2 ranked list that went unfunded. We are unsure how much money will be unspent in the minimum allocation grant program. We would want to verify that these projects are still viable, if we did have a tie, we would prioritize those projects based on their committed match and readiness to proceed due to the time constraints we are working with, then their technical score. We do not know how much would be moved from minimum allocation to the competitive grant program. We may have a better idea of a number later in the year however, it could be zero.

Anna Miller, Department of Natural Resources and Conservation (DNRC)

In the [Volume 11 Budget book](#) on page 64 these are the cities and towns and the allocation that HB632 did was \$93 million. If only \$43 million had been applied for and gone to the ARPA staff and they had \$50 million left, then that would be the reversion. If this stopped today, that is what it would be, but this is how that number could be calculated.

Sen. Doug Kary

Will the commission have to take action on that reversion, or do we have that lined out right now because of the ranking?

Autumn Coleman, Department of Natural Resources and Conservation (DNRC)

The proposal today would provide the Infrastructure Advisory Commission recommendations to the governor on how the money will be prioritized. If you want to make a motion to make these recommendations, then we would come to the Commission with the projects review and approval for the governor's award. In reviewing how to prioritize the minimum allocation grants that may move to the competitive pool, one option was to do a round 3, but with the time frame, it could be 6-9 months or longer. By eliminating that as an option we have significantly cut back on time. If the Commission did move forward with this proposal, we could come to the Commission in January or February with projects for recommended funding.

Reverted funds are funds that have already been awarded to a project and we may or may not be under contract, but something happens, and the project falls through or a part of the project falls through, those funds can be reverted to DNRC. Keeping the ARPA deadlines in mind, any reverted funds, the first \$750,000 would go to funding the technical assistance program through DOC as this program has been extremely successful. The remainder would go to a competitive planning grant program, as we get closed to the 2024 deadline, we wanted it to go to projects that would have a chance for success to meet those ARPA timeframes, and planning activities go relatively quickly compared to construction projects. The proposal today says that anyone who is an eligible applicant under HB632 can apply. HB632 requires match, it would cover the eligible activities that are already established under the clean water and drinking water SRF program and would limit those to \$50,000 per application. They must demonstrate that they can meet the ARPA deadlines, we would recommend them to the IAC on a first come first-serve basis like how we do the minimum allocation grants and could be brought to the Commission monthly. We would use the match rate as a tie breaker. Planning would include preliminary engineering reports, feasibility reports, design, environmental review documentation, and any other pre-construction activities. Under this proposal, all the lead in schools up to the remediation portion would be eligible for this of course within the ARPA time frames, money would be obligated the end of December 2024 and expended by the end of December 2026.

Director, Scott Mendenhall

What is the best estimate of time when reversions could happen?

Autumn Coleman, Department of Natural Resources and Conservation (DNRC)

Lets take round 2 as an example, they will get an award letter, then we allow them 6 months to meet their startup conditions, then we enter into an agreement. We consider the funds obligated to the project as soon as the subrecipient agreement is awarded. We have been clear that everyone must meet the ARPA timeframes, we may not see reversions until next year.

Sen. Doug Kary

For lead abatement, we are looking and 1.5 years for when the first revisions may come. The projects would have to be more than ready or started. This seems like a very tight timeline.

Sen. Mike Cuffe

Based on what we just heard, maybe the reverted money is not the best source of money for lead in schools as we would like to see this going sooner and there are many other sources of money available.

Rep. Sue Vinton, Chair

I agree, if schools are concerned about lead in their buildings, they need to start doing something now, and they should have been doing something 6 months ago.

Rep. Jim Keane

Would it be fair to say that with the minimum allocation grants timeline, in November you should have a good idea on how much money would be reverted?

Autumn Coleman, Department of Natural Resources and Conservation (DNRC)

That is correct, but under this proposal anything coming from minimum allocation grants would go to the round 2 ranked list. What we are talking about in this section is projects that have been awarded but the projects may need to revert funds for some reason.

Rep. Jim Keane

I am thinking that the Commission could make a recommendation for lead in schools, and we would know 7 months from now that the money would be available. We would not have to move it down the line we could give it to lead in schools, is that correct?

Autumn Coleman, Department of Natural Resources and Conservation (DNRC)

Just to be clear, are you talking about the competitive funds proposal, not the reverted funds proposal? The minimum allocation transfer to the competitive program versus the reverted funds, is that correct?

Rep. Jim Keane

I would like to do the reverted funds, but we have committed all the funds. So, the reverted funds means not a year from now but with the minimum allocation route, there is \$50 million now and we cut it to \$25 million, but 7 months from now we would know what the funds would be. I want to do something for lead in schools.

Anna Miller, Department of Natural Resources and Conservation (DNRC)

I do have sympathy for the lead in schools issue but remember that we are working with very tight timeframes. If we were to do something of that nature, we must think about the product and the staff to do that. There may be supply chain issues and staffing issues where money doesn't get out.

Sen. Doug Kary

If supply is the issue and it is prepaid, is that allowable to be invoiced to the school system and funds would be able to be paid, for the product itself?

Anna Miller, Department of Natural Resources and Conservation (DNRC)

Congress may need to go back an address with the timelines, cost, and escalation in price.

Rep. Sue Vinton, Chair

It is my opinion that the lead in school issue could be addressed more nimbly by OPI with the available funds and messaging to work with the School Board Association, Business Official Association in terms of encouraging schools to act sooner rather than later.

Sen. Doug Kary

Is it possible for the school system to relinquish their funds early? If OPI would say that if there is nothing on the drawing board for these funds by this date, you could lose 50% of what you have in that allocation because other schools need it, and we do not want to lose the money.

Rep. Sue Vinton, Chair

In my experience, once schools are allocated funds, they are not inclined to return them.

Rep. Jerry Schillinger

Hundreds of millions of dollars have been directed toward schools through ARPA funding and I do not see where we should revert any of these funds to add to that.

MOTION**Rep. Jim Keane**

I would like to proceed with the motion that we take the first remittance of the ARPA money under the jurisdiction of this Commission and use up to a maximum of \$5 million for the remediation of lead in schools with up to a 25% match requirement.

Director, Scott Mendenhall

In your use of the work remittance, did you mean reversion?

Rep. Jim Keane

Yes, that is correct.

Sen. Mike Cuffe

To clarify, the school districts would put in 75% and we put in 25%?

Rep. Jim Keane

School districts, other sources of funding, we will only put in 25% the city or county could use some of that for this too.

Roll Call Vote

Yeas	Nays
Sen Ellie Boldman, D-Missoula	Rep. Sue Vinton, Chair, R-Billings
Director Chris Dorrington, Director, Department of Environmental Quality (DEQ)	Director Amanda Kaster, Vice Chair, Director of Department of Natural Resources and Conservation (DNRC)
Rep. Jim Keane, D-Butte	Sen. Doug Kary, R-Billings
	Sen. Mike Cuffe, R-Eureka
	Rep. Jerry Schillinger, R-Circle
	Rachel Meredith, Chief Legal counsel to Governor Greg Gianforte

Motion fails.

MOTION**Sen. Doug Kary**

I move that the Infrastructure Advisory Commission recommend that DNRC adopt the Water & Sewer Grant Fund Management Proposal as presented today that will: set a November 1, 2022 deadline for Minimum Allocation Grant applications; prioritize funding the highest ranked unawarded projects on the Round 2 Ranked List with only Minimum Allocation Grant Funds that are transferred to the Competitive Program; fund Technical Assistance through the Department of Commerce and create a Competitive Planning Grant Program with any reverted Water & Sewer Grant Funds; and create a competitive Irrigation Planning Grant Program with the remaining \$1.2 million set aside for ARPA Eligible Irrigation Projects.

Autumn Coleman, Department of Natural Resources and Conservation (DNRC)

Before moving to vote, I would like to speak on the irrigation grant program proposal. The irrigation grant program was a set aside of \$10 million that was created out of the competitive funds. Last meeting, we did award short of the \$10 million so we do have some funds left over that we did create a proposal that went out for public comment. The proposal recommends that the limit for planning grants would be \$50,000 but got feedback that it should be lowered to \$20,000 as planning can be less expensive than construction. We would do these on a first come, first-serve basis to simplify the application like the minimum allocation applications. HB632 does require a match by local government but we did not set a match requirement in the proposal, or the planning grant funds. Planning grants are smaller, and they are a little easier to get local match involved. The administrative cost of us trying to track match would be difficult. If the commission would like to set a match requirement for planning grant funds, it would either be something like 10% and no higher than 25%. A match greater than zero I believe would meet the requirements of HB632. If we did come down to a tie breaker, the one with more match would be favored.

Sen. Mike Cuffe

Calls for question.

PUBLIC COMMENT**Mark Sheets, Mayor of Thompson Falls, MT**

I would like to thank you in your support of moving the unallocated funds into the competitive grant program and funding down onto where the funding left off last time. You spoke about viable projects, and our water project that we put forth is very viable and we are trying to be proactive. We had a pump burn out on the 4th of July last year and lost our big well. With that we had to stop irrigation, stop fireworks downtown until we got it up and only allowed vegetable garden watering. We are under an exemption under DEQ for water storage, that is also part of our project because our one tank is almost 100 years old and the other is over 40 years old, we need more storage. For piping we have got about 15 different diameters and types of pipes in town that we have been proactive in replacing and we will keep working on replacing those. With phases we have we do have a viable project. We do have the support of the council for this project. I would just like to thank you very much, last summer when ash was raining downtown for one day, people got a bit twitchy and turned on their sprinklers and drained our tanks. It was a rough summer, so thank you so much for your support on this.

Mike Murphy, Montana Water Resources Association

I wanted to be here to thank the commission for taking the action to provide funding for irrigation projects throughout the State of Montana. They are good projects and are very important to rural Montanans, to the farmers and ranchers, and others out there who rely on those projects throughout the state. These will provide some much-needed irrigation development funding for those projects. With regard to the proposal, certainly we would rather see these dollars going to some on the ground projects. For the funds that would be made available for planning grants, and we agree that \$20,000-\$25,000 limits to those planning grants would probably be sufficient in most cases. We would hope that there is a criteria involved to determine based on what the projects do entail. We see those as an opportunity to work those planning grants around with the RRDG funding and other projects possibilities out there for these projects.

Cayton Elliott, Montana Trout Unlimited

We did provide written comment on the reverted grant funds, and I would like to reiterate our support. I appreciated Ms. Coleman's discussion on match especially with some of the smaller planning grants and the difficulties that can arise on the smaller grants with match. It is not necessarily finding the funds always but more the administrative headaches for all parties. I want to reiterate our support for the proposal and thank the commission for work they have been doing on all of this along with Ms. Coleman and the rest of the DNRC staff on their work.

Roll Call Vote for Sen. Doug Kary's motion.

Motion passes unanimously.

OTHER**Future Meeting Dates**

June 23, 2022

ADJOURNMENT

Rep. Sue Vinton, Chair adjourned meeting at 4:02 pm.

Submitted by: Katherine Certalic, DNRC

Minutes approved by the ARPA Infrastructure Advisory Commission:

(Date)

(Signature)

(Title- Chair etc.)



Montana Lead in School Program

Infrastructure Advisory Commission Meeting

06/23/2022

Brief update on the Lead in School Program:

- As of June 8, 2022, Montana DEQ has received lead sampling results from 394 out of the 593 school buildings. Approximately 73% of those schools have had at least one fixture that exceeded the Montana Action Level (AL) of 5.0 micrograms per Liter (ug/L) or parts per billion.
 - Total samples collected – approximately 13,327
 - Total samples greater than Action Level (AL) – 3,466 (26%)
 - Sample results between 5 and 15 ppb – 2,454 (18%)
 - Sample results greater than 15 ppb – 1012 (7%)
 - Average number of samples per school - 38
 - Number of Schools with no exceedances – 97
- A joint press release (DEQ, OPI, and DPHHS) is being finalized and will go out in June. The release focuses on the use of ESSER funds for lead remediation in schools.
- DPHHS sent email out to all School Administrators on June 16, 2022, regarding use of ESSER funds for lead remediation.
- DPHHS is working with School Administrators of Montana (SAM), Montana Association of School Business Officials (MASBO), and MT School Board Association (MTSBA) to get out similar message to their email recipients
- Still waiting on EPA to release state allocations for the new 5 years of funding in the WIIN grant that can be used for remediation and sampling.
- Created a funding table for schools to review the available funding sources for sampling and lead remediation. Included in this handout and available on our website.
<https://deq.mt.gov/water/programs/dw-lead#accordion1-collapse5>

FINANCIAL ASSISTANCE PROGRAMS FOR LEAD MITIGATION IN SCHOOLS DRINKING WATER IN MONTANA

Program Name	Eligible Applicants	Eligible Projects	Local Match Required	Planning Costs Covered?	Amount of Funds Available Per Project	Loan Repayment Period	Ranking Criteria	Funding Cycle (Deadline)	Special Requirements and Additional Information	Program Link	Program Contact
MONTANA AND FEDERAL AGENCIES ACCEPTING THE UNIFORM APPLICATION											
Montana Office of Public Instruction (OPI) & Montana Department of Environmental Quality (DEQ) - Lead Remediation Reimbursement Program	All accredited schools and school districts in Montana	Lead remediation in school's drinking water. (fixture replacement or repair, treatment systems, and plumbing replacement)	no	yes	\$1,000 per school	NA	NA	Open-cycle	School must be participating in the Lead in School program and had lead results of 5 ug/L or greater in a water fixture. Funding is limited and is first come first serve	https://opi.mt.gov/Student-Support-Services-Department/Lead-Remediation-Reimbursement-Grants	Jamey Petersen, OPI 406-444-0773 Jamey.petersen@mt.gov
US Environmental Protection Agency (EPA) & Montana DEQ - Lead Sampling & Remediation in Schools Drinking Water Grant	All Public School Districts	Coming soon	Coming soon	Coming soon	Coming soon	Coming soon	Coming soon	Coming soon	Coming soon		
US Department of Education & Montana OPI - Elementary & Secondary School Emergency Relief (ESSER)	All Public School Districts	Projects including reducing lead exposure in water are eligible. Lead remediation is an allowable ESSER expense, as it protects the health of students who are already in a potentially compromised state due to the presence of COVID-19 in the community.	NA	NA	Available funds vary from school to school	NA	NA	The schools have until Sept 30th to "obligate" the funds and then until November to "liquidate" the funds. ESSER I funds must be obligated by 09/30/2022, ESSER II by 09/30/2023, and ESSER III by 09/30/2024	ESSER plans can be updated at any time using OPI's District ESSER Plan Update Tool to include lead remediation costs	https://opi.mt.gov/COVID-19-Information/ESSER	Wendi Fawns, OPI 406-437-8595 Wendi.Fawns@mt.gov
Montana OPI - State Major Maintenance Aid	All Public School Districts	Please refer to sections 20-9-525(2), MCA. Listed provisions at the discretion of the district school board.	Local effort as defined in section 20-9-525, MCA is required to generate state major maintenance	When in compliance with sections 20-9-525 & 20-9-502(3), MCA and at the school board's discretion.	When in compliance with sections 20-9-525 & 20-9-502(3), MCA and at the school board's discretion.	NA	NA	Annual, including reserves, where in compliance with section 20-9-502(3) MCA	Refer to the document titled <i>Use of State Major Maintenance Aid for Lead Remediation</i> updated on 6/6/2022		Office of Public Instruction School Finance Division OPISchoolFinance@mt.gov
U.S. Rural Development- US Department of Agriculture (USDA) a. Water and Environmental Loan and Grant Program b. Pre-Development Grants c. Search Grants	a., b., c. Counties & Municipalities, Water/Sewer Districts, Federally recognized Indian Tribes and Non Profits - Associations	a. Water, Wastewater, Storm water, and Solid Waste Systems (Construction, Repair, Expansion) b. Planning c. Planning	a. No b. Yes (25%) c. No	Yes, reimbursement as part of total project costs	a. Ratio dependent upon user rates, no limit or maximum for loans, 75% maximum grant b., c. \$30,000	a. 40 years or life of facility	Priority given to: Under 1,000 in population, Low income, Health hazards, and Extended service to additional rural users	Open-cycle	Population <10,000 Applicants must be unable to finance the project by use of commercial credit at reasonable rates and terms	Water & Environmental Pr	Steve Troendle USDA/Rural Development 2229 Boothill Ct. Bozeman, MT 59715 406-585-2520 steve.troendle@mt.usda.gov
Montana Department of Environmental Quality (DEQ) a. Drinking Water State Revolving Fund Loan Program (DWSRF) Loans	a. All community public water systems.	a. Drinking water projects that achieve compliance with the Federal Safe Drinking Water Act.	No	Yes	100% of eligible project costs can be borrowed; ability to repay loan must be shown. Partial principal forgiveness may apply.	20 years or less. Qualifying disadvantaged communities are eligible for loan terms of up to 30 years and term cannot exceed the design life. Up to 3 years for interim financing.	Protect public health, comply with the Federal Safe Drinking Water Act, system affordability	Open-cycle	Projects must be included on the Project Priority List and Intended Use Plan; must demonstrate ability to repay loan. Must meet Federal Davis Bacon Wage and American Iron and Steel requirements. Minority Business Enterprise requirements MAY be required	https://deq.mt.gov/water/programs/eng#accordion1-collapse3	DEQ – State Revolving Fund 1520 E 6th Avenue PO BOX 200901 Helena, MT 59620 Mark Smith (DWSRF) 406-444-5325 marks@mt.gov
Montana Department of Commerce (DOC) Community Development Block Grant Program (CDBG) a. Public & Community Facility Grants b. Community Planning Grants c. Economic Development and Housing Grants (Federal grant administered by Commerce)	Incorporated cities and towns, and counties. Note: Counties may apply on behalf of water/sewer district and tribal utility authorities.	Water, wastewater, solid waste, hookup fees and assessments, economic development, housing (multifamily & single family)	a. Yes (25%) b. Yes (25%) c. Contact the program	Yes, for costs associated with engineer and grant administration.	a. Up to \$450,000 b. Up to \$50,000 c. Contact the program	c. Contact the program.	Community planning assessment, project need, concept and technical design, community efforts, financial assistance, benefit to low and moderate income	a. Annual competition-spring of the year b. Quarterly c. Open-cycle	a. At least 51% of the beneficiaries of a project must be low or moderate income. b. Planning such as PER, CIP & community development planning. See website for eligibility. c. Contact the program	https://comdev.mt.gov	Community Development Division Staff 301 S Park Avenue, PO BOX 200523 Helena, MT 59620 406-841-2770 docdd@mt.gov
Montana Department of Commerce Montana Board of Investments INTERCAP Loan Program Loans	Local government units, Special Purpose Districts, Water/Sewer Districts And Tribal governments	Water & Wastewater Systems, Solid Waste (Construction, repair, expansion, equipment, vehicles, planning, interim financing)	No	Yes	100% of eligible projects can be borrowed; ability to repay loan must be shown. Over \$3 million on a case by case basis.	Up to 15 years	No ranking criteria. Board examines applicant's financial profile and repayment ability.	coming soon		www.investmentmt.com	MT DOC Board of Investments PO BOX 200126 Helena, MT 59620 Savannah Morgan 406-444-0257 SMorgan@mt.gov Louise Welsh, 406-444-0891 lwelsh@mt.gov

FINANCIAL ASSISTANCE PROGRAMS FOR WATER, WASTEWATER AND SOLID WASTE PROJECTS IN MONTANA

Program Name	Eligible Applicants	Eligible Projects	Local Match Required	Planning Costs Covered?	Amount of Funds Available Per Project	Loan Repayment Period	Ranking Criteria	Funding Cycle (Deadline)	Special Requirements and Additional Information	Program Contact
Montana Department of Commerce Montana Coal Endowment Program (MCEP) a. Construction Grants b. Infrastructure Planning Grants c. Emergency Grants	Incorporated cities and towns, counties, water, sewer and solid waste districts, and federally recognized tribal governments.	Drinking water systems, wastewater treatment, sanitary or storm sewers, solid waste systems, and bridges.	a. Yes, typically 50%, which can include other grants b. Yes, 50% c. Local participation required.	a. Yes, for costs associated with engineer and grant administration.	a. Up to \$750,000 b. Up to \$15,000 c. Typically, no more than \$10,000 determined on a case by case basis.	Not Applicable	Health and Safety, financial need, technical design, planning and management, other funding for the project, economic development, and community support.	a. Spring of even numbered years. b & c. Applications accepted in spring in odd numbered years until appropriation is gone. c. Apply anytime	a. Funding approved by the Legislature. b. Funding approved by Commerce. Infrastructure planning grants (PER or CIP). c. Funding approved by Commerce. Projects intended to respond to emergency situation. comdev.mt.gov	www.comdev.mt.gov Community Development Division 301 S. Park Avenue PO BOX 200523 Helena, MT 59620 406-841-2770 doccdd@mt.gov
American Rescue Plan Act (ARPA) Water & Sewer Grants a. Competitive Grants b. Minimum Allocation Grants c. Local Fiscal Recovery Funds	a. Local governments including any city, county, consolidated city-county, school district, or other political subdivision of local government body of the state, regional water authority, water district, sewer district, irrigation district, water users association, conservation district, or tribal government b. and c. Counties and certain cities and towns	Must be eligible under the Drinking Water State Revolving Fund or Clean Water State Revolving Fund and be a necessary investment in water or sewer infrastructure projects	a. No, but points are added for contribution b. Yes, 50% match or 25% of ARPA Local Fiscal Recovery Funds amount	Yes	a. Up to \$2,000,000 b. and c. Varies by community – check arpa.mt.gov for amounts	Not Applicable	a. Eligible applicant, eligible project, necessary investment, health-based standards, readiness to proceed, affordability, and match b. Eligible applicant, eligible project c. Eligible entity, eligible project	a. Applications due January 14, 2022 b. Applications are reviewed monthly, but deadline is January 1, 2023 c. all funds must be spent before end of 2026	Funds are awarded by the governor For more information, visit: arpa.mt.gov	https://arpa-mtdnrc.hub.arcgis.com/ Visit arpa.mt.gov for program contacts
TECHNICAL ASSISTANCE PROVIDERS										
Midwest Assistance Program (MAP) Provides free technical assistance for water, wastewater, and solid waste needs	Accredited schools participating in the Lead in school program	Program setup (inventories, history forms, and flushig plans)	N/A	N/A	N/A	N/A	N/A	N/A	Schools in need of assistance with their sampling program setup (inventories, forms and flushing forms) can request assistance from DEQ. Either MAP or Rural Water will be assigned based on availability	Greg Montgomery Lead in School Rule Manager Montana DEQ 406-444-5312 gregory.montgomery@mt.gov
Montana Rural Water Systems Water & Waste Water Technical Assistance and Training, Source Water Protection - USDA EPA Water Training, Septic, and Wastewater Program	Accredited schools participating in the Lead in school program	Program setup (inventories, history forms, and flushig plans)	N/A	N/A	N/A	N/A	N/A	N/A	Schools in need of assistance with their sampling program setup (inventories, forms and flushing forms) can request assistance from DEQ. Either MAP or Rural Water will be assigned based on availability	Greg Montgomery Lead in School Rule Manager Montana DEQ 406-444-5312 gregory.montgomery@mt.gov

Updated 06/2022

**Commerce Technical Assistance Team Update
Infrastructure Advisory Commission
June 23, 2022**

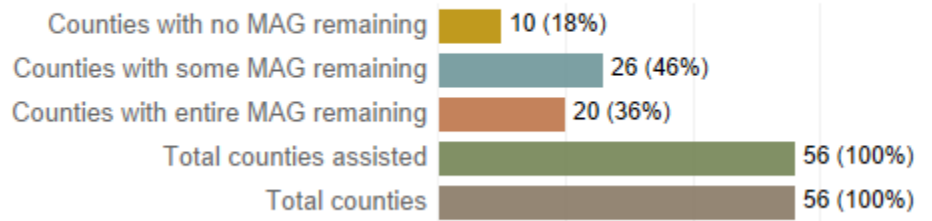
Past Outreach and Technical Assistance

Resources	Activities	Outcomes
3 Commerce Staff 10 Engineering Firms providing up to 20 hours for each community Staff from DNRC and DEQ	Provided outreach and technical assistance to 100% of the 56 counties in Montana and 100% of the 127 incorporated cities/towns.	As of June 10, 66% (166) had applied for Competitive or Minimum Allocation Grants (MAG)
	Assigned engineering firms to 93 communities (out of 96 available) to assist in preparing Competitive and MAG applications, June 2021- June 2022	As of June 10, 60% (55) of these communities submitted grant applications for Competitive and/or MAG
	Provided targeted outreach (phone call) to 68 communities with remaining MAG	Ensure that every community that has water/sewer infrastructure needs is aware of MAG funding opportunity
	Provided technical assistance to all 8 tribal governments and to reservation communities	Increased applications from tribal governments and reservation communities
	Provided in-person technical assistance to county commissioners and community members in Liberty, Hill, Blaine, and Phillips Counties.	Anticipate these communities submitting MAG applications by the deadline

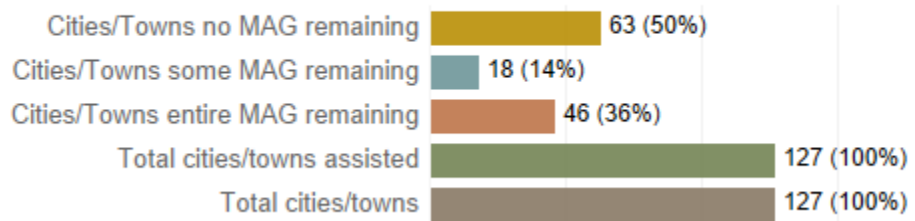
Outreach plan for next month:

- Continue outreach and TA to cities/towns and counties with remaining MAG
- Call all schools in Montana who have not yet sampled for lead to make them aware of ARPA and other funding opportunities
- Meet in person with local government officials in Southeastern Montana including Big Horn, Rosebud, Treasure, and Powder River Counties to provide hands-on TA at the end of June
- Assign engineering technical assistance to prepare MAG applications as needed/requested

Status of County Minimum Allocation Grant (MAG) Funding

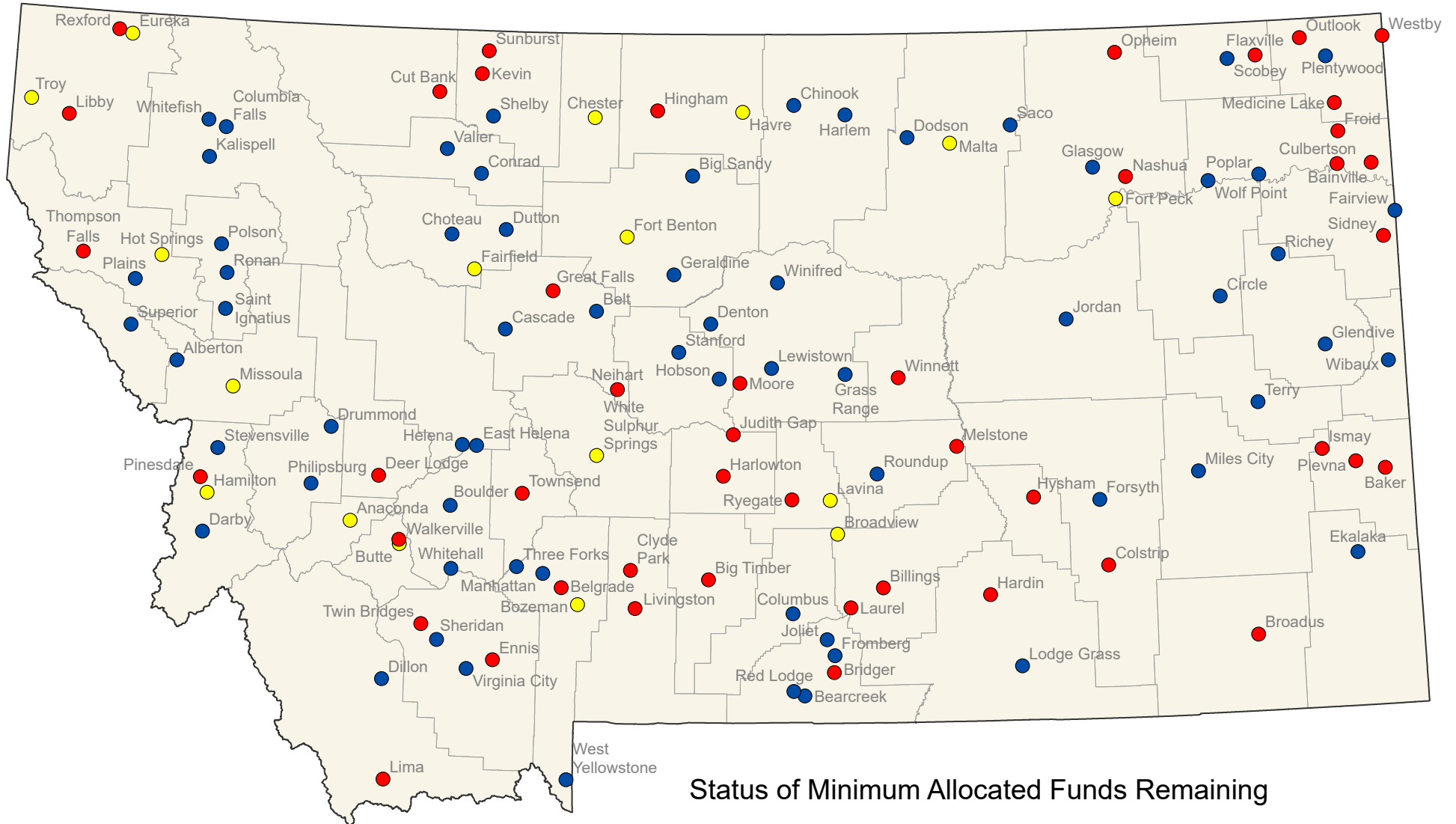


Status of City/Town Minimum Allocation Grant (MAG) Funding



Status of Minimum Allocated Funds Remaining by City or Town

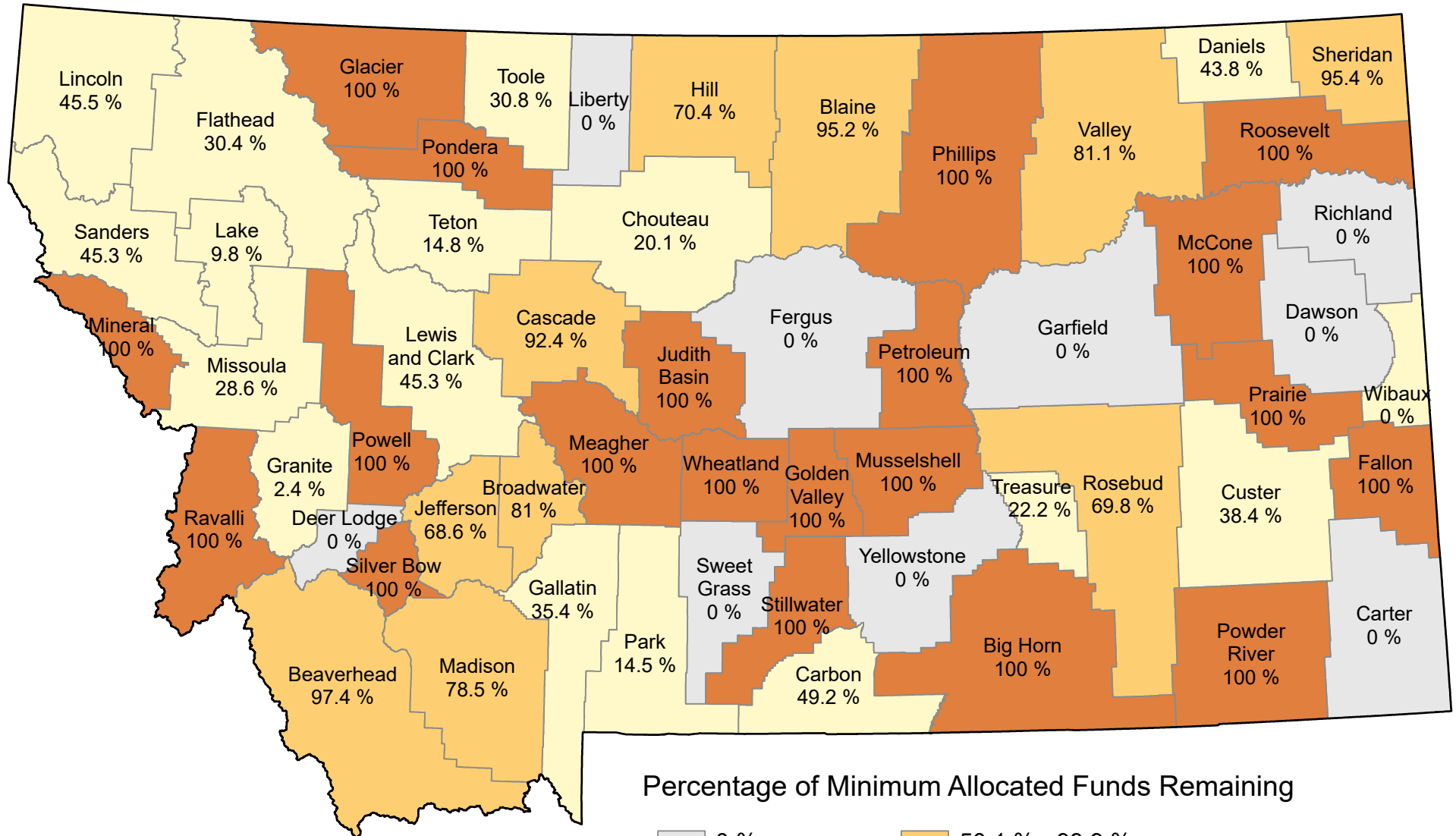
Last Updated
6/16/2022



Data Source: Community Technical Assistance Program, Montana Department of Commerce.

Percentage of Minimum Allocated Funds Remaining by County

Last Updated
6/16/2022



Percentage of Minimum Allocated Funds Remaining



Data Source: Community Technical Assistance Program, Montana Department of Commerce.

OFFICE OF THE GOVERNOR
STATE OF MONTANA

GREG GIANFORTE
GOVERNOR



KRISTEN JURAS
LT. GOVERNOR

June 21, 2022

Senator Dan Salomon, Chair, Legislative Finance Committee
Representative Mary Caferro, Vice-Chair, Legislative Finance Committee
Representative Sue Vinton, Infrastructure Advisory Commission
Amanda Kaster, Director, Montana DNRC

Dear Commission and Committee Members:

Thank you for the Infrastructure Advisory Commission's recommendations contained in your April 20, 2022, letter (Letter) to consider American Rescue Plan Act (ARPA) funds allocated to the Department of Natural Resources and Conservation (DNRC). Now that the state has received these funds from the federal government, I approve the following recommendations:

\$17,230,664 in Minimum Allocation Grant Funds,
\$118,245,470 in Competitive Grant funds, and
\$8,799,153 Competitive Irrigation Grants.

The recommended projects are necessary investments in water and sewer infrastructure as defined in ARPA and all applicable guidance.

Thank you for your thoughtful consideration of the work before you. I look forward to continued collaboration with the Commission as we work to make critical and lasting investments in Montana's infrastructure.

Sincerely,

A handwritten signature in blue ink, appearing to read "Greg Gianforte".

Greg Gianforte
Governor

Irrigation Leader



VOLUME 13 ISSUE 5

MAY 2022

MONTANA EDITION

**Governor Greg Gianforte:
Investing in Irrigation and
Supporting Montana Agriculture**

CONTENTS

MAY 2022 Volume 13 Issue 5



8

Governor Greg Gianforte: Investing in Irrigation and Supporting Montana Agriculture

- 5** Introducing the Montana Edition
By Kris Polly
- 8** Governor Greg Gianforte: Investing in Irrigation and Supporting Montana Agriculture
- 16** Mathias Levarek: Agrotonomy's Aeroponic Vertical Farming Solutions
- 22** Advancing Horticulture Careers at Northeast Community College
- 28** John Scholten of LiveRoof: Designing Green Roofs for Water Retention and Rooftop Horticulture
- 34** President Chris Roth of Reinke Irrigation on Tradition and Innovation
- 38** Investing in Farm Futures: John Berge of the Nebraska Farm Service Agency
- 42** Rubicon Water Expands Its Water Management Technology From Chile to Other Latin American Countries
By Jorge Ramírez Contreras
- 46** Oregon Spirit Distillers: Making Spirits Bright
- 48** Planning for the Future: Jason McShane of Kennewick Irrigation District on Improving Drought Resiliency in the Lower Columbia Basin
- 51** JOB LISTINGS

Do you have a story idea for an upcoming issue? Contact our editor-in-chief, Kris Polly, at kris.polly@waterstrategies.com.

Copyright © 2020 Water Strategies LLC. *Irrigation Leader* relies on the excellent contributions of a variety of natural resources professionals who provide content for the magazine. However, the views and opinions expressed by these contributors are solely those of the original contributor and do not necessarily represent or reflect the policies or positions of *Irrigation Leader* magazine, its editors, or Water Strategies LLC. The acceptance and use of advertisements in *Irrigation Leader* do not constitute a representation or warranty by Water Strategies LLC or *Irrigation Leader* magazine regarding the products, services, claims, or companies advertised.

Irrigation Leader

MONTANA EDITION



Mike Murphy
Irrigation Leader Montana
Contributing Editor

Irrigation Leader is published 10 times a year with combined issues for July/August and November/December by



WATER STRATEGIES LLC

an American company established in 2009.

STAFF:

Kris Polly, *Editor-in-Chief*
Joshua Dill, *Managing Editor*
Mike Murphy, *Contributing Editor*
Elaine Robbins, *Copyeditor*
Tyler Young, *Writer*
Stephanie Biddle, *Graphic Designer*
Eliza Moreno, *Web Designer*
Caroline Polly, *Production Assistant and Social Media Coordinator*
Tom Wacker, *Advertising Coordinator*
Cassandra Leonard, *Staff Assistant*
Eve Giordano, *Media Assistant*
William Polly, *Media Assistant*
Milo Schmitt, *Media Assistant*
Amanda Schultz, *Media Assistant*

SUBMISSIONS:

Irrigation Leader welcomes manuscript, photography, and art submissions. However, the right to edit or deny publishing submissions is reserved. Submissions are returned only upon request. For more information, please contact Kris Polly at (703) 517-3962 or kris.polly@waterstrategies.com or Tom Wacker at tom.wacker@waterstrategies.com.

ADVERTISING:

Irrigation Leader accepts half-page and full-page ads. For more information on rates and placement, please contact Kris Polly at (703) 517-3962 or kris.polly@waterstrategies.com.

CIRCULATION:

Irrigation Leader is distributed to irrigation district managers and boards of directors in the 17 western states, Bureau of Reclamation officials, members of Congress and committee staff, and advertising sponsors. For address corrections or additions, please contact us at admin@waterstrategies.com.



/IrrigationLeader



@IrrigationLeadr



/company/water-strategies-llc



irrigationleader



irrigationleadermagazine.com

COVER PHOTO:

Greg Gianforte, Governor of Montana.
Photo courtesy of the Office of Greg Gianforte.

Introducing the Montana Edition

By Kris Polly

I am pleased this month to introduce our new Montana edition of *Irrigation Leader*, and there is no better way to do it than with our cover interview with Governor Greg Gianforte, conducted by Contributing Editor Mike Murphy. Governor Gianforte is a champion for Montana agriculture, and in this fascinating interview, he discusses infrastructure needs, drought, the prospects for new irrigation districts, and more.

We also learn about several new developments in horticulture. First, we speak with Mathias Levarak, the CEO of Agrotonomy, which manufactures aeroponic tower farms that drizzle plant roots with nutrients and water. Next, we speak with Dr. Trentee Bush, Jill Heemstra, and Richard M. Wright of Northeast Community College about its Horticulture and Golf Course Management program, which includes significant in-field learning opportunities. Then, we talk to John Scholten, a product specialist at LiveRoof, about its green roofs, which absorb and store storm water, provide desirable green spaces, and can even grow vegetables.

Chris Roth, the president of Reinke Manufacturing, tells us about some of the company's recent technical advances, from the installation of a laser tower for metalworking to the ReinCoat galvanizing process.


John Berge, the new executive director of the Farm Service Agency (FSA) for Nebraska, is a Nebraska native and the former general manager of the North Platte Natural

Resources District. We speak with him about current trends in Nebraska agriculture and how the FSA can help farmers.

Rubicon Water, which creates water management solutions based around automated canal gates, is increasing its presence in Latin America. Jorge Ramírez Contreras, Rubicon's marketing coordinator for Latin America, tells us about how the company is expanding from Chile to Argentina and Costa Rica.

Shon Rae, the former assistant manager of the Central Oregon Irrigation District, now works in operations at Oregon Spirit Distillers, which uses pure local water and irrigated crops as important inputs.

Central Washington's Kennewick Irrigation District is lining its canal system to save water and increase storage. Operations Manager Jason McShane updates us on the project and on ideas for a future reservoir.

Montana's agriculture is famous nationwide for a reason, and we are excited to launch this new edition to shine a special light on it every month. 

Kris Polly is the editor-in-chief of Irrigation Leader magazine and the president of Water Strategies LLC, a government relations firm he began in February 2009 for the purpose of representing and guiding water, power, and agricultural entities in their dealings with Congress, the Bureau of Reclamation, and other federal government agencies. He may be contacted at kris.polly@waterstrategies.com.

ADVERTISEMENT



Water Strategies was a critical component in securing legislation to remedy our PUP contract issue in very uncertain times for Congress with their attention to detail, professional relationships with staffers, Congressmen, and being adaptable to changing conditions. **We'd been lost without them!**



Doug Martin
Project Coordinator
Kinsey Irrigation Company



WATER STRATEGIES LLC

4 E Street SE • Washington, DC 20003
www.waterstrategies.com • (202) 698-0690

Governor Greg Gianforte: Investing in Irrigation and Supporting Montana Agriculture



Governor Gianforte speaks with Jake Feddes of Feddes Red Angus Ranch in Manhattan, Montana.

Montana is renowned for the beauty of its land and the excellence of its agricultural production, from wheat and pulse crops to meat. That agricultural production, however, relies on water and the irrigation infrastructure that delivers it. From maintenance on century-old projects like the Milk River Project to proposed new ventures like the Fallon Flats Irrigation Project, Montanans know the importance of investment in the infrastructure that supports Montana's number 1 industry, agriculture. To learn more about the efforts that the state is making to support irrigated agriculture, Mike Murphy, the executive director of the Montana Water Resources Association and the contributing editor of the Montana edition of Irrigation Leader, interviewed Greg Gianforte, who has served as Montana's governor since January 2021.

Mike Murphy: Governor, please tell our readers about your views on the value of irrigated agriculture to the state of Montana.

Governor Gianforte: It's appropriate that we're talking about this during Ag Week. We'll be out with producers all over

the state this week. Water is the lifeblood of production. Especially in arid climates like ours, you need water for production, and it was irrigation development that led many folks to settle here in the early 1900s. With ag being the number 1 industry in the state, it's critical to make sure we get water on the ground.

Mike Murphy: What can you tell us about the investments the State of Montana has made in irrigation, including, for example, renewable resource development grants and American Rescue Plan Act (ARPA) programs?

Governor Gianforte: Well, we've made irrigation a real priority. We're committed to making strategic and long-term investments in irrigation projects, which we're doing through the ARPA process. We allocated \$10 million of ARPA funds to irrigation projects, and the vetting process for those projects is currently underway. In addition, House Bill 632 authorized minimum allocation grants that can also be used to fund irrigation projects. I would urge any producers who want



Governor Gianforte meets with local leaders and producers at Gnerer Angus Ranch in southeastern Montana.

to pursue projects to make sure they're in touch with the Department of Natural Resources and Conservation (DNRC). Director Amanda Kaster has an open door. We'd love to work with producers to figure out how to expand and upgrade our irrigation projects. Too many of our irrigation projects are getting a little long in the tooth, so we need some upgrades.

Mike Murphy: It has been great working with Director Kaster. This past year, you toured the proposed site of the Fallon Flats Irrigation Project with Mr. Dennis Teske. What are your thoughts on that proposed project and on the prospects for additional new irrigation development in Montana?

Governor Gianforte: I did enjoy getting on the ground up there. As I always say, the truth doesn't live in Helena, which is why I've made it a priority to get out and visit with Montanans in all 56 of our counties. This week, for instance, I'll be in Glendive, Terry, Ekalaka, Miles City, and Billings, mostly with ag producers. We have a lot of water in the state. It just happens to be in the Missouri or Yellowstone Rivers, and most of it leaves the state. We have adjacent benchland that is very fertile—it just needs water. I think there are some unique opportunities here, though you have to look at the economics of each particular case. I

encourage landowners to work with DNRC to find projects that we can pencil out.

Mike Murphy: Some of the biggest efforts and the greatest hurdles when it comes to infrastructure in Montana have been in the Hi-Line area. What are your thoughts on the efforts of the St. Mary Rehabilitation Working Group, the prospects for the rehabilitation of the Milk River Project, and the effects on the Hi-Line?

Governor Gianforte: I said many times when I was in Congress that I thought rebuilding the Milk River Project is probably the number 1 infrastructure project in the entire state. We know its importance. It provides water for the whole Hi-Line. Eighteen thousand residents rely on it for domestic water. It also irrigates about 140,000 acres. We know that the Milk River would go dry 6 out of 10 years if we didn't have that diversion. That's why I'm really pleased that Lieutenant Governor Juras is working with the group there. I was up there for the ribbon cutting for Drop 5 after it was completely replaced. We need to completely rebuild the project so that the Hi-Line can continue to thrive.

Mike Murphy: That's important not only to the Hi-Line but to the economics of the state of Montana. What are your thoughts regarding the Lower Yellowstone Intake Diversion



Governor Gianforte hosts Mike Murphy in the governor's office for his *Irrigation Leader* interview.



Governor Gianforte holds produce from Barkley's Home Grown Greenhouse in Baker, Montana.



Governor Gianforte speaks to the owner of Miske Angus Ranch in Wibaux, Montana.

Project, which stands to be a win-win for irrigators and for fisheries of the pallid sturgeon and other species?

Governor Gianforte: I've been out there and toured that project a number of times. It's a great project, as you mentioned, both for irrigators, who grow sugar beets and other crops, and for the pallid sturgeon. Farming is conservation, and it's great that we can bring these two things together on one project.

Mike Murphy: What are your thoughts regarding the current dry conditions and the efforts of the Drought Task Force?

Governor Gianforte: I'll keep praying for rain. It's dry out there. We saw some crop failures this past summer, particularly along the Hi-Line and in the eastern portions of the state. I was down in Broadus—they had it really rough. We saw grasshopper infestations south of Malta and in other areas. Up in the northeastern corner of the state, there were in certain cases 100 percent crop failures. You can't have a lot of years like that strung together. We've had a really mild winter. This is the time of the year when it should be raining and snowing. Snowpack is at 80 percent down in the Bozeman area, but we still have time to get more. Given the longer, drier summers we've been seeing, we knew it was time to take a look at the state's drought plan, which was last updated in 1995. Drought is affecting everyone, from anglers to foresters to ag producers, and I appreciate the work of the Drought Task Force to plan for the future and increase our preparedness statewide.

Mike Murphy: I've got to admit, the weather has been nice for calving, but we're going to pay the price if we don't get the moisture. Governor, you have initiated efforts to cut unnecessary regulation and undertake a thorough review of, for example, the programs and future direction of the DNRC as we move closer to completion of the water rights adjudication program. What are your thoughts on how those efforts are going?

Governor Gianforte: We're making great progress. Again, I will commend Director Kaster of the DNRC. We now have a completely transparent water permit process. It's actually visible on the website. Previously, we were not treating farmers properly in the way we were processing permits. We're changing that. We've brought more of a culture of customer service and transparency to the process. We were forcing water permit applicants to waive their rights to a timely response. We've stopped that practice. There's more to be done as the Red Tape Relief Task Force conducts a top-to-bottom review of regulations, but I'm encouraged by the progress we've made.

Mike Murphy: I think the comprehensive review process has been an excellent opportunity to prepare for the future. I appreciate the opportunity to sit on the post-final-decree transition study committee.

Governor Gianforte: I think that at this point, since taking office, I've made close to 700 appointments to various boards. People ask me, "Greg, what do you want me to do?" I say, "Just bring a whole bucket of common sense, and do the right thing."

Mike Murphy: Governor, what is your message to Congress about the importance of irrigation and water to Montana and the effects of decisions regarding issues such as the Waters of the United States (WOTUS)?

Governor Gianforte: The current administration has made a zombie of the Obama-era WOTUS rule, to the detriment of our farmers and ranchers. I'm very concerned about the confiscation of property rights that would result from this WOTUS zombie. I'm also concerned about the Biden administration's 30 by 30 plan, which would essentially put 30 percent of American acres under conservation by the year 2030. That's five times the size of Montana. This is not going to be good for our ag producers, our recreationalists, or the health of our forests. This is why, just recently, I sent a letter to the Biden administration to opt out of this fishing expedition. Our farmers and ranchers have been taking great care of the land for generations, and I trust them to continue to be good stewards of our lands and waters. We don't need the feds sticking their noses in here. It's also a violation of the 10th Amendment—there's nothing in our constitution that says the feds are responsible for land use practices within states.

Mike Murphy: As we celebrate Ag Week in Montana, what are your overall thoughts regarding importance of agriculture?

Governor Gianforte: Well, I was pleased to proclaim this week to be Ag Week, and I proclaimed yesterday to be Meat Day, which I celebrated by having a nice steak. The reality is that every day is Meat Day in Montana. I'm looking forward to getting out, speaking with some of our producers, and seeing the great work they're doing. We're going to continue a strategy at the Department of Agriculture focused on value-added ag, because the Montana brand doesn't get preserved through the supply chain, whether we're talking about pulse crops, grains, or beef. I was really pleased to see that the amount of beef processed in state-inspected facilities has doubled compared to the last year. That's progress in the right direction. We also announced that state-inspected plants are now able to ship beef anywhere in the country, which is a great expansion in processing that allows us to break the monopoly in the packaging industry. Ag is our number 1 industry, and I'm thrilled to be celebrating that this week.


Mike Murphy: Is there anything you would like to add?



Governor Gianforte promotes the Montana ag industry at Hayhook Ranch in Wilsall, Montana.



Governor Gianforte tours a Molson Coors grain elevator in Power, Montana.

Governor Gianforte: Later today, I'm convening an ag roundtable. I did this during last year's Ag Week, too, and many people said it was the first time they had ever been in the room together. Last year, the group included grain growers, pulse crop growers, sugar beet growers, stock growers, cattlemen, and the Farm Bureau. We're going to do that again today. I think you can get a lot more done when you have relationships and dialogue, so I'm excited to convene the meeting. 



Greg Gianforte is the governor of Montana. He can be contacted at (406) 444-3111 or governor@mt.gov.

Irrigation Leader

Upcoming Events

- May 3–5** Association of California Water Agencies, Spring Conference and Exhibition, Sacramento, CA
- May 9–12** American Water Resources Association, Geospatial Water Technology Conference, Austin, TX
- May 10–12** National Water Resources Association, Federal Water Issues Conference, Washington, DC
- June 6–7** Idaho Water Users Association, Water Law and Resource Issues Seminar, Sun Valley, ID
- June 9–10** Tristate Irrigation Conference (Idaho, Oregon, Washington), Bend, OR
- June 13–16** Nevada Water Resources Association, Well and Water Week, Reno, NV
- June 15–17** Texas Water Conservation Association, Summer Conference, Round Rock, TX
- June TBD** North Dakota Water Users Association, Summer Meeting, Fargo, ND
- July 4–8** I.S. Rivers, International Conference, Lyon, France
- July 11–13** North Dakota Water Resource Districts Association and North Dakota Water Education Foundation, Joint Summer Water Meeting and Executive Briefing, Fargo, ND
- July 20–22** Groundwater Management Districts Association, Summer Conference, Copper Mountain Resort, CO
- July 21–24** National Association of Counties, Annual Conference and Expo, Adams County, CO
- July 25–27** National Water Resources Association, Western Water Seminar, Fairmont, MT
- July 28** North Dakota Water Resource Districts Association, Water Day at the North Dakota State Fair, Minot, ND
- August 1–3** National Conference of State Legislatures, Legislative Summit, Denver, CO
- August 8–11** Tristate Seminar, Las Vegas, NV
- August 10–12** National Water Resources Association, Western Water Seminar/Tour, Hot Springs, MT
- August 23–24** Colorado Water Congress, Summer Conference, Steamboat, CO
- September 14–17** European Irrigation Association, GaLaBau Landscaping, Maintenance, and Construction Expo, Nuremberg, Germany
- September 15–16** World Academy of Science Engineering and Technology, International Conference on Drip Irrigation for Agriculture, Zurich, Switzerland
- September 16** Agribusiness and Water Council of Arizona, H2Open Golf Tournament, Casa Grande, AZ
- September 19–20** Nevada Water Resources Association, Fall Symposium, Reno, NV

PAST ISSUES OF *IRRIGATION LEADER* ARE ARCHIVED AT
IRRIGATIONLEADERMAGAZINE.COM