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The Montana Department of Natural Resources and Conservation

Conservation and Resource Development Division



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Reclamation and Development Grants Program

Project Evaluations and Funding Recommendations for the 2029 Biennium and 2019 through 2027 Biennia Status Report

The Montana Department of Natural Resources & Conservation

Prepared by:
The Montana Department of Natural Resources and Conservation
Conservation and Resource Development Division
Resource Development Bureau

Heidi Anderson Folnagy, Acting Deputy Division Administrator
Samantha Treu, Reclamation and Development Grants Program Manager

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TABLE OF CONTENTS

TABLE OF CONTENTS ..... **I**

LIST OF TABLES ..... *ii*
LIST OF FIGURES ..... *ii*
LIST OF ABBREVIATIONS ..... **III**

ALPHABETICAL INDEX OF APPLICATIONS BY APPLICANT ..... **IV**

CHAPTER 1 RECLAMATION AND DEVELOPMENT GRANTS PROGRAM **1**

Background 1
Purpose 1
Funding Authority 1
Applicant and Project Eligibility 2
Reclamation and Development Grants 3
Funding Limitations 3
Program Implementation 3

CHAPTER 2 RECLAMATION AND DEVELOPMENT PROJECT GRANTS **5**

Grant Application Submission and Review 5
Funding Limits *5*
Application Review *5*
Application Ranking *6*
Funding Recommendations *7*
Grant Management 7
Project Monitoring *7*
Project Evaluation *8*
PROJECT EVALUATIONS AND RECOMMENDATIONS FOR THE 2029 BIENNIUM **8**

Sunburst, Town of
Suta South Petroleum Cleanup Project 11
Harlowton, City of
Harlowton Railyard Contamination Reclamation and Wetland Restoration 14
Ryegate, Town of
Former Ryegate Conoco Groundwater Remediation – Phase 5 17
Deer Lodge, City of
Milwaukee Roundhouse Passenger Refueling Remediation – Phase 2 20
Montana Fish, Wildlife & Parks
Shaw Dam Removal and Riparian Restoration 22
Butte-Silver Bow, City-County of
Father Sheehan Park Green Stormwater Infrastructure Project – Phase 2 25
Montana Bureau of Mines and Geology
Buried Channel Aquifer Characterization in Northeastern Montana 28
Powell County
Milwaukee Roundhouse MRA Soil Remediation – Phase 4 31
Missoula, City of
Fort Missoula Ponds Project 34

Cooke Pass, Cooke City, Silver Gate County Sewer District
Cooke City Sewer System – Phase 4 37
Lakeside County Water and Sewer District
Lakeside Wastewater System Improvements Project – Phase 2 40
Blodgett Creek Irrigation District
High Lake Dam Rehabilitation 43
Philipsburg, Town of
Philipsburg Stormwater System Replacement Project – Phase 1 46
Montana Technological University
Clark Fork Headwaters Flow Assurance Project 49
DNRC – Water Resources Division
DNRC Statewide Hydrology Project 52
Gallatin Conservation District
Gallatin Valley Managed Aquifer Recharge Projects 55
DNRC – Water Resources Division
DNRC Cottonwood Dam Rehabilitation Feasibility Study and Design – Phase 1 58
Charlos Heights Irrigation District
Twin Lakes Dams' Water Storage Capacity Project 61

CHAPTER 3 STATUS REPORT OF ACTIVE PROJECT GRANTS 64

CHAPTER 4 RECLAMATION AND DEVELOPMENT PLANNING GRANTS 68

Background 68
Grant Application Solicitation 68
Grant Application Review 69
Grant Management 69
Grant Funding 69
Authorized Planning Grant Awards 69

LIST OF TABLES

Table 1. Ranking and Funding Recommendations for RDG Project Grant Applications Received May 2026 8
Table 2. Project Grants Approved by the 2025 Legislature – House Bill 7 64
Table 3. Status of Previous Biennia Project Grants Active in the 2027 Biennium 66
Table 4. Reclamation and Development Planning Grants Awarded in the 2027 Biennium 71
Table 5. Reclamation and Development Planning Grants Active in the 2027 Biennium 72

LIST OF FIGURES

Figure 1. Location of 2029 Biennium Reclamation and Development Project Grant Applications 10

LIST OF ABBREVIATIONS

ARM..... Administrative Rules of Montana
CD ..... Conservation District
CECRA ..... Comprehensive Environmental Cleanup and Responsibility Act of 1989, also known as State Superfund Program
DEQ..... Montana Department of Environmental Quality
DNRC ..... The Montana Department of Natural Resources and Conservation
EPA ..... United States Environmental Protection Agency
FEMA..... Federal Emergency Management Agency
FWP..... Montana Fish, Wildlife and Parks
HB..... House Bill
LCWSD..... Lakeside County Water and Sewer District
MAR..... Managed Aquifer Recharge
MBMG ..... Montana Bureau of Mines and Geology
MCA..... Montana Code Annotated
MRA..... Milwaukee Roundhouse Area
MRH ..... Milwaukee Roundhouse Facility
MSU..... Montana State University
MT ..... Montana
MTU..... Montana Trout Unlimited
NEPA……National Environmental Policy Act
PER ..... Preliminary Engineering Report
RBSL ..... Risk-based Screening Levels
RDG..... Reclamation and Development Grants Program
RIGWA ..... Resource Indemnity Groundwater Assessment Tax
RIT..... Resource Indemnity Trust
RP VCP ..... Remediation Proposal – Voluntary Cleanup Plan
RRGL..... Renewable Resource Grant and Loan Program
SSRA..... State Special Revenue Account
SWPB ..... State Water Projects Bureau
US..... United States of America
VCRA..... Voluntary Cleanup and Redevelopment Act

Alphabetical Index of Applications by Applicant

Alphabetical list of applications submitted to the Reclamation and Development Grants Program for consideration in the 2029 Biennium. Page numbers correspond to the project evaluation contained within this report. However, in Chapter 2 the project assessments and recommendations are presented in the order of their ranking by The Montana Department of Natural Resources and Conservation (DNRC) and the Governor.

Blodgett Creek Irrigation District
High Lake Dam Rehabilitation....43
Butte-Silver Bow, City-County of
Father Sheehan Park Green Stormwater Infrastructure Project – Phase 2....25
Charlos Heights Irrigation District
Twin Lakes Dams' Water Storage Capacity Project....61
Cooke Pass, Cooke City, Silver Gate County Sewer District
Cooke City Sewer System – Phase 4....37
Deer Lodge, City of
Milwaukee Roundhouse Passenger Refueling Remediation – Phase 2....20
DNRC – Water Resources Division
DNRC Statewide Hydrology Project....52
DNRC – Water Resources Division
DNRC Cottonwood Dam Rehabilitation Feasibility Study and Design – Phase 1....58
Gallatin Conservation District
Gallatin Valley Managed Aquifer Recharge Projects....55
Harlowton, City of
Harlowton Railyard Contamination Reclamation and Wetland Restoration....14
Lakeside County Water and Sewer District
Lakeside Wastewater System Improvements Project – Phase 2....40
Missoula, City of
Fort Missoula Ponds Project....34
Montana Bureau of Mines and Geology
Buried Channel Aquifer Characterization in Northeastern Montana....28
Montana Fish, Wildlife & Parks
Shaw Dam Removal and Riparian Restoration....22
Montana Technological University
Clark Fork Headwaters Flow Assurance Project....49
Philipsburg, Town of
Philipsburg Stormwater System Replacement Project – Phase 1....46
Powell County
Milwaukee Roundhouse MRA Soil Remediation – Phase 4....31
Ryegate, Town of
Former Ryegate Conoco Groundwater Remediation – Phase 5....17
Sunburst, Town of
Suta South Petroleum Cleanup Project....11

CHAPTER 1
Reclamation and Development Grants Program

This report describes the Reclamation and Development Grants (RDG) Program, administered by The Montana Department of Natural Resources and Conservation (DNRC), including its purpose, eligibility requirements, funding sources, and grant application and administration procedures.

The report fulfills the requirements of 90-2-1112, MCA, which directs the Governor to submit all grant proposals and recommended funding priorities to the Legislature by the first day of each regular session, and ARM 36.19.304, which requires DNRC to report on previously funded projects.

Chapter 2 presents project evaluations and funding recommendations for the 2029 biennium, summarized in Table 1. Chapter 3 reports on previously funded project grants. Chapter 4 describes planning grants and summarizes awards.

Background

The Montana Legislature established the RDG Program in 1987 to address the effects of mineral development on public resources and other crucial state needs. DNRC administers the program under Title 90, chapter 2, part 11, Montana Code Annotated (MCA), and the Administrative Rules of Montana (ARM), Title 36, chapter 19.

Purpose

The Reclamation and Development Grants Program is a state-funded grant program designed to fund projects that, "Indemnify the people of the state for the effects of mineral development on public resources and that meet other crucial state needs serving the public interest and the total environment of the citizens of Montana (90-2-1102, MCA)". The program's purposes are to:

- Repair, reclaim, and mitigate environmental damage to public resources from nonrenewable resource extraction.
- Develop and ensure the quality of public resources for the benefit of all Montana citizens.

Funding Authority

RDG Program funding is provided through legislative appropriations from the natural resources projects state special revenue account established in 15-38-302, MCA. Under 90-2-1111, MCA, the Legislature may approve grants for projects it finds consistent with the program's policies and purposes.

RDG Program grants are funded by revenue generated from resource extraction taxes and interest earnings. Portions of the following sources of revenue are deposited in the natural resource projects State Special Revenue Account (SSRA): the Resource Indemnity Groundwater Assessment Tax, the Oil and Gas Production Tax, and interest earnings from the Resource Indemnity Trust fund and Growth and Opportunity Trust fund. The natural resource projects SSRA also generates and retains interest. Funds from the natural resource projects

SSRA are shared by DNRC's two natural resource grant programs: the RDG Program and the Renewable Resource Grant and Loan (RRGL) Program.

Applicant and Project Eligibility

Applicant Eligibility

Eligible applicants include departments, agencies, boards, commissions, and other divisions of state government; cities, counties, and other political subdivisions; and Tribal governments within Montana. Private individuals, private companies, nonprofit organizations, and federal agencies are not eligible to apply directly. An eligible governmental entity may sponsor a project involving an ineligible entity, but the grant recipient remains responsible for meeting all grant agreement requirements. DNRC requires an executed memorandum of understanding defining the responsibilities of the recipient and participating entity before entering into a sponsored project grant agreement. Recipient grant responsibilities may not be transferred to the sponsored entity.

Project Eligibility

Projects must qualify as either reclamation projects or projects addressing a crucial state need.

Consistent with 90-2-1112, MCA, reclamation projects must provide one or more of the following benefits:

1. Reclaim land, water, or other resources adversely affected by mineral development.
2. Mitigate damage to public resources caused by mineral development.
3. Conduct research, demonstration, or technical assistance to promote the wise use of Montana minerals, including efforts to make mineral processing more environmentally compatible.
4. Investigate and remediate sites where hazardous wastes or regulated substances threaten public health or the environment.
5. Conduct research to assess existing or potential environmental damage resulting from mineral development.

Projects addressing a crucial state need must demonstrate an urgent natural resource need of regional or statewide importance. These projects must prevent or eliminate severe and unacceptable damage to natural resources or capture extraordinary public benefits that would otherwise be lost. Eligible project categories include drought mitigation, high-hazard dams, and other documented crucial state needs. Applications must substantiate the need through relevant plans, technical information, or authoritative supporting documentation.

A project is not eligible to the extent that it is eligible for and can reasonably be expected to receive funding from other state or federal programs, or another program providing funds for environmental remedial action. RDG funding may not relieve a party of legal responsibility for environmental damage. Projects permitted under Title 82, chapter 4 or 11, MCA, are not eligible.

Reclamation and Development Grants

Project Grants support eligible reclamation and crucial state need projects. Funded activities may include investigation, sampling, research, demonstration, design, and construction. DNRC evaluates and ranks applications and submits funding recommendations to the Governor. With the Governor's approval, the recommendations are submitted to the Legislature, which determines the projects and amounts approved for funding. Chapter 2 presents project evaluations and recommendations for the 2029 biennium.

Planning Grants assist governmental entities with planning and designing natural resource projects eligible for RDG funding consideration. These grants help applicants develop technically feasible projects and prepare for implementation. Chapter 4 provides additional program information and a summary of planning grant awards.

Funding Limitations

The law does not impose specific limitations on the amount of grant funding that the Legislature may provide for reclamation and development grants. Grant recommendation amounts are described in Chapter 2 for project grants and Chapter 4 for planning grants. DNRC limits grants to optimize public benefit from the investment of public funds. However, the Legislature has the authority to appropriate grants in amounts it deems appropriate.

The program does not require a minimum matching contribution. However, statute (90-2-1113, MCA) requires DNRC consider the amount and source of other funding when evaluating financial feasibility and ranking applications. Applicants must identify contributions necessary to complete the project and document committed funding before entering into a grant agreement.

Program Implementation

DNRC administers the RDG Program under the authority of 90-2-1105, MCA, and consistent with legislative intent. The statute establishes DNRC's rule-making authority, and administrative rules in Title 36, chapter 19, govern program administration, including grant payments and reporting.

DNRC solicits applications, determines eligibility, evaluates project feasibility and benefits, recommends funding, and administers approved grants. The department also provides application guidance and coordinates technical review with agencies and professionals with relevant expertise.

DNRC seeks to fulfill the program's purposes through the following practices:

- Inform eligible applicants about funding opportunities and application requirements.
- Evaluate applications consistently for eligibility, feasibility, need, and natural resource and public benefits.
- Coordinate technical review with knowledgeable agencies and professionals.
- Encourage cost-effective projects and appropriate use of other funding sources.
- Administer grants in accordance with legislative directives, approved scopes of work, and grant agreements.

- Monitor expenditures and project progress to protect the investment of public funds.
- Document project results and report the status of funded projects to the Legislature.

CHAPTER 2
Reclamation and Development Project Grants

The Montana Department of Natural Resources and Conservation (DNRC) Resource Development Bureau accepts applications for public grants submitted or postmarked by May 15 of each even-numbered year. Applications are submitted online (www.grants.dnrc.mt.gov) on the agency grant website.

Grant Application Submission and Review

In February of each even-numbered year, DNRC solicits project applications from all eligible applicants for all eligible project types. DNRC maintains an extensive mailing list to promote the program and to solicit applications from eligible applicants. Mailing lists include Montana county governments, cities and towns, the university system, state agencies, environmental organizations, Tribal governments, and conservation districts. In addition, DNRC staff conduct workshops and present program information at conferences to local governments and other eligible entities. Application guidelines are available in hard copy and online on the DNRC website.

The RDG application requests the following information for each project:

- A proposal abstract.
- A technical narrative describing the project's purpose, history, and prior efforts; specific goals and objectives, as well as a discussion of project alternatives; and documentation supporting the technical narrative.
- A financial narrative and budget forms describing the project's funding structure.
- A project management plan.
- A discussion of public and natural resource benefits achieved by the proposed project.
- An environmental checklist identifying adverse environmental impacts which may occur because of the project.

Those projects that meet statutory priorities rank the highest. Projects that meet program purpose to a lesser extent or appear to be less feasible than others tend to rank lower on the list.

Funding Limits

Project grant recommendations presented by DNRC to the legislature are limited to $500,000, and there is no minimum funding limit. DNRC limits grants to optimize public benefit from the investment of public funds. However, the Legislature has the authority to appropriate grants in amounts it deems appropriate. An applicant proposing more than one project may submit a separate application for each. Match funding is not required but is considered by DNRC when evaluating a project's technical and financial feasibility.

Application Review

Grant applications are evaluated for the technical and financial feasibility of proposed projects, extent of public benefits, need and urgency, and impacts on the environment. Reviewers include DNRC staff members within DNRC's Conservation and Resource Development Division;

contracted engineering and consulting firms; and federal, state, and university personnel with expertise in specific project areas.

Reviewers use standard criteria and guidance to assess each proposal. They may request additional technical or financial information to clarify an application. Primary reviewers consider their own evaluations and comments from specialists and prepare a project assessment documenting the proposal's merits, concerns, and recommended conditions.

Overview of DNRC RDG Project Grant Application Review and Ranking Process

1. **Application Submission** - The applicant submits an RDG application and supporting materials to DNRC before the deadline.
2. **Completeness and Eligibility Review** - DNRC reviews the application for completeness and eligibility. If deficiencies are identified, the applicant is provided an opportunity to address them.
3. **Primary Review of Technical and Financial Feasibility** - DNRC assigns the application to primary reviewers according to their expertise. Reviewers evaluate the proposed approach, alternatives, budget, and funding package.
4. **Secondary Review** - When needed, DNRC assigns specialists to review specific issues, such as engineering, remediation methods, or water rights.
5. **Natural Resource Benefits, Public Benefits, and Environmental Review** - DNRC evaluates expected natural resource and public benefits, project need and urgency, and potential environmental impacts.
6. **Score Reconciliation** - DNRC meets with primary reviewers to discuss project merits and concerns and reconcile scores for consistency across reviewers. DNRC makes the final determination of each application's feasibility and benefits.
7. **Final Scoring and Ranking** - DNRC calculates final scores and prepares a draft ranked list of applications.
8. **Final Funding Recommendation** - DNRC presents project rankings and funding recommendations to the Governor for review. Governor-approved recommendations are submitted to the Legislature in the Governor's Executive Budget.

Application Ranking

DNRC uses application guidelines and review forms to provide a consistent basis for scoring projects. Applications are evaluated under the criteria established in 90-2-1113, MCA, and described in RDG program guidance. Reviewers consider how well each project meets the program's purposes and whether the applicant can successfully complete the proposed work. Each primary reviewer assigns a score to reflect project merit under the following primary categories:

Scoring category	Points available
Natural Resource Benefits	90
Public Benefits	35
Need and Urgency	40
Technical Feasibility	55
Financial Feasibility	50
Project Management/Organization	30
Total	**300**

DNRC scores and ranks applications according to these criteria. Under 90-2-1113(3), MCA, DNRC gives priority to abandoned mine reclamation grant requests totaling up to $800,000 for the biennium. These priority projects may not include personnel costs or operating expenses.

Funding Recommendations

All eligible grant requests are ranked according to standard criteria to select those that meet the program's purpose as defined in state statute. DNRC presents project rankings and funding recommendations to the Governor for review. With the Governor's approval, recommendations are submitted to the Legislature. The Legislature makes the final decision on project funding and may approve amounts that differ from DNRC's recommendations.

Table 1 presents project applications in ranking order and identifies requested funding, other contributions, and total project costs. Figure 1 shows project locations. Individual project evaluations later in this chapter describe the proposed work, expected benefits, budgets, funding recommendations, and project-specific conditions.

Approved projects are funded according to legislative priority and available revenue. Some projects may receive funding later in the biennium, and projects may remain unfunded if revenue is insufficient.

Grant Management

After an appropriations bill is enacted to authorize grants, DNRC will notify applicants of their funding status. DNRC will not reimburse any project cost incurred before legislative authorization is given and an award letter is issued. Grant recipients must work with DNRC to meet startup conditions before DNRC will issue a grant agreement.

Project Monitoring

Project monitoring is governed by a grant agreement between DNRC and the grant recipient. Grant agreements require progress reports, expenditure reports, and a final report. Program staff document decisions and conversations that affect ongoing projects. DNRC is flexible when considering scope changes if the project achieves the goals described in the project write-up. Amendments to grant agreements are prepared and issued in response to any problems that require changes to the timeline or budget. Grant recipients submit reimbursement requests and are reimbursed for allowable costs from DNRC. All costs must be fully supported by an invoice or receipt.

Project Evaluation

DNRC evaluates the success of reclamation and development grants through a final report. Upon project completion, DNRC requires a report that documents project history and results of the grant. This report measures how well the project implemented its natural resource and public benefit goals.

Project Evaluations and Recommendations for the 2029 Biennium

This chapter contains the summary evaluations of the projects submitted for funding consideration. The cumulative requested amount for the projects is shown in Table 1. The projects recommended for funding are presented in the order of their ranking in this chapter.

To find a particular evaluation quickly, refer to the alphabetical listing of projects by applicant name on page v.

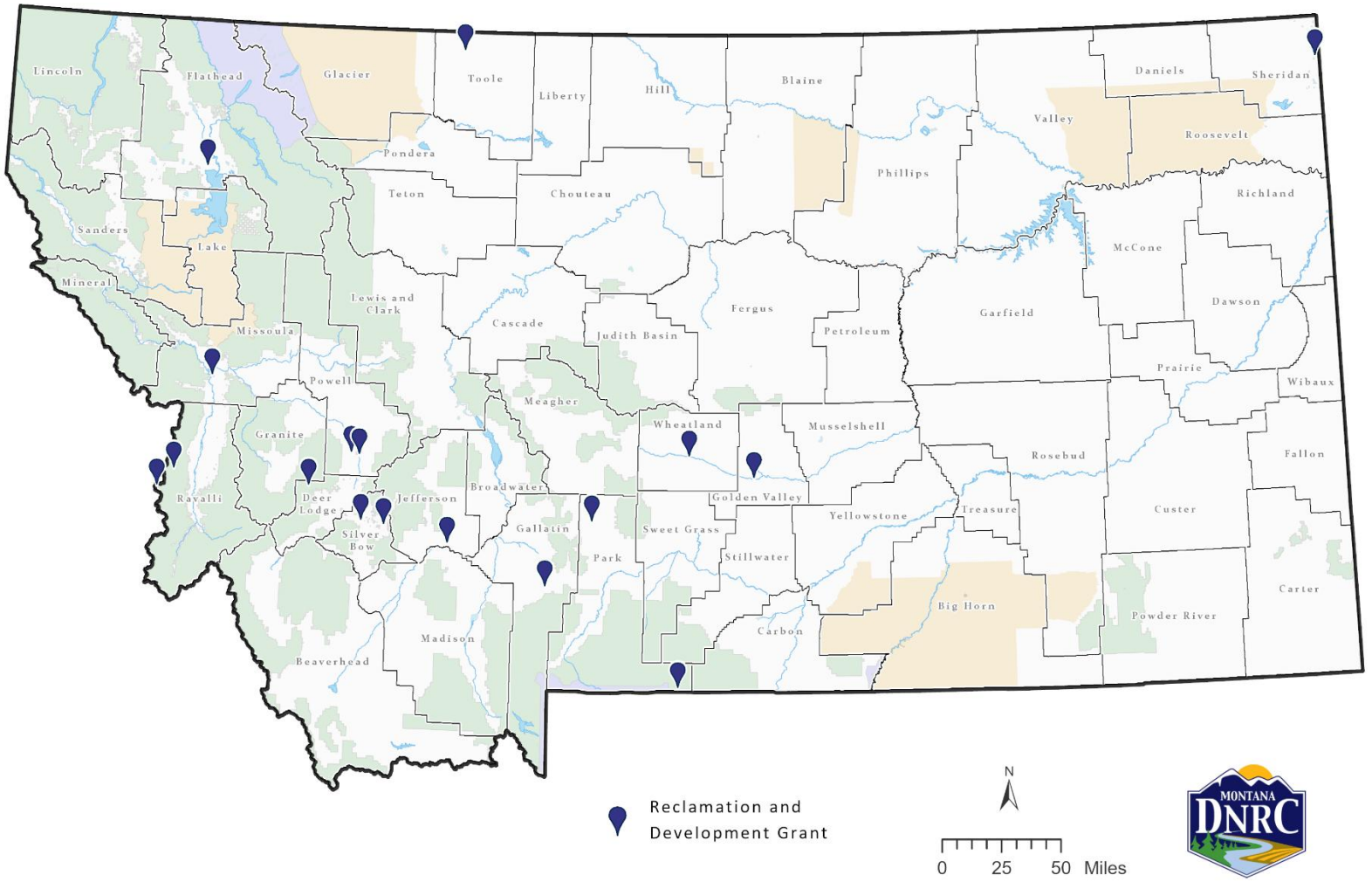
Table 1. Ranking and Funding Recommendations for RDG Project Grant Applications Received May 2026

Rank	Applicant	Project Name	County	RDG Grant Request	Total Match	Total Project Cost
1	*Sunburst, Town of*	*Suta South Petroleum Cleanup*	Toole	$499,998	$153,671	$653,669
2	Harlowton, City of	Harlowton Railyard Contamination Reclamation and Wetland Restoration	Wheatland	$500,000	$2,027,942	$2,527,942
3	*Ryegate, Town of*	*Former Ryegate Conoco Groundwater Remediation – Phase 5*	Golden Valley	$225,499	$1,980	$227,479
4	*Deer Lodge, City of*	*Milwaukee Roundhouse Passenger Refueling Remediation – Phase 2*	Powell	$273,500	$15,000	$288,500
5	Montana Fish, Wildlife & Parks	Shaw Dam Removal and Riparian Restoration	Jefferson	$500,000	$805,655	$1,305,655
6	*Butte-Silver Bow, City-County of*	*Father Sheehan Park Green Stormwater Infrastructure Project – Phase 2*	Silver Bow	$500,000	$15,000	$515,000
7	*Montana Bureau of Mines and Geology*	*Buried Channel Aquifer Characterization in Northeastern Montana*	Sheridan Roosevelt	$500,000	$275,130	$775,130
8	*Powell County*	*Milwaukee Roundhouse MRA Soil Remediation – Phase 4*	Powell	$500,000	$15,000	$515,000

Rank	Applicant	Project Name	County	RDG Grant Request	Total Match	Total Project Cost
9	*Missoula, City of*	*Fort Missoula Ponds Project*	Missoula	$500,000	$397,292	$897,292
10	Cooke Pass, Cooke City, Silver Gate County Sewer District	Cooke City Sewer System – Phase 4	Park	$500,000	$1,070,000	$1,570,000
11	Lakeside County Water and Sewer District	Lakeside Wastewater System Improvements Project – Phase 2	Flathead	$500,000	$32,566,726	$33,066,726
12	*Blodgett Creek Irrigation District*	*High Lake Dam Rehabilitation*	Ravalli	$500,000	$5,745,558	$6,245,558
13	*Philipsburg, Town of*	*Philipsburg Stormwater System Replacement Project – Phase 1*	Granite	$493,336	$492,980	$986,316
14	Montana Technological University	Clark Fork Headwaters Flow Assurance Project	Silver Bow	$372,648	$173,796	$546,444
15	DNRC Water Resources Division	DNRC Statewide Hydrology Project	All Counties	$500,000	$725,000	$1,225,000
16	*Gallatin Conservation District*	*Gallatin Valley Managed Aquifer Recharge Projects*	Gallatin	$470,000	$10,000	$480,000
17	DNRC Water Resources Division	DNRC Cottonwood Dam Rehabilitation Feasibility Study and Design – Phase 1	Park	$500,000	$920,000	$1,420,000
18	Charlos Heights Irrigation District	Twin Lake Dams' Water Storage Capacity Project	Ravalli	$500,000	$4,173,925	$4,673,925
Total				**$8,334,981**	**$49,584,655**	**$57,919,636**

Italics indicates the project received a RDG planning grant for the proposed project.

Figure 1. Location of 2029 Biennium Reclamation and Development Project Grant Applications



Sunburst, Town of
Suta South Petroleum Cleanup

Project Ranking: 1 (of 18)
County: Toole
Project Type: Reclamation

PROJECT INFORMATION:

The Town of Sunburst proposes to clean up petroleum-contaminated soil and groundwater at a former fueling station within the town. This reclamation project is located just west of the Interstate 15 southbound on-ramp in Sunburst, Montana.

Project History

The Suta South site is a vacant, one-acre property in Sunburst that operated as a gas station from the 1930s until 1998. A petroleum release was reported to Department of Environmental Quality (DEQ) in 1996 following removal of underground fuel tanks. Cleanup efforts removed about 4,210 cubic yards of contaminated soil in 2015 and 2023, but fuel and chemicals used in leaded gasoline remain in soil and shallow groundwater at levels above DEQ screening guidelines. The largest remaining contaminated area lies in a gravel-filled former stream channel 6 to 9 feet underground. Monitoring has identified benzene and other fuel-related contaminants in multiple wells.

Remaining contamination also poses potential risks to the public and workers. During wet conditions, groundwater can rise to within 3 feet of the surface, increasing the potential for contact with contaminated water during heavy rain or flooding. Contaminated soil near underground utilities could also expose workers during excavation and repairs.

Proposed Solution

The project goal is to protect human health and the environment by removing contaminated soils and treating contaminated groundwater to meet DEQ requirements for a No Further Corrective Action determination for the on-site petroleum release. The proposed corrective-action project will:

- Remove residual source material from contaminated soils;
- Treat affected groundwater through in situ chemical oxidation;
- Evaluate and monitor potential downgradient migration;
- Install a phytoremediation barrier of 200 trees; and
- Conduct compliance monitoring to support eventual site closure.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Engineering Basic Services: Planning, Design, Permitting, Bidding, Project Management
Task 2: Construction: Petroleum Waste Removal and Disposal, Groundwater Monitoring and Remediation, and Phytoremediation
Administration

Resource and Benefit Analysis

The project protects natural resources by removing contaminated soil, treating shallow groundwater, and reducing the spread of pollution to neighboring properties. Planting of 200 trees as a phytoremediation barrier will remove pollutants from groundwater over time. Project monitoring will evaluate cleanup effectiveness and progress toward Montana DEQ standards.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Grant Administration	$0	$2,500	$2,500
Engineering and Project Management	$56,206	$0	$56,206
Construction: Waste Removal, Groundwater, and Phytoremediation	$422,292	$113,067	$535,359
Contingency	$21,500	$38,104	$59,604
Project Total	**$499,998**	**$153,671**	**$653,669**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$499,998	Awaiting decision of the Legislature
Town of Sunburst, In-kind	$1,300	Committed
Sweetgrass Development, In-kind and grant funds	$91,004	Committed
MSU Extension, Supplies	$11,667	Committed
Suta Family Estate, In-kind	$49,700	Committed
Project Total	**$653,669**	

Ongoing maintenance of the tree-based treatment system and follow-up groundwater monitoring depends on separate funding. These needs could increase costs over time and delay site closure.

Funding Recommendation

DNRC recommends grant funding of $499,998. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

Grant agreement is contingent upon the recipient providing: 1) a project management plan that addresses roles and responsibilities of the entity and participating organizations; and 2) an executed Memorandum of Understanding between the recipient and the sponsored entity clarifying the roles, responsibilities and shared project costs.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	30.8
Natural Resource Benefits	90	49.6
Public Benefits	35	28.4
Technical Feasibility	55	45.0
Financial Feasibility	50	36.7
Project Management/Organization	30	25.0
Total Score (Total Points)	**300**	**215.5**
Overall RDG Rank		**1 (of 18)**

Harlowton, City of
Harlowton Railyard Contamination Reclamation and Wetland Restoration

Project Ranking: 2 (of 18)
County: Wheatland
Project Type: Reclamation

PROJECT INFORMATION:

The City of Harlowton and the Department of Environmental Quality (DEQ) seek to restore a wetland and install walking trails by removing petroleum, metals, and asbestos contamination from the historic Harlowton Milwaukee Roundhouse facility. This reclamation project is located adjacent to the Musselshell River and its tributary.

Project History

The Chicago, Milwaukee, St. Paul, and Pacific Railroad Company operated the Harlowton Milwaukee Roundhouse Facility from 1900 to 1979. The 180-acre property lies about 350 yards south of the City of Harlowton and 200 yards north of the Musselshell River. The former refueling area and settling pond occupied approximately five acres adjacent to a tributary of the river. Following the railroad's bankruptcy in 1980, ownership of the property transferred to the City of Harlowton and the City has retained ownership since that time.

Historic fuel leaks and spills contaminated soil and groundwater with diesel fuel and other petroleum compounds. Investigations also found mercury and lead in shallow soil above residential screening levels, but below levels for recreational contact. Petroleum contamination was concentrated in deeper soils, and fuel was found floating on groundwater. Groundwater flows generally toward the Musselshell River corridor, creating a potential pathway for contamination to move toward the river.

Proposed Solution

The proposed project is the seventh cleanup phase and will address residual petroleum contamination through remediation and wetland restoration at the Harlowton Milwaukee Roundhouse Facility to reduce risks from residual petroleum contamination, protect soils and groundwater, restore historic wetland functions, and support redevelopment of the property as a regional nature trail and wetland wildlife-viewing park. The goals of the project will be met through the following objectives:

- Excavate and dispose of petroleum-contaminated soils;
- Restore the historic railyard wetland through oxbow excavation, topsoil placement, and revegetation; and
- Create a nature trail and wetland-wildlife viewing park on the remediated site.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Engineering: Project Management, Project Design, Bid Package Preparation
Task 2: Construction: Excavation and Disposal of Contaminated Soil, Wetland Restoration
Administration

Resource and Benefit Analysis

The project will protect soil and groundwater by removing petroleum-contaminated soil and restoring the historic wetland. Wetland restoration and revegetation will improve wildlife habitat and help the site retain and slow floodwaters. Cleanup will also reduce potential exposure to contamination and create opportunities for public recreation through a nature trail and wetland wildlife-viewing park.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Engineering and Project Management	$201,700	$0	$201,700
Construction	$298,300	$2,000,000	$2,298,300
Administration	$0	$27,942	$27,942
Project Total	**$500,000**	**$2,027,942**	**$2,527,942**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$500,000	Awaiting decision of the Legislature
Montana DEQ Brownfields, In-kind	$26,727	Committed
City of Harlowton, In-kind	$1,215	Committed
EPA Brownfields Cleanup Grant	$2,000,000	Committed
Project Total	**$2,527,942**	

Funding Recommendation

DNRC recommends grant funding of $500,000. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

Grant agreement is contingent upon 1) a project management plan that addresses roles and responsibilities of the entity and participating organizations; 2) an executed Memorandum of Understanding between the recipient and the sponsored entity clarifying the roles, responsibilities and shared project costs; 3) an updated, detailed budget narrative that includes unit costs and supporting quotes and explains project costs relative to engineering and soil removal volumes in each phase; and 4) documented progress on all prior project phases.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	25.2
Natural Resource Benefits	90	53.9
Public Benefits	35	25.9
Technical Feasibility	55	43.1
Financial Feasibility	50	29.5
Project Management/Organization	30	19.2
Total Score (Total Points)	**300**	**196.8**
Overall RDG Rank		**2 (of 18)**

Ryegate, Town of
Former Ryegate Conoco Groundwater Remediation – Phase 5

Project Ranking: 3 (of 18)
County: Golden Valley
Project Type: Reclamation

PROJECT INFORMATION:

The Town of Ryegate proposes to continue to address the persistent petroleum contamination in groundwater at a former fueling station and convience store within the Town of Ryegate. This reclamation project will ensure contamination is addressed and does not continue to migrate toward public water supply wells and Musselshell River.

Project History

The former fueling station and convenience store occupies approximately 0.8 acres at the northeast corner of Kemp Street and US Highway 12 in Ryegate. The station operated from the 1930s until 1993. Investigations beginning in 1992 found petroleum contamination in soil and groundwater above DEQ standards and screening levels. Cleanup crews removed approximately 3,200 cubic yards of contaminated soil, but utilities and contamination beneath US Highway 12 limited further excavation.

A groundwater treatment system helped break down petroleum and reduced benzene concentrations in most monitoring wells. However, contamination remains near the excavation boundaries and in groundwater where treatment has been less effective. Sampling in 2025 confirmed continued contamination in at least three monitoring wells.

Proposed Solution

The project's goals are to improve groundwater quality, meet DEQ cleanup requirements, and return the property to productive use. Targeted injections are proposed around the remaining impacted locations to address residual contamination directly. This targeted treatment aims to achieve cleanup within three years, rather than the more than 50 years projected for natural breakdown alone. Project goals will be met through the following objectives:

- Injection of in-situ chemicals to remediate groundwater;
- Semiannual groundwater monitoring; and
- Abandonment of groundwater monitoring wells after remediation is completed.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Engineering and Project Management
Task 2: Construction: Groundwater Reclamation and Monitoring
Administration

Resource and Benefit Analysis

The project will improve groundwater quality by treating remaining petroleum contamination and reducing the potential for pollutants to reach aquatic resources in Musselshell River. Targeted treatment will accelerate cleanup, while groundwater monitoring will measure progress toward DEQ requirements. Public benefits include protecting drinking water sources and supporting the property's return to productive use.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Engineering and Project Management	$21,051	$0	$21,051
Construction: Groundwater Reclamation and Monitoring	$183,981	$360	$184,341
Administration	$0	$1,440	$1,440
Contingency	$20,467	$180	$20,647
Project Total	**$225,499**	**$1,980**	**$227,479**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$225,499	Awaiting decision of the Legislature
Town of Ryegate, In-kind	$1,980	Committed
Project Total	**$227,479**	

Funding Recommendation

DNRC recommends grant funding of $225,499. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

Grant agreement is contingent upon the recipient providing a project management plan that addresses roles and responsibilities of the entity and participating organizations.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	27.6
Natural Resource Benefits	90	38.6
Public Benefits	35	20.4
Technical Feasibility	55	46.4
Financial Feasibility	50	38.4
Project Management/Organization	30	25.0
Total Score (Total Points)	**300**	**196.4**
Overall RDG Rank		**3 (of 18)**

Deer Lodge, City of
Milwaukee Roundhouse Passenger Refueling Remediation – Phase 2

Project Ranking: 4 (of 18)
County: Powell
Project Type: Reclamation

PROJECT INFORMATION:

The City of Deer Lodge proposes to complete the remaining soil cleanup within the city-owned project area of the Passenger Refueling Area, a subarea of the Milwaukee Roundhouse Comprehensive Environmental Cleanup and Responsibility Act (CECRA) Facility. This reclamation project is located in Deer Lodge, adjacent to the Cottonwood Creek and the Clark Fork River.

Project History

The Chicago, Milwaukee, St. Paul, and Pacific Railroad operated the Milwaukee Roundhouse and nearby Passenger Depot in Deer Lodge from 1908 until its bankruptcy in 1980. Fuel storage and refueling operations in the Passenger Refueling Area contaminated soil and groundwater with petroleum and other chemicals. Regional mining, milling, and smelting also contributed arsenic and other metals. The contamination has degraded natural resources, created potential exposure risks, and prevented the community's intended redevelopment of the vacant property.

DEQ designated the facility a state Superfund (CECRA) site. Investigations and cleanup have continued since 1995, but limited funding has delayed completion. The City of Deer Lodge owns portions of the Passenger Refueling Area and has supported investigations and cleanup. The two most recent RDG-funded projects removed approximately 2,500 cubic yards of contaminated soil before funding ran out. An estimated 500 cubic yards remain in two identified areas.

Proposed Solution

The project will complete the remaining soil cleanup to protect soil, groundwater, and surface water from contamination caused by historic railroad operations. Cleanup will support DEQ's removal of the site from the Superfund list and allow future redevelopment. The project will achieve these goals through the following objectives:

- Excavate and remove contaminated soil from the site and dispose of it at an approved facility; and
- Revegetate disturbed areas.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Engineering Design, Permitting, and Bidding
Task 2: Soil Removal and Revegetation
Administration

Resource and Benefit Analysis

The project will improve soil and water quality by removing contaminated materials that can erode into Cottonwood Creek and the Clark Fork River. Cleanup will provide lasting benefits to vegetation and fish and wildlife habitat while addressing environmental damage from historic development. Removing contaminated soil and sediment from the city center will also reduce public exposure to harmful substances.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Engineering, Permitting, and Bidding	$73,500	$0	$73,500
Soil Removal and Revegetation	$156,000	$0	$156,000
Administration	$5,000	$15,000	$20,000
Contingency	$39,000	$0	$39,000
Project Total	**$273,500**	**$15,000**	**$288,500**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$273,500	Awaiting decision of the Legislature
City of Deer Lodge, In-kind	$15,000	Committed
Project Total	**$288,500**	

Funding Recommendation

DNRC recommends grant funding of $273,500. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

Grant agreement is contingent upon the recipient providing a project management plan that adequately addresses DEQ-issued CECRA requirements.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	24.4
Natural Resource Benefits	90	40.6
Public Benefits	35	25.0
Technical Feasibility	55	41.2
Financial Feasibility	50	26.0
Project Management/Organization	30	27.0
Total Score (Total Points)	**300**	**184.2**
Overall RDG Rank		**4 (of 18)**

Montana Fish, Wildlife & Parks
Shaw Dam Removal and Riparian Restoration

Project Ranking: 5 (of 18)
County: Jefferson
Project Type: Other Crucial State Need

PROJECT INFORMATION:

Montana Fish, Wildlife & Parks, along with project partner Montana Trout Unlimited (MTU), propose to remove two diversion dams on the Boulder River to improve fish passage, restore floodplain function, and maintain water delivery for agriculture. This crucial state need project is in Jefferson County, about two miles upstream of the Boulder River's confluence with the Jefferson River.

Project History

Diversion dams have restricted fish passage on the Boulder River for more than a century, while three irrigation ditches draw fish out of the river during irrigation season. The Shaw Diversion Dam, about two miles upstream of the Jefferson River, remains a barrier despite a fish ladder installed in 2008. Tracking studies show that fish travel to the Boulder River from as far away as Toston Dam on the Missouri River.

The Shaw Diversion Dam has changed the river's shape and trapped more than 2,000 cubic yards of fine sediment. Downstream, the river has widened and become shallower, reducing channel stability and degrading habitat for fish and aquatic insects. It has also cut deeper into its bed, limiting water reaching the floodplain, weakening cottonwood and willow communities, restricting sedges and rushes, and allowing junipers to spread.

Many rainbow and brown trout populations across the basin are at or near historic lows. Drought, warmer main rivers, and degraded habitat make tributaries such as the Boulder River increasingly important for cold-water refuge, spawning, and young fish.

Proposed Solution

This project's goals are to restore connectivity and natural river processes in the lower Boulder River while maintaining viable agricultural water delivery, improving recreational safety, and expanding access to cold-water refuge and spawning and rearing habitat throughout the Upper Missouri River Basin. These goals will be achieved by the following objectives:

- Construct 2,500 feet of new mainstem channel;
- Demolish and remove the diversion dam structures;
- Convert the existing main (west) channel to a seasonally connected side channel and wetlands; and
- Install large woody debris and brush matrices into the streambanks and instream habitats to promote stability and habitat heterogeneity.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Engineering Design, Permitting, and Project Management
Task 2: Construction: Stream Restoration and Monitoring
Administration

Resource and Benefit Analysis

The project will improve surface water quality and quantity by restoring floodplain connections, creating wetlands, and stabilizing streambanks to reduce erosion and help retain water. Removing two diversion dams will improve fish passage and access to cold-water refuge, spawning areas, and habitat for young fish. A new river channel, seasonally connected side channel, and wood and brush installations will restore natural river processes and improve habitat for rainbow and brown trout, other fish, and aquatic insects. The project will also maintain agricultural water delivery and improve recreational safety.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Engineering and Project Management	$0	$79,500	$79,500
Construction: Stream Restoration	$500,000	$723,075	$1,223,075
Administration	$0	$3,090	$3,090
Project Total	**$500,000**	**$805,665**	**$1,305,665**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$500,000	Awaiting decision of the Legislature
Golden Sunlight Mine, Cash	$95,000	Committed
Golden Sunlight Mine, In-kind	$25,000	Only if project construction occurs
DEQ 319, Grant	$300,000	Committed
DNRC Non-Point Source Program, Grant	$50,000	Committed
FWP Future Fisheries, Grant	$45,100	Committed
Trout Unlimited – 5 Chapters, Cash	$78,425	Committed
National Wild Turkey Federation, Grant	$25,000	Committed
Rocky Mountain Elk Foundation Grant	$25,000	Committed
American Rivers, Grant	$20,000	Committed
Trout and Salmon Foundation, Grant	$5,000	Committed
Montana Trout Foundation, Grant	$5,000	Committed
Jefferson Valley Sportsman Association, Cash	$4,250	Committed
Skyline Sportsmen's Association, Cash	$4,250	Committed
Private Family Foundation, Cash	$2,550	Committed
MTU, In-kind	$17,590	Committed
MTU (willow harvesting), In-kind	$28,000	Only if project construction occurs
The Conservation Alliance, Grant	$35,500	Application Submitted
DNRC Forestry Program, Grant	$35,000	Discussed/Not Applied
FWS Partners Program, Cash	$5,000	Discussed/Not Applied
Project Total	**$1,305,665**	

Funding Recommendation

DNRC recommends grant funding of $500,000. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

Grant agreement is contingent upon the recipient providing: 1) verification of match funding sources; 2) a project management plan that addresses roles and responsibilities of the entity and participating organizations; 3) an executed Memorandum of Understanding between the recipient and the sponsored entity clarifying the roles, responsibilities and shared project costs; and 4) a procurement plan demonstrating compliance with local procurement laws/rules as well as the Montana Procurement Act.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	21.7
Natural Resource Benefits	90	36.8
Public Benefits	35	15.0
Technical Feasibility	55	36.5
Financial Feasibility	50	41.5
Project Management/Organization	30	22.8
Total Score (Total Points)	**300**	**174.3**
Overall RDG Rank		**5 (of 18)**

Butte-Silver Bow, City-County of
Father Sheehan Park Green Stormwater Infrastructure Project – Phase 2

Project Ranking: 6 (of 18)
County: Silver Bow
Project Type: Reclamation

PROJECT INFORMATION:

The City-County of Butte-Silver Bow proposes to address contaminated stormwater runoff, recurring flooding, and natural resource degradation at Father Sheehan Park using a green stormwater treatment system. This reclamation project is located within an urban area of the City of Butte and adjacent to Blacktail Creek.

Project History

Historic hardrock mining left metals, oil, grease, and other contaminants throughout urban Butte. Father Sheehan Park and the surrounding project site lie outside the area covered by the Butte Priority Soils Superfund cleanup agreement. The 112-acre site sits in a low-lying area where the Silver Bow, Blacktail, and Basin Creek drainage areas meet.

Stormwater from residential and commercial areas north and east of the park carries sediment and pollutants into Blacktail Creek. Pavement and inadequate drainage increase runoff, which picks up historic contamination beneath paved and landscaped areas. Previous sampling and groundwater monitoring identified elevated levels of copper, lead, zinc, nitrogen, and phosphorus.

The site lies within a designated flood hazard zone. Fast-moving runoff repeatedly damages park facilities, erodes streambanks, and reduces water quality. Flooding and pollution have degraded streamside habitat, while invasive plants compete with native vegetation. Blacktail Creek still supports fish and birds, but its connection to Silver Bow Creek and the Upper Clark Fork and Columbia River watersheds means local pollution can also affect downstream resources and communities.

Proposed Solution

The project aims to reduce mining-related pollution and slow stormwater flowing into Blacktail Creek, protecting water quality locally and downstream in the Columbia River watershed. This goal will be achieved through the following objectives:

- Design and install the wetland and biocell components of green stormwater infrastructure; and
- Complete plans for fine-grading of pond edges and shelves, planting-zone delineation, and field adjustments based on observed groundwater conditions and anticipated seasonal water levels.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks below:

Task 1: Engineering Design and Project Management
Task 2: Construction: Stormwater Wetland and Biocell Installation
Administration

Resource and Benefit Analysis

The project will improve water quality in Blacktail and Silver Bow creeks by capturing polluted stormwater and reducing sediment, nitrogen, phosphorus, and other contaminants entering the waterways. Wetlands and planted treatment areas will slow runoff, reduce peak flows and streambank erosion, and allow water to soak into the ground to replenish groundwater. Native and climate-adapted vegetation will improve fish and wildlife habitat. Public benefits include reduced exposure to contamination, less flood damage to park facilities, and more reliable access to recreation. These improvements will also reduce stormwater-related maintenance and repair costs.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Engineering and Project Management	$200,000	$0	$200,000
Construction: Stormwater Installation	$250,000	$0	$250,000
Administration	$0	$15,000	$15,000
Contingency	$50,000	$0	$50,000
Project Total	**$500,000**	**$15,000**	**$515,000**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$500,000	Awaiting decision of the Legislature
Butte-Silver Bow, In-kind	$15,000	Committed
Project Total	**$515,000**	

Funding Recommendation

DNRC recommends grant funding of $500,000. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

Grant agreement is contingent upon the recipient providing: 1) a project management plan that addresses roles and responsibilities of the entity and participating organizations; 2) an executed Memorandum of Understanding between the recipient and the sponsored entity clarifying the roles, responsibilities and shared project costs; and 3) a procurement plan demonstrating compliance with local procurement laws/rules as well as the Montana Procurement Act.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	20.0
Natural Resource Benefits	90	37.8
Public Benefits	35	19.6
Technical Feasibility	55	42.0
Financial Feasibility	50	26.8
Project Management/Organization	30	23.8
Total Score (Total Points)	**300**	**170.0**
Overall RDG Rank		**6 (of 18)**

Montana Bureau of Mines and Geology
Buried Channel Aquifer Characterization in Northeastern Montana

Project Ranking: 7 (of 18)
County: Sheridan, Roosevelt
Project Type: Other Crucial State Need

PROJECT INFORMATION:

The Montana Bureau of Mines and Geology (MBMG) proposes an integrated hydrogeologic investigation of buried channel aquifers covering approximately 1,100 square miles in northeastern Montana. This crucial state need project is located across the counties of Sheridan and Roosevelt.

Project History

The Clear Lake Aquifer, discovered in 1974, became an important source of irrigation water in an area with sandy soils and limited, unpredictable rainfall. Previously, groundwater users relied mainly on the Fort Union Formation, a bedrock aquifer that generally produces less water of poorer quality. The Clear Lake Aquifer lies in ancient river channels buried by glacial deposits. Its productive areas are uneven and difficult to locate from the surface, so identifying reliable water sources has required extensive, costly drilling.

Since the 1980s, the MBMG and partner agencies have studied the aquifer's geology, groundwater levels, chemistry, and potential petroleum contamination. Agencies and residents have raised concerns about how groundwater use could affect nearby lakes and wetlands, which support migratory birds, other wildlife, recreation, and livestock grazing and watering. Even though the Sheridan County Conservation District maintains 207 monitoring wells, important information gaps remain. Existing maps disagree on channel boundaries, and the sources of water replenishing the aquifer, its age, and its connections to lakes and wetlands remain uncertain. Industrial groundwater development in connected aquifers in North Dakota has increased local concerns.

Proposed Solution

The goal of this project is to define buried channel aquifer geometry and characterize the extent, thickness, recharge sources, and connections to lakes and wetlands of the buried channel aquifers in northeastern Montana. The project will achieve this goal by implementing the following objectives:

- Conduct two airborne electromagnetic surveys,
- Assess ground-based geophysics;
- Monitor water levels;
- Sample groundwater, surface water, and precipitation to improve aquifer mapping; and
- Characterize groundwater flow and age to support sustainable water management.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Engineering Planning and Design
Task 2: Sampling: Geophysical Surveys, Laboratory Processing, and Supplies
Administration

Resource and Benefit Analysis

The project will provide a stronger scientific basis for evaluating groundwater availability and proposed withdrawals. Better information about channel geometry, groundwater ages, recharge sources, and flow connections will help managers assess whether additional development could affect aquifer levels or connected water resources. These findings will inform management decisions to establish a sustainable withdrawal limit.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Engineering Basic Services	$67,500	$0	$67,500
Sampling and Supplies	$370,152	$3,954	$374,106
Contingency	$38,325	$0	$38,325
Administration	$24,023	$271,176	$295,199
Project Total	**$500,000**	**$275,130**	**$775,130**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$500,000	Awaiting decision of the Legislature
MBMG Groundwater Assessment Program Budget, Cost Share	$119,748	Committed
Montana Tech Office of Sponsored Programs, Cost Share	$155,382	Committed
Project Total	**$775,130**	

Funding Recommendation

DNRC recommends grant funding of $500,000. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

Grant agreement is contingent upon the recipient providing: 1) a project management plan that addresses roles and responsibilities of the entity and participating organizations; 2) an executed Memorandum of Understanding between the recipient and the sponsored entity clarifying the roles, responsibilities and shared project costs; and 3) a procurement plan demonstrating compliance with local procurement laws/rules as well as the Montana Procurement Act.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	25.4
Natural Resource Benefits	90	5.0
Public Benefits	35	10.6
Technical Feasibility	55	45.2
Financial Feasibility	50	41.4
Project Management/Organization	30	29.4
Total Score (Total Points)	**300**	**157.0**
Overall RDG Rank		**7 (of 18)**

Powell County
Milwaukee Roundhouse MRA Soil Remediation – Phase 4

Project Ranking: 8 (of 18)
County: Powell
Project Type: Reclamation

PROJECT INFORMATION:

Powell County proposes to remove approximately 1,800 cubic yards of contaminated soil from the Milwaukee Roundhouse Area (MRA) in Deer Lodge, Montana, as the next step in a phased effort to reclaim the former railroad maintenance property. This reclamation project will focus on the approximately eight acres of County-owned property nearest the Clark Fork River and Tin Cup Joe Creek.

Project History

From 1908 to 1980, the Chicago, Milwaukee, St. Paul and Pacific Railroad owned and operated the approximately 14.5-acre Roundhouse property for locomotive repair and maintenance. Following the railroad's bankruptcy in the 1980s, the property remained vacant and unavailable for productive reuse. In 1987, the Montana Department of Environmental Quality classified the Milwaukee Roundhouse facility as a high-priority site under the Comprehensive Environmental Cleanup and Responsibility Act (CECRA). Subsequent investigations by DEQ and the U.S. Environmental Protection Agency (EPA) identified petroleum contamination and, to a lesser extent, chlorinated solvents in groundwater. Petroleum hydrocarbons and chlorinated solvents have also been identified in portions of the soil and groundwater. Arsenic, cadmium, lead, chlorinated solvents, and petroleum hydrocarbons have been detected in sediments in adjacent Tin Cup Joe Creek, a tributary of the Clark Fork River.

Cleanup of the Milwaukee Roundhouse site began in 2010 and has included contaminated soil removal, onsite soil consolidation, fencing, and environmental investigations. Following DEQ approval of the Remediation Proposal in 2023, approximately 5,000 cubic yards of contaminated soil were removed in 2024, with another 5,000 cubic yards targeted in 2026. The Clark Fork River in this area is generally characterized as a gaining reach, meaning it receives groundwater discharge. The Remedial Investigation documented local groundwater flow toward the north and northeast. These conditions establish a potential pathway through which remaining site contamination could affect nearby surface water and support the need for continued remediation.

Proposed Solution

The goal of this project is the rehabilitation of the former Milwaukee Roundhouse property from an environmental liability into a community asset by completing necessary remediation, achieving eventual CECRA delisting, and enabling redevelopment. The County will achieve this goal through a phased implementation of the Remediation Proposal for soil cleanup, groundwater remediation, and addressing sediment concerns.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Engineering, Permitting, and Construction Oversight
Task 2: Construction: Soil Remediation
Administration

Resource and Benefit Analysis

The project will benefit soil and surface water resources by removing contaminated soil, reducing potential contaminant migration toward Tin Cup Joe Creek and the Clark Fork River, and restoring disturbed areas. Cleanup will also reduce potential human and ecological exposure to contaminants and advance reclamation of the County-owned property for future beneficial use.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Engineering, Permitting, Construction Oversight	$180,000	$5,000	$185,000
Construction: Soil Removal	$300,000	$0	$300,000
Administration	$20,000	$10,000	$30,000
Project Total	**$500,000**	**$15,000**	**$515,000**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$500,000	Awaiting decision of the Legislature
Powell County, In-kind	$15,000	Committed
Project Total	**$515,000**	

Funding Recommendation

DNRC recommends grant funding of $500,000. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

The grant agreement is contingent upon the recipient providing: 1) an updated, detailed budget narrative in support of project costs including unit costs as well as quotes in support of unit costs and 2) a procurement plan demonstrating compliance with local procurement laws/rules as well as the Montana Procurement Act.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	23.2
Natural Resource Benefits	90	32.8
Public Benefits	35	9.4
Technical Feasibility	55	37.2
Financial Feasibility	50	24.6
Project Management/Organization	30	20.0
Total Score (Total Points)	**300**	**147.2**
Overall RDG Rank		**8 (of 18)**

Missoula, City of
Fort Missoula Ponds Project

Project Ranking: 9 (of 18)
County: Missoula
Project Type: Reclamation

PROJECT INFORMATION:

The City of Missoula proposes to restore and stabilize a section of the Bitterroot River's western bank and nearby upland ponds altered by aggregate mining at the Fort Missoula historical site. This reclamation project will work to reconnect the floodplain and riparian areas to the mainstem Bitterroot River channel.

Project History

Knife River gravel company mined gravel at the Fort Missoula historical site from the 1950s through 2012, creating the approximately 10-acre South Pond and 2.74-acre North Pond. Mining removed or substantially altered about 12 acres of streamside habitat, including forest and side channels, and changed how floodwaters move through the site. To protect mining operations from high water, operators built an artificial bank along the Bitterroot River using fill, rock, waste concrete, and concrete pipe. The bank was not engineered and remains unstable.

DEQ required Knife River to reclaim the site before releasing its reclamation bond and closing its permit. Reclamation included planting a vegetated buffer above part of the artificial bank, but most planted trees died. The work did not resolve the bank's instability or substantially replace the lost habitat. Photographs taken in 2024 show approximately 670 feet of unstable riverbank with severe erosion, exposed construction debris, and sparse vegetation. A geotechnical investigation also found buried reinforced concrete pipe, indicating that debris extends beneath portions of the site.

Proposed Solution

The project's primary goals are to reduce erosion and sedimentation in the Bitterroot River and reconnect the floodplain and riparian areas to the river corridor. This goal will be accomplished by completing the following objectives:

- Restoring approximately 475 linear feet of mining-altered Bitterroot Riverbank;
- Removing accessible concrete and mining debris; and
- Reconstructing the bank with natural materials and bioengineering techniques that complement existing river meander geometry.

Native revegetation and two years of establishment maintenance will support long-term bank stability, reduce erosion and sediment delivery, improve aquatic and riparian habitat, and reduce the risk of the river capturing the South Pond.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Engineering, Project Management
Task 2: Construction: River Restoration and Revegetation
Administration

Resource and Benefit Analysis

The project will improve riparian and aquatic habitat by replacing exposed mining debris with a bioengineered riverbank and native vegetation. Beneficial impacts to surface water quality through reduced bank erosion and sediment delivery are anticpated, in addition to increased shade and habitat complexity, improved floodplain function, and a lower risk of the Bitterroot River capturing the South Pond. These improvements will address historic mining impacts while supporting the long-term ecological health of the Bitterroot River and Fort Ponds.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Engineering, Project Management	$85,000	$36,643	$121,643
Construction: River Restoration and Revegetation	$415,000	$287,135	$702,135
Contingency	$0	$70,214	$70,214
Administration	$0	$3,300	$3,300
Project Total	**$500,000**	**$397,292**	**$897,292**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$500,000	Awaiting decision of the Legislature
City of Missoula, In-kind and Cash	$193,708	Committed
City of Missoula, Volunteer Labor and Materials Donation	$45,000	Application Submitted
Uncommitted Grants	$158,584	Discussed/Not Applied
Project Total	**$897,292**	

Funding Recommendation

DNRC recommends grant funding of $500,000. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

The grant agreement is contingent upon the recipient providing: 1) verification of matching fund sources; 2) an updated detailed budget narrative in support of the project costs including unit costs as well as quotes in support of unit costs; 3) a procurement plan demonstrating compliance with local procurement laws/rules as well as the Montana Procurement Act; and 4) draft plans and specifications to DNRC for review prior to bid document development.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	18.6
Natural Resource Benefits	90	22.0
Public Benefits	35	15.4
Technical Feasibility	55	31.4
Financial Feasibility	50	31.4
Project Management/Organization	30	26.4
Total Score (Total Points)	**300**	**145.2**
Overall RDG Rank		**9 (of 18)**

Cooke Pass, Cooke City, Silver Gate County Sewer District
Cooke City Sewer System – Phase 4

Project Ranking: 10 (of 18)
County: Park
Project Type: Other Crucial State Need

PROJECT INFORMATION:

The Cooke Pass, Cooke City, Silver Gate Sewer District proposes another phase of its effort to replace failing individual wastewater systems with a public wastewater collection, treatment, and disposal system in Cooke City, Montana. This crucial state need project reduces potential exposure of natural resources and the public to untreated wastewater.

Project History

Cooke City is an unincorporated community along U.S. Highway 212, about four miles east of Yellowstone National Park's northeast entrance. All occupied properties rely on individual wastewater systems, ranging from cesspools to septic tanks and drainfields. Many systems do not meet current DEQ requirements. Small lots and steep terrain often leave little or no room for replacement drainfields. Though its year-round population has remained nearly unchanged since 2010, seasonal tourism places substantial demands on local wastewater systems. Nearly 310,000 visitors entered Yellowstone through the northeast entrance in 2025.

Systems regularly fail or exceed their capacity during the summer tourism season. Businesses have reported partially treated wastewater surfacing on the ground, creating odors and exposing the public to wastewater. Some have restricted restroom access or temporarily closed because their systems could not handle demand. Where space for replacement systems is unavailable, Park County has allowed some failed systems to be replaced without fully meeting current requirements. These constraints limit the effectiveness of individual systems and demonstrate the need for a community-wide wastewater system.

Proposed Solution

The project goal is to eliminate public exposure to sewage backups and surfacing effluent associated with failing and substandard individual wastewater systems. Phase 4 will extend the collection system into the alley north of Main Street between Montana, Huston, and Eaton Streets. This work will be coordinated with the overall project's lift station, force main, treatment, and drainfield improvements to provide reliable wastewater collection, treatment, and disposal.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Project Management
Task 2: Engineering: Planning, Design, Oversight
Task 3: Construction: Collection System
Contingency
Administration

Resource and Benefit Analysis

Once connected to operational treatment and disposal facilities, the collection improvements will help protect groundwater quality by replacing failing septic systems and reducing uncontrolled wastewater discharges and nutrient pollution. These improvements will also help safeguard the community's drinking water supply and reduce public exposure to sewage. More reliable service will reduce disruptions to homes, businesses, and public facilities and support Cooke City's tourism-based economy.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Administration and Project Management	$30,000	$60,000	$90,000
Engineering, Design, Oversight	$240,000	$10,000	$250,000
Construction: Distribution System	$230,000	$765,000	$995,000
Contingency	$0	$235,000	$235,000
Project Total	**$500,000**	**$1,070,000**	**$1,570,000**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$500,000	Awaiting decision of the Legislature
Montana Coal Endowment Program (MCEP), Grant	$750,000	Applied, Not Committed
State Revolving Fund (SRF), Loan	$300,000	Listed on SRF IUP
Cooke City Sewer District, Cash	$20,000	Committed
Project Total	**$1,570,000**	

Funding Recommendation

DNRC recommends grant funding of $500,000. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

Grant agreement is contingent upon the recipient providing a site title opinion and right-of-way. Recipient is required to submit draft plans and specifications to DNRC prior to bid document development.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	15.2
Natural Resource Benefits	90	18.8
Public Benefits	35	17.0
Technical Feasibility	55	27.4
Financial Feasibility	50	27.2
Project Management/Organization	30	24.8
Total Score (Total Points)	**300**	**130.4**
Overall RDG Rank		**10 (of 18)**

Lakeside County Water and Sewer District
Lakeside Wastewater System Improvements Project – Phase 2

Project Ranking: 11 (of 18)
County: Flathead
Project Type: Other Crucial State Need

PROJECT INFORMATION:

The Lakeside County Water & Sewer District (LCWSD) proposes Phase 2 of its Wastewater Treatment Facility Improvements Project to replace aging infrastructure and expand treatment capacity. This crucial state need project serves Lakeside and surrounding areas and will help protect Flathead Lake and the surrounding environment.

Project History

Before the centralized sewer system was built, properties along northwest Flathead Lake relied primarily on individual septic systems. Their proximity to the lake raised concerns that nitrogen and phosphorus could enter the water, encourage algal growth, degrade aquatic habitat, and affect recreation and drinking water. Built in 1987 with U.S. Environmental Protection Agency funding, the centralized system replaced most septic systems within its service area and carried wastewater away from the lake for treatment.

In 1994, the Somers County Water and Sewer District added a storage pond at the Lakeside treatment facility and contracted with the Lakeside district for treatment services. Somers remains responsible for its own collection system. A later agreement with Flathead County added treatment of waste pumped from septic tanks, increasing demands on the facility. After nearly 40 years, the treatment system has reached the end of its design life and has limited capacity for growth. Replacing the primary treatment process will help maintain effective treatment and meet regional needs. Phase 1 construction began in spring 2025 and is nearly complete. It includes new facilities to receive incoming wastewater and septic tank waste, pumping and lift station upgrades, irrigation building improvements, and other facility improvements.

Proposed Solution

The project will modernize the aging treatment system, expand capacity for regional wastewater and waste pumped from septic tanks, and protect Flathead Lake's water quality. These goals will be met by completing the following objectives:

- Upgrade the facility to treat 0.6 million gallons per day;
- Construct a new sequencing batch reactor, septage flow equalization tank, sludge storage basins, solids dewatering facility, and new groundwater discharge ponds; and
- Complete an identified 20-year design flow.

The improvements are intended to allow LCWSD to continue effectively treating wastewater, meet groundwater discharge permit limits, fulfill its agreement with Flathead County, and protect Flathead Lake and the surrounding natural environment.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Engineering Services, Planning, and Design
Task 2: Construction: Wastewater Facility Upgrades and Expansion
Administration

Resource and Benefit Analysis

The project will help protect Flathead Lake and surrounding water resources by upgrading aging wastewater infrastructure and improving treatment and nutrient reduction capabilities. Expanded capacity will support responsible regional growth and septage treatment while meeting groundwater discharge permit limits, providing a benefit to water quality and the surrounding natural environment.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Administration	$0	$1,243,110	$1,243,110
Engineering, Planning, and Design	$0	$4,475,196	$4,475,196
Construction	$500,000	$24,362,200	$24,862,200
Contingency	$0	$2,486,220	$2,486,220
Project Total	**$500,000**	**$32,566,726**	**$33,066,726**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$500,000	Awaiting decision of the Legislature
Western Montana Conservation Commission, Grant	$910,000	Committed
Flathead County, Cash	$3,750,000	Committed
Sewer District Funds, Cash	$3,515,000	Committed
State Revolving Fund, Loan	$23,391,726	Application Submitted
State Revolving Fund, Loan Forgiveness	$1,000,000	Application Submitted
Project Total	**$33,066,726**	

The requested RDG funding will be used for part of a larger project with an uncertain final outcome because a significant portion of project match funding is not secured.

Funding Recommendation

DNRC recommends grant funding of $500,000. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

Grant agreement is contingent upon the recipient providing verification of matching fund sources.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	20.0
Natural Resource Benefits	90	13.4
Public Benefits	35	14.6
Technical Feasibility	55	34.8
Financial Feasibility	50	22.2
Project Management/Organization	30	25.0
Total Score (Total Points)	**300**	**130.0**
Overall RDG Rank		**11 (of 18)**

Blodgett Creek Irrigation District
High Lake Dam Rehabilitation

Project Ranking: 12 (of 18)
County: Ravalli
Project Type: Crucial State Need – High-Hazard Dam

PROJECT INFORMATION:

The Blodgett Creek Irrigation District (BCID) proposes to rehabilitate High Lake Dam, a high-hazard dam with a deteriorating embankment. This crucial state need project will improve public safety and restore reliable reservoir operations. It also aims to reduce seasonal drying in Blodgett Creek, improve aquatic habitat, and maintain the creek's connection to the Bitterroot River.

Project History

High Lake Dam occupies approximately 1.5 acres within the Bitterroot National Forest and impounds High Lake, which covers approximately 40 acres. BCID operates the dam to store and release water into the Blodgett Creek system. Downstream, Blodgett Canyon is a popular recreation area and provides access to the Selway-Bitterroot Wilderness. Although High Lake does not support bull trout, downstream Blodgett Creek provides designated critical and core habitat for the species. Low summer flows impair aquatic habitat, cold-water fisheries, and recreation. The lower five miles, between Blodgett Creek Campground and the Bitterroot River, can nearly dry up, cutting off the connection between the upper creek and the river.

Recurring seepage and embankment problems have created a need for dam rehabilitation. Engineers recommended lowering the reservoir, but seepage continued at the downstream base of the dam even with reduced storage. Lowering the water level alone is therefore not an effective long-term solution. Continued seepage could weaken the dam and lead to sudden failure, potentially flooding the campground, damaging two paved road crossings and downstream property, and disrupting recreational access.

Proposed Solution

The goals of this project are to improve the structural integrity, safety, and functionality of High Lake Dam, and protect downstream public resources from potential flooding associated with dam failure. It will also improve management of water releases to support streamflows and aquatic habitat in Blodgett Creek. These goals will be accomplished by the following objectives:

- Rehabilitate the embankment;
- Install the core wall;
- Address seepage and internal erosion deficiencies;
- Replace outlet and hydraulic gate system;
- Construct the head house;
- Establish baseline flow conditions by installing siphon and monitoring equipment; and
- Measure reservoir contributions to downstream flows.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Engineering, Project Management, and Construction Oversight
Task 2: Construction: Outlet Replacement, Aggregate Preparation, Core Wall Installation, Head House Construction, Siphon Construction, Site Restoration

Resource and Benefit Analysis

The project's primary resource benefit is protecting Blodgett Creek's aquatic habitat and public health and safety by reducing the risk of dam failure. If managed for instream releases, the additional 300 acre-feet of usable storage could improve late-season flows, reduce dewatering, and help reconnect approximately 5 miles of bull trout habitat to the Bitterroot River.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Engineering and Project Management	$50,000	$808,378	$858,378
Construction	$450,000	$3,279,830	$3,729,830
Contingency	$0	$1,156,290	$1,156,290
Inflation	$0	$501,059	$501,059
Project Total	**$500,000**	**$5,745,558**	**$6,245,557**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$500,000	Awaiting decision of the Legislature
Future Fisheries Improvement Program, Grant	$100,000	Discussed/Not Applied
WaterSMART Environmental Water Resources Project, Grant	$3,000,000	Discussed/Not Applied
Water Lease Agreement, Cash	$1,200,000	Discussed/Not Applied
Blodgett Creek Irrigation District, Loan	$1,445,557	Discussed/Not Applied
Project Total	**$6,245,557**	

Funding Recommendation

DNRC recommends grant funding of $500,000. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

DNRC requires compliance with Montana Water Use Act Title 85, Chapter 2, MCA. The grant agreement is contingent upon recipient providing verification that the project is in compliance with the Water Use Act before a grant agreement can be executed. Additionally, the grant agreement is contingent upon the recipient providing:

- An updated grant management plan that includes a procurement plan demonstrating compliance with local procurement laws/rules as well as the Montana Procurement Act

- An updated schedule that includes time for all permits including but not limited to water rights, the expected level of NEPA review, high-hazard dam review and permitting, endangered species act consultation, Section 404/401 permit, 310 permit, and an amended special use permit from the U.S. Forest Service
- An updated budget that includes
    - verification of committed matching funds,
    - grant related expenses, and
    - costs to secure required permits.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	25.6
Natural Resource Benefits	90	12.0
Public Benefits	35	16.4
Technical Feasibility	55	30.6
Financial Feasibility	50	22.0
Project Management/Organization	30	16.0
Total Score (Total Points)	**300**	**122.6**
Overall RDG Rank		**12 (of 18)**

Philipsburg, Town of
Philipsburg Stormwater System Replacement Project – Phase 1

Project Ranking: 13 (of 18)
County: Granite
Project Type: Other Crucial State Need

PROJECT INFORMATION:

The Town of Philipsburg proposes to restore reliable stormwater conveyance, reduce the risk of sinkholes and roadway undermining, and limit uncontrolled runoff pathways that can mobilize sediment and sediment-associated metals. This crucial state need project will occur in downtown Philipsburg and has implications for the downstream drainage basin of Camp Creek and the Upper Flint Creek Watershed.

Project History

Philipsburg lies within the Upper Flint Creek watershed, where historic mining has left metals-bearing materials in local soils and drainage areas. There are 27 historic mine sites within the Town's stormwater drainage basin, including three classified as Priority Mine Areas. Runoff flows through the stormwater system into Camp Creek and Flint Creek. DEQ has identified sediment, metals, and nutrient pollution in the watershed, and Flint Creek provides designated critical habitat for threatened bull trout. Much of the stormwater system is more than 50 years old. Pipes have deteriorated, with some losing their bottoms, and failures have become more frequent. These failures can cause uncontrolled runoff and erosion that carry sediment and pollutants toward nearby creeks.

The town's 2024 preliminary engineering report identified the main downstream stormwater line, particularly along Broadway Street, as a priority for rehabilitation because of its advanced deterioration and risk of collapse, sinkholes, and uncontrolled discharge. The town has relied on maintenance and emergency repairs to keep the system operating, but these measures have not resolved its underlying problems. In spring 2026, a stormwater line collapsed beneath the main highway entering town, creating a sinkhole and moving sediment through the system. Public works crews repaired the immediate failure to restore road safety and access, but broader structural deficiencies remain.

Proposed Solution

The goals of this project are to improve public safety, protect public infrastructure, and restore reliable stormwater flow through the system's highest-priority sections. These improvements will reduce erosion and uncontrolled runoff caused by system failures, limiting sediment carried into downstream creeks. These goals will be achieved through the following objectives:

- Replace 1,580 linear feet of deteriorated storm sewer;
- Install manholes, inlets, and related structures;
- Replace sections with pipe-bottom loss and structural deficiencies, abandoning obsolete infrastructure where required; and
- Restore designated stormwater flow paths.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Engineering: Planning and Design, Project Management
Task 2: Construction: Stormwater Conveyance Replacement and Repairs
Administration

Resource and Benefit Analysis

The project will protect downstream water quality and aquatic habitat by replacing deteriorated stormwater infrastructure that can cause uncontrolled runoff, erosion, and sediment transport. Restoring reliable conveyance may reduce the risk of sediment and associated legacy mining metals reaching Camp Creek and Flint Creek. These improvements may also support watershed water quality goals and help protect designated critical habitat for threatened bull trout in Flint Creek.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Engineering, Design, Project Management	$45,000	$58,355	$103,355
Construction: Stormwater System	$348,440	$324,729	$673,169
Contingency	$84,146	$84,146	$168,292
Administration	$15,750	$25,750	$41,500
Project Total	**$493,336**	**$492,980**	**$986,316**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$493,336	Awaiting decision of the Legislature
Montana Coal Endowment Program (MCEP), Grant	$492,980	Application Submitted
Project Total	**$986,316**	

Funding Recommendation

DNRC recommends grant funding of $493,336. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	16.6
Natural Resource Benefits	90	16.4
Public Benefits	35	8.8
Technical Feasibility	55	30.0
Financial Feasibility	50	31.4
Project Management/Organization	30	16.6
Total Score (Total Points)	**300**	**119.8**
Overall RDG Rank		**13 (of 18)**

Montana Technological University
Clark Fork Headwaters Flow Assurance Project

Project Ranking: 14 (of 18)
County: Silver Bow
Project Type: Crucial State Need – Drought

PROJECT INFORMATION:

Montana Technological University proposes a drought resilience project to support late-season streamflows in the Upper Clark Fork River watershed through restoration of natural water-storage processes. This crucial state need project to address drought will maintain and upgrade existing low-tech, process-based restoration installations and expand treatments in Basin Creek, Blacktail Creek, Browns Gulch, and Bull Run Creek.

Project History

The Upper Clark Fork watershed supplies water for homes, businesses, and agriculture in Butte-Silver Bow County and downstream communities. Analysis of Montana's Snow Telemetry data from 2016–2026 found declines in the amount of water stored in snow during most months from December through June, despite increased overall precipitation. These changes raise concerns about water available to sustain late-season streamflows.

Since 2017, restoration partners have installed structures that mimic beaver dams and encourage natural stream processes in the Clark Fork and Big Hole watersheds. Projects include Basin Creek, upstream of the reservoir supplying drinking water to approximately 60% of Butte residents; the Blacktail Creek headwaters; Browns Gulch; and Divide Creek. Reported monitoring at Blacktail and Basin creeks showed a roughly 92% increase in groundwater recharge. Treatments at Divide Creek reportedly added 12,900 cubic feet of groundwater and surface-water storage. Restoring streamside areas and wet meadows can improve water retention and vegetation growth, but increased plant water use makes site-specific design and monitoring important.

Proposed Solution

The goal of this project is to use low-tech, process-based restoration to improve the ability of headwater streams and their surrounding landscapes to retain water. This goal will be met by supporting natural processes that slow runoff, encourage infiltration, retain sediment, and increase water storage in stream corridors and adjacent soils. The tasks are as follows:

- Install, monitor, and maintain 200-250 low-tech, process-based restoration structures across 9 treatment locations;
- Maintain and upgrade existing treatments in Basin and Blacktail Creeks;
- Expand restoration in Browns Gulch and Bull Run Creek;
- Improve water retention using site-specific structures to slow runoff, retain sediment, and increase infiltration;
- Improve connections between streams and adjacent floodplains; and
- Support riparian vegetation and soil conditions.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Engineering: Professional Services
Task 2: Construction: Stream Restoration
Administration

Resource and Benefit Analysis

The project will improve drought resilience in the Upper Clark Fork headwaters by slowing runoff and increasing natural water storage, with the potential to sustain late-season streamflow. Restoration will also help reduce erosion, retain sediment, support streamside vegetation, and improve fish and wildlife habitat. These improvements can help sustain water supplies for homes, businesses, and agriculture during dry periods. The extent of these benefits will depend on site conditions and be evaluated through project monitoring.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Engineering: Professional Services	$100,000	$3,000	$103,000
Construction: Stream Restoration	$250,848	$15,000	$265,848
Administration	$21,800	$155,796	$177,596
Project Total	**$372,648**	**$173,796**	**$546,444**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$372,648	Awaiting decision of the Legislature
Natural Resource Damage Program (NRDP), Grant	$40,000	Discussed/Not Applied
Ripple, In-kind and Cash	$130,796	Committed
Naturion, In-kind	$3,000	Committed
Project Total	**$546,444**	

Funding Recommendation

DNRC recommends grant funding of $372,648. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

Grant agreement is contingent upon the recipient providing: 1) verification of matching fund sources; 2) an updated, detailed budget narrative in support of project costs; 3) a project management plan that addresses roles and responsibilities of the entity and participating organizations; 4) an executed Memorandum of Understanding between the recipient and the sponsored entity clarifying the roles, responsibilities and shared project costs; and 5) landowner agreement for site access.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	19.8
Natural Resource Benefits	90	25.2
Public Benefits	35	8.2
Technical Feasibility	55	25.2
Financial Feasibility	50	21.4
Project Management/Organization	30	11.4
Total Score (Total Points)	**300**	**111.2**
Overall RDG Rank		**14 (of 18)**

DNRC – Water Resources Division
DNRC Statewide Hydrology Project

Project Ranking: 15 (of 18)
County: All Counties
Project Type: Crucial State Need – High-Hazard Dam

PROJECT INFORMATION:

The Montana Department of Natural Resources and Conservation (DNRC) proposes to update statewide precipitation data and methods used to evaluate dam safety and design infrastructure. This crucial state need project will analyze historical rainfall and storm records to estimate the largest storms that could occur and how often storms of different sizes are likely to occur. It will also provide guidance for using these estimates in hydrologic models that predict runoff and flood flows.

Project History

Montana's dam safety evaluations rely on precipitation data and methods developed decades ago, creating uncertainty about spillway capacity, flood performance, and rehabilitation needs. Gaps in statewide information can require dam owners to commission costly site-specific studies that may use inconsistent methods. Two complementary tools need updating: precipitation-frequency analysis, which estimates rainfall amounts associated with specified probabilities, and probable maximum precipitation analysis, which estimates extreme precipitation for evaluating severe flood conditions. Montana's existing precipitation-frequency methodology requires review, and its probable maximum precipitation publications are nearly four decades old. Advances in storm analysis and modeling provide an opportunity to modernize both.

Montana's history illustrates the consequences of extreme flooding and dam failure. During the 1964 flooding along the Rocky Mountain Front, Swift Dam and Two Medicine Dam failed catastrophically. Swift Dam's failure killed 19 people on the Blackfeet Reservation; warnings and evacuations prevented deaths from Two Medicine Dam's failure. The age of Montana's dams adds urgency to this need. The state's dams average 73 years old, and many have not undergone major rehabilitation since construction. Nearly all state-permitted high-hazard dams were built before passage of the Montana Dam Safety Act in 1985. Updated precipitation data and analytical methods are essential to evaluating these aging structures and informing rehabilitation decisions. To serve the entire state effectively, these methods must account for Montana's diverse terrain, storm patterns, geology, soils, vegetation, and runoff conditions while remaining sensitive to regional and basin-specific characteristics.

Proposed Solution

The goals of this project are to develop and implement updated statewide extreme precipitation data, analytical methods, and application guidance that support scientifically defensible, risk-based dam safety evaluations and infrastructure design throughout Montana. These goals will be accomplished through the following objectives:

- Compile historical precipitation records, storm catalogs, atmospheric data, and regional hydrometeorological data**;**
- Update statewide probable maximum precipitation estimates by evaluating storm transposition, maximization, and moisture adjustments;
- Review existing precipitation-frequency estimates to develop more inclusive estimates and curves;
- Develop procedures and model inputs for applying the updated precipitation products and supporting consistent hydrologic modeling guidance;
- Convene an independent review board to review methods, assumptions, draft results and application guidance; and
- Integrate the new estimates for consistent application of updated precipitation methods into dam safety guidance, permitting, workflows, and public-facing resources.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Data Compilation: Storm Analysis, Modeling, Hydrology Data Integration
Task 2: Review Board Engagement
Task 3: Implementation and Reporting
Administration

Resource and Benefit Analysis

The project will support protection of Montana's natural resources by improving precipitation estimates used in dam safety evaluations and infrastructure design. Better estimates can guide improvements that reduce erosion, sediment releases, and downstream water-quality impacts from dam failures while avoiding unnecessary construction disturbance. These benefits will depend on subsequent dam management and infrastructure decisions.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Data Compilation	$370,000	$413,500	$783,500
Review Board Engagement	$80,000	$80,000	$160,000
Implementation and Reporting	$50,000	$150,000	$200,000
Administration	$0	$81,500	$81,500
Project Total	**$500,000**	**$725,000**	**$1,225,000**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$500,000	Awaiting decision of the Legislature
Bureau of Reclamation WaterSMART, Grant	$350,000	Application Submitted
DNRC, In-kind	$75,000	Committed
FEMA Building Resilient Infrastructure and Communities Grant	$300,000	Application Submitted
Project Total	**$1,225,000**	

Funding Recommendation

DNRC recommends grant funding of $500,000. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

Grant agreement is contingent upon the recipient providing: 1) verification of matching fund sources; 2) a project management plan that addresses roles and responsibilities of the entity and participating organizations and review board; and 3) a detailed budget narrative in support of the project costs including unit costs as well as quotes in support of unit costs.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	8.0
Natural Resource Benefits	90	0.0
Public Benefits	35	1.2
Technical Feasibility	55	41.0
Financial Feasibility	50	21.0
Project Management/Organization	30	26.2
Total Score (Total Points)	**300**	**97.4**
Overall RDG Rank		**15 (of 18)**

Gallatin Conservation District
Gallatin Valley Managed Aquifer Recharge Projects

Project Ranking: 16 (of 18)
County: Gallatin
Project Type: Crucial State Need – Drought

PROJECT INFORMATION:

The Gallatin Conservation District, in partnership with the Gallatin Water Trust, Trout Unlimited, and the Middle Creek Ditch Company (MCDC), proposes to develop and evaluate facilities for managed aquifer recharge within MCDC's service area. This crucial state need drought project responds to increasing water demand, declining irrigation-related groundwater recharge, and challenges associated with securing water rights and mitigation for new water use in the Gallatin Valley.

Project History

Population growth and development are increasing water demand in the Gallatin River Basin while reducing groundwater recharge from irrigated lands. Gallatin County's population reached approximately 130,000 in 2025, up roughly 8 percent since 2020. Bozeman's 2013 Integrated Water Resources Plan projected that demand could exceed supply as early as 2025. With the Upper Missouri watershed closed to new surface water appropriations since 1993, growth has increased reliance on existing municipal water rights and permit-exempt wells. The Gallatin Valley's interconnected groundwater and surface water systems depend on snowmelt and seasonal recharge from unlined irrigation ditches, estimated at 1–1.5 cubic feet per second per mile. Development and unauthorized ditch alterations threaten this recharge and water delivery to existing rights holders. Increasing groundwater demand and declining recharge also raise concerns about streamflows and senior water rights.

The Gallatin Conservation District, Gallatin Water Trust, Trout Unlimited, and Middle Creek Ditch Company have laid the groundwork for managed aquifer recharge (MAR) by mapping ditches, monitoring flows, investigating sites, designing facilities, and engaging stakeholders. The Middle Creek Ditch area encompasses more than 8,500 acres, with potential recharge benefits extending beyond individual project sites. Building on statewide hydrogeologic screening, DNRC efforts, and legislative reforms, this project will implement pilot facilities and document practical, repeatable pathways for future recharge and groundwater mitigation projects.

Proposed Solution

The project will construct and evaluate two to four MAR pilot facilities in the Middle Creek Ditch area and develop a repeatable framework for groundwater mitigation. Project objectives include:

- Analyze historical water use and identify permitting requirements and regulatory pathways for water right and use changes;
- Identify landowners and obtain access agreements for MAR locations;
- Finalize designs for MAR facilities; and
- Construct two to four MAR pilot facilities.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Permitting and Water Rights
Task 2: Landowner Agreements and Acquisition
Task 3: Engineering and Design
Task 4: Construction: Install MAR pilot facilities
Contingency
Administration

Resource and Benefit Analysis

The project will sustain irrigation-related recharge to support groundwater availability, maintain groundwater flows to rivers and spring-fed streams, and benefit fish and wildlife habitat. The pilot facilities will demonstrate how managed recharge can help meet water demands while protecting existing water rights and the valley's interconnected water resources.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Permitting and Water Rights	$80,000	$0	$80,000
Landowner Agreements and Acquisition	$10,000	$5,000	$15,000
Engineering and Design	$97,500	$2,500	$100,000
Construction: Install MAR Facilities	$200,000	$0	$200,000
Contingency	$60,000	$0	$60,000
Administration	$22,500	$2,500	$25,000
Project Total	**$470,000**	**$10,000**	**$480,000**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$470,000	Awaiting decision of the Legislature
Gallatin Water Trust, In-kind	$5,000	Committed
Trout Unlimited, In-kind	$5,000	Committed
Project Total	**$480,000**	

Funding Recommendation

DNRC recommends grant funding of $470,000. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

Grant agreement is contingent upon the recipient providing: 1) demonstrated compliance with Montana Water Use Act Title 85, Chapter 2, MCA; 2) A project management plan that addresses roles and responsibilities of the entity and participating organizations; 3) an executed Memorandum of Understanding between the recipient and the sponsored entity clarifying the roles, responsibilities and shared project costs; and 4) a procurement plan demonstrating compliance with local procurement laws/rules as well as the Montana Procurement Act.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	18.0
Natural Resource Benefits	90	13.2
Public Benefits	35	4.4
Technical Feasibility	55	18.2
Financial Feasibility	50	16.2
Project Management/Organization	30	10.2
Total Score (Total Points)	**300**	**80.2**
Overall RDG Rank		**16 (of 18)**

DNRC – Water Resources Division
DNRC Cottonwood Dam Rehabilitation Feasibility Study and Design – Phase 1

Project Ranking: 17 (of 18)
County: Park
Project Type: Crucial State Need – High-Hazard Dam

PROJECT INFORMATION:

The Montana Department of Natural Resources and Conservation (DNRC) proposes to evaluate and assess the aging infrastructure and potential dam safety deficiencies at Cottonwood Dam, an irrigation storage facility on Cottonwood Creek in Park County, Montana. This crucial state need project on a high-hazard dam will compare rehabilitation alternatives and identify a preferred approach.

Project History

Cottonwood Dam was constructed in 1953 on Cottonwood Creek, approximately 3.5 miles northwest of Wilsall in Park County, Montana. The reservoir provides 1,905 acre-feet of storage and supports approximately 1,500 acres of irrigated farmland. The dam is designated high-hazard because failure could cause loss of life and damage downstream farms, ranches, roads, bridges, and utilities. Since construction, the facility has undergone foundation grouting, seepage investigations, instrumentation installation, and routine maintenance. A major rehabilitation in 1986–1987 increased spillway capacity, added a guard dike and baffled chute, and raised the chute sidewalls. Subsequent work has included conduit thickness testing, concrete repairs, crest improvements, and inspections of the conduit, vent pipe, and monitoring wells.

Recent evaluations identified spillway cracking, potentially inadequate spillway capacity under current dam safety criteria, and corrosion at the outlet conduit's air vent and outlet. The 2023 conduit assessment estimated approximately ten years of remaining service life, supporting timely rehabilitation planning. Additional geotechnical testing and updated flood, breach, and potential loss-of-life analyses are needed to guide rehabilitation and improve emergency action planning.

Proposed Solution

The goal of this project is to improve public safety, preserve irrigation storage, and extend the dam's service life by up to 80 years. This goal will be achieved through a comprehensive feasibility study to assess dam conditions, update flood and breach analyses, investigate geotechnical conditions, and compare spillway and outlet conduit rehabilitation alternatives. Specific tasks include:

- Complete a feasibility study by reviewing technical reporting documents;
- Conduct potential failure mode analysis;
- Complete inundation and potential loss-of-life analyses;
- Determine site-specific probable maximum precipitation analysis and determine inflow design flood;

- Prepare updated breach mapping and emergency action planning;
- Review existing geotechnical information and perform field investigations and sampling; and
- Complete environmental and cultural assessments.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Engineering and Design
Administration

Resource and Benefit Analysis

Although the study will not directly improve dam conditions, it will inform future improvements that could sustain water supplies for approximately 1,500 acres of irrigated farmland, extend the dam's service life, and protect downstream communities and infrastructure. Environmental and cultural assessments will inform project design. These benefits depend on future rehabilitation.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Engineering and Design	$500,000	$900,000	$1,400,000
Administration	$0	$20,000	$20,000
Project Total	**$500,000**	**$920,000**	**$1,420,000**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$500,000	Awaiting decision of the Legislature
DNRC State Water Projects Hydro Account, Cash	$900,000	Committed
DNRC State Water Projects Bureau Staff, In-kind	$20,000	Committed
Project Total	**$1,420,000**	

Funding Recommendation

DNRC recommends grant funding of $500,000. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	6.0
Natural Resource Benefits	90	0.0
Public Benefits	35	4.4
Technical Feasibility	55	6.4
Financial Feasibility	50	15.8
Project Management/Organization	30	22.6
Total Score (Total Points)	**300**	**55.2**
Overall RDG Rank		**17 (of 18)**

Charlos Heights Irrigation District
Twin Lakes Dams' Water Storage Capacity Project

Project Ranking: 18 (of 18)
County: Ravalli
Project Type: Crucial State Need – High-Hazard Dam

PROJECT INFORMATION:

The Charlos Heights Irrigation District, with partner Clark Fork Coalition, proposes to rehabilitate aging dam infrastructure at Upper and Lower Twin Lakes and increase water storage to improve late-season flows in Lost Horse Creek, located in the Bitterroot National Forest. This crucial state need project will improve dam safety, strengthen irrigation reliability, restore late-season stream connectivity, and improve aquatic habitat.

Project History

Constructed in 1916, the Lower Twin Lake dam stores snowmelt for irrigation along Lost Horse Creek in Montana's Bitterroot National Forest. Subsequent road, trail, and campground development helped make the approximately 19-mile corridor a popular recreation destination. Today, aging infrastructure, declining snowpack, earlier runoff, and increasing water demands contribute to chronic late-summer dewatering, elevated stream temperatures, and fragmented aquatic habitat. Approximately 17 miles of the creek become severely flow limited, while the final two miles can dry completely, preventing migratory bull trout from reaching spawning habitat. The watershed is classified as "Functioning at Risk," and Lost Horse Creek is designated an impaired water body.

Existing water supplies remain insufficient to meet irrigation demand and maintain late-season streamflow. Clark Fork Coalition (CFC) began pursuing the Twin Lakes storage project in 2024 to address this shortage while improving dam safety. Deteriorated outlets and embankment seepage currently limit the Charlos Heights Irrigation District to approximately 407 acre-feet of its authorized 660 acre-feet of storage.

Proposed Solution

The goals of this project are to improve dam safety and infrastructure reliability, increase accessible storage and support late-season streamflow, and improve water monitoring and management. These goals will be achieved by the following objectives:

- Replace deteriorated outlet pipes at Upper and Lower Twin Lakes;
- Install a new gate structure at Lower Twin Lake;
- Construct a new spillway at Lower Twin Lake;
- Install seepage controls to address excessive embankment leakage;
- Lower the Upper Twin Lake outlet pipe;
- Remove the flow-restricting retaining wall at Lower Twin Lake;
- Raise the Lower Twin Lake dam height;
- Install telemetry and gate-control equipment at Upper and Lower Twin Lakes; and
- Pursue new or modified water rights for storage and instream-flow authorization.

Tasks or Activities

The goals and objectives of this project will be accomplished through the tasks described below:

Task 1: Engineering: Project Design and Management
Task 2: Construction

Resource and Benefit Analysis

The Twin Lakes project will increase late-season flows in Lost Horse Creek, helping cool water and improve aquatic habitat and connectivity along the 19-mile corridor to the Bitterroot River. These flows will support native and sport fish, including migratory bull trout, sustain riparian vegetation, and complement stream and floodplain restoration. Dam rehabilitation will also reduce breach risks to downstream channels and habitat.

BUDGET:

Funding Category	RDG Grant Request	Match	Total
Engineering Design and Management	$0	$427,500	$427,500
Construction	$500,000	$3,117,325	$3,617,325
Contingency	$0	$629,100	$629,100
Project Total	**$500,000**	**$4,173,925**	**$4,673,925**

Funding Source	Funding Amount	Funding Status
RDG Grant Requested	$500,000	Awaiting decision of the Legislature
National Fish and Wildlife Foundation Healthy American Forests Initiative, Grant	$2,000,000	Application Submitted
Future Fisheries Improvement Program, Grant	$100,000	Discussed/Not Applied
US Marine Corps Innovative Readiness Training Program, Grant	$1,500,000	Discussed/Not Applied
Unidentified Public Loan	$573,925	Discussed/Not Applied
Project Total	**$4,673,925**	

Funding Recommendation

DNRC recommends grant funding of $500,000. DNRC will provide an award letter to successful applicants. The applicant will be responsible for providing the documentation necessary to meet startup conditions within the timeframe identified in the award letter, including approval of project scope of work, administration, budget, and funding package. Failure to meet startup conditions within a 24-month timeframe may result in a rescinded award.

Grant agreement is contingent upon the recipient providing verification of matching fund sources.

DNRC requires compliance with Montana Water Use Act Title 85, Chapter 2, MCA. The grant agreement is contingent upon the recipient providing verification that the project is in

compliance with the Water Use Act. Additionally, the grant agreement is contingent upon the recipient providing:

- An executed Memorandum of Understanding between the recipient and the sponsored entity clarifying the roles, responsibilities, and shared project costs;
- An updated grant management plan that includes a procurement plan, demonstrating compliance with local procurement laws/rules as well as the Montana Procurement Act;
- An updated schedule that includes time for all permits including but not limited to water rights, the expected level of NEPA review, high-hazard dam review and permitting, endangered species act consultation, Section 404/401 permit, 310 permit, and an amended special use permit from the U.S. Forest Service; and
- An updated budget and budget narrative that includes:
    - verification of committed matching funds
    - loan-related expenses
    - costs to secure required permits
    - a detailed budget narrative in support of the project costs including unit costs as well as quotes in support of unit costs.

RANKING DETAILS:

Scoring Category	Points Available	Application Score
Need and Urgency	40	6.0
Natural Resource Benefits	90	8.3
Public Benefits	35	10.0
Technical Feasibility	55	9.3
Financial Feasibility	50	11.2
Project Management/Organization	30	10.2
Total Score (Total Points)	**300**	**55.0**
Overall RDG Rank		**18 (of 18)**

CHAPTER 3
Status Report of Active Project Grants

This section updates the status of all program grants active during the past biennium not reported on in previous chapters. Project status is indicated by one of four categories: Complete, Under Contract, To be Contracted, or Did Not Take Funds. Projects approved by the 2025 Legislature are presented in the order of their relative funding priority, and projects approved by all prior legislative sessions are presented in alphabetical order.

Table 2. Project Grants Approved by the 2025 Legislature – House Bill 7

Biennium	Project Sponsor	Project Name	County	Awarded Amount	Award Status
2027	Powell County	Upper Little Blackfoot Watershed Mine Reclamation	Powell	$495,123	Under Contract
2027	Lewis and Clark County	Upper Blackfoot Mining Complex Water Treatment Plant Upgrades	Lewis and Clark	$479,085	Under Contract
2027	Montana Department of Environmental Quality	Landusky Biological Treatment Plant Improvement	Phillips	$500,000	Under Contract
2027	Powell County	Milwaukee Roundhouse Area Remediation, Phase 3	Powell	$500,000	Under Contract
2027	Cooke Pass, Cooke City, Silver Gate Sewer District	Cooke City Sewer System	Park	$500,000	Under Contract
2027	Beaverhead Conservation District	Biofiltration of Acid Mine Groundwater Seeps at Elkhorn Mine and Mill Stage 2	Beaverhead	$300,000	To be Contracted
2027	DNRC State Water Projects Bureau	Willow Creek Dam Rehabilitation Phase 2	Gallatin, Madison, Broadwater	$500,000	Under Contract
2027	DNRC State Water Projects Bureau	East Fork of Rock Creek Dam Rehabilitation	Granite	$500,000	Under Contract
2027	Montana Department of Environmental Quality	CR Kendall Mine Reclamation	Fergus	$290,352	Under Contract
2027	Ruby Valley Conservation District	Upper Ruby River Habitat Rehabilitation	Madison	$458,700	Under Contract
2027	DNRC State Water Projects Bureau	*Painted Rocks Dam Rehabilitation - Phase 1	Ravalli	$500,000	Did Not Take Funds
2027	Milk River Joint Board of Control	Safeguarding Fresno Dam and Spillway	Hill	$500,000	To be Contracted

Biennium	Project Sponsor	Project Name	County	Awarded Amount	Award Status
2027	Glasgow, City of	Glasgow Levee Improvements	Valley	$243,445	Under Contract
			Total	***$5,766,705***	

*Award withdrawn by applicant

Table 3. Status of Previous Biennia Project Grants Active in the 2027 Biennium

Biennium	Project Sponsor	Project Name	County	Awarded Amount	Award Status
2025	Beaverhead Conservation District	Grasshopper Creek Mine Tailings Stream Bank Stabilization	Beaverhead	$419,180	Complete
2025	DNRC State Water Projects Bureau	Willow Creek Dam Rehabilitation Project	Gallatin, Madison, Broadwater	$500,000	Complete
2025	Chester, Town of	Chester Motors Petroleum Cleanup	Liberty	$300,000	Under Contract
2025	Harlowton, City of	Asbestos Removal, Cleanup, and Restoration of Contaminated Soils at The Harlowton Roundhouse in Harlowton	Wheatland	$500,000	Under Contract
2025	Deer Lodge, City of	Milwaukee Roundhouse CECRA Site Passenger Refueling Area VCRA Program Remediation	Powell	$342,500	Complete
2025	Philipsburg, Town of	Philipsburg Wastewater Project	Granite	$316,667	Complete
2025	High Plains Conservation District	Muddy Creek Restoration and Resilience Project	Cascade Teton	$500,000	Under Contract
2025	DNRC Water Resources Division	Expansion of Water Resources Division Hydrology Data Portal	All	$150,000	Under Contract
2023	Butte-Silver Bow, City-County of	Butte Mining District: Reclamation and Protection Project, Phase V	Silver Bow	$224,680	Under Contract
2023	Harlowton, City of	Contaminated Soils and Free Product Removal at the Harlowton Roundhouse in Harlowton, MT, Phase 4	Wheatland	$500,000	Under Contract
2023	Lewis and Clark County	Grizzly Gulch Reclamation Project	Lewis and Clark	$292,611	Under Contract
2023	Missoula County	Ninemile Creek Placer Mine Reclamation, Phase 6	Missoula	$351,000	Under Contract
2023	Montana Department of Environmental Quality	Landusky Swift Gulch High Flow Treatment System and Stream Rehabilitation	Phillips	$411,199	Complete
2023	Montana Bureau of Mines and Geology	Modernization of Montana's Regional Seismic Network	Silver Bow	$499,739	Complete

Biennium	Project Sponsor	Project Name	County	Awarded Amount	Award Status
2023	Powell County	Milwaukee Roundhouse Area Remediation, Phase 2	Powell	$500,000	Under Contract
2023	Mineral County	Interim Remedial Action at Milwaukee Road – Haugan State Superfund Facility	Mineral	$499,324	Complete
2023	Ruby Valley Conservation District	Granite Creek Reclamation Realignment Project	Madison	$461,500	Complete
2023	Ryegate, Town of	Former Ryegate Conoco Groundwater Remediation	Golden Valley	$232,504	Under Contract
2023	Lewistown, City of	Central Post and Treating Co. CECRA, phase II, Capping & Site Reclamation	Fergus	$500,000	Under Contract
2021	Richland County Conservation District	Mitigating Impacts to the Fox Hills/Hell Creek Aquifer, Richland County	Richland	$493,585	Under Contract
2019	Lewistown, City of	Cleanup of the Central Post & Treating Company in Lewistown, MT Phase 1	Fergus	$500,000	Under Contract
			Total	***$8,494,489***	

CHAPTER 4
Reclamation and Development Planning Grants

Background

RDG planning grants help governmental entities plan and develop projects eligible for reclamation and development funding. The program supports planning for projects that address environmental damage from nonrenewable resource extraction and projects that meet a crucial state need. Planning grants help applicants define the problem, evaluate alternatives, develop technically feasible solutions, and prepare for project implementation.

Eligible applicants include cities, counties, Tribal governments, other political subdivisions, and divisions of state government. DNRC accepts applications during announced funding cycles, reviews and ranks applications, and awards grants according to rank and available funding.

Planning grants support the following project types:

- Reclamation: Planning to repair, reclaim, or mitigate environmental damage to public resources from mining, hazardous waste, or oil and gas activities.
- Drought management plans: Development of watershed or regional plans that identify drought mitigation projects.
- Drought mitigation project planning: Planning for specific drought projects identified in an existing watershed or drought management plan.
- High-hazard dams: Planning for projects that reduce potential damage to natural resources from dam failure.
- Channel migration zone mapping: Mapping and assessment that identify natural resource needs and prioritize projects within a watershed or region.
- Other crucial state needs: Planning for projects that prevent or eliminate severe damage to natural resources or capture extraordinary public benefits that would otherwise be lost.

Eligible planning activities may include site assessments, sampling, groundwater investigations, feasibility studies, design, research or technology demonstration, and preparation of RDG project grant applications. Grant limits and application requirements are established in the guidance for each funding cycle.

Grant Application Solicitation

DNRC announces planning grant opportunities and provides program guidance and application instructions on its website. Eligible applicants submit applications through DNRC's online grant management system during the announced application period.

Applications describe the proposed planning effort, the natural resource problem or need, and how the work will support an eligible RDG project. Applicants identify the scope of work, expected products, implementation schedule, project budget, and funding sources. Required

materials include the project funding package, authorizing statement, and environmental checklist.

Grant Application Review

DNRC reviews applications for completeness and consistency with the program's purposes. Staff evaluate applicant and project eligibility, the proposed scope of work, expected planning products, implementation schedule, and budget. The review considers whether the work is reasonable, achievable, and useful in developing an eligible RDG project.

Planning applications are reviewed and ranked using an approach similar to the RDG project grant program. Staff consider the natural resource problem, the need for planning, the expected benefits, and the applicant's ability to complete the work. Technical specialists may assist when needed to evaluate the proposed approach.

DNRC ranks applications and awards grants according to rank and available funding. Planning grant awards are administered by DNRC within the planning grant appropriation rather than submitted individually to the Legislature as project grant requests.

Grant Management

DNRC notifies successful applicants of their funding status and identifies the conditions required before a grant agreement can be executed. Startup materials include an approved scope of work, budget, implementation schedule, grant management plan, procurement plan, and documentation of other funds needed to complete the planning effort. Additional requirements may apply to sponsored or partner projects.

The grant agreement identifies the approved activities, deliverables, schedule, funding, and reporting requirements. Expenses incurred before the agreement's effective date are not reimbursable. Recipients must follow applicable procurement requirements and maintain records supporting project expenditures.

Recipients submit progress reports and reimbursement requests through the online grant management system. Reports describe the status of each planning task and identify issues affecting completion.

Technical deliverables are reviewed as required by the grant agreement. Recipients must provide the completed planning documents and other required final products for DNRC review before grant closeout. Proposed changes to the scope of work, budget, or schedule must be coordinated with DNRC and documented through the grant amendment process.

Grant Funding

The maximum amount for a planning grant is $75,000. Funding for the planning grant projects has proven invaluable for applicants in preparing and submitting a high quality and competitive project grant application.

Authorized Planning Grant Awards

The 2025 Legislature authorized $750,000 for RDG project planning grants. DNRC awarded grant funds throughout the biennium for full appropriation available for planning grants. Table 4 shows planning grants awarded since the last publication of the Governor's Budget, including

funds appropriated by the 2025 Legislature. Table 5 provides an update on the status of all RDG planning grants active during the past biennium not reported on in previous chapters. Project status is indicated by one of four categories: Complete, Under Contract, To be Contracted, or Did Not Take Funds.

Funding for the 2027 Biennium	
Total Available 2027 Biennium	$ 750,000
Grants Awarded as of October 2026	$ 750,000
Amount Remaining 2027 Biennium	$ 0

Table 4. Reclamation and Development Planning Grants Awarded in the 2027 Biennium

Biennium	Project Sponsor	Project Name	County	Awarded Amount	Award Status
2027	Beaverhead Conservation District	Biofiltration of Acid Mine Groundwater Seeps at Elkhorn Mine and Mill Stage 2	Beaverhead	$74,600	To be Contracted
2027	Butte-Silver Bow, City-County of	Silver Lake West Dam Repair Project	Deer Lodge, Silver Bow	$75,000	To be Contracted
2027	Montana Department of Environmental Quality	Central Post and Treating Company	Fergus	$18,969	To be Contracted
2027	Fairfield, Town of	Drought Management Plan for Water Supply Reliability and Drought Resilience	Teton	$75,000	To be Contracted
2027	Fallon County	Geotechnical Report and Stability Analysis	Fallon	$75,000	To be Contracted
2027	Gallatin Conservation District	Gallatin Valley Managed Aquifer Recharge Phase 2	Gallatin	$50,000	Under Contract
2027	Jefferson County	Jefferson River Drought Mitigation Planning	Madison, Jefferson	$71,320	Under Contract
2027	Mineral County Conservation District	Cedar Creek Mining Complex Planning Grant	Mineral	$69,820	To be Contracted
2027	Missoula Conservation District	Lolo Creek Watershed Drought Management Plan	Missoula	$49,347	Under Contract
2027	Montana Technological University	Microalgal Treatment for Coal Effluent	Rosebud	$74,879	To be Contracted
2027	Philipsburg, Town of	Philipsburg Stormwater Phase 2 Design and Technical Narrative	Granite	$42,000	To be Contracted
2027	Powell County	Milwaukee Roundhouse MRA 2027 Groundwater Characterization	Powell	$74,065	To be Contracted
			Total	***$750,000***	

Table 5. Reclamation and Development Planning Grants Active in the 2027 Biennium

Biennium	Project Sponsor	Project Name	County	Awarded Amount	Award Status
2025	Beaverhead Conservation District	Biofiltration of Acid Mine Groundwater Seeps at Elkhorn Mine and Mill	Beaverhead	$75,000	Under Contract
2025	Butte-Silver Bow, City-County of	Father Sheehan Park Remedial Investigation	Silver Bow	$75,000	Under Contract
2025	Butte-Silver Bow, City-County of	Father Sheehan Park Conceptual Site Planning	Silver Bow	$75,000	Under Contract
2025	Carbon County	CMZ Mapping and Stream Channel Stability Assessment: Phase 2	Carbon	$74,890	Under Contract
2025	Chester, Town of	Chester Motors Petroleum Remedial Investigation	Liberty	$75,000	Under Contract
2025	Deer Lodge, City of	Milwaukee Roundhouse Passenger Refueling Area VCRA Program Remediation 2025	Powell	$75,000	Under Contract
2025	Gallatin Conservation District	Gallatin Valley Managed Aquifer Recharge Study - Middle Creek Ditch	Gallatin	$50,000	Under Contract
2025	Granite Conservation District	Bagdad Mine Phase 2-Engineering Evaluation and Cost Analysis	Granite	$75,000	Under Contract
2025	Harlowton, City of	Jawbone Dam No. 1 Repair Plans	Wheatland	$75,000	Under Contract
2025	Missoula, County of	Grant Writing for USEPA Brownfields Community-wide Assessment Project	Missoula	$6,000	Complete
2025	Montana Bureau of Mines and Geology	Buried Channel Aquifer Assessment	Sheridan, Roosevelt	$44,232	Under Contract
2025	Montana Technological University	Green concrete pilot study	Silver Bow	$74,998	Under Contract
2025	Montana Technological University	Algal-Microbial Water Treatment Investigation	Silver Bow	$64,155	Under Contract
2025	Powell County	Milwaukee Roundhouse Area Stormwater Infrastructure Investigation Plan	Powell	$75,000	Under Contract
2025	Powell County	Milwaukee Roundhouse Area Data Gap Investigation	Powell	$59,802	Under Contract
2025	Seeley Lake Sewer District	Preliminary Engineering Report	Missoula	$50,000	Complete
2025	Philipsburg, Town of	Stormwater Planning	Granite	$75,000	Under Contract

Biennium	Project Sponsor	Project Name	County	Awarded Amount	Award Status
2025	Montana Department of Environmental Quality	Basin Creek Mine Revegetation Pilot Project	Lewis and Clark	$71,628	Under Contract
2025	Powell County	Upper Little Blackfoot Mining Complex - Engineering Design	Powell	$75,000	Under Contract
2025	Sunburst, Town of	Sunburst Suta South Petroleum Remedial Investigation	Toole	$74,996	Under Contract
2025	Gallatin County	Gallatin Drought and Deluge Adaptive Management Plan	Gallatin	$50,000	Under Contract
2025	Ravalli County	High Lake Dam Rehabilitation Planning - Blodgett Creek Irrigation District	Ravalli	$47,268	Under Contract
2025	Butte-Silver Bow, City-County of	Butte-Silver Bow Drought Management Plan	Silver Bow	$50,000	Completed
2025	Saco, Town of	Levee Certification Feasibility Study	Phillips	$50,000	Completed
2025	Glasgow, City of	System Wide Improvements Framework Update	Valley	$50,000	Completed
2025	Lewis and Clark Conservation District	Threemile Dam Planning Project	Lewis and Clark	$62,400	Completed
2025	Missoula, City of	Fort Missoula Ponds	Missoula	$75,000	Completed
2025	Montana Department of Environmental Quality	Giffen Mine Site Wetlands Complex Study	Cascade	$61,271	Completed
2023	Montana Department of Environmental Quality	Design Floodplain for the Roundup Reach of the Musselshell River	Musselshell	$30,000	Under Contract
2023	Carbon County	Channel Migration Zone Mapping and Stream Channel Stability Assessment	Carbon	$48,155	Under Contract
2023	Montana Technological University	Slash Pile Biochar Technology Device Development	Silver Bow	$50,000	Under Contract
2023	Beaverhead Conservation District	Elkhorn Mine & Mill 30% Remedy & Biofiltration Design	Beaverhead	$50,000	Completed
2023	Beaverhead Conservation District	Elkhorn Mine & Mill: Repository Investigation	Beaverhead	$50,000	Completed

Biennium	Project Sponsor	Project Name	County	Awarded Amount	Award Status
2023	Ruby Valley Conservation District	Granite Creek Realignment Project Design	Madison	$40,000	Completed
2023	Montana State University	Evaluation of microbially generated minerals-Great Falls-Lewistown coal field	Gallatin	$40,585	Completed
2023	Granite County Conservation District	Williams Gulch Bagdad Mine Site Investigation	Granite	$50,000	Completed
2023	Ruby Valley Conservation District	Snowcrest Ranch Ruby River & Floodplain Restoration Pilot Project	Madison	$50,000	Completed
			Total	**$2,225,380**	



2027

The Montana Department of Natural Resources and Conservation
1539 Eleventh Avenue
PO Box 201601
Helena, Montana 59620
406-444-6668
www.dnrc.mt.gov