



PUBLIC MEETING MINUTES  
Wednesday May 21st, 2025, 9 AM

This meeting was held at 561 Little Coyote Rd, Big Sky, MT and via zoom

**Regular Board Meeting Public Forum**

**A. Call to Order/start recording**

The meeting was called to order at 9:03 and recording was started.  
Altman, Olsen, Cobb, and Wilson were present, making quorum.

**B. Revise April 16th Meeting Minutes- Action**

There were no comments.

*Olsen moved to approve the minutes as presented. Wilson seconded. There was no discussion.  
The motion passed unanimously.*

**C. Public comment on relevant non-agenda items – Discuss**

None.

**D. Disclosure of Conflict of Interest on any agenda items – Discuss**

None.

**I. New Business**

**A. Board member updates, correspondence, and small expenditures – Discuss**

None.

**B. Committee Updates – Discuss**

See the attached notes.

Altman asked about next steps for moving TEDD/TIF plan along. WGM will coordinate further with the county commissioners within the month.

**C. Annexation Petitions Review and Potential Annexation Ordinance and/or rejection resolution – Action**

None have been received. Some coordination with the school is underway.

**D. MBMG GWIP Aquifer Study Presentation – Discuss**

Elizabeth Merideth and Kurt Zeiler from MBMG presented findings from their recent canyon aquifer study. See attached slides for details. Discussion followed the slides closely.

Both of the original study leads have moved on so Elizabeth and Kurt have finished the project. This project was nominated by the Gallatin River Task Force. The purpose was to assess the effects of development on the water quality in the shallow alluvial aquifer and develop a ModFlow model to help better understand the system. Field work was completed in summer 20219 -2021. Shallow and deep groundwater as well as surface water were

sampled for water level and water quality. The model included various models of development and current and planned wastewater discharge.

WGM Group will use the base model to help inform discharge design and permitting. Madison deep aquifer is more prolific than the other studies deep aquifers.

Wells on the east side of the river serve as an illustration of what undeveloped aquifer areas would look like.

No strong trends of groundwater elevation were observed in the alluvial aquifer, but a slight, likely climate driven, trend was observed in one of the deeper aquifers.

Most aquifers are more saline than recommended by the EPA for untreated drinking. However, this is a secondary standard and doesn't have to be treated. Some wells had levels of Manganese over the drinking water standard. There was also evidence of chloride and nitrate (septic effluent indicators) in the west side of the river, where there are septic systems. There was no statistical difference between east and west for orthophosphate.

A couple of the surface water sites on Michener Creek and the West Fork had elevated nitrogen concentrations, likely attributed to septic/wastewater influence.

Most septic effluent (and proposed GCCWSD sewer effluent) would intersect the Gallatin at the northern half of the canyon area.

If there was reduced recharge to the shallow aquifer, most impacts would be at the edge of the alluvial aquifers. Wells along the edge could be affected.

The GCCWSD thanks MBMG for this study and presentation.

**E. Canyon Sewer Project Updates – *Discuss***

These were mostly covered in the committee updates. Based on MBMG's model, WGM will update some of the discharge permit related studies and submittals. WGM was more conservative with flow paths to river than shown here. WGM is drilling a monitoring well in the landslide area to gather additional data to refine assumptions.

Olsen asked how this MBMG study impacts Maui Factor analysis. Hydraulic conductivity is likely faster than originally assumed but the flow path to the river is longer. Dispersion is likely more than previously anticipated. Additional analysis is needed to determine how this affects Maui Factors.

**F. Canyon Water PER Updates and public meeting planning – *Discuss***

A public meeting is needed to share results to the public and garner feedback. The Gallatin River Task Force and DEQ have an open house at the end of July – this could be used to present the PER. Otherwise the GCCWSD can host their own. The GCCSWD is looking to get as much attendance as possible.

WGM has the modeling from AE2S now so will finish the alternative analysis and complete the report. The board should have a draft to start reviewing around the next board meeting. After the public meeting in July, any board or public comments can be incorporated into the report and then finalized.

**G. BSCWSD-GCCWSD MOU – *Action***

DEQ has requested a memorandum of understanding between BSCWSD and GCCWSD. Tara and Susan Swimley (BSCWSD legal) have reviewed the draft document (see attached).

*Wilson moved to authorize Scott to sign and approve the MOU as presented. Olsen seconded. There was no discussion. The motion passed unanimously.*

**H. CMGC Contractor RFQ – Action**

A draft RFQ was presented. This needs an additional resolution from both sewer districts, so this will be tabled until the next meeting.

**I. Independent Cost Estimator (ICE) RFP – Action**

This will be tabled until the next board meeting.

**J. RRG budget reallocation contract – Action**

The funds (\$125,000 from DNRC) were moved from construction to planning and design to meet timing restrictions. This contract would finalize this change. See attached. This was filed through DocuSign.

*Olsen moved to authorize Scott to sign and approve this agreement as presented. Cobbb seconded. There was no discussion. The motion passed unanimously.*

**K. MCEP conditional contract – Action**

The deadline to use funds (\$750,000 from Department of Commerce) was extended. See attached. This was filed through DocuSign.

It seems like the state is trying to be very flexible to help make sure funds are not forfeited.

Tara reviewed this document. Scott, Jessica, and Tara will need to sign it.

*Altman moved moved to authorize himself, Tara, and Jessica to sign and approve this agreement as presented extending the funds timeline. Wilson seconded. There was no discussion. The motion passed unanimously.*

**L. BSRAD and ARPA Draw Requests and Invoice Payments – Action**

See attached. The expenditures and funding plan were briefly reviewed. ARPA funds need to be used by the end of there. FY 25 operations budget from BSRAD need to be used by the end of June. The District is on track to use funds before deadlines. BSCWSD has started to draw on the \$12M BSRAD funds.

*Cobb moved to submit the invoice payments and reimbursement plans. Olsen seconded. There was no discussion. The motion passed unanimously.*

**M. Board Member Candidacy and HB716 Status– Discuss**

HB716 passed and was approved by the governor, becoming valid immediately. This expands the definition of who is eligible to be a board member.

**N. Appointment of 4 board members (three 4-year terms and one 1-year term) – Action**

All board members', except Chad Wilson's, terms are expiring. Wilson can now appoint four board members. One term should be shorter to keep staggered terms. This will be assigned to Stuart Goldberg for now.

Tara drafted a resolution to appoint new board members to fill the vacancies. It will be the current board members. See attached. Wilson plans to sign this and return this to Tara who will file it with the proper authorities.

**O. FY 25 Board Insurance – Discuss**

Insurance needs to be renewed by July. WGM will work with the same broker as past years to get quotes and have those ready for board approval at the June meeting. There will likely only be one option – most insurance companies don't want to cover a new board without assets.

**II. Old Business**

**A. Audit Review and discuss auditor procurement for this year– Action**

The auditor was on the meeting earlier but couldn't stay this long. The findings were reviewed (see attached). All was in order.

*Olson moved accept the audit findings and sign the provided form. Wilson seconded. There was no discussion. The motion passed unanimously.*

WGM will try and line up another auditor for the current fiscal year and have options for board approval at the next meeting.

**B. Website updates – Discuss**

Scott will coordinate with WGM Group.

**III. Any Other Business Which May Properly Come Before the Board – Discuss**

None.

**IV. Next Meeting Planning**

**A. Date & Draft Agenda – Discuss**

The next meeting was scheduled for Wednesday, June 18th at 10AM via Zoom only.

**V. Adjourn**

*Wilson moved to adjourn the meeting. Altman seconded. There was no discussion. The motion passed unanimously.*

The meeting was adjourned at 10:34 am and recording was stopped.

**Minutes Drafted by:** Michelle Pond, WGM Group

**Minutes Approved:**

**Signed:** Scott Altman, Board President

**Attested:** Jessica Martin-Trulen, GCCWSD Secretary



# GCCWSD MEETING ATTENDANCE SHEET

9 AM; May 21st 2025; 561 Little Coyote Rd, Big Sky, MT and Zoom



#	Name	Affiliation	Contact	Remote Attendance?
1	Michelle Pond	WGM Group	Mpond@wgmggroup.com	X
2	Mace Mangold	WGM Group	mmangold@wgmggroup.com	No
3	Scott Altman	GCCWSD Board	orock9530@me.com	No
4	Jon Olsen	GCCWSD Board	jolsen@lonemountainland.com	X
5	Joe Cobb	GCCWSD Board	josephcobb@gmail.com	X
6	Tara DePuy	GCCWSD Legal	attorney@riverworks.net	X
7	Chad Wilson	GCCWSD Board	Chad.wilson@bigskyresort.com	X
8	John Pazick			X
9	Shane Strong	WGM Group	<a href="mailto:sstrong@wgmggroup.com">sstrong@wgmggroup.com</a>	X
10	Elizabeth Mereith	MBMG		X
11	Johnny O'Connor	BSCWSD		No
12	Matt Cope	GCCWSD Auditor		X
13	Jessica Trulen	GCCWSD Secretary		X
14	Abby Indreland	WGM Group		X
15	Kristin Gardner	GRTF		No
16	Kurt Zeiler	MBMG		X



## PUBLIC MEETING AGENDA

**Wednesday May 21st, 2025, 9 AM**

This meeting will be held at 561 Little Coyote Rd, Big Sky, MT and via zoom

<https://us06web.zoom.us/j/82535987627?pwd=rw5XltLVWRu4NAyWAOPaJQOknnPgsz.1>

(Meeting ID: 825 3598 7627, Passcode: 253132)

### Regular Board Meeting Public Forum

- A. Call to Order/start recording
- B. Revise April 16th Meeting Minutes- *Action*
- C. Public comment on relevant non-agenda items – *Discuss*
- D. Disclosure of Conflict of Interest on any agenda items - *Discuss*

#### I. New Business

- A. Board member updates, correspondence, and small expenditures – *Discuss*
- B. Committee Updates – *Discuss*
- C. Annexation Petitions Review and Potential Annexation Ordinance and/or rejection resolution – *Action*
- D. MBMG GWIP Aquifer Study Presentation - *Discuss*
- E. Canyon Sewer Project Updates – *Discuss*
- F. Canyon Water PER Updates and public meeting planning - *Discuss*
- G. BSCWSD-GCCWSD MOU - *Action*
- H. CMGC Contractor RFQ - *Action*
- I. Independent Cost Estimator (ICE) RFP – *Action*
- J. RRG budget reallocation contract - *Action*
- K. MCEP conditional contract - *Action*
- L. BSRAD and ARPA Draw Requests and Invoice Payments – *Action*
- M. Board Member Candidacy and HB716 Status– *Discuss*
- N. Appointment of 4 board members (three 4-year terms and one 1-year term) – *Action*
- O. FY 25 Board Insurance - *Discuss*

#### II. Old Business

- A. Audit Review and discuss auditor procurement for this year– *Action*
- B. Website updates - *Discuss*

#### III. Any Other Business Which May Properly Come Before the Board – *Discuss*

#### IV. Next Meeting Planning

- A. Date & Draft Agenda – *Discuss*

#### V. Adjourn



[www.gallatincanyonwsd.com](http://www.gallatincanyonwsd.com)

*Public comment is encouraged before all non-emergency non-ministerial actions.*

### Joint Committee

- 05-19-25 Meeting summary
  - BSCWSD-GCCWSD Coordination
    - Draft-Final Memorandum of Understanding – Communicates both districts are committed to advancing the project. Intent is to re-assure DEQ and SRF that the project is advancing full steam.
  - Contractor Procurement
    - Draft RFQ for CMGC – Shared with the Committee in advance of the meeting. No comments. Next step is for Mangold, Olsen and O'Connor to finalize for posting in June.
    - Draft RFP for Independent Cost Estimator (ICE) - Shared with the Committee in advance of the meeting. No comments. Next step is for Mangold, Olsen and O'Connor to finalize for posting in June.
    - Outline of RFP for CMGC – Shared outline. The Committee identified various key items that will need to be addressed in the RFP and the procurement process in general. Next step is WGM and AE2S to coordinate a Draft RFP to share with the Committee at the June meeting.
  - Funding
    - Coldsmoke and Firelight ballot initiatives both passed. This effectively makes a Phase 2 plant upgrade very likely and speeds up the timeline for funding, design and construction.
    - Ryan Graf (AE2S) presented an overview of how he is organizing the infrastructure costs. Upper (Phase 2 expansion, siphon upgrade), Middle (lift stations and conveyance mains in Hwy 64), Lower (Hwy 191 conveyance mains and disposal infrastructure).
    - Discussed how the Canyon District is different than a typical development connection scenario in that it will own infrastructure and manage operating costs. This lends well to a wholesale agreement that uses the Plant Investment Charge (PIC) as the basis for setting the \$/gallon rate.
    - Discussed the BSCWSD Reuse Management Plan potentially serving as a basis for calculating a \$/gallon disposal value.
    - TEDD coordination with County bumped to after the May Joint Commission meeting rather than before. Mangold to coordinate with BSRAD how best to proceed with the Gallatin County Commissioners.
    - Next steps: Mangold, Graf and O'Connor to continue to advance the financial model and Interlocal Agreement structure. Targeting a meeting with BSRAD the week of 5/25 to discuss key dates and deliverables needed to be positioned for a 2026 ballot initiative.

### Engineering & Permitting Committee

- Key coordination items:
  - DEQ Groundwater Discharge Permit (MGWPCS) Application submitted in March
    - DEQ has initiated their completeness review.
    - WGM preparing refined Fate & Transport analysis based on MBMG report.
    - Schedule meeting with DEQ.
  - Draft 60% Plan Set is complete.
    - Schedule meetings with key landowners to coordinate disposal easements / agreements (Quarry, Lazy J, Buck's T-4, Newberry, BSRAD)
      - Quarry coordination meeting on 5/15. Quarry construction is starting. Key take-away is the need to expedite coordinating the reuse main loop location that can be installed with limited impact to installed infrastructure. WGM is also coordinating a gravity collection approach in lieu of the STEP system based solution currently documented in the Quarry's COSA.
  - Maintain minimum bi-weekly dialogue with DEQ, MDT and USFS.
  - Supplemental drilling and pump testing is being conducted May-June to support final discharge infrastructure design.
  - Geotech effort is starting on Hwy 64.

### Funding Committee

- TEDD Technical Memorandum complete. Schedule meeting with Gallatin County Commissioners.
- Met with Joe Cobb to discuss "matching funds" strategy to fully utilize State ARPA funds by end of 2025.
- Schedule meeting with BSRAD to present updated "financing stack"
- Continue to watch for grant opportunities. MCEP and RRGL grants at risk due to not being able to meet start-up conditions (firm funding commitments and financing package). WGM is coordinating options with DNRC to protect funding.

### Annexation and Outreach Committee

- 01/02/25 BSRAD CIP Public Meeting. BSRAD communicated project support and public reception was positive. Considering incorporating workforce housing and prioritize connecting the school to build support for 1% vote in 2026.
- 01/02/25 Outreach planning meeting (Stuart Goldberg, Kristin Gardner)
  - TEDD advocacy is near-term priority.
  - Update website Q&A to address local misconceptions.
  - Piggyback off upcoming Gallatin River Task Force led "Water Plan" communications effort
- Develop clear presentation as to why the Canyon Project is good for the Gallatin River. Specific emphasis on how groundwater discharge provides substantial "tertiary" treatment for nitrogen and phosphorous.
- Website updates:
  - Updated maps and timelines.
  - Funding / TEDD overview page

- What is a TEDD (emphasis that it doesn't increase taxes).
- Links to WGM deliverables
- Links to County Commissioner presentations
  - FAQ page
- Schedule meeting with Altman and/or Cobb to review above website content before posting.
- **Discuss potential need for a ballot initiative campaign similar to the Colds smoke effort.**

## RESOLUTION 2025-1

### **A Resolution of the Gallatin Canyon County Water and Sewer District (GCCWSD) Appointing Board Members to Vacant Offices**

WHEREAS, pursuant to Section 7-13-2262, MCA, vacancies in the board of directors, whether the vacant office is elective or appointment, must be filled by majority vote of the remaining board of directors;

WHEREAS, there are currently four vacant offices for the GCCWSD board of directors and one remaining director who constitutes the majority vote to fill the vacancies;

WHEREAS, HB 716 became law on May 8, 2025 and states individuals qualified to be on the boards of directors for a county water and sewer district pursuant to Section 7-13-2233, MCA, include individuals who are owners of real property in the district titled in either an individual name or held in a corporation, partnership, limited liability company, or trust in which the individual is an officer, partner, member or trustee; and

WHEREAS, on June 4, 2024 the Montana Supreme Court affirmed in *Gardiner-Park County Water and Sewer District v. Knight*, 2024 MT 121, that board members for county water and sewer districts are not required to file an oath of office.

Therefore, BE IT RESOLVED,

The following individuals are hereby appointed to the GCCWSD to hold office as follows:

Scott Altman

Term expires: June of 2029

Jon Olson

Term expires: June of 2029

Joe Cobb

Term expires: June of 2029

Stuart Goldberg

Term expires: June of 2027

BE IT FURTHER RESOLVED,

The GCCWSD shall notify the Gallatin County Election Department of the appointment of the above board members.

Done this 21st day of May, 2025.

  
Chad Wilson, Board Member

Attest:

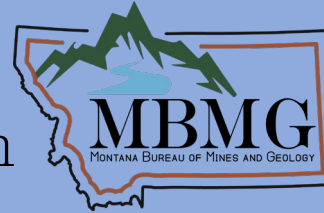
  
Jessica Martin-Trulen, Secretary



# Groundwater Study of the Upper Gallatin River Corridor

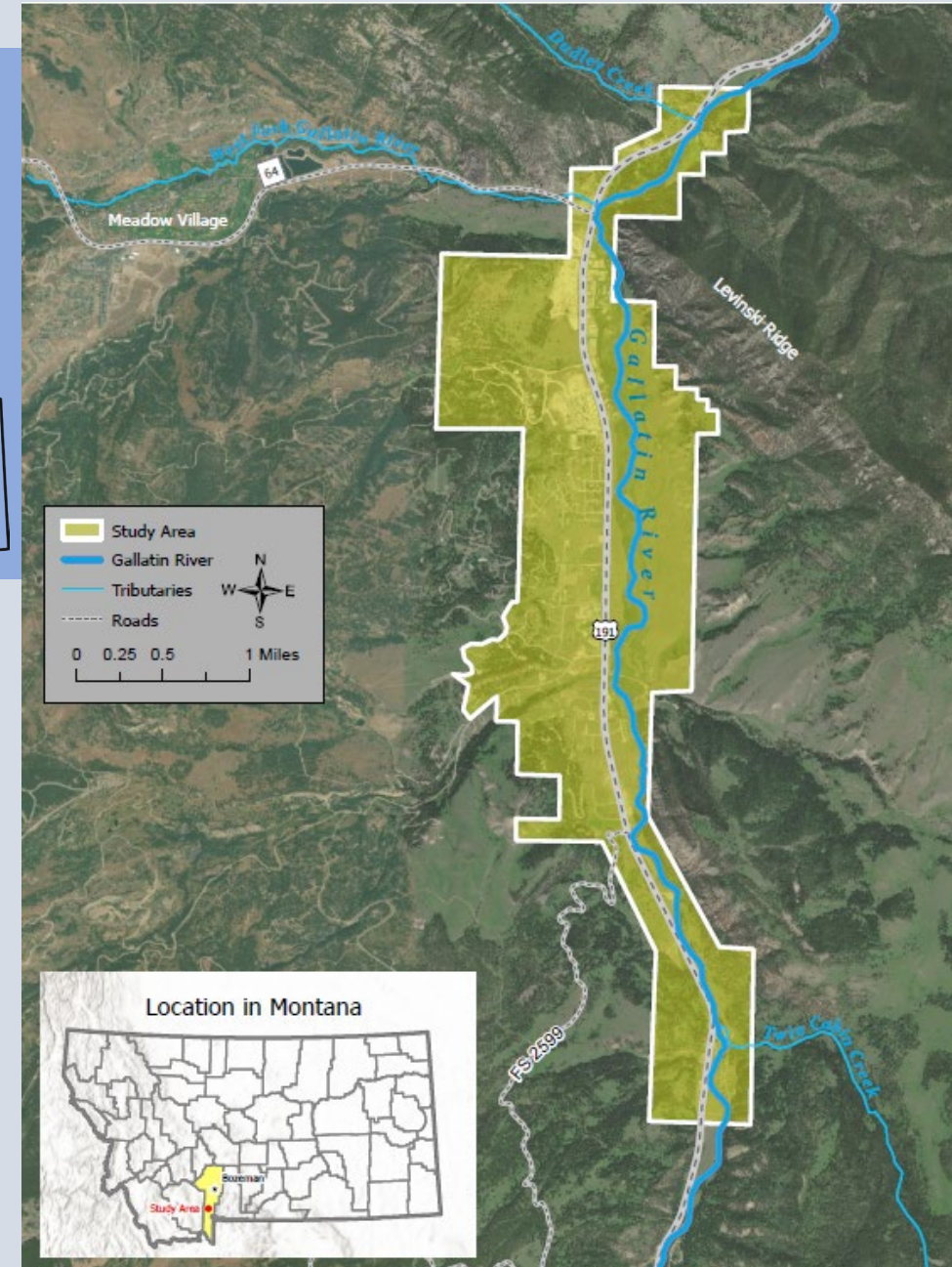
Ground Water Investigation Study, Montana Bureau  
of Mines and Geology

Kurt Zeiler and Elizabeth Meredith



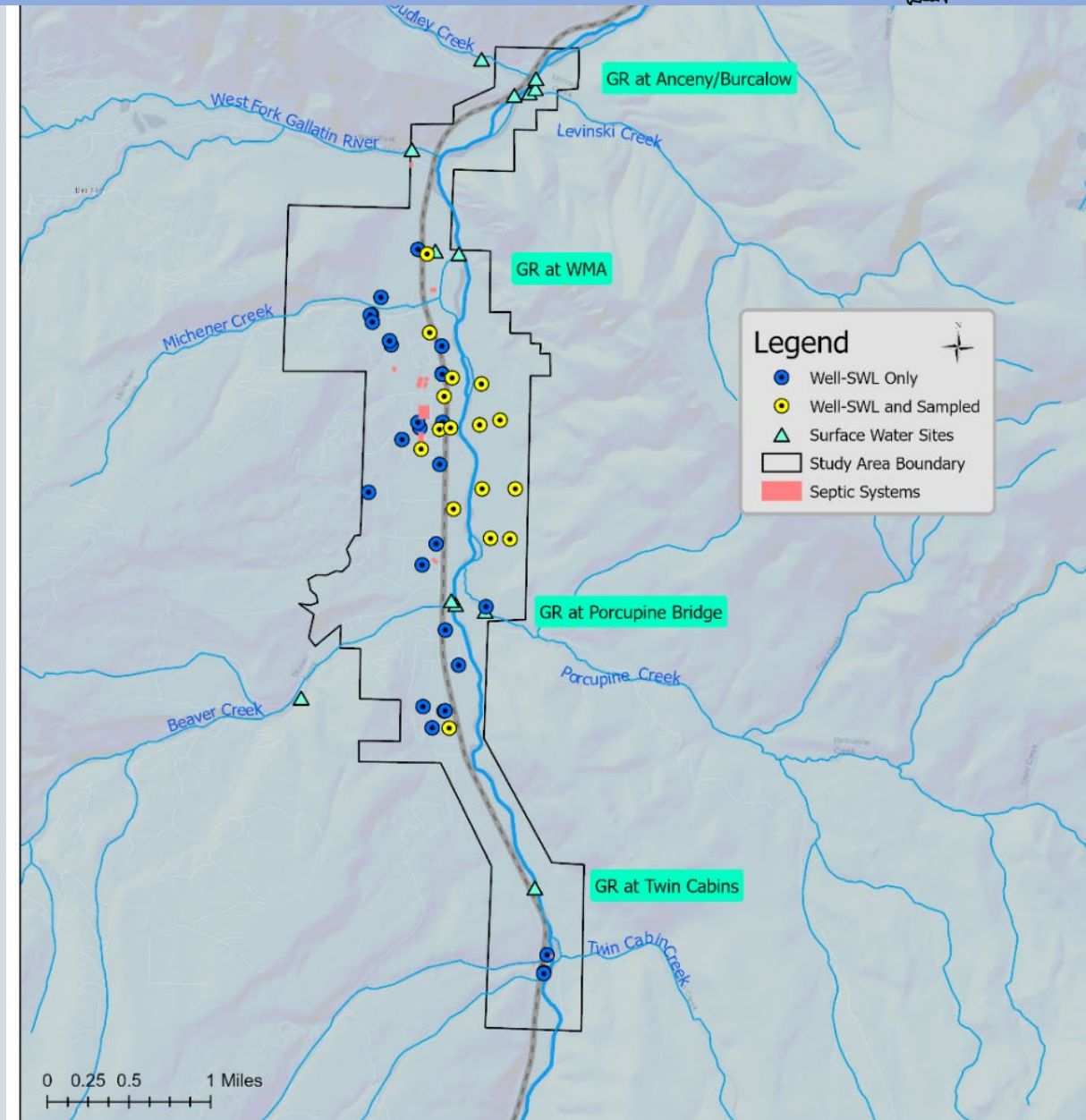
*Nominated by the Gallatin River Task Force*

- Purpose:
  - Assess the effects of development on the water quality in the shallow alluvial aquifer.
  - Develop a model to identify groundwater flow paths and groundwater/surface-water interaction.



# Data Collection

- Field measurements and sampling were completed Summer 2019-Summer 2021
- Groundwater
  - 48 water level sites
    - 27 alluvial, 21 bedrock
  - 17 wells and 1 springs sampled approx. monthly
- Surface water
  - 13 stream gaging sites
  - Sampled during low flows





**HYDROGEOLOGIC INVESTIGATION OF THE UPPER GALLATIN RIVER  
CORRIDOR, BIG SKY, MONTANA**



**Elizabeth Meredith, Ginette Abdo, Todd Myse, Ronald Breitmeyer, and James Rose**  
Ground Water Investigation Program



**GROUNDWATER MODEL OF THE UPPER GALLATIN AQUIFER AT  
BIG SKY, MONTANA**



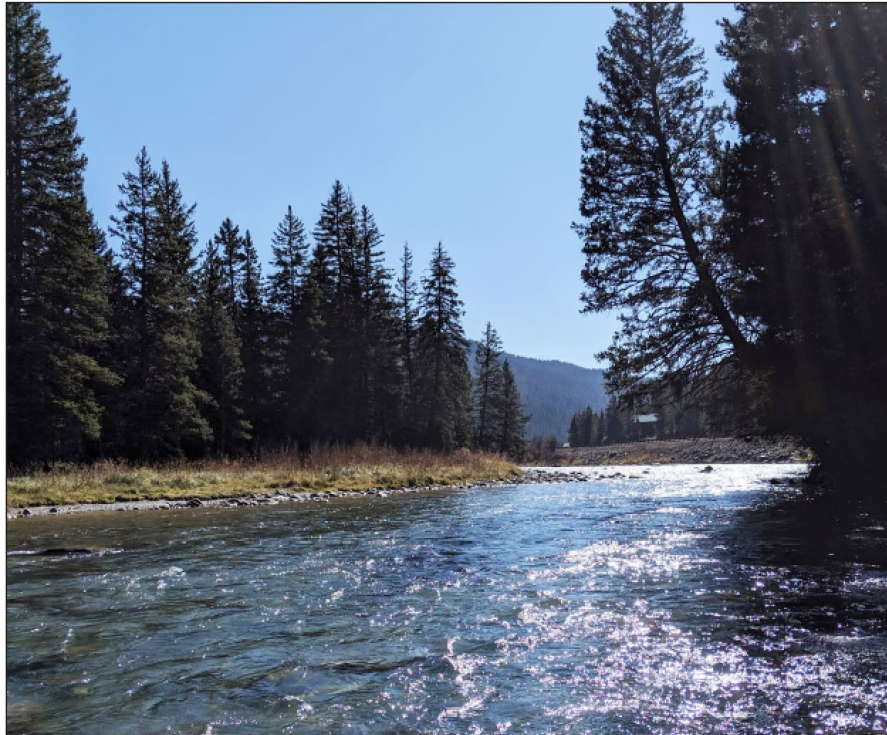
**Kurt Zeiler, Mary Sutherland, and Ronald Breitmeyer**  
Ground Water Investigation Program



April 2025

Montana Bureau of Mines and Geology Open-File Report 772

HYDROGEOLOGIC INVESTIGATION OF THE UPPER GALLATIN RIVER  
CORRIDOR, BIG SKY, MONTANA



Elizabeth Meredith, Ginette Abdo, Todd Myse, Ronald Breitmeyer, and James Rose  
Ground Water Investigation Program



- MBMG OFR 772:  
*Hydrogeologic Investigation  
of the Upper Gallatin River  
Corridor*

- Introduces the study and field methods
- Presents the overall hydrogeology
- Surface-water balance
- Water chemistry
- Nitrate trends in the valley

Available online from the MBMG  
Publications Website:  
<https://mbmg.mtech.edu>



- MBMG OFR 771: *Groundwater Model of the Upper Gallatin Aquifer at Big Sky, Montana*
  - Presents the alluvial hydrogeologic framework
  - Detailed water budget analysis
  - Numerical model construction and calibration
  - Flow path analyses
  - Modeled scenarios of development and climate

All files, including model files, are available online from the MBMG Publications Website:  
<https://mbmg.mtech.edu>

April 2025

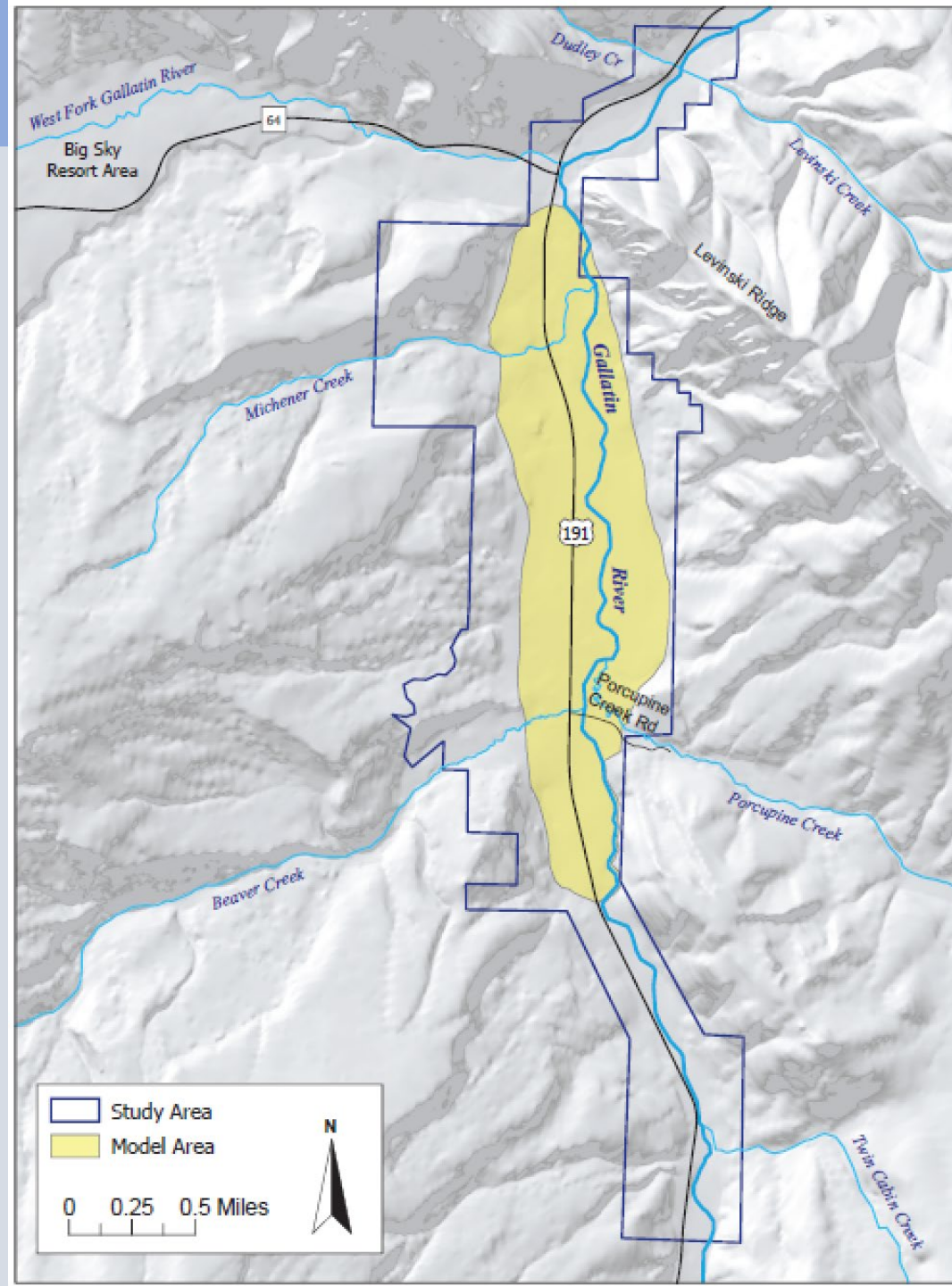
Montana Bureau of Mines and Geology Open-File Report 771

GROUNDWATER MODEL OF THE UPPER GALLATIN AQUIFER AT  
BIG SKY, MONTANA

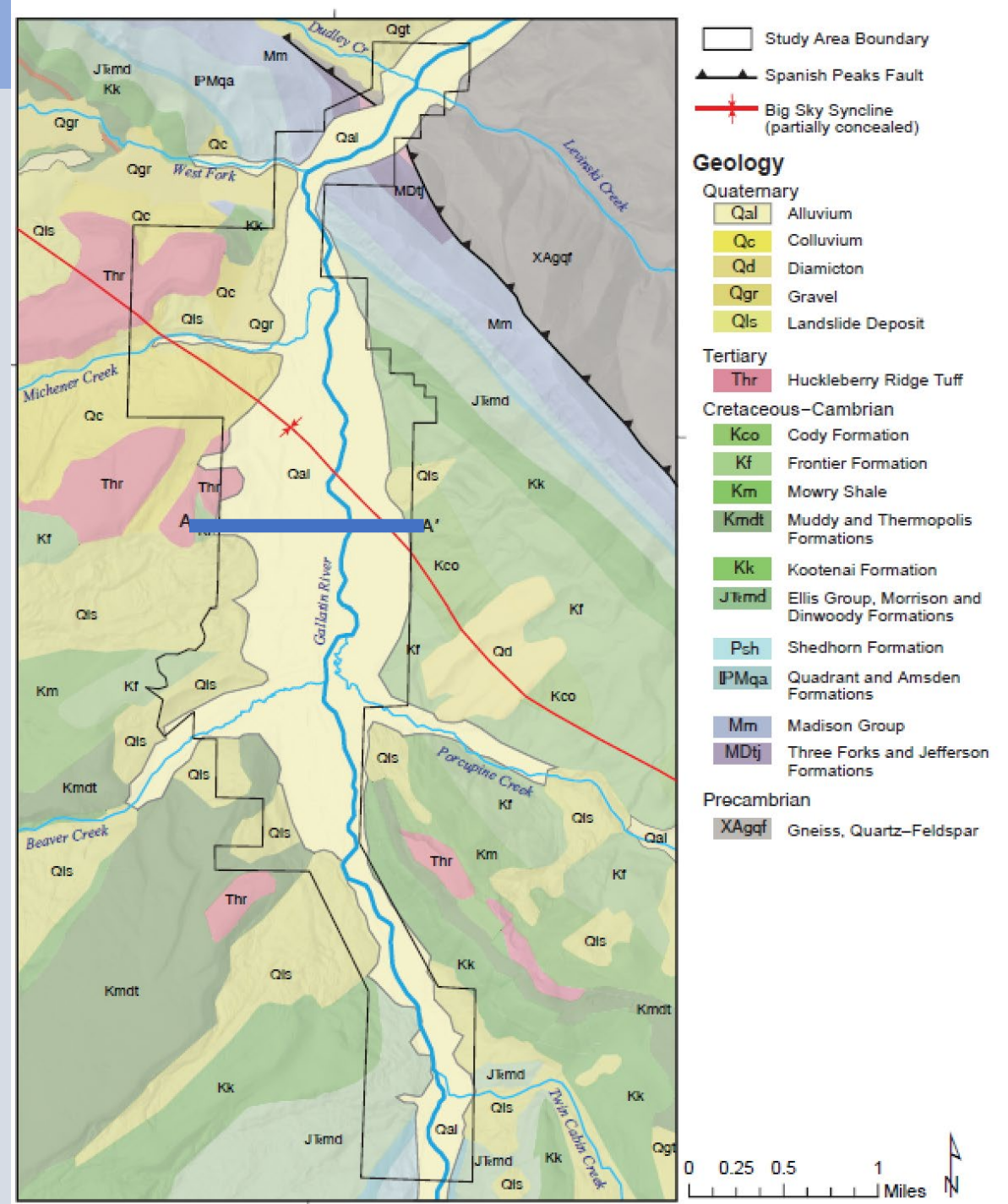
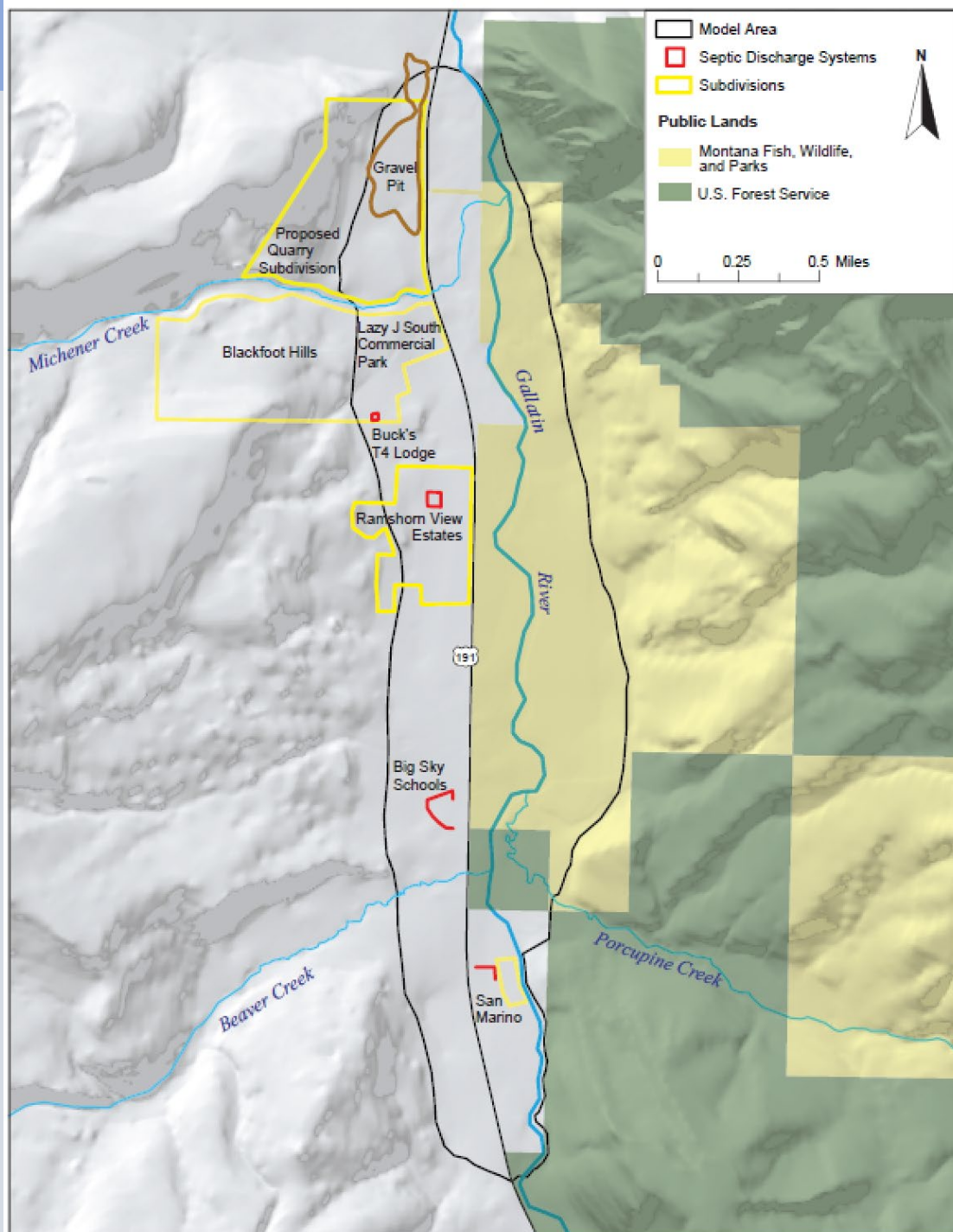


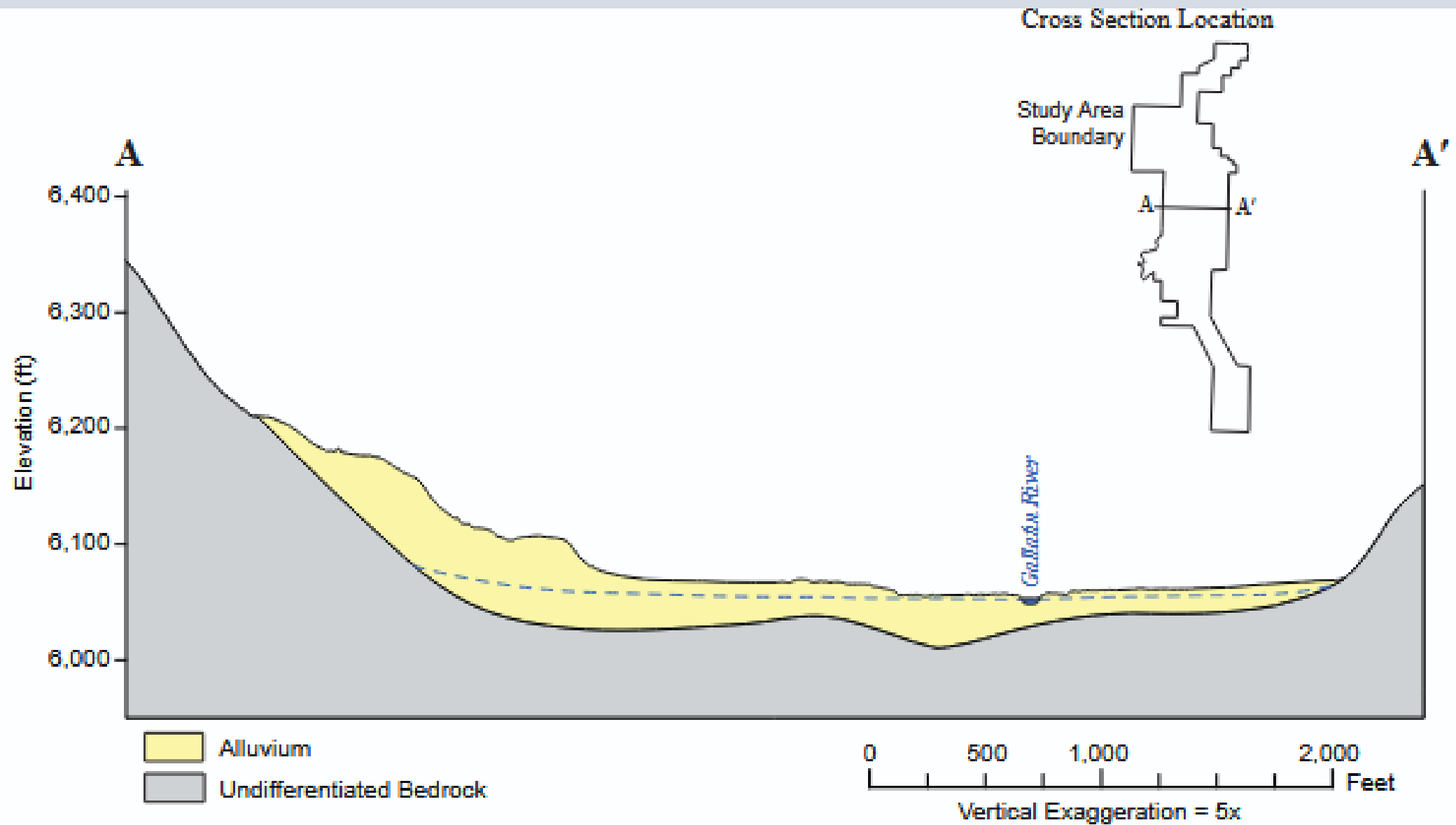
Kurt Zeiler, Mary Sutherland, and Ronald Breitmeyer  
Ground Water Investigation Program

## Study area vs. Model area

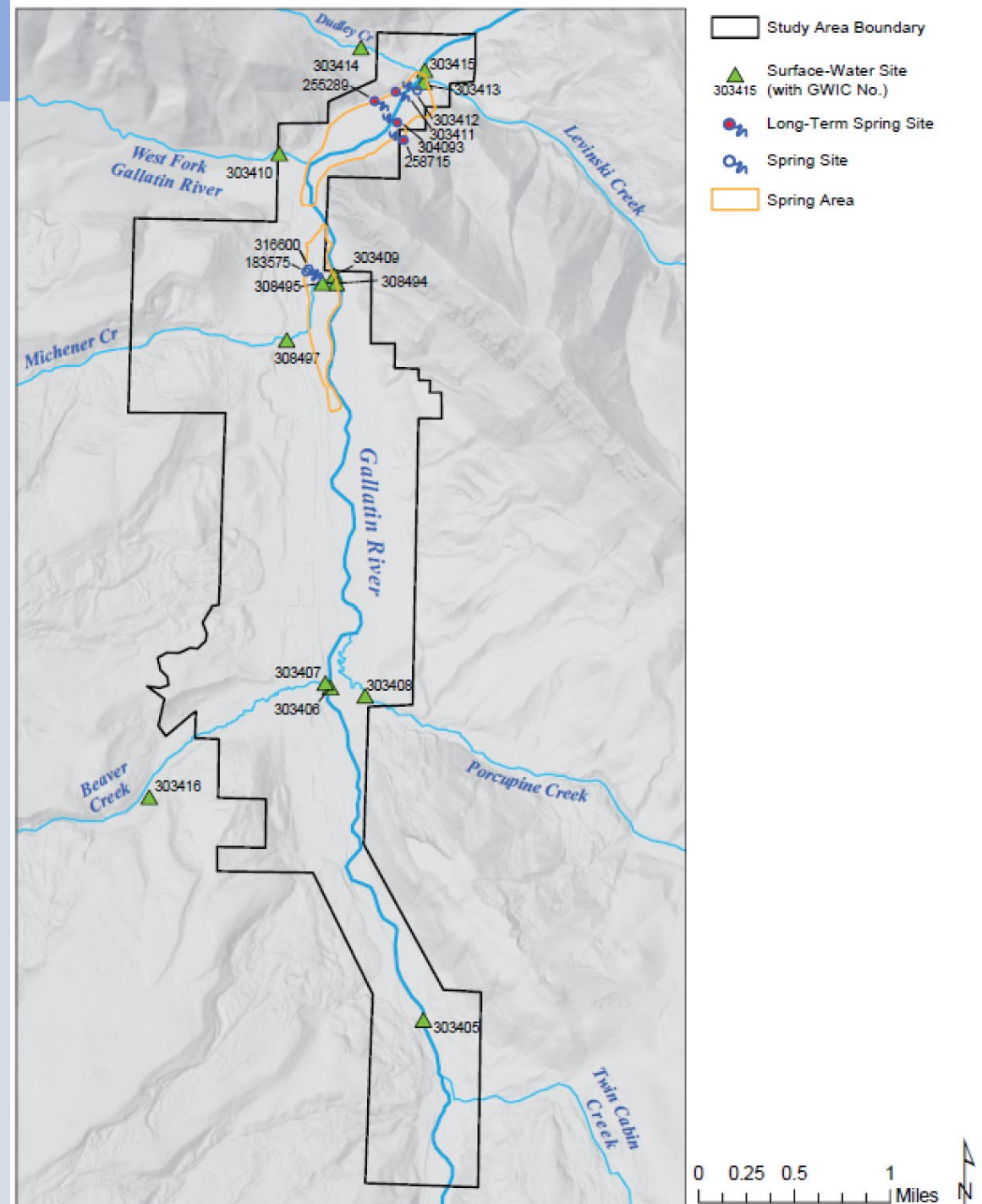
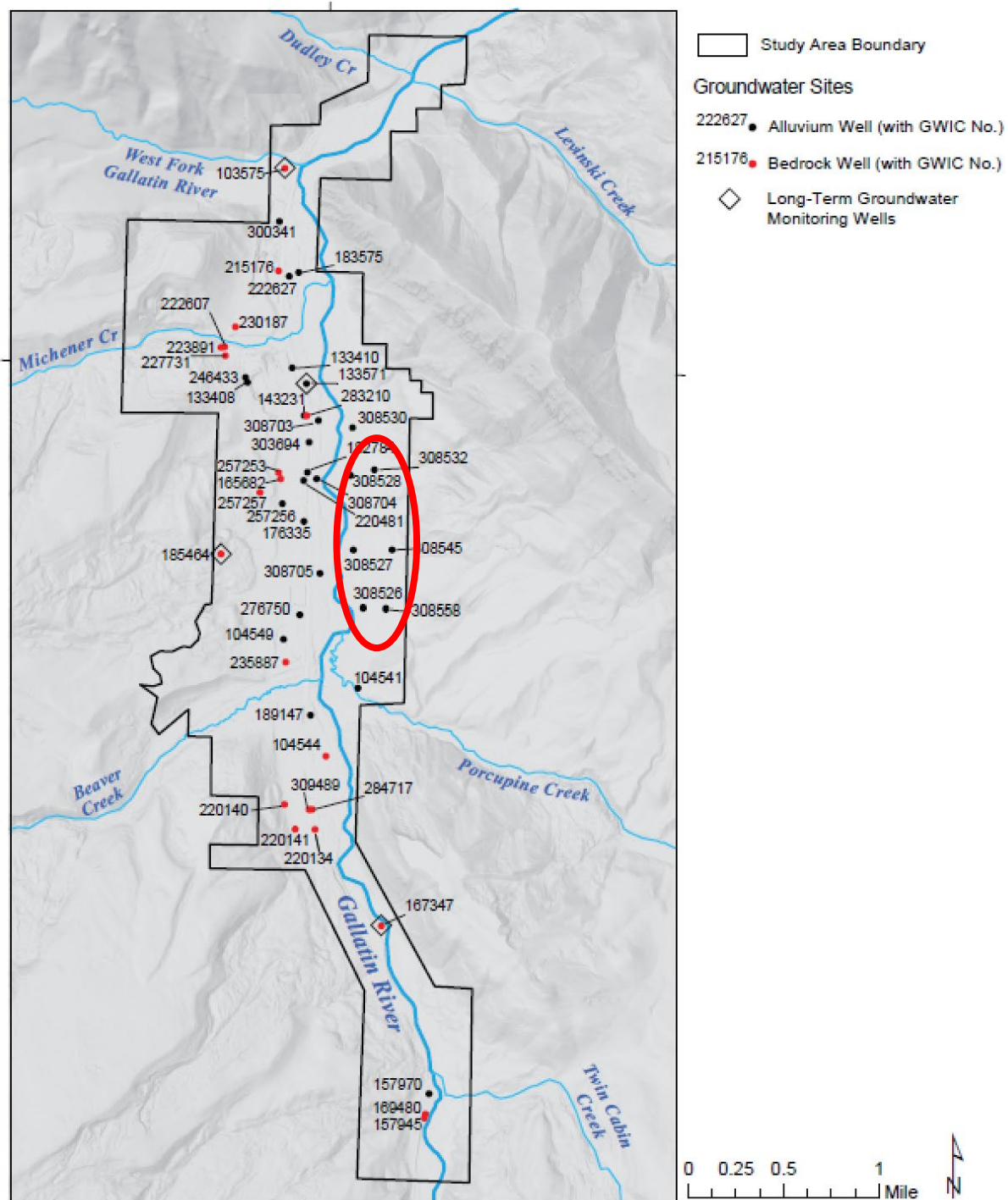








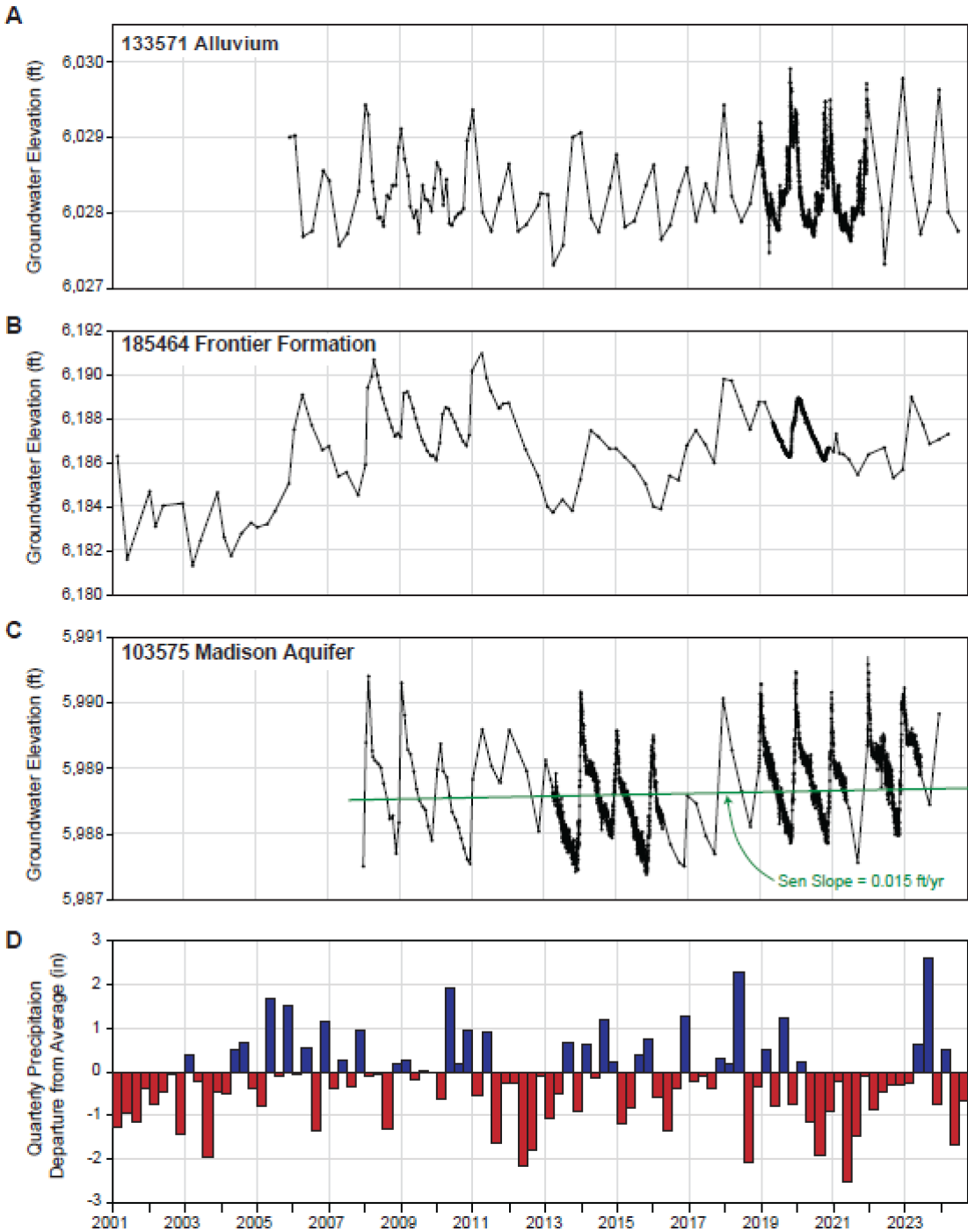




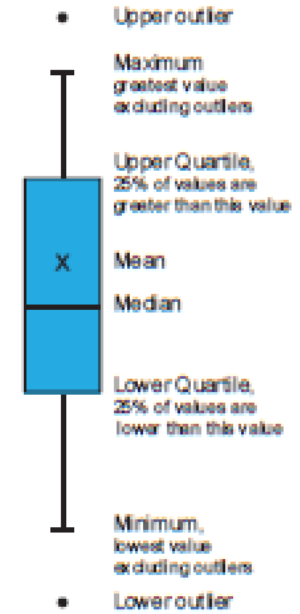
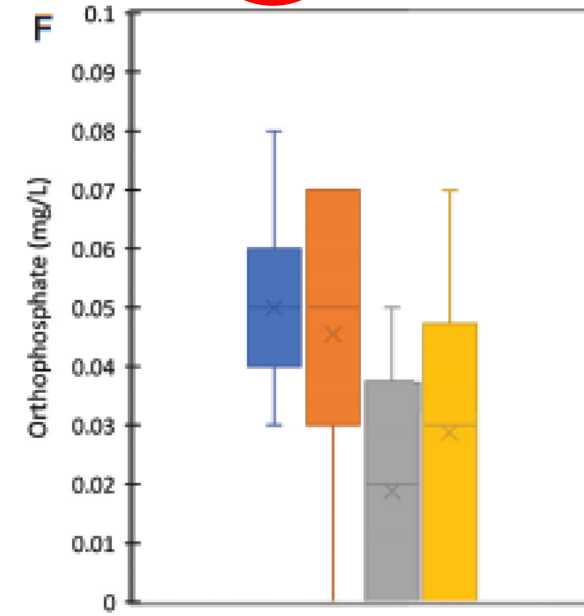
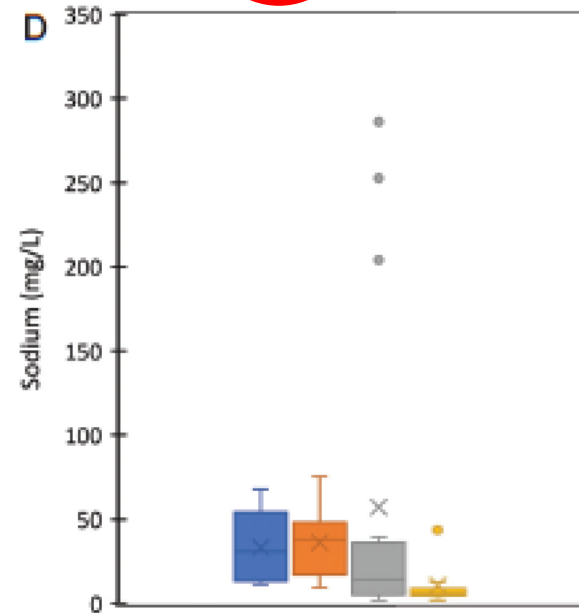
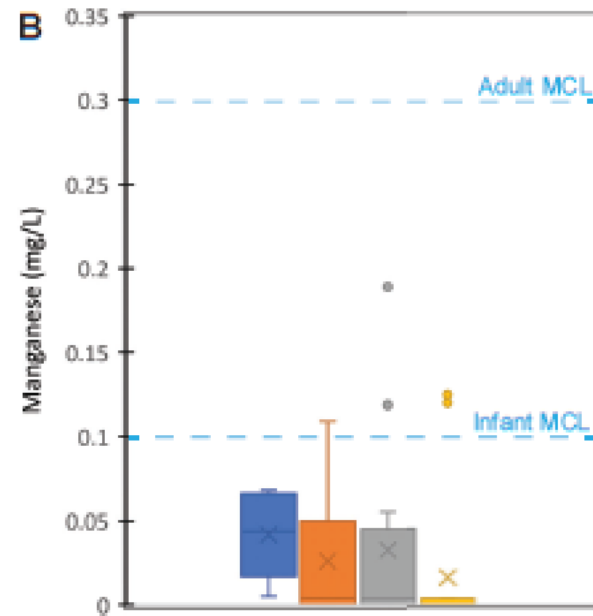
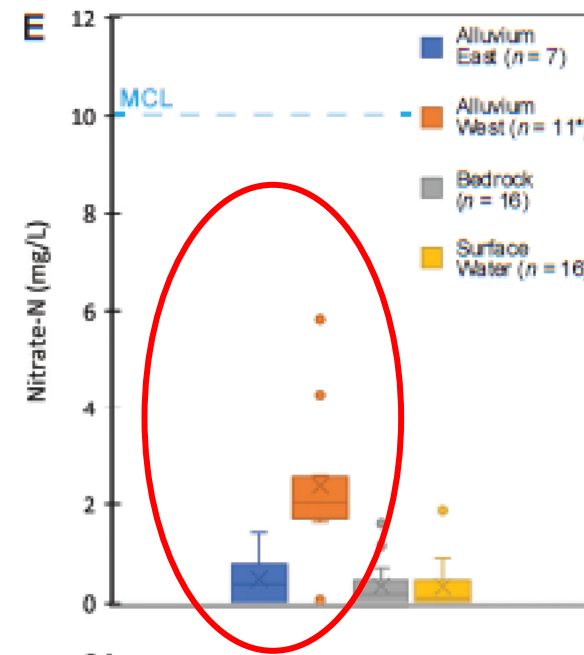
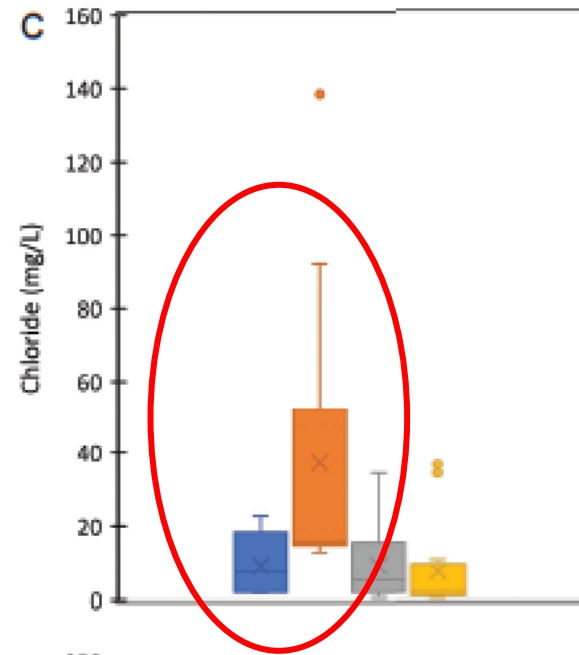
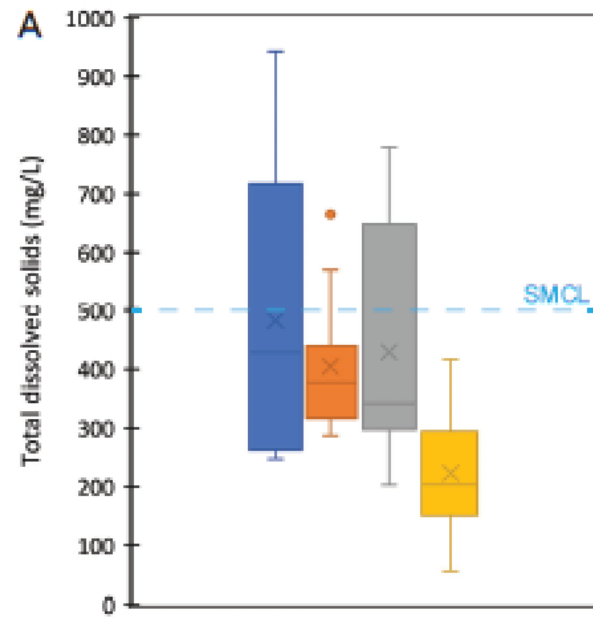
Annual recharge from snow melt

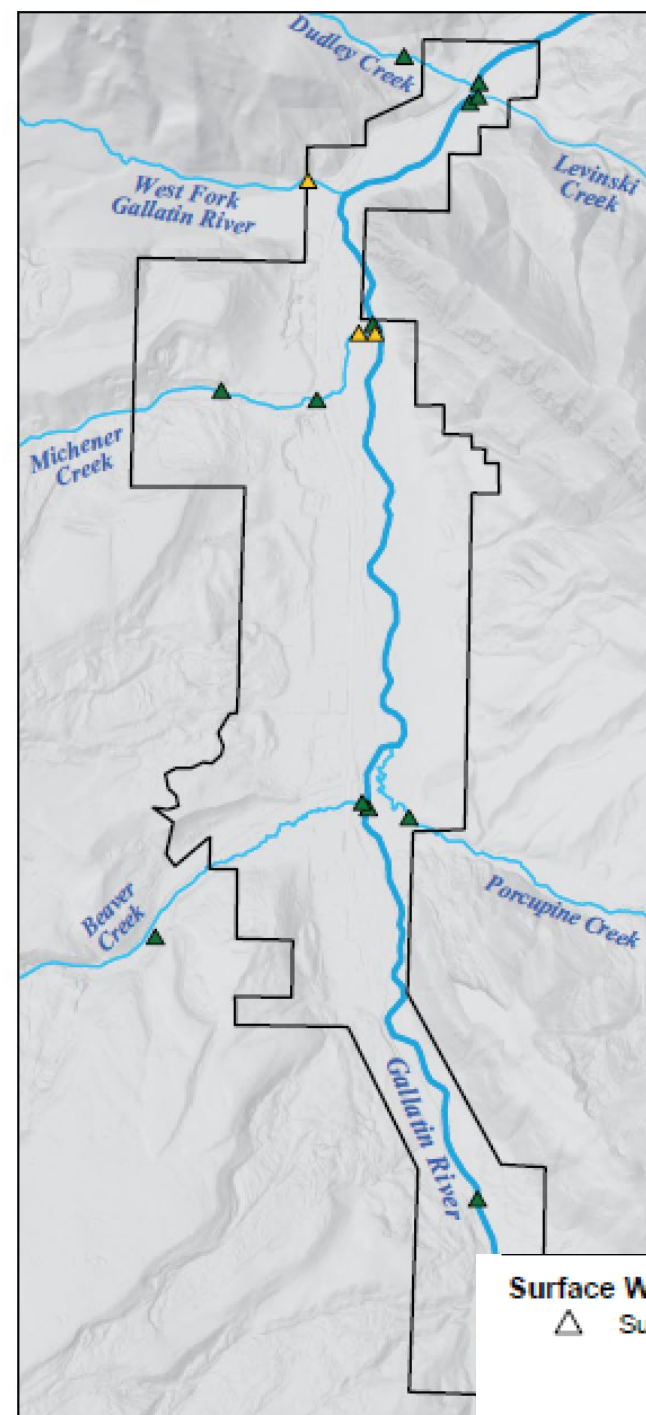
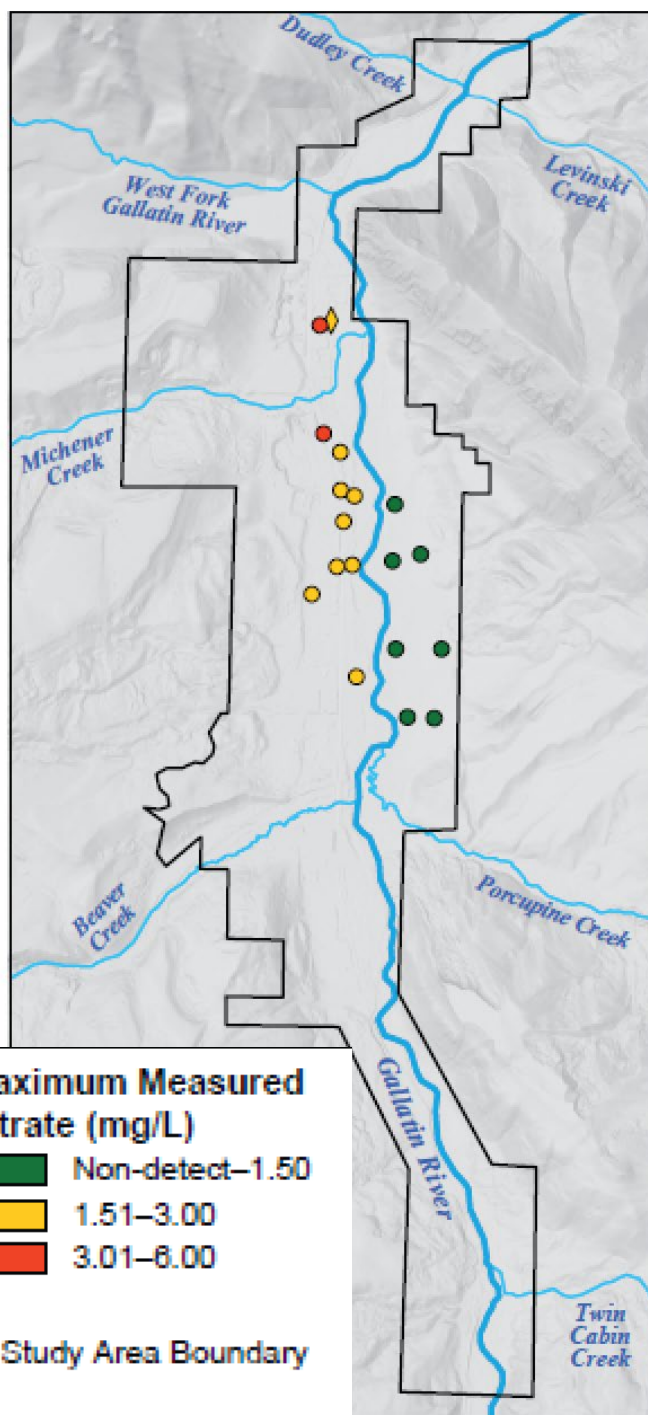
Long-term climate influences

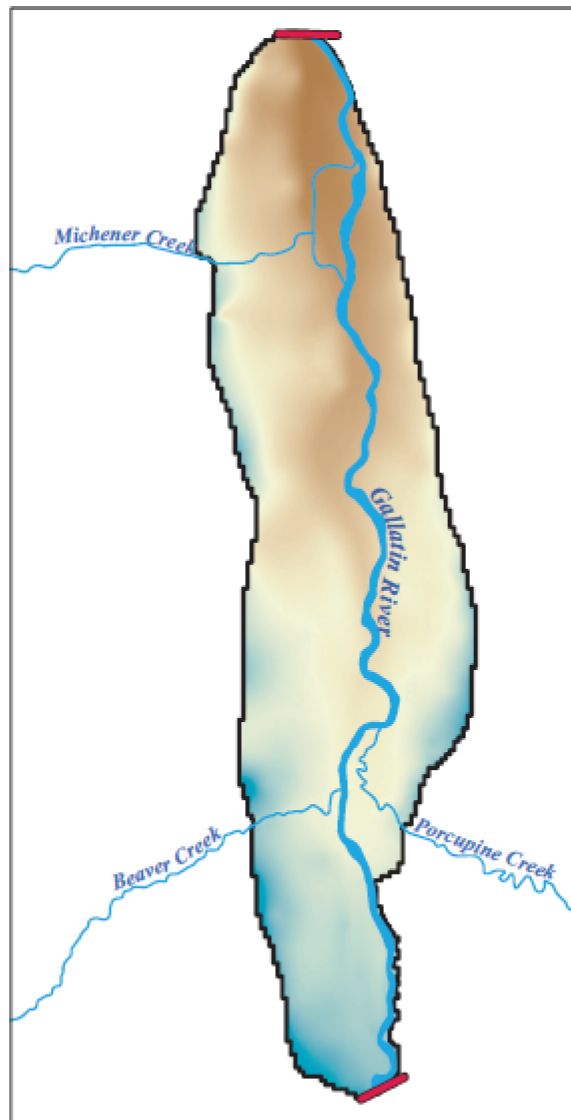
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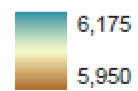




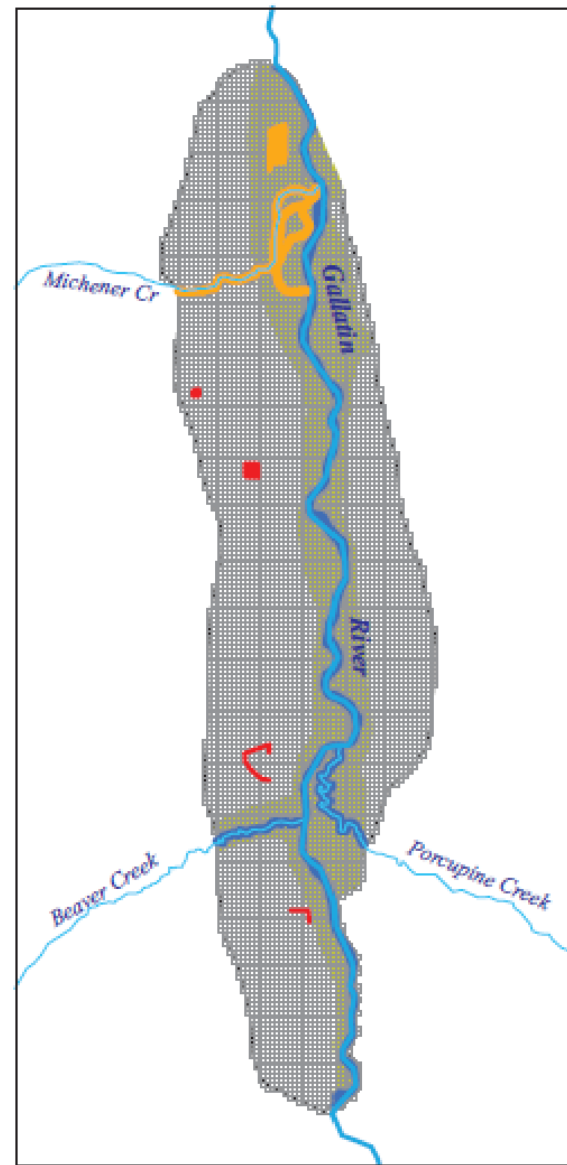
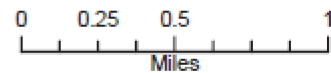




Interpolated Bedrock Surface Elevation (ft amsl)

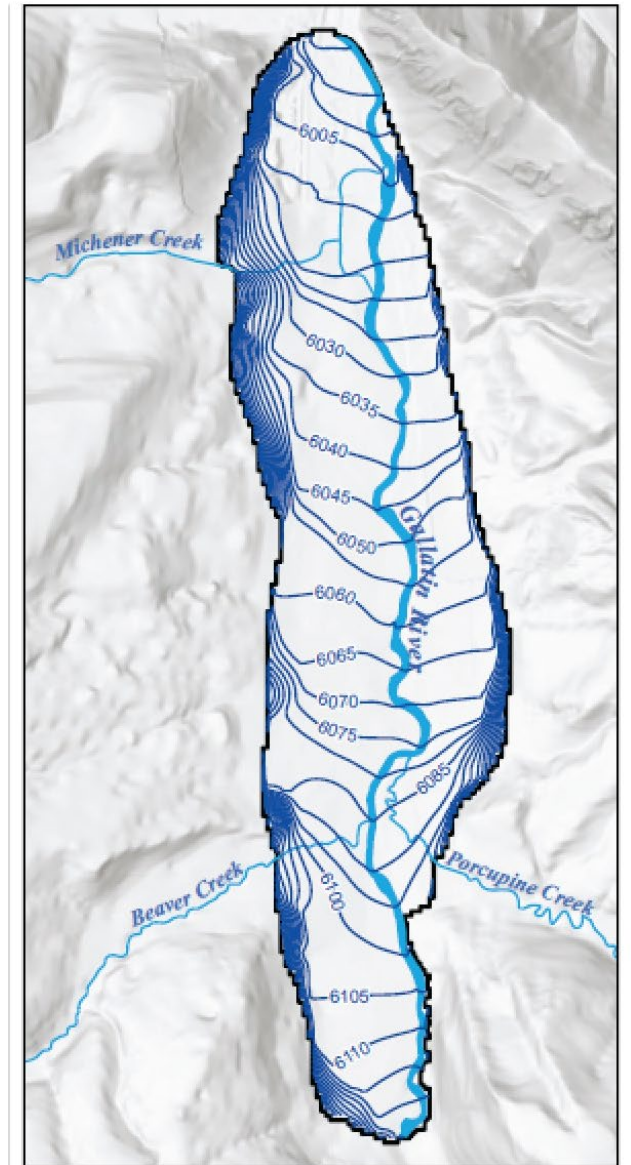
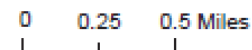


- Streams
- Groundwater Flow Model Domain
- Cross-Section Line Locations



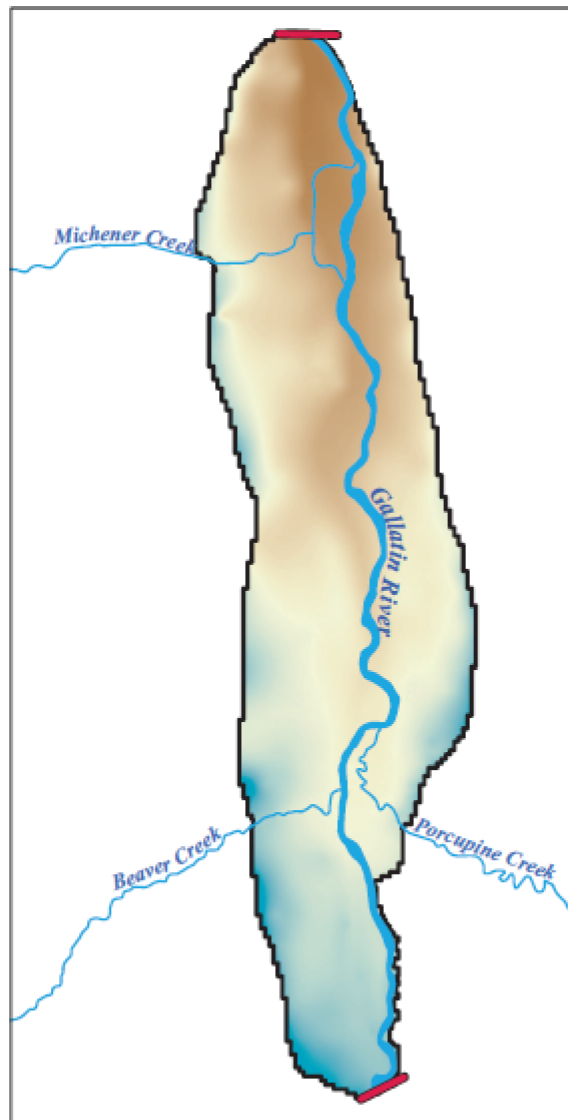
MODFLOW Model Boundary Condition Packages

- Model Area (R; RCH package)
- Riparian Zones (ET; ET package)
- Rivers (SW<sub>IV</sub>/SW<sub>out</sub>; RIV package)
- Springs (SPR; DRN package)
- Septic Discharge (Q<sub>se</sub>; WEL package)

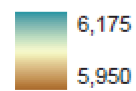


- Simulated Groundwater-Level Contours (ft amsl)
- Groundwater Flow Model Domain
- Streams

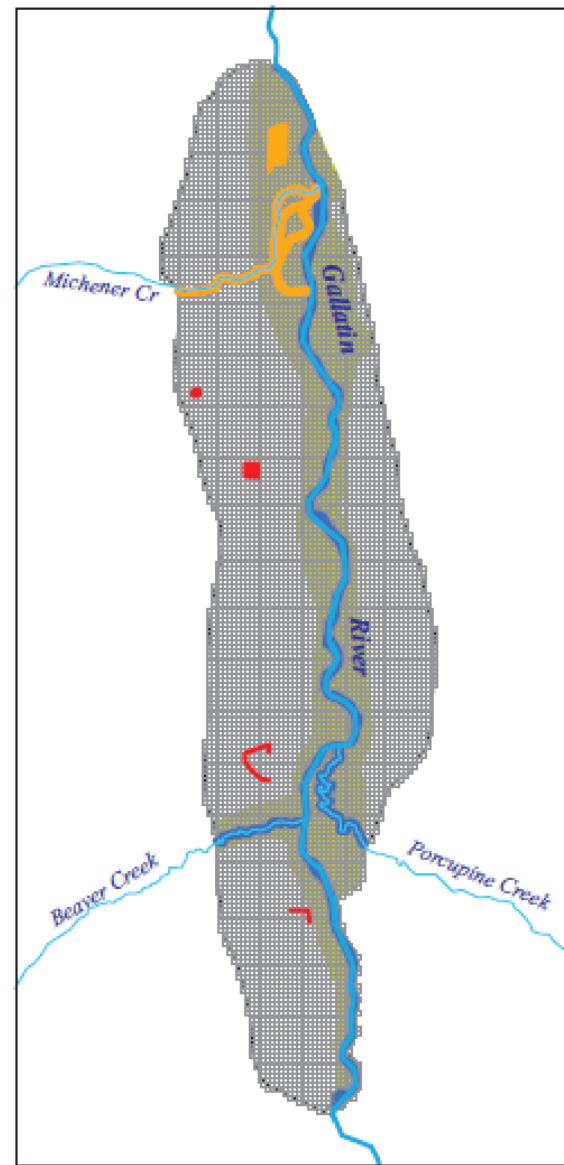
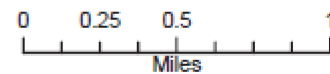




Interpolated Bedrock Surface  
Elevation (ft amsl)

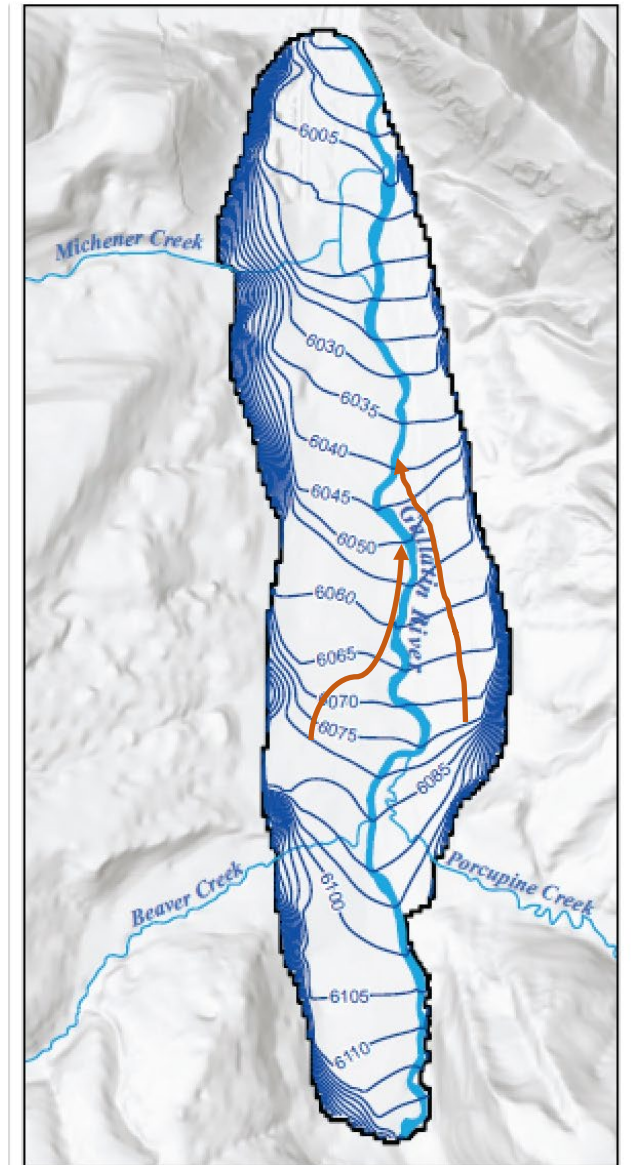
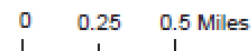


- Streams
- Groundwater Flow Model Domain
- Cross-Section Line Locations



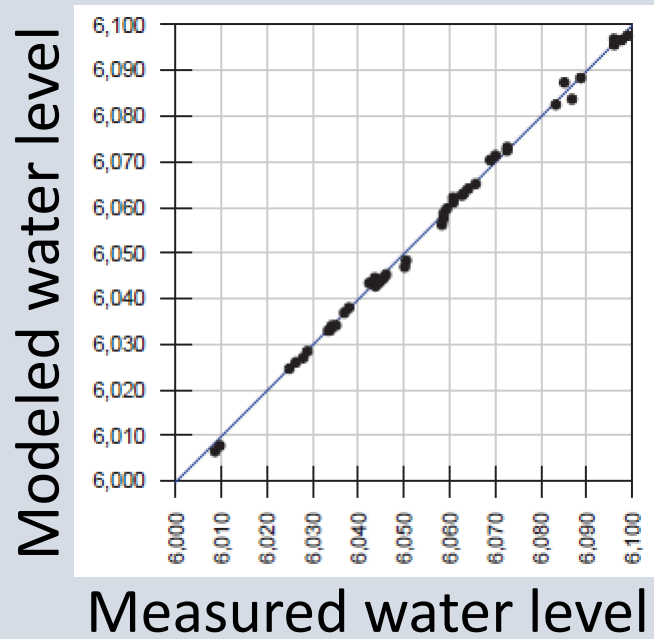
MODFLOW Model Boundary Condition Packages

- Model Area (R; RCH package)
- Riparian Zones (ET; ET package)
- Rivers (SW<sub>tr</sub>/SW<sub>out</sub>; RIV package)
- Springs (SPR; DRN package)
- Septic Discharge (Q<sub>se</sub>; WEL package)



- Simulated Groundwater-Level Contours (ft amsl)
- Groundwater Flow Model Domain
- Streams

## Calibration

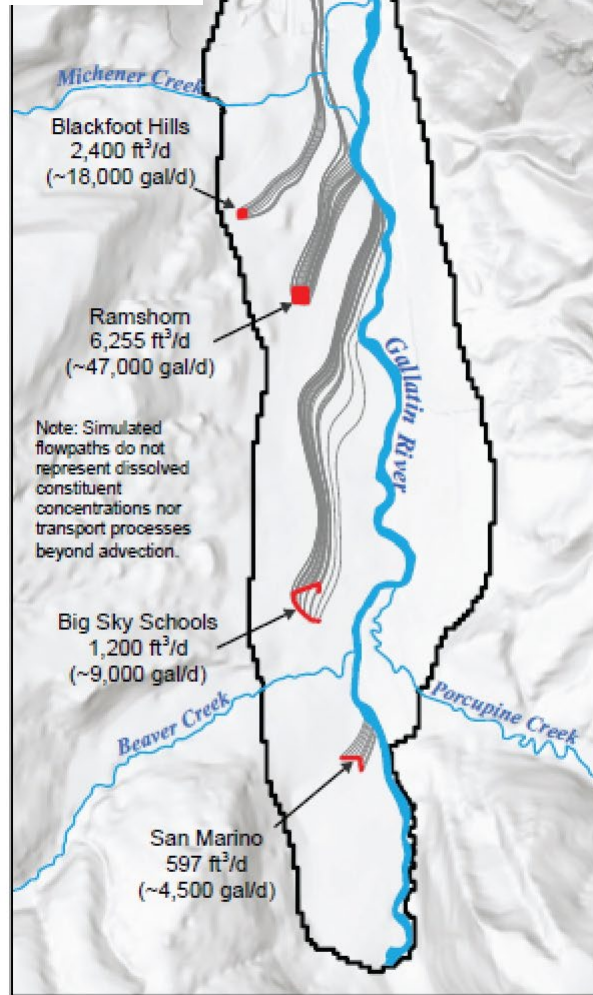


Simulated streamflow gain of 15.8 cfs  
vs. estimated 18.6 cfs ( $\pm 8.8$  cfs)

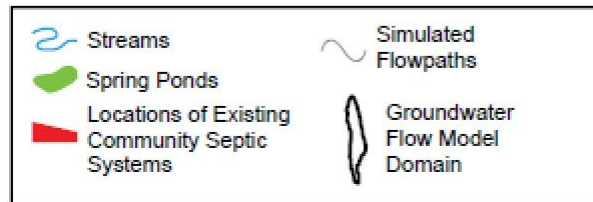
## Modeled Water Budget

Groundwater Inflow	Modeled flow (cfs)
Mountain block recharge	17.3
Valley recharge	0.0
Septic effluent	0.1
Inflow from upstream alluvium	0.1
Groundwater Outflow	Modeled flow (cfs)
To surface water	17.2
Pumping Wells	0.0
Evapotranspiration	0.1
Springs	0.0
Outflow to downstream alluvium	0.2

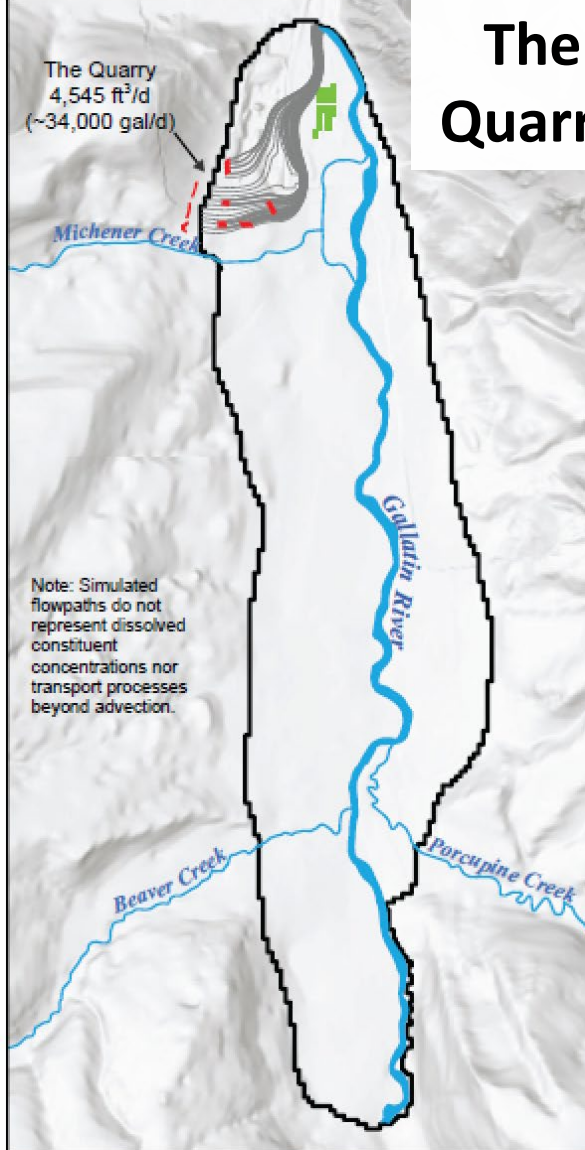
## Existing Conditions



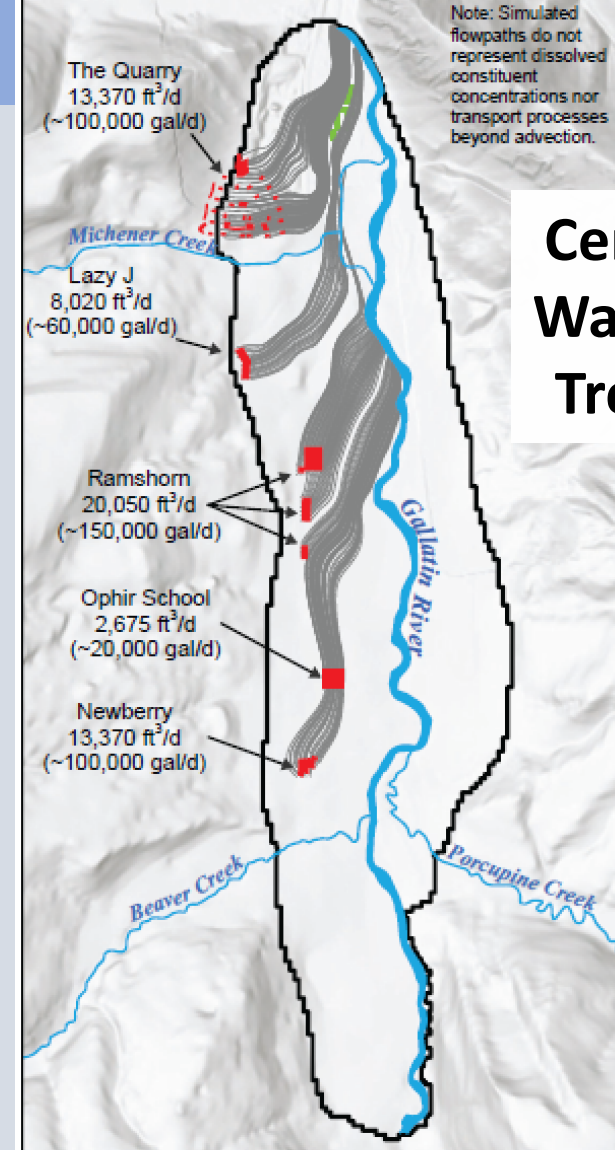
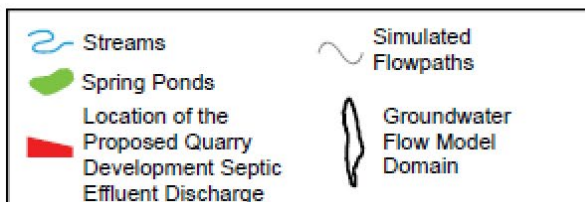
A. Low-flow conditions



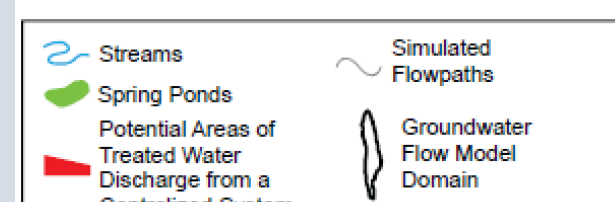
## The Quarry



A. Low-flow conditions



A. Low-flow conditions

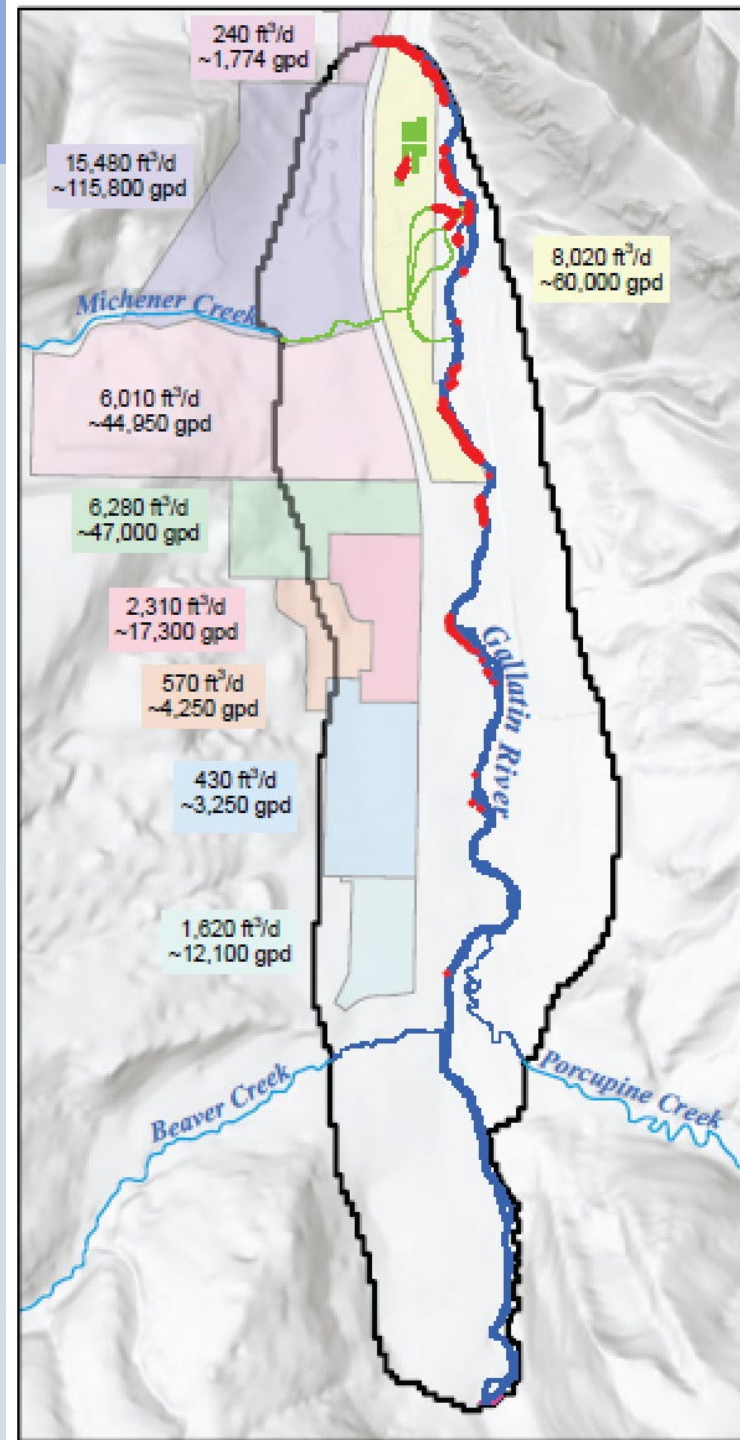


## Centralized Wastewater Treatment

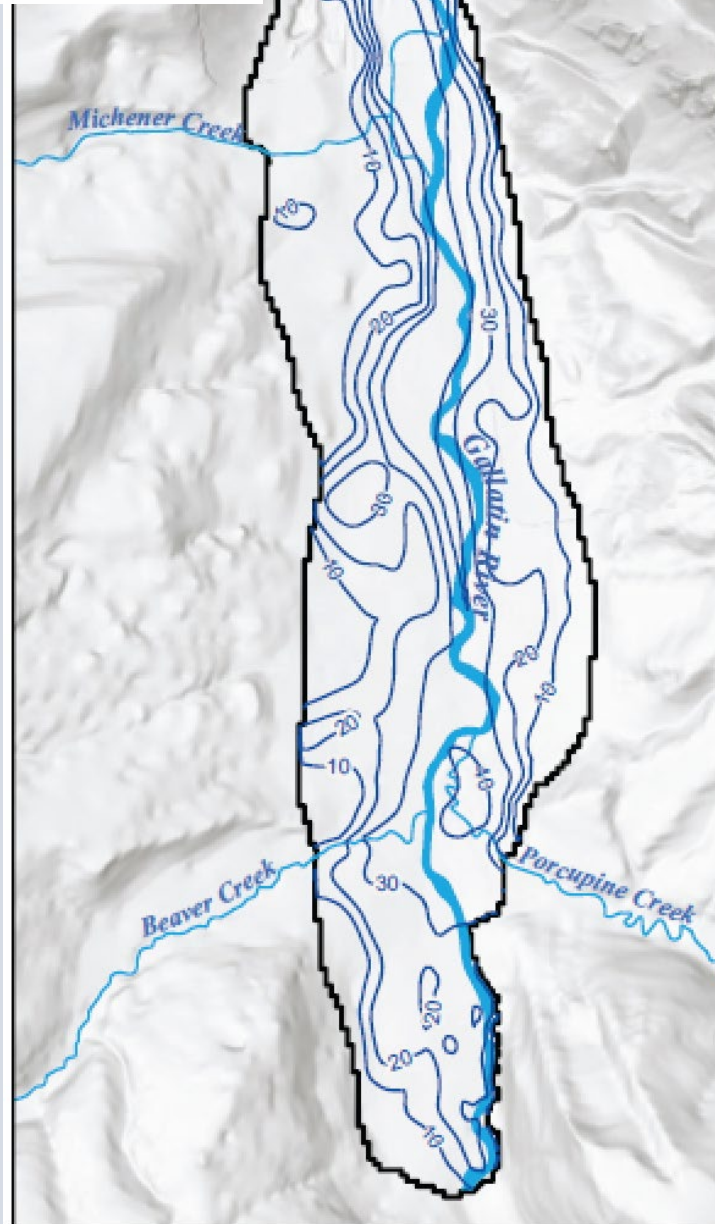


# Broad Development with On-Site Septic

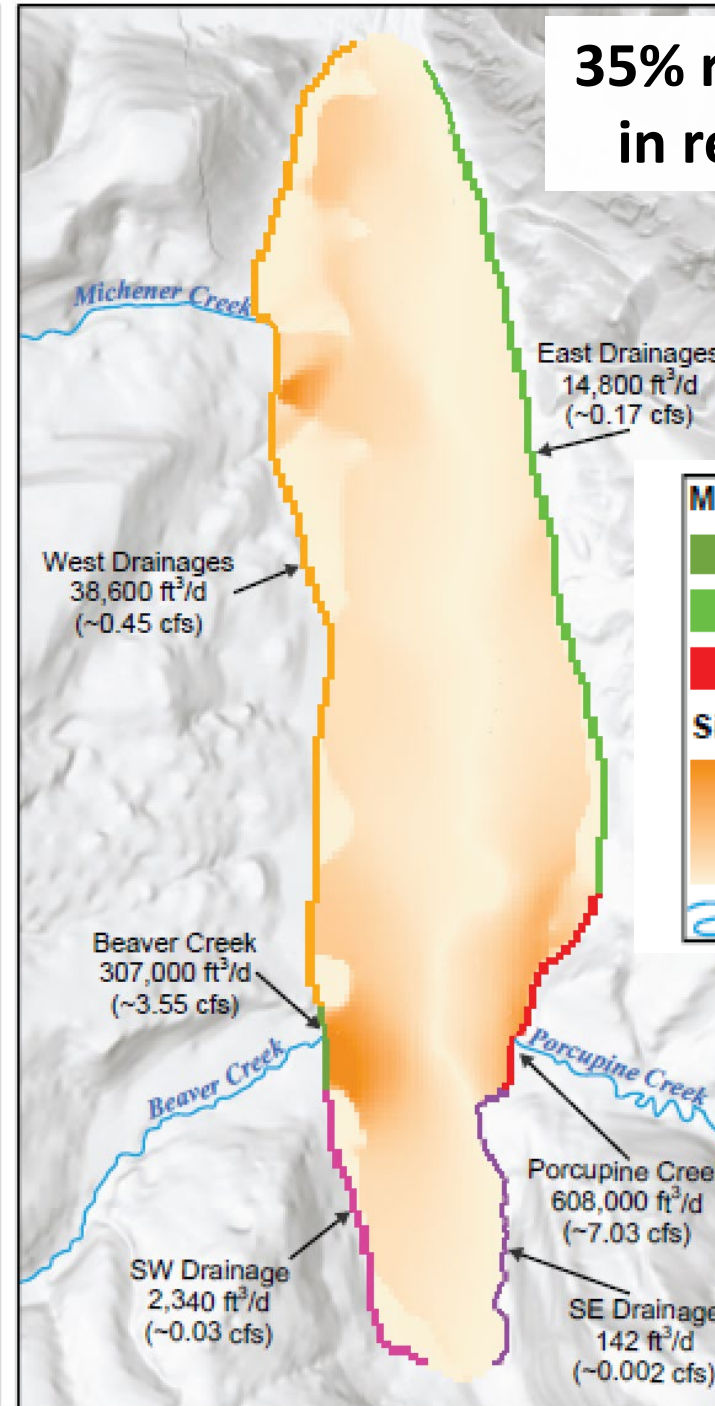
- Simulated Flow Path Discharge Locations
- Rivers and Streams ( $Sw_{in}/Sw_{out}$ ; RIV Package)
- Michener Creek and Spring Ponds (SPR; DRN Package)
- Alluvial Flow ( $Gw_{in}/Gw_{out}$ ; GHB Package)
- Potential Areas for Additional Septic System Installation
- Groundwater Flow Model Domain



# Alluvial saturated thickness



# 35% reduction in recharge



## MBR Application Areas

- |                 |                    |
|-----------------|--------------------|
| Beaver Creek    | Southeast Drainage |
| East Drainages  | Southwest Drainage |
| Porcupine Creek | West Drainages     |

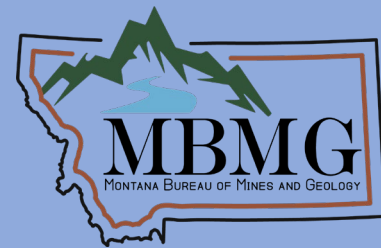
## Simulated Groundwater-Level Change (ft)



Streams



# Thank you!



## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) into on this \_\_\_\_ day of \_\_\_\_\_, 2025, by and between the Big Sky County Water and Sewer District of Big Sky No 363, Montana ("Big Sky), and the Gallatin Canyon Water and Sewer District of Big Sky, Montana ("Canyon").

WHEREAS, Canyon is currently designing a centralized sewer system ("Canyon Project") to serve the Canyon area to improve water quality by removing existing septic systems and providing sewer service for new developments;

WHEREAS, Canyon has partnered with Big Sky and BSRAD to form an informal three-party collaborative project that is committed to the implementation of the sewer improvements in the Gallatin Canyon area of Big Sky;

WHEREAS, the three entities are fully committed to seek and secure the funding, design and construction of the Canyon Project; and

WHEREAS, an Interlocal Agreement between Big Sky and Canyon will formalize the funding, design and construction of the Canyon Project and will provide stability for funders, including grant and loan agencies.

NOW THEREFORE, it is understood and agreed that Big Sky and Canyon are fully committed to pursuing the funding, as well as design and construction of the Canyon Project.


### **BIG SKY COUNTY WATER AND SEWER**

By \_\_\_\_\_  
Its Board Chair

Attested by:

\_\_\_\_\_  
District Secretary

**GALLATIN CANYON COUNTY WATER AND SEWER DISTRICT**

By \_\_\_\_\_  
Its Board Chair

Attested by:

\_\_\_\_\_  
District Secretary

**RENEWABLE RESOURCE PROJECT GRANT - GRANT AGREEMENT**  
**CONSERVATION AND RESOURCE DEVELOPMENT DIVISION**  
**MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION**

Recipient: Gallatin Canyon County Water and Sewer District

Project Title: Gallatin Canyon County Water Sewer District Sewer System Development, Phase 1.2

Grant Number: RRG-24-1889 Submission ID 25322282

**Declarations**

- Section 1. Purpose
- Section 2. Term
- Section 3. DNRC's Role
- Section 4. Project Scope
- Section 5. Project Budget
- Section 6. Availability of Funds
- Section 7. Disbursements
- Section 8. Reports
- Section 9. Records and Audits
- Section 10. Project Monitoring and Access for Inspection and Monitoring
- Section 11. Employment Status and Workers' Compensation
- Section 12. Equal Employment
- Section 13. Indemnity and Liability
- Section 14. Compliance with Applicable Laws
- Section 15. Copyright - Government Right to Use
- Section 16. Acknowledgement of Support
- Section 17. Failure to Comply
- Section 18. Assignment and Amendment
- Section 19. Montana Law and Venue
- Section 20. Waiver
- Section 21. Entire Agreement
- Attachment A – Scope of Work
- Attachment B – Budget
- Attachment C – Reporting Requirements



*FOR DNRC USE ONLY*

Maximum Amount under this Grant: \$125,000.00

**Source of Funds**

<b>Fund Name</b>	<b>Fund No.</b>	
Natural Resources Projects Fund	02577	
 <b>Subclass</b>	<b>Org. No.</b>	<b>Amount</b>
54016	3424131	\$125,000.00

Appropriation Authority: 68th Legislature/2023 HB6

**Approved**

No. RRG-24-1889

Division AM

Legal

BB



**GRANT AGREEMENT BETWEEN THE MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION AND Gallatin Canyon County Water and Sewer District**

**THIS GRANT**, administered by the Montana Department of Natural Resources and Conservation (DNRC), is consistent with the policies, procedures and objectives of the Montana Renewable Resource Grant and Loan Program (Program) (85-1-6, MCA) for the enhancement of Montana's renewable resources. This grant is accepted by **Gallatin Canyon County Water and Sewer District**, hereinafter referred to as the Recipient and represented by Scott Altman, Board President (Authorized Recipient) and successors, PO Box 161030, Big Sky, MT, 59716, Orock9530@me.com, 407-468-3215. Both parties agree to the following terms and conditions:

**SECTION 1. PURPOSE.** The purpose of this Grant Agreement (Agreement) is to establish mutually agreeable terms and conditions, specifications, and requirements to grant funds to the Recipient for Gallatin Canyon County Water Sewer District Sewer System Development, Phase 1.2.

**SECTION 2. TERM.** The effective date of this Agreement is the date of last signing. The Recipient shall have until December 31, 2026 to complete the project and work described in **SECTION 4. PROJECT SCOPE**. DNRC may grant an extension for completion upon request and showing of good cause by the Recipient. A request for extension must be submitted at least 45 days prior to the termination date of this Agreement. This agreement remains in effect until all reporting requirements as described in **SECTION 8. REPORTS** have been received by DNRC.

**SECTION 3. DNRC's ROLE.** DNRC is administering funds awarded by the Legislature to ensure that the funds are used according to the intent of the Legislature and the purposes, objectives, and procedures of the Program. DNRC will monitor project expenditures to assure payment eligibility. DNRC assumes no responsibility for the Recipient's obligation to faithfully perform the tasks and activities necessary to implement and complete a project. The DNRC liaison for this Agreement is Melissa Downing at 406-444-0697, Melissa.Downing@mt.gov DNRC/CARDD, PO BOX 201601, Helena, MT 59620-1601. All requests for information and assistance, claims for grant funds, and reports shall be submitted to the DNRC liaison.

**SECTION 4. PROJECT SCOPE.** The scope of work for this project is described in Attachment A and incorporated herein by this reference. Supporting documents and attachments from the **Renewable Resource Grant and Loan Program Application** dated May, 2022 are also incorporated herein by this reference. In the event content in the application differs from or conflicts with terms presented elsewhere in this Agreement, this Agreement text takes precedence.

4.1 N/A

#### 4.2 N/A

**SECTION 5. PROJECT BUDGET.** A project budget showing anticipated expenditures is provided in Attachment B and incorporated herein by this reference. All transfers of funds between budget categories require written notification and approval from the DNRC liaison. A transfer of funds between budget categories exceeding 10% of the total grant will require an amendment of the agreement. Requests to modify the approved budget must be submitted in writing to the DNRC liaison for approval and must be made in advance of reimbursement requests.

**SECTION 6. AVAILABILITY OF FUNDS.** Funds will be released to the extent they are available. Costs incurred prior to the effective date of this Agreement are not eligible for reimbursement. Grant funds are not available for work performed after the termination date in SECTION 2. TERM.

#### 6.1 N/A

**6.2** The Recipient acknowledges and understands that grant funds become available through certain State of Montana revenue earnings. The DNRC must by law terminate this Agreement if funds are not appropriated or otherwise made available to support the DNRC's continuation of performance of this Agreement in a subsequent fiscal period (§18-4-313(4), MCA). If state or federal government funds are not appropriated or otherwise made available through the state budgeting process to support continued performance of this Agreement (whether at an initial payment level or any increases to that initial level) in subsequent fiscal periods, the DNRC shall terminate this Agreement as required by law. The DNRC shall provide the Recipient with the date the State's termination shall take effect. The DNRC shall not be liable to Recipient for any payment that would have been payable had the Agreement not been terminated under this provision. The DNRC shall be liable to the Recipient only for the payment, or prorated portion of that payment, owed to Recipient up to the date the DNRC's termination takes effect. This is the Recipient's sole remedy. The DNRC shall not be liable to the Recipient for any other payments or damages arising from termination under this section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

#### **SECTION 7. DISBURSEMENTS.**

The Recipient must submit reimbursement claims for funds to DNRC. Funds can only be expended for work described in SECTION 4. SCOPE OF WORK. The Recipient shall submit a complete vendor invoice, signed by the Authorized Recipient, itemizing actual project expenses that can be documented with accounting records. To receive payment, the Recipient shall submit a project progress report described in SECTION 8. REPORTS, and supporting documentation: proof of payment, receipts, vendor invoices, inspection certificates, timesheets, in-kind labor, and other documentation of expenses incurred.

DNRC only reimburses direct costs associated with the project. Direct costs are those which can be identified specifically as costs of implementing the approved project such as staff time directly attributable to the project, contracted expenses, materials and supplies for the project. DNRC cannot reimburse indirect costs, those that are incurred by the recipient in support of general business operations, but which are not attributable to a specific funded project.

DNRC will verify the claims and check them against the reports required in SECTION 8. REPORTS and the budget provided in SECTION 5. PROJECT BUDGET. DNRC will disburse grant funds to the Recipient upon approval and to the extent available. Reimbursement of Recipient expenditures will only be made for expenses included in the budget provided in SECTION 5. PROJECT BUDGET, within the dates identified in SECTION 2. TERM, and that are clearly and accurately supported by the Recipient's reports to DNRC. Total payment for all purposes under this Agreement shall not exceed **\$125,000.00**.

**7.1** Reimbursement requests for work performed during the term of this Agreement must be submitted to the DNRC liaison within 90 calendar days after the expiration of this Agreement to receive payment.

7.2 DNRC will withhold 10 percent of the total authorized grant amount until all the tasks outlined in SECTION 4. PROJECT SCOPE and the final report required by SECTION 8. REPORTS are completed and approved by DNRC.

**SECTION 8. REPORTS.** The Recipient is responsible for submitting progress reports, a final report, and a signed Certificate of Compliance to DNRC at project completion in accordance with all requirements stated in Attachment C. Pictures of the project site before, during, and after construction will be provided to the DNRC liaison with reports or upon request. Because images may be used for publicity as well as project documentation, the Recipient must acquire any release(s) necessary for the government's right to use as provided in SECTION 15. COPYRIGHT – GOVERNMENT RIGHT TO USE.

8.1 Quarterly progress reports for the periods ending each March, June, September, and December shall be submitted to the DNRC liaison during the term of this Agreement. The Recipient must submit a project progress report with each reimbursement request at a minimum on a quarterly basis. Reports must include the information included in Attachment C. Quarterly reports must be submitted to the DNRC liaison within 15 calendar days following the close of the quarterly period. No claims for disbursements will be honored if the quarterly report has not been approved or if there is a delinquent report.

8.2 The Recipient is required to submit a final report upon project completion. Reports must include the information included in Attachment C. Failure to provide the reports as required is cause for termination of this Agreement or withholding of future grant payments. Final disbursement of grant funds is contingent upon DNRC receipt and approval of a report that meets requirements described in Attachment C.

8.3 N/A

8.4 N/A

**SECTION 9. RECORDS AND AUDITS.** The Recipient will maintain appropriate and adequate records showing complete entries of all receipts, disbursements, and other transactions relating to the project for a period of eight years after project completion. The DNRC, the Legislative Audit Division, or the Legislative Fiscal Division may, at any reasonable time, audit all records, reports, and other documents that the Recipient maintains under or during this Agreement to ensure compliance with its terms and conditions.

The Recipient is financially responsible for any audit exception or other financial loss to the State of Montana which occurs due to the negligence, intentional acts, or failure by the Recipient and/or its agents, employees, subrecipient, or representative to comply with the terms of this Agreement.

**SECTION 10. PROJECT MONITORING AND ACCESS FOR INSPECTION AND MONITORING.** DNRC, or its agents, may monitor and inspect all phases and aspects of the Recipient's performance to determine compliance with this Agreement, including the adequacy of records and accounts. This grant is publicly funded and requires the Recipient to accommodate all requests for public access to the site and the project records with due consideration for safety, private property rights, and convenience for all parties.

**SECTION 11. EMPLOYMENT STATUS AND WORKER'S COMPENSATION.**

The project is for the benefit of the Recipient. DNRC is not an owner or general contractor for the project and DNRC does not control the work activities, worksite of the Recipient, or any contractors that might be engaged in the completion of the project.

The Recipient is independent from and is not an employee, officer, or agent of the State of Montana or DNRC. The Recipient, its employees, and contractors are not covered by the Workers' Compensation laws applicable to DNRC as an employer. The Recipient is responsible for providing employees Workers' Compensation Insurance and that its contractors are following the coverage provisions of the Workers' Compensation Act.

**SECTION 12. EQUAL EMPLOYMENT.** In accordance with §49-3-207, MCA, and Executive Order No. 04-2016, Recipient agrees that the hiring of persons to perform this Agreement will be made on the basis of merit and qualifications and there will be no discrimination based on race, color, sex, pregnancy, childbirth or medical

conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status by the persons performing this Agreement.

**SECTION 13. DEFENSE, INDEMNITY AND LIABILITY.** Recipient shall protect, defend, indemnify, and save harmless the State of Montana, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, from and against all claims, liabilities, demands, causes of action, judgments, penalties, fines, and losses, including all costs of defense and reasonable attorney fees, arising in favor of or asserted by Recipient's employees and agents, its subrecipients, its subrecipient's employees and agents, or third parties on account of property damage, personal injury, bodily injury, death, violation of or non-compliance with any laws, regulations, or rules, or financial or other loss of any kind that in any way, directly or indirectly, arise or allegedly arise out of, in connection with, or on account of this Agreement, any act or omission of Recipient, or any act or omission of Recipient's officers, agents, employees, or subrecipients. The Recipient obligations under this Section 13 survive termination or expiration of this Agreement.

**SECTION 14. COMPLIANCE WITH APPLICABLE LAWS.** All work must be in accordance with all federal, state, and local law, statutes, rules and ordinances.

**14.1** It shall be the Recipient's responsibility to obtain all permits, licenses, or authorizations required from government authorities prior to initiation of the project or required to be obtained by the time of completion of the project to be eligible for reimbursement funds under this Agreement. Permits or authorizations may include but are not limited to: Beneficial Water Use Permits (§ 85-2-302(1), MCA), Change in Appropriation Right Authorization (§ 85-2-402(1)(a), MCA) or other requirement under the Montana Water Use Act that may apply; Sage Grouse Habitat (Executive Order 21-2015), 310 permitting requirements, or other permits or authorizations that may be required by state, local, or federal agencies prior to beginning work on the project or prior to completion of the project.

**14.2** Procurement of labor, services, supplies, materials, and equipment shall be conducted according to applicable federal, state, and local statutes. The award of an agreement, or by Recipient entering into this Agreement, shall not be taken to imply that any required permits or authorizations issued by DNRC or other state, federal, or local agency will be approved. The DNRC may review any procurement solicitations that Recipient issues. The DNRC's review and comments will not constitute an approval of the solicitation. Regardless of the DNRC's review, the Recipient remains bound by all applicable laws, regulations, and Contract terms. If during its review the DNRC identifies any deficiencies, then the Department shall communicate those deficiencies to the Recipient within seven business days.

Recipient shall comply with applicable state prevailing wage laws (§§ 18-2-401 to -432, MCA).

**14.3** It shall be the Recipient's responsibility to comply with MEPA (Title 75, Chapter 1 MCA; 36-2-503 ARM); and provide all required information requested by the DNRC related to any required MEPA decision.

**SECTION 15. COPYRIGHT - GOVERNMENT RIGHT TO USE.** Any graphic, photographic, or other material developed under this Agreement may be copyrighted with the proviso that the State of Montana will have a royalty-free, nonexclusive, and irrevocable right to produce, publish or otherwise use, and authorize others to use the work for state government purposes.

**SECTION 16. ACKNOWLEDGEMENT OF SUPPORT.** The Recipient is responsible for assuring that an acknowledgment of DNRC support (1) is made in any publication of any material based on or developed under this project, in the following terms: "This project is based upon work supported by the Department of Natural Resources and Conservation under Agreement No. (RRG-24-1889)" and (2) is verbally acknowledged during all news media interviews or public presentations about the project.

**SECTION 17. FAILURE TO COMPLY, BREACH, DEFAULT, REMEDIES.**

**17.1** If the Recipient fails to comply with the terms and conditions of this Agreement or reasonable directives or orders from DNRC, DNRC may terminate this Agreement and refuse disbursement of any additional funds from this grant. Further, in the event of such termination, the Recipient shall immediately pay over to



the DNRC all unexpected funds together with all interest earned on the monies provided or herein remaining unexpended at such time. Such termination will become a consideration in any future application for funds from the DNRC Conservation and Resource Development Division.

**17.2** The occurrence of any of the following events is a Recipient breach under this Agreement:

- i. failure of the Recipient or its contractors, subcontractors, or subrecipient entities to follow an Agreement term or condition; or
- ii. the Recipient makes an intentionally untrue statement or materially misleading certification in this Agreement or the Application; or any Recipient breach/default specified in another section of this Agreement.

**17.3** Upon the occurrence of a breach, the DNRC shall issue a written notice of breach, identifying the nature of the breach, and providing 30 calendar days (or a lesser or additional time as may be agreed to by the parties) in which the Recipient shall have an opportunity to cure the breach. The parties will attempt in good faith to resolve all disputes, disagreements or claims relating to this Agreement.

However, if the DNRC determines that a public safety issue or an immediate public crisis exists, the DNRC will not be required to provide advance written notice or a cure period and may immediately terminate this Agreement in whole or in part if the DNRC, in its sole discretion reasonably exercised, determines that it is reasonably necessary to preserve public safety or prevent an immediate public crisis. Time allowed for cure does not diminish or eliminate Recipient's liability for damages.

**17.4** If Recipient fails to cure the breach within the period specified in the written notice, Subrecipient is in default of its obligations, and the DNRC may exercise any or all the following remedies:

- i. pursue any remedy provided by law or this Agreement, including requesting repayment of funds; and
- ii. terminate the Agreement or applicable portions that are the subject of the breach in the Agreement; and
- iii. suspend Recipient's performance; and
- iv. withhold applicable payment until the default is remedied.

**17.5** If termination occurs under this Section, any costs incurred will be the Recipient's responsibility.

**SECTION 18. ASSIGNMENT AND AMENDMENT.** This Agreement is not assignable. Amendment may be accomplished only by express written agreement of the parties. Amendments will be attached as an integral component of this Agreement.

**SECTION 19. MONTANA LAW AND VENUE.** Any action or judicial proceeding for enforcement of the terms of this Agreement shall be instituted only in the courts of Montana and shall be governed by the laws of Montana. Venue shall be in the First Judicial District, Lewis and Clark County, Montana. Each party will bear their own costs and attorney's fees.

**SECTION 20. WAIVER.** A waiver of any particular provision of this Agreement by the DNRC shall not be construed as a waiver of any other provision, nor shall any such waiver otherwise preclude the DNRC from insisting on strict compliance with this Agreement in other circumstances.

**SECTION 21. ENTIRE AGREEMENT.** These documents are the entire agreement of the parties. They supersede all prior agreements, representations, and understandings.

The Recipient, Gallatin Canyon County Water and Sewer District, hereby accepts this grant (RRG-24-1889) according to the above terms and conditions. I hereby certify that I represent a legal entity with authority to enter into this Agreement.

I further certify that the project or activity complies with all applicable state, local, and federal laws and regulations.

I further certify that I am authorized to enter into and sign a binding Agreement with the Department of Natural Resources and Conservation.

A facsimile, photocopy or electronic copy of the signature below shall have the same force and effect as an original signature and an electronic signature shall be regarded as an original signature.

**Recipient:**

By: \_\_\_\_\_  
Recipient Signature

Scott Altman, Board President  
\_\_\_\_\_  
Recipient Print Name and Title

For: Gallatin Canyon County Water and Sewer District  
\_\_\_\_\_  
Entity Name

\_\_\_\_\_  
Entity Tax ID #

\_\_\_\_\_  
Date

**Department of Natural Resources and Conservation:**

By: \_\_\_\_\_  
DNRC Signature

\_\_\_\_\_  
Print Name and Title

For: The Montana Department of Natural Resources and Conservation  
\_\_\_\_\_

\_\_\_\_\_  
Date

## **Attachment A - Scope of Work**

### **Gallatin Canyon County Water Sewer District Sewer System Development, Phase 1.2**

#### **Background:**

The Gallatin Canyon County Water and Sewer District (GCCWSD) was formed in December 2020, with the intention of pursuing a new solution to wastewater management in the Canyon Area along the Gallatin River and Highway 191 near Big Sky, MT.

When the project is complete, a central wastewater system will be conveyed to a new Canyon Area Lift Station being constructed by the Big Sky County Water and Sewer District (BSCWSD). The new lift station will pump wastewater to the existing Big Sky Water Resource Reclamation Facility (Big Sky WRRF). The Big Sky WRRF is undergoing an upgrade and expansion that will produce a high-quality effluent compliant with Class A-1 reuse effluent.

#### **Scope of Work:**

This project consists of design activities leading to the construction of a central wastewater system for GCCWSD. The overall goal of this effort is to protect ground and surface water in the Gallatin River aquifer by replacing old septic systems with centralized collection and treatment. DNRC grant funds will reimburse eligible expenses for Final Engineering Design.

Specific tasks include final design of:

- 5-miles of new gravity sewer collection mains;
- A Canyon Area Lift Station and Force Main to Big Sky Water Resource Recovery Facility (Membrane Bioreactor Treatment Plant); and
- Effluent disposal through reuse and aquifer recharge.

Facilities will be designed and constructed in accordance with sound engineering practices and will meet the requirements of Federal, State, and local agencies.

#### **Schedule:**

- Project planning and design phase expected to be completed May 2026.
- Project bidding phase expected to be completed August 2026. **(Not included in scope of this grant.)**
- Construction phase expected to be completed December 2026. **(Not included in scope of this grant.)**

### Attachment B – Budget

#### Gallatin Canyon County Water Sewer District Sewer System Development, Phase 1.2

Task	DNRC Funds	Match Funds	Total
<b>Administration</b>	\$0.00	\$250,000.00	\$250,000.00
<b>Professional/Technical</b>	\$0.00	\$400,000.00	\$400,000.00
<b>Construction</b>			
Preliminary Engineering	\$0.00	\$50,000.00	\$50,000.00
Final Engineering Design	125,000.00	\$2,515,000.00	\$2,640,000.00
Permitting	\$0.00	\$600,000.00	\$600,000.00
Treatment Capacity Purchase/Agreement	\$0.00	\$1,260,000.00	\$1,260,000.00
Contingency	\$0.00	\$300,000.00	\$300,000.00
<b>Total</b>	<b>\$125,000.00</b>	<b>\$5,375,000.00</b>	<b>\$5,500,000.00</b>

Summary of Match Funding	
Funding Source	Amount
State ARPA - Competitive Grant	\$2,000,000.00
Gallatin County Minimum Allocation Grant	\$542,480.00
Gallatin County Local Fiscal Recovery Funds	\$207,520.00
Local Contribution	\$2,625,000.00
<b>Total</b>	<b>\$5,375,000.00</b>

## **Attachment C Reporting and Reimbursement Requirements**

### **Progress Reports**

The Recipient will provide progress reports to DNRC during the term of this Agreement. Reports will provide status information for each project implementation task and identify the reporting period. Status information will include, at a minimum:

- Project activities during the reporting period;
- Costs incurred;
- Funds remaining;
- Anticipated activities during the next reporting period, and
- Expected changes in scope, schedule, or budget.

The Recipient shall report on total project costs including those funded by the Recipient and other matching funds. Significant problems encountered shall be noted and necessary scope and time-line modifications requested.

The Recipient must submit a project progress report with each reimbursement request at a minimum on a quarterly basis. DNRC will not honor claims for reimbursement if DNRC has not approved the progress report or if there is a delinquent report. Reimbursement requests must:

- Include a State of Montana vendor invoice signed by an authorized agent.
- Be billed by the tasks identified in the project scope of work and budget.
- Be supported by backup documentation of contractor invoices, receipts, cancelled checks, or other documentation of costs.

Recipient invoices need to relate clearly to the scope of work and budget in this Agreement.

Projects with multiple funding sources need to submit a uniform status of funds spreadsheet (provided by DNRC) or other means of tracking and documenting match and the project budget.

### **Final Report**

The Recipient must submit one hard copy and one electronic copy (pdf) of the final report that meets the requirements of this Attachment C to DNRC upon project completion. Final disbursement of funds is contingent upon DNRC receipt and approval of a final report that meets these requirements. Final reports must be submitted to DNRC within 90 days of the Agreement termination date.

Final reports must include a signed Certificate of Compliance (included in this attachment) to DNRC upon project completion.

Projects that included construction must also submit a signed Engineer's Statement of Completion. DNRC may also request as-built drawings for construction projects, IF APPLICABLE TO PROJECT.

The Recipient is not required to use the suggested format in this Attachment but must include the information listed below. At a minimum, the final report must describe the purpose and location of the project, project tasks, changes to the scope, schedule or budget, how the project met stated goals and objectives, how the project benefited and/or developed renewable resources, and the current project status. Final reports will be made available to the public on the DNRC website.



## **Final Report Requirements**

### **1. Title Page:**

- A. Recipient's name, address, and telephone numbers.
- B. DNRC Grant Agreement Number
- C. Name, address, and telephone of other contacts if primary contacts are not available.
- D. Funding: total project cost and amount of agreement
- E. State where copies of the report may be obtained (Recipient contact person name, address, phone number. An email address or website is acceptable).
- F. A list of supporting documents (for example, construction completion reports or other project deliverables, if applicable).

### **2. Introduction:** Describe the project history, location, and purpose. Provide a project location map.

### **3. Discussion and Results:**

- A. Describe how project goals and tasks identified in the Agreement were completed:
  - Describe the planning process (for example: discuss project design, independent review, coordination with agencies, permits required and other activities).
  - Describe how each task listed in the scope of work was accomplished. Provide details on each task (for example: if trees were planted as an erosion control measure, state how many, the tree species, the age or size of the trees, and location of the plantings).
  - List the goals and/or objectives of the project as stated in the scope of work and briefly describe how they were met by the activities described in the tasks above. Discuss any differences between project goals and objectives and actual project results.
  - Provide an explanation for tasks that were not completed or any out-of-scope work.
  - Include a project map, data, and/or photos that document the project.
- B. Summarize any problems encountered and solutions adopted. What would you do differently?

### **4. Resource and Public Benefits:**

Describe the project's overall benefits. What are the anticipated and realized benefits to resources and to the local and regional area of the completed project? Were these benefits realized? If not, explain why.

### **5. Grant Agreement Administration & Project Costs:**

- A. Work schedule: Compare the time allotted for project completion with actual schedule. Identify delays and discuss the reasons for delays.
- B. Budget: Include a table that summarizes how the monies were spent by budget category or task as described in Attachment B and funding source (i.e. DNRC, Sponsor, other State or federal agencies). Explain cost overruns or savings. Discuss unbudgeted expenses that arose over the course of the project.
- C. Match Funds: Identify all funds from other sources or in-kind services that were used to fund the project. If not all matching funds were spent provide a justification.

### **6. Project Completion and Certification**

- A. Recipient's Certificate of Compliance (must be signed for all projects).
- B. As Built Drawings, if requested by the DNRC (construction projects only).
- C. Engineer's Statement of Final Completion (if applicable).

### **7. Final Report submitted electronically (PDF)**

**FINAL REPORT**  
**CERTIFICATE OF COMPLIANCE**

Recipient: Gallatin Canyon County Water and Sewer District

Project Name: Gallatin Canyon County Water Sewer District Sewer System Development, Phase 1.2

Grant Number: RRG-24-1889

Grant Amount: **\$125,000.00**

I, the undersigned, being duly qualified, respectfully, of the Gallatin Canyon County Water and Sewer District, in \_\_\_\_\_ County, State of Montana, do hereby certify that the above-named project is in full compliance with all of the covenants and conditions set forth in the Agreement identified above between the Gallatin Canyon County Water and Sewer District and the State of Montana, Department of Natural Resources and Conservation. I understand that any money remaining after the final payment will be returned to the appropriate accounts at DNRC.

\_\_\_\_\_  
Authorized Recipient Signature

\_\_\_\_\_  
Date

This form is available on the DNRC website:  
<https://dnrc.mt.gov/docs/conservation/CARDD-Training/Final-Report-Certificates.pdf>.

## STATEMENT OF COMPLETION

Recipient: Gallatin Canyon County Water and Sewer District

Project Name: Gallatin Canyon County Water Sewer District Sewer System Development, Phase 1.2

Grant Number: RRG-24-1889

Grant Amount: **\$125,000.00**

I, \_\_\_\_\_, (Project Engineer) a Registered Professional Engineer in the State of Montana, license number \_\_\_\_\_, do hereby state that the above-named project was completed according to the approved plans and specifications. I further state that the record ("as-built") drawings for this project are a true and accurate representation of the completed construction.

\_\_\_\_\_  
Name

\_\_\_\_\_  
P.E. Number

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Firm

\_\_\_\_\_  
Address of Firm

\_\_\_\_\_  
City, State Zip of Firm

Please consult the DNRC Liaison to verify if this form is required for your project.

This form is available on the DNRC website:  
[https://dnrc.mt.gov/\\_docs/conservation/CARDD-Training/Final-Report-Certificates.pdf](https://dnrc.mt.gov/_docs/conservation/CARDD-Training/Final-Report-Certificates.pdf).



## Certificate Of Completion

Envelope Id: E6F19360-EC01-4F80-AA4D-15A050D1BE1F  
 Subject: Complete with Docusign: RRG-24-1889\_Gallatin Canyon Co WSD  
 Source Envelope:  
 Document Pages: 13  
 Certificate Pages: 5  
 AutoNav: Enabled  
 Envelopeld Stamping: Enabled  
 Time Zone: (UTC-07:00) Mountain Time (US & Canada)

Status: Sent

Envelope Originator:  
 CARDD DocuSign  
 1539 11th Avenue  
 Helena, MT 59601  
 DNRCCARDDDocuSign@mt.gov  
 IP Address: 161.7.26.67

## Record Tracking

Status: Original 5/14/2025 10:46:54 AM	Holder: CARDD DocuSign DNRCCARDDDocuSign@mt.gov	Location: DocuSign
Security Appliance Status: Connected	Pool: StateLocal	
Storage Appliance Status: Connected	Pool: Montana Dept of Natural Resources & Conservation	Location: Docusign

## Signer Events

Brian Bramlett  
 BBramblett@mt.gov  
 Security Level: Email, Account Authentication (None)

## Signature

*BB*  
 Signature Adoption: Pre-selected Style  
 Using IP Address: 161.7.26.88

## Timestamp

Sent: 5/14/2025 10:50:17 AM  
 Viewed: 5/19/2025 11:12:27 AM  
 Signed: 5/19/2025 11:12:47 AM

## Electronic Record and Signature Disclosure:

Accepted: 5/19/2025 11:12:27 AM  
 ID: c1a789ec-fab0-4ac5-af9f-4b936e6480c8

Scott Altman, Board President  
 Orock9530@me.com  
 President  
 Scott Altman  
 Security Level: Email, Account Authentication (None)

Sent: 5/19/2025 11:12:49 AM  
 Viewed: 5/21/2025 10:13:37 AM

## Electronic Record and Signature Disclosure:

Accepted: 6/22/2022 11:20:25 AM  
 ID: 084707bb-d638-4862-94c9-374cfec3f64f

Anna Miller  
 annam@mt.gov  
 Security Level: Email, Account Authentication (None)

## Electronic Record and Signature Disclosure:

Accepted: 5/20/2025 5:15:17 PM  
 ID: c310c87a-c494-4e4b-a959-21cf9e073040

## In Person Signer Events

## Signature

## Timestamp

## Editor Delivery Events

## Status

## Timestamp

## Agent Delivery Events

## Status

## Timestamp

## Intermediary Delivery Events

## Status

## Timestamp

## Certified Delivery Events

## Status

## Timestamp

Carbon Copy Events	Status	Timestamp
Abby Weimer abigail.weimer@mt.gov Security Level: Email, Account Authentication (None) <b>Electronic Record and Signature Disclosure:</b> Not Offered via DocuSign		
Melissa Downing Melissa.Downing@mt.gov Security Level: Email, Account Authentication (None) <b>Electronic Record and Signature Disclosure:</b> Not Offered via DocuSign		
DNR HQT FSO AP DNRHQTFSOAP@MT.GOV Security Level: Email, Account Authentication (None) <b>Electronic Record and Signature Disclosure:</b> Not Offered via DocuSign		
Scott Altman, Board President Orock9530@me.com Security Level: Email, Account Authentication (None) <b>Electronic Record and Signature Disclosure:</b> Accepted: 6/22/2022 11:20:25 AM ID: 084707bb-d638-4862-94c9-374cfec3f64f		
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	5/14/2025 10:50:17 AM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

## **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, Montana Dept of Natural Resources & Conservation (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

### **Getting paper copies**

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

### **Withdrawing your consent**

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

### **All notices and disclosures will be sent to you electronically**



Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

#### **How to contact Montana Dept of Natural Resources & Conservation:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: [kgermaine@mt.gov](mailto:kgermaine@mt.gov)

#### **To advise Montana Dept of Natural Resources & Conservation of your new email address**

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at [kgermaine@mt.gov](mailto:kgermaine@mt.gov) and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

#### **To request paper copies from Montana Dept of Natural Resources & Conservation**

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to [kgermaine@mt.gov](mailto:kgermaine@mt.gov) and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

#### **To withdraw your consent with Montana Dept of Natural Resources & Conservation**

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an email to [kgermaine@mt.gov](mailto:kgermaine@mt.gov) and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

### **Required hardware and software**

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

### **Acknowledging your access and consent to receive and sign documents electronically**

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify Montana Dept of Natural Resources & Conservation as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by Montana Dept of Natural Resources & Conservation during the course of your relationship with Montana Dept of Natural Resources & Conservation.

**MONTANA DEPARTMENT OF COMMERCE  
MONTANA COAL ENDOWMENT PROGRAM  
CONTRACT #MT-MCEP-CG-25-038**

This Contract is entered into by the Gallatin Canyon County Water & Sewer District, Montana (the Grantee) and the Montana Department of Commerce, Helena, Montana (the Department).

The Grantee and the Department hereby agree to the following terms:

**Section 1. PURPOSE**

The purpose of this Contract is to provide funding to the Grantee for infrastructure project activities approved by the Department under the Montana Coal Endowment Program ("MCEP" or "Program") as authorized by House Bill 11, passed by the 68th Montana Legislature and as signed into law by Governor Gianforte on May 18, 2023 (Chapter 595, Laws 2023). The Montana Coal Endowment Program was formerly known as the Treasure State Endowment Program. Any references to the Treasure State Endowment Program or "TSEP" now refer to the Montana Coal Endowment Program as authorized by the 67<sup>th</sup> Montana Legislature in Senate Bill 258 (Chapter 330, Laws 2021).

**Section 2. AUTHORITY**

This Contract is issued under authority of Title 90, Chapter 6, Part 7 of the Montana Code Annotated ("MCA"), Title 8, Chapter 94, Subchapter 38 of the Administrative Rules of Montana ("ARM"), and Chapter 595, Laws 2023.

**Section 3. APPLICATION INCORPORATED BY REFERENCE**

The Grantee's application for Program assistance, including any written modifications or reports resulting from the review of the application by the Department (collectively "Project"), are incorporated into this Contract by this reference and the representations made therein are binding upon the Grantee. If a conflict exists between the terms and conditions of this Contract and those of the application, the Contract terms and conditions govern.

**Section 4. BUDGET**

The total amount to be awarded to the Grantee under this Contract will not exceed \$750,000. The Department will not disburse funds to the Grantee for Project activities until the Grantee has met all PROJECT START-UP REQUIREMENTS set forth in Section 6 and agreed to all Program terms and conditions.

## **Section 5. EFFECTIVE DATE AND TIME OF PERFORMANCE**

- (a) This Contract shall take effect upon execution by the parties and will terminate September 30, 2026.
- (b) The Grantee agrees that if it does not meet all PROJECT START-UP REQUIREMENTS set forth in Section 6 by September 30, 2026, any obligation to the Grantee under this Contract will cease.
- (c) As further set forth in Section 10 TERMINATION OF CONTRACT, if the Grantee fails to or is unable to comply with any of the terms and conditions of this Contract, any costs incurred will be the Grantee's sole responsibility.
- (d) The Grantee understands and acknowledges that the Department will report to the Legislature and Legislative interim committees on the status of projects in accordance with Section 90-6-710, MCA.

## **Section 6. PROJECT START-UP REQUIREMENTS**

The Department will not reimburse the Grantee for any activities provided for by this Contract until:

- (a) The Grantee submits to the Department evidence of the firm commitment of the other funds required for the completion of the Project within the preliminary Project budget set forth in Exhibit A.
- (b) The Grantee submits to the Department and the Department approves an acceptable Project Management Plan.
- (c) The Grantee submits to the Department and the Department approves an acceptable Implementation Schedule.
- (d) The Department confirms that the Grantee:
  - (i) has established a financial accounting system that conforms to generally accepted accounting principles (GAAP), and
  - (ii) is in compliance with the auditing and reporting requirements provided for in Section 2-7-503, MCA.
- (e) The Grantee complies with any conditions described in the Grantee's application for Program assistance and any written conditions that were imposed on the application by the Department during the application ranking process.



## **Section 7. LIAISONS**

The liaisons for this Contract are:

### **For the Department:**

Lindsey Siebrasse (or successor)  
Infrastructure Coordinator, MDOC  
301 S. Park Ave.  
P.O. Box 200523  
Helena, MT 59620-0523  
406-841-2708  
Lindsey.Siebrasse@mt.gov

### **For the Grantee:**

Cindy Kuns (or successor)  
WGM Group  
1111 East Broadway  
Missoula MT, 59802  
406-728-4611  
[CKuns@wgmgroup.com](mailto:CKuns@wgmgroup.com)

## **Section 8. ASSIGNMENT, TRANSFER AND SUBCONTRACTING**

- (a) The Grantee may subcontract any portion of this Contract in order to meet all PROJECT START-UP REQUIREMENTS set forth in Section 6 by September 30, 2026. The Grantee shall not otherwise assign or transfer any portion of this Contract without the express written consent of the Department.
- (b) Grantee is responsible to the Department for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by Contractor. No contractual relationships exist between any contractor, subcontractor, or subrecipient and the State of Montana or the Department under this Contract.
- (c) The Grantee must immediately notify the Department of any litigation concerning any assignment, transfer, or subcontract of this Contract or any portion thereof.

## **Section 9. CONTRACT AMENDMENT**

This Contract may not be amended without a written agreement signed by all parties to the Contract.

\\  
\\

## **Section 10. TERMINATION OF CONTRACT**

This Contract may be terminated in whole or in part as follows:

- (a) Termination by Law. Pursuant to the terms of Chapter 595, Laws 2023, if Grantee does not meet all PROJECT START-UP REQUIREMENTS set forth in Section 6 by September 30, 2026, this Contract is terminated and any obligation to the Grantee under this Contract will cease.
- (b) Termination by Grantee. Grantee, at its sole discretion, may terminate this Contract at any time for any reason.
- (b) Termination Due to Loss or Reduction of Funding. The Department, at its sole discretion, may terminate or reduce the scope of this Contract if any funding sources are eliminated or reduced for any reason. The Department will notify the Grantee of the effective date of the termination or modification of this Contract and, if a reduction in funding is required, will provide the Grantee with a modified Project budget.
- (c) Effect of Termination. In the event of termination of this Contract, any Project costs incurred will be the responsibility of the Grantee.

## **Section 11. NOTICE**

All notices required under the provisions of the Contract must be in writing and delivered to the parties' liaisons identified herein either by first class mail or personal service.

## **Section 12. NO ARBITRATION**

Unless otherwise agreed to in writing or provided for by law, arbitration is not available to the parties as a method of resolving disputes that would arise under the Contract.

### **Section 13. JURISDICTION AND VENUE**

This Contract is governed by the laws of Montana. The parties agree that any litigation concerning this Contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees.

IN WITNESS OF THE TERMS SET OUT ABOVE, the parties hereto have caused this Contract to be executed.

#### **Gallatin Canyon County Water & Sewer District**

---

Scott Altman, Board President

Date

#### **ATTEST:**

---

Jessica Martin-Trulen, Board Secretary

#### **APPROVED AS TO FORM:**

---

Tara DePuy, Attorney

#### **MONTANA DEPARTMENT OF COMMERCE:**

---

Mandy Rambo, Deputy Director

Date

## Exhibit A Budget

<b>ADMINISTRATION</b>	MCEP	RRGL	Local Contribution (BRSAD)	SRF	ARPA - Gallatin County LFR	TOTAL
Personnel Cost						\$0
Office Cost						\$0
Grant & Loan Admin. Services				\$50,000		\$50,000
Legal Costs				\$50,000		\$50,000
Audit Fees						\$0
Travel & Training						\$0
Interim Interest						\$0
Bond Counsel and Related Costs				\$50,000		\$50,000
Loan Reserves				\$300,000		\$300,000
Loan Fees				\$100,000		\$100,000
<b>TOTAL ADMINISTRATION</b>	\$0	\$0	\$0	\$550,000	\$0	\$550,000
<b>CONSTRUCTION RELATED ACTIVITIES</b>						
Land Acquisition						\$0
Preliminary Engineering Design						\$0
Final Engineering Design						\$0
Construction Inspection Eng.						\$0
Construction	\$750,000	\$125,000	\$9,750,000	\$4,875,000	\$250,000	\$15,750,000
Contingency				\$3,000,000		\$3,000,000
Treatment Capacity Purchase/Agreement				\$3,200,000		\$3,200,000
						\$0
<b>TOTAL ACTIVITY</b>	\$750,000	\$125,000	\$9,750,000	\$11,075,000	\$250,000	\$21,950,000
<b>TOTAL PROJECT BUDGET</b>	<b>\$750,000</b>	<b>\$125,000</b>	<b>\$9,750,000</b>	<b>\$11,625,000</b>	<b>\$250,000</b>	<b>\$22,500,000</b>



Contract Information Sheet

Division staff are required to complete the items in blue print.		Last Revised September 2024	
Contract Number:	MT-MCEP-CG-25-038	Original Contract Amount:	750,000.00
Contractor's Name:	Gallatin Canyon County Water & Sewer	Amount of Prior Amendments:	NA
Contractor Liaison:	Cindy Kuns	Current Amendment Amount:	NA
Contractor's Liaison Email:	ckuns@wgmggroup.com	Total Contract Value:	750,000.00
Approved to Form Name:	Tara DePuy	Funding Source:	State
Approved to Form Email:	attorney@riverworks.net	Program Number/Division:	60 - Community MT
Contractor (signee) Name:	Scott Altman	Org Number:	608025
Contractor's Email:	orock9530@me.com	Vendor Number:	1490578
Contractor's Address:	PO Box 161030	Project Name (optional):	MCEP-CG-25-038
Contractor's Address 2:	Big Sky, MT 59716	Start Date:	Upon Execution
Attest Name:	Jessica Martin-Trulen	End Date:	9/30/2026
Attest Email:	jttrulen@knaubandcompany.cpa	Absolute End Date:	NA
Delegation:	Commerce		
Procurement Method:	Exempt*		
Contract Type:	Grant		
Contract Usage:	Fixed		
Purpose of this contract/amendment:	Delegation Agreement Section 4.5.o* Program Grants. Conditional Contract. Wastewater system Improvements that includes: construct a centralized sewer collection system for the existing Gallatin Canyon Sewer District and possibly the Ramshorn Subdivision, convey the wastewater to the Big Sky County Water and Sewer District for treatment, and return the wastewater to the existing drain fields for disposal.		
Scope & duties of this contract:	Construct a centralized sewer collection system for the existing Gallatin Canyon Sewer District and possibly the Ramshorn Subdivision, convey the wastewater to the Big Sky County Water and Sewer District for treatment, and return the wastewater to the existing drain fields for disposal.		

Liaison:	Lindsey Siebrasse	Program Manager:	Banseth@mt.gov
Liaison Email:	Lindsey.Siebrasse@mt.gov	Bureau Chief:	
Liaison Phone:	406-841-2708	Additional Email:	

Signatures:	Signed by:	Copies To:	
Division Administrator	Galen Steffens 5/13/2025	Liaison	<input checked="" type="checkbox"/>
Fiscal Review	Judy Clay 5/14/2025	Director (> \$200K)	<input type="checkbox"/>
Legal Counsel	April Armstrong 5/14/2025	Deputy Director (<\$25K)	<input type="checkbox"/>
Deputy Director	Mandy Rambo 5/14/2025	Perceptive	<input checked="" type="checkbox"/>
OBPP	Amy Sassano 5/14/2025		
Information Technology			
SITSD			

## Certificate Of Completion

Envelope Id: 42065271-3DB8-4A6E-B7C8-4559148A9754  
 Subject: Montana Department of Commerce Contract #MT-MCEP-CG-25-038 for Signature  
 Source Envelope:  
 Document Pages: 7  
 Certificate Pages: 6  
 AutoNav: Enabled  
 Envelopeld Stamping: Enabled  
 Time Zone: (UTC-07:00) Mountain Time (US & Canada)

Status: Sent

Envelope Originator:  
 Contracts Admin  
 PO Box 200501  
 301 S. Park Ave  
 Helena, MT 596200501  
 doccontracts@mt.gov  
 IP Address: 161.7.26.239

## Record Tracking

Status: Original  
 5/12/2025 10:57:03 AM


Holder: Contracts Admin  
 doccontracts@mt.gov

Location: DocuSign

## Signer Events

Galen Steffens  
 galen.steffens@mt.gov  
 Division Administrator  
 Security Level: Email, Account Authentication  
 (None)

## Signature

Signed by:  
  
 6BD699DDCF9F443...  
 Signature Adoption: Pre-selected Style  
 Using IP Address: 161.7.26.227

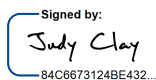
## Timestamp

Sent: 5/12/2025 11:01:26 AM  
 Viewed: 5/13/2025 3:38:52 PM  
 Signed: 5/13/2025 3:39:06 PM

## Electronic Record and Signature Disclosure:

Accepted: 5/13/2025 3:38:52 PM  
 ID: 4c418f2b-4f69-47a3-8c38-96af95d71722

Judy Clay  
 judy.clay@mt.gov  
 Security Level: Email, Account Authentication  
 (None)


Signed by:  
  
 84C6673124BE432...  
 Signature Adoption: Pre-selected Style  
 Using IP Address: 161.7.26.244

Sent: 5/13/2025 3:39:08 PM  
 Viewed: 5/14/2025 8:26:58 AM  
 Signed: 5/14/2025 8:29:07 AM

## Electronic Record and Signature Disclosure:

Not Offered via Docusign

April Armstrong  
 april.armstrong@mt.gov  
 Security Level: Email, Account Authentication  
 (None)

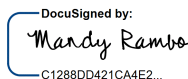
Signed by:  
  
 95F37DBFAE2B4A4...  
 Signature Adoption: Pre-selected Style  
 Using IP Address: 161.7.26.216

Sent: 5/14/2025 8:29:09 AM  
 Viewed: 5/14/2025 10:28:51 AM  
 Signed: 5/14/2025 10:29:09 AM

## Electronic Record and Signature Disclosure:

Accepted: 5/14/2025 10:28:51 AM  
 ID: ff2040cf-6612-4dd1-b5ce-a805cbd12f45

Mandy Rambo  
 Mandy.rambo@mt.gov  
 Deputy Director  
 Security Level: Email, Account Authentication  
 (None)

DocuSigned by:  
  
 C1288DD421CA4E2...  
 Signature Adoption: Pre-selected Style  
 Using IP Address: 161.7.26.96

Sent: 5/14/2025 10:29:10 AM  
 Viewed: 5/14/2025 10:30:53 AM  
 Signed: 5/14/2025 10:31:03 AM

## Electronic Record and Signature Disclosure:

Not Offered via Docusign

Signer Events	Signature	Timestamp
Amy Sassano asassano@mt.gov Deputy Budget Director Security Level: Email, Account Authentication (None)	<div>Signed by:  69EF9753C19A4B3...</div> <div>Signature Adoption: Pre-selected Style Using IP Address: 161.7.26.132</div>	Sent: 5/14/2025 10:31:05 AM Viewed: 5/14/2025 1:14:43 PM Signed: 5/14/2025 1:15:30 PM

**Electronic Record and Signature Disclosure:**  
Accepted: 5/14/2025 1:14:43 PM  
ID: 2c775875-9899-46b1-9308-479611995f3a

Tara DePuy attorney@riverworks.net Security Level: Email, Account Authentication (None)	Sent: 5/14/2025 1:15:33 PM Viewed: 5/14/2025 1:23:27 PM
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**Electronic Record and Signature Disclosure:**  
Accepted: 5/14/2025 1:23:27 PM  
ID: 070792c1-0d1f-4dcb-8429-713f5473de0c

Scott Altman  
orock9530@me.com  
Security Level: Email, Account Authentication (None)

**Electronic Record and Signature Disclosure:**  
Not Offered via Docusign

Jessica Martin-Trulen  
jtrulen@knaubandcompany.cpa  
Security Level: Email, Account Authentication (None)

**Electronic Record and Signature Disclosure:**  
Not Offered via Docusign

Mandy Rambo  
Mandy.rambo@mt.gov  
Security Level: Email, Account Authentication (None)

**Electronic Record and Signature Disclosure:**  
Not Offered via Docusign

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp

Becky Anseth banseth@mt.gov Security Level: Email, Account Authentication (None)	<div>COPIED</div>	Sent: 5/12/2025 11:01:26 AM
<b>Electronic Record and Signature Disclosure:</b> Accepted: 3/26/2025 9:33:27 AM ID: bf17a658-c8b4-412b-a2b1-86e031c979d4		

Carbon Copy Events	Status	Timestamp
Lindsey Siebrasse Lindsey.siebrasse@mt.gov Security Level: Email, Account Authentication (None) <b>Electronic Record and Signature Disclosure:</b> Accepted: 5/6/2025 9:14:45 AM ID: d3a65b41-7cb5-4570-84a8-0eb7d632c623	<b>COPIED</b>	Sent: 5/12/2025 11:01:26 AM

Cindy Kuns  
ckuns@wgmgroup.com  
Security Level: Email, Account Authentication (None)  
**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	5/12/2025 11:01:26 AM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		



## **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, MT Dept of Commerce (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign, Inc. (DocuSign) electronic signing system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

### **Getting paper copies**

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after signing session and, if you elect to create a DocuSign signer account, you may access them for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

### **Withdrawing your consent**

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of a DocuSign envelope instead of signing it. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

### **All notices and disclosures will be sent to you electronically**

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures

electronically from us.

**How to contact MT Dept of Commerce:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: [doccontracts@mt.gov](mailto:doccontracts@mt.gov)

**To advise MT Dept of Commerce of your new e-mail address**

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at [doccontracts@mt.gov](mailto:doccontracts@mt.gov) and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc. to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in the DocuSign system.

**To request paper copies from MT Dept of Commerce**

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to [doccontracts@mt.gov](mailto:doccontracts@mt.gov) and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

**To withdraw your consent with MT Dept of Commerce**

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to [doccontracts@mt.gov](mailto:doccontracts@mt.gov) and in the body of such request you must state your e-mail, full name, US Postal Address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

**Required hardware and software**

Operating Systems:	Windows® 2000, Windows® XP, Windows Vista®; Mac OS® X
Browsers:	Final release versions of Internet Explorer® 6.0 or above (Windows only); Mozilla Firefox 2.0 or above (Windows and Mac); Safari™ 3.0 or above (Mac only)
PDF Reader:	Acrobat® or similar software may be required to view and print PDF files
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	Allow per session cookies

\*\* These minimum requirements are subject to change. If these requirements change, you will be asked to re-accept the disclosure. Pre-release (e.g. beta) versions of operating systems and browsers are not supported.

**Acknowledging your access and consent to receive materials electronically**

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify MT Dept of Commerce as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by MT Dept of Commerce during the course of my relationship with you.

## CONTRACT AND INVOICE SUMMARY

Work Order and/or Vendor	Description	Budget	5/21/25 Invoice Packet	Previous Fiscal Year Billing	FY25 Billing (to date)	Total	Budget Remaining	Notes
<b>CANYON DISTRICT ADMINISTRATION</b>								
200323.6 (WO#6A)	FY25 Grant Administration	\$40,000.00	\$2,938.90	\$0.00	\$27,093.60	\$30,032.50	\$9,967.50	
200323.7 (WO#7A)	FY25 District Admin & Outreach	\$70,000.00	\$8,847.30	\$0.00	\$83,373.25	\$92,220.55	-\$22,220.55	
Knaub & Company	Accounting	\$5,000.00	\$126.23	\$0.00	\$2,526.48	\$2,652.71	\$2,347.29	
Tara DePuy	Legal Counsel	\$20,000.00	\$850.00	\$0.00	\$6,500.00	\$7,350.00	\$12,650.00	
Dorsey & Whitney	Bond Counsel	\$20,000.00	\$495.00	\$0.00	\$15,194.00	\$15,689.00	\$4,311.00	
Holmes & Turner	Audit	\$15,000.00	\$0.00	\$0.00	\$6,250.00	\$6,250.00	\$8,750.00	
AE2S Nexus	Financial Planning & Support	\$30,000.00	\$3,893.62	\$0.00	\$0.00	\$3,893.62	\$26,106.38	
Miscellaneous	Dues, Insurance, Etc.	\$10,000.00	\$2,055.00	\$0.00	\$11,004.00	\$13,059.00	-\$3,059.00	
Contingency		\$20,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,000.00	
	<b>Subtotal</b>	<b>\$230,000.00</b>	<b>\$19,206.05</b>	<b>\$0.00</b>	<b>\$151,941.33</b>	<b>\$171,147.38</b>	<b>\$58,852.62</b>	
<b>CANYON SEWER ENGINEERING</b>								
220724.2 (WO#2)	30% Sewer Engineering	\$357,880.00	\$0.00	\$333,039.95	\$50,725.70	\$383,765.65	-\$25,885.65	Closed
220724.4 (WO#4)	BSRAD Feasibility (remaining items)	\$149,000.00	\$0.00	\$134,966.21	\$49,808.09	\$184,774.30	-\$35,774.30	Closed
220724.5 (WO#5)	Discharge Permitting (first half 2024)	\$288,000.00	\$0.00	\$93,153.77	\$203,647.04	\$296,800.81	-\$8,800.81	Closed
220724.6 (WO#6)	Sewer Funding Package	\$60,000.00	\$0.00	\$0.00	\$59,768.38	\$59,768.38	\$231.62	Closed
220724.7 (WO#7)	60% Engineering	\$403,000.00	\$34,532.65	\$0.00	\$235,375.65	\$269,908.30	\$133,091.70	
220724.8 (WO#8)	Contractor Procurement (CM/GC)	\$70,000.00	\$2,498.10	\$0.00	\$20,772.60	\$23,270.70	\$46,729.30	
220724.9 (WO#9)	TEDD/TIF Funding	\$55,000.00	\$4,174.40	\$0.00	\$31,739.00	\$35,913.40	\$19,086.60	
220724.1 (WO#10)	Discharge/Disposal	\$170,000.00	\$4,906.10	\$0.00	\$22,498.20	\$27,404.30	\$142,595.70	
	<b>Subtotal</b>	<b>\$1,552,880.00</b>	<b>\$46,111.25</b>	<b>\$561,159.93</b>	<b>\$674,334.66</b>	<b>\$1,281,605.84</b>	<b>\$271,274.16</b>	
<b>BSCWSD - HIGHWAY 64 INFRASTRUCTURE ENGINEERING</b>								
AE2S	30% Engineering	\$425,600.00	\$0.00	\$389,078.25	\$36,521.75	\$425,600.00	\$0.00	Closed
AE2S	60% Engineering	\$604,440.00	\$76,479.80	\$0.00	\$228,886.17	\$305,365.97	\$299,074.03	
	<b>Subtotal</b>	<b>\$1,030,040.00</b>	<b>\$76,479.80</b>	<b>\$389,078.25</b>	<b>\$265,407.92</b>	<b>\$730,965.97</b>	<b>\$299,074.03</b>	
<b>CANYON WATER SYSTEM PER</b>								
220806.1	Canyon Water System PER	\$80,000.00	\$7,342.65	\$54,820.33	\$6,612.75	\$68,775.73	\$11,224.27	
	<b>Subtotal</b>	<b>\$80,000.00</b>	<b>\$7,342.65</b>	<b>\$54,820.33</b>	<b>\$6,612.75</b>	<b>\$68,775.73</b>	<b>\$11,224.27</b>	
	<b>Total</b>	<b>\$2,892,920.00</b>	<b>\$149,139.75</b>	<b>\$1,005,058.51</b>	<b>\$1,098,296.66</b>	<b>\$2,252,494.92</b>	<b>\$640,425.08</b>	



GRANT TRACKING DASHBOARD - FY25

Current Invoice  
Total: \$ 149,139.75

Date Revised: 5/14/2025

ARPA - PHASE 1.1			BSRAD - PHASE 1.1		CASH ON HAND
State ARPA <u>Costs between 3/3/21 &amp; 12/31/25</u> Agmt ends 12/31/25	County ARPA <u>Costs between 3/3/21 &amp; 12/31/25</u> (costs paid before 9/30/26 when agmt ends)		FY25 Budget (7/1/24-6/30/25)	Interlocal	
1:1 match required = County MAG + Local	Match met by State ARPA	No match required			
Competitive	Min Allocation	SLFRF			
\$ 645,658.17	\$ -	\$ 16,177.23	\$ 42,192.86	\$ 12,000,000.00	
					\$ 39,028.77

Invoice Date	Vendor	Invoice Number	Amount	Project #	General Invoice Description	Notes	Draw Request Date and/or No.	\$2M	\$542,480	\$207,520	\$200,000	\$12M	
4/30/2025	Knaub & Co	043025-26	\$ 126.23	NA	accounting						\$ 126.23		
5/1/2025	Chamber of Commerce	5/1/2025	\$ 2,055.00	NA	dues						\$ 2,055.00		
5/9/2025	WGM	75248	\$ 7,342.65	220806.1	water PER						\$ 7,342.65		
5/9/2025	WGM	75244	\$ 2,938.90	200323.6	grant admin						\$ 2,938.90		
5/1/2025	Tara DePuy	5/1/2025	\$ 850.00	NA	legal	Project = \$300		\$ 300.00			\$ 550.00		
5/9/2025	WGM	75245	\$ 8,847.30	200323.7	district admin	Project = \$5,091.20		\$ 5,091.20			\$ 3,756.10		
4/22/2025	AE2S	102320	\$ 3,893.62	NA	financial support			\$ 3,893.62					
5/12/2025	Dorsey & Whitney	4075851	\$ 495.00	NA	legal	100% project		\$ 495.00					
4/22/2025	AE2S	102292	\$ 76,479.80	NA	design					\$ 76,479.80			
5/9/2025	WGM	75247	\$ 34,532.65	220724.7	design					\$ 34,532.65			
5/9/2025	WGM	75252	\$ 2,498.10	220724.8	CM/GC					\$ 2,498.10			
5/9/2025	WGM	75246	\$ 4,174.40	220724.9	TEDD/TIF					\$ 4,174.40			
5/9/2025	WGM	75251	\$ 4,906.10	220724.10	disposal					\$ 4,906.10			
3/15/2025	Intact Insurance	MMI-36480-24	\$ 9,744.00	NA	insurance		BSRAD				\$ 9,744.00		
3/5/2025	LGS	101613	\$ 800.00	NA	financial filing		BSRAD				\$ 800.00		
3/6/2025	LGS	5235	\$ 110.00	NA	audit fees		BSRAD				\$ 110.00		
3/31/2025	Knaub & Co	033125-25	\$ 258.72	NA	accounting		BSRAD				\$ 258.72		
4/8/2025	WGM	74957	\$ 2,002.70	220806.1	Water PER	Non-project	BSRAD				\$ 2,002.70		
4/1/2025	Tara DePuy	4/1/2025	\$ 500.00	NA	legal	Project = \$300.00	BSRAD				\$ 500.00		
4/8/2025	WGM	74928	\$ 2,690.90	200323.6	grant admin		BSRAD				\$ 2,690.90		
4/8/2025	WGM	74929	\$ 6,000.10	200323.7	district admin	Project = \$2,229.60	BSRAD				\$ 6,000.10		
4/10/2025	Dorsey& Whitney	4067647	\$ 544.50	NA	bond counsel		State #14	\$ 544.50					
4/8/2025	WGM	74932	\$ 7,592.50	220724.9	TEDD/TIF		State #14	\$ 7,592.50					
4/8/2025	WGM	74955	\$ 41,617.78	220724.7	60% design		MAG #8		\$ 41,617.78				
4/8/2025	WGM	74962	\$ 415.20	220724.8	CM/GC		MAG #8		\$ 415.20				
4/8/2025	WGM	74963	\$ 22,498.20	220724.10	disposal		MAG #8		\$ 22,498.20				
3/25/2025	AE2S	101740	\$ 85,635.80	P13218-2020-001	design		MAG #8		\$ 85,635.80				
2/25/2025	AE2S	101144	\$ 62,973.53	P13218-2020-001	design		LFR #1			\$ 62,973.53			
1/21/2025	AE2S	100406	\$ 28,091.21	P13218-2020-001	design		MAG #8/LFR#1		\$ 22,313.02	\$ 5,778.19			
2/11/2025	Dorsey & Whitney	4050702	\$ 1,425.50	NA	legal		State #13	\$ 1,425.50					
3/6/2025	WGM	74653	\$ 45,675.78	220724.7	design		State #13	\$ 45,675.78					
3/5/2025	WGM	74648	\$ 8,672.80	220724.9	TEDD/TIF		State #13	\$ 8,672.80					
3/5/2025	WGM	74649	\$ 3,692.50	220724.8	CM/GC		State #13	\$ 3,692.50					
6/14/2024	Dorsey & Whitney	3983536	\$ (2,856.00)	NA	legal	credit for double pay	State #13	\$ (2,856.00)					
6/30/2024	Dorsey & Whitney	3989782	\$ (5,815.50)	NA	legal	credit for double pay	State #13	\$ (5,815.50)					
3/5/2025	WGM	74651	\$ 6,935.00	200323.7	district admin	Project = \$851.20	State #13/BSRAD	\$ 851.20			\$ 6,083.80		
3/5/2025	WGM	74645	\$ 1,528.40	200323.6	grant admin		BSRAD				\$ 1,528.40		
3/5/2025	WGM	74650	\$ 16,529.30	220724.5	disposal		BSRAD				\$ 16,529.30		
3/3/2025	Tara DePuy	3/3/2025	\$ 1,950.00	NA	legal	Project = \$450.00	BSRAD				\$ 1,950.00		
2/28/2025	Knaub & Co	22825-29	\$ 209.44	NA	accounting		BSRAD				\$ 209.44		
1/31/2025	Knaub & Co	13125-61	\$ 358.16	NA	accounting		BSRAD				\$ 358.16		
2/3/2025	Tara DePuy	2/3/2025	\$ 600.00	NA	legal	Project = \$250.00	BSRAD				\$ 600.00		
2/5/2025	WGM	74425	\$ 5,431.10	200323.6	grant admin		BSRAD				\$ 5,431.10		

GRANT TRACKING DASHBOARD - FY25

Current Invoice  
Total: \$ 149,139.75

Date Revised: 5/14/2025

ARPA - PHASE 1.1			BSRAD - PHASE 1.1		CASH ON HAND
State ARPA <u>Costs between 3/3/21 &amp; 12/31/25</u> Agmt ends 12/31/25	County ARPA <u>Costs between 3/3/21 &amp; 12/31/25</u> (costs paid before 9/30/26 when agmt ends)		FY25 Budget (7/1/24-6/30/25)	Interlocal	
1:1 match required = County MAG + Local	Match met by State ARPA	No match required			
Competitive	Min Allocation	SLFRF			
\$ 645,658.17	\$ -	\$ 16,177.23	\$ 42,192.86	\$ 12,000,000.00	
					\$ 39,028.77

Invoice Date	Vendor	Invoice Number	Amount	Project #	General Invoice Description	Notes	Draw Request Date and/or No.	\$2M	\$542,480	\$207,520	\$200,000	\$12M	
2/5/2025	WGM	74431	\$ 11,542.60	200323.7	district admin	Project = \$6,373.40	State #13/BSRAD	\$ 6,373.40			\$ 5,169.20		
2/5/2025	WGM	74426	\$ 4,032.00	220724.9	WO#9		State #13	\$ 4,032.00					
2/5/2025	WGM	74428	\$ 49,129.58	220724.5	WO#5		State #13	\$ 49,129.58					
2/5/2025	WGM	74427	\$ 48,802.24	220724.7	WO#7		State #13	\$ 48,802.24					
2/5/2025	WGM	74416	\$ 16,664.90	220724.8	WO#8		State #13	\$ 16,664.90					
1/8/2025	WGM	74219	\$ 37,865.85	220724.7	WO#7		State #12	\$ 37,865.85					
1/8/2025	WGM	74222	\$ 11,441.70	220724.9	WO#9		State #12	\$ 11,441.70					
12/17/2024	AE2S	99861	\$ 18,717.64	P13218-2020-001	sewer design		State #12	\$ 18,717.64					
1/8/2025	WGM	74214	\$ 17,396.60	220724.5	WO#5		State #12/BSRAD	\$ 5,940.47			\$ 11,456.13		
1/8/2025	WGM	74221	\$ 5,409.40	200323.7	district admin	Project = \$477.10	State #12/BSRAD	\$ 477.10			\$ 4,932.30		
1/8/2025	WGM	74220	\$ 4,469.80	200323.6	grant admin		BSRAD				\$ 4,469.80		
12/11/2024	WGM	74067	\$ 802.60	200323.6	grant admin		BSRAD				\$ 802.60		
1/2/2025	Tara DePuy	1/2/2025	\$ 400.00	NA	legal		BSRAD				\$ 400.00		
12/31/2024	Knaub & Co	123124-39	\$ 332.64	NA	accounting		BSRAD				\$ 332.64		
12/2/2024	Knaub & Co	120224-35	\$ 221.76	NA	accounting		BSRAD				\$ 221.76		
12/1/2024	Tara Depuy	12/1/2024	\$ 1,100.00	NA	legal	Project = \$850.00	State #11/BSRAD	\$ 850.00			\$ 250.00		
12/11/2024	WGM	74068	\$ 10,044.65	200323.7	district admin	Project = \$1,859.25	State #11/BSRAD	\$ 1,859.25			\$ 8,185.40		
12/10/2024	WGM	74050	\$ 38,255.40	220724.7	WO#7		State #11	\$ 38,255.40					
11/19/2024	AE2S/BSCWSD	99153	\$ 33,536.00	P13218-2020-001	design		State #11	\$ 33,536.00					
12/10/2024	WGM	74051	\$ 10,789.00	220724.5	WO#5		State #11	\$ 10,789.00					
12/11/2024	Dorsey & Whitney	4034986	\$ 643.50	NA	legal	all project	State #11	\$ 643.50					
11/8/2024	Holmes & Turner	66201	\$ 6,250.00	audit	audit		State #11/County MAG #7	\$ 1,250.00	\$ 5,000.00				
11/1/2024	Knaub & Co	110124-35	\$ 344.96	NA	accounting		BSRAD				\$ 344.96		
11/1/2024	Tara Depuy	11/1/2024	\$ 650.00	NA	legal	Project = \$350.00	State #10/BSRAD	\$ 350.00			\$ 300.00		
11/6/2024	WGM	73703	\$ 3,435.30	200323.6	grant admin		State #10	\$ 3,435.30					
11/6/2024	WGM	73704	\$ 12,167.80	200323.7	district admin	Project - \$4,622.80	State #10/BSRAD	\$ 4,622.80			\$ 7,545.00		
11/6/2024	WGM	73678	\$ 28,080.62	220724.5	WO#5		State #10	\$ 28,080.62					
11/6/2024	WGM	73680	\$ 23,158.60	200724.7	WO#7		State #10	\$ 23,158.60					
11/12/2024	Dorsey & Whitney	4025046	\$ 594.00	NA	legal	all project	State #10	\$ 594.00					
10/8/2024	WGM	73404	\$ 3,360.90	200323.6	grant admin		BSRAD #15				\$ 3,360.90		
10/1/2024	Knaub & Co	100124-27	\$ 110.88	NA	accounting		BSRAD #15				\$ 110.88		
10/1/2024	Tara Depuy	10/1/2024	\$ 600.00	NA	legal svcs	Project = \$300	BSRAD #15				\$ 600.00		
10/8/2024	WGM	73405	\$ 13,309.30	200323.7	District admin		State #9/BSRAD #15	\$ 2,309.40			\$ 10,999.90		
10/8/2024	WGM	12/22/2100	\$ 33,407.80	220724.5	WO#5		State #9	\$ 33,407.80					
10/2/2024	WGM	73377	\$ 3,503.70	220724.4	WO#4		State #9	\$ 3,503.70					
10/9/2024	Dorsey & Whitney	4016547	\$ 544.50	NA	legal svcs	all project	State #9	\$ 544.50					
9/11/2024	Dorsey & Whitney	4007271	\$ 2,770.50	NA	legal svcs	all project	State #9	\$ 2,770.50					
6/30/2024	Dorsey & Whitney	3989782	\$ 5,815.50	NA	legal svcs	all project	State #9	\$ 5,815.50					
6/17/2024	Dorsey & Whitney	3983536	\$ 2,856.00	NA	legal svcs	all project	State #9	\$ 2,856.00					
8/27/2024	AE2S/BSCWSD	97057	\$ 24,572.35	P13218-2020-001	design		State #8	\$ 24,572.35					
9/5/2024	WGM	73117	\$ 13,948.18	220724.4	WO#4		State #8	\$ 13,948.18					
9/5/2024	WGM	73114	\$ 21,790.16	220724.5	WO#5		State #8	\$ 21,790.16					
9/5/2024	WGM	73115	\$ 896.43	220724.6	WO#6		State #8	\$ 896.43					
9/5/2024	WGM	73113	\$ 7,463.00	200323.7	District admin	\$865.00 project	BSRAD #14				\$ 7,463.00		
9/5/2024	WGM	73116	\$ 2,364.50	220806.1	water PER	non-project	BSRAD #14				\$ 2,364.50		
9/1/2024	Knaub & Co	090124-33	\$ 221.76	NA	accounting		BSRAD #14				\$ 221.76		
9/1/2024	Tara DePuy	9/1/2024	\$ 400.00	NA	legal	\$100 project	BSRAD #14				\$ 400.00		

GRANT TRACKING DASHBOARD - FY25

Current Invoice  
Total: \$ 149,139.75

Date Revised: 5/14/2025

ARPA - PHASE 1.1			BSRAD - PHASE 1.1		CASH ON HAND
State ARPA <u>Costs between 3/3/21 &amp; 12/31/25</u> Agmt ends 12/31/25	County ARPA <u>Costs between 3/3/21 &amp; 12/31/25</u> (costs paid before 9/30/26 when agmt ends)		FY25 Budget (7/1/24-6/30/25)	Interlocal	
1:1 match required = County MAG + Local	Match met by State ARPA	No match required			
Competitive	Min Allocation	SLFRF			
\$ 645,658.17	\$ -	\$ 16,177.23	\$ 42,192.86	\$ 12,000,000.00	\$ 39,028.77
\$2M	\$542,480	\$207,520	\$200,000	\$12M	
			\$ 2,440.40		
			\$ 350.00		
\$ 11,881.39					
\$ 49,808.09					
\$ 26,523.98					
\$ 725.70	\$ 50,000.00				
\$ 2,928.80			\$ 7,572.60		
			\$ 2,245.55		
			\$ 2,934.20		
			\$ 468.16		
			\$ 300.00		
\$ 733,626.90	\$ 315,000.00				
\$ 1,354,341.83	\$ 542,480.00	\$ 191,342.77	\$ 157,807.14	\$ -	

GALLATIN CANYON COUNTY WATER AND SEWER DISTRICT  
ANNUAL FINANCIAL REPORT  
JUNE 30, 2024

GALLATIN CANYON COUNTY WATER AND SEWER DISTRICT

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JUNE 30, 2024

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Gallatin Canyon County Water and Sewer District

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of Gallatin Canyon County Water & Sewer District (the District), as of and for the year ended June 30, 2024 and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of June 30, 2024, and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Required Supplementary Information**

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Holmes & Turner  
Bozeman, Montana  
April 15, 2025

GALLATIN CANYON COUNTY WATER AND SEWER DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2024

ASSETS

Current assets

Cash and cash equivalents	\$ 49,938
Due from other government, current	551,892
Total current assets	<u>601,830</u>

Noncurrent assets

Due from other government, noncurrent	400,000
Construction in progress	1,396,625
Total noncurrent assets	<u>1,796,625</u>
Total assets	<u>2,398,455</u>

LIABILITIES

Current liabilities

Accounts payable and accrued expenses	\$ <u>330,802</u>
---------------------------------------	-------------------

DEFERRED INFLOWS OF RESOURCES

Interlocal agreement	<u>600,000</u>
----------------------	----------------

NET POSITION

Net investment in capital assets	1,396,625
Unrestricted	<u>71,028</u>
Total net position	<u>\$ 1,467,653</u>

The accompanying notes are an integral part of these financial statements.

GALLATIN CANYON COUNTY WATER AND SEWER DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2024

OPERATING EXPENSES

General and administrative

Insurance	\$ 9,744
Professional fees	198,505
Operating income (loss)	<u>\$ (208,249)</u>

NONOPERATING REVENUES AND (EXPENSES)

Resort tax appropriations	292,652
Capital grants	1,211,533
Increase (decrease) in net position	<u>1,295,936</u>
Net position, beginning	171,717
Net position, ending	<u><u>\$ 1,467,653</u></u>

The accompanying notes are an integral part of these financial statements.



GALLATIN CANYON COUNTY WATER AND SEWER DISTRICT  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:

Payments for contract services	\$ (151,225)
--------------------------------	--------------

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Nonoperating resort tax appropriation	219,961
---------------------------------------	---------

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Purchases of capital assets	(1,201,255)
-----------------------------	-------------

Proceeds from capital grants	1,030,840
------------------------------	-----------

Net cash flows from capital and related financing activities	(170,415)
--	-----------

CASH FLOWS FROM INVESTING ACTIVITIES:

Cash and cash equivalents, beginning of year	151,617
--	---------

Cash and cash equivalents, end of year	\$ 49,938
--	-----------

RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES:

Operating income (loss)	\$ (208,249)
-------------------------	--------------

Increase (decrease) in current liabilities:

Accounts payable and accrued liabilities	57,024
--	--------

Net cash flows from operating activities	\$ (151,225)
--	--------------

The accompanying notes are an integral part of these financial statements.

GALLATIN CANYON COUNTY WATER AND SEWER DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Gallatin Canyon County Water and Sewer District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

a. Reporting Entity

The District was formed by petition on December 29, 2020 pursuant to Title 7, Chapter 13, Parts 22 and 23 of the Montana Code Annotated ("MCA"). The Board of Gallatin County Commissioners approved the petition on the named date and adopted Resolution 2020-152 which is an order declaring the territory of the District to be organized. A Certificate of Incorporation for the District was thereafter issued by the Montana Secretary of State on April 6, 2021.

The purpose of the District is to collect information and data, and to analyze the same, in order to determine what wastewater treatment system is best adapted to provide wastewater collection and treatment to not only the present District, but other properties in the canyon area that may elect to join the District, and to gather information and analyses for water and water distribution systems. In the event that such wastewater and water systems can be identified, it is also the intent of the District to finance, construct, operate and maintain such systems. The District does not intend to compel landowners to join the District, or to otherwise compel any landowner within the District to remain within the boundaries of the District should that landowner determine that because of costs or the necessary delays in construction and financing, such systems will not benefit them.

b. Measurement Focus and Basis of Accounting

The term measurement focus is used to denote what is being measured and reported in the District's operating statements. The District is accounted for on the flow of "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported and equity is reported as net position.

The term basis of accounting is used to determine when a transaction or event is recognized on the District's financial statements. The District uses the full accrual basis of accounting, with revenues recorded when earned and expenses recorded when incurred, even though actual payment or receipt may not occur until after the period ends.

Pursuant to GASB 62, Gallatin Canyon County Water and Sewer District follows all GASB pronouncements and may apply FASB pronouncements for accounting issues not addressed by GASB literature, unless it conflicts or contradicts GASB pronouncements.

GALLATIN CANYON COUNTY WATER AND SEWER DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c. Revenues and Expenses

As of June 30, 2024, the District remains in the feasibility and planning stage and has not commenced operations or provided water and sewer services. During this stage, the District is conducting studies, securing necessary regulatory approvals, and assessing funding options to determine the viability of providing services in the future. As a result, the District has not generated operating revenues and continues to incur expenditures related to administrative functions, feasibility assessments, and preliminary planning activities.

The District's future operations are contingent upon the successful completion of feasibility studies, securing necessary funding, and obtaining required regulatory approvals. Until these conditions are met, no assurances can be given as to when or if water and sewer services will commence.

d. Use of Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted resources of net position are available, the District's policy is to apply the expense to the restricted resources first and then toward unrestricted resources.

e. Cash and Cash Equivalents

The District is authorized by statute to invest in time and savings deposits with a bank, savings and loan association, or credit union in the state. In addition, it may also invest in obligations of the United States Government, securities issued by agencies of the United States, repurchase agreements, and the State of Montana Short-Term Investment Pool (STIP).

The District has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agent.

f. Capital Assets

The District's capital assets are recorded at historical cost or, if acquired through donation, at their estimated fair market value when received. The District capitalizes individual asset purchases and improvements that exceed \$2,500 and have a useful life of more than one year.

As of June 30, 2024, the District's capital assets consist solely of Construction in Progress (CIP) related to the development of water and sewer infrastructure. Costs associated with ongoing construction projects, including engineering, permitting, and construction expenditures, are accumulated as CIP until the asset is substantially complete and placed into service. At that time, the District will reclassify the completed assets into their respective capital asset categories and begin depreciation over their estimated useful lives.

Since all capital assets are currently classified as Construction in Progress, no depreciation has been recorded for the fiscal year ended June 30, 2024. Depreciation will commence once assets are placed into service, based on the District's established useful life schedules for water and sewer infrastructure and related equipment.

GALLATIN CANYON COUNTY WATER AND SEWER DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g. Net Position

Proprietary fund net position is divided into three components:

i. Net investment in capital assets

Consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus capital asset related deferred outflows of resources less capital asset related deferred inflows of resources related to those assets.

ii. Restricted

Consist of assets that are restricted as a result of external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

iii. Unrestricted

All other net position is reported in this category.

h. Budget

The District is not legally required to adopt a budget; therefore management has decided not to present the budget in the financial statements.

i. Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

j. Tax Exempt Status

The District is a municipal corporation and, therefore, is not liable for federal and state income taxes pursuant to Internal Revenue Code 501(c)(1).

k. Deferred Inflows of Resources

The District's statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net assets that applies to a future period(s). This deferred inflow of resources is attributed to the multi-year interlocal agreement with Big Sky Resort Area District to support the District's operations.

GALLATIN CANYON COUNTY WATER AND SEWER DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

2. CASH AND CASH EQUIVALENTS

As of June 30, 2024, the carrying amount of the District's deposits (cash accounts) at a local bank was \$49,938. The bank balance as of June 30, 2024 was \$170,167. The total bank balance was covered by federal depository insurance.

3. DUE FROM OTHER GOVERNMENTS

At June 30, 2024, the District reports amounts classified as Due from Other Governments, which represent receivables from federal, state, and local governments for grants, reimbursements, or interlocal agreements. The components of Due from Other Governments as of June 30, 2024 are as follows:

Government Entity	Description	Total
Big Sky Resort Area District	Interlocal agreement to support operations.	\$ 742,415
Big Sky Resort Area District	Reimbursements for feasibility study costs.	36,130
Department of Natural Resources and Conservation (DNRC)	American Rescue Plan Act (ARPA) Water & Sewer Grant	165,694
Gallatin County	American Rescue Plan Act (ARPA) Water & Sewer Grant	15,000
	Total	959,239
	Less: current portion	(559,239)
	Total Due from Other Governments, noncurrent	<u>\$ 400,000</u>

Amounts classified as Due from Other Governments are considered fully collectible and no allowance for doubtful accounts has been recorded.

4. CAPITAL ASSETS

Capital assets for the year ended June 30, 2024:

	Balance			Balance
	June 30, 2023	Additions	Disposals	June 30, 2024
Nondepreciable capital assets:				
Construction in progress	<u>\$ 195,369</u>	<u>\$ 1,201,256</u>	<u>\$ -</u>	<u>\$ 1,396,625</u>



GALLATIN CANYON COUNTY WATER AND SEWER DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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5. COMMITMENTS AND CONTINGENCIES

a. Consultant Agreement

The District entered into a master services agreement for professional services with WGM Group, Inc. (the "Consultant") on March 31, 2023 to provide consulting and other services. Under this agreement, the Consultant shall provide a scope of services and budget for each new task as a separate Work Order. Each Work Order will define the term of the agreement.

b. Interlocal Agreement between Big Sky County Water & Sewer District and Big Sky Resort Area District for the WRRF Phase I Project, Canyon Project and Financing

On February 4, 2020, the Big Sky County Water & Sewer District and Big Sky Resort Area District entered into an interlocal agreement which included the Canyon Project and the payment or financing of the costs thereof. Under the agreement the Resort Area District agreed to cause a mail ballot election for the imposition of the Infrastructure Resort Tax (an additional 1% tax), with the proceeds to be used to pay a portion of the costs of the Big Sky County Water & Sewer WRRF Phase I Project and the Canyon Project. The election was held on May 5, 2020 and passed.

The Canyon Project consists of a lift station near the intersection of U.S. Route 191 and Highway 64; a wastewater forcemain up the Highway 64 corridor to the WRRF; a pipeline conveying treated water back to the Canyon Area; and related improvements which will provide wastewater treatment capacity to properties located within the Resort Area District in Gallatin Canyon.

The Resort Area District agrees to fund all costs of the Canyon Project from revenues collected from the Infrastructure Resort Tax (the "Canyon Project Contribution"); however, in no event shall the contribution exceed \$12,000,000.

6. CONCENTRATIONS OF REVENUE SOURCES

The District received all of its funding from three governmental entities. Two of the entities are considered flow-through entities that granted a sub-award to the District under the same federal funding source. The third entity provided funding through an interlocal agreement to support operations. All of these revenues were reported as nonoperating revenues.

7. SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 15, 2025, the date on which these financial statements were available to be issued.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors  
Gallatin Canyon County Water and Sewer District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Gallatin Canyon County Water and Sewer District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Gallatin Canyon County Water and Sewer District's basic financial statements, and have issued our report thereon dated April 15, 2025.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Gallatin Canyon County Water and Sewer District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Gallatin Canyon County Water and Sewer District's internal control. Accordingly, we do not express an opinion on the effectiveness of Gallatin Canyon County Water and Sewer District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Gallatin Canyon County Water and Sewer District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Holmes + Turner".

Holmes & Turner  
Bozeman, Montana  
April 15, 2025

GALLATIN CANYON COUNTY WATER AND SEWER DISTRICT  
SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2024

---

**Current Year Findings:**

None.

**Prior Year Findings:**

Not applicable.

April 15, 2025

To the Board of Directors  
Gallatin Canyon County Water and Sewer District  
Big Sky, Montana

We have audited the financial statements of Gallatin Canyon County Water and Sewer District (the District) for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated April 23, 2024. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2024. We noted no transactions entered into by the district during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the District's financial statements were:

- Management's estimate of the collectability of accounts receivable is based on management's experience and analysis of these accounts. We evaluated the key factors and assumptions used to assess the collectability of accounts receivable in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.



### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached material misstatements detected as a result of audit procedures were corrected by management.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated April 15, 2025.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management prior to each engagement. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Restriction on Use

This information is intended solely for the use of the Board of Directors and management of Gallatin Canyon County Water and Sewer District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in dark ink that reads "Holmes + Turner" followed by a long, sweeping horizontal line.

Holmes & Turner  
Bozeman, MT

**Gallatin Canyon County Water and Sewer District****Year End: June 30, 2024****Report trial balance****Date: 7/1/2023 To 6/30/2024**

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
AJE.01	6/30/2024	Construction in Process	15000			1,187,035.48			
AJE.01	6/30/2024	Project Funding	60200				397,634.50		
AJE.01	6/30/2024	Accounting & Legal Services	60300				271,270.68		
AJE.01	6/30/2024	Engineering&Infrastr. Planning	60400				518,130.30		
To capitalize construction in process from FY24.									
AJE.02	6/30/2024	Due from other governments, current	12100			200,000.00			
AJE.02	6/30/2024	Due from other governments, noncurrent	19100			400,000.00			
AJE.02	6/30/2024	Deferred inflows - interlocal agreement	29100				600,000.00		
To record the FY25-FY27 interlocal agreement awarded in FY24.									
AJE.03	6/30/2024	Due from other governments, current	12100			171,198.57			
AJE.03	6/30/2024	BSRAD - Capital Contributions	80101				36,130.20		
AJE.03	6/30/2024	BSRAD - Interlocal agreement	80102				135,068.37		
To accrue FY24 revenues from BSRAD.									
AJE.04	6/30/2024	BSRAD Funding	80000			413,941.03			
AJE.04	6/30/2024	BSRAD - Interlocal agreement	80102				157,583.62		
AJE.04	6/30/2024	BSRAD - Capital Contributions	80101				256,357.41		
To reclass revenues for presentation purposes.									
AJE.05	6/30/2024	District Administration	60000			61,625.20			
AJE.05	6/30/2024	Accounting & Legal Services	60300				61,625.20		
To reclass administration costs.									
AJE.06	6/30/2024	Grant Income	40000			57,536.25			
AJE.06	6/30/2024	Grant Income	40000			23,184.40			
AJE.06	6/30/2024	Grant Income	40000			17,787.74			
AJE.06	6/30/2024	Unrestricted Net Assets	30000				98,508.39		
To adjust beginning net position for revenues earned in FY23.									
AJE.07	6/30/2024	Due from other governments, current	12100			57,894.03			
AJE.07	6/30/2024	Due from other governments, current	12100			37,488.74			
AJE.07	6/30/2024	Due from other governments, current	12100			70,310.67			
AJE.07	6/30/2024	Grant Income	40000				165,693.44		
To accrue State ARPA billings at 6/30/2024.									
AJE.08	6/30/2024	Due from other governments, current	12100			15,000.00			
AJE.08	6/30/2024	Grant Income	40000				15,000.00		
To accrue County ARPA billings at 6/30/2024.									
AJE.09	6/30/2024	Construction in Process	15000			14,220.51			
AJE.09	6/30/2024	District Administration	60000			10,228.89			
AJE.09	6/30/2024	In-kind donation	80199				24,449.40		
To record "in-kind" revenues and expenses (CIP).									
AJE.10	6/30/2024	Construction in Process	15000			195,369.32			
AJE.10	6/30/2024	Unrestricted Net Assets	30000				195,369.32		
To capitalize prior year CIP costs.									

Preparer	Reviewer	2nd Reviewer
RB 10/23/2024		

Gallatin Canyon County Water and Sewer District

Year End: June 30, 2024  
Report trial balance  
Date: 7/1/2023 To 6/30/2024

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
						2,932,820.83	2,932,820.83		
Net Income (Loss)			1,295,936.18						

Preparer	Reviewer	2nd Reviewer
RB 10/23/2024		

**GALLATIN CANYON COUNTY WATER & SEWER DISTRICT**

REPORT ON COMPLIANCE FOR THE U.S. DEPARTMENT OF TREASURY CORONAVIRUS STATE AND LOCAL  
FISCAL RECOVERY FUNDS PROGRAM (CSLFRF) REQUIREMENTS FOR AN ALTERNATIVE CSLFRF COMPLIANCE  
EXAMINATION ENGAGEMENT

FOR THE YEAR ENDED JUNE 30, 2024

## INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors  
Gallatin Canyon County Water & Sewer District  
Big Sky, Montana

We have examined Gallatin Canyon County Water & Sewer District's (the District) compliance with "activities allowed or unallowed" and "allowable cost/cost principles" (the specified requirements) as described in Part IV "Requirements for an Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds" of the CSLFRF section of the 2024 OMB *Compliance Supplement* (referred to herein as "Requirements for an Alternative CSLFRF Compliance Examination Engagement") during the year ended June 30, 2024. Management of the District is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on the District's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA; the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in the "Requirements for an Alternative CSLFRF Compliance Examination Engagement." Those standards and requirements require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the specified requirements above during the year ended June 30, 2024.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud, and noncompliance with provisions of laws, regulations, contracts or grant agreements that have a material effect on the District's compliance with the specified requirements and any other instances that warrant the attention of those charged with governance. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions.

We performed our examination to express an opinion on the District's compliance with the specified requirements and not for the purpose of expressing an opinion on the internal control over the specified requirements or on compliance and other matters; accordingly, we express no such opinions. The results of our tests disclosed no matters that are required to be reported under *Government Auditing Standards*.

### **Intended Purpose**

The purpose of this examination report is solely to express an opinion on whether the District complied, in all material respects with the specified requirements referenced above during the year ended June 30, 2024. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Holmes + Turner" followed by a long, sweeping horizontal flourish.

Holmes & Turner P.C.  
Bozeman, Montana  
May 20, 2025



May 20, 2025

Holmes & Turner, P.C.

In connection with your examination of Gallatin Canyon County Water & Sewer District's (the District) compliance with "activities allowed or unallowed" and "allowable cost/cost principles" (the specified requirements) as described in Part IV "Requirements for an Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds" of the CSLFRF section of the 2024 OMB *Compliance Supplement* (referred to herein as "Requirements for an Alternative CSLFRF Compliance Examination Engagement") for the year ended June 30, 2024, for the purpose of expressing an opinion about whether the District has complied with the specified requirements, in all material respects, we confirm, to the best of our knowledge and belief, the following representations made to you during the course of your engagement:

- 1) We are responsible for complying with the specified requirements listed above.
- 2) We are responsible for establishing and maintaining effective internal control over compliance.
- 3) We have performed an evaluation of the District's compliance with the specified requirements.
- 4) All relevant matters are reflected in the evaluation of the District's compliance with the specified requirements.
- 5) We are responsible for selecting the specified requirements and for determining that the specified requirements are suitable, will be available to intended users, and are appropriate for the purpose of the engagement.
- 6) We have disclosed to you all deficiencies in internal control relevant to compliance with the specified requirements of which we are aware.
- 7) We are not aware of any actual, suspected, or alleged fraud or noncompliance with laws or regulations affecting the District's compliance with the specified requirements.
- 8) We are not aware of any known events subsequent to the period of the District's compliance with the specified requirements that would have a material effect on its compliance with the specified requirements or its assertion about such compliance.
- 9) We are not aware of any noncompliance with the specified requirements, including noncompliance occurring after June 30, 2024.
- 10) Under the terms of the agreement, we have provided you with all relevant information and access to information and personnel in connection with your examination of compliance with the specified requirements.
- 11) We have disclosed to you all known matters that may contradict the District's compliance with the specified requirements during or subsequent to the period covered by your report, and we have disclosed to you all communications from regulatory agencies, internal auditors, other independent accountants or consultants, and others regarding possible noncompliance with the specified requirements, including communications received between June 30, 2024 and May 20, 2025.
- 12) We have responded fully to all inquiries made to us by you during the engagement.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

April 15, 2025

Holmes & Turner, PC  
1283 North 14<sup>th</sup> Avenue, Suite 201  
Bozeman, Montana 59715

This representation letter is provided in connection with your audit of the financial statements of Gallatin Canyon County Water and Sewer District (the "District"), which comprise the respective financial position of the District as of June 30, 2024, and the respective changes in financial position and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of April 15, 2025, the following representations made to you during your audit.

**Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated April 23, 2024, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter. In addition, you have proposed adjusting journal entries that have been posted to the entity's accounts. We are in agreement with those adjustments.
- 8) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

## **Information Provided**

- 11) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the District and involves—
  - Management,
  - Employees who have significant roles in internal control, or
  - Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.

## **Government-specific**

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 21) The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 23) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 25) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 26) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

- 27) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 28) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 29) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 30) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34 .
- 31) Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
- 32) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 33) Provisions for uncollectible receivables have been properly identified and recorded.
- 34) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 35) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 36) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 37) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 38) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_


May 20, 2025

Holmes & Turner, P.C.

In connection with your examination of Gallatin Canyon County Water & Sewer District's (the District) compliance with "activities allowed or unallowed" and "allowable cost/cost principles" (the specified requirements) as described in Part IV "Requirements for an Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds" of the CSLFRF section of the 2024 OMB *Compliance Supplement* (referred to herein as "Requirements for an Alternative CSLFRF Compliance Examination Engagement") for the year ended June 30, 2024, for the purpose of expressing an opinion about whether the District has complied with the specified requirements, in all material respects, we confirm, to the best of our knowledge and belief, the following representations made to you during the course of your engagement:

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- 6) We have disclosed to you all deficiencies in internal control relevant to compliance with the specified requirements of which we are aware.
- 7) We are not aware of any actual, suspected, or alleged fraud or noncompliance with laws or regulations affecting the District's compliance with the specified requirements.
- 8) We are not aware of any known events subsequent to the period of the District's compliance with the specified requirements that would have a material effect on its compliance with the specified requirements or its assertion about such compliance.
- 9) We are not aware of any noncompliance with the specified requirements, including noncompliance occurring after June 30, 2024.
- 10) Under the terms of the agreement, we have provided you with all relevant information and access to information and personnel in connection with your examination of compliance with the specified requirements.
- 11) We have disclosed to you all known matters that may contradict the District's compliance with the specified requirements during or subsequent to the period covered by your report, and we have disclosed to you all communications from regulatory agencies, internal auditors, other independent accountants or consultants, and others regarding possible noncompliance with the specified requirements, including communications received between June 30, 2024 and May 20, 2025.
- 12) We have responded fully to all inquiries made to us by you during the engagement.

Signature:   
Title: \_\_\_\_\_ President

Signature:   
Title: \_\_\_\_\_ Secretary