

RESOLUTION NO. R24-46

**A RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE ADOPTION OF
THE CITY OF LAUREL AMENDED CAPITAL IMPROVEMENT PLAN.**

WHEREAS, on May 25, 2021, the City of Laurel (hereinafter “the City”) issued a Task Order to KLJ Engineering to assist in preparation of a Capital Improvement Plan for the City;

WHEREAS, a Capital Improvement Plan is a tool intended to be used by the City to assist in the prioritization and budgeting process for the City’s infrastructure and capital improvements;

WHEREAS, KLJ Engineering and City Department Heads and Staff held multiple meetings in order to identify capital improvement projects, prioritize such projects, and establish cost estimates for said projects;

WHEREAS, KLJ Engineering, in conjunction with City Department Heads and Staff have identified areas of possible capital improvement for the City, and those projects are identified in the Capital Improvement Plan;

WHEREAS, on June 27, 2023, the City Council adopted the Capital Improvement Plan recommended by KLJ Engineering, City Department Heads, and City Staff;

WHEREAS, since the adoption of the Capital Improvement Plan, the City has identified the need for a Custom-Chassis Fire Truck for the City of Laurel Fire Department;

WHEREAS, the City believes that the Capital Improvement Plan needs to be amended to reflect this capital need, and Staff has prepared the amended Capital Improvement Plan, attached hereto and incorporated herewith, reflecting this change; and

WHEREAS, the City of Laurel now wishes to adopt the amended Capital Improvement Plan to assist in guiding the City’s capital improvement projects for the future, prioritizing such projects, and establishing cost estimates for said projects.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Laurel, Montana, that the City of Laurel amended Capital Improvement Plan, a copy attached hereto and incorporated herein, is hereby approved.

Introduced at a regular meeting of the City Council on the 25th day of June, 2024, by Council Member Wheeler.

PASSED and APPROVED by the City Council of the City of Laurel the 25th day of June, 2024.

APPROVED by the Mayor the 25th day of June, 2024.



CITY OF LAUREL

Heidi Sparks for
Dave Waggoner, Mayor

ATTEST:

Kelly Strecker
Kelly Strecker, Clerk-Treasurer

APPROVED AS TO FORM:

Michele L. Braukmann
Michele L. Braukmann, Civil City Attorney

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INTRODUCTION

A Capital Improvement Plan (CIP) is first, and foremost, a tool used to assist a community in the prioritization and budgeting process for community infrastructure and capital improvements. The CIP process is intended to assist community leaders in identifying capital improvement needs and issues early and to build a strategy to maximize often limited revenues, while achieving maximum public good. Added benefits to the CIP process are identification of projects and priorities in a way that allows for public engagement, strategic investment, and phased approaches that allow for a coordinated approach to funding, early preparation for available grant funding, and a coordinated approach to community infrastructure needs.



On May 25, 2021, the City of Laurel issued a Task Order to KLJ to assist in preparation of a CIP. A series of meetings was scheduled with City Department Directors and staff in which capital projects were identified, prioritized, and estimates of cost established in conjunction with preparation of annual Department operations and acquisitions budgets.

For purposes of the CIP, a “Capital Project” is defined as any acquisition, improvement, or expenditure that exceeds \$50,000 and/or has a useful life of five (5) years. The established \$50,000 cost threshold includes design, engineering, architectural planning, financing, procurement, and construction costs associated with completion of the identified project. It also includes rehabilitation and maintenance projects necessary to preserve the functionality of existing equipment and infrastructure. Operations and Maintenance (O&M) are excluded as are consumable items, staff, and training.

Also, for purposes of the CIP, projects are ranked on a scale of 1-5 and the following guidance was provided to staff and utilized to select and prioritize projects for the next five years:

- 1=Need
- 2=Could Really Use
- 3=Want
- 4=Would be Nice
- 5=If We Have the Funding

As is typical in most communities, the Public Works Department, as the custodian of most of the community capital infrastructure, is the primary beneficiary of the CIP and the related planning process. It is, however, hoped that with ongoing use of the document, other Departments will see the value and rewards associated with the CIP. When utilized consistently, a CIP will assist not just public works, but department leaders and staff as well as City Council in making critical financial and manpower decisions related to city infrastructure and equipment.

The CIP is a “living” document in that it is intended to be easily updated to reflect changing priorities, unforeseen events, and the passage of time. It is also important to point out that most of the projects discussed herein are very complex and require elevated levels of analysis and design before an engineer’s opinion of probable costs can be established. Where possible, equipment suppliers were contacted to get estimates, but estimates are “in the moment” costs and, again, will require additional analysis and review depending on when the project comes to fruition. Construction and infrastructure project costs have been estimated following discussions within the CIP planning team and utilizing past projects of similar scope and size as a base for estimation.

It is essential to remember that actual infrastructure project costs are a function of scope, schedule, on-site conditions, supply chain, and workforce costs at the time of project initiation/completion; all of which are beyond the scope and intent of the CIP. Costs outlined are high-level estimates utilizing information available at the time of the planning process. They should be treated accordingly and, as the City moves forward with projects, should be re-assessed based on more specific analysis and current costs.

COMMUNITY BACKGROUND

The City of Laurel originated in 1806 when Captain William Clark, of the Lewis and Clark expedition, camped at the mouth of the Clarks Fork River where it meets the Yellowstone River. The site was originally known as Carlton, but later was changed to Laurel because of an abundant local shrub found in the hometown of a railroad official from North Carolina residing there. Eventually, Laurel moved north and west (further away from the Yellowstone River), to locate where it is today.



Laurel is home to approximately 6,300 people within the City limits and another 5,000 in the surrounding area. It is considered a “bedroom” community to the largest urban center in Montana, Billings, but maintains the small-town atmosphere and feel, giving residents the best of both a small town and a nearby urban center. Like many Montana communities, particularly following the onset of COVID-19, Laurel is growing. The community experienced slow but steady growth between 2000-2020 and is now seeing more rapid growth related to the relocation of people from urban centers outside the state seeking the wide-open spaces and natural social distancing provided in rural Montana.



Like many communities in Montana, part of Laurel’s appeal is access to significant outdoor recreation opportunities. Laurel is within a very short distance of Riverside Park, Buffalo Mirage Fishing Access, Laurel Golf Club and Cooney Dam. It is also a gateway for visitors to Red Lodge, Bear Tooth Pass, and Yellowstone National Park.

As previously indicated, Laurel often serves as the residence and home to employees who work for various businesses in Billings. There are, however, two major local employers in Laurel: Montana Rail Link (MRL) and Cenex Harvest States Refinery. The “Laurel Leaf” refinery began operations in 1930. In 1943, the refinery was purchased by Farmers Union Central Exchange, and in 1972, the company changed their name to Cenex Harvest States Refinery.





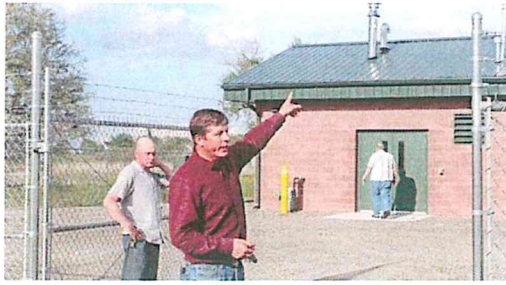
Laurel also straddles both sides of an intricate pattern of railroad tracks. Home to the largest and busiest rail yard in Montana, it extends for 2.5 miles on a wedge-shaped piece of land between East Main Street and Shannon Road. MRL has owned the yard since 1987, but prior to that, Burlington Northern Santa Fe (BNSF) operated it from 1970-1987, and

Northern Pacific prior to that, with the first recorded train stopping in Laurel in 1882.

The average annual income in Laurel (according to the 2010 census) is \$51,790 and the community is predominantly Caucasian (estimated at just under 95 percent of the community). Laurel is an incorporated community, utilizing an elected Mayor and City Council for governance. There are 9 council members (including the Mayor), representing four (4) City Wards, as well as several functioning boards, commissions, and authorities supervising several Department Directors and related staff. The City's mission is "elected officials, appointed committee members, employees, and volunteers of the City of Laurel are committed to developing and enhancing community quality of life while preserving the City's unique character. This is accomplished by providing the best municipal services possible."



PUBLIC WORKS:



As previously indicated, public works, by nature of their role as custodians of most of the community capital infrastructure, plays a critical and key role in capital planning. Matt Wheeler is the current Public Works Director. He is supported by leadership by building inspection and planning. The goal of public works is to “ensure an unsurpassed quality of life and to provide dependable, knowledgeable staff to serve the community.”

The following projects under public works supervision and purview have been identified and prioritized:

Public Works -Storm Water, Streets and Parks

Project Name	Year	Priority #	Fund Type	Project Cost Estimate
Street reconstruction of W. 12 th Street between Valley Dr. and 1 st Ave.	2024	1	General	\$360,000
Storm Water Plan for the South Side	2024	2	General	\$75,000
Thompson Park Facility Update	2024	2	General	\$500,000
Underground Sprinkler Systems-City Parks	2025	4	General	\$50,000/1 acre Kiwanis 3.95 acres - \$200,000 Nutting 2.5 acres - \$125,000 Estimated Total: \$250,000/\$325,000
Parks & Cemetery Equipment Replacement	2025	5	General	\$72,000
BMX Bike Track at Fir Field NW of the intersection of Fir Ave. & Eleanor Roosevelt Dr.	2026	1	General	\$250,000
Cemetery Expansion & Road Replacement	2026	1	General	\$750,000
Stormwater Outfall Structure from Russell Park to the Yellowstone River	2027	3	General	\$960,000
1st Ave Storm Water Replacement	2028	1	General	\$1,265,000
Southside Stormwater Improvements (to the alley east of Woodland next to the Senior Center)	2028	5	General	\$15,000,000
PASER PMP Category 3 & 4 Streets	2026/ 2028	1	General/Street Maint. Fund	\$17,500,000
PASER PMP Category 1 & 2 Streets	2028/ 2035	1	General/Street Maint. Fund	\$35,600,000

Additional Detail:

W. 12th Street Reconstruction: \$360,000

West 12th Street between Valley Drive and 1st Ave. has deteriorated to the point where reconstruction of that section of street required.

Storm Water Plan for the Southside: \$75,000

Includes storm water management collection and outfall identification.

Thompson Park Facility Update: \$500,000

Thompson Park is currently home to tennis court facilities that are in disrepair and no longer meet the needs or demand of the community. Costs are for demolition of the existing facilities/structures.

Underground Sprinkler Systems City Parks: \$250,000-\$325,000

Kiwanis, & Nutting Parks currently have above-ground irrigation systems laid out and taken down after use. The City would like to install automatic underground systems at each of these Parks.

Parks & Cemetery Equipment Replacement: \$72,000

The Parks and Cemetery Department needs to replace existing equipment to include a truck, lawnmowers, and a crack-sealer.

BMX Bike Track: \$250,000

The local community has identified a BMX bike track as a need for the community. This is to include a toddler run as well as a track for more advanced riders.

Cemetery Expansion and Road Replacement: \$750,000

The Cemetery Master Plan recommends expansion of the existing cemetery grounds and replacement of the internal roads to include new signage and an information kiosk to assist visitors in wayfinding.

Stormwater Outfall Structure: \$960,000

The Southside Stormwater Masterplan identified replacement of the existing outfalls as a high priority. The creation of stormwater detention in Russell Park is not a permanent solution to Laurel's Southside stormwater issues.

1st Ave Storm Water Replacement: \$1,265,000

Current storm water piping between 1st Street and 7th Street must be replaced. It is old (wood construction) and past its useful life.

Southside Stormwater Improvements (to the alley east of Woodland next to the Senior Center): \$15,000,000

There are currently stormwater flow issues in this area that require correction. Ideally, to avoid future issues and to maximize funding and manpower, the water and wastewater systems in the area should be upgraded at the same time.

PASER PMP Category 3 and 4 Streets: \$17,500,000

Encompasses City streets structural overlay projects.

PASER PMP Category 1 and 2 Streets: \$35,600,000

Encompasses City Street reconstruction projects.

Public Works -Water

Drinking water in Laurel is surface water that comes from the Yellowstone River, south of the City. Like all other public utilities, supervision and maintenance of the City water system falls to the Public Works Director and his/her staff. As required by the Safe Drinking Water Act (SDWA), the City produces an annual Drinking Water Quality Report, providing details as to where City water comes from, what it contains, and how it compares to standards set by regulatory agencies. To review a copy of the 2021 Annual Drinking Water Quality Report (or prior year reports) please go to <https://cityoflaurelmontana.com/publicworks/page/annual-drinking-water-quality-reports>.



The following projects related to public works specific to the drinking water system have been identified and prioritized:

Public Works -Water

Project Name	Project Year	Priority #	Fund Type	Project Cost
Bulk Water Sales Station	2024	1	Enterprise	\$200,000
West 7th Street Water Replacement	2024	3	Enterprise	\$650,000
Riverside Park Water + Irrigation System	2025	1	General	\$360,000
Water Treatment Plant Stormwater Improvements	2025	2	Enterprise	\$125,000
New Water Tank, Booster station & piping redundancy	2026	1	Enterprise	\$21,000,000
1st Ave. Water Valve Installation Project	2028	1	Enterprise	\$170,000
City Wide Valve & Hydrant Replacement Project	2024-2028	2	Enterprise	Valves 100 \$4,000/EA FH 50 \$6,500/EA Total \$725,000
Replacement of water lines	2024 - 2028	3	Enterprise	900 ft @ \$400/lf \$360,000

Additional Detail:

Bulk Water Sales Station: \$200,000

The bulk water sales station would be a money generator for the City as there is a large community outside of the City that hauls water and needs a nearby source.

West 7th Street Water Replacement: \$650,000

The water main line in West 7th Street between Alder Avenue and Cottonwood is deteriorated and has exceeded useful life. The line has repeatedly broken in the last 2-3 years and requires replacement.

Riverside Park Water + Irrigation system: \$360,000

This project includes a new water line from the Yellowstone Bridge into Riverside Park as well as related new service connections to feed all the existing structures.

Water Treatment Plant Stormwater Improvements: \$125,000

Currently, there are issues with stormwater collecting outside the water treatment plant facility as well as the water plant. To address these concerns, grading needs to be adjusted/improved to allow for disbursement/removal of stormwater to the river.

New Water Tank, Booster station & Piping Redundancy: \$21,000,000

As identified in the 2022 Laurel Water system PER, the community needs a new water tank, upgrades to the booster station and piping redundancy to provide adequate pressures and volumes in Zone 2.

1st Avenue Water Valve Installation Project: \$170,000

Currently, there are few to no valves that are operable on this street. The project and related costs outlined would allow for installation of water valves on the north-south mainline in 1st Avenue.

City-Wide Valve & Hydrant Replacement Project: \$725,000

Valves are failing throughout the City due to corrosion. This has resulted in several hydrants that are no longer functioning. Costs reflect a city-wide assessment and replacement of valves and related hydrants to ensure functional fire protection in all City locations.

Replace Out of Date Water Lines: \$360,000

The existing cast iron water mains used in various locations throughout the City are deteriorating and reaching the end of their useful life. These will need to be replaced with modern/upgraded materials.

Public Works Wastewater

The City of Laurel wastewater treatment plant underwent significant improvements in 2019. Supervision and maintenance of the City wastewater system falls to the Public Works Director and his/her staff. The following projects related to public works specific to the wastewater system have been identified and prioritized:

Public Works Wastewater

Project Name	Project Year	Priority 1 -5	Fund Type	Project Cost
Primary Clarifier Recoating	2024	1	Enterprise	\$200,000
Sewer line replacement in the alley between Main St & 1 st St from 5 th Ave. to 7 th Ave.	2024	1	Enterprise	\$350,000
Wastewater Plant Boilers	2025	2	Enterprise	\$600,000
Manhole Lining Project	2024 to 2028 3-5 Year Plan	3	Enterprise	MH – 563 \$3,500/MH \$500,000

Additional Detail:

Primary Clarifier Recoating: \$200,000

Costs include draining and recoating of two of the clarifiers currently being utilized at the Wastewater Treatment Plant.

Sewer Line Replacement from 5th to 7th Ave:

The sewer main line in the alley way between Main Street and W. 1st Street from 5th Ave. to 7th Ave. is in poor condition and recent failures have prompted it replacement.

Wastewater Plant Boilers: \$600,000

A recent boiler Inspection identified that the wastewater plant boilers are failing and there is risk they may not be recertified during the next inspection.

Manhole Lining Project: \$500,000

Costs are to line existing internal manholes throughout the City to assist in reducing I&I in the system.

Public Works Solid Waste



The City of Laurel solid waste division is under the supervision and maintenance of the Public Works Director and his/her staff, most specifically to the Maintenance Supervisor. Solid waste is part of the larger Sanitation Department which also includes sanding/snow removal, street cleaning, information about the container site (dump) and the schedule for public transit.

The following projects related to public works specific to the solid waste division have been identified and prioritized:

Public Works-Solid Waste

Project	Project Year	Funding Sources	Priority (1-5)	Project Costs
Solid Waste Building	2024	Solid Waste Enterprise	2	\$650,000
Garbage Truck Replacement	2025	Solid Waste Enterprise	1	\$350,000 (each)
Garbage Container Replacement	2026	Solid Waste Enterprise	1	\$30,000
Transfer Station Expansion	2028	Solid Waste Enterprise	3	\$600,000

Additional Detail:

Solid Waste Building: \$650,000

Currently, several of the reserve solid waste trucks are stored outdoors. These vehicles are exposed to extreme temperatures/poor weather conditions, and vandalism. During the winter months, extreme cold temperatures mean that reserve vehicles may not start and are therefore not available to fill the void when a frontline vehicle goes down. Ideally, as with City vehicles utilized for water and wastewater department use, all vehicles would be stored indoors.

Garbage Truck Replacement: \$350,000

All five (5) of the existing garbage collection trucks need to be replaced. If all were replaced the total estimated cost would be \$1,750,000 (\$350,000 each)

Garbage Container Replacement: \$30,000

Replacement of 2 of the 40-yard garbage containers at the Container Site. (\$15,000 each)

Transfer Station Expansion: \$600,000

The existing garbage transfer station building is at/above maximum capacity. Estimated cost is for expansion and/or addition to the existing garbage transfer station building.

PUBLIC SAFETY:

Public Safety encompasses the diverse needs of individual citizens as well as whole communities. Modern advancement in transportation, communications, and commerce have rapidly shifted how citizens manage their daily lives. Today’s conveniences keep lives moving and as the public has adapted their use, so have criminals. Ensuring the safety of the public has become increasingly expensive and complex. Community safety reflects not only violent acts, but also injuries caused unintentionally through accidents. Communities, including Laurel, often spend most of their public dollars in this arena, seeking to reduce both the existence and perception of unsafe environments, neighborhoods, and activities. The Laurel Police Department typically employs 14 sworn officers and 6 dispatchers.



The following projects/purchases related to public safety have been identified and prioritized:

Police Department:

Project	Project Year	Funding Sources	Priority (1-5)	Project Costs
Replacement of one (1) vehicle each year	Annual	General	1	\$70,000 (per vehicle)
New Law & Justice Center	2025	General	1	\$10,000,000
Establishment of a new Repeater site	2027	General	2	\$150,000

Additional Details:

Vehicle Replacement: \$70,000 (annually)

The Police department has very few vehicles and places an estimated 40,000 miles on each car every year. This high level of use requires each vehicle be replaced every 3-4 years. Replacement of at least one (1) vehicle each year allows for expenditures to be disbursed over multiple years instead of purchasing all new cars in a single year.

Law and Justice Center: \$10,000,000

As has been noted in several sections of the CIP, adequate space for City operations is a significant issue for the City. Fire, police, ambulance, and court systems are all struggling to accommodate staff needs as well as storage needs for equipment and vehicles. These issues cause undue stress on employees, but also impact the ability of staff to meet the public’s needs. Creation of a law and justice center would aid in reducing/alleviating immediate concerns specifically related to police and criminal justice. As has been discussed, depending on the availability of land and facility space, this could be combined with construction of a new city hall and/or new fire/police/ambulance facilities to best meet community needs and limit costs to the degree possible.

New Repeater Site: \$150,000

The radio communications system for the City has several locations in which communications between patrol units and dispatch are poor. The addition of a repeater should provide the coverage needed within the designated patrol area of the police department. The repeater would also benefit the ambulance and fire departments, both of which are experiencing the same inconsistency of communications quality.

Fire Department:

The Laurel Volunteer Fire Department (LVFD) is proud and honored to have been able to serve the citizens of Laurel and the surrounding area for over 100 years. The main purpose of the LVFD is to provide firefighting and emergency rescue response to the community of Laurel and the 125 square miles surrounding Laurel, including to all those who travel through Laurel. In addition, the LVFD provides mutual aid to the City of Billings, Park City, CHS Industrial Fire Departments, and several surrounding fire departments in Lockwood, Red Lodge, Columbus, Molt, and Joliet.

The Laurel Volunteer Fire Department Association, made up of members of the LVFD, has a long-standing tradition of supporting Laurel in community service, including hosting the world class 4th of July fireworks show, which is rated as one of the top ten events in the northwest.

The LVFD is also known for its award-winning fire prevention program. The LVFD visits the children of Laurel several times each year, educating on preventing fires and fire safety.

Fire Department:

Project	Project Year	Funding Sources	Priority (1-5)	Project Costs
Fire Fighter Protection Gear	2024	General	1	\$43,000 (annually)
Army 2 ½ ton Type 3 or 4 Brush Truck Replacement	2025	General	1	\$750,000
Communication Equipment Replacement	2025-2028	General	4	\$20,000 (annually)
New Repeater	2026	General	2	\$150,000
Tender Replacement	2026	General	5	\$290,000
Shed for Major Equipment	2027	General	1	\$500,000
New Fire Station (FA)	2027	General	5	\$15,000,000
Custom-Chassis Rescue Fire Truck	2028	Safer Grant	5	\$1,100,000

Additional Detail:

Fire Fighter Protection Gear: \$43,000 (Annually)

Costs encompass outfitting up to 10 fire fighters annually with necessary protective gear at an average cost of \$4,300 per fire fighter. Current equipment is aging (some as old as 10 years) and reaching the end of a safe useful life. This includes replacement of coats, helmets, and other related personal safety equipment ensuring that fire fighters remain safe and have appropriate equipment to do the work.

Army 2 ½ Ton Type 3 or 4 Brush Truck Replacement: \$750,000

Cost represents the estimate for replacement of the current 1973 Type 4, 2 ½ Ton Brush Truck with an



Army 2 ½ ton with a Type 3 or 4 Brush Truck (125-250 gpm pump; 500-750-gallon tank).

Communication Equipment Replacement: \$20,000 (Annually)

The Department is considering a bulk replacement of all the communications equipment or an annual partial replacement that ensures communications equipment is always fully functional and of the highest quality. The primary advantage of a total replacement is ensuring all equipment is standardized and compatible. The obvious drawback is centralizing the full cost into a single fiscal year. The most expedient and cost-effective solution would be to purchase half of the equipment in June of one fiscal year and the second half in July, which would be a new fiscal year, allowing for purchase of standardized and compatible equipment with the costs spread over two separate fiscal years.

New Repeater: \$150,000

This priority is also noted in Public Safety Police Department section of the CIP. The radio communications system for the City has several locations in which communications between patrol units, ambulances and fire vehicles is poor. The addition of a repeater should provide the coverage needed within the designated patrol and service area of these departments. The repeater would benefit all the public safety providers all of which are experiencing the same inconsistency of communications quality.

Tender Replacement: \$290,000

Cost represents the replacement of the current 1999 Freightliner Type 1 Vac Tender (500 gpm; 2850-gallon tank) with the Tactical Tender (3000 gallon tank), estimated at between \$200,000-\$290,000 in 2021 dollars.



Shed for Major Equipment: \$500,000

The facility currently being utilized for equipment belongs to Public Works, and, as such, is primarily utilized for storage of public works equipment, resulting in fire department equipment being stored outside. When equipment is exposed to weather, the useful life is diminished due to wear from the elements. A separate shed for fire station equipment would ensure that all equipment can be adequately stored and protected from weather and related wear and tear, increasing the time equipment is viable and ensuring the quality of the equipment for the duration of its use.

New Fire Station: \$15,000,000

The current fire station no longer meets the needs of the fire department or the anticipated growth of the community. Construction of a new fire station would allow for additional bays/storage for all vehicles and apparatus, living quarters for increasingly diverse staff, and adequate office space to perform required administrative functions of the Department.

Custom-Chassis Rescue Fire Truck Addition: \$1,100,000

Costs are for the addition of a Custom-Chassis Rescue Fire Truck. This Fire Truck, if purchased, will include a 3/16” Extruded Aluminum Body Configuration, with Pump Capacity of 1500 GPM and a Tank Capacity of 1000 Water/30 Foam.

Ambulance General:

The Laurel Ambulance Service provides emergency medical and public safety services for the City of Laurel and surrounding territory in Yellowstone County, serving approximately 205 square miles. The ambulance service is staffed by volunteer EMRs, EMTs, and paramedics and became a city-run agency in June of 1976. The Ambulance Service responds to approximately 850-1000 calls annually.

Ambulance/EMS Services:

Project	Project Year	Funding Sources	Priority 1-5	Project Costs
Replace Ambulance-Care 2	2026	General	1	\$300,000
Communication Equipment Replacement	2026	General	2	\$20,000
3 - Physio Control LP-15 Defibrillator	2027	General	1	\$90,000
Replace Primary Ambulance	2027	General	2	\$300,000
Acquire 'Mega Code Kelly'	2028	General	4	\$10,000
Community Paramedicine Equipment	2028	General	5	\$120,000

Additional Detail:

Ambulance Replacement, Care 2: \$300,000

Care 2, the second ambulance, needs replacement. It is a 1999 unit, has high mileage, and is nearing the end of its useful life. In addition, it does not have 4-wheel drive, which given the unpredictable weather

in Laurel is required to ensure accessibility throughout the Laurel service area. Annual maintenance costs for the vehicle are reaching a level near the cost of the new ambulance.

Communication Equipment replacement: \$20,000 (Annually)

As is the case with replacement of the communications equipment in the Fire Department, the Ambulance Service is also considering a bulk replacement of all the communications equipment or an annual partial replacement that ensures communications equipment is always fully functional and of the highest quality. The primary advantage of a total replacement is ensuring all equipment is standardized and compatible. The obvious drawback is centralizing the full cost into a single fiscal year. The most expedient and cost-effective solution would be to purchase half of the equipment in June of one fiscal year and the second half in July, which would be a new fiscal year, allowing for purchase of standardized and compatible equipment with the costs spread over two separate fiscal years.

Physio Control LP-15 Defibrillator: \$90,000



The Departments' defibrillators need to be upgraded or replaced. These are essential life-saving equipment. The current plan is to place these devices on a routine amortization schedule so that the equipment is updated promptly and remains within current health and safety standards for use.

Ambulance Replacement, Primary: \$300,000

Cost includes the replacement of the primary ambulance in 2024. This is the anticipated time frame in which the primary vehicle will reach high enough mileage and needed repair/maintenance that meets or exceeds the cost of replacement.

Mega Code Kelly. \$10,000

Mega Code Kelly is the most recent generation of training aids available to EMS Departments. Training and training aids are a critical piece of providing continual preparation for first responders to address life-threatening situations.

Community Paramedicine Equipment: \$120,000



There is a strong desire is to create a Quick Response Unit (QRU) to address urgent EMS needs within the jurisdiction. The cost estimate provided is not for personnel costs but is instead proposed to acquire the necessary equipment and a vehicle to support QRU operations.

CITY CLERK/TREASURER:

In addition to public works and public safety, the City is responsible for the daily governance of the community. This includes duties that fall to Clerk/Treasurers office which include the City Clerk, records and information technology, utility billing, accounts payable and receivable, the cemetery, treasury, water office and various other entities required to ensure City government remains operational. The Clerk/Treasurer Department has custody of, and is responsible for, all official records and monies belonging to the City of Laurel.

The following projects/purchases related to the City Clerk/Treasurer Division have been identified and prioritized:

City Clerk/Treasurer

Project	Project Year	Funding Sources	Priority (1-5)	Project Costs
New Accounting Software	2027	General	1	\$80,000

Additional Detail:

New Accounting Software: \$80,000

The finance accounting software used by the Clerk/Treasurer is outdated. A new accounting program needs to be purchased that better meets current accounting standards as well as the growing needs of the community.

CITY PLANNING:

Laurel City Planning is responsible for guiding and directing the future growth of the City. Staff strives to plan for growth and development while maintaining the hometown atmosphere that Laurel citizens enjoy.

The City Planner is responsible for current short-, medium- and long-term planning, zoning compliance, subdivision review, and economic development activities. The Department seeks to both build on current assets within the city through development and to grow the city through thoughtful planning projects and strategic expansion.

The main goals of the City Planner are to:

- Provide consistent direction for projects within the City
- Manage major planning activities and codes.
- Guide subdivision development through the public process
- Ensure growth activities maintain a high quality of life for residents.
- Create an attractive community for prospective residents, businesses, and institutions.

The following projects/purchases related to City Planning have been identified and prioritized:

City Planning:

Project	Project Year	Funding Sources	Priority (1-5)	Project Costs
Annexation Plan	2024	General	1	\$30,000.00
Zoning Code Updates	2024	General	1	\$25,000.00
West Laurel Interchange Study	2024	General	1	\$50,000.00
Land Use, Zoning, and Infrastructure Study in/around the West Laurel Interchange and Golf Course Rd Corridor.	2025	General	2	\$60,000.00 (\$25,000 awarded from Dept of Commerce)
Subdivision Code Update	2025	General	2	\$40,000.00
Downtown Master Planning	2025	General	3	\$50,000.00
Department Vehicles	2026	General	4	\$100,000
Park Master Plan	2026	General	4	\$30,000.00
Trails Plans	2026	General	4	\$40,000.00
Growth Management Policy	2028	General	5	\$50,000

Additional Detail:

Annexation Plan: \$30,000

Costs include development of a plan that establishes priorities for the annexation of land and property surrounding the current city limits of Laurel, including subdivisions and properties within the Laurel Zoning Jurisdiction (County Properties on Laurel water and/or sewer, the golf course corridor and West Laurel Interchange, north/near east (E 8th, Yard Office), and the airport and adjacent areas).

Zoning Code Update: \$25,000

Cost includes a comprehensive update to Laurel Municipal Code (LMC) Chapter 17. Significant items in need of update include zoning districts, sign code, overlay districts and allowable uses. The primary goal of the update is to simplify the codes, making them easier to use and to implement.

West Laurel Interchange Study: \$50,000

This study would be utilized to assess land use, zoning, and infrastructure needs in/around the West Laurel Interchange and Golf Course Road Corridor. A grant has been received in the amount of \$25,000 from Department of Commerce for this purpose.

Land Use, Zoning, and Infrastructure in and around the West Laurel Interchange and Golf Course Road Corridor: \$60,000

This cost estimate includes updating the transportation master plan including a study of transportation corridors, categorization of roadways, mapping, future roadway planning, timeline/schedule of roadway improvements, and priorities for transportation in/around the city. A grant has been received in the amount of \$25,000 from Department of Commerce to assist with this cost.

Subdivision Code Update: \$40,000

Costs include an update to Laurel Municipal Code (LMC), Chapter 16. The current subdivision code has not been updated for the past three Montana legislative cycles (6 years).

Downtown Master Planning: \$50,000

Downtown Master Planning includes planning for parking, beautification, and lighting improvements. The plan should focus on improving Laurel downtown (to include SE 4th Street and traditional downtown N of the overpass). Completion of the study including recommended upgrades and improvements would provide direct recommendations for the City for implementation in the short/medium term.

Department Vehicles: \$100,000 (\$50,000 each)

The current planning and building Department vehicles are aging and are no longer suitable for fieldwork. Costs include the purchase of two (2) new all-wheel drive vehicles including visibility markings and city logo application for the planning and building department.

Park Master Plan: \$30,000

A park master plan would provide recommendations for utilization of parkland within the City of Laurel. The plan should include recommendations for parkland best practices and/or priorities for parkland donated or dedicated to the City.

Trails Plans: \$40,000

The Trails Plan is one option for assessing the opportunities for, and then creating a trails system within Laurel and the surrounding planning jurisdiction. This could incorporate the best uses for parklands, location of trails and the specific requirements for maintenance and access to any trails as they are established.

Growth Management Policy: \$50,000

The City Growth Management Plan should be updated a minimum of every five (5) years. The most current plan was completed in 2022 and should, therefore, be updated in 2025, ensuring that the City maintains a plan for guided development moving forward.

CITY LIBRARY

The Laurel Public Library policy and operations is overseen by the Laurel Public Library Board of Trustees, who are responsible for ensuring the Library bylaws are adhered to and updated on a regular basis. The City Mayor appoints trustees with City Council approval and from recommendations provided by the existing Board. According to current bylaws (as revised and adopted in 2020), three (3) of the trustees are residents from within the boundaries of School District #7/70, one (1) is a resident from the surrounding tri-county area and one (1) can be a resident “at large” of the State of Montana.

Like many libraries, the Laurel Public Library is an important community resource, providing a venue for numerous community events and family activities. In addition, the library provides educational resources, legal and tax information, tech support, voting information, and public computers and spaces that can be reserved by the public.

The following projects/purchases for the Laurel Public Library have been identified and prioritized:

City Library:

Project	Project Year	Funding Sources	Priority (1-5)	Project Costs
Computer Replacement	Annually	General	1	\$6,000/year
Library Roof, Soffit, & Fascia	2025	General	1	\$50,000
Air Conditioning Units	2026	General	2	\$25,000
Building Additions (2 Wings)	2028	General	3	\$750,000

Additional Detail:

Computer Replacement: \$6,000

The computers currently being utilized by the public and by the staff are long past their useful life (6-10 years in age) and are no longer meeting current software or security needs. Costs include replacement of all staff and public computers starting in 2024 replacing 2-3 a year.

Library roof, soffit, and fascia: \$50,000

The building roof and fascia is in severe disrepair and requires replacement. The last inspection performed in 2018 recommended replacement with deterioration ongoing. Recommendations were for a complete roofing replacement, gutters, downspouts, soffits, and fascia.

Air Conditioning Units: \$25,000

The existing air conditioning units were installed with the building in 1998 and are beginning to fail. Due to the age of the units, maintenance is almost impossible as parts are no longer available, and costs are reaching the level that new units would be more cost effective.

Building Additions (2 wings): \$750,000

The library has outgrown the current footprint and is struggling to meet the current community demands. Costs include an addition to the North 7 West sides (10ft out) which will allow for a storage room, additional meeting rooms, and office space.

COMMUNITY-WIDE/MULTIPLE DEPARTMENT PROJECTS:

As noted throughout the designated department sections of the CIP, there are several projects that are identified that cross over into other Departments and could be combined for cost savings and maximum return on investment. There are also projects that were not listed under individual Department priorities as they impact the whole of City services (i.e., replacement of City Hall). These projects are listed and/or reiterated here for consideration as the community continues to prioritize those projects that are most needed and would have the most impact on the community and city services overall if they were able to be addressed:

Project	Project Year	Funding Sources	Priority (1-5)	Project Costs
Trail Master Plan (Transportation Action Plan)	2024	General		\$40,000
New Fire/Ambulance Facility	2025	General	1	\$15,000,000
Replace City Hall	2027	General/Enterprise	2	\$15,000,000
Joint Public Works Storage Facility	2028	General/Enterprise	1	\$1,500,000

Additional Detail:

Trail Master Plan (Transportation Action Plan): \$40,000

Both a Trails and Park Master Plan are listed as priority projects for City Planning. These plans would encompass the entirety of the City and would potentially impact public works as well as public safety. Creation of the trails master plan as part of a larger active transportation master plan would allow the community to consider how parks, trails and other public amenities are fully integrated into the community to create walkability and access for all residents.

Fire and Ambulance Facility: \$15,000,000

The facility currently being utilized for fire and emergency services is an older, converted fire station. As it was originally for limited use for the fire department, it is not well suited for the current combined use in which fire, ambulance and police are all in the same location. The building is not configured appropriately and is much too small for the current number of staff and for vehicles and equipment. Departments have prioritized rehabilitation, expansion, and minor remodel projects to assist in creating a more suitable space, but these are short-term fixes to a long-term problem and will not resolve the situation fully. Costs are estimated for an entirely new facility designed to meet the needs of all three departments and their staff/equipment.

City Hall Replacement: \$15,000,000

Much like the fire and ambulance building, City staff and services have outgrown City Hall. The City Court is out of room and overall, the building no longer functions well for its designed purpose. Costs are estimated for a significant remodel/expansion of the current building or construction of an entirely new building to better meet the community’s current and growing needs.

Equipment Storage Facility: \$1,500,000

It has been noted throughout the CIP that several departments and City agencies do not have adequate space for equipment and vehicle storage, which often results in equipment/vehicles being stored outside subjecting them to the elements and to theft and vandalism. The current City shop is also at capacity and spare parts for City equipment are difficult to find and maintain due to lack of space.

In addition to a desire for storage for public works and public safety department inventory, the City shop requires expansion or relocation to a larger facility. Depending on land and facility availability, these projects could be combined or completed separately to meet the needs of all City departments.

Projects and Potential Funding Summary

While all identified projects are important, often they are prioritized based on limited financial and capacity issues. With the 2021 passage of the Bi-Partisan Infrastructure Law (BIL)/Infrastructure Investment and Jobs Act (IIJA), there is no better time for communities to review identified projects within the context of additional federal grant dollars. While most federal grants continue to require a 20 percent match, particularly for large, expensive, and transformational projects, this investment can be leveraged against significant federal contributions that make what were, in some cases, previously unrealistic projects, attainable.

While federal money is not available for all identified projects or equipment, and there are never guarantees that grants applied for will be awarded, what follows is an overview of the most common grant/loan resources that could potentially be accessed/further researched to assist in moving projects forward and/or buying necessary equipment. ***This is not an exhaustive list*** as grant availability changes all the time and new resources are added while some are removed. The following list is also primarily “public” grants/resources and does not include private/foundation grants which, especially for amenities like parks and community facilities, can often supplement public dollars. Additionally, some of the resources listed have several different grant programs (for example, WaterSmart has 16 different grant programs, primarily for utilization in water projects). For this reason, the City is encouraged to do additional research and/or to have funding/grant experts do that research on a project-by-project basis.

Funding projects, especially large infrastructure projects, can be extremely complex and even with the recent influx of federal grant dollars, grants are extremely competitive. Timing of when grants are available and due becomes critical as, often, projects need to be considered and planned 2-3 years in advance of seeking applicable funding. Construction grants are often seeking projects that are as close to “shovel ready” as is feasible, requiring significant planning ahead of submission. Because of this, many grant resources have dollars set-aside for planning which should be accessed and utilized prior to considering construction/implementation grant resources. Lastly, some Montana grants are only available on alternating years and require legislative approval, resulting in 2–3-year cycles before money becomes available. To take maximum advantage of grant funds, communities need to always think 3-5 years into the future. Like infrastructure development, planning and application for grants takes significant time and cannot be done well last minute or “on the fly.”

For this reason, it is recommended that Laurel utilize outside technical assistance when considering any of the grants/funding resources as outlined. Professional grant writers can often assist in determining whether projects are competitive for grant funding, what the timing of applications should be, and ensuring that in cases in which application is made, those applications are as competitive as possible and provide Laurel the best opportunity for award success.

PUBLIC WORKS			
WATER, WASTEWATER, STORMWATER			
Program	Min/Max Grant	Match	Deadlines
DNRC RRGL-Planning	\$15,000	No Match Required	Summer
DNRC RRGL-Construction	\$125,000	No Match Required	May 15th
MT Coal Endowment (MCEP)-Planning	\$15,000	1:1	Summer (June/July) odd numbered years
MT Coal Endowment (MCEP)- Construction	\$500K-\$625K	1:1	Spring (April/May) even numbered years
Economic Development Administration (EDA)	\$1 million	1:1	No deadlines
CDBG-Planning	\$50,000	1:3	March, June & November
CDBG-Construction	\$750,000	25 percent	Fall (September/October)
MT Coal Board	\$1 million	Must show local contribution	Quarterly
USDA RD	Based on LMI	Based on LMI	No deadlines
WaterSmart	Varies by grant program	Typically, between 20-50 percent	Varies by grant program-Federal Program w/multiple grant opportunities based on type/size of project
State Revolving Fund Loan (SRF)	Based on debt capacity	No Match-Loan	No deadlines-Projects should be submitted to the intended use plan
Intercap Loan (Board of Investments)	Based on debt capacity	No Match- Loan	No deadlines- Applications under \$1 million are reviewed by staff-More than \$1 million by board quarterly
TRANSPORTATION, STREETS, SIDEWALKS/PATHWAYS			
MT Coal Board	\$1 million	Must show local contribution	Quarterly
MT Transportation Alternatives (TA)- Pavement Preservation	\$600,000	13.42 percent	Varies
MT TA-Capital Improvements	\$3 million	13.42 percent	Varies
USDOT PROTECT-Planning	Min. \$100,000	No Match	Summer/Fall (August)
USDOT PROTECT-Construction	Min. \$500,000	20 percent	Summer/Fall (August)
Bridge Investment Program (BIP)-Planning	No Min/Max	20 percent	Summer (July/August)
BIP Construction	Min. \$2.5 mill	20 percent	Fall (August/September)

PUBLIC WORKS			
TRANSPORTATION, STREETS, SIDEWALKS/PATHWAYS (Continued)			
Program	Min/Max Grant	Match	Deadlines
National Culvert Grant	\$2 mill	20 percent	Winter (January/February)
Wildlife Crossing Program	No Min/Max	20 percent	Summer/Fall (August)
FTA Bus & Bus Facilities	\$37 million	15-20 percent	Spring (April/May)
Rebuilding American Infrastructure w/Sustainability & Equity (RAISE)	\$1 million	20 percent	Winter (January/February)
Infrastructure for Rebuilding America (INFRA)			
Multimodal Project Discretionary Grant (MPDG) (MEGA/INFRA/RURAL)	MEGA-Min. \$100 million INFRA -Min. \$1 million RURAL -Min \$25 million	MEGA 40 percent INFRA 20 percent RURAL 20 percent	Spring/Summer (May/June/July)
Safe Streets & Roads for All (SS4A) – Planning	\$1 million	20 percent	Summer/Fall (July/August/Sept)
SS4A-Construction	\$3 million	20 percent	Summer/Fall (July/August/Sept)
Reconnecting Communities-Planning	\$2 million	20 percent	Fall/Winter (October/November)
Reconnecting Communities-Construction	\$100 million	50 percent	Fall/Winter (October/November)
Railroad Crossing Elimination-Planning	No Min/Max	20 percent	Fall/Winter (October/November)
Railroad Crossing Elimination-Construction	Min. \$1 million	20 percent	Fall/Winter (October/November)
Consolidated Rail Infrastructure and Safety Improvements (CRISI)	No specified min/max	20 percent	Winter (November/December)
SOLID WASTE			
USDA Solid Waste Management	No Min./Max	No Match Required	December
EPA Solid Waste Infrastructure for Recycling	\$2 million	No Match Required	February/March

PUBLIC WORKS			
PARKS/TRAILS			
Program	Min/Max Grant	Match	Deadlines
MT Transportation Alternatives (TA)	\$3 million	13.42 percent	Varies
MT Fish Wildlife & Parks (FWP)-Recreational Trails Program	\$100,000	20 percent	Winter (December/January)
MT FWP-Trail Stewardship Program	\$75,000	10 percent	January
Land & Water Conservation Fund Recreation Grants	\$1.5 million	20 percent	Fall
MT Trails, Recreation & Park Association	Varies	Unknown	Fall/Winter (when \$\$ are available)
BLM Recreation & Visitor Services	\$25K Min \$350,000 Max	No Match Required	Spring (March/April)

PUBLIC SAFETY			
Police, Fire, Ambulance/EMS Services			
Program	Min/Max Grant	Match	Deadlines
MT Coal Board	\$1 million	Must show local contribution	Quarterly
DHS First Responder Grants	Several programs w/various requirements/max amounts.	Match is typically 20 percent but varies by program	Varies
Wildland Urban Interface Community Fire Asst.	\$5,000 Min \$10 Mill Max	No Match Requirement	Fall (September/October)
USDA Community Facilities Direct Loan/Grant	Loan/Grant combination amount depending on project size/loan amount	No match but percentage of loan is based on community size and LMI	No deadline
FEMA Staffing for Adequate Fire and Emergency Response (SAFER)	No specified min/max	No Match Required	Spring (February/March)

CITY/ECONOMIC/LAND USE PLANNING			
Program	Min/Max Grant	Match	Deadlines
CDBG Planning	\$50,000	1:3	March, June & November
MT Coal Board	\$1 million	Must show local contribution	Quarterly
Economic Development Administration (EDA)	\$1 million	1:1	No deadlines
Big Sky Economic Development Trust Fund	\$27,000	1:1	Varies
MT Main Street Program	\$50,000	1:1	November/December (Must be a designated Main Street Community)
USDA-Rural Community Development Initiative (RCDI)	\$50,000 Minimum \$500,000 Max	1:1	June/July/August

LIBRARY/COMMUNITY FACILITIES			
Program	Min/Max Grant	Match	Deadlines
CDBG Construction	\$750,000	25 percent	Fall (September/October)
EDA Public Facilities	\$1-\$1.5 million	1:1	No deadlines
USDA Community Facilities Direct Loan/Grant	Loan/Grant combination amount depending on project size/loan amount	No match but percentage of loan is based on community size and LMI	No deadline

In addition to funding resources that are targeted to specifically identified in the CIP, there are several federal resources, many of which are the result of the Bipartisan Infrastructure Law (BIL), that target energy efficiency, green energy, electric vehicle deployment, energy and mineral development, and climate resiliency. Additionally, more money is available to address telecommunications and broadband needs than ever before, creating avenues for communities and private providers to extend and enhance connectivity throughout the country.

New grant programs that may be considered include (but are not limited to), the Rural Energy Pilot Program, USDA ReConnect grant and loan program, PROTECT Resiliency Planning/Implementation, the Community Wildfire Defense Grant, and additional monies for brownfields assessment and clean-up.

As the City continues to prioritize and address already identified and new projects, these resources should be considered as a means to supplement traditional funding and also address connectivity, resiliency, sustainability, and longevity of infrastructure development.

AVAILABLE COMMUNITY FUNDING RESOURCES:

General Fund and Cash Reserves: The City of Laurel raises approximately \$4.1 million each fiscal year for the general fund. The City Council has appropriated (approved for spending) approximately \$4.8 million in expenditures for Fiscal Year 2022. In discussion with the Clerk-Treasurer, the City has a pattern over the past 5-years of appropriating more general fund dollars than is collected. Assuming all approved expenditures occur, the balance is paid from the City reserves. The City can hold cash reserves equal to 50 percent of annual appropriations or approximately \$2.4 million. Cash reserves currently stand at about \$1 million or 21 percent of the annual general fund balance. Cash reserves at this percentage are not problematic for any given fiscal year and considered to be a sound cash position. Reserves are how the City continues to ensure City services and general fund operations from July 1st until tax proceeds are distributed, generally in late November of each year.

Tax Increment Finance (TIF) Districts: TIF Districts are often seen as a two-edged sword. While they generally encourage investment/reinvestment in communities, this tool also increases taxable value (increment), used to pay debt for the District while not providing additional revenues to the general fund. TIF Districts in Laurel have been successful, and there is current development occurring within the established Laurel TIF Districts.

Public Safety or Other Levies:

In addition to general fund, cash reserves, and TIF Districts, the City also may request voter approval for levies. Most prominently, communities will request a public safety mill levy, however, levy dollars may also be requested for schools, recreation, and other specific City needs as identified. These efforts generally take significant outreach to the public to provide information regarding the need and to answer taxpayer questions, however, can be a useful and significant funding stream for high priority community projects. Neighboring communities of Billings and Red Lodge have been successful in recent years in passing public safety mill levies to assist in paying for these critical fire, police, and ambulance services.

Enterprise Funds:

Solid Waste: The solid waste fund is in the 'black' for the first time in several years. Because of this, and because there have not been substantial revenues to meet identified needs, the solid waste program has a backlog of capital needs which are outlined in the CIP.

Water: The water enterprise fund is in a healthy financial position, however, there are also several significant capital needs as outlined in the CIP. The City is considering utilizing American Rescue Plan Act (ARPA) allocations to assist with some of these outstanding needs. In addition to capital needs, the City is having discussion about the need to separate the drinking and storm water enterprise fund. Currently both drinking water and stormwater needs are being funded through the water enterprise fund. This is not ideal and, eventually, these should be divided into separate enterprise funds.

Sewer: The sewer enterprise fund is in a healthy financial position, however, is like the water enterprise fund in that the capital needs are more significant than the current financial resources available. This is another potential opportunity to utilize ARPA funds to assist with one-time priority expenditures.

As previously mentioned, Laurel is continuing to grow. As a result, it is anticipated that within the five years, Laurel will become a Class 2 City. A 2nd class city has a population between 10,000 and 20,000 people. This growth and designation will result in significant changes especially related to appropriations for the Fire Department and City Court.

EXTERNAL FUNDING RESOURCES:

Maintaining, rebuilding, and constructing infrastructure is an expensive and time-consuming process. Costs often exceed revenues collected and communities find it necessary to access outside grant and loan resources to fund these projects fully. Although the following is not an exhaustive list of those resources, it does provide a short description of common and often utilized state and federal resources available to assist communities in their infrastructure goals. Some of these programs are only available every-other year (as they are approved by the Montana State legislature). Because of this, it is important that the City plan well in advance, ensuring that projects are ready for consideration when grants are open for application.

Federal Stimulus/Recovery Funds:

In addition to the typical state and federal resources as outlined, beginning in 2020, there has been a substantial influx of federal stimulus/recovery money available. The purpose of these dollars is to assist communities in recovering from negative economic impacts related to COVID-19, but this takes many forms and provides for considerable local latitude in how federal allocations and grants are spent to meet this need.

The CARES Act in 2020 included substantial funding for communities for payroll protection, businesses, renter assistance, unemployment insurance, healthcare, as well as childcare, schools, and food assistance. In March 2021, the American Rescue Plan Act (ARPA) was passed, providing over \$350 billion in government support. Extension of several CARES Act programs and dollars were included along with direct appropriations to States, Counties, and Cities for use in providing aid to households, small businesses, non-profits, and assistance to industries particularly hard hit such as tourism, hospitality, and travel; funding government services that were curtailed because of decreased tax revenue caused directly by the pandemic; and making necessary investments in water, sewer, or broadband infrastructure.

In early 2022, the ARPA final rule was released which provided additional flexibility in the spending of ARPA dollars to include up to a presumed \$10 million revenue deficit for communities. This resulted in communities no longer having to complete lengthy revenue loss calculation forms to utilize their ARPA allocations as “lost revenue,” effectively giving communities permission to utilize their direct ARPA allocation (with very few exceptions) for ANYTHING that governments typically spend their revenues. This includes roads, bridges, community facilities, and other forms of infrastructure previously not included.

In late 2021 Congress passed the third federal relief bill, the Infrastructure Investment and Jobs Act (IIJA); Building a Better America. This provides an additional \$973 billion over five years (FY2022-FY2026) including \$550 billion in new infrastructure investments in transportation, water, power and energy, environmental remediation, public lands, broadband, and resilience. This includes reauthorization and additional funding for several existing grant/loan programs as well as several NEW grant/loan programs that will be made available in the next 5 years. There is considerable money for planning and for “shovel ready” projects, making it important that communities identify priority projects and ensure planning and related planning documents/processes are in place to take full advantage of these limited-time opportunities. These programs/funding resources change frequently and are only guaranteed available through 2026. A comprehensive list of these can be found here: <https://www.whitehouse.gov/wp-content/uploads/2023/02/Open-and-Upcoming-Infrastructure-Funding-Opportunities-Feb-6-2023-VF.pdf>

Montana Coal Endowment Program (MCEP)

MCEP (formerly known as the Treasure State Endowment Program or TSEP) offers both planning and construction dollars for water, wastewater, sanitary or storm sewer systems, solid waste disposal, and separation systems and bridges. Planning grants are available for up to \$15,000 and require a 1:1 match. Construction grants are available for the same types of projects and can be awarded for up to \$750,000 depending on user rates being charged in the project area. Construction grants also require a 1:1 match. MCEP planning grant applications are generally accepted in the spring of “odd-numbered” years (legislative years) and construction grants on the alternating “even-numbered” years (when the legislature is not in session). Planning grants are awarded relatively quickly, however, construction grants are ranked and then approved by the legislature, resulting in at least a year between application and award/contract. <https://comdev.mt.gov/Programs-and-Boards/Montana-Coal-Endowment-Program/>

Community Development Block Grant (CDBG)

CDBG also offers planning and construction dollars for communities to preserve affordable housing, provide services to the most vulnerable citizens, and plan, construct or rehabilitate infrastructure and public facilities that primarily benefit low-to-moderate income (LMI) citizens. Planning grants are available for up to \$50,000 and require a 1:3 match. They can be used for various community planning activities including studies, research projects, growth policies, CIP links, updating of subdivision and zoning regulations, master plans, and economic development studies. Applications for planning are generally requested in the late summer/early fall of each year. CDBG Construction grant applications are accepted once per year (usually in the fall/winter of each year) and may request up to \$450,000. These also require a 1:3 match and projects must be in communities where the percentage of LMI citizens is at least 51 percent. <https://comdev.mt.gov/Programs/CDBG>

Montana Coal Board

The Montana Coal Board facilitates funding from the Montana Coal Severance Tax. Funding is appropriated by the Montana legislature every two years and utilized to assist local governments that have been impacted because of the development of coal or coal energy in public services (including infrastructure, emergency equipment, and other community facility needs). Only communities designated as being in the Coal Impact Area can apply (Laurel is included in the Coal Impact Area). Communities are expected to contribute to project costs to the degree they are able, but there is no specified maximum grant amount nor a specified match requirement. The Coal Board meets quarterly and reviews applications at that time. Funding is always contingent on coal severance tax revenues. <https://comdev.mt.gov/Boards/Coal>

Department of Natural Resources- Renewable Resource Grant and Loan Program (DNRC-RRGL)

DNRC-RRGL offers both grants and loans for planning and construction. Funds are utilized for projects that conserve, manage, develop, or preserve Montana’s renewable resources. This includes numerous public facility projects, including drinking water, wastewater, and solid waste development and improvement projects. Planning grants are available for up to \$15,000 and do not require a match. Applications are typically due in early spring and depending on funding availability, sometimes a second round in the fall of each year. Construction grants are available for up to \$125,000, and, again, there is no match requirement. These applications are due on May 15th of even-numbered years and, like MCEP, are ranked and then approved for funding through the Montana legislature in the following legislative cycle.

DNRC-RRGL also offers low-interest loans, which are determined by the community's debt capacity. Additional smaller grants for irrigation development, watershed management, and emergencies (both grants and loans) are also available. <http://dnrc.mt.gov/divisions/cardd/resource-development/renewable-resource-grant-program>

Montana State Revolving Loan Fund (SRF)

Located within the Department of Natural Resources and Conservation (DNRC), these low-interest loans are available to local government borrowers for wastewater (water pollution control projects) and drinking water projects. Loans can be applied for at any time (there is no official deadline) and funds are made available depending on the community's debt capacity/ratio.

<http://dnrc.mt.gov/divisions/cardd/financial-bureau>

Montana Board of Investments- INTERCAP Loan Program

INTERCAP loans are available for a variety of community infrastructure and public equipment/vehicle needs. Loans are low interest and, like the SRF loans, based on the community's debt capacity/ratio. Like SRF, there is no hard deadline for these applications. For smaller loans (less than \$1 million), staff can review loans at any time and make determinations. If a loan is more than \$1 million, the loan committee must approve the loan. That committee generally meets monthly. If a loan is more than \$5 million, the Board of Investments must approve the loan. That Board meets quarterly. The interest rates on INTERCAP loans are generally less than that of other loans, but the loan term is also less, with a maximum term of 15 years or useful life of the project, whichever is less.

<https://investmentmt.com/INTERCAP>

US Department of Agriculture-Rural Development (USDA-RD)

USDA-RD offers grants and loans for planning and construction of various community and individual projects. The division provides business and industry loan guarantees, rural business development grants, rural energy and renewable energy programs, efficiency improvement loans & grants, value-added producer grants, community facility direct loans and grants, water and waste disposal loans and grants, single-family housing direct home loans, single-family housing repair loans and grants and technical assistance grants. USDA RD prefers loan/grant combinations for infrastructure projects and serves rural communities with populations of no more than 20,000 residents. There is a strong preference for communities with a population of less than 5,500 and low-income communities having a median household income below 80 percent of the state nonmetropolitan median household income. USDA generally has substantial resources, but the application process is lengthy and sometimes prohibitive, especially for communities without a grant writer or dedicated staff.

<https://www.rd.usda.gov/mt>

Economic Development Administration (EDA)

EDA offers funding through their Public Works and Economic Assistance Program to assist economically distressed communities and regions with comprehensive and flexible resources to address a wide variety of economic development needs. Project funds can be utilized to support work in Opportunity Zones and support for creating and retaining jobs, increasing private investment, advancing innovation, enhancing manufacturing capacity of regions, providing workforce development opportunities, and growing ecosystems that attract foreign direct investment. EDA funds are facilitated by the US Department of Commerce (federal dollars).

There are generally no “hard” deadlines for application to EDA funds and no specified maximum grant amounts, although the influx in federal funds to EDA has resulted in several new programs that do have deadlines and specified maximum grant awards. EDA does typically require a 1:1 match, and it is recommended applicants work with their regional EDA representative to discuss projects and formulate applications in advance of submission.

RECOMMENDATIONS AND SUMMARY STATEMENTS:

As was noted in the Introduction to the CIP, this plan is intended to be a living document that can evolve and be updated as projects are completed and/or as other projects are identified and made a priority. At a minimum, it is recommended that the City formally update the document every two years. This allows for a thorough review of projects and the opportunity to update project tables, community information, and cost estimates, ensuring that projects that are completed are removed and new projects are incorporated into the plan.

The CIP references the use of CARES Act, ARPA and IIJA dollars (all federal stimulus/recovery dollars) as possible one-time funding resources for various identified infrastructure projects and related City equipment. It is recommended the City plan for, apply, and utilize these funds for completion of as many projects as is possible (and that qualify) during this time of unprecedented federal assistance. This will assist in reducing the burden on local revenues for completion of those projects/equipment purchases, allowing for use of those funds on projects that do not qualify for federal assistance.

In discussions with Department staff in the creation of the CIP, several projects were identified that are substantially similar and often cross over multiple departments/divisions. As the City proceeds, it would be recommended that these projects be considered as joint/combined projects, allowing City resources to be utilized as efficiently as possible. These projects have been called-out and identified in “Multiple Department Projects.” They are large projects that will take substantial financial resources and community support to come to fruition.

As part of this effort, it is recommended that an Inventory of City Owned Property as well as a Space Study be completed as identified in “Multiple Department Projects” (estimated cost of \$75,000-\$100,000). This would be a substantial first step in assisting City leadership in identifying existing City owned properties and space needs as well as discussing planning for future space needs and means by which the City might combine some of these projects to meet multiple Department needs. For example, the City has expressed the need for both a new City Hall and a Law and Justice Center. Several communities have combined these facilities successfully, meeting the needs of multiple Departments and centralizing multiple City services, staff, equipment, and supplies.

The City is currently outlining and finalizing the FY2022 budget. It is recommended the City begin implementation of the CIP as part of the budget process, ensuring that projects identified as priorities for FY2022-2023 be included (to the degree possible) in the FY2022-2023 budget and that Department’s consider how they can begin saving for projects planned/identified in FY2023-2024 and beyond.

