



City of Libby Libby Montana

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REGULAR COUNCIL MEETING #1686

MONDAY, OCTOBER 6, 2025 @ 7:00 PM
COUNCIL CHAMBERS – CITY HALL

CALL TO ORDER:

- Pledge of Allegiance
- Prayer by Jeff O'Connell
- Roll Call
- Welcome/Announcements
- Approve minutes for Regular Council Meeting #1685, September 15, 2025

REPORTS:

- City Administrator Report
- Streets
- Police
- Finance

COUNCIL COMMITTEES:

- Building
- Cemetery/Parks
- Fire
- Lights/Streets/Sidewalks
- Ordinance
- Water/Sewer

PUBLIC COMMENT ON NON-AGENDA ITEMS: This is an opportunity for the public to offer comments related to issues that are not currently on the agenda that the council has jurisdiction over. Public comment is limited to 3 minutes.

NEW BUSINESS: The mayor will introduce each new agenda item with a description of the item and an explanation for the recommended action to be taken. Following council discussion on each item, there will be an opportunity for public comment. Public comment is limited to 3 minutes concerning the agenda item being discussed only.

1. Natural Resource Damage Grant-Libby Asbestos project workshop and overview of the Libby Groundwater Assessment Plan-Sydney Stewert (information).
2. Legal Services' Agreement related to AFFF/PFAS Litigation Services- introduction/discussion.
3. Approve committee recommendation for relocation of wings.
4. Approve signing of Resolution to Authorize Submission of CDBG Application, first page of the Uniform Application, and Montana CDBG Certification of Application for First and Montana lift station.
5. Approve all claims received to date.
6. Approve all business license applications received to date.
 - a. Allcom Electric, Inc., 7042 Commerce Circle Suite A, Pleasanton, CA., Corporation, Electrical contractor renovations to multi units.
 - b. Atlas HVAC LLC, 118 E. 3rd St. Apt. 4, LLC, Heating and cooling services.
 - c. C&C Mechanical, Inc. 5050 E Cherry Creek S. Dr., Denver, CO., Corporation, Plumbing contractor.
 - d. KIF Services LLC, 2725 MT HWY 37, LLC, House cleaning and janitorial services.
 - e. Robin's Nest, 1213 Montana Ave., Individual, Airbnb.
 - f. Roxanne Benefield, 547 Cedar Deadow Rd., Individual, Residential cleaning.

UNFINISHED BUSINESS: Each item will be introduced by the mayor (or assigned liaison) with a description of the item. Following council discussion on each item, there will be an opportunity for public comment. No action will be taken. Public comment is limited to 3 minutes concerning each item.

1. Chamber of Commerce request for long-term building lease-Discussion.
2. Grant Writer/Community Development Coordinator Job Description-Discussion.

GENERAL COMMENTS FROM COUNCIL: Public comment will not be taken during this portion of the meeting

ADJOURNMENT:

The manner of Addressing Council:

- Each person, not a Council member, shall address the Council at the time designated in the agenda or as directed by the Council, by stepping to the podium or microphone, giving that person's name and address in an audible tone of voice for the record, unless further time is granted by the Council, shall limit the address to the Council to three minutes.
- All remarks shall be addressed to the Council as a body and not to any member of the Council or Staff with no personal remarks allowed.
- No person, other than the Council and the person having the floor, shall be permitted to enter any discussion either directly or through a member of the Council, without the permission of the Presiding Officer.
- Any person making personal, impertinent, or slanderous remarks or who shall become boisterous or disruptive during the council meeting shall be forthwith barred from further presentation to the council by the presiding officer unless permission to continue is granted by a majority vote of the council.

ATTENTION:

To access this meeting electronically with **ZOOM**,
Dial: 253-215-8782
Meeting ID: 4042719951
Password: 151041
Posted: 10/2/25

**CONTRACT FOR LEGAL SERVICES
AFFF PFAS LITIGATION**

The **CITY OF LIBBY** (hereinafter the “Client”) hereby retains, STAG LIUZZA, L.L.C., (through attorney Michael Stag, LLC), EDWARDS & CULVER (through attorney John Edwards), KOVACICH, SNIPES, JOHNSON, P.C., (through attorney Mark Kovacich), BOONE KARLBERG, P.C., (through attorney Scott Stearns), and CLIENT FIRST LEGAL P.L.L.C. (through attorney Tim Young) (hereinafter the “Attorneys”) for the purpose of providing legal services related to the filing of a civil action and/or claims in the pending settlements for recovery of costs associated with damages to the public drinking water system and/or public wastewater system against Defendants who manufactured, marketed, distributed, and/or sold aqueous film-forming foam in the AFFF Product Liability Multi-District Litigation (“AFFF”), (hereinafter the “Client’s Claims”).

CLIENT DESIGNATES FOR COMMUNICATION PURPOSES THE FOLLOWING:

Water Department: _____
Name Telephone E-mail

Business Matters: _____
Name Telephone E-mail

Client acknowledges and understands that court ordered deadlines and documentation requirements exist for the pending DuPont and 3M settlements. Client agrees to provide the required documentation and assist in performing testing in a timely matter sufficient to allow Attorneys time to process and file the settlement claim within the court ordered deadlines. Any failure of Client to comply with the testing and documentation requirements of the settlement may result in forfeiture of the Client’s right to recover money from DuPont, 3M, and future settlements. Documentation requirements and deadlines may further apply to settlements currently pending court approval or approved in the future.

The Client specifically authorizes the Attorneys to undertake negotiations, file suit, file settlement claims, or institute legal proceedings necessary on the Client’s behalf in the AFFF Product Liability Multi-District Litigation. The Client further authorizes the Attorneys to retain and employ the services of any experts, as well as the services of other outside contractors, as the Attorneys deem necessary or expedient in representing the interests of the Client. The Client understands and authorizes Attorneys to share attorney fees with any legal counsel Attorneys choose to associate to assist with providing the legal services contracted herein.

Unless otherwise agreed in writing by Client and Attorneys, Attorneys will not provide legal services with respect to defending any legal proceeding or claim against the Client. With Client’s permission, however, Attorneys may elect to appear at such administrative or legal proceedings to protect Client’s rights. Client acknowledges that the Attorneys are not tax, regulatory, or bankruptcy legal experts. If Client wishes to retain Attorneys to provide any legal services not provided under this Agreement for additional compensation, a separate written agreement between Attorneys and Client will be required.

The Attorneys are not the attorneys for any officials, officers, agents, employees, attorneys, or consultants of the Client regarding this matter, and shall not become so unless the Attorneys specifically agree in the future in writing to undertake such representation. The Attorneys will confer, as needed, with such persons to perform the services specified in this Agreement, but no attorney-client relationship shall be created with such persons merely because the Attorneys work with and/or request or receive information from any such persons during their representation of the Client.

The Client has disclosed all potential adverse parties to the Attorneys, and neither the Attorneys nor the Client perceive any conflict of interest in the Attorneys undertaking this engagement on behalf of the Client. If either the Client or the Attorneys, during the course of the representation, receive information indicating that a potential conflict of interest may develop or exist, the Client and the Attorneys agree to bring such information to the immediate attention of the other, and the Attorneys shall proceed to take such steps as may be appropriate in the circumstances.

1. ATTORNEYS' FEES. As compensation for legal services, the Client agrees to pay the Attorneys for legal services rendered and to be rendered on account of the Client's Claims, the Client shall pay the Attorneys' fees (hereinafter "Attorneys' Fees"). The Attorneys' Fees shall be one-third (1/3) of the Gross Amount Recovered if the Client's Claims. These Attorneys' Fees shall all be calculated before the deduction of costs and expenses, as set forth in Section 2 herein. "Gross amount recovered" herein means principal, interest, penalties, punitive damages, treble damages, attorney's fees, and all other amounts recovered, including the value of any structured settlement, future payments, or other relief achieved, whether by settlement, judgment or otherwise. "Constituent claims" herein means any one or more claims of the Client constituting less than the entirety of the Client's Claims, including a partial settlement or judgment with less than all defendants. The Client agrees to pay all costs and expenses, as set forth in Section 2 herein, which, in the event of a successful recovery, shall be deducted from the Client's share of that recovery. The Client acknowledges that multiple lawsuits have been filed relating to the same subject matter as Client's Claims. The Client acknowledges that these suits, including any suit for the Client's Claims, might be removed to a federal court as part of multi-district litigation. Further, the Client acknowledges that the court governing the multi-district litigation might appoint committees of attorneys to litigate common issues of law and fact to facilitate the resolution of those lawsuits for common benefit of all claimants, including the Client. As a result, the Client might be obliged to pay from any Gross Amount Recovered a share of its recovery to satisfy an assessment of common benefit fees, costs, and expenses in an amount as determined by the court. Neither the Attorneys nor the Client shall have the right, without the written consent of the other, to settle, compromise, release, discontinue, or otherwise dispose of the Client's Claims. **Client shall only pay attorney fees contingent upon a recovery and shall not pay any attorney fees if there is no recovery.**

The Client agrees and acknowledges that the Attorneys are prosecuting this case as part of a joint venture. Under the joint venture, the Attorneys shall equally divide the Attorneys' Fees for Client's Claims related to the 3M and Dupont Settlements. (20% to Stag Liuzza L.L.C., 20% to Edwards & Culver, 20% to Kovacich, Snipes, Johnson, P.C., 20% to Boone Karlberg P.C., and 20% to Client First Legal P.L.L.C.).

As for all Attorneys' Fees for Client's Claims that do not qualify for the 3M and Dupont Settlements, Attorneys' Fees shall be divided as follows: 25% to Stag Liuzza L.L.C., 25% to Client First Legal P.L.L.C., with the remaining 50% split equally between Edwards & Culver, Kovacich, Snipes, Johnson, P.C., and Boone Karlberg, P.C.

2. COSTS AND EXPENSES. In addition to paying Attorneys' Fees, in the event of a successful recovery, the Client agrees to reimburse all costs and expenses, as set forth herein only in the event of a recovery, which shall be deducted from the Client's share of that recovery. Attorneys shall advance all litigation expenses on behalf of Client, and Client shall not be responsible for incurring or reimbursing costs of the litigation even if the amount of recovery is less than the costs incurred. **Client shall only reimburse litigation costs or expenses in the event of a recovery by settlement or judgment.** If no recovery is made, Attorneys shall bear all unreimbursed costs and expenses incurred, and client shall not be liable for any such costs or expenses incurred by Attorneys. Further, if recovery is insufficient to fully reimburse litigation costs, Attorneys shall bear, and Client shall not be liable for, all costs in excess of the amount of recovery. Subject to the foregoing terms, the Client agrees to reimburse the Attorneys' litigation costs and expenses upon receipt of any settlement funds or collected judgment.

The Attorneys shall have the right and authority, without prior approval of the Client, to incur such litigation costs and expenses as may be necessary or advisable in furtherance of Client's Claims. Litigation costs and expenses may include (but are not limited to) the following: filing fees; deposition costs; expert witness fees; transcript costs; witness fees; subpoena costs; sheriff's and service of process fees; trial consultant fees; mock trial costs; shadow jury fees; mediation fees; court costs; trial exhibit costs; copy costs; photographic, electronic or digital evidence production or presentation; investigation fees; travel expenses; and any other case-specific expenses directly related to the representation undertaken. Additionally, the Client specifically authorizes the Attorneys to charge as recoverable costs such items such as: computer legal research charges (e.g. Westlaw and/or Lexis); long distance telephone expenses; postage charges; Federal Express, UPS, and other delivery service charges; internal photocopying at a rate of \$.30 per page; facsimile costs at a rate of \$.25 per page; and mileage and outside courier charges, all of which must be incurred solely for the purposes of the representation undertaken. Finally, the Client acknowledges that Client will not be charged costs and expenses for any overhead costs of the Attorneys' practice, including office rent; utility costs; charges for local telephone service; office supplies; fixed asset expenses; and ordinary secretarial and staff services.

3. NO GUARANTEE. The Client acknowledges that the Attorneys have made no promise or guarantee regarding the outcome of my legal matter. The Client acknowledges that the Client's Claims may be subject to defenses that could lead to dismissal before, at, or after trial, and no recovery. The Client further acknowledge that the Attorneys shall have the right to cancel this agreement and withdraw from this matter if, in the Attorneys' professional opinion, the matter does not have merit, the Client does not have a reasonably good possibility of recovery, the Client refuses to follow the recommendations of the Attorneys, the Client fails to abide by the terms of this agreement, the Client fails to provide requested information or to produce witnesses to appear for deposition or trial, if the Attorneys' continued representation would result in a violation of the Rules of Professional Conduct, or at any other time as permitted under the Rules of Professional Conduct. No guarantee or representation has been made to the Client as to what type or amount of

recovery, if any, may be expected on the Client's Claims.

4. ELECTRONIC DATA COMMUNICATION AND STORAGE. In the interest of facilitating our services to the Client, the Attorneys may communicate by facsimile transmission, send data over the internet, store electronic data via computer software applications hosted remotely on the internet, or allow access to data through third-party vendors' secured portals or clouds. Electronic data that is confidential to the Client may be transmitted or stored using these methods. The Attorneys may use third-party service providers to store or transmit this data. In using these data communication and storage methods, the Attorneys employ measures designed to maintain data security. The Attorneys will use reasonable efforts to keep such communications and data access secure in accordance with the Attorneys' obligations under applicable laws and professional standards. The Attorneys also require all of the Attorneys' third-party vendors to do the same. However, the Client acknowledges that some information transmitted to the Attorneys will be public records, and the Client has no expectation that public records will be confidential. Client acknowledges that the Attorneys have no control over the unauthorized interception or breach of any communications or data once it has been sent or has been subject to unauthorized access, notwithstanding all reasonable security measures employed by us or our third-party vendors, and the Client consents to our use of these electronic devices and applications and submission of confidential client information to third-party service providers during this engagement.

5. PRIVILEGE. The Client acknowledges that this contract is intended to and does hereby assign, transfer, set over, and deliver unto the Attorneys as its fee for representation of the Client in this matter an interest in the claim(s), the proceeds, or any recovery therefrom under the terms and conditions aforesaid, in accordance with the provisions any state law that applies to this contract.

6. MODIFICATION. It contains the entire and complete understanding between the parties and can only be modified by written amendment signed by all parties.

7. TERMINATION OF REPRESENTATION. The Client acknowledges that the Client has the right to terminate the representation upon written notice to that effect. The Client acknowledges that Client will be responsible for any attorneys' fees or costs incurred prior to the discharge or termination, based on all the facts and circumstances, including the risk taken by the Attorneys in accepting Client's legal representation on a contingency fee basis. The Client agrees to cooperate with Attorneys and to comply with all reasonable requests of Attorneys. The Client warrants and represents to the Attorneys that all information the Client has provided to, or will in the future provide to, the Attorneys regarding the Client's Claim is true and correct to the best of the Client's knowledge, information, and belief. The Attorneys have the right to withdraw from this representation after giving reasonable notice. If the Attorneys resign, are discharged, or are disqualified or otherwise cease to serve as the Client's legal counsel prior to a settlement or final judgment, then the withdrawing, discharged, or disqualified Attorneys shall receive as compensation for services reasonable fees based on all of the facts and circumstances of its representation. At the conclusion of this matter, the Attorneys will retain the Client's legal files for a period of five (5) years after the Attorneys close their files. At the expiration of the five-year period, the Attorneys may destroy these files unless the Client notifies the Attorneys in writing that the Client wishes to take possession of the files. The Attorneys reserve the right to charge

administrative fees and costs associated with retrieving, copying, and delivering such files.

8. ENTIRE AGREEMENT. The undersigned Client Representative has read this agreement, a copy of which he has received, in its entirety and he agrees to and understands the terms and conditions set forth herein. The Client acknowledges that there are no other terms or oral agreements existing between the Attorneys and the Client. This agreement may not be amended or modified in any way without the prior written consent of the Attorneys and the Client.

9. AUTHORITY. The Client acknowledges having been advised to and given the full opportunity to obtain independent representation in the making of this agreement and voluntarily entering into this agreement after such opportunity. The Client representative signing below represents that the Client enters into this agreement with proper authorization and approval under state and local law, and that the Client representative is specifically authorized to execute this agreement.

EFFECT OF SIGNING

The Client understands that this is a binding legal document. The Client further understands that this Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Date

[SIGNER]

Date

**MICHAEL STAG, LLC FOR STAG LIUZZA,
L.L.C.**

Date

**JOHN EDWARDS FOR EDWARDS &
CULVER**

Date

**MARK KOVACICH FOR KOVACICH,
SNIPES, JOHNSON, P.C.**

Date

**SCOTT STEARNS FOR BOONE KARLBERG,
P.C.**

Date

**TIM YOUNG FOR CLIENT FIRST LEGAL
P.L.L.C.**

A RESOLUTION OF THE CITY OF LIBBY
AUTHORIZING THE EXECUTION OF THE LEGAL SERVICES' AGREEMENT
RELATED TO AFFF/PFAS LITIGATION SERVICES

WHEREAS, the City of LIBBY ("the City") is committed to delivering clean drinking water to its customers; and

WHEREAS, the City is also committed to identifying parties responsible for increasing the costs of water treatment and system maintenance and taking reasonable steps to avoid passing on these costs to its consumers; and

WHEREAS, Edwards & Culver, Kovacich, Snipes, Johnson, P.C., Boone Karlberg, P.C., Stag Liuzza L.L.C., and Client First Legal P.L.L.C (the "Firms") have put together a team of uniquely qualified and experienced attorneys who have joined together to assist public entities in Montana facing the challenges posed by potential per- and polyfluoroalkyl substances ("PFAS"); and

WHEREAS, the Firms are comprised of experienced attorneys in both in PFAS litigation and in the representation of public entities and water suppliers in cases involving cost recovery related to remediation of water contamination; and

WHEREAS, the City's _____ has determined it to be in the City's best interest to enter into the Legal Services Agreement with the Firms and pursue any settlement and other legal damage claims it may have related to PFAS in the AFFF Product Liability Litigation; and

WHEREAS, the City desires to authorize the execution of the Legal Services' Agreement attached as Exhibit "A"; and

NOW THEREFORE BE IT RESOLVED by the City that the _____ is hereby authorized to execute the Legal Services' Agreement with the Firms based upon the terms and conditions set forth herein and, in a manner, substantially similar to the Agreement attached hereto as Exhibit "A."

Name:
Title:

RESOLUTION TO AUTHORIZE SUBMISSION OF CDBG APPLICATION

WHEREAS, the City of Libby is applying to the Montana Department of Commerce for financial assistance from the Community Development Block Grant Program (CDBG) to replace Montana Ave Lift Station;

WHEREAS, the City of Libby has the legal jurisdiction and authority to construct, finance, operate, and maintain the Montana Ave Lift Station;

That the City of Libby agrees to comply with all applicable parts of Title I of the Housing and Community Development Act of 1974, as amended, which have not been cited herein, as well as with other applicable federal laws and regulations, and all state laws and regulations and the requirements described in the CDBG Community and Public Facilities Application Guidelines and those that are described in the CDBG Grant Administration Manual;

That the City of Libby commits to provide the amount of matching funds as proposed in the CDBG Community and Public Facilities application; and

That Peggy Williams, Mayor, is authorized to submit this application to the Montana Department of Commerce, on behalf of City of Libby, to act on its behalf and to provide such additional information as may be required.

Signed: _____

Name: _____

Title: _____

Date: _____

Attested: _____

Local Government's DUNS Number: _____

MONTANA CDBG CERTIFICATION FOR APPLICATION

The Applicant (City of Libby) hereby certifies that:

It will comply with all requirements established by the Montana Department of Commerce (Commerce) and applicable state laws, regulations, and administrative procedures and accept all Montana Community Development Block Grant (CDBG) program requirements.

It accepts the terms, conditions, selection criteria, and procedures established by the CDBG program and expressly waives any statutory or common law right it may have to challenge the legitimacy and propriety of these terms, conditions, criteria, and procedures in the event that it is not selected for an award of CDBG funds.

National Objective

It will complete a project that meets the benefit to low- and moderate- income (LMI) national objective, by serving no less than 51% of LMI residents as part of the project activities.

State Objectives

It will complete project activities that meet one or more of the goals and objectives established in the most current version of the Montana Consolidated Plan.

Goals of the HUD programs administered by the State of Montana are:

- *Providing decent housing* by obtaining appropriate housing for homeless persons and assisting those at risk of homelessness; preserving the affordable housing stock; increasing the availability of permanent affordable housing, without discrimination; increasing the supply of supportive housing for persons with special needs; and providing affordable housing near job opportunities.
- *Providing suitable living environments* by improving the safety and livability of neighborhoods; improving access to quality facilities, infrastructure, and services; reducing the isolation of income groups within communities through de-concentration of low-income housing; revitalizing deteriorating neighborhoods; restoring and preserving properties of special historic architectural or aesthetic value; and conserving energy resources.
- *Expanding economic opportunities* by creating and retaining jobs; establishing, stabilizing, and expanding small businesses; providing public employment services; encouraging the employment of low-income persons in projects funded under this Plan; providing reasonable mortgage financing rates without discrimination; providing access to capital and credit for development activities that promote long-term economic and social viability of the community; and reducing generational poverty of those living in publicly assisted housing by providing empowerment and self-sufficiency opportunities.

The objectives and outcomes of the Montana Consolidated Plan are:

1. Support existing Montana communities:

- a. Target funding toward existing communities to increase community revitalization, improve the efficiency of public works investments, and safeguard rural landscapes and natural resources;

- b. Encourage appropriate and comprehensive planning, market studies, preliminary architectural reports, and other studies or plans that support the sustainability of local communities, affordable housing, public works investments, vital employment centers, and the environment;
- c. Enhance the unique and resilient characteristics of all communities by investing in healthy, safe, and walkable neighborhoods—rural, urban, or suburban;
- d. Encourage the rehabilitation of existing rental and owner-occupied homes, particularly for those with special needs and the elderly;
- e. Encourage the development and rehabilitation of community facilities and services located within walkable neighborhoods and/or served by public transportation systems, particularly for those with special needs and the elderly.

2. Invest in vital public infrastructure:

- a. Encourage appropriate and comprehensive pre-development planning activities for public infrastructure, including asset management, needs analysis, preliminary engineering and/or architectural reports, and other studies or plans;
- b. Provide funding opportunities to improve the safety and efficiency of public infrastructure, promote healthy, safe, and walkable neighborhoods, and safeguard the environment; and
- c. Provide funding opportunities to serve eligible Montanans, particularly those special needs and elderly populations, with safe, efficient public infrastructure.

3. Enhance Montana's economic competitiveness:

- a. Provide reliable and timely access to employment centers, educational opportunities, services and other basic needs by workers as well as expanded business access to markets;
- b. Support comprehensive planning for downtown revitalization, business development, and other studies or plans to attract and retain talent in Montana communities;
- c. Provide job opportunities to eligible Montanans to strengthen communities within the state;
- d. Encourage activities that support and strengthen new and existing businesses, particularly those located within traditional downtown business centers comprising a mix of businesses, housing, and services;
- e. Encourage mixed-use development that contributes to broader revitalization efforts in Montana communities; and
- f. Seek opportunities to achieve multiple economic development goals, such as removing barriers to collaboration, leveraging multiple funding sources, and increasing energy efficiency, through a single investment.

4. Promote equitable, affordable housing in Montana

- a. Expand location- and energy-efficient housing choices for people of all ages, incomes, races and ethnicities to increase mobility and lower the combined cost of housing and transportation;
- b. Encourage housing activities that incorporate energy-efficient design to help advance solar deployment and other on-site renewable energy installations in affordable housing that is aligned with the Federal Renewable Energy Target;
- c. Encourage activities to acquire and/or construct new affordable housing for homeownership or rental in areas where existing investment in infrastructure, facilities, and services leverages multiple economic, environmental, and community objectives;
- d. Encourage appropriate and comprehensive planning, market studies, preliminary architectural reports, and other studies or plans in support of the efficient construction of affordable housing;
- e. Encourage financial mechanisms that increase homeownership opportunities and provide rental assistance to eligible Montanans, particularly those with special needs and the elderly.

5. Reduce homelessness in Montana:

- a. Encourage activities that address the housing needs of homeless Montanans and/or those at risk of homelessness;
- b. Encourage activities that increase the level of assistance programs to homeless Montanans and/or those at risk of homelessness, with the goal of achieving stable and sustainable housing; and
- c. Encourage the development and rehabilitation of non-rental facilities for the shelter of temporarily homeless Montanans.

ACQUISITION, DISPLACEMENT AND RELOCATION

It will minimize displacement as a result of activities assisted with CDBG funds and assist persons actually displaced.

It will comply with:

- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (The Uniform Act) as amended, and implementing regulations 49 CFR part 24 and the requirements of section 570.496a. These laws and accompanying regulations require the grantee to provide relocation payments and offer relocation assistance to all persons displaced as a result of acquisition of real property for an activity assisted under the CDBG program. Such payments and assistance must be provided in a fair and consistent and equitable manner that ensures that the relocation process does not result in a different or separate treatment of such persons on account of race, color, religion, national origin, sex, source of income, age, handicap, or familial status (families with children). The grantee must assure that, within a reasonable period of time prior to displacement, decent, safe and sanitary replacement dwellings will be available to all displaced families and individuals and that the range of choices available to such persons will not vary on account of their race, color, religion, national origin, sex, source of income, age, handicap, or familial status (families with children); and
- The grantee must also inform affected persons of their rights and of the acquisition policies and procedures set forth in the regulations of 49 CFR, Part 24, Subpart B, and found in the local government's Anti-displacement and Relocation Assistance Plan.
- The Residential Anti-displacement and Relocation Assistance Plan adopted by the Montana Department of Commerce for the CDBG program and the Anti-displacement and Relocation Assistance Plan adopted by the applicant.

Assessments for Public Improvements

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:

- a. CDBG funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than CDBG funds; or,
- b. for purposes of assessing any amount against properties owned and occupied by persons of low and moderate income who are not persons of very low income, the applicant certifies that it lacks sufficient CDBG funds to comply with the requirements of clause a., above.

Building Standards

It will require every building or facility (other than a privately owned residential structure) designed, constructed, or altered with funds provided under the CDBG program to comply with the "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped," Number A-117.1R 1971, subject to the exceptions contained in CFR 101-19.604.

It will also comply with the Architectural Barriers Act of 1968 and HUD regulations 24 CFR part 8, "Nondiscrimination Based on Handicap in Federally Assisted Activities of HUD." The applicant will be responsible for conducting inspections to insure compliance with these specifications by the contractor; and will comply with HUD Cost-Effective Energy Standards, 24 CFR Part 39.

Citizen Participation

It will comply with the detailed Citizen Participation Plan adopted by Commerce for the CDBG program (see https://commerce.mt.gov/_shared/ConPlan/docs/2020/2020-2024-Appendix-A-CPP.pdf).

CIVIL RIGHTS, EQUAL OPPORTUNITY, FAIR HOUSING REQUIREMENTS

Civil Rights

It will comply with Title VII of the Civil Rights Act of 1964 (42 U.S.C. d et seq.), and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied in the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant received Federal financial assistance and will immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits.

Equal Opportunity

It will comply with:

- Section 109 of the Housing and Community Development Act of 1974 as amended, and the regulations issued pursuant thereto (24 CFR 570.601), which provides that no person in the United States shall, on the grounds of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds provided under the Act;
- The Age Discrimination Act of 1975, as amended (42 U.S.C. 6101 et seq.). The act provides that no person shall be excluded from participation, denied program benefits or subjected to discrimination on the basis of age under any program or activity receiving federal funding assistance;
- Section 504 of the Rehabilitation Act of 1973, amended (29 U.S.C. 794). The act provides that no otherwise qualified individual shall, solely, by reason of his or her disability, be excluded from

participation (including employment), denied program benefits or subjected to discrimination under any program or activity receiving federal assistance funds;

- Section 3 of the Housing and Community Development Act of 1968 (12 U.S.C. 170/u) (24 CFR Part 135). Section 3 of the Housing and Urban Development Act of 1968 requires, in connection with the planning and carrying out of any project assisted under the Act, to the greatest extent feasible, opportunities for training and employment be given to lower-income persons residing within the unit of local government or the non-metropolitan county in which the project is located, and contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part, by persons residing in the project area. The grantee must assure good faith efforts toward compliance with the statutory directive of Section 3; and
- Executive Order 11246, as amended by Executive Orders 11375 and 12086, and the regulations issued pursuant thereto (24 CFR Part 130 and 41 CFR Chapter 60) prohibit a CDBG recipient and subcontractors, if any, from discriminating against any employee or applicant for employment because of race, color, religion, sex or national origin. The grantee and subcontractors, if any, must take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action must include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship. The grantee and subcontractors must post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause. For contracts over \$10,000 the grantee or subcontractors will send to each applicable labor union a notice of the above requirements, the grantee and subcontractors will comply with relevant rules, regulations and orders of the U.S. Secretary of Labor. The grantee or subcontractors must make their books and records available to State and federal officials for purposes of investigation to ascertain compliance.

Fair Housing

It will affirmatively further fair housing and will comply with:

- Title VIII of the Civil Rights Act of 1968 (also known as The Fair Housing Act) (42 U.S.C. 3601 et seq.), as amended by the Fair Housing Amendments Act of 1988 and the regulations issued pursuant thereto. The law states that it is the policy of the United States prohibiting any person from discriminating in the sale or rental of housing, the financing of housing, or the provision of brokerage services, including in any way making unavailable or denying a dwelling to any person, because of race, color, religion, sex, national origin, disability, or familial status. CDBG grantees must also administer programs and activities relating to housing and community development in a manner that affirmatively promotes fair housing and furthers the purposes of Title VIII; and
- Executive Order 11063, as amended by Executive Order 12259, requires CDBG recipients to take all actions necessary and appropriate to prevent discrimination because of race, color, religion, creed, sex or national origin; in the sale, leasing, rental and other disposition of residential property and related facilities (including land to be developed for residential use); or in the use or occupancy thereof if such property and related facilities are, among other things, provided in whole or in part with the aid of loans, advances, grants or contributions from the federal government.

Prohibition Against Discrimination on Basis of Religion

It will comply with section 109(a) of the Housing and Community Development Act that prohibits discrimination on the basis of religion or religious affiliation. No person will be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with CDBG funds on the basis of his or her religion or religious affiliation.

Prohibition Against Excessive Force

It will, if awarded CDBG funds, adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations in accordance with Section 104(1) of the Housing and Community Development Act, as amended.

ADA Compliance

It will do a self-assessment of impediments to accessibility in compliance with the Americans with Disabilities Act (ADA) of 1990. Grantees are required to find a means of making CDBG program activities and services accessible to persons with disabilities; to review their communities for impediments to disabled citizens; and develop a plan to address those impediments.

CONFLICT OF INTEREST

It will comply with the provisions of 24 CFR 570.611 and with sections 2-2-125, 2-2-201, 7-3-4367, 7-5-2106, and 7-5-4109, MCA, (as applicable) regarding the avoidance of conflict of interest.

ENVIRONMENTAL REQUIREMENTS

Air Quality

It will comply with the Clean Air Act (42 U.S.C. 7401, et seq.) which prohibits engaging in, supporting in any way or providing financial assistance for, licensing or permitting, or approving any activity which does not conform to the state implementation plan for national primary and secondary ambient air quality standards.

Environmental Impact

It will comply with:

- Section 104(f) of the Housing and Community Development Act of 1974, as amended through 1981. This section expresses the intent that "the policies of the National Environmental Policy Act of 1969 and other provisions of law which further the purposes of such Act be most effectively implemented in connection with the expenditure of funds under" the Act. Such other provisions of law which further the purpose of the National Environmental Policy Act of 1969 are specified in regulations issued pursuant to Section 104(f) of the Act and contained in 24 CFR Part 58; and
- The National Environmental Policy Act of 1969 (42 U.S.C. Section 4321, et seq. and 24 CFR Part 58). The purpose of this Act is to attain the widest use of the environment without degradation, risk to health or safety or other undesirable and unintended consequences. Environmental review procedures are a necessary part of this process. Pursuant to these provisions, the grantee must

also submit environmental certifications to the Department of Commerce when requesting that funds be released for the project. The grantee must certify that the proposed project will not significantly impact the environmental regulations and fulfilled its obligations to give public notice of the funding request, environmental findings and compliance performance.

Its chief executive officer or other officer of the applicant approved by the state:

1. consents to assume the status of responsible federal official under the National Environmental Policy Act of 1969 (NEPA) and other provisions of federal law, as specified in 24 CFR Part 58, which further the purposes of NEPA, insofar as the provisions of such federal law apply to the CDBG program; and
2. is authorized and consents on behalf of the applicant and himself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his responsibilities as such an official.

EPA List of Violating Facilities

It will ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the program are not listed on the U.S. Environmental Protection Agency's (EPA) List of Violating Facilities and that it will notify the Department of Commerce of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by EPA.

Farmlands Protection

It will comply with the Farmlands Protection Policy Act of 1981 (7 U.S.C. 4202, et seq.) and any applicable regulations (7 CFR Part 658) which established compliance procedures for any federally assisted project which will convert farmlands designated as prime, unique or statewide or locally important, to non-agricultural uses.

Floodplain Management and Wetlands Protection

It will comply with:

- the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973. Section 102(a) required, on and after March 2, 1974, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance;
- Executive Order 11988, May 24, 1978: Floodplain Management (42 F.R. 26951, et seq.). The intent of this Executive Order is to (1) avoid, to the extent possible, adverse impacts associated with the occupancy and modification of floodplain and (2) avoid direct or indirect support of floodplain development wherever there is a practical alternative. If a grantee proposes to conduct, support or allow an action to be located in the floodplain, the grantee must consider alternatives to avoid adverse effects and incompatible involvement in the floodplains. If siting in a floodplain is the only practical alternative, the grantee must, prior to taking any action: (1)

design or modify its actions in order to minimize a potential harm to the floodplain; and (2) prepare and circulate a notice containing an explanation of why the action is proposed to be located in a floodplain; and

- Executive Order 11990, May 24, 1977: Protection of Wetlands (42 F.R. 26961, et seq.). The intent of this Executive Order is to avoid adverse impacts associated with the destruction or modification of wetlands and direct or indirect support of new construction in wetlands, wherever there is a practical alternative. The grantee must avoid undertaking or providing assistance for new construction located in wetlands unless there is no practical alternative to such construction and the proposed action includes all practical measures to minimize harm to wetlands which may result from such use.

Historic Preservation

It will comply with:

- Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470, as amended) through completion of the procedures outlined in 36 CFR 800 and 36 CFR 63. Compliance with these procedures should include:
 1. consulting with the State Historic Preservation Office (SHPO) to identify properties listed in or eligible for inclusion in the National Register of Historic Places that exist with a proposed CDBG project's area of potential environmental impact, and/or to determine the need for professional archaeological, historical, or architectural inventory of potentially affected properties to determine whether they would qualify for register listing; and
 2. consulting, with the SHPO and THPO, Keeper of the National Register of Historic Places, and the Advisory Council on Historic Preservation to evaluate the significance of historic or prehistoric properties which could be affected by CDBG work and to determine how to avoid or mitigate adverse effects to significant properties from project work.

Lead-Based Paint

It will comply with current requirements of Title X of the Residential Lead Based Paint Hazard Reduction Act of 1992. Both Commerce and DPHHS provide education and information on LBP hazards to parents, families, healthcare providers, grant recipients, and contractors. Commerce requires that any contractor or subcontractor engaged in renovation, repair and paint activities that disturb lead-based paint in homes, child and care facilities built before 1978 must be certified and follow specific work practices to prevent lead contamination. In addition to complying with Title X, UPCS inspections will be performed at rental properties assisted with HTF, HOME, Section 8, and other public rental properties throughout the state.

Noise, Facility Siting

It will comply with HUD Environmental Standards (24 CFR, Part 51, Environmental Criteria and Standards and 44 F.R. 40860-40866, July 12, 1979) which prohibit HUD support for most new construction of noise-sensitive uses is prohibited in general for projects with unacceptable noise exposures is discouraged for projects with normally unacceptable noise exposure. Additionally, projects may not be located near facilities handling materials of an explosive or hazardous nature, or in airport clear zones.

Solid Waste

It will comply with the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, et seq.). The purpose of this Act is to promote the protection of health and the environment and to conserve valuable material and energy resources.

Water Quality

It will comply with:

- the Safe Drinking Water Act of 1974 (42 U.S.C. Section 201, 300(f) et seq. and U.S.C. Section 349), as amended, particularly Section 1424(e) (42 U.S.C. Section 300H-303(e)) which is intended to protect underground sources of water. No commitment for federal financial assistance can be entered into for any project which the U.S. Environmental Protection Agency determines may contaminate an aquifer which is the sole or principal drinking water source for an area; and
- the Federal Water Pollution Control Act of 1972, as amended, including the Clear Water Act of 1977, Public Law 92-212 (33 U.S.C. Section 1251, et seq.) which provides for the restoration and maintenance of the chemical, physical and biological integrity of the nation's water.

Wildlife

It will comply with:

- the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 et seq.). The intent of this Act is to ensure that all federally assisted projects seek to preserve endangered or threatened species. Federally authorized and funded projects must not jeopardize the continued existence of endangered and threatened species or result in the destruction or modification of habitat of such species which is determined by the U.S. Department of the Interior, after consultation with the state, to be critical; and
- the Fish and Wildlife Coordination Act of 1958, as amended, (U.S.C. 661 et seq.) which requires that wildlife conservation receives equal consideration and is coordinated with other features of water resource development programs.

Wild and Scenic Rivers

It will comply with the Wild and Scenic Rivers Act of 1968, as amended (16 U.S.C. 1271, et seq.). The purpose of this Act is to preserve selected rivers or sections of rivers in their free-flowing condition, to protect the water quality of such rivers and to fulfill other vital national conservation goals. Federal assistance by loan, grant, license or other mechanism may not be provided to water resources construction projects that would have a direct and adverse effect on any river included or designated for study or inclusion in the National Wild and Scenic River System.

FINANCIAL MANAGEMENT

It will comply with the applicable requirements of:

- 2 CFR part 200. It will maintain a financial management system that includes records to document compliance with Federal and State laws and regulations and the terms and

conditions of the HOME program. The records must be sufficient to allow for the preparation of reports required by general and program-specific terms and conditions and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to Federal statutes and program requirements.

- 24 CFR part 570, subpart J. It will comply with the program administration requirements relating to the following: disbursement of funds, program income, uniform administrative requirements, cost principles, audits, recordkeeping, property management, and performance reports
- The Single Audit Act of 1984, as amended by the Single Audit Act of 1996 (the "Single audit Act Amendments") which establishes criteria for determining the scope and content of audits and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations", revised June 24, 1997. (OMB Circular A-133.)

It will promptly refund to Commerce any CDBG funds determined by an audit to have been spent in an unauthorized or improper manner or for ineligible activities.

It will give Commerce, the Montana Legislative Auditor, HUD, and the Comptroller General, through any authorized representatives, access to and the right to examine all records, books, papers, or documents related to the grant.

Labor Standards

It will comply with:

- Section 110 of the Housing and Community Development Act of 1975, as amended, 24 CFR 570.605, and State regulations regarding the administration and enforcement of labor standards. Section 110 requires that all laborers and mechanics employed by contractors or subcontractors on construction work assisted under the Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276-1- 276a-5). By reason of the foregoing requirement the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.) also applies. However, these requirements apply to rehabilitation of residential property only if such property is designed for residential use for eight or more families;
- Davis-Bacon Act, as amended (40 U.S.C. et seq.), Section 2; June 13, 1934, as amended (48 Stat. 948.40 U.S.C. 276(c)), popularly known as the Copeland Anti-Kickback Act. The Act mandates that all laborers and mechanics be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account except "permissible" salary deductions, the full amounts due at the time of payments, computed at wage rates not less than those contained in the wage determination issued by the U.S. Department of Labor. Weekly compliance statements and payrolls are required to be submitted to the federally funded recipient by the contractor;
- Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.). According to the Act, no contract work may involve or require laborers or mechanics to work in excess of eight hours in a calendar day, or in excess of 40 hours in a work week, unless compensation of not less than one and one-half times the basic rate is paid for the overtime hours. If this Act is violated, the contractor or subcontractor is liable to any affected employee for unpaid damages as well as to

the United States for liquidated damages; and

- Federal Fair Labor Standards Act, (29 U.S.C.S. 201 et seq.).The act requires that covered employees be paid at least the minimum prescribed wage, and also that they be paid one and one-half times their basic wage rate for all hours worked in excess of the prescribed workweek.

Legal Authority

It possesses legal authority to apply for the grant and to execute the proposed project under Montana law and, if selected to receive a CDBG grant, will make all efforts necessary to assure timely and effective implementation of the project activities described in the submitted application.

Lobbying

It certifies that:

- No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influencing an officer or employee or any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Political Activity

It will comply with the Hatch Act Modernization Act of 2012, as follows:

- a. If an employee's salary is paid 100%, directly or indirectly, by loans or grants made by the United States or a Federal agency, that employee may not run for partisan office.
- b. The Hatch Act Modernization Act did not change the federal Hatch Act's prohibitions on coercive conduct or misuse of official authority for partisan purposes. A state or local employee is still covered by these prohibitions if the employee works in connection with a program financed in

whole or in part by federal loans or grants, even if the connection is relatively minor. A covered employee who runs for office would violate the Hatch Act if the employee:

- o uses federal or any other public funds to support his own candidacy;
- o uses his state or local office to support his candidacy, including by using official email, stationery, office supplies, or other equipment or resources; or
- o asks subordinates to volunteer for his campaign or contribute to the campaign.

Procurement

Consulting Services will be procured in a manner that provides fair and unbiased, full and open competition, without conflicts of interest.

Signed: _____

Name: Peggy Williams

Title: Mayor

Date: _____

DUNS Number: _____

EIN Number: 81-6011285

Criterion #1 Questions

1. Describe the efforts the applicant has made to engage residents or otherwise encourage citizen participation in the development of the Growth Policy or other planning efforts to identify, discuss, or plan for housing needs in the jurisdiction.

Over the years, the City of Libby and Lincoln County have continued to provide access to the public for engagement regarding the City's planning processes. City Council meetings are held twice a month. The City publishes the agenda on the website cityoflibby.com prior to each meeting. Each agenda includes the date and time of the upcoming meeting as well as instruction to attend virtually. City residents are encouraged to provide comment on both agenda and non-agenda items. Following each City Council meeting, the approved meeting minutes are published on the website, along with the audio recording. Additionally, agendas and approved meeting minutes for committee meeting are also available on the City's website. Some of the committees include the Cemetery/Parks Committee, Budget Committee, and Lights/Street/Sidewalks Committee

The City of Libby and Lincoln County have a long history of publishing documents to keep the residents informed on anticipated growth, regulations, and capital improvements. The documents specific to the City of Libby were presented to the City Council during public hearings and regular City Council meetings. Community members were encouraged to provide comment to City Council prior to adoption of the documents. Below is a list of planning documents spanning more than 2 decades. Applicable sections of the most current City of Libby and Lincoln County planning documents are discussed below.

These documents include:

- 2002 Libby Zoning Code
- 2004 Lincoln County Pre-Disaster Mitigation Plan
- 2005 Libby Downtown Revitalization Plan
- 2006 Lincoln County Floodplain Regulations
- 2009 Lincoln County Growth Policy
- 2011 Libby Capital Improvement Plan
- 2011 Libby Subdivision Regulations
- 2019 Libby Capital Improvement Plan
- 2020 Lincoln County Subdivision Regulations
- 2022 City of Libby Floodplain Hazard Management Regulations
- 2023 City of Water Rules Update
- 2023 City of Libby Growth Policy
- 2024 City of Libby Future Land Use Map
- 2024 City of Libby Subdivision Updates

Excerpts from these documents are included in the Attachments. Details regarding the above-mentioned documents are discussed below.

2024 City of Libby Subdivision Updates

In 2024, the City of Libby prepared Subdivision Regulations pursuant to the Montana Subdivision and Platting Act. The purpose of these regulations is to promote the public health, safety, and general welfare; to prevent overcrowding of land; to secure adequate provision of light, air, water supply, sewage disposal, and parks; and to reduce costs to local citizens by facilitating the efficient and effective delivery of public services.

2024 City of Libby Future Land Use Map

The City's Future Land Use Map was updated in 2024 by WWC Engineering as part of the Libby Annexation Policy update. The map outlines the City's anticipated southern expansion and projected zoning designations, providing a framework for more efficient planning of future public infrastructure projects.

2023 City of Libby Growth Policy

The 2023 City of Libby Growth Policy addresses key areas including land use, population, housing, economic conditions, local services, natural resources, and other factors relevant to the community's development. This policy serves as a critical tool for guiding future infrastructure improvements. Within this framework, the Capital Improvement Plan identifies replacement of the lift station at Montana Avenue and First Street as a top priority for water and sewer system upgrades.

2023 City of Water Rules Update

In 2023, the City of Libby updated the rules and regulations governing its water system. The purpose of this update was to establish best practices for system users, ensure reliable service, prevent inequitable charges to customers, and safeguard the City against unreasonable demands. This revision is one of several recent actions undertaken by the City to promote the long-term sustainability of its water and wastewater systems.

2022 City of Libby Floodplain Hazard Management Regulations

The City of Libby Floodplain Hazard Management Regulations were adopted August 15, 2022. These regulations were created under Montana law to regulate development within designated flood hazard areas. Their purpose is to protect public health and safety, minimize property and infrastructure damage, and reduce financial losses caused by flooding. The regulations establish permitting requirements, prohibited and allowed uses, and development standards in both floodway and flood fringe areas. They also ensure the City's compliance with state and federal standards, including FEMA's National Flood Insurance Program, so residents and businesses remain eligible for flood insurance coverage.

2019 Libby Capital Improvement Plan

The City conducted several public needs assessment hearings for the 2019 Capital Improvements Plan. These assessment hearings outlined the potential funding opportunities as well as seek the public's input on what needs are within the community.

During the needs Assessment Processes, in 2018 and 2020, the City asked the public questions. The results, though varied, were in line with the City's efforts to improve infrastructure systems. The public did discuss other items such as housing, youth center/swimming pool, and were appreciative of the work being done, especially on road and sidewalks. All the information from the Needs Assessment process fed into the

development of the City's 2019 Capital Improvement Plan.

2011 Capital Improvements Plan

The City of Libby 2011 Capital Improvements Plan (2011 CIP) evaluates capital improvements to many City facilities, including its wastewater facilities. The 2011 CIP identified short- and long-term capital improvements goals. Deficiencies in the wastewater system were identified by the 2010 Wastewater PER prepared by Morrison-Maierle. Flat sections or bellies were noted in the collection system. Deficiencies were listed for both the **Montana Avenue Lift Station** and the City Hall Lift Station. The 2011 CIP prioritized wastewater system improvements.

2010 City of Libby Growth Policy

The 2010 City of Libby Growth Policy (2010 CLGP) addresses land use, population, housing, economic conditions, local services, natural resources, and other items relevant to the City of Libby. The 2010 CLGP was used to plan infrastructure improvements. The City set goals for its public infrastructure, including maintaining and improving its infrastructure and minimizing maintenance costs. The City determined that developing a Capital Improvements Plan could aid its infrastructure efforts.

2009 Lincoln County Growth Policy

The 2009 Lincoln County Growth Policy (2009 LCGP) said that Lincoln County had a higher poverty rate than the State average. According to the 2009 LCGP, poverty and per capita personal income are below the State average. The document continues to summarize the vermiculite mine National Priority List (NPL) site and the EPA's involvement in cleanup. Development in Lincoln County typically occurs in the five river valleys, which includes Libby Valley. Libby is the County seat of Lincoln County. The 2009 LCGP identified Burlington Northern Overpass and Grace Export Plan as historic places in Libby, Montana. There are several parks in Libby. Goals outlined in the 2009 LCGP that are applicable to the proposed project include: maintenance and expansion of existing infrastructure, support of Lincoln Conservation efforts to preserve surface and ground water quality, and improvement of public facilities and infrastructure in Lincoln County communities.

2005 Downtown Revitalization Plan

The 2005 Libby, Montana Downtown Revitalize Plan and Mineral Avenue Streetscape Master Plan (2005 DRP) references several City of Libby planning documents from that time period, including the Libby Revitalization Inc. 2003 Work Plan; the 2002 Economic Development and Implementation Plan for Libby, Montana; the 2002 Northwest Regional Comprehensive Economic Development Strategy; the 2002 City of Libby Water Master Plan; the 2001 City of Libby PER for Sewage Collection System and Treatment Improvements; the 1995 City of Libby Zoning Map; and the 2002 Montana Statewide Tourism & Recreation Strategic Plan. Goal 7 of the 2005 DRP states "Downtown Libby provides a safe, well-maintained and convenient environment for customers and workers." Actions to achieve this goal include replacing old water lines when streets or sidewalks are constructed and performing a sewer infiltration/inflow evaluation and redirect storm water that is illegally connected to the sanitary sewer system back to the City storm sewer system. The 2005 DRP also includes a section for potential funding sources for its planned improvements, including the infrastructure improvements.

2004 Lincoln County Pre-Disaster Mitigation Plan

The 2004 Lincoln County Pre-Disaster Mitigation Plan (2004 PMP) indicated that Lincoln County made most of its money through lumber, mining, and industries. Many of the mills and mines that made up the County's economy have closed, and the primary employers in the County are now the federal and local government. Unemployment in Lincoln County was over 10% for the previous five years (at the time the 2004 PMP). Poverty and unemployment in Lincoln County are higher than the State average. Lincoln County has higher unemployment and poverty than the State average, and disasters can negatively affect budgets.

Additional Planning Efforts

The City has continued significant planning efforts including growth policies, capital improvements plans (CIPs), PERs, and other planning documents that show the City's commitment to responsible planning for both its water and wastewater systems. Community were encouraged to provide feedback regarding these documents prior to adoption by the City Council. These documents include information developed by Morrison Maierle, TD&H Engineering, and AE2S, Inc.

- In April of 1994, Lincoln County completed a needs assessment, and the City of Libby participated. This document showed the needs of Lincoln County as well as those of the City of Libby and other cities within the County.
- A Water Treatment Master Plan was completed in 1994; this plan provided recommendations for improvements to the WTP. A new WTP was constructed since this document was written.
- In 1997, the City of Libby finished a CIP. The CIP identified a need for a new water filtration plant, improvements to various sections of water mains, and an annual water main repair and replacement program.
- A PER was written for the existing City of Libby wastewater collection system and treatment plant in April 2001. The PER described deficiencies in the wastewater system and provided recommendations for improvements.
- A PER was written for the City of Libby water system in January 2002. The PER largely covered the distribution system because the WTP had recently been constructed. Recommendations were made for water distribution system improvements.
- A project-specific PER was written after completion of the 2001-2002 PERs to determine the feasibility of providing sewer service to Johnston Acres subdivision (located just north of Cabinet Heights project area). This project received MCEP funding and was completed.
- In May of 2004, a PER was completed for wastewater system improvements in the Cabinet Heights project area. This project received MCEP funding and was completed.
- In November 2010, the City of Libby adopted a new Growth Policy.
- In June 2009, Lincoln County adopted a new Growth Policy.
- In May 2010, a Wastewater Facilities PER was completed. This PER identified deficiencies in the wastewater system and made recommendations for improvements. Phase I of the project was completed in 2012; this phase included

replacement of the existing sludge dewatering equipment and installation of a new ultraviolet (UV) disinfection facility.

- In March 2011, the City of Libby finished a new CIP plan. The CIP identified needs in the community and sorted them into near-term, short-term, and long-term needs. Since the CIP was completed, the City has implemented many of the near-term needs, including completion of a water system PER, performance of a water leakage survey, replacement of existing sludge dewatering equipment, and installation of a new UV disinfection system.
- In May 2011, a Water System PER was completed for the City of Libby. The PER focused on deficiencies in the water supply, storage, treatment, and distribution systems and recommended improvements to address these deficiencies. Updated versions of this PER were provided in March and December of 2012, and this PER has been amended twice since then in 2014 and 2018.
- In August 2011, a Leak Detection Report was completed for the water distribution system. Many of these leaks were addressed in multiple phases from 2014-2016.
- In December 2011, the WTP and wastewater treatment plant (WWTP) were both audited, and Energy Audit Reports were completed for each plant. The reports made recommendations to improve energy efficiency in the process equipment and buildings.
- In December 2012, the City of Libby completed a new version of its May 2011 Water System PER which addressed water supply, water treatment, water storage, and water distribution system alternatives.
- In 2013, the City of Libby amended its 2011 CIP, adding sidewalk planning to the document.
- In September 2019, the City completed a PER Amendment to the 2010 WWV PER.

2. Demonstrate that the proposed project is reasonable and appropriate, given long term demographic trends as reflected by current and appropriate Census estimates – for example, population increases or decreases, growth in unincorporated areas, increases in elderly population, etc.

Refer to Ranking Criteria I, Response I, and incorporate it into this response to see planning documents completed by the City and County and how they pertain to the proposed project. The applicant has demonstrated a long-term commitment to community planning in order to provide public facilities and services that are adequate and cost effective.

As discussed in the 2019 Wastewater System Preliminary Engineering Report Amendment, the City has experienced minimal growth in recent years, 0.3% per year. The 2019 PER Amendment referenced a 0.5% annual growth rate to project future population. The proposed project includes needed repairs to the existing Montana Ave Lift Station. Notable population growth is not anticipated upstream of the lift station. However, the lift station is well beyond its useful life and poses significant risks to public health and safety, the environment, and operator safety. Replacement of the lift station is considered appropriate given the circumstances. The new lift station will be designed to serve the community for 20-years. It is likely that specific pieces of the proposed lift station, such as the wet well and piping will be used far beyond the 20-year design life. Mechanical equipment such as the pumps and valves will likely need replacement or upsizing.

3. Describe and document the extent to which the applicant:

- a. Comprehensively plans for community resilience through the availability of affordable housing, investment in public works, creating a diverse economy, and protecting the environment;**

Refer to Ranking Criteria I, Response I.

In terms of housing, housing is a critical need in the community. The updated Lincoln County Growth Policy highlights this need numerous times throughout the document. However, the fact remains that the City of Libby has to rely on other agencies and organizations to address housing. The City is focused on providing the infrastructure for housing to occur and on the daily operations and maintenance needs of managing a community.

Significant investment in public works have been completed in recent years. These investments have been the result of multiple CIPs, PERs, and other studies, previously mentioned. These investments include:

- 1998 – New Water Treatment Facility
- 2004 – Johnston Acres Water and Sewer Project
- 2010 – Cabinet Heights Sewer Project
- 2011 – Block 11 Water Main Replacement Project
- 2011 – WTP Bypass Piping Project
- 2011 – 6th St. Water, Sewer, and Storm Sewer Replacement
- 2011 – WWTP Influent Flow Monitoring
- 2012 – Phase I WWTP Improvements Project
- 2013 – Water Distribution Improvements Project (including repairs to the raw water transmission main, eliminating several significant leaking water mains, upsizing water mains, replacing or installing new water meters, and constructing new looping mains near the PRVs, and installing five pressure reducing valve (PRV) stations
- 2016 – Upper Flower Creek Dam Replacement Project
- 2018 – Water PER Amendment
- 2019 – The City completed projects to repair three critical water distribution efficiencies, including a new water transmission main from the WTP, a new looping main in West Libby, and a new water main in the alley between Minnesota Avenue and Utah Avenue.
- 2020 - Improvements to the City's wastewater system include the influent pumps station and WWTF controls were completed as a result of the recommendations in the 2019 PER Amendment.

- b. Actively supports the rehabilitation of existing housing units, particularly for those with disabilities and the elderly;**

Addressing housing is a challenge across all of Lincoln County as there is no lead agency on housing. The Community Action Partnership of Northwest Montana (CAPNM) is an organization that serves Flathead, Lake, Lincoln, and Sanders County and has some efforts in the Libby area.

CAPNM and American Covenant Senior Housing Foundation have joined to create Cabinet Affordable Housing, which is a 24-unit community being construction in Libby potentially opening in Fall of 2025; construction of the community commenced in October 2024.

- c. **Public Facilities projects only:** prioritizes funding toward existing community revitalization to improve the efficiency of public works investments while safeguarding rural landscapes and natural resources;

As detailed later in Ranking Criteria 1, Response 4, the City of Libby is 54.2% LMI and has a combined user rate of \$103.72; this is 138% of the target rate. These user rates are critical for the operations and maintenance of both the water and wastewater systems and are scheduled to increase further in the coming years.

To help alleviate further financial burden to its residents, the City is diligent about applying for available assistance regarding their needed infrastructure investments.

- The 2019 Wastewater PER Amendment was utilized to apply for RRGL, TSEP (now MCEP) and CDBG grant funding. A local match of \$272,000 was dedicated to the estimated \$1.325 million project.
- The 2018 Water PER Amendment was utilized to apply for RRGL, TSEP (now MCEP) and CDBG grant funding. A local match of \$190,000 was dedicated to the estimated \$1.515 million project.
- The 2014 Water PER Amendment resulted in a \$10.5 million project for improvements to the Flower Creek Dam
- The 2010 Wastewater PER recommended replacement of the sludge dewatering equipment and new UV disinfection for immediate action. The total estimated project cost of \$870,000. The PER assumed the project would be funded with a RD grant/loan package. A second phase was recommended to include more treatment system improvements and had a funding strategy including TSEP (now MCEP) and RRGL grants with \$100,000 in RD grants and loans.

These improvements to public infrastructure are designed to protect the public as well as benefit the area's natural resources.

- d. **Community Facilities projects only:** Prioritizes the development or rehabilitation of community facilities and services, particularly those serving the disabled and the elderly, in walkable neighborhoods or where served by public transportation systems.

NOT APPLICABLE, PROJECT INCLUDE IMPROVEMENTS TO WASTEWATER SYSTEM.

4. **For Public Facilities projects only:** In addition to capital improvements planning, describe additional efforts to deal with overall community public facilities problems. This may include raising taxes, monthly user charges, hook-up charges, impact fees or fee schedules to the maximum reasonable extent to provide funds for improvements to the proposed project or by securing other federal, state and local funds to address community needs.

Despite the fact that the City of Libby has 54.2% Low and Moderate Income (LMI) and 26.1% poverty, the community's base rate is greater than their combined water and sewer MCEP target rate of \$75.25. The City has recently increased user rates to \$58.04 per month per EDU for water and \$45.68 per month per EDU for sewer to address O&M

requirements. This equates to a combined base rate of \$103.72, or 138% of the target rate. The City has a plan to gradually increase user rates to \$80.89 per month per EDU for water and \$49.40 per month per EDU in July 2027. The current user rate and proposed increases are included in the Attachments. The City has been vigilant to ensure user rates are appropriate to maintain the current infrastructure without creating undue financial hardship to their residents.

5. Is the project located in an Opportunity Zone?

Opportunity Zone locations may be found here: [Opportunity Zones - Montana Department of Commerce \(mt.gov\)](https://montana.gov/opportunity-zones).

Yes, referencing the Montana Department of Commerce's Montana Designated Opportunity Zone Map, an Opportunity Zone encompasses the central portion of the City of Libby. The proposed project will upgrade the lift station located at the intersection of Montana Avenue and East 1st Street in Libby and is within the Opportunity Zone Boundaries. Please refer to Attached map.

Criterion #2 Questions

1. **Do one or more serious deficiencies exist in a basic or necessary community public facility or service, such as the provision of a safe domestic water supply, or does the community lack the facility or service entirely? Will all deficiencies be corrected by the proposed project?**

The City of Libby operates three lift stations, the City Hall, Cabinet Heights, and Montana Avenue lift stations. The Montana Avenue Lift Station is the oldest station and consists of a packaged dry pit installed above the original concrete wet well. The dry pit was installed in 1992; the age of the original wet well is unknown. This lift station serves an estimated 800 people in the northwest corner of the community.

Several issues have been reported with both the condition and operations of the Montana Avenue Lift Station. Access to the wet well is restricted due to the offset riser. The wet well is in poor condition and likely not watertight. Additionally, the site does not include a permanent backup generator and concerns with the electrical equipment and meeting the national fire code have been noted. Correspondence with a City operator describes several operational issues with the lift station. According to the operator, the lift station is well past its useful life. Rags and other debris regularly plug the pumps and check valves, and the vacuum canisters membrane seals are failing. These issues have caused the lift station to fail regularly and raw sewage to back up. Because the lift station is beyond its design life, replacement parts are difficult to find. This causes prolonged station outages. The operator also describes the safety hazards of entering this lift station for required repairs.

Failure of the Montana Avenue Lift Station is likely to cause sewage back-ups into nearby homes, public areas, and roads. The wet well for this lift station is also suspected to be leaking raw sewage into the surrounding ground water table contaminating the local water table and the Kootenai River. The Kootenai River is a blue-ribbon trout stream and a popular site for recreation. The lift station is roughly 600 feet from Kootenai River and approximately 0.25 miles upstream from the popular boat launch at River Front Park.

The proposed project includes a new packaged lift station to replace the existing, deficient lift station. This will correct all deficiencies previously described.

2. **Have serious public health or safety problems that are clearly attributable to a deficiency occurred, or are they likely to occur, such as illness, disease outbreak, or safety problems or hazards?**

Although there have been no documented cases of illness, disease outbreak, or substantial property losses, the City of Libby has a significant public health and safety issue with the existing Montana Avenue Lift Station. The deficiencies of the lift station pose a threat to public health as rags and other debris continue to plug the pumps and check valves, and the vacuum canisters membrane seals continue to fail. Failures at the lift station could cause wastewater to build up in the wet wells, forcing raw sewage to back up into commercial buildings, private residences, and public areas. Additionally, exfiltration is believed to be occurring through the wet well. Exfiltration will introduce raw wastewater into the area groundwater and nearby Kootenai River. The lift station is roughly 0.25 miles upstream

from the popular boat launch at River Front Park.

Because of the above reasons, the failing lifting is increasing the likelihood of residents and visitors coming into contact with raw wastewater or water potentially contaminated with raw wastewater. Water contaminated with sewage may contain pathogens. These are disease-producing micro-organisms, which include bacteria (such as giardia lamblia), viruses, and parasites. They can cause gastroenteritis, salmonella infection, dysentery, shigellosis, hepatitis, and giardiasis, all of which can be dangerous to human health. Replacing the failing lift station will protect the health and safety of the community.

Finally, the Montana Avenue Lift Station does not appear to be in compliance with the National Fire Protection Association (NFPA) 820 Standard for Fire Protection in Wastewater Treatment and Collection Facilities compliance. This code protects against fire and explosion hazards specific to wastewater facilities. The Montana Ave Lift Station is located near a residential area. An explosion at the station could result in severe injuries, loss of life, or property loss.

- 3. Does the problem currently exist; is it continual, and long-term, as opposed to occasional, sporadic, probable or potential? Describe the nature and frequency of occurrence. Provide supporting documentation.**

The problem with the City of Libby's Montana Avenue Lift Station is existing, continual, and long term. The deficiencies previously discussed have been occurring for years, impacting the City year-round, and will only be resolved with the replacement of the station.

A statement from the City's operator regarding this issue is included in the Attachments and states "the problems associated with the current configuration of the existing lift station are numerous... we have been literally moments away from causing raw sewage backups into residents and businesses... I believe we are in need of replacement of this valuable system in our critical area of need, I feel that the longer we put this off we are only setting ourselves up for failure"

- 4. Is the entire community or a substantial percentage of the residents of the community seriously affected by the deficiency, as opposed to a small percentage of the residents?**

A significant percentage of the City of Libby is affected by the lift station deficiencies. The Montana Avenue Lift Station serves the northwest corner of the community. These homes are impacted whenever the station fails, and prolonged outages occur due to the difficulty of procuring the aging equipment. Additionally, the high O&M requirements of this station are siphoning resources from the District, that could otherwise be used to maintain other components of the system. Finally, the lift station is directly upstream from the popular boat launch at River Front Park. The leaking wet well and high risk of failure negatively impacts surface water quality and the popular recreation area. This impacts all residents and visitors.

5. **Is there clear documentation that the current condition of the public facility (or lack of a facility) violates a state or federal health or safety standard? If yes, describe the standard being violated.**

The Montana Avenue Lift Station presents operations safety issues and does not appear to meet National Fire Protection Association (NFPA) 820 Standard for Fire Protection in Wastewater Treatment and Collection Facilities compliance. This puts the public and operators at risk.

Additionally, the existing lift station does not meet the following requirements listed in Circular DEQ-2 Design Standards for Public Sewage Systems:

- 41.4 Safety: The station has shown to be unsafe for City personnel to enter due to the aging wet well and offset access hatch.
- 42.23I Access: A suitable and safe means of access is not provided at the Montana Ave Lift Station.
- 42.35 Electrical: The Montana Avenue Lift Station does not appear to be in compliance with the National Fire Protection Association (NFPA) 820 Standard for Fire Protection in Wastewater Treatment and Collection Facilities compliance.

6. **Does the standard that is being violated represent a significant threat to public health or safety? For each standard being violated, identify which of the public health or safety problems are associated with it.**

Yes, the NFPA 820 code requirement protects against fire and explosion hazards specific to wastewater facilities. The Montana Ave Lift Station is located near a residential area. An explosion at the station could result in severe injuries, loss of life, or property loss.

Additionally, a number of DEQ-2 standards regarding safe access are being violated. This puts the City operators at risk.

7. **Is the proposed CDBG project necessary to comply with a court order or a state or federal agency directive? If yes, describe the directive and attach a copy of it.**

No, the proposed CDBG project is not necessary to comply with a court order or a state or federal agency directive.

8. **Are there any reliable and long-term management practices that would reduce the public health or safety problems?**

No, given the public health and safety standards being violated, there are no long-term management practices that would resolve the issue. Access to the wet well is offset and unsafe for City operators to enter and maintain the station. The station does not appear to meet National Fire Protection Association (NFPA) 820 Standard for Fire Protection in Wastewater Treatment and Collection Facilities compliance. The proposed replacement project is the best option for the City to address these issues.

9. Does the proposed project directly assist low income residents of the community or limited clientele? If yes, describe and document the need of that clientele community.

Yes. The proposed project will replace the failing Montana Ave Lift Station. This lift station is located in a defined opportunity zone, reference previous response to Ranking Criteria I, question 5.

Approximately 800 people are upstream of the lift station and in the opportunity zone. When the station fails, these residents are at an elevated risk of wastewater backups into basements. These residents must deal with the lift station being out of service for prolonged periods while repairs are completed due to the age of equipment and difficulty procuring replacement parts.

Additionally, the high maintenance requirements associated with the lift station are siphoning resources from the City's public works department. The proposed wastewater improvement project, when completed, will ultimately benefit the entire community, including the low to moderate-income residents.

Criterion #3 Questions

All Projects Respond to Questions 1-6

1. Does the proposed project completely resolve all of the identified deficiencies? If not, does the proposed project represent a complete and reasonable component of an overall long-term program or master plan for scheduled improvements for the facility or system? What deficiencies will remain upon completion of the proposed project and how and when will they be addressed?

Yes, the technical design proposed thoroughly addresses all deficiencies selected to be resolved and provides a complete long-term solution. The replacement lift station will eliminate leakage, provide safe access for operators, eliminate concerns regarding the NFPA 820 code requirement, and reduce the likelihood of raw wastewater backups and service outages. Once construction is complete, the improvements should last past the 20-year planning period with proper O&M procedures.

2. Are the deficiencies to be addressed through the proposed project the deficiencies identified with the most serious public health or safety problems? If not, describe why the deficiencies to be addressed through the proposed project were selected over those identified with greater public health or safety problems?

Yes, the deficiencies addressed through the proposed lift station replacement project represent the most serious public health and safety concerns. It will eliminate leakage and prevent future backups and service outages by replacing the aging station and adding a permanent backup generator.

3. Discuss how reasonable alternatives were considered and the rationale for selecting the proposed project.

All reasonable alternatives were thoroughly considered. The alternatives included:

- Alternative 1 – No Action
- Alternative 2 – Replace Montana Avenue Lift Station with a new Wet Well and New Solids Handling Pumps
- Alternative 3 – Replace Montana Avenue Lift Station with a New Wet Well and a Packaged Lift Station
- Alternative 4 – Replace Montana Avenue Lift Station with a Packaged Lift Station and Reuse Wet Well

Life cycle cost analysis and non-monetary factors including technical and logistical feasibility, operation and maintenance complexity, public health and safety, environmental impacts, and public acceptance were all considered in final project recommendations. The decision to replace the packaged lift station and install a new wet well was largely based on the safety risks associated with the existing wet well.

4. Document that all projected costs are reasonable and well supported.

The projected costs are reasonable and well supported by recent bid tabs from similar projects and historic inflation. These cost estimates are detailed in the PER Amendment and Update Memorandum.

5. Demonstrate the assessment of all potential technical, environmental, regulatory or other problems. Are there any apparent technical, environmental, regulatory or other problems that could delay or prevent the proposed project from being carried out or which could add significantly to project costs

No apparent technical problems are anticipated that could delay or prevent the proposed project from being carried out.

There are no apparent environmental problems that could delay or prevent the proposed project from being carried out or that could add significantly to project costs. The Uniform Environmental Checklist and the Environmental Review Form were completed, and no long-term mitigation will be needed.

No apparent regulatory or other problems are anticipated that could delay or prevent the proposed project from being carried out.

6. Document any comments solicited and received from appropriate public and qualified private agencies concerning the proposed project's concept, design, and long-term operating plans for the project.

Letters soliciting comments were sent to the following agencies:

- Montana Historical Society
- Montana Department of Environmental Quality
- Montana Department of Natural Resources and Conservation
- Lincoln County Planning Department
- Montana Department of Transportation
- Montana Fish, Wildlife, and Parks
- Montana Natural Heritage Program
- US Fish and Wildlife Service
- US Army Corps of Engineers
-

The following responses were received.

- The Montana Historical Society responded that no impacts to historic structures was likely, provided not structures over 50 years old will be altered.
- The Montana Natural Heritage Program response included the Environmental Summary Report.
- The US Fish and Wildlife Service responded that they have no comment or concerns regarding the project.
- The Montana Department of Transportation indicated that unless the project is within MDT right of way, they have no comments or concerns.

All agency correspondence are provided in the Attachments.

Community Facility Projects Also Respond to Questions 7-9

- 7. Does the proposed project include rehabilitation of a structure that was constructed prior to 1978?**

Not Applicable, not a Community Facility project.

- 8. Describe how the analysis of any potential environmental concerns (such as lead-based paint, asbestos, and requirements for the preservation of historic architecture) has been closely coordinated with the project design, cost, and consideration of alternatives?**

Not Applicable, not a Community Facility project.

- 9. Describe how that the proposed project strategy is reasonable and appropriate regarding:**
- a. The extent of improvements that are proposed;**
 - b. Project location and proximity to services;**
 - c. Energy efficiency and renewable energy options;**

Not Applicable, not a Community Facility project.

CDBG grant applicants are encouraged to integrate renewable energy generation and energy efficiency measures in their projects. These measures help reduce energy costs, which can facilitate improved operations and maintenance, and HUD released a toolkit to help grantees integrate renewable energies into their project. Toolkit available [here](#).

Drinking Water System Projects Also Respond to Question 10

- 10. For projects involving community drinking water system improvements, is there a water metering system for individual services or a plan to install meters?**

Not Applicable, not a drinking water system project.

Criterion #4 Questions

Citizen Participation

1. **Provide documentation of the dates, times, and locations of the two required public hearings and provide copies of attendance lists, meeting summaries, or minutes sufficient to reflect comments made by local officials and the citizens attending.**

The first advertised public hearing was held April 15, 2024 at City Hall. The City of Libby's City Engineer, Mr. Mike Fraser, discussed the need for the project, the lift station improvement alternatives, and the recommended project. The City's Operator, Mr. Justin Williams, spoke about the operational issues and safety hazards associated with the lift station. The proposed funding package was presented at the hearing. The City decided to pursue the complete replacement project.

A second advertised public hearing was held September 3, 2024 at City Hall. During the meeting Mayor Williams first explained that an application to the Community Development Block Grant was to be submitted for funding assistance to replace the Montana Ave Lift Station. City Engineer, Mr. Mike Fraser, went on to explain the City's wastewater PER was amended in 2019 and the projects and funding that have been secured since the PER Amendment was published. The Montana Avenue Lift Station replacement was included as a priority in the Amendment. The history of the lift station and the problems associated with the station were discussed along with the proposed improvements project. The total project cost and proposed funding strategy were presented. Mr. Fraser also explained any inconveniences that can be expected during construction. No public comment was received.

A third Public Hearing was held August 18, 2025 in the City Council Chamber in City Hall. The public hearing was advertised in the Western News publication on August 5, 2025 and August 13, 2025. The City Engineer, Mr. Mike Frase explained the proposed project and the recent planning efforts that resulted in the recommendation. Mr. Fraser explained the proposed project is the last remaining project that we listed in the 2018 Wastewater PER as a critical project for the community. Mr. Fraser detailed the funding package and the funds already committed. Comments from the City Council showed support of the proposed project. No comments were received from community members.

Meeting Minutes from the Public Hearing are included in the Attachments.

2. **What efforts were made to solicit identification of overall community needs to facilitate a meaningful discussion and identification of community development projects during the first public hearing?**

The City's original wastewater system PER was published by Morrison and Maierle, Inc in May of 2010. The existing system, including collection and treatment infrastructure, was evaluated. Seventeen improvement alternatives were developed. Two public hearings were held during for this PER, March 3, 2010 and April 1, 2010. These meetings were formally advertised and the input from the citizens were documented and considered at that time.

The Wastewater PER was amended in 2019. The condition and capacity of the wastewater system infrastructure was evaluated, and alternatives were re-developed. During preparation of the PER Amendment, newspaper articles were published in the Western News on December 12, 2017 and December 26, 2017 that discuss a user rate surplus that may be used in the future for water and water improvements. These articles are included in the Attachments. Two public hearings were held on February 20, 2018 and July 1, 2018 to discuss the City's wastewater infrastructure and proposed solutions. The hearings were advertised in the Western News. Details regarding these hearings are included in the Attachments.

Three additional public hearings were held in 2024 and 2025 to solicit public comments regarding the proposed improvement project. Refer to Ranking Criteria 4, Response I.

3. How does the public participation process include and address the needs of LMI residents, limited clientele, or disadvantaged groups in the community?

As previously described in this Ranking Criteria, numerous public hearings have been advertised and held regarding the condition and capacity of the wastewater system and the proposed projects. These hearings have been advertised in the Western News. The majority of the community is LMI, and the proposed project will occur in an Opportunity Zone. All members of the community will benefit from the proposed project, including LMI individuals.

4. Identify and describe the process used and efforts made to elicit citizen participation in the selection of the proposed CDBG project, responses to comments or questions heard and project area during the second public hearing. In addition to including documentation of public hearings, include relevant documentation of newspaper articles, copies of special mailings, public opinion surveys, letters of support, etc., if applicable.

Advertised public hearings were held April 15, 2024, September 3, 2024, and August 18, 2025 at City Hall. These hearings were advertised in the Western News, the local newspaper. The City of Libby's City Engineer, Mr. Mike Fraser, discussed the need for the project, the two lift station improvement alternatives, and the recommended project. The City's Operator, Mr. Justin Williams, spoke about the operational issues and safety hazards associated with the lift station. The proposed funding package was presented at the hearing. The City decided to pursue the complete replacement project, discussed in the following sections. Meeting Minutes from the Public Hearing are included in the Attachments.

During the April 15, 2024 public hearing, 28 members of the community were present. Public comments were received that the project is 15 years overdue and one individual suggested further investment into the aging infrastructure should be made.

No public comments were received during either the September 3, 2024 or August 18, 2025 meetings. Five members of the public were in attendance.

5. Provide documentation demonstrating that the project reflects the expressed preference of potential project beneficiaries regarding project details such as location, design, and scope.

Public comments received during the advertised public hearings were all positive with regards to the project. The City operator discussed the operational and safety hazards associated with the existing lift station. A member of the public stated the opinion that this project is overdue, and another community member commented that it was his belief that the City should consider more investments into public infrastructure. These comments are included in the meeting minutes provided.

6. Describe local government efforts to target funding or activities toward existing communities to increase community revitalization, improve the efficiency of public works investments, develop or rehabilitate affordable homes, and safeguard rural landscapes and natural resources.

The local government, including City and County governments, have worked diligently over the past roughly 2 decades to address the local Superfund site and revitalize the City of Libby and surrounding area. The efforts to revitalize the community include the following:

- Restructure downtown zoning to promote business development and natural landscapes
- Prioritize trail improvement and outdoor recreation improvement projects including the Riverfront Plaza and Park. This park ties into the trail system and provides fishing and boat access to the Kootenai River.
- City has teamed with volunteer groups to enhance the splash pad at the City's Fireman's Memorial Park.
- The City of Libby has shown continued support of the Kootenai Forest Stakeholders, which works to find solutions for timber management, forest resources, and conservation.
- The City of Libby teamed with the US Army Corps of Engineers, the EPA, and the DEQ to reclaim the WR Grace property, part of the Superfund site, and create a new city park.
- City has worked with the Kootenai River Development Corporation on projects that promote the natural landscape and preserve the local history and culture.

7. Describe efforts the community has taken to enhance the unique and resilient characteristics of the community by investing in healthy, safe, and walkable neighborhoods – rural, urban, and suburban.

In 2013 the City of Libby received funding from the Treasure State Endowment Program (TSEP) to fix broken and uneven sidewalks from Highway 2 to the medical district, along Louisiana Ave. This funding was used to tie the downtown area to the medical district and make the community more walkable.

Additionally, in 2016, the Kootenai River Development Corporation published a Trails Plan for the City of Libby; an excerpt is included in the Attachments. This plan includes proposed trails in and around the north and east sections of the City. The purpose of these trails is to provide safe walking trails while taking advantage of the area resources.

Finally, in the 2019 City CIP, the City discussed the need to continue upgrades to the existing sidewalks. The City is committed to making the neighborhoods safer for pedestrians, particularly near residential throughways that serve Senior Centers, health

clinics, and hospitals.

- 8. Describe the efforts the community has taken to encourage the development and rehabilitation of community facilities and services located within walkable neighborhoods and/or served by public transportation systems, particularly for special needs and elderly residents.**

As presented previously in this application, the City of Libby and Lincoln County have long histories of planning and development. This includes, but is not limited to 2005 Downtown Revitalization Plan, 2009 Lincoln County Growth Policy, 2010 Libby Growth Policy, 2023 Growth Policy, and the 2016 KRDS Trails Plan. These documents display a continued focus to maintain community facilities and provide safe, walkable areas for the community.

- 9. Describe the efforts the community has taken to encourage activities that support and strengthen new and existing businesses, particularly those located within traditional downtown business centers comprising a mix of businesses, housing, and services.**

The City has a long history of supporting local businesses. An excerpt from the 2005 Revitalization plan is included in the Attachments. This plan focused on critical facets of the community, including social, civic, religious, commercial, and residential buildings located in the City. This Plan has been referenced and expanded on in recent Growth Policies, previously referenced.

- 10. What actions and activities has the community recently undertaken to meet the needs of LMI persons, limited clientele or disadvantaged populations in the community?**

The City has procured funding to offset costs related to the new projects in order to not raise user rates. This will have significant benefits to all community members, particularly the LMI population.

The City of Libby has a significant low to moderate-income population with the data showing 54.2% and a 26.1% poverty rate. The City of Libby has, for years, battled economic distress. Libby also has a significant population that struggles with long-term and terminal illnesses as related to the vermiculite mine and asbestos use in the community.

This wastewater project will benefit the entire community. With over half of the population categorized as moderate to low income, this project will provide affordable and reliable sewer services for all. This, in turn, protects the City's affordable housing for the LMI population.

The funding strategy that has been developed for this project took into consideration the LMI status of the public as well as the continued medical and overall economic conditions of the community. If successful with their funding strategy, the City will have made major upgrade to its wastewater system, provide a safer and more reliable system, and keep rates at current levels. This is in large part due to the City's continued to be engagement with planning and prioritizing efforts across all sectors in order to continue to support infrastructure improvement projects.

Criterion #5 Questions

1. **What efforts were made to consider all appropriate federal, state and local, public and private funding sources that could potentially assist with this project?**

The City of Libby recognizes that its users cannot afford an additional user rate increase at this time. Therefore, it is imperative for the City to research all available grant opportunities.

The City looked into CBGL, EDA, INTERCAP, STAG/WRDA, and RD grant and loan programs. The City did not pursue these as they were ineligible, did not want loans, and the difficulty of obtaining a successful application.

The proposed project includes a MCEP grant of \$500,000. A dollar for dollar match is required for MCEP grants. This will be achieved using an RRGL grant and CDBG grant. The combined water and wastewater target rate for the City of Libby is \$72.45 per EDU per month. Currently, the City has a total combined base rate to \$103.72. the current combined 130% of the combined water and sewer MCEP target rate. Therefore, the City is eligible for a \$500,000 MCEP grant. The City applied for an MCEP grant in 2024, the funds were committed in 2025.

RRGL grants are to be utilized for renewable resource and public facility projects that enhance the common well-being of Montanans through conservation, management, development, or preservation of renewable resources. The City applied for an RRGL grant in 2024, the funds were committed in 2025.

The City has also been included on the SRF priorities list to ensure loan funds are available if necessary.

2. **What is the extent of the local government's financial investment in the proposed project?**

The project will be funded 100% through grants, ideally. The City is over 54% LMI they have a combined user rate of 138% of their target user rate, citizens of Libby cannot afford for their user rates to go up for public improvements.

3. **Document that the CDBG funds requested do not exceed \$20,000 per LMI household or individual assisted. If CDBG funds requested exceed \$20,000 per LMI household or individual assisted, Commerce may consider a waiver request, if submitted.**

CDBG Funds requested does not exceed \$20,000 per LMI household.

As previously mentioned, the City of Libby has an LMI of 54.2%. According to the 2015-2019 American Communities Survey data, there are 2,703 people in the City and 1,108 total households. As such, there are an estimated 1,465 LMI individuals and 600 LMI household within the City of Libby. A CDBG grant for \$434,000 equates to \$296 per LMI individual and \$722 per LMI household.

4. Discuss and document efforts by the applicant or non-profit or for-profit to make local contributions to the project, such as:
- a. local cash or in-kind contributions to proposed activities;
 - b. absorbing some or all administrative costs; and/or
 - c. other forms of direct financial or in-kind contributions to support the project.

In addition to this CDBG application, the City is applied for RRGL, and MCEP grant funds to account for estimated design and construction costs. The RRGL and MCEP funds were committed to the project in 2025. The project has also been added to the SRF Priority List to ensure funds are available if needed. Once constructed, the City will operate and maintain the new lift station using collected user rates. As previously mentioned, the City recently raised rates to account for system O&M costs.

5. If the project will be completed in collaboration with an entitlement community, what is the expected contribution of entitlement community funds providing a reasonable share of the project costs?

City of Libby is not an entitlement community.

6. For Public Facility projects only: Without the requested CDBG assistance, would monthly user charges increase as a result of the project to an amount above the target rate for the community? Please explain.

Yes. The City's current water and sewer rates are 138% of the combined target rate. Without the CDBG grant. A loan for \$434,000 would have to be procured to replace the aging lift station. The City would be forced to raise rates further to cover the resulting debt service.

7. For Community Facilities projects only: What is the net revenue of the for profit, non- profit or local public agency that will be implementing the project and how it will be used for this project? If available revenue will not be used of this project, discuss the rationale. Additionally, discuss and document, if applicable, the following:

- a. Existence of a funding gap;

Not Applicable, not a Community Facility project.

- b. Availability of other funding sources to complete the proposed project;

Not Applicable, not a Community Facility project.

- c. the need for CDBG grant funds.

Not Applicable, not a Community Facility project.

In order to qualify for CDBG funds, a minimum of 51% of the beneficiaries must be documented as persons of low- and moderate-income (LMI). The process used to document LMI and paperwork submitted with the application must be consistent with the CDBG handbook “Documenting Benefit to Low and Moderate Income Persons”.

Benefit to low- and moderate-income persons can be documented in two ways:

- Area benefit, meaning that the activity benefits all residents in a particular area, which can be documented by:
 - Recording the LMI percentage as provided by the 2015 American Community Survey, which is available on the CDBG website ([Census and Target Rate - Community Development Division \(mt.gov\)](https://www.mt.gov)); or
 - Conducting a household income survey that meets the requirements of the CDBG handbook “Documenting Benefit to Low and Moderate Income Persons” and document the process.
- Limited clientele, meaning that the activity benefits a particular group, which can be documented by:
 - Benefiting a clientele that is generally presumed to be LMI. Per HUD, this includes: abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers; or
 - Conducting a household income survey that meets the requirements of the CDBG handbook “Documenting Benefit to Low and Moderate Income Persons” and document the process.
 - Demonstrating that the applicant has income eligibility requirements limiting their activities to low-to-moderate income persons.
 - Demonstrating that the applicant is of such a nature and in such a location that it can be concluded that clients are primarily low-to-moderate income persons.

For this ranking criterion points will be assigned, upon review of documentation, in the following manner:

Percent of LMI Documented

Points Awarded

0% - 50.9% percent LMI	-	0 Points (<i>Project ineligible</i>)
51.0% - 74.9% percent LMI	-	120 Points
75.0% - 100% percent LMI or limited clientele	-	150 Points

All documented LMI percentages will be rounded down, for instance 74.3% LMI will be considered 74% LMI.

All applicants must provide:

- a completed copy of the Benefit to LMI Form (found in this Criterion) and
- a narrative response that explains and documents how the proposed project will principally benefit LMI persons, including specific documentation supporting claims of proposed benefit.

Applicants using a household income survey must provide:

- a copy of the income survey materials, results of the survey (number received of number sent), and narrative to document how they arrived at the LMI percentage, relevant documentation to meet the CDBG requirements described in the “Documenting Benefit to Low and Moderate Income Persons” Handbook. If an application is relying on data from any other source than HUD LMI data published for the community or county (i.e. block groups, CDP) description and mapping, Commerce should have an opportunity to consider this data for review and consideration prior to submitting the

application. Please contact Commerce staff if any data other than community wide LMI will be presented.

Applicants using limited clientele must provide:

- narrative and documentation of how the project will primarily serve limited clientele. Examples of documentation may include: narrative or mission statement identifying the persons served by the facility, income eligibility requirements or data on persons using the facility or its services, documentation that the facility is designed to be used exclusively by a population that is presumed by HUD to be low-to-moderate income (abused children, elderly persons, battered spouses, homeless persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers).

Applicants must assure that any activities proposed will not benefit *moderate* income persons in a manner that would exclude or discriminate against *low* income persons.

In projects where direct financial assistance to LMI persons/households is proposed (such as paying assessments or hook-up costs for LMI households), explain how LMI status will be documented, if awarded, by describing how the project will confirm the LMI status of beneficiaries and limit benefits to only LMI households or persons.

If applicable, describe how funds will be distributed first to low-income and then to moderate-income beneficiaries if funds are available.

Area Benefit Considerations

Area benefit, LMI census data information for counties, cities, towns, and unincorporated areas (if located within a Census Designated Place) is available at: [Census and Target Rate - Community Development Division \(mt.gov\)](https://www.mt.gov/commdev/census).

Applicants proposing to use CDBG funds for area benefit activities must provide documentation that at least 51% of the proposed beneficiary population consists of LMI persons. The actual project area boundaries must be clearly delineated because they determine which households would be served and, therefore, affect the calculation of the LMI benefit. A water well project, for example, that is part of a town's existing water supply would benefit all residents that receive water service. In such a case, the community-wide LMI percentage would be the appropriate figure to quantify benefit.

In 2019, HUD released a video to provide a helpful for understanding HUD low- and moderate-income summary data and the methodologies used by CDBG applicants to determine whether or not a CDBG-funded activity qualifies as a Low/Mod Area Benefit activity (LMA). This video can be viewed at the following web site: <https://www.hudexchange.info/news/demonstrating-area-benefit-to-low-and-moderate-income-persons-video-for-cdbg-grantees/>

Montana communities considering the submittal of CDBG applications based on demonstrating an area benefit to LMI households are urged to review this HUD guidance. This website also includes a Map Application under Data Sets. The HUD mapping application allows the user to view low- and moderate-income information by County, Census Designated Place, or Census Block Group for any location within the United States. This application overlays selected U.S. Census geographic boundaries on an aerial photograph or other basemap option which can be printed.

A Special Note for Schools

Montana school districts considering seeking the sponsorship of a local government to submit a CDBG application to carry out a school improvement activity must be able to demonstrate that at least 51% of the households served by the school district are LMI since all the school district's residents would share equally in the financial benefit

from the CDBG assistance. Just as the case for any CDBG local government applicant, this basic requirement can be met by use of HUD summary data or by conducting an LMI income survey.

If using HUD summary data, school districts would have to demonstrate that the school district boundary closely corresponds to the level of U.S. Census geography for which HUD data is available, whether for a local government, census designated place, census tract, or census block group, or else carry out an income survey. In some cases, it may be necessary to combine HUD summary data from several census areas to demonstrate that a majority of the district's households are LMI. In all these cases the school district should contact CDD staff for guidance and assistance.

Limited Clientele Considerations

If the proposed project activity will principally benefit any of the following limited clientele populations, as defined by HUD, the project will be presumed to benefit at least 75% LMI persons and will be assigned 150 points. The applicant must provide some form of documentation to verify that the services provided by the organization primarily serve a limited clientele population.

HUD defines limited clientele as :

- Abused children, elderly persons, battered spouses, homeless persons, severely disable adults, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers; or
- Community facilities that conduct a household income survey to demonstrate that at least 51% of their clientele are low-to-moderate income persons; or
- Community facilities that have income eligibility requirements that limit their clientele to low-to-moderate income persons; or
- Community facilities that are of such a nature and in such a location that it can be concluded that clients are primarily low- to-moderate income persons (such as a day care serving a public housing complex).

CDBG Benefit to LMI Form

A	B	C	D	E	F
ACTIVITY DESCRIPTION (Do <i>not</i> include <i>administrative</i> activities) Indicate whether calculations are shown for Households [H__] or Persons [P__]	NUMBER OF HOUSEHOLDS OR PERSONS THE ACTIVITY WILL SERVE	NUMBER OF LMI HOUSEHOLDS OR LMI PERSONS THE ACTIVITY WILL SERVE	PERCENTAGE OF LMI HOUSEHOLDS OR LMI PERSONS THE ACTIVITY WILL SERVE	AMOUNT OF CDBG FUNDS FOR THE ACTIVITY	AMOUNT OF CDBG FUNDS THAT WILL BENEFIT LMI FOR THE ACTIVITY
1. Administrative and Financial Costs	1,480	802	54.2(%)	\$44,954	\$24,365
2. Final Engineering	1,480	802	54.2(%)	\$19,000	\$10,298
3. Construction Management	1,480	802	54.2(%)	\$82,900	\$44,932
4. Construction	1,480	802	54.2(%)	\$91,651	\$49,675
5. Contingency	1,480	802	54.2(%)	\$195,495	\$105,958
				Total \$434,000	Total \$ 235,228

Overall Percent Benefit to LMI Households = Column F = 54.2 % LMI Benefit
Column E

The calculation of benefit to LMI households or persons using the form is a two-step process. First, the percentage of benefit to LMI households (or persons) must be calculated for each activity. The percentages must be applied to the CDBG funds requested for each activity to determine total number of dollars that will benefit LMI households or persons. Each step in the calculation is described below.

Applicants must complete the form above to determine the total CDBG dollar and percentage benefit that will result from their proposed projects. Either households or persons may be used as the basis for calculation as long as the method selected is consistent with the method used to verify the household income levels. Contact CDBG to help determine whether your benefit calculation should be for households or persons.

1. In column A, describe the activity by name, such as "Reconstruct the Wastewater Treatment Facility" or "Complete Final Engineering Design." Do not include administrative activities. The activities should be the same as shown on the application budget form under "ACTIVITY."
2. In column B, list the total number of households [or persons] that the activity will serve.
3. In column C, list the number of LMI households [or persons] that the activity will serve.
4. In column D, list the percentage of LMI households that the activity will serve. This is derived by dividing the number in column C by the number in column B for that activity.

5. In column E, list the total amount of CDBG funds requested for the activity. This should be the same as shown on the application budget form under "ACTIVITY". In column F, list the amount of those funds that will be used to benefit LMI households. This is derived by multiplying column E by the percentage in column D.
6. At the bottom of column E, list the total amount of non-administrative CDBG funds by adding up the CDBG funds requested for each activity.
7. At the bottom of column F, list the total amount of funds that will be used to benefit LMI households by adding up the amount of funds to benefit LMI households for each activity.
8. Determine overall benefit by dividing the total of column F by the total of column E to get the total CDBG project benefit to LMI households. List the percentage at the bottom of the Benefit to LMI Form.

Narrative response that explains and documents how the proposed project will principally benefit LMI persons, including specific documentation supporting claims of proposed benefit.

The proposed project will replace an aging and high maintenance lift station. This lift station directly serves an estimated 800 people, or approximately 30% of the City. However, the entire community, which reports 54.2% LMI, will benefit from the project for the following reasons:

- Replacement of the aging lift station will decrease City O&M requirements and reduce the burden on the collected user rates.
- Further contamination of the local aquifer will be prevented by replacement of the deficient wet well
- The safety risks associated with entering the lift station will be eliminated, thereby protecting City operators and community members.
- The popular nearby recreation areas, Riverside Park and the Kootenai River will be protected from raw wastewater contamination.

RANKING CRITERION #7	Implementation and Management	175 Possible Points
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Criterion #7 Questions

Project Management Plan and Implementation Schedule

- 1. Document firm commitments for assistance from other local, state or federal funding sources necessary to complete the proposed project. If firm commitments from all non-CDBG sources are not available at the time of application, how will firm commitment of all funding sources be documented within nine (9) months of CDBG award?**

The City of Libby has applied for RRGL and MCEP grants in 2024; these funds were committed in 2025. The award letters are included in the attachments.

- 2. Provide a narrative demonstrating that the proposed project is feasible and achievable, coordinated with other funding sources, and takes into consideration the nature of the project activities, the size and resources of the local applicant government, the budget, and implementation schedule proposed.**

The proposed project is considered both feasible and achievable. No significant hurdles associated with land acquisition or permitting are anticipated. The new lift station will be constructed within City Right of Way. Preliminary cost estimates referenced recent bid tabs for similar projects and recent inflation rates.

RRGL and MCEP funding was committed in 2025. The project has also been added to the SRF Priorities list to ensure funding is available if needed. Construction is expected to be completed by Fall on 2026.

- 3. Provide a description and history of the system or project's operation and maintenance budgets and practices. Describe how additional future improvements can be funded through reserves or depreciation accounts and not require additional assistance from state or federal grants.**

The City has diligently maintained its wastewater system; the deficiencies regarding the lift station are not related to inadequate O&M practices. Similar O&M procedures to the currently Montana Ave Lift Station and other City lift stations will be required for the proposed project, including routine inspections. Costs associated with O&M will likely decrease with the replacement of the lift station.

Reasonable operation and maintenance budgets have been maintained over the long-term, including reasonable reserves for repair and replacement. The City's wastewater utility revenues from FY 2023, excluding grant funding, was \$774,000, and expenditures were \$653,918.39. The annual expenditure during this time period includes approximately \$558,000 for the operating budget. This shows a net positive balance for the City's wastewater utility that can be allocated to fund reserves and depreciation.

- 4. If an applicant has open CDBG grant(s) in another project category, explain whether the project**

activity(ies) has/have been completed in compliance with the project implementation schedule, describe the applicant's ability to carry out project activities, and whether there are any unresolved audit or monitoring findings related to any previous CDBG grant award.

City of Libby does not have a current CDBG grant on another project.

Proposed Project Budget and Budget Narrative

5. Ensure responses in the Uniform Application thoroughly define and justify each budget line item.

Each budget line is thoroughly justified in the Uniform Application

6. Ensure responses in the Uniform Application include a budget narrative outlining the rationale and assumptions for each line item that specifies the work to be completed under each budget line item.

The Budget Narrative is included in the Uniform Application with descriptions of each line item.

7. Is there enough funding for relocation costs, as applicable?

No relocation costs are anticipated for this project.

8. Describe the plan for assuring adequate, long-term management and operation and maintenance of the facility or project including staff and financial resources?

Reasonable operation and maintenance budgets have been maintained over the long-term, including reasonable reserves for repair and replacement. The City's wastewater utility revenues from FY 2023, excluding grant funding, was \$774,000, and expenditures were \$653,918.39. The annual expenditure during this time period includes approximately \$558,000 for the operating budget.

The City has just increased user rates to ensure adequate funds are available for O&M and to make sure their facilities are well maintained. City public works staff is already in place and trained and operating and maintaining similar lift stations.

The City of Libby provided the annual 2023 financial report that is included in the Attachments.

For Projects Involving Non-Profits, For-Profits, Local Public Agencies, or other Partner Organizations

1. Include an Operating Plan for any organization that is proposed as a CDBG grant subrecipient/partner. Each Operating Plan must include the following elements with sufficient detail for adequate analysis:
 - a. A description of the organization and its purpose and history.

The City of Libby is located near the Center of Lincoln County, in northwest Montana and has been the County seat since 1909. The City provides sanitary sewer service to

its residence. The City maintains roughly 100,000 LF of gravity sewer pipe. Three lift stations are included in the collection system.

- b. A description of the service(s) provided, geographic service area and potential for expansion of services provided or the service area. Describe the target population served (age, sex, special needs, etc.).

The City's Public Works Department serves all residents of Libby of all ages and genders. The collection system expands as the community grows. As the collection system expands, additional user rates are collected. The City's boundaries are presented in the included PER.

- c. A description of how the CDBG project will affect the services to be provided and how the organization and its members or clientele will be affected if CDBG funds are not received.

The proposed project will replace an aging lift station. This lift station poses a safety risk to operators, environmental concern as exfiltration is believed to be occurring, and health concerns to local residence as raw wastewater back ups are becoming increasingly likely. Without CDBG funds, the City will likely have to delay the project and the above mentioned community concerns will continue.

- d. A description of how the organization's or agency's finances are managed and whether they are formally reviewed on a regular basis.

The City of Libby manages their finances in accordance with all local government and municipal regulations. The finances are closely monitored and reviewed on a regular basis.

- 2. The organization must be able to demonstrate that projected income will be sufficient to cover any projected debt service and current and projected operating costs, including long-term operation and maintenance. Each applicant submitting an application on behalf of a non-profit or for-profit organization must include the following financial exhibits with the application:

The City's user rate structure provide sufficient revenue to operate and maintain the wastewater system. Financial records are included in the Attachments.

- a. Financial statements for the three most recent years of operation including a balance sheet describing assets and liabilities, profit and loss statements, a revenue and expense statement, and cash flow statements as applicable to the type of organization or agency.

This application is not being submitted on behalf of a non-profit or for-profit organization

- b. Financial statements, compiled or reviewed by an independent certified public accountant with full disclosure notes are required for businesses or organizations or agencies that have been in operation for more than one complete fiscal year. All financial information must be signed by a responsible officer for the organization or public agency.

This application is not being submitted on behalf of a non-profit or for-profit organization

3. Document the successful past long-term performance of the non-profit or for-profit organization(s) or local public agency.

The City of Libby has successfully managed the existing public infrastructure for many decades. The City manages their finances in accordance with all local government and municipal regulations. The finances are closely monitored and reviewed on a regular basis.

The financial documents included in the Attachments show the City maintains sufficient cash to operate and maintain their wastewater system. In April of 2024, the City had roughly \$319,000 in their sewer operating account. Fiscal year 2023 reported an annual sewer operating budget of \$612,530. As such the City has sufficient cash to continue to maintain its wastewater system as it continues to collect monthly user rates.

4. Discuss and document the organization(s)' capacity to assure cost-effective, long-term management of the facility.

The City currently maintains three lift stations, miles of gravity main, and a wastewater treatment facility. They have a positive history of operating and maintaining similar equipment included in the proposed project.

5. A non-profit organization must submit verification of its IRS 501(c) status.

Not Applicable

Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) Considerations

This Uniform Relocation Assistance is not applicable to this project.

Procurement of Services

1. **If procurement is necessary for design, implementation, and/or management of the project and has already been completed, please provide the following documents: NOT APPLICABLE**
 - a. Affidavit of Publication for the Section 3 Notice
 - b. Direct Solicitation of Disadvantaged Business Enterprises
 - c. The full Request for Proposals (RFP) or Request for Qualifications (RFQ)
 - d. The affidavit of publication for the RFP/RFQ
 - e. Meeting minutes and/or interviews with prospective entities
 - f. The scoring criteria used to select the successful entity

2. **If procurement is necessary for design, implementation, and/or management of the project and has not already been completed, describe the steps that will be taken to document procurement and that will comply with CDBG procurement requirements and state law.: NOT APPLICABLE**
 - a. Prepare Bid Package to include Bidding Documents, Contract Documents, Special Provisions, Technical Design Specifications and Drawings.
 - b. Required Reviews and Approvals from State and/or local agencies
 - c. Advertise
 - d. Respond to contractor Questions
 - e. Conduct Pre-Bid Conference
 - f. Bid Opening
 - g. Bid Tabulation and Review
 - h. Community's Acceptance and Award

Program Income

Program Income is income earned by a grantee from a CDBG-supported activity, such as repayments of principal or interest to a local revolving loan fund program generated by housing rehabilitation activities. These funds are usually received after a project has been completed and closed out and are retained at the local level.

1. **If a community received program income from a previously funded CDBG project, include program income earnings to date, activities funded, and any available balance.**

NOT APPLICABLE

2. **If program income is expected as a result of this or other CDBG projects, how does the applicant intend on using the program income after the completion of the project?**

NOT APPLICABLE

3. **For previous projects that receive program income, has the applicant submitted the annual program income report to CDBG?**

NOT APPLICABLE

Financial Management System and Audits

Commerce will check with the Department of Administration's Local Government Assistance Bureau for information about compliance with these requirements.

1. **Is the applicant compliant with the auditing and annual financial reporting requirements provided for in the Montana Single Audit Act, 2-7-501 to 522, MCA?**

Yes,

2. **Has the applicant established a financial accounting system to properly account for grant funds according to generally accepted accounting principles?**

Yes,

Status of Past and Current CDBG Funded Projects

1. **How were any state and/or CDBG audit findings or monitoring findings directly related to a previous CDBG grant award satisfactorily addressed.**

The applicant is current with financial reporting and auditing reports, and the City of Libby is in good standing in audit reports

Environmental Review

1. **Has the applicant completed and included the environmental checklist found in the Montana's Uniform Application?**

Yes

2. **Has the applicant included documentation of direct contact with all appropriate state or federal agencies to answer the Environmental Checklist's questions?**

Yes

3. **Has the applicant thoroughly completed the environmental checklist by:**
 - a. **providing thorough and credible responses to each item, and** Yes
 - b. **supplying specific sources of information for each of the environmental checklist topic areas (maps, pictures, diagrams, etc)?**

Yes

4. **Has the applicant described its efforts to avoid adverse environmental impacts on the project including proximity to floodplains, hazardous facilities or sites, or incompatible land uses? (See the Environmental Checklist.)**

Yes

5. **If any concerns or adverse impacts have been identified, has the applicant provided appropriate responses or plans to mitigate them?**

No concerns or adverse impacts have been identified

6. **Has the applicant explained how the analysis of any potential environmental concerns (such as lead-based paint, asbestos, and requirements for the preservation of historic architecture) has been closely coordinated with the project design, cost, and consideration of alternatives?**

Yes, no lead-based paint or asbestos are anticipated.

Project Aggregation

Project aggregation should be considered and included during the development of environmental review documents and process. To consider project aggregation a grantee must group together and evaluate, as a single project, all individual activities which are related either on a geographical or functional basis, or logical area parts of a composite of a contemplated project. The aggregated project should capture the maximum scope of the proposed project that relates to functional or geographical aggregation, not just a single activity that the federal dollars are funding.

- Functional aggregation is when a specific type of activity (e.g., water improvements) is to take place in several separate locations.
- Geographical aggregation is when a mix of dissimilar but related activities are concentrated in a specific project area (e.g., combining water, sewer and street improvements and economic development activities).

The purpose of project aggregation is to group together related activities so the grantee can:

- Address adequately and analyze, in a single environmental review, the separate and combined impacts of activities that are similar, connected and closely related, or that are dependent upon other actions or activities,
- Consider reasonable alternative courses of action,
- Schedule the activities to resolve conflicts or mitigate the individual, combined and/or cumulative effects; and,
- Prescribe mitigation measures and safeguards including project alternatives and modifications to individual activities.

To consider project aggregation, an applicant should consider the following questions. Please respond the questions below in narrative form:

1. Is the project site just one phase of a large development? **NO**
2. Is the activity part of a larger project? **NO**
3. Have additional phases of the project applied for funding? **NO**
4. Do the activities take place in a target area where a whole range of varying activities are planned?
NO

If any of the above are yes, the project should be aggregated and the composite of the contemplated project should be used as the activities included in the environmental review process; and most specifically in maps, pictures or other narrative that is used during the environmental review process.

**UNIFORM APPLICATION FORM
FOR MONTANA PUBLIC FACILITY PROJECTS**

(Please type or print legibly)

SECTION A - CERTIFICATION

To the best of my knowledge and belief, the information provided in this application and in the attached documents is true and correct.

Name (printed): Peggy Williams

Title (printed): Mayor
Chief Elected Official or Authorized Representative

Signature: _____

Date: _____

SECTION B - SUMMARY INFORMATION

1. NAME OF APPLICANT(S): City of Libby

2. TYPE OF ENTITY: City

3. FEDERAL TAX ID NUMBER: 81-6001285

4. TYPE OF PROJECT: Wastewater Systems Improvements

5. SENATE AND HOUSE DISTRICTS: Senate District 001 and House District 002

5.a NAMES OF SENATOR(S) AND REPRESENTATIVE(S): Senator Cuffe and Representative Duram

6. POPULATION SERVED BY PROJECT: 2,903

6.a NUMBER OF HOUSEHOLDS SERVED BY PROJECT: 1,519

7. DUNS Number: 011517935

8. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE:

Peggy Williams
(Name)
Mayor
(Title)
952 East Spruce Street
(Street/PO Box)
Libby, MT 59923
(City/State/Zip)
(406) 293-1704
(Telephone)
peggy.williams@cityoflibby.com
(E Mail address)

9. PROJECT ENGINEER/ARCHITECT:

Nicole Rediske, PE
(Name of Engineer)
Project Engineer
(Title)
TD&H Engineering
(Name of Firm)
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(City/State/Zip)
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(Telephone) (FAX No)
doug.peppmeier@tdhengineering.com
(E Mail address)

10 A. LEGAL COUNSEL:

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Lawyer
(Title)
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Columbia Falls, MT 59912
(City/State/Zip)
(406) 892-4356
(Telephone) (FAX No)
dean@chisholmlawfirm.com
(E Mail address)

11. CLERK/CHIEF FINANCIAL OFFICER:

Leann Monigold
(Name)
Clerk, Treasurer
(Title)
952 East Spruce Street
(Street/PO Box)
Libby, MT 59923
(City/State/Zip)
(406) 293-2731
(Telephone)
City.treasurer@cityoflibby.com
(E Mail address)

12. PRIMARY ENTITY CONTACT PERSON:

Samuel Sikes
(Name)
City Administrator
(Title)
952 East Spruce Street
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Libby, MT 59923
(City/State/Zip)
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(Telephone)
City.admin@cityoflibby.com
(E Mail address)

13. GRANT/LOAN ADMINISTRATOR:

Michael Fraser, PE
(Name)
Grant Administrator
(Title)
Fraser Management & Consulting.
(Name of Firm)
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Kalispell, MT 59901
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406-235-4326 406-257+1889
(Telephone) (FAX No)
mfraser@montanasky.net
(E Mail address)

14. BOND COUNSEL:

(Name)

(Title)

(Street/PO Box)

(City/State/Zip)
(
(Telephone)

(E Mail address)

15. ACCOUNTANT:

Bob Denning
(Name of Accountant)
Denning & Downey
(Name of Firm)
1740 US Highway 93
(Street/PO Box)
Kalispell, MT 59901
(City/State/Zip)
(406) 756-6874
(Telephone)
DDA@ddaudit.com
(E Mail address)

8. BRIEF PROJECT SUMMARY: (Refer to instructions and examples)

Historical Information -

Libby, MT has been the county seat of Lincoln County since 1909. The wastewater system serves the incorporated City of Libby. The United States Census Data indicates the City's population and grew by an estimated 1.8% from 2010 to 2016. The 2020 Wastewater System Preliminary Engineering Report Amendment estimated the 2018 City population is 2,674 persons. The wastewater system planning-period population in 2038 is 3,144 persons. In addition, Libby is considered a relatively low-income community with a poverty rate of 26.1%, LMI of 54.2%, and a median household income of \$29,261. The City of Libby faces many environmental challenges due to the presence of multiple hazardous facilities including two National Priority List (NPL) sites, one Resource Conservations and Control Act (RCRA) site, and several Leaking Underground Storage Tank (LUST) sites.

The City of Libby utilizes three wastewater lift stations to collect and convey wastewater to the wastewater treatment plant. The City's oldest lift station is the Montana Avenue Lift Station and is located at the intersection of 1st Street and Montana Avenue. The age of the concrete wet well at the Montana Avenue Lift Station is unknown. The packaged dry pit was installed in 1992.

Problem -

The Montana Avenue Lift Station is a packaged underground steel dry pit with a concrete wet well. The packaged dry pit was installed above the original concrete wet well in 1992; the installation date of the wet well is unknown. Two self-priming pumps are included in the dry pit with motor controls. Local officials have reported that the lift station is in poor condition and likely not water-tight. Additionally, the site does not include a permanent backup generator. Correspondence with a City operator describe several operational issues with the lift station. According to the operator, the lift station is well past its useful life. Rags and other debris regularly plug the pumps and check valves, and the vacuum canisters membrane seals are failing. These issues have caused the lift station to fail regularly and raw sewage to back up into residents and businesses. Because the lift station is beyond its design life, replacement parts are difficult to find. This causes prolonged station outages. The operator also describes the safety hazards of entering this lift station for required repairs. The packaged lift station is not set over the existing basin properly which restricts access to the floats and equipment which require weekly inspection and maintenance. The lift station presents operations safety concerns and does not appear to meet current National Fire Protection Associations (NFPA) 820 electrical code compliance.

Proposed Solution -

It is proposed to replace the Montana Ave. Lift Station with a packaged lift station, install a new concrete wet well and a permanent backup generator. The packaged lift station will include a new fiberglass enclosure, two solids handling pumps, stainless steel rail, access hatch, ladder, required valving and piping, level controls, control panel, fencing, generator with automatic transfer switch, and concrete pads.

A significant benefit of this alternative is replacing the concrete wet well. The age and condition of the wet well is unknown at this time. Through this evaluation, concerns regarding the structural integrity and watertightness of the wet well arose. It is likely that raw wastewater is leaking from the wet well during low groundwater conditions, and/or groundwater is infiltrating into the lift station during high groundwater conditions. Additionally, if the structural integrity of the wet well is compromised, construction activities and installation of a new dry pit could cause the structure to fail and collapse. Furthermore, replacing the wet well would significantly increase the useful life of the lift station.

SECTION C - FINANCIAL INFORMATION

1. ESTIMATED TOTAL PROJECT COST: \$ 1,059,000

2. PROPOSED FUNDING SOURCES (List loans and grants from same funding source separately) (Refer to the instructions and examples):

Source	Type of Funds	Amount	Status of Commitment	Loan Rates and Terms
MCEP	Grant	\$500,000	Committed	N/A
RRGL	Grant	\$125,000	Committed	N/A
CDBG	Grant	\$434,000	Uncommitted	N/A

3. FUNDING STRATEGY NARRATIVE

☛ **Funding Strategy Narrative (Complete and attach)**
(Refer to the instructions. Answer each question individually.)

a. What are the conditions on the use of each source of funds?

- MCEP – The City of Libby applied for a MCEP grant in the amount of \$500,000. A dollar for dollar match of dollar is required. Cash, grants or loans can qualify as matching funds. A dollar for dollar match of the project will be provided through a CDBG grant and an RRGL grant. The MDOC combined water and wastewater target rate for Libby is \$72.45. The base residential water rate for City users is \$45.68 per EDU per month for sewer and \$58.04 per EDU per month for water. This equates to a combined base rate of \$103.72 per EDU per month. Therefore, the City of Libby is eligible for a \$500,000 MCEP grant. MCEP funds will be used for construction.
- RRGL – RRGL grants are used for renewable resource and public facility projects that enhance the common well-being of Montanans through conservation, management, development, or preservation of renewable resources. The City of Libby has been awarded the maximum grant amount of \$125,000 and will use the funds for engineering and construction.
- CDBG – The CDBG program assists low-to-moderate income (LMI) Montanans and the City of Libby is qualified for the funding with an LMI of 54.2%. The City of Libby is an incorporated city and is therefore eligible to apply for CDBG on its own. The City of Libby is applying for \$434,000 in CDBG funding. The CDBG funds will be used for administrative tasks, engineering, construction management, contingency, and construction.

b. When will each source of funds listed be available (month and year)?

- RRGL – The RRGL application was submitted in May 2024. This funding has been committed
- MCEP – The MCEP grant application was submitted in May 2024. This funding has been committed
- CDBG – The CDBG application will be submitted in October 2025, with funding secured by June 2026.

c. Is there any additional information on the level of commitment for each source of funds listed?

MCEP and RRGL funds are committed and CDBG funds are uncommitted at this time.

d. How will funding sources be coordinated with each other?

- Project costs will be split between the MCEP grant, the RRGL grant, and the CDBG grant. For a more detailed delineation of funds, refer to the project budget form and the project budget narrative.
- The RRGL grant will fund administrative tasks and activity costs including final engineering.
- MCEP funds will be for final engineering and construction.
- CDBG funds will be used for construction management, construction, and contingency.

e. Will interim-loan funds be required as part of the project? If yes, how will they be used and coordinated with other funding sources?

Interim loans is not expected to be required as part of the proposed project.

f. What other sources of funds from public and private sources have been considered for this project? Explain why they are not being pursued or used for this project.

- CBGL – Coal Board Grant and Loan was not considered as the proposed project is not related to coal mining or development.

- EDA – Funding from the Economic Development Administration is dependent on job creation. While short-term construction jobs will be created by the proposed project, it will not result in the creation of a significant number of long-term jobs.
- INTERCAP – INTERCAP is a short-term lender for projects. Interim loans will not be required as part of the proposed project; local funds will be available for land acquisition, engineering, and other tasks that will arise before the grant sources are available.
- SRF – A State Revolving Fund Water and Sewer loan is not preferred because the City has determined that withdrawing a loan for this project is not in the best interest of its sewer users. The project has been added to the SRF Priority List as a back up funding option.
- STAG/WRDA – The award of grant money from these sources is difficult to procure. Because this funding source is difficult to procure and there are other readily available programs, the City of Libby has determined that preparing a grant application from these sources is not an efficient use of its resources.
- RD Grant/Loan – An RD Grant/Loan was not pursued because the City has determined that withdrawing a loan for this project is not in the best interest of its sewer users.

g. If a particular source of funding is not obtained, how will the applicant proceed? Explain how the funding strategy will change if a particular source of funding is not received.

If a particular grant is not awarded for the project, the City will need to review the remaining project cost to determine if it has the funding to cover the rest of the project. Depending on which grant, or grants were not received, construction may need to be postponed until a future grant cycle.

h. What is the level of local financial participation in the project and is that level the maximum that the applicant can reasonably provide?

The City of Libby is a small community which has experienced little recent population growth. In addition, the 2019-2023 American Community Survey indicates the City has a median household income of \$39,261, 54.2% LMI, and 26.1% poverty. The City of Libby has completed approximately \$12 million in recent water improvements projects, including the 2016 Upper Flower Creek Dam project and the 2013 distribution system improvements, which increased user rates significantly. Given their recent history of rate increases and considerable water and wastewater infrastructure needs, the City has elected to avoid further debt and rate increases by budgeting a combination grants for this grant cycle.

4. PROJECT BUDGET FORM

- ☛ Project Budget Form **(Complete form on next page)**
(Refer to the instructions and example)
- ☛ Project Budget Narrative **(Complete and attach)**
(Refer to the instructions and example)

ADMINISTRATIVE and FINANCIAL COSTS:	% Cost	SOURCE: RRGL	SOURCE: MCEP	SOURCE: CDBG	SOURCE:	SOURCE:	TOTAL
Personnel Costs	0.05%	\$551					\$551
Office Costs	0.05%	\$551					\$551
Grant & Loan Administration Services	1.55%	\$16,400					\$16,400
Legal Services	1.41%	\$14,900					\$14,900
Audit Fees	1.13%	\$12,000					\$12,000
Travel & Training	0.05%	\$551					\$551
Review and Loan Fees	0.00%						\$0
Loan Reserves	0.00%						\$0
Interim Interest	0.00%						\$0
Bond Counsel and Related Costs	0.00%						\$0
TOTAL ADMINISTRATIVE/FINANCIAL COSTS	4.24%	\$44,953.99	\$0.00	\$0.00	\$0.00	\$0.00	\$44,953.99
ACTIVITY COSTS:		SOURCE: RRGL	SOURCE: MCEP	SOURCE: CDBG	SOURCE:	SOURCE:	TOTAL
Land Acquisition	0.00%						\$0
Final Engineering	7.93%	\$80,047	\$3,953				\$84,000
Construction Management	7.83%			\$82,900.00			\$82,900
Construction	61.53%		\$496,047.00	\$155,605.00			\$651,651
Contingency	18.46%			\$195,495.00			\$195,495
TOTAL ACTIVITY COSTS	95.76%	\$125,000	\$500,000	\$434,000			\$1,014,046
TOTAL PROJECT COSTS	100.00%	\$125,000	\$500,000	\$434,000			\$1,059,000

5. PROJECT BUDGET NARRATIVE

ADMINISTRATIVE AND FINANCIAL COSTS - \$44,954

Personnel Costs - \$551

These funds will be used to pay personnel fees for the City of Libby staff for time spent during design and construction. The City expenses are proposed to be provided from the RRGL Grant.

Office Costs – \$551

These funds will be used to pay the costs that the City staff spends for advertisements, postage, printing and other related office costs. The budgeted amount for this task will be provided by the RRGL Grant.

Grant & Loan Administration Services – \$16,400

These funds will be used to administer grants, process disbursement requests, prepare progress reports, complete on-site construction interview, and participate in grant close-out. The budgeted amount for this task will be provided by the RRGL Grant.

Legal Services – \$14,900

These funds will be used for the City's attorney to review contracts, bid documents, easements, and any other legal service associated with the project. The budgeted amount for this task will be provided by the RRGL Grant.

Audit Fees – \$12,000

These funds will be used to provide an auditor for the project. The budgeted amount for this task will be provided by the RRGL grant.

Travel & Training – \$551

These funds will be used to procure training for City staff as a result of the proposed project. The budgeted amount for this task will be provided from the RRGL Grant.

ACTIVITY COSTS - \$1,014,046

Final Engineering – \$84,000

The RRGL and MCEP grants will provide funds for the final engineering design, including surveying, geotechnical investigation and preparation of the bidding documents with construction plans and specifications.

Construction Management – \$82,900

Construction administration services will be provided through the CDBG grant. This work includes construction oversight, shop drawing review, processing pay requests and change orders, conducting meetings with the contractor and owner, as-built drawings and substantial completion.

Construction – \$651,651

Construction will be paid from the MCEP and CDBG grants. This work includes all construction related to the proposed improvements.

Contingency – \$195,495

Contingency will be provided through the CDBG grant. This work includes payments for change orders and other unexpected work required to complete the project.

TOTAL PROJECT COSTS - \$1,059,000

6. CURRENT DEBT (Refer to the instructions and example on pages 23-24)

Year Issued	Purpose	Type of Bond/ Security	Amount	Maturity Date (mo/yr)	Debt Holder	Coverage Requirement	Avg. Annual Payment Amount	Outstanding Balance
2015	USDA - Dam	USDA Loan	\$3,200,000	2055	USDA	2.63% for 40 years	\$129,408	\$2,691,196
2015	USDA - Dam	USDA Loan	\$490,000	2055	USDA	2.63% for 40 years	\$19,824	\$411,996
2014	USDA RD Series 2014 Revenue Bond	Revenue Bond	\$2,268,000	2054	USDA RD	2.50% for 40 years	\$89,820	\$1,916,997
2013	DNRC - Coal Severance Tax Loan Program Series 2013A Revenue Bonds	Revenue Bond	\$253,177	2033	DNRC Coal Severance	3.00% for 20 Years	\$16,926	\$121,387
2013	DNRC - Coal Severance Tax Loan Program Series 2013C Revenue Bonds	Revenue Bond	\$800,000	2033	DNRC Coal Severance	2.99% for 20 Years	\$53,483	\$580,819
2013	DNRC – Drinking Water SRF Program Series 2013 Revenue Refunding Bond	Revenue Refunding Bond	\$2,189,579	2035	DNRC Coal Severance	2.50% for 22 Years	\$130,100	\$1,335,000
2011	USDA RD Series 2011 Revenue Bond	Revenue Bond	\$678,000	2031	USDA RD	3.00% for 40 Years	\$29,136	\$526,307
2008	USDA RD Series 2010 Revenue Bonds	Revenue Bond	\$1,745,000	2048	RD	2.25% for 40 Years	\$66,384	\$1,198,663

7. CURRENT ASSETS (Indicate if assets are obligated.) (Refer to the instructions on pages 23-24.)

Cash \$ 790,686.99
 (Details) Sewer System Cash and Reserves

Investments \$ _____
 (Details) _____

Certificates of Deposit \$ _____
 (Details) _____

Accounts Receivable \$ _____
 (Details) _____

Any other current assets not specifically indicated above \$ 2,404,441.72
 (Details) Water System Cash and Reserves

8. BALANCE SHEET (Submit if applying to RD; contact the other programs to determine if or when this information is needed.)

☐ Balance Sheet (Check if attached)

9. INCOME AND EXPENSE STATEMENT (Submit if applying to RD; contact the other programsto determine if or when this information is needed.)

☐ Income and Expense Statement (Check if attached)

SECTION D - CENSUS INFORMATION

Do not fill in this section. The following information will be completed by the receiving agency using data supplied by the U.S. Bureau of the Census and the U.S. Department of Housing and Urban Development based on Census data.

1. MEDIAN HOUSEHOLD INCOME \$ _____
2. LOW TO MODERATE INCOME PERSONS: The percent of the population at or below the level designated as low to moderate income. % _____
3. POVERTY: The percent of the population characterized as at or below the level designated as poverty. % _____

SECTION E - SYSTEM INFORMATION (Refer to instructions)

Number of unimproved properties in jurisdiction: 0

- **Complete and attach** the “System Information Worksheet.” The figures required for the items listed below that are denoted with an “☛” are computed using the “System Information Worksheet.” The letter in parenthesis following the “☛” denotes the location in the worksheet to find the figure to be inserted.

	<u>Current</u>	<u>Projected</u>
1. Total System Annual Revenue	\$ <u>806,891.52</u>	\$ <u>806,891.52</u>
2. Total System Annual Operation and Maintenance Costs	\$ <u>653,918.39</u>	\$ <u>653,918.39</u>
3. Total System Equivalent Dwelling Units* ☛□(e) for current and (k) for projected	<u>1,472</u>	<u>1,472</u>
4. Total Residential Equivalent Dwelling Units* ☛□(f) for current and (m) for projected	<u>1,166</u>	<u>1,166</u>
5. Annual Revenue from Residential Hookups	\$ <u>639,154.56</u>	\$ <u>639,154.56</u>
6. Percent of Total Annual Revenue from Residential Hookups	<u>60.5%</u>	
7. Average Monthly Residential Rate	\$ <u>45.68</u>	\$ <u>45.68</u>
	<input type="checkbox"/> Check box if this is a flat rate.	<u>Projected</u> Average Monthly Residential Rate □(w) or (x)
8. <u>Other System</u> Average Monthly Residential Rate	\$ <u>N/A</u>	\$ <u>N/A</u>

- * If this application is for a solid waste project, see instructions.

SYSTEM INFORMATION WORKSHEET
(Refer to instructions)

SUBSECTION 1 – EQUIVALENT DWELLING UNIT COMPUTATION

Applicants with either a water and wastewater project must complete Section I, regardless of whether the applicant is served by a central water system or is planning to charge residential users a flat user fee. If the applicant is not served by a central water system, or it has water connections that provide service to multiple mixed uses, such as commercial and residential, refer to the instructions on page 26 for information on computing the number of EDU's. Applicants with solid waste projects are not required to complete Section I. Service connection diameters will be converted to EDU's according to the following table, with the exception of those situations noted on page 26:

<u>Service connection inside diameter (inches)</u>	<u>EDU's</u>
3/4" or smaller	1.00
1"	1.00
1-1/2"	1.00
2"	1.00
2-1/2"	1.00
3"	1.00
4"	1.00
5"	1.00
6"	1.00
7"	1.00
8"	1.00
9"	1.00
10"	1.00

PART A. CURRENT WATER HOOKUP SUMMARY

<u>Current Total Hookups*</u>				<u>Current Residential Hookups</u>			
<u>Diameter</u> (inches)	(a) <u>Total</u> Number of <u>Hookups</u>	(b) EDU's per <u>Hookup</u> (from table)	<u>Total EDU's</u> [(a) x (b)]	<u>Diameter</u> (inches)	(c) Number of Residential <u>Hookups</u>	(d) EDU's Per <u>Hookup</u> (from table)	Total Residential <u>EDU's</u> [(c) x (d)]
3/4"	1,365	1.00	1,365.00	3/4"	1,156	1.00	1,156.00
1"	51	1.00	51.00	1"	10	1.00	10.00
1 1/4"	8	1.00	8.00				
1 1/2"	18	1.00	18.00				
2"	24	1.00	24.00				
3"	6	1.00	6.00				
Totals	<u>1,472</u>		<u>1,472 (e)</u>		<u>1,166</u>		<u>1,166 (f)</u>

* Includes both residential and non-residential hookups

PART B. PROJECTED WATER HOOKUP SUMMARY

Projected Total Hookups*				Projected Residential Hookup :			
Diameter (inches)	(g)	(h)	Total EDU's [(g) x (h)]	Diameter (inches)	(i)	(j)	Total Residential EDU's [(i) x (j)]
	Total Number of Hookups	EDU's per Hookup (from table)			Number of Residential Hookups	EDU's Per Hookup (from table)	
¾"	1,365	1.00	1,365.00	¾"	1,156	1.00	1,156.00
1"	51	1.00	51.00	1"	10	1.00	10.00
1¼"	8	1.00	8.00				
1½"	18	1.00	18.00				
2"	24	1.00	24.00				
3"	6	1.00	6.00				
Totals	1,472		1,472 (k)		1,166 (l)		1,166 (m)

* Includes both residential and non-residential hookups

Projected average EDU's per residential hookup: $\frac{1.00(n)}{[(m)/(l)]}$

Provide the following information if applying to the USDA RUS/RD program

Total water system flows (sales) last twelve months _____ [gallons or cubic feet (circle one) for all connections listed in (a) above]

Total residential water flows (sales) last twelve months _____ [gallons or cubic feet (circle one) for all connections listed in (c) above]

NOTE: In some cases it is necessary to provide a detailed monthly split of the residential and non-residential sales. A sample spreadsheet is available on the Montana USDA Rural Development website at <http://www.rd.usda.gov/programs-services/water-waste-disposal-loan-grant-program/mt>.

SUBSECTION 2 – PROJECTED AVERAGE MONTHLY RESIDENTIAL RATE COMPUTATION

Will debt be used to finance the project? Yes ☐ No ☒ If no, skip to PART E.

If yes, how will debt for the project be secured:

- A. Revenue Bond _____ (complete Part A)
- B. General Obligation Bond _____ (complete Part B)
- C. Rural or Special Improvement District Bond _____ (complete Part C)
- D. Other (explain) _____ (complete Part D)

Debt (Loan) Amount: \$ _____ Interest Rate: _____ % Terms: _____

COMPLETE THE APPLICABLE SECTIONS BELOW

PART A. REVENUE BOND SECURING DEBT OBLIGATION:

1. Debt election held? Yes No If no, when will election be held (date) _____
2. Annual debt service for newloan, including coverage: \$ _____ (i)
3. Monthly debt service for new loan, including coverage: (line i / 12) \$ _____ (ii)
4. Total number of projected EDU's after completion of project: _____ (iii)
5. Average (per total projected EDU's) monthly debt service for new loan: (line ii / line iii) \$ _____ (iv)

PART B. GENERAL OBLIGATION BOND SECURING DEBT OBLIGATION:

1. Debt election held? Yes No If no, when will election be held? (date): _____
2. Amount of outstanding General Obligation Bonds \$ _____
3. Debt limitations of entity _____
4. Estimated average (per property) monthly assessment needed to repay debt (divide the annual assessment by 12 to obtain a monthly figure): \$ _____

PART C. RURAL OR SPECIAL IMPROVEMENT DISTRICT BOND SECURING DEBT OBLIGATION:

1. Type of special assessment:
 - a. SID ☐
 - b. RID ☐
 - c. Other (specify) _____
2. Proposed method of assessment:
 - a. Assessable Area _____
 - b. Area _____
 - c. Ad Valorem Tax _____
 - d. Lineal Front Footage _____
 - e. Combination of a. through d. above (explain) _____
3. Number of parcels in the district _____

What percentage of the property (based on the methods of assessment) within the district fits these descriptions?TYPE OF PROPERTY	PERCENT DEVELOPED	PERCENT UNDEVELOPED
---	-------------------	---------------------

Commercial		
Industrial		
Single-Family Residential		
Multi-Family Residential		
Agricultural		

4. Number of property owners in district _____
5. Estimated average (per property) monthly assessment needed to repay debt (divide the annual assessment by 12 to obtain a monthly figure): \$_____

PART D. OTHER TYPE OF DEBT INSTRUMENT SECURING DEBT OBLIGATION THAT IS NOT INDICATED ABOVE

1. Explain how debt will be secured: _____

2. Estimated average (per property) monthly cost to repay debt: \$_____

PART E. CALCULATION OF THE PROJECTED AVERAGE MONTHLY RESIDENTIAL USER RATE:

1. Estimated increase in average monthly debt service (per projected EDU, monthly assessment per property for General Obligation Bond or SID, or per customer for solid waste projects) as the result of this project. Enter \$0 if no increase is projected: \$_____0(o)
[From Part A, B, C, or D]
2. Estimated increase or decrease in total monthly operation and maintenance (O&M) costs (including depreciation and replacement reserves) as the result of this project: \$_____0(p)
3. List and explain estimated increases or decreases in O&M costs, including depreciation and replacement reserves (Provide a reasonably detailed explanation regarding the reason for the increase or decrease):

The proposed lift station alternatives will likely decrease O&M requirements. However, it is conservatively assumed no impacts to O&M costs will result from the proposed project.
4. Estimated increase or decrease in monthly O&M costs (including depreciation and replacement reserves) (per projected EDU, monthly assessment per property for General Obligation Bond or SID, or per customer for solid waste projects) as the result of this project: \$_____0(q)
[(p) / (k)]
5. Estimated increase or decrease in total monthly costs (per projected EDU, monthly assessment per property for General Obligation Bond or SID, or per customer for solid waste projects) as the result of this project: \$_____0(r)
[(o) + (q)]
6. Projected average EDU's per residential hookup: \$_____1.00(s)
[(n)]

- Note: (u) plus (v) should equal the current average monthly residential rate as stated in Section E, Line 7. If these amounts do not equal, provide an explanation of why the numbers differ.*

- *This is the current rate. The City plans to increase sanitary sewer rates to \$49.40 in July 2027.***

COMMERCIAL LAND LEASE AGREEMENT

Parties: This commercial lease agreement is made on the ____ day of 2025, by and between The City of Libby (the “Landlord”), and Libby Area Chamber of Commerce (the “Tenant”), with a business address at 905 W 9th Street, Libby, Montana 59923. This use includes three parking spots to be used for the Libby Area Chamber of Commerce purposes.

Land: The Landlord agrees to lease to the Tenant the commercial Land located at: 905 W 9th Street, Libby, Montana 59923.

Lease Term: The lease shall begin on _____ and continue for a period of _____ years, ending on _____, unless otherwise terminated in accordance with this Agreement.

Use of Land: The Land shall be used solely for the purpose of operating the Libby Area Chamber of Commerce. The Tenant agrees not to use or permit the use of the Land for any unlawful or prohibited purposes.

Rent: The Tenant shall pay \$_____ per year, in one lump sum, due on the _____ day of the month of _____. If the rent is not received within 30 days after the due date, a late fee of \$_____ will apply.

Utilities and Operating Costs: The following expenses shall be the responsibility of the:

TENANT: Utilities on the chamber building, janitorial services on the chamber building, telephone/internet for the chamber building, trash removal for the chamber’s trash, building improvements/costs of the chamber building, and building insurance and tenant liability insurance for the chamber’s building

LANDLORD: Property taxes, land liability insurance, lawn watering system maintenance and repairs, snow plowing and removal of snow in the parking lot, parking lot maintenance and upkeep, campground facilities maintenance and upkeep, RV dump station maintenance and upkeep, Fireman’s Park facility and bathroom maintenance and upkeep, EV charging station maintenance and upkeep, other structures or additions added to the property, and Libby Cemetery maintenance and upkeep.

Maintenance and Repairs: The Tenant shall keep the Land and building clean and in good condition. The Landlord shall be responsible for major repairs on the Land unless damage is due to Tenant negligence.

Alterations and Improvements: The Tenant shall not make any Land alterations or improvements without prior written consent from the Landlord.

Termination of Lease: Tenant acknowledges and agrees that Landlord reserves the right to sell the Land during the Term of the Lease. Should the Land be sold, the Chamber’s building can also be discussed for sale, whereas the funds made from the building itself would be given to the Libby Area Chamber of Commerce. Should the building not be sold, the terms of this lease survive. Notwithstanding any other provision of this Lease, Landlord may terminate the Lease upon 120 days written notice to Tenant.

Other Terms:

Landlord's Signature_____

Date_____

Printed Name_____

Tenant's Signature_____

Date_____

Printed Name_____

State of _____

County of _____

This instrument was acknowledged before me on
_____ (date).

By _____.

Signature of Notary Public

My Commission expires:_____

MEMORANDUM OF UNDERSTANDING

Date_____

This agreement is made between the first party, The City of Libby, and the second party, Libby Area Chamber of Commerce.

The parties agree that the building and crawlspace on the property of 905 West 9th Street, Libby, Montana, is owned, insured, and maintained by Libby Area Chamber of Commerce.

The parties agree that the City of Libby owns and maintains the land at 905 West 9th Street, Libby, Montana. The land shall be maintained and insured by The City of Libby.

The second party covenants and agrees that it will maintain and insure the building and crawlspace on the property of 905 West 9th Street, Libby, Montana. Should the second party decide to upgrade the outside of the building or replace the building, they must do so in a timely manner without doing harm to the property, along with putting the proposal in writing within 120 days to The City of Libby. The City of Libby shall have the right to accept or decline the proposal to upgrade the outside of the building or to replace the building.

*City of Libby Signature*_____

*Date*_____

*Printed Name*_____

*Libby Area Chamber of Commerce Signature*_____

*Date*_____

*Printed Name*_____

State of _____

County of _____

This instrument was acknowledged before me on
_____ (date).

By _____.

Signature of Notary Public

My Commission expires:_____

COMMERCIAL LAND LEASE AGREEMENT

Parties: This commercial lease agreement is made on the ____ day of 2025, by and between The City of Libby (the "Landlord"), and Libby Area Chamber of Commerce (the "Tenant"), with a business address at 905 W 9th Street, Libby, Montana 59923. This use includes three parking spots to be used for the Libby Area Chamber of Commerce purposes.

Land: The Landlord agrees to lease to the Tenant the commercial Land located at: 905 W 9th Street, Libby, Montana 59923.

Lease Term: The lease shall begin on _____ and continue for a period of _____ years, ending on _____, unless otherwise terminated in accordance with this Agreement.

Use of Land: The Land shall be used solely for the purpose of operating the Libby Area Chamber of Commerce. The Tenant agrees not to use or permit the use of the Land for any unlawful or prohibited purposes.

Rent: The Tenant shall pay \$_____ per year, in one lump sum, due on the _____ day of the month of _____. If the rent is not received within 30 days after the due date, a late fee of \$_____ will apply.

Utilities and Operating Costs: The following expenses shall be the responsibility of the:

TENANT: Utilities on the chamber building, janitorial services on the chamber building, telephone/internet for the chamber building, trash removal for the chamber's trash, building improvements/costs of the chamber building, and building insurance and tenant liability insurance for the chamber's building

LANDLORD: Property taxes, land liability insurance, lawn watering system maintenance and repairs, snow plowing and removal of snow in the parking lot, parking lot maintenance and upkeep, campground facilities maintenance and upkeep, RV dump station maintenance and upkeep, Fireman's Park facility and bathroom maintenance and upkeep, EV charging station maintenance and upkeep, other structures or additions added to the property, and Libby Cemetery maintenance and upkeep.

Maintenance and Repairs: The Tenant shall keep the Land and building clean and in good condition. The Landlord shall be responsible for major repairs on the Land unless damage is due to Tenant negligence.

Alterations and Improvements: The Tenant shall not make any Land alterations or improvements without prior written consent from the Landlord.

Termination of Lease: Tenant acknowledges and agrees that Landlord reserves the right to sell the Land during the Term of the Lease. Should the Land be sold, the Chamber's building can also be discussed for sale, whereas the funds made from the building itself would be given to the Libby Area Chamber of Commerce. Should the building not be sold, the terms of this lease survive. Notwithstanding any other provision of this Lease, Landlord may terminate the Lease upon 120 days written notice to Tenant.

Other Terms:

Landlord's Signature _____

Date _____

Printed Name _____

Tenant's Signature _____

Date _____

Printed Name _____

State of _____

County of _____

This instrument was acknowledged before me on

_____ (date).

By _____.

Signature of Notary Public

My Commission expires: _____

MEMORANDUM OF UNDERSTANDING

Date _____

This agreement is made between the first party, The City of Libby, and the second party, Libby Area Chamber of Commerce.

The parties agree that the building and crawlspace on the property of 905 West 9th Street, Libby, Montana, is owned, insured, and maintained by Libby Area Chamber of Commerce.

The parties agree that the City of Libby owns and maintains the land at 905 West 9th Street, Libby, Montana. The land shall be maintained and insured by The City of Libby.

The second party covenants and agrees that it will maintain and insure the building and crawlspace on the property of 905 West 9th Street, Libby, Montana. Should the second party decide to upgrade the outside of the building or replace the building, they must do so in a timely manner without doing harm to the property, along with putting the proposal in writing within 120 days to The City of Libby. The City of Libby shall have the right to accept or decline the proposal to upgrade the outside of the building or to replace the building.

City of Libby Signature _____ Date _____
Printed Name _____

Libby Area Chamber of Commerce Signature _____
Date _____ Printed Name _____

State of _____

County of _____

This instrument was acknowledged before me on
_____ (date).

By _____.

Signature of Notary Public

My Commission expires: _____

COMMERCIAL LEASE AGREEMENT

This lease made the 17th day of December, 1984, between the CITY OF LIBBY, Libby, Montana, the Lessor, and the LIBBY CHAMBER OF COMMERCE, INC., a Montana Nonprofit Corporation, the Lessee,

WITNESSETH:

WHEREAS, the Lessor is the owner of that certain real property commonly known as Fireman's Park located in Libby, Montana; and

WHEREAS, the City desires to lease a portion of said Fireman's Park for the purpose of constructing a Tourist Information and Visitors' Center upon approximately one (1) acre of Fireman's Park, said acre being more particularly described on Exhibit "A" attached hereto.

NOW THEREFORE, that for and in consideration of the payment of rents and the performance of all covenants and agreements hereinafter mentioned to be kept and performed by the Lessee, the Lessor does hereby devise and lease to the said Lessee the above described one (1) acre parcel.

This lease is for two (2) terms. The first term commences December 17, 1984, and ends June 30, 1985. The rent for said term shall be Ten Dollars (\$10.00) and other good consideration payable in advance on December 17, 1984. The second term is for the term of five (5) years, commencing July 1, 1985. The rent for said term shall be payable in advance according to and in conformance with the following schedule:

<u>PAYMENT DATE</u>	<u>RENTAL PAYMENT</u>
July 1, 1985	\$ 1,218.75
January 1, 1986	\$ 1,218.75
July 1, 1986	\$ 6,218.75
January 1, 1987	\$ 975.00
July 1, 1987	\$ 5,975.00
January 1, 1988	\$ 731.25
July 1, 1988	\$ 5,731.25

<u>PAYMENT</u> <u>DATE</u>	<u>RENTAL</u> <u>PAYMENT</u>
January 1, 1989	\$ 487.50
July 1, 1989	\$ 5,487.50
January 1, 1990	\$ 243.75
July 1, 1990	\$ 5,243.75

The Parties hereto understand and agree that the above schedule is set to conform with the payment schedule of the Libby Chamber of Commerce Industrial Development Revenue Bonds referred to below.

The Lessee further covenants and agrees:

1. To construct the Tourist Information and Visitors' Center substantially in accordance with those plans as approved by the City of Libby, utilizing those funds received from the issuance of the Libby Chamber of Commerce Industrial Development Revenue Bonds;

2. The Lessee shall not authorize any variance from the plans as approved by the Lessor without the prior approval of the Lessor;

3. On the completion date, the Lessee shall deliver to the Lessor the following:

a) A certificate of completion by the general contractor,

b) A survey of the leased property,

c) A mechanic's lien waiver from the general contractor.

4. To promptly pay all rates and charges that may become payable for water, gas, electric current, telephone, or other agencies or utilities used, and all taxes and assessments due on the demised property during the term of this lease;

5. To comply with and obey all city, county, state and federal ordinances and laws;

6. To keep the premises and building in good order, to maintain the premises and building in as good repair as it is as of the date of completion of construction, reasonable wear and tear and damage by accidental fire or other casualty excepted;

7. Not to sublet the leased property or any part thereof or to assign this lease without the express written consent of the Lessor;

8. That the Lessee shall keep the leased property insured at its sole cost and expense against claims for personal injury or property damage under a policy of general public liability insurance with limits to be set by the Lessor for bodily injury and for property damage. Such policy shall name the Lessor and the Lessee as the insureds. The policy shall, to the extent obtainable, provide that any loss shall be payable to the Lessor notwithstanding any act or negligence of the tenant which might otherwise result in forfeiture of such insurance. All policies shall, to the extent obtainable, contain an agreement by the insureds that such policy shall not be canceled without at least ten (10) days prior written notice to the Lessor;

9. That the Lessor shall have the right, by itself, its agents and employees, to enter into and upon the leased premises during reasonable business hours for the purpose of examining and inspecting the same, and determining whether the Lessee shall have complied with its obligations hereunder, in respect of the care and maintenance of the premises and the repair or rebuilding of improvements thereon when necessary;

10. The Lessee shall have the option to extend and renew this lease only with the written consent of the Lessor, and under conditions and covenants mutually agreed upon by the parties, provided the Lessee shall give to the Lessor written notice of its intent to extend and renew this lease sixty (60) days prior to the termination of this lease.

LESSOR:

CITY OF LIBBY, MONTANA

By: 

Mayor

ATTEST:

Virginia McGill
City Clerk

LESSEE:

LIBBY CHAMBER OF COMMERCE, INC.
A Montana Nonprofit Corporation

By:

Paul Rummelhart
President

ATTEST:

Kathleen A. Hodge
Secretary

Chamber of Commerce Lease Agreement

BY THIS INDENTURE, made this 2 day of Oct, 2017, the **City of Libby, Montana**, a municipal corporation, hereinafter referred as the **Lessor**, does lease unto the **Libby Area Chamber of Commerce/Visitor's Information Center** hereinafter called the **Lessee**, subject to the reservation hereinafter made, that certain land, a one (1) acre parcel and building belonging to the City of Libby, Lincoln County, Montana, and primarily designed and used as a visitors information center, located near Fireman's Park.

TO HAVE AND HOLD the same unto the said Lessee for the primarily for the purpose of being a visitors information center, for the term beginning 10/2, 2017 and ending May, 31st 2027, at a yearly rental of one dollar (\$1.00). The parties agree to renew the lease there after on mutually agreeable terms, unless the lease is otherwise terminated by the Lessor.

NOW THEREFORE in consideration of the premises and mutual covenants and agreement herein contained, it is agreed as follows:

1. The Lessee shall use and permit the use of the leased premises primarily as a visitors information center and to keep the premises in a clean, safe, and proper condition for such use of all times.
2. The Lessor shall require all authorized user of the premises, as applicable, to provide evidence of a one million dollar (1,000,000.00) liability insurance policy.
3. The Lessee will be responsible for and will indemnify, save harmless, and defend the Lessor against and from any and all claims and suits for, and any and all liability, loss, or expense arising from, incidental to, or in connection with damage to or loss of property of the Lessor, the Lessee or of agents, servants, licensees, contractors, invitees, or employees of either, or of any other person, and against and from any and all claims and suits for, and any and all liability, loss, or expense arising from, incidental to, or in connection with injury to or death of persons including agents, servants, contractors, licensees, invitees, or employees of the Lessor or of the Lessee, or any other person which the damage, loss, injury, or death shall arise in any manner, directly or indirectly out of, incidental to, or connection with this lease, the demised premises, or the use or occupation. The Lessee

specifically agrees to relieve the Lessor of any and all liability for damage to contest of demised premises owned by or in the custody the Lessee or improvements therein owned by or in the custody of the Lessee, whether damaged by fire and extended coverage perils.

4. The Lessee shall permit the Lessor, its successors and assigns, and all persons from time to time designated by it, at all times to have free and unobstructed access to such portions of leased premises as shall be necessary or convenient for the proper conduct of their operations on the leased property.
5. The Lessee shall be responsible for and shall provide all proper upkeep, maintenance and repair of the premises, buildings located thereon, and all other improvements. The Lessee shall also pay promptly when due all cost of any and all utilities utilized and located on the leased premises.
6. The Lessee shall not assign this lease or underlet the whole or any portion of the leased premises without the prior written consent of the Lessor in each instance obtained and that upon any such assignment or under letting, whether voluntary, by operation of law, or by bankruptcy, this lease shall, at the written option of the Lessor exercised within sixty (60) days after notice of the facts, cease and determine forthwith.
7. The Lessee shall not erect or install buildings, structures, or other facilities and shall not make changes in or on the premises without the prior written consent of the Lessor.
8. The Lessee shall have the option to extend and renew this lease only with the written consent of the Lessor, and under conditions and covenants mutually agreed upon by the parties, provided the Lessee shall give to the Lessor written notice of its intent to

extend and renew this lease sixty (60) days prior to the termination of this lease.

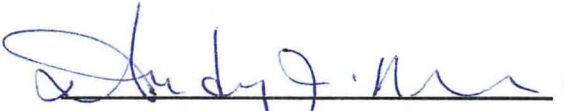
9. The Lessee shall obey all federal, and State laws.

LESSOR:

CITY OF LIBBY, MONTANA

By: 
BRENT TESKE, MAYOR

ATTEST:


AUDREY Mc COLLUM, CITY CLERK

LESSEE:

LIBBY AREA CHAMBER OF COMMERCE

By: 
President, Libby Chamber of Commerce

STATE OF MONTANA)

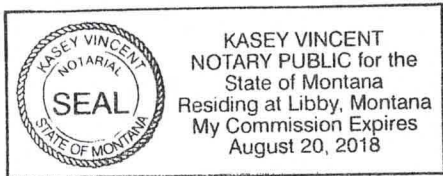
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County of Lincoln)

On this 2nd day of October, 2017, before me, a Notary Public for the State of Montana, personally appeared Brent Teske and Audrey Mc Collum, known to me to be, respectively, the Mayor and

City Clerk of the City that executed the within instrument and acknowledged to me that such City executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand affixed my Notarial Seal and the day and year first above written.



Kasey Vincent
Notary Public for the State of Montana
Residing at Libby, Montana
My Commission Expires 8-20-18

Untitled Map

Write a description for your map.

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Chamber
Lease

Legend

Google Earth

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