



**AGENDA
CITY OF LAUREL
CITY COUNCIL MEETING
TUESDAY, APRIL 28, 2026
6:30 PM
COUNCIL CHAMBERS**

WELCOME . . . By your presence in the City Council Chambers, you are participating in the process of representative government. To encourage that participation, the City Council has specified times for citizen comments on its agenda -- once following the Consent Agenda, at which time citizens may address the Council concerning any brief community announcement not to exceed one minute in duration for any speaker; and again following Items Removed from the Consent Agenda, at which time citizens may address the Council on any matter of City business that is not on tonight's agenda. Each speaker will be limited to three minutes, unless the time limit is extended by the Mayor with the consent of the Council. Citizens may also comment on any item removed from the consent agenda prior to council action, with each speaker limited to three minutes, unless the time limit is extended by the Mayor with the consent of the Council. If a citizen would like to comment on an agenda item, we ask that you wait until the agenda item is presented to the Council by the Mayor and the public is asked to comment by the Mayor.

Any person who has any question concerning any agenda item may call the City Clerk-Treasurer's office to make an inquiry concerning the nature of the item described on the agenda. Your City government welcomes your interest and hopes you will attend the Laurel City Council meetings often.

Pledge of Allegiance

Roll Call of the Council

Approval of Minutes

1. Approval of Minutes of February 24, 2026.

Correspondence

2. Public Comments Received

Council Disclosure of Ex Parte Communications

Public Hearing

Consent Items

NOTICE TO THE PUBLIC

*The Consent Calendar adopting the printed Recommended Council Action will be enacted with one vote. **The Mayor will first ask the Council members if any Council member wishes to remove any item from the Consent Calendar for discussion and consideration.** The matters removed from the Consent Calendar will be considered individually at the end of this Agenda under "Items Removed from the Consent Calendar." (See Section 12.) The entire Consent Calendar, with the exception of items removed to be discussed under "Items Removed from the Consent Calendar," is then voted upon by roll call under one motion.*

3. Claims entered through April 24, 2026.
4. Approval of Payroll Register for PPE 4/12/2026 totaling \$254,868.74.

Ceremonial Calendar

Reports of Boards and Commissions

5. Budget/Finance Committee Minutes of April 14, 2026.

Audience Participation (Three-Minute Limit)

Citizens may address the Council regarding any item of City business that is not on tonight's agenda. Comments regarding tonight's agenda items will be accepted under Scheduled Matters. The duration for an individual speaking under Audience Participation is limited to three minutes. While all comments are welcome, the Council will not take action on any item not on the agenda.

Scheduled Matters

6. Appointment of Bill Brew as the Police Captain for the Laurel Police Department.
7. Resolution No. R26-12: A Resolution Of The City Council Of The City Of Laurel, Montana Authorizing Correspondence To The Federal Energy Regulatory Commission.
8. Resolution No. R26-13: A Resolution Of The City Council Of The City Of Laurel, Montana Authorizing The Mayor To Enter Into Negotiations For A Professional Services Agreement With Interstate Engineering Related To Limited-Scope Planning Services.
9. Resolution No. R26-14: A Resolution Of The City Council Of The City Of Laurel, Montana Authorizing The Mayor To Enter Into Negotiations For A Master Services Agreement With Morrison Maierle Related To Engineering Services.
10. Resolution No. R26-15: A Resolution Of The City Council Of The City Of Laurel, Montana Authorizing Property Owner Darrell Dyer To Apply For Annexation Of Property Less Than 2.06 Acres.
11. Resolution No. R26-16: A Resolution Of The City Council Of The City Of Laurel, Montana Awarding The Bid And Authorizing The Mayor To Execute All Contract And Related Documents For The Purchase Of A Garbage Truck From Billings Peterbilt, Inc.
12. Resolution No. R26-17: A Resolution Establishing An Interim Planning Commission To Implement The Montana Land Use Planning Act
13. Resolution No. R26-18: A Resolution Of The City Council Authorizing The Mayor To Execute An Independent Contractor Service Contract With Your Own Asphalt, LLC.
14. Ordinance No. O26-02: An Emergency Ordinance Of The City Of Laurel Temporarily Imposing A Moratorium On Annexation Applications In Order To Evaluate Municipal Infrastructure Capacity, Water System Demands, The Impacts Of Recent Changes In State Law, Compliance With The Montana Land Use Planning Act, And The Proper Future Growth Plans For The City Of Laurel.

Items Removed From the Consent Agenda

Community Announcements (One-Minute Limit)

This portion of the meeting is to provide an opportunity for citizens to address the Council regarding community announcements. The duration for an individual speaking under Community Announcements is limited to one minute. While all comments are welcome, the Council will not take action on any item not on the agenda.

Council Discussion

Council members may give the City Council a brief report regarding committees or groups in which they are involved.

Mayor Updates

Unscheduled Matters

Adjournment

The City makes reasonable accommodations for any known disability that may interfere with a person's ability to participate in this meeting. Persons needing accommodation must notify the City Clerk's Office to make needed arrangements. To make your request known, please call 406-628-7431, Ext. 2, or write to City Clerk, PO Box 10, Laurel, MT 59044, or present your request at City Hall, 115 West First Street, Laurel, Montana.

File Attachments for Item:

1. Approval of Minutes of February 24, 2026.

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MINUTES OF THE CITY COUNCIL OF LAUREL

February 24, 2026

A regular meeting of the City Council of the City of Laurel, Montana, was held in the Council Chambers and called to order by Mayor Dave Waggoner at 6:30 p.m. on February 24, 2026.

COUNCIL MEMBERS PRESENT:	Thomas Canape	Sara Naylor
	Brent Edmond	Jessica Banks
	Casey Wheeler	Irv Wilke
	Richard Klose	Jodi Mackay

COUNCIL MEMBERS ABSENT: None

OTHER STAFF PRESENT:

- Michele, Braukmann, Civil City Attorney
- Brittney Harakal, Administrative Assistant
- Kurt Markegard, CAO
- JW Hopper, Fire Chief
- Travis Nagel, Assistant Fire Chief
- Jonathan Gotchshall, Firemen

Mayor Waggoner made the following statement: moving forward after tonight's City Council Meeting, letters that are sent into the City of Laurel regarding the proposed forensic mental hospital health facility will be entered into the public record under correspondence. The City Attorney will note the receipt of all letters, including the date, the center, and center and opposition support for the facility. The public can review the letters in their entirety when the Meeting minutes are compiled and posted. If anyone wishes to have their letters read into the record verbatim, the City invites the sender to appear in person at any City Council Meeting and utilize the time for public comment to read their letter.

In addition, please note that Roberts rules of which govern laurel city council meetings and most specifically rule 43 decorum and debate requires that all persons present at meetings should refrain from applause or other demonstrations of approval or disapproval during debate and the presiding officer should check such demonstrations in addition personal attacks or insults by persons present at meetings are not permitted under the parliamentary rules governing city Laurel Council meetings. The City expects all individuals present in chambers to honor the behavioral expectations and decorum that govern this debate.

Mayor Waggoner led the Pledge of Allegiance to the American flag.

MINUTES:

Motion by Council Member Canape to approve the revised minutes of the regular meeting of January 13, 2026, as presented, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All eight Council Members present voted aye. Motion carried 8-0.

Motion by Council Member Banks to approve the minutes of the regular meeting of January 27, 2026, as presented, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All eight Council Members present voted aye. Motion carried 8-0.

CORRESPONDENCE: None.

COUNCIL DISCLOSURE OF EX PARTE COMMUNICATIONS:

Council Member Mackay disclosed the attached communications.

PUBLIC HEARING: None.

CONSENT ITEMS:

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- **Claims entered through February 20, 2026.**
A complete listing of the claims and their amounts is on file in the Clerk/Treasurer's Office.
- **Clerk/Treasurer Financial Statements for the month of January 2026.**
- **Approval of Payroll Register for PPE 2/15/2026 totaling \$257,037.96.**

The Mayor asked if there was any separation of consent items. There was none.

Motion by Council Member Klose to approve the consent items as presented, seconded by Council Member Wilke. There was no public comment or Council discussion. A roll call vote was taken on the motion. All eight Council Members present voted aye. Motion carried 8-0.

CEREMONIAL CALENDAR: None.

REPORTS OF BOARDS AND COMMISSIONS: None.

AUDIENCE PARTICIPATION (THREE-MINUTE LIMIT):

Barbara Ann Sprauge-Emineth, 501 Alder Avenue, read a letter into the record (attached).

Sophia Wisecup, 1311 Meadow Circle, expressed concerns regarding the proposed mental health facility, citing its proximity to an elementary school and youth softball facilities. Noted potential impacts on public safety, youth activities, and local law enforcement resources. Requested additional information regarding security measures and staffing.

Harper Anderson, 1206 12th Street Circle, spoke on behalf of the Laurel High School softball program. Raised concerns about safety due to the facility's proximity to youth training areas, particularly during evening hours, and also noted potential impacts on available recreational space and local resources.

Mayor Waggoner reminded those present that applause is not permitted under Robert's Rules of Order.

Elizabeth Gilg, 1200 Cedar Crest Circle, requested Council consider an emergency ordinance in collaboration with Yellowstone County and place the item on an upcoming agenda. Noted that a written request had been submitted.

Laura Kirschenmann, 939 W. 4th Street, expressed concerns about the proposed facility's proximity to residential areas and schools. Introduced her son to share student perspectives.

Trey Kirschenmann, 939 W. 4th Street, shared concerns expressed by students and noted general safety worries related to the proposed facility.

Kris Vogele, 306 E. 4th Street, discussed a prior request for an emergency ordinance and encouraged Council to take a more proactive approach. Raised concerns regarding transparency, prior communications between City staff and the State, and consistency with the City's growth policy, submitted supporting materials.

Amber Zahn, 1224 W. 4th Street, addressed concerns regarding House Bill 5, transparency, and procedural compliance. Emphasized the importance of adherence to statutory requirements, growth policy, and public participation. Also noted concerns related to workforce capacity and operational considerations in similar facilities.

Jennifer Lorenz, 916 5th Avenue, raised questions regarding the hiring process, contract terms, and funding for the Chief Administrative Officer position. Referenced provisions of the employment agreement and suggested Council review compliance with stated duties.

Shawna Hopper, 504 Roundhouse Drive, commented on the importance of consistent application of rules.

Jacob Schreiner encouraged increased transparency and community engagement regarding the proposed facility and emphasized the opportunity for collaborative problem-solving.

Attorney Braukmann read additional written public comments into the record (attached).

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SCHEDULED MATTERS:

- **Appointment of Cheryl Hill from an advisory member to a voting member of Laurel Urban Renewal Agency for a four-year term ending December 31, 2029.**

Motion by Council Member Mackay to approve the Mayor's appointment of Cheryl Hill from an advisory member to a voting member of Laurel Urban Renewal Agency for a four-year term ending December 31, 2029, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All eight Council Members present voted aye. Motion carried 8-0.

- **Appointment of Chris White to the Laurel Urban Renewal Agency for a four-year term ending December 31, 2029.**

Motion by Council Member Naylor to approve the Mayor's appointment of Chris White to the Laurel Urban Renewal Agency for a four-year term ending December 31, 2029, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All eight Council Members present voted aye. Motion carried 8-0.

- **Appointment of James Kuhr to the Laurel Volunteer Fire Department.**

Fire Chief Hopper introduced Mr. Kuhr to the Council.

Motion by Council Member Edmond to approve the Mayor's appointment of James Kuhr to the Laurel Volunteer Fire Department, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All eight Council Members present voted aye. Motion carried 8-0.

ITEMS REMOVED FROM THE CONSENT AGENDA: None.

COMMUNITY ANNOUNCEMENTS (ONE-MINUTE LIMIT): None.

COUNCIL DISCUSSION:

An update from the Emergency Services Committee: CHS made a \$5,000 donation to both the Fire Department and Emergency Medical Services. Thank you for their partnership with our Emergency Services. Also, Sergeant Booth went on 30 K-9 deployments with Colt this year. They assisted with the seizure of 50 lbs of meth, 2 kg of cocaine, approximately 100,000 fentanyl pills, and 20 stolen firearms. They also assisted in locating a missing young lady. Officer Baumgartner, a member of the Tactical Response Team, responded to 11 call-outs this year. The Tactical Response Team is used for high-risk search warrants, barricades, and similar operations. One of the calls he was called out to was the search for the homicide suspect in Anaconda. They also work with sex trafficking and crimes against children.

MAYOR UPDATES: None.

UNSCHEDULED MATTERS:

Council Member MacKay reiterated prior requests for a substantive statement from the Mayor regarding the mental health facility, including how the situation developed, responses to outstanding questions, and the anticipated path forward. She noted that no response had been received and again requested such a statement from the executive branch.

Council Member MacKay inquired whether any follow-up had occurred regarding the Mayor's February 3rd comments calling for the City Attorney's resignation and whether there was intent to pursue the matter further. The Mayor stated there had been no follow-up and no intent to pursue the matter.

Council Member MacKay requested an update on the status of public records requests and asked who is currently managing them during the Clerk/Treasurer's absence.

The City Attorney and Mayor discussed with staff refining the search terms for record requests to reduce unnecessary document volume and associated staff time. The goal is to narrow requests to relevant materials and complete production as efficiently as possible.

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It was noted that the current fee schedule adopted by Council is being applied to records requests; however, the administration is evaluating the invoicing approach and may bring a proposal to Council to consider a fee reduction or waiver in the next cycle.

An initial invoice is expected to be included in the upcoming Council packet, with potential supplemental invoicing upon the Clerk/Treasurer's return and further review. Coordination will occur upon return to ensure completeness of the records response package prior to Council workshop review.

Shawna Hopper, 504 Roundhouse Drive, commented on public records request fees, stating concerns that fees are being charged in situations involving alleged City errors. Also questioned why only certain individuals have received invoices for records requests and expressed concern about potential inconsistency in the application.

ADJOURNMENT:

Motion by Council Member Wheeler to adjourn the Council meeting, seconded by Council Member Wilke. There was no public comment or Council discussion. A vote was taken on the motion. All eight Council Members present voted aye. Motion carried 8-0.

There being no further business to come before the Council at this time, the meeting was adjourned at 7:29 p.m.


Brittny Harakal, Administrative Assistant

Approved by the Mayor and passed by the City Council of the City of Laurel, Montana, this 28th day of April 2026.

Dave Waggoner, Mayor

Attest:

Kelly Strecker, Clerk/Treasurer

Print Name	Address
Nona Rae Adikes	102 844 Ave #B
Laura Kisschenmann	939 W. 4th St.
Steve Krum	249 24 th Ave W
Julie Jones	1201 West 4 th Street
David Barz	1713 W 4 th Street 59844
Amber Fahn	1224 W 4 th St
Elizabeth Gily	1200 Cedar Crest Circle
Grauna Chippard	504 Roundhead
Sophia Wiscup	1311 Meadow Circle

Print Name	Address
KATY VOYLA	306 B 4 th ST, Laurel
Jennifer Lorene	916 5 th Ave
Bryan Letcher	1224 West 4 th ST
Jacob Schreiner	201 1 st Ave

Print Name	Address
Harper Andersen	1206 W 12 th Street Circle

Ex Parte Communications

Council Member Jodi Mackay

2/19/26

Mr. Deming,

Thank you for sharing this information with us. I appreciate you taking the time to engage and listen to the people of our community.

I would be interested in hearing if there is any feedback from the BOI or Governor's office regarding your stance.

Thank you for your time and service.

CM Jodi Mackay

From: Deming, Lee <Lee.Deming@legmt.gov>

Sent: Monday, February 16, 2026 3:55 PM

To: City Mayor <citymayor@laurel.mt.gov>; Ward 1A <ward1a@laurel.mt.gov>; Ward 1B <ward1b@laurel.mt.gov>; Ward 2A <ward2a@laurel.mt.gov>; Ward 2B <ward2b@laurel.mt.gov>; Ward 3A <ward3a@laurel.mt.gov>; Ward 3B <ward3b@laurel.mt.gov>; Ward 4A <ward4a@laurel.mt.gov>; Ward 4B <ward4b@laurel.mt.gov>

Subject: Proposed Forensic Mental Health Facility

Mayor Waggoner and City Council Members,

Senator Ricci and I wish to inform you that we do not support the location of the Forensic Mental Health facility in or near Laurel.

Some of the reasons for this lack of support is the unresolved safety issue, the lack of communication by the State with the City of Laurel, and the fact that opponents-our constituents-will not support a facility of this type in or near Laurel.

Senator Ricci and I have communicated our lack of support to the Director of the Board of Investments and he has assured us that he will pass along our sentiments to other State officials who need to hear it.

Thank you.

Emails to and from legislators involving legislative business may be subject to public disclosure under the [Right to Know](#) provision of the Montana Constitution and [Title 2, Chapter 6, part 10, MCA](#). This may include the sender, recipient, content, and attachments.

2/19/26

Ms. Wardell,

Thank you for reaching out and sharing your concerns with me on this matter.

Sincerely,

CM Jodi Mackay

Ward 4a

From: Kelli Lemke <kelli.lemke@gmail.com>
Sent: Thursday, February 19, 2026 7:43 PM
To: Ward 4A <ward4a@laurel.mt.gov>
Subject: Laurel Forensic Mental Health Facility

Dear Councilwoman Mackay:

Please do what you can to prevent the state forensic mental health facility from being constructed in Laurel at the site planned.

I know you've heard all the reasons that people have for loathing it. My reason is simple - I am confident that it is not in the best interest of our community.

I've lived in Yellowstone county nearly my whole life, Laurel for well over a decade. My family heritage in the state is about a hundred years. Growing up, I always thought I'd leave, like we all do, but I didn't, because I realized, again like we all do, that it's special here.

My husband's a pastor in Laurel. He grew up here. I'm one of the operations superintendents at the refinery. We have two little boys, 18 months and 3. The proposed mental health facility is about 550 yards from our front door.

For the most part, at the state level and below, I voted for this administration on the basis of traditional, conservative, Christian family values. I really believed that supporting people with these ideals would be the best for our state and local community and would protect the things that matter and the families who live here.

Clearly, part of what evokes my strident opposition for this facility is “not in my backyard.” However, more than that is the violation of “government working for you” and “safe communities” and “protecting our way of life” for Montanans (These are several of the governor’s official priorities. I suggest a quick compare/contrast exercise between these priorities and the handling of this situation for some lucidity on what the problem is). It would have never occurred to me in the particulars, but the state government constructing a prison of sorts out my front door is exactly the kind of thing I thought I would be protected from under these values.

For me and my family, we would change or stop our walking habits, especially on West 9th. We’d probably move houses, even at a financial cost. We likely wouldn’t send our kids to Laurel Elementary, and presumably not to the public school system in general once the elementary is out. How fancy the fence is doesn’t matter. I’m sure we’re not the only ones.

I’m all for helping law enforcement, but if convenience was their first priority, they would have chosen a different profession. I suspect protecting communities is more important to them too.

I’m all for helping people. But we don’t need to try to restrain seriously unwell people in the midst of our neighborhoods, let alone just off the elementary school playground.

I’m all for fiscal responsibility and financial investment. I doubt \$26.5 million will be enough. I’m confident there are alternatives.

I could wax on about taxes, utilities, the track record of the sustainability of this type of facility, etc., but you know all those concerns. To protect people and our way of life, we can’t allow the forensic mental health facility to be constructed as planned. It doesn’t make any sense. It’s a violation of Montanans and our principles.

For now, the official problem is at the state level. However, as we move forward and consider annexation and the fallout, the responsibility is more local. I suspect that you hold and campaigned on similar principles. I think we all want security at home, the government to serve its citizens, and our way of life protected. The proposed facility furthers none of these things for Laurel or for Yellowstone County.

Please oppose it every way you can. Thank you for your work to serve our community.

Kelli Wardell

Hello, my full name is Barbara Anne Sprague Emineth I live at 501 Alder Avenue and have for 45 years not to say that fact means my opinion carries any more weight than a person who moved here a month ago as some seem to think it should.

I am here to speak on the Forensic Behavioral Health facility that has become the talk of the town ever since a press release came out saying Laurel had been chosen as a location for it. I believe the name for it has been changed a couple times simply to make it more palatable to Laurels citizens.

To our local as well as state officials the total lack of communication on this issue has been appalling. I believe at one point there were 3 meetings planned in order to get some answers but once the powers that be realized just what level of objection there was they were canceled. *Billings decided not to apply unless they got some answers.* To the citizens of Laurel for making your voices heard for an extended period of time as well as spreading the word I applaud you all.

To the council members who have been patient and endured some really long meetings I Thank-you. I am confident you have heard us and if and when the time comes you will all represent your constituents to the best of your ability.

Last but not least I would like to send a message to governor Gianforte ; please stand by your public statement which was: The state WILL NOT put this facility anywhere it is not wanted. Sure hope you watch this U-tube video because for the record I can assure you the majority of Laurel residents as well as folks living outside of town DO NOT WANT this facility in the location the state has proposed!!!

The only good thing this facility would accomplish is helping with the backlog of people waiting to go to trial and that would be at the expense of the people who call Laurel home for all the legitimate reasons that have been presented at previous council meetings.

So here we are waiting for an annexation application that may or may not come through!

I would also like to acknowledge that there has been trusts broken while dealing with this issue. Something I have learned through ^{my} the 66 years on this earth is when someone's words don't align with their action, pay attention to what they do not what they say!

Thanks for your time

Sincerely, Barb Emineth

Barbara A. S. Emineth

I've also recently learned that not only has Miles City applied to have this facility but there is 80% support from the community.

RESOLUTION NO. R25-13

A RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE MAYOR TO EXECUTE AN EMPLOYMENT AGREEMENT FOR THE POSITION OF CHIEF ADMINISTRATIVE OFFICER.

BE IT RESOLVED by the City Council of the City of Laurel, Montana,

Section 1: Approval. The Employment Agreement by and between the City of Laurel (hereinafter "the City") and Kurt Markegard (hereinafter "Markegard"), for Markegard's employment as Chief Administrative Officer, attached hereto and incorporated herein, is hereby approved.

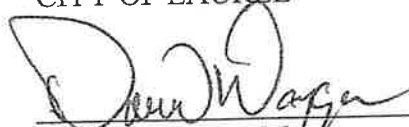
Section 2: Execution. The Mayor is hereby given authority to execute the Employment Agreement on behalf of the City.

Introduced at a regular meeting of the City Council on the 28th day of January 2025 by Council Member Canape.

PASSED and APPROVED by the City Council of the City of Laurel on the 28th day of January 2025.

APPROVED by the Mayor on the 28th day of January 2025.

CITY OF LAUREL



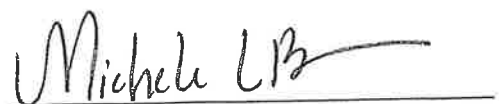
Dave Waggoner, Mayor

ATTEST:



Kelly Strecker, Clerk-Treasurer

APPROVED AS TO FORM:



Michele L. Braukmann, Civil City Attorney

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is made this 20th day of January, 2025, by and between the CITY OF LAUREL, a Municipality in the State of Montana (hereinafter referred to as the "City") and KURT MARKEGARD, an individual (hereinafter referred to as "Chief Administrative Officer").

WITNESSETH:

WHEREAS, the Laurel City Charter of the City of Laurel, Montana provides for the appointment of the Chief Administrative Officer by the Mayor, with the advice and consent of the City Council; and,

WHEREAS, to fulfill the requirements of the Laurel City Charter, the compensation and conditions of employment for the Chief Administrative Officer have been set forth in this Agreement between the City and the Chief Administrative Officer.

NOW, THEREFORE, the Parties agree as follows:

1. **Appointment; Classification**: Chief Administrative Officer is hereby appointed and employed as the Chief Administrative Officer of the City of Laurel, subject to all conditions herein and all applicable laws. Chief Administrative Officer is hereby vested with the authority applicable to the position of Chief Administrative Officer and the Chief Administrative Officer hereby assumes the duties, responsibilities, and obligations of that office, as set forth in the Laurel City Charter and the Laurel Municipal Code, and in the applicable policies and resolutions of the City adopted thereunder.

The parties agree that this Agreement and the City's Job Description for the Chief Administrative Officer position constitutes the entire agreement between the parties and that no oral promises, representations, or warranties have been made or are an enforceable part of this Agreement.

The Chief Administrative Officer position created herein is classified as an exempt/non-Union position. The Chief Administrative Officer shall perform the essential duties and responsibilities contained in the Chief Administrative Officer Job Description and shall report directly to the City's Mayor. The Chief Administrative Officer shall not be reassigned from the position of Chief Administrative Officer to any other position without the Chief Administrative Officer's express written consent.

2. **Employment and Duties; Term; and Performance**: The appointment of the Chief Administrative Officer and the conditions of this contract shall be effective at 12:01 A.M. on City Council approval, or such other date as may be agreed to in writing by both parties hereto (the "Employment Date"), and fulltime performance of Chief Administrative Officer's duties as Chief Administrative Officer and to the performance of such other duties as are assigned to them from time to time by the Mayor and City Council, which shall include attendance at regularly scheduled City Council

Meetings, unless excused by the Mayor.

The term of this Agreement shall be a five (5) year term, renewable at the close of five (5) years, for an additional three (3) year time period, upon the recommendation of the Mayor and approval of City Council. Thereafter, this Agreement may be further renewed upon the recommendation of the Mayor and approval of City Council. No termination of this Agreement may occur within those specified time periods, except under the express terms of this Agreement, as noted in Section (4) below.

3. **Performance Evaluation:**

A. The Mayor shall review and evaluate the performance of the Chief Administrative Officer at least annually. Further, the Mayor shall provide the Chief Administrative Officer with a summary written statement of the findings of the Mayor after each review and evaluation and shall provide an adequate opportunity for the Chief Administrative Officer to discuss Chief Administrative Officer's evaluation with the Mayor and City Council.

B. Annually, the Mayor and Chief Administrative Officer shall define such goals and performance objectives which they determine necessary for the proper operation of the City and in the attainment of the City's policy objectives, and may establish a relative priority among those various goals and objectives. Said goals and objectives shall be reduced to writing, shall generally be attainable within the time limitations as specified, and within the annual operating and capital budgets and appropriations provided.

4. **Termination:**

A. The City may not terminate this Agreement, or refuse to non-renew this Agreement during the first two terms, unless any of the following events have occurred: the Chief Administrative Officer has: (1) violated the terms of the Laurel Municipal Code or the City's Personnel Policy; (2) violated the terms of this Agreement; (3) willfully and intentionally neglected the duties, responsibilities, and obligations of the Chief Administrative Officer's office; or (4) is convicted of any crime involving moral turpitude. If the Chief Administrative Officer is terminated for any of the foregoing reasons, or if this Agreement is not renewed for any of the foregoing reasons, such termination shall be considered "With Good Cause." Any other termination of this Agreement, or refusal to non-renew this Agreement, shall be subject to all "Good Cause" requirements of the Montana Wrongful Discharge from Employment Act.

B. In the event the City terminates or elects not to renew this Agreement, the Chief Administrative Officer shall be entitled to severance pay in an amount equal to one (1) year salary compensation plus one (1) year of benefits (the "Severance Pay"). For the purposes of this Section, benefits shall mean and include all of the

insurance and retirement benefits described below. The cost of the insurance benefits shall be paid by the City at a rate not to exceed the actual cost to the City prior to the termination; provided, however, any insurance rate increases implemented on the City's group plans will also be absorbed by the City. Compensation included in the Severance Pay shall be calculated at the rate of pay in effect on the date of termination and shall be paid in biweekly installments payable on regular City paydays, or at such intervals or dates as all other City employees may be paid, subject to appropriate tax withholdings.

- C. The Chief Administrative Officer may terminate the contract for any reason upon sixty (60) days' written notice as set forth herein and shall be entitled to payment by the City of any accrued vacation or other accrued paid days, provided such notice has been given. No severance payments or benefits shall be paid if termination is initiated by the Chief Administrative Officer, provided, however, that the Parties may mutually agree to severance payments and benefits as set forth above as part of a negotiated resignation.
5. **Rate of Compensation:** As compensation for Chief Administrative Officer's services, the City shall pay to the Chief Administrative Officer the sum of One-Hundred Fifteen Thousand Dollars (\$115,000) annually, such compensation to be paid in biweekly installments payable on regular City paydays, or at such intervals or dates as all other City employees may be paid. This compensation will be reviewed annually from the Employment Date and may be adjusted accordingly by agreement of both Parties, up to but not exceeding a five percent (5%) annual increase. Further, the Parties acknowledge that the Chief Administrative Officer should be the highest paid employee within the City. Therefore, if the City increases any employee's rate of pay and/or benefits to exceed the compensation of the Chief Administrative Officer, the Chief Administrative Officer shall receive a like-kind increase so that Chief Administrative Officer's compensation remains above all other employees.
 6. **Paid Time Off ("PTO"):** The Chief Administrative Officer will be credited with forty (40) hours of PTO leave annually immediately upon the Employment Date, consistent with the City's PTO policies and the CAO's length of previous service with the City. Carryover of any PTO is pursuant to the City's policies and procedures, applicable to all City employees.
 7. **Disability, Health, and Life Insurance:** As of the Employment Date, the City agrees to put into force and/or continue insurance policies for life, dental, vision, disability, sickness, major medical, short term disability, long term disability, and dependent's group insurance covering Chief Administrative Officer and Chief Administrative Officer's dependents, which policies are the same as offered to other general employees of the City. Regardless of future policy amendments, the City agrees to continue payment of 100% of the premium for these benefits for Chief Administrative Officer.
 8. **Retirement:** As of the Employment Date, the City agrees to put into force and/or

continue such Retirement Plan(s) as are the same as offered to other general employees of the City.

9. **Professional Development:** The City hereby agrees to budget and to pay for the travel and subsistence expenses of Chief Administrative Officer for professional and official travel, meetings, and occasions adequate to continue the professional development of the Chief Administrative Officer and to adequately pursue necessary official and other functions for the City. The Chief Administrative Officer may choose which and how many professional development event(s) to attend without City Council approval so long as the expenses do not exceed the budgeted amount for this activity.
10. **General Expenses:** The City recognizes that certain expenses of a non-personal and generally job-affiliated nature are incurred by Chief Administrative Officer, and hereby agrees to reimburse or to pay said general expenses, including, but not limited to, Chief Administrative Officer's expenses for the purchase and use of a cellular phone. These expenses are to be reviewed and approved by the Mayor prior to reimbursement in accordance with established policy.
11. **Automobile:** In order to carry out official duties, the City will provide the Chief Administrative Officer with the use of an automobile. If no vehicle is available, the City shall reimburse the Chief Administrative Officer for the use of their personal vehicle at the current rate for mileage as determined by the Montana Department of Administration.
12. **Confidentiality:** The Chief Administrative Officer acknowledges that, during the term of his employment, he might obtain and gather confidential information regarding the City's operations and/or personnel. The Chief Administrative Officer acknowledges that all confidential information is the City's property and in no event shall he disclose such information to any person or entity, unless such disclosure is requested by the City or required by law.
13. **Other Terms and Conditions of Employment:**
 - A. The Mayor shall fix any such other terms and conditions of employment, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, with the Laurel City Charter or the Laurel Municipal Code, or any other law.
 - B. All provisions of the City Charter, Municipal Code, Personnel Policy, and rules and regulations of the City relating to vacation and sick leave, retirement and pension system contributions, holidays, other fringe benefits, and working conditions as they now exist or hereafter may be amended, also shall apply to the Chief Administrative Officer as they would to other employees of the City, unless otherwise provided for herein.
14. **Notices:** Notice pursuant to this Agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

CITY:

Attn: Mayor
115 West 1st Street
Laurel, MT 59044

CHIEF ADMINISTRATIVE OFFICER:

Kurt Markegard
Attn: Chief Administrative Officer
115 West 1st Street
Laurel, MT 59044

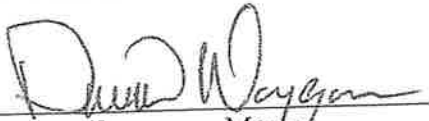
Alternatively, notices required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Services.

15. **Indemnification**: City shall indemnify the Chief Administrative Officer to the fullest extent allowable by law for actions taken within the scope of this Agreement and Chief Administrative Officer's official duties and shall provide public officials liability and errors and omissions insurance coverage as required by law and to the same extent as provided for other City officials or employees.
16. **General Provisions**:
- A. The text herein shall constitute the entire Agreement between the Parties and can only be amended or modified by written agreement of the Parties. An amendment or modification of this Agreement shall not be deemed a termination of this Agreement entitling the Chief Administrative Officer to severance pay to the extent set forth above.
 - B. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid, or unenforceable, that provision, or any portion thereof, shall be deemed severable, but the remainder of this Agreement, or portion thereof, shall not be affected and shall remain in full force and effect.
17. **Binding Effect**: This Agreement shall bind and be enforceable between the Chief Administrative Officer and any subsequently elected or appointed Mayor or City Council Member for the duration of the Agreement.
18. **Governing Law**: This Agreement shall be governed by, interpreted, and construed under the laws of the State of Montana. Yellowstone County shall be the appropriate venue for any disputes arising under this Agreement.

IN WITNESS WHEREOF, the City of Laurel has caused this Agreement to be signed and

executed on its behalf by its Mayor, duly attested by its City Clerk, and approved in form by the City Attorney, and the Chief Administrative Officer has signed and executed this Agreement, both in duplicate, the day and year first written above.


CITY OF LAUREL:


Dave Waggoner, Mayor

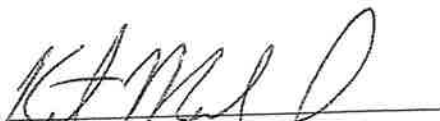
ATTEST:


Kelly Streckler, Clerk-Treasurer

APPROVED AS TO FORM:


Michele L. Braukmann, Civil City Attorney

CHIEF ADMINISTRATIVE OFFICER:


Kurt Markegard



City of Laurel	Job Description
Job Description Title: Chief Administrative Officer	FLSA Status: Exempt / Non Union
Accountable To: Mayor	Position Status: Regular Full-Time

Job Summary:

As defined by the City of Laurel Charter, Article III, Section 3.10, the Chief Administrative Officer, directs and coordinates administration of the City government in accordance with policies promulgated and approved by the Mayor and City Council. The Chief Administrative Officer shall directly oversee the operations and provision of services to citizens within each department of the City. He/she shall regularly perform complex work requiring significant interpretive judgment in analyzing, recommending and implementing City policy concerning fiscal matters and personnel matters. The Chief Administrative Officer shall coordinate day-to-day operational matters of all departments through the respective Department Heads. He/she shall recommend alternative courses of action and policies to the Mayor and Council for their consideration and approval.

Scope of Responsibility:

This position reports directly to the Mayor. This position directly manages and supervises the City's employees including, but not limited to, Department Heads of Public Works, Planning, Clerk/Treasurer, Police, Library, Fire, and Ambulance in accordance with policy.

Essential Duties and Responsibilities:

1. Duties Specific to Administration
 - 1.1. Confers with Department Heads in the proposed development and implementation of policies and programs.
 - 1.2. Manages and supervises Department Heads by providing sufficient direction and guidance to Department Heads, including coaching, documentation, performance evaluation and/or assessment and discipline.
 - 1.3. In association with Department Heads, manages and supervises all City employees including but not limited to development, coaching, performance evaluation and/or assessment and discipline.
 - 1.4. Makes recommendations to the Mayor regarding the termination of City employees and Department Heads.
 - 1.5. Facilitates the coordination and communication between departments and Department Heads.
 - 1.6. Works with Department Heads to ensure department goals and operations are within the City's overall mission and goals.

2. Duties Specifically Assigned by the Mayor
 - 2.1. Directs and coordinates the administration of the City government in accordance with approved policy; keeps Mayor/Council informed of all pertinent information.
 - 2.2. Assist Mayor in enforcing laws, ordinances, and resolutions as adopted by City.
 - 2.3. Reports to the Mayor on the affairs and operations of the City government.
 - 2.4. Reports to the Council as the Mayor requires.
 - 2.5. Assist Mayor in Council meetings and take part in discussion.
 - 2.6. Carry out all approved City policies.
 - 2.7. Recommend measures and actions that are in the City's best interest to the Mayor.

- 2.8. At the Mayor's direction, reviews and negotiates the terms and conditions of contracts, bonds, notes and other obligations of the City. Recommends to the Mayor for his/her approval prior to the City Council's consideration of the same.
 - 2.9. Oversees the preparation of the budget in consultation with the Clerk/Treasurer, other Department Heads, Mayor, and Council.
 - 2.10. Under the Mayor's direction, executes the budget adopted by the Council.
 - 2.11. Perform duties required by law, charter, ordinance or resolution.
3. Performs other related duties as assigned by the Mayor.

Minimum Qualifications:

- Bachelor's degree (B. A.) or equivalent in Public Administration, Business Administration, Business Management, Accounting or Finance; and/or four to ten years' related experience in City, County or local government management, business and/or operational management in the private sector, financial management in the government or private sectors required; or a combination thereof.
- Must possess a valid Montana Driver's license.
- Must be bondable.

Personal Attributes/Skills Required or Preferred:

Problem Solving - Identifies and resolves problems in a timely manner; Gathers and analyzes information skillfully; Develops alternative solutions; Works well in group problem-solving situations; Uses reason even when dealing with emotional topics. Ability to define problems, collect data, establish facts, and draw valid conclusions.

Team Work - Balances team and individual responsibilities; Exhibits objectivity and openness to others' views; Gives and welcomes feedback; Contributes to building a positive team spirit; Puts success of team above own interests; Able to build morale and group commitments to goals and objectives; Supports everyone's efforts to succeed; Recognizes accomplishments of other team members.

Leadership - Exhibits confidence in self and others; Inspires and motivates others to perform well; Effectively influences actions and opinions of others; Inspires respect and trust; Accepts feedback from others; Provides vision and inspiration to peers and subordinates; Gives appropriate recognition to others; Displays passion and optimism; Mobilizes others to fulfill the vision.

Judgment - Displays willingness to make decisions; Exhibits sound and accurate judgment; Supports and explains reasoning for decisions; Includes appropriate people in decision-making process; Makes timely decisions.

Planning/Organizing - Prioritizes and plans work activities; Uses time efficiently; Plans for additional resources; Sets goals and objectives; Organizes or schedules other people and their tasks; Develops realistic action plans.

Interpersonal - Focuses on solving conflict, not blaming; Maintains confidentiality; Listens to others without interrupting; Keeps emotions under control; Remains open to others' ideas and tries new things.

Oral Communication - Speaks clearly and persuasively in positive or negative situations; Listens and gets clarification; Responds well to questions; Demonstrates group presentation skills; Participates in meetings. Keeps the Mayor and City Council promptly informed of all matters of major importance and recommends actions with respect to such matters as may be required; Ability to respond to common inquiries or complaints from customers, regulatory agencies, or members of the business community.

Written Communication - Writes clearly and informatively; Edits work for spelling and grammar; Varies writing style to meet needs; Presents numerical data effectively; Able to read and interpret written information.

Adaptability - Adapts to changes in the work environment; Manages competing demands; Changes approach or method to best fit the situation; Able to deal with frequent change, delays, or unexpected events.

Dependability - Follows instructions, responds to management direction; Takes responsibility for own actions; Keeps commitments; Commits to long hours of work when necessary to reach goals; Completes tasks on time or notifies appropriate person with an alternate plan.

Initiative - Volunteers readily; Undertakes self-development activities; Seeks increased responsibilities; Takes independent actions and calculated risks; Looks for and takes advantage of opportunities; Asks for and offers help when needed.

Professionalism - Approaches others in a tactful manner; Reacts well under pressure; Treats others with respect and consideration regardless of their status or position; Accepts responsibility for own actions; Follows through on commitments. Deals with the public in a manner that effectively promotes the image of the City and handles complaints tactfully but thoroughly.

Financial Analysis - Ability to read, analyze, and interpret financial reports, and legal documents.

Physical Demands & Working Conditions:

The position requires the ability to communicate orally and in writing. Duties require some limited physical movement of lifting up to 30 pounds (greater with assistance), bending, prolonged sitting, and stooping; work is performed in an office and is controllable; must be bondable; must possess a valid Montana Driver's license. Work conditions require high attention to detail and frequent deadlines with frequent interruptions.

CITY OF LAUREL, MONTANA

ORDINANCE NO. _____

EMERGENCY INTERIM MORATORIUM ORDINANCE

AN EMERGENCY INTERIM ORDINANCE IMPOSING A TEMPORARY MORATORIUM ON ANNEXATION, ZONING AMENDMENTS, SUBDIVISION PLATS, CONDITIONAL USES, AND VARIANCES AFFECTING UNDEVELOPED PROPERTY UNTIL COMPLETION OF A FINAL GROWTH POLICY AND IMPLEMENTING ZONING REGULATIONS.

WHEREAS, the City of Laurel is authorized under MCA 76-2-301 to regulate land use to protect public health, safety, and welfare; and

WHEREAS, MCA 76-2-306 authorizes emergency interim zoning ordinances; and

WHEREAS, the City has not completed a Growth Policy addressing future growth areas; and

WHEREAS, development pressure exists that may result in unplanned and inconsistent development.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Laurel:

SECTION 1. PURPOSE.

To preserve the status quo while the City completes planning and infrastructure analysis.

SECTION 2. MORATORIUM.

The City shall not accept, process, or approve applications for annexation, zoning amendments, subdivision plats, conditional uses, or variances enabling development in unzoned areas.

SECTION 3. GEOGRAPHIC SCOPE.

Applies to lands within the City and within one mile of City boundaries as authorized by MCA 76-2-306.

SECTION 4. EXCEPTIONS.

Emergency public safety projects and applications with vested rights prior to the effective date.

SECTION 5. DURATION.

Six (6) months unless extended per MCA 76-2-306.

SECTION 6. EMERGENCY DECLARATION.

Effective immediately upon adoption.

PASSED AND ADOPTED this ___ day of _____, 2026.

Mayor

ATTEST:

City Clerk

Communications Timeline

Documentation: This timeline presents content from public records requests, including timestamps, quotes, and call durations as released by the City of Laurel. We have made every effort to represent these records accurately and completely. If you believe you have found an error or omission, please contact us at laurelcares.com so we can review and correct it promptly.

KEY: Phone Call Text Message Email Meeting Document

May 2025

May 2

Document — Legislature approves HB5

Montana Legislature concludes session, approving ~\$124M for behavioral health including \$26.5M for a new forensic mental health facility in eastern Montana.

July 2025

Jul 7

8:00 AM

Mayor → **Kurt**

Good morning.

8:19 AM

Mayor → **Kurt**

What's up

8:20 AM

Kurt → **Mayor**

I'm headed to go get condolence cards for Brittney and Kelly. Have city council sign them tomorrow night.

1:27 PM

Mayor → **Kurt**

Everything going ok

1:28 PM

Kurt → Mayor

Fine with me.

4:54 PM

Kurt → Mayor

Dan Villa.

4:54 PM

Mayor → Kurt

Did he seem nice

4:54 PM

Kurt → Mayor

Yeah he wants something.

4:55 PM

Kurt → Mayor

State land by cemetery to build a rural mental health facility

4:55 PM

Kurt → Mayor

Maybe

4:55 PM

Kurt → Mayor

A call is set for Monday if you want to join

5:11 PM

Mayor → Kurt

Okay I will.

5:12 PM

Kurt → Mayor

11am. Matt needs to attend as well

Jul 10

10:46 AM

Dan Villa → Kurt, Chris Kukulski

Subject: Invite to Staff and Council

Gentlemen,

Good morning. Hope you're both well.

In an effort to gain more understanding from your communities, I'd like to invite you, your pertinent staff and your respective councils to site tours in Yellowstone County for areas that are being considered for the new Behavioral Health Facility authorized in HB5 (2025). I'll also be inviting area state legislators to join.

We will meet at 1PM at the Rimrock Road MSU B Parking Lot and carpool/caravan from there. I'll send a Google Earth file and "feedback forms" for everyone to use so I'm not taking notes like a mad man the whole time.

Input from local officials is not only necessary to a success siting process, but also sincerely appreciated.

Feel free to call me anytime if you have any questions. Cell, home and work number is 406-560-1002.

Thanks and hope to see you soon.

DV

Jul 11

10:43 AM

Kurt → Dan Villa, Chris Kukulski

What day?

11:18 AM

Dan Villa → Kurt, Chris Kukulski

That's a head desk mistake. Sorry. July 24. Thanks for the catch Kurt!

1:03 PM

Chris Kukulski → Dan Villa, Kurt

Thanks Dan – what date are we meeting?

Jul 14

11:00 AM

Dan Villa → Kurt

Teams meeting invite: Boi/Laurel Intro Call (11AM–12PM)

Jul 15

9:29 AM

Kurt → Dan Villa

I missed the meeting. I hadn't received the invite, so I thought it was canceled. I will be in Drug Training in Billings this Thursday and Friday for our bus transit program, but I will be here Tomorrow.

9:31 AM

Dan Villa → Kurt

No worries. Give me a ring whenever you have a sec and we can chat through potential Laurel options.

Jul 24

10:39 AM

Mayor → Kurt

I'll be there in about an hour

12:41 PM

Kurt → Mayor

Im headed to Dan Villa meeting

4:58 PM

Kurt → Mayor

Just getting back to Laurel

4:58 PM

Mayor → Kurt

Go home

August 2025

Aug 11

8:46 AM

Dan Villa → **Kurt**

Morning Kurt, can you give a ring when you have a sec?

Aug 15

5:36 PM

Mayor → **Kurt**

Q2 is reporting Billings got the mental prison

6:12 PM

Kurt → **Mayor**

I don't see anything online

6:13 PM

Mayor → **Kurt**

It was on Q2

6:20 PM

Mayor → **Kurt**

Their planner was on talking about the growth to the west.

Aug 20

—

Document — BOI Statement (Dan Villa): Gianforte pauses BOI's role

[View document \(PDF\)](#) →

Aug 21

1:14 PM

Mayor → **Kurt**

I'm on my way in.

1:15 PM

Kurt → **Mayor**

I am here

2:28 PM

Mayor → **Kurt**

We have to write the governor

2:36 PM

Kurt → **Mayor**

Okay 🙌

Aug 22

2:44 PM

Kurt → Brereton, Osmundson, Villa (Mayor cc)

To you all, forgive me for missing an L in the spelling of Laurel.

2:46 PM

Kurt → Brereton, Osmundson, Villa (Mayor cc)

Subject: Laurel property for new state facility D02801

Mr. Brereton, Mr. Osmundson, Mr. Villa,

On behalf of the City of Laurel's Mayor, I am emailing you to let you know about a potential site for the new State of Montana mental health facility. The property is just west of the Laurel city limits and with the start of the development of a Love's Truck Plaza just west of the city, there will be new water and sewer services installed as part of the truck plaza. Love's is investing 2.4 million installing new water and sewer lines to their property and the property depicted in the attached pictures below in this email will benefit by having a 12-inch water main and an 8-inch sewer line run past this proposed property.

As a certified building inspector, I know what the state will need for water and sewer services to develop a building that will meet current building standards. Having a water line of 12 inches would allow any facility the ability to sprinkle the building to protect from fire spread. I believe that Laurel will have the necessary infrastructure adjacent to this property including gas and electric services than the other sites that have been considered. I realize that the state has limited funds to build such a facility but having all utilities close by would allow the state to purchase property that is currently listed for sale.

This site also has the benefit of having the old interstate interchange that was deeded to the City of Laurel after the State DOT built a new on/off interstate ramp further west. The city was granted this parcel from the Montana Department of Transportation and is 120 feet in width. The state had plans to demolish the asphalt, and I requested they deed it to Laurel for access to our land that is just north of the interstate. This old interstate on/off ramp would make an excellent access road for the new facility. Or the State could remove the asphalt and seek the property from city making the parcel even larger for facility expansion.

I have researched the necessary zoning needed to allow for a facility of this type and with annexation into the City of Laurel, the state could request a zoning designation of "Public" which would allow the facility to be built at this location. The property to the south is county zoning heavy industrial and this property is currently zoned county highway commercial. Residential development is sparse in the surround area.

The Mayor of Laurel would like to invite you all to a teams meeting to further discuss the potential for the proposed site to become the home of a new state facility. Please look over the included information and pictures and consider this site as the best site in Yellowstone County to build a facility. The property is currently on the market to be sold. I did check with the listing agent yesterday and it is available.

The Mayor and I look forward to further discussions.

Kurt Markegard
Chief Administrative Officer
City of Laurel, Montana
406-628-4796 ext. 5305

3:12 PM

Dan Villa → Kurt, Brereton, Osmundson

Thank you, Kurt. Appreciate it. We will be in touch once we have more guidance. Have a good weekend. Best to the Mayor.

September 2025

Sep 10

—

Document — Governor Gianforte's letter to BOI: restart ordered

[View document \(PDF\) →](#)

Sep 17

9:57 AM

Kurt → Mayor

Duration: 0 min 20 sec

Sep 18

11:13 AM

Missed call from Mayor

11:38 AM

Kurt → Mayor

Duration: 11 min 20 sec

5:00 PM

Kurt → Mayor

Duration: 17 min 18 sec

Sep 22

9:14 AM

Kurt → Mayor

Duration: 3 min 21 sec

10:04 AM

Kurt → Mayor

Duration: Not recorded

10:08 AM

Mayor → Kurt

Duration: 10 min 48 sec

10:50 AM

Mayor → Kurt

Duration: 0 min 48 sec

Sep 23

10:46 AM

Kurt → Mayor

Duration: 1 hr 30 min

Sep 24

10:25 AM

Kurt → Mayor

Duration: 3 min 13 sec

10:28 AM
Kurt → Mayor
Duration: 20 min 12 sec

Sep 25

10:26 AM
Kurt → Mayor
Duration: 8 min 52 sec

4:04 PM
Kurt → Mayor
Duration: 2 min 11 sec

Sep 25

10:01 AM
Mayor → Kurt
Duration: 22 min 6 sec

Sep 28

10:37 AM
Kurt → Mayor
Duration: 16 min 39 sec

Sep 29

8:44 AM
Missed call from Mayor

8:57 AM
Kurt → Mayor
Duration: 21 min 40 sec

11:01 AM
Call from Mayor declined

Sep 30

11:03 AM
Kurt → Mayor
Duration: 9 min 44 sec

5:17 PM
Missed call from Mayor

5:30 PM
Kurt → Mayor
Duration: 10 min 4 sec

October 2025

Oct 1

—
Document — Legislative Legal Services memo: facility "most likely" a profit-making security

Staff Attorney Julie Johnson concludes the facility under HB5 would "most likely constitute a security," meaning BOI will charge DPHHS rent to yield investment returns.

7:59 AM

Kurt → Mayor

Duration: 25 min 16 sec

8:48 AM

Vince Ricci → Kurt

Duration: 15 min 15 sec

4:27 PM

Kurt → Mayor

Duration: 13 min 10 sec

6:32 PM

Kurt → Mayor

Duration: 3 min 27 sec

9:47 PM

Kurt → Mayor

Duration: 5 min 15 sec

Oct 2

1:23 PM

Dan Villa → Kurt

There's a road next to the land in Laurel but the GIS doesn't show ownership. Is that the city's?

1:23 PM

Kurt → Dan Villa

Yes

1:23 PM

Dan Villa → Kurt

Found the phone?

1:23 PM

Kurt → Dan Villa

New phone. Spent the last hour and half on the phone with Verizon. Sent you DOT email about the deed. It was recorded but I am not sure where the staff put it.

1:23 PM

Dan Villa → Kurt

Thanks!

1:32 PM

Kurt → Dan Villa

Subject: FW: Finalization of Quit Claim Deed – FYI (forwarding 2022 MDT email about deeding old I-90 off-ramp to City of Laurel)

1:34 PM

Kurt → Dan Villa

Subject: FW: Quit Claim Deed – "Found the email." (attaches Quit Claim Deed PDF)

2:37 PM

Kurt → Mayor

Duration: 0 min 3 sec

Oct 3

7:55 AM

Kurt → Mayor

Duration: 15 min 42 sec

Oct 6

–

Document – DPHHS Director Brereton's letter to BOI: formal site selection opens

[View document \(PDF\) →](#)

Oct 7

8:28 AM

Dan Villa → Kurt

8:30 AM

Dan Villa → Kurt

www.hb5.mt.gov – Budget and Program Planning

12:02 PM

Missed call from Mayor

12:31 PM

Lee Deming → Kurt

Kurt, can you tell me the state of Laurel's interest in the proposed mental health facility?

1:16 PM

Lee Deming → Kurt

Sorry, this is Lee Deming.

12:56 PM

Kurt → Mayor

Duration: 49 min 43 sec

3:28 PM

Kurt → Lee Deming

Duration: 0 min 39 sec

Oct 8

7:38 AM

Kurt → Mayor

Sends link: hb5.mt.gov – Montana Behavioral Health

7:39 AM

Kurt → **Lee Deming**

<https://nhs.mt.gov/>

7:46 AM

Lee Deming → **Kurt**

Kurt, I should be able to visit today sometime. Are you available today?

7:47 AM

Kurt → **Lee Deming**

I am just reading the letters in the link I set you. I should be around all day working. I have to go to Billings and make calls today. I should be able to have moments to talk.

8:18 AM

Lee Deming → **Kurt**

I have a meeting at noon today and another this late afternoon or evening. If you get a minute, text me if you can visit.

8:50 AM

Kurt → **Lee Deming**

Im free now

8:56 AM

Lee Deming → **Kurt**

Duration: 56 min 54 sec

9:01 AM

Mayor → **Kurt**

So it's not even going to be a prison

2:21 PM

Mayor → **Kurt**

Duration: 12 min 36 sec

3:14 PM

Lee Deming → **Kurt**

Kurt, John Forte from Riverstone Health is going to give you a call. He might be the best person to answer Laurel's questions.

6:33 PM

Kurt → **Commissioner Mark Morse**

Subject: I thought you might want this link that was sent to me.

<https://dphhs.mt.gov/News/2025/October/ProposalsforNewHealthFacility>

Commissioner Morse,

I was sent this link yesterday and I have not read it yet. I wanted to let you know that this is the first response we have received from the state. There was a lot of speculation going around and KTVQ was spreading misinformation.

The City of Laurel does not have 10 acres of land available inside city limits with services. The only thing I passed along to the state was that there was land listed for sale at the tour that you and I was on in and around Billings. Vince Ricci was standing right beside me when I told the state representative about a "for sale sign" that I had seen on my way to the family farm. The state followed up a few weeks later with the mayor and all the Mayor and I wanted was more information to make informed decisions. The mayor requested the information, and we were told that eventually they would send guidance to us all. I guess we just received the states response.

I have sent this link to Vince Ricci, Lee Deming and at 4:30 today I spoke to John Forte with Riverstone Health and told him he could google it to find it as I had not pulled it up to read it yet. I printed it off here at the office and plan to read it tonight at home.

The reason for this email is due to Mr. Forte's lack of knowledge about the release and so I thought if he didn't know I should probably let you know.

Have good evening, I am head to the LVFD open house.

Kurt

6:33 PM

Kurt → Lee Deming

I talked to him and sent him the link

6:36 PM

Kurt → Lee Deming

I also just emailed Commissioner Morse

6:37 PM

Kurt → Lee Deming

Open government is the best government!

6:38 PM

Lee Deming → Kurt

Thanks for the update. I hope the City will get some answered

Oct 9

10:56 AM

Commissioner Morse → Kurt, Waters, White

Kurt – thanks for the info. Am sharing with the other Commissioners. If you receive additional info, please send our way.

11:44 AM

Kurt → Civil Attorney, Mayor

Forwards DPHHS link. "I knew I was going to run into the Commissioners this morning so I thought I would send them the information that the state sent."

2:26 PM

Kurt → Mayor

Duration: 4 min 31 sec

Oct 10

2:06 PM

Kurt → Mayor

Duration: 30 min 31 sec

2:48 PM

Mayor → Kurt

Duration: 2 min 59 sec

Oct 14

4:31 PM
Kurt → Mayor
Duration: Not recorded

Oct 16

10:15 AM
Missed call from Vince Ricci

10:16 AM
Kurt → Vince Ricci
Duration: 11 min 59 sec

Oct 17

10:12 AM
Kurt → Vince Ricci
Duration: 0 min 24 sec

12:13 PM
Dan Villa → Kurt
Is Laurel going to sign onto the Billings "slow down" letter?

12:41 PM
Kurt → Vince Ricci
Duration: 0 min 5 sec

1:22 PM
Vince Ricci → Kurt
Duration: 11 min 46 sec

12:26 PM
Kurt → Dan Villa
Duration: 6 min 16 sec

2:49 PM
Kurt → Dan Villa
Mayor put it on city council agenda next Tuesday. Discussion. Have a good vacation.

2:49 PM
Dan Villa → Kurt
Thanks! I'll call Wednesday.

5:34 PM
Kurt → Mayor
Duration: 14 min 54 sec

Oct 21

9:11 AM
Kurt → Mayor
Duration: 12 min 18 sec

11:00 AM

Mayor → Kurt

Duration: 1 min 2 sec

11:20 AM

Kurt → Mayor

Duration: 1 min 20 sec

3:00 PM

Kurt → Mayor

Duration: 4 min 27 sec

8:13 PM

Kurt → Mayor

Duration: 0 min 1 sec

Oct 22

8:48 AM

Dan Villa → Kurt

Morning! How'd Council discussion go?

9:18 AM

Kurt → Mayor

Duration: 30 min 35 sec

3:55 PM

Kurt → Dan Villa

It was fine. You can view it on our YouTube channel.

Oct 23

10:29 AM

Kurt → Mayor

Duration: 0 min 2 sec

10:43 AM

Mayor → Kurt

Duration: 11 min 1 sec

11:40 AM

Kurt → Mayor

Duration: 4 min 16 sec

5:46 PM

Kurt → Mayor

Duration: Not recorded

5:47 PM

Kurt → Mayor

Duration: 33 min 16 sec

Oct 27

5:00 PM

Kurt → Mayor

Duration: 15 min 6 sec

Oct 28

—
Document — Speaker Ler formally requests Attorney General opinion on whether HB 5 facility constitutes a security

[View document \(PDF\) →](#)

Oct 29

1:46 PM

Missed call from Mayor

2:06 PM

Kurt → Mayor

Duration: 0 min 2 sec

Oct 30

9:35 AM

Kurt → Mayor

Duration: 3 min 39 sec

11:11 AM

Kurt → Mayor

Duration: 14 min 53 sec

Oct 31

—
Document — State FAQ released (DPHHS/BOI)

[View document \(PDF\) →](#)

9:42 AM

Kurt → Mayor

Duration: 1 min 46 sec

9:45 AM

Kurt → Mayor

Duration: 0 min 2 sec

9:46 AM

Mayor → Kurt

Duration: 2 min 46 sec

12:28 PM

Kurt → Mayor

Duration: 6 min 25 sec

November 2025

Nov 4

4:01 PM

Kurt → Mayor

Duration: 0 min 3 sec

7:14 PM

Kurt → Mayor

Duration: 9 min 23 sec

Nov 10

9:02 AM

Kurt → Mayor

Duration: 27 min 34 sec

11:15 AM

Dan Villa → Kurt

Any thoughts on letter and/or meeting?

11:20 AM

Kurt → Dan Villa

Mayor is okay with me writing one.

1:08 PM

Document — Big Horn County (Hardin) proposal received

Big Horn County submits proposal for the forensic mental health facility. [View proposal \(PDF\)](#) —

1:19 PM

Document — Custer County (Miles City) proposal received

Custer County submits proposal for the forensic mental health facility. [View proposal \(PDF\)](#) —

1:20 PM

Dan Villa → Kurt

I'll buy the beer if you send it this afternoon? 😊

2:19 PM

Kurt → Mayor

Duration: Not recorded

5:00 PM

Document — State proposal deadline

Deadline for community site proposals passes at 5:00 PM. Big Horn County (Hardin) and Custer County (Miles City) submitted proposals. Billings declines. Laurel does not submit a formal proposal.

5:24 PM

Kurt → Dan Villa

The burial of my uncle was today. He served Billings PD for 21 years and Carbon County Sheriff's office for 12 years. I was out of the office from 10am. I just saw this text.

5:24 PM

Dan Villa → Kurt

Ugh. I forgot. Thanks to him for his service. Hope you and yours gave him a great send off. Beer is still on me.

5:24 PM

Kurt → Dan Villa

I will go to the office tomorrow morning and get it written up.

Nov 12

4:07 PM

Mayor → Kurt

Duration: 10 min 24 sec

Nov 13

3:23 PM

Kurt → Mayor

Duration: 6 min 57 sec

4:00 PM

Kurt → Mayor

Duration: 0 min 1 sec

4:30 PM

Mayor → Kurt

Duration: 19 min 53 sec

3:30 PM

Dan Villa → Kurt

Duration: 29 min 2 sec

4:54 PM

Missed call from Dan Villa

5:00 PM

Kurt → Dan Villa

Did I miss a call?

5:00 PM

Dan Villa → Kurt

Yep. I'll call in 10.

5:00 PM

Kurt → Dan Villa

OK. I'm still at the office.

5:00 PM

Kurt → Dan Villa

Duration: 0 min 3 sec

5:01 PM

Kurt → Dan Villa

5:08 PM

Dan Villa → Kurt

Duration: 16 min 14 sec

5:25 PM

Kurt → Mayor

Duration: 8 min 13 sec

Nov 17

8:54 AM

Kurt → Mayor

Subject: Dan Villa Letter about Laurel Annexation – "Can you read this and see if you want any changes?"
(attaches letter draft)

8:57 AM

Mayor → Kurt

Looks great Kurt

9:16 AM

Kurt → Dan Villa (Mayor cc)

Subject: Letter from Laurel's CAO Kurt Markegard

Dan,

Attached is the letter explaining the limitations that Laurel had in the State's process to select a community to be the location for the new facility.

My schedule is open this Friday if anyone from the State would like to meet in person.

I attached Laurel's annexation policy as well. I didn't include the link to state statues but for quick reference MCA 7-2-44 is the laws to annex government lands.

I also have some thoughts on zoning laws I would like to discuss. I believe state law has some exemptions for certain types of government facilities.

Kurt Markegard

CAO

Laurel

morning

Kurt → Dan Villa

Letter is sent. Sorry I had to work at the farm all weekend.

morning

Dan Villa → Kurt

No problem. Thanks!

9:52 AM

Mayor → Kurt

Duration: 10 min 30 sec

2:02 PM

Dan Villa → Kurt

Could you and the mayor make Thursday at 4PM for a meeting with HHS and me?

3:31 PM

Kurt → Mayor

Duration: 4 min 21 sec

4:16 PM

Kurt → Dan Villa

I am free. Mayor said he was also.

4:16 PM

Dan Villa → Kurt

See you then. LMK where you want to meet.

4:16 PM

Kurt → Dan Villa

OK. I'll have to think about that again.

Document — Markegard's letter to BOI (published on hb5.mt.gov)

Kurt's official letter to Dan Villa explaining why Laurel did not submit a formal proposal. References summer tour, annexation requirements, and MCA 7-2-44. Listed alongside Hardin and Miles City proposals on state website. View letter (PDF) →

Nov 18

1:34 PM

Mayor → Kurt

Duration: 11 min 45 sec

7:36 PM

Kurt → Mayor

Duration: 4 min 7 sec

Nov 19

7:56 AM

Kurt → Mayor

Duration: 0 min 2 sec

8:13 AM

Missed call from Mayor

8:23 AM

Mayor → Kurt

Duration: 14 min 4 sec

9:24 AM

Mayor → Kurt

Duration: 0 min 29 sec

11:47 AM

Mayor → Kurt

Duration: 0 min 2 sec

12:00 PM

Kurt → Mayor

Duration: Not recorded

12:33 PM

Missed call from Mayor

12:45 PM

Kurt → Mayor

Duration: 14 min 34 sec

3:48 PM

Mayor → Kurt

Duration: 20 min 34 sec

4:28 PM

Kurt → Mayor

Duration: 0 min 3 sec

Nov 20

8:54 AM

Mayor → Kurt

Duration: 13 min 46 sec

12:02 PM

Dan Villa → Kurt

Heading your way. Where do you want to meet?

12:02 PM

Kurt → Dan Villa

City hall. Not at 4pm. 115 west 1st street.

12:16 PM

Kurt → Dan Villa

Duration: 0 min 42 sec

12:22 PM

Dan Villa → Kurt

Duration: 0 min 15 sec

12:50 PM

Mayor → Kurt

Duration: 3 min 49 sec

-4:00 PM

Meeting — with HHS/BOI

Kurt and Mayor met with Dan Villa and state team. Date is verified; 4 PM start time is assumed based on the Nov 17 email but unconfirmed.

Note: The state's published HB5 project timeline schedules an "on-site review and local government presentation" for November 20, 2025. The Mayor and CAO later stated they did not know the location of the proposed site until the buy-sell agreement was announced to City Council on January 20, 2026.

5:43 PM

Kurt → Mayor

Duration: 5 min 45 sec

Nov 24

9:05 AM

Mayor → Kurt

Duration: 5 min 18 sec

9:31 AM

Kurt → Mayor

Duration: 3 min 50 sec

9:58 AM

Missed call from Mayor

10:02 AM
Kurt → Mayor
Duration: 6 min 59 sec

11:42 AM
Kurt → Mayor
Duration: Not recorded

11:43 AM
Mayor → Kurt
Duration: 0 min 45 sec

Nov 25

9:15 AM
Kurt → Mayor
Duration: 6 min 59 sec

9:25 AM
Mayor → Kurt
Duration: 6 min 14 sec

10:17 AM
Mayor → Kurt
Duration: ?1 min 48 sec

3:27 PM
Kurt → Mayor
Duration: 0 min 13 sec

Nov 28

2:37 PM
Kurt → Mayor
Duration: 7 min 53 sec

Nov 29

9:23 AM
Mayor → Kurt
Good morning! Comments not as bad as I thought. Klose and Canape left messages that Q2 contacted them

9:31 AM
Kurt → Mayor
No statements should be made

9:31 AM
Mayor → Kurt
Yeah I can't believe she contacted council members

9:41 AM
Mayor → Kurt
I forwarded you a email from Q2 to all of the council members

9:42 AM

Mayor → Kurt

Should I send a email please do not respond with any statements

9:43 AM

Kurt → Mayor

Individual emails.

9:44 AM

Mayor → Kurt

Yes

9:44 AM

Kurt → Mayor

Land use decisions need to be made at city council meetings and not in public

9:45 AM

Kurt → Mayor

That is all you need to say.

9:45 AM

Mayor → Kurt

Okay I will send something

Nov 30

11:40 AM

Kurt → Mayor

Duration: 17 min 38 sec

December 2025

Dec 1

12:34 PM

Missed call from Mayor

12:51 PM

Kurt → Mayor

Duration: 0 min 50 sec

12:52 PM

Kurt → Mayor

Duration: Not recorded

12:52 PM

Kurt → Mayor

Duration: 19 min 6 sec

5:35 PM

Kurt → Mayor

Duration: 0 min 2 sec

5:46 PM

Kurt → Mayor

Duration: 37 min 49 sec

Dec 2

11:16 AM

Mayor → Kurt

Duration: 38 min 23 sec

12:05 PM

Missed call from Dan Villa

12:44 PM

Dan Villa → Kurt

Duration: 38 min 3 sec

1:36 PM

Kurt → Mayor

Duration: 6 min 4 sec

2:50 PM

Kurt → Dan Villa

Subject: Water and Sewer Maps

Dan,

I cannot attach the love's water and sewer extension as that file is too large to email. The water line is almost done but the sewer line is ongoing. Both extensions are going out to the Love's property and ending where the blue square is below.

Kurt

Dec 3

8:18 AM

Mayor → Kurt

Any better

8:19 AM

Kurt → Mayor

Yes

8:19 AM

Kurt → Mayor

I was here at 730

8:26 AM

Mayor → Kurt

You have got to take better care of yourself.

12:05 PM

Mayor → Kurt

Everything going ok

12:05 PM

Kurt → Mayor

Yes. Just finished up making sure oaths are ready to go

12:06 PM

Mayor → Kurt

Okay

12:06 PM

Mayor → Kurt

Anything from Dan?

12:06 PM

Kurt → Mayor

No

12:46 PM

Dan Villa → Kurt

Is there a latecomer on the water/sewer line extension?

1:40 PM

Kurt → Dan Villa

Duration: 15 min 8 sec

1:58 PM

Kurt → Mayor

Duration: Not recorded

1:58 PM

Kurt → Mayor

Duration: Not recorded

2:06 PM

Mayor → Kurt

Duration: 50 min 0 sec

Dec 4

5:33 PM

Mayor → Kurt

Send me Dan's phone number

5:35 PM

Kurt → Mayor

Sends contact card for DANNY VILLA, Anaconda, MT (phone redacted)

5:35 PM

Mayor → Kurt

Amy Mullaney is a laurel official being interviewed about it

5:35 PM

Mayor → Kurt

Argh Q2!!!!

5:45 PM

Mayor → Kurt

Sorry, talk with you tomorrow

10:21 AM

Kurt → Mayor

Duration: 19 min 0 sec

5:50 PM
Kurt → Mayor
Duration: 6 min 5 sec

Dec 5

7:49 AM
Kurt → Mayor
Duration: 26 min 46 sec

10:00 AM
Kurt → Mayor
Duration: 6 min 33 sec

2:31 PM
Kurt → Mayor
Duration: 1 min 57 sec

5:26 PM
Kurt → Mayor
Duration: 4 min 38 sec

Dec 8

7:42 AM
Dan Villa → Kurt

Subject: Public Comment -- "Is there a Zoom link for tomorrow's Council meeting? Director Brereton and I would like to provide public comment to Council and staff."

Dec 9

9:13 AM
Kurt → Dan Villa
Duration: 6 min 9 sec

3:30 PM
Mayor → Kurt
Dan Villa just called Kelly. I guess Kelly is sitting up for them to call in.

9:57 AM
Kurt → Mayor
Duration: 8 min 23 sec

10:09 AM
Mayor → Kurt
Duration: 11 min 16 sec

3:31 PM
Mayor → Kurt
Duration: 0 min 24 sec

4:45 PM
Kurt → Mayor
Duration: 16 min ?? sec

5:03 PM
Mayor → Kurt
Duration: 0 min 59 sec

5:21 PM
Kurt → Mayor
Duration: 1 min 7 sec

Dec 10

8:23 AM
Mayor → Kurt
Duration: 12 min 14 sec

10:32 AM
Kurt → Mayor
Duration: 0 min 2 sec

10:42 AM
Mayor → Kurt
Duration: 14 min 34 sec

11:43 AM
Kurt → Mayor
Duration: 1 min 46 sec

11:50 AM
Mayor → Kurt
Duration: 3 min 7 sec

12:20 PM
Kurt → Mayor
Duration: 0 min 52 sec

Dec 12

10:39 AM
Kurt → Mayor
Duration: Not recorded

2:49 PM
Kurt → Mayor
Duration: 12 min 8 sec

Dec 17

2:45 PM
Mayor → Kurt
Duration: 1 min 29 sec

3:53 PM
Kurt → Mayor
Duration: 0 min 55 sec

Dec 18

10:23 AM

Mayor → Kurt

Duration: 16 min 42 sec

Dec 19

—

Document — Attorney General Knudsen responds to Speaker Ler: letter of advice issued, unable to conclude on all elements

[View document \(PDF\) →](#)

8:25 AM

Kurt → Mayor

Duration: 2 min 59 sec

1:02 PM

Kurt → Mayor

Duration: 28 min 24 sec

Dec 22

9:24 AM

Kurt → Mayor

Duration: 2 min 58 sec

4:20 PM

Kurt → Mayor

Duration: 4 min 9 sec

7:25 PM

Kurt → Mayor

Duration: 3 min 7 sec

Dec 23

9:02 AM

Kurt → Mayor

Duration: 14 min 38 sec

10:58 AM

Missed call from Dan Villa

11:41 AM

Kurt → Dan Villa

11:51 AM

Kurt → Mayor

Duration: Not recorded

12:07 PM

Mayor → Kurt

Duration: 5 min 3 sec

Dec 24

11:10 AM

Kurt → Mayor

Duration: 0 min 20 sec

Dec 30

12:51 PM

Mayor → Kurt

Duration: 0 min 30 sec

12:54 PM

Kurt → Mayor

Duration: 0 min 23 sec

12:57 PM

Kurt → Mayor

Duration: Not recorded

12:57 PM

Kurt → Mayor

Duration: 0 min 47 sec

1:38 PM

Kurt → Mayor

Duration: 0 min 23 sec

1:38 PM

Kurt → Mayor

Duration: 1 min 33 sec

1:58 PM

Mayor → Kurt

Duration: 0 min 56 sec

2:31 PM

Dan Villa → Kurt

Subject: Meeting

Kurt,

Would you and any members of your team you'd like to add be available to meet team on January 7 at 4PM at Dick Anderson Construction's offices in Billings? We want to get a good understanding of the annexation process, zoning regs, basically all of the city requirements.

THX

DV

4:43 PM

Kurt → Mayor

Duration: Not recorded

January 2026

Jan 5

4:03 PM

Kurt → Dan Villa (Mayor cc)

I have something scheduled at 5pm. I may be able to join by phone.

4:26 PM

Dan Villa → Kurt, Mayor

Would 1PM work better?

4:46 PM

Kurt → Dan Villa (Mayor cc)

The mayor has told me that will work.

Jan 6

9:44 AM

Dan Villa → Kurt, Mayor

Thanks. See you then.

10:52 AM

Kurt → Mayor

Duration: 5 min 49 sec

12:37 PM

Kurt → Mayor

Duration: 6 min 47 sec

2:19 PM

Kurt → Mayor

Duration: 13 min 47 sec

3:39 PM

Kurt → Mayor

Duration: 3 min 36 sec

Jan 7

1:00 PM

Meeting — Dick Anderson Construction, Billings

Kurt, Mayor, Dan Villa, and team. Discussed annexation process, zoning requirements, and city requirements for the proposed facility site.

1:02 PM

Kurt → Dan Villa

Duration: 0 min 13 sec

Jan 8

8:55 AM

Dan Villa → Kurt, Mayor

Subject: Annexation and Zoning Forms

Good morning, Kurt.

Thanks for the time yesterday. Very helpful and informative.

Can you please direct me to the forms we will need to submit to the city to request annexation and a zoning change?

Much appreciated.

Thx

DV

2:51 PM

Kurt → Mayor

Duration: 4 min 41 sec

4:22 PM

Kurt → Mayor

Duration: 17 min 16 sec

5:54 PM

Kurt → Mayor

Duration: 9 min 25 sec

Jan 14

5:51 PM

Mayor → Kurt

Shelly Molaschi sent me a email I forwarded to you

6:00 PM

Kurt → Mayor

First time I have seen this

6:01 PM

Mayor → Kurt

Yeah she asked me and I said not seen it

9:51 AM

Kurt → Mayor

Duration: 6 min 30 sec

11:01 AM

Mayor → Kurt

Duration: 1 min 6 sec

3:01 PM

Kurt → Mayor

Duration: 11 min 33 sec

Jan 15

9:16 AM

Mayor → Kurt

So Vila didn't send you any of that information

10:26 AM

Kurt → Mayor

Nope

10:46 AM

Kurt → Dan Villa

Duration: 0 min 1 sec

10:46 AM

Kurt → Dan Villa

Duration: 0 min 2 sec

10:55 AM

Dan Villa → Kurt

I'll call in 10.

10:55 AM

Kurt → Dan Villa

Duration: 0 min 2 sec

10:59 AM

Dan Villa → Kurt

Duration: 32 min 15 sec

12:08 PM

Kurt → Mayor

Duration: 3 min 20 sec

1:45 PM

Kurt → Mayor

Duration: Not recorded

Jan 16

9:54 AM

Mayor → Kurt

Duration: 0 min 1 sec

9:55 AM

Kurt → Mayor

Duration: 18 min 59 sec

Jan 20

9:14 AM

Mayor → Kurt

Good morning Kurt

9:58 AM

Mayor → Kurt

Did you say the state is coming tonight or calling

10:42 AM

Kurt → Mayor

No idea

10:42 AM

Mayor → Kurt

We will work with them on what they need

Jan 21

9:49 AM

Mayor → Kurt

Duration: 49 min 21 sec

2:54 PM

Kurt → Mayor

Duration: 9 min 46 sec

4:39 PM

Kurt → Mayor

Duration: 0 min 2 sec

Jan 22

11:42 AM

Mayor → Kurt

Duration: 14 min 11 sec

12:44 PM

Kurt → Mayor

Duration: 1 min 11 sec

8:43 PM

Kurt → Mayor

Duration: 3 min 41 sec

Jan 23

10:31 AM

Mayor → Kurt

Duration: 6 min 38 sec

5:00 PM

Kurt → Mayor

Duration: 17 min 44 sec

Jan 26

12:27 PM

Kurt → Mayor

Duration: 2 min 8 sec

2:59 PM

Mayor → Kurt

Duration: 0 min 31 sec

4:15 PM

Kurt → Mayor

Duration: 11 min 0 sec

[Jump to Top](#)

Date: 2/18/2026

To: Laurel City Council & Mayor David Waggoner

RE: Formal Opposition and Notice of Procedural Risks Regarding the Proposed Laurel Forensic Mental Health Facility

Laurel City Council & Mayor David Waggoner

As a resident of Laurel living in direct proximity to the proposed 114-acre site for the new 32-bed State Forensic Mental Health Facility, I am writing to formally restate my opposition to this project.

While the state's need for mental health beds is documented, the selection of the Laurel site is fundamentally flawed. Based on the current trajectory, the State and City should be aware of several significant procedural, constitutional, and logistical hurdles that jeopardize the project's ability to meet the June 30, 2026, funding deadline:

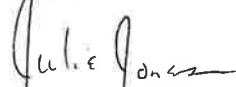
- **Constitutional "Right to Participate" Concerns (Art. II, Sec. 8):** The Montana Constitution guarantees citizens the right to participate in agency decisions *before* they are final. By executing a buy-sell agreement prior to holding public hearings in Laurel, the State has created a decision-making process that may be constitutionally deficient. This procedural error exposes the project to administrative challenges that could render the site selection voidable.
- **Annexation and Zoning Impossibility:** The proposed site sits outside city limits and currently lacks the necessary infrastructure. I, along with a significant number of concerned residents, will be actively petitioning the Laurel City Council to deny any annexation or rezoning requests. Without access to city water, sewer, and emergency services, this site is non-viable. A contested annexation process alone will likely push the project timeline well beyond the 2026 legislative funding window.
- **Environmental and Social Impact Requirements (MEPA):** Given that this facility will house criminal defendants near an elementary school, a comprehensive Environmental Impact Statement (EIS) is a necessity, not an option. A full review of the impact on local property values, the strain on Laurel's volunteer fire department, and public safety risks is required. The time necessary for a diligent MEPA review, which is typically 6 to 12 months, is time this project does not have.

Laurel is not a "shovel-ready" site. The level of community opposition and the lack of existing infrastructure make this the path of most resistance. I urge the State to prioritize locations, such

as Columbus, that offer a more cooperative path to completion and greater local government support.

I am requesting a formal public town hall where the Board of Investments and DPHHS can answer directly to the residents who will be most affected by this facility.

Sincerely,

A handwritten signature in black ink, appearing to read "Julie Jones", with a horizontal flourish extending to the right.

Julie Jones

1201 West 4th Street

Laurel, MT 59044

CC: > Governor Greg Gianforte

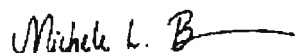
The Montana Board of Investments – Dan Villa, Executive Director

Director Charlie Brereton, DPHHS

Brittney Harakal

From: Civil Attorney
Sent: Saturday, February 21, 2026 5:08 PM
To: City Mayor; Kurt Markegard; Kelly Strecker; Brittney Harakal
Subject: FW: forensic mental facility

Best Regards,



Michele L. Braukmann
Civil City Attorney
City of Laurel
Cell Phone: 406.671.4333
civilattorney@laurel.mt.gov

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From: Deming, Lee <Lee.Deming@legmt.gov>
Sent: Friday, February 20, 2026 5:24 PM
To: Ward 4B <ward4b@laurel.mt.gov>; Civil Attorney <civilattorney@laurel.mt.gov>; Ward 1B <ward1b@laurel.mt.gov>
Subject: Re: forensic mental facility

Good afternoon.

I have already declared my opposition to having this facility located in or near Laurel to the State and to the Mayor and City Council.

But, I will keep trying.

Get [Outlook for iOS](#)

From: Ward 4B <ward4b@laurel.mt.gov>
Sent: Friday, February 20, 2026 3:56:47 PM
To: Deming, Lee <Lee.Deming@legmt.gov>; Civil Attorney <civilattorney@laurel.mt.gov>; Ward 1B <ward1b@laurel.mt.gov>
Subject: forensic mental facility

You don't often get email from ward4b@laurel.mt.gov. [Learn why this is important](#)

Good afternoon Lee, things as you might be aware of are getting out of hand here in Laurel. It's almost at a civil war state. I ask you to PLEASE do what you can to convince the state of Montana to change their plans for Laurel. Thank you.

Emails to and from legislators involving legislative business may be subject to public disclosure under the Right to Know provision of the Montana Constitution and Title 2, Chapter 6, part 10, MCA. This may include the sender, recipient, content, and attachments.

Brittney Harakal

From: Kurt Markegard
Sent: Monday, February 23, 2026 9:20 AM
To: Brittney Harakal
Subject: FW: Laurel Forensic Mental Health Facility

-----Original Message-----

From: Kelli Lemke <kelli.lemke@gmail.com>
Sent: Saturday, February 21, 2026 2:53 PM
To: Laurel City Planner <cityplanner@laurel.mt.gov>
Subject: Laurel Forensic Mental Health Facility

Dear Mr. Markegard:

Please do what you can to prevent the state forensic mental health facility from being constructed in Laurel at the site planned.

I know you've heard all the reasons that people have for loathing it. My reason is simple - I am confident that it is not in the best interest of our community.

I've lived in Yellowstone county nearly my whole life, Laurel for well over a decade. My family heritage in the state is about a hundred years. Growing up, I always thought I'd leave, like we all do, but I didn't, because I realized, again like we all do, that it's special here.

My husband's a pastor in Laurel. He grew up here. I'm one of the operations superintendents at the refinery. We have two little boys, 18 months and 3. The proposed mental health facility is about 550 yards from our front door.

Clearly, part of what evokes my strident opposition for this facility is "not in my backyard." However, several of the governor's official priorities, "government working for you" and "safe communities" and "protecting our way of life" for Montanans, are, in my opinion deeply violated by this project. They seem to be relatively universal, or at least American, values. It would have never occurred to me in the particulars, but the state government constructing a prison of sorts out my front door is exactly the kind of thing I would have thought I'd be protected from under these priorities. To me, this is the fundamental problem.

For me and my family, we would change or stop our walking habits, especially on West 9th. We'd probably move houses, even at a financial cost. We likely wouldn't send our kids to Laurel Elementary, and presumably not to the public school system in general once the elementary is out. How fancy the fence is doesn't matter. I'm sure we're not the only ones.

I'm all for helping law enforcement, but if convenience was their first priority, they would have chosen a different profession. I suspect protecting communities is more important to them too.

I'm all for helping people. But we don't need to try to restrain seriously unwell people in the midst of our neighborhoods, let alone just off the elementary school playground.

I'm all for fiscal responsibility and financial investment. I doubt \$26.5 million will be enough. I'm confident there are alternatives.

I could wax on about taxes, utilities, the track record of the sustainability of this type of facility, etc., but you know all those concerns. To protect people and our way of life, we can't allow the forensic mental health facility to be constructed as planned. It doesn't make any sense. It's a violation of Montanans and our principles.

For now, the official problem is at the state level. However, as we move forward and consider potential zoning options, annexation, and the fallout, the responsibility is more local. I suspect that you hold similar principles and that it is a part of why you do what you do vocationally. I think we all want security at home, the government to serve its citizens, and our way of life protected. The proposed facility furthers none of these things for Laurel or for Yellowstone County.

Please oppose it every way you can. Thank you for your work to serve our community.

Kelli Wardell

Brittney Harakal

From: Ward 4B
Sent: Wednesday, February 18, 2026 2:18 PM
To: Civil Attorney
Cc: Kurt Markegard; Brittney Harakal
Subject: Fw: Proposed Forensic Mental Health Facility

From: Ward 4B <ward4b@laurel.mt.gov>
Sent: Wednesday, February 18, 2026 10:41 AM
To: Deming, Lee <Lee.Deming@legmt.gov>; City Mayor <citymayor@laurel.mt.gov>; Ward 1A <ward1a@laurel.mt.gov>; Ward 1B <ward1b@laurel.mt.gov>; Ward 2A <ward2a@laurel.mt.gov>; Ward 2B <ward2b@laurel.mt.gov>; Ward 3A <ward3a@laurel.mt.gov>; Ward 3B <ward3b@laurel.mt.gov>; Ward 4A <ward4a@laurel.mt.gov>
Subject: Re: Proposed Forensic Mental Health Facility

State Representative Lee Deming and State Senator Vince Ricci, thank you for your email stating that you have changed your support for the state Mental Health Facility to be located in Laurel. I'm sure that was not a easy decision to make. AS you have heard the citizens in Laurel support such a facility JUST not in Laurel. As a elected official we are a representative of the people who elected us. If we are to honor that oath that we take then we MUST not only listen to the people that we represent but honor their wishes and requests. Even when sometimes WE think we know better.

64 years ago when I entered the United States military I took a oath to defend the Constitution of the United States, like veterans before and after me that oath goes with us to our graves. It never expires. Just like the oath we take when we enter city or state government we represent the people , we giving them our word and we are to keep our word if we are truly honest. For we represent a government , "OF THE PEOPLE ,BY THE PEOPLE, FOR THE PEOPLE."

In the past you and I and Senator Ricci have worked together to support our seniors and our veterans, not just locally but state wide. I appreciate all the work that you and Vince have done not just for those two groups but for all citizens in Montana.

Saying all of that I hope that you and Senator Ricci will STRONGLY encourage the "powers that be" in Helena to come out with a statement that they have heard and listened to the citizens in Laurel and are reversing their plans for locating the Mental Health Facility in Laurel and will start the process of finding a different location in eastern Montana.

Once again thank you and Vince for all you have done for Laurel and Yellowstone county. May GOD be with you and help you in making of tough decisions.

I know you have my contact info but here it is again.

Laurel city council member
Richard A. Klose SR
Ward4b@laurel.mt.gov (city)
Kloserichard@yahoo.com (personal)
406-671-1814

From: Deming, Lee <Lee.Deming@legmt.gov>
Sent: Monday, February 16, 2026 3:54 PM

To: City Mayor <citymayor@laurel.mt.gov>; Ward 1A <ward1a@laurel.mt.gov>; Ward 1B <ward1b@laurel.mt.gov>; Ward 2A <ward2a@laurel.mt.gov>; Ward 2B <ward2b@laurel.mt.gov>; Ward 3A <ward3a@laurel.mt.gov>; Ward 3B <ward3b@laurel.mt.gov>; Ward 4A <ward4a@laurel.mt.gov>; Ward 4B <ward4b@laurel.mt.gov>
Subject: Proposed Forensic Mental Health Facility

Mayor Waggoner and City Council Members,

Senator Ricci and I wish to inform you that we do not support the location of the Forensic Mental Health facility in or near Laurel.

Some of the reasons for this lack of support is the unresolved safety issue, the lack of communication by the State with the City of Laurel, and the fact that opponents-our constituents-will not support a facility of this type in or near Laurel.

Senator Ricci and I have communicated our lack of support to the Director of the Board of Investments and he has assured us that he will pass along our sentiments to other State officials who need to hear it.

Thank you.

Emails to and from legislators involving legislative business may be subject to public disclosure under the Right to Know provision of the Montana Constitution and Title 2, Chapter 6, part 10, MCA. This may include the sender, recipient, content, and attachments.

Brittney Harakal

From: Ward 4B
Sent: Wednesday, February 18, 2026 2:38 PM
To: Brittney Harakal; Civil Attorney
Subject: Fw: Recommendation for Letters being read...

From: The Front Porch <thefrontporchmt@gmail.com>
Sent: Wednesday, February 18, 2026 2:26 PM
To: Ward 1A <ward1a@laurel.mt.gov>; Ward 1B <ward1b@laurel.mt.gov>; Ward 2A <ward2a@laurel.mt.gov>; Ward 2B <ward2b@laurel.mt.gov>; Ward 3A <ward3a@laurel.mt.gov>; Ward 3B <ward3b@laurel.mt.gov>; Ward 4A <ward4a@laurel.mt.gov>; Ward 4B <ward4b@laurel.mt.gov>; Civil Attorney <civilattorney@laurel.mt.gov>
Subject: Recommendation for Letters being read...

Hello City Council & Michele Braukmann

I want to first THANK YOU all for your service and taking the time to read through and listen to all the community concerns.

I am not sure of the protocol for reading all the letters that were sent in for ex parte... to save the time for both you the CC and the community, can I make a recommendation to have those emails read before council meetings. That is, if they need to actually be read into record.

If there is another way to put them into record without reading each one, I would recommend that.

I just see this concern being a long road ahead and I hate to see these meetings going late into the night. Of course, I want all voices to be heard but if there a way to do the above, to save on time each Tuesday night I would appreciate that consideration.

Thank you so much for your time and taking this into consideration

--

The Front Porch ☺
Cheryl Hill
406.696.7678
thefrontporch.info

File Attachments for Item:

2. Public Comments Received

Brittney Harakal

From: Ward 4A
Sent: Wednesday, April 22, 2026 6:40 AM
To: Brittney Harakal
Subject: FW: The rest of my public comment on LUPA

From: Elizabeth Gilg <elizabeth@laurelcared.com>
Sent: Tuesday, April 21, 2026 7:57 PM
To: Civil Attorney <civilattorney@laurel.mt.gov>; City Mayor <citymayor@laurel.mt.gov>; Kurt Markegard <kmarkegard@laurel.mt.gov>; Ward 4B <ward4b@laurel.mt.gov>; Ward 1B <ward1b@laurel.mt.gov>; Ward 1A <ward1a@laurel.mt.gov>; Ward 2A <ward2a@laurel.mt.gov>; Ward 2B <ward2b@laurel.mt.gov>; Ward 3A <ward3a@laurel.mt.gov>; Ward 4A <ward4a@laurel.mt.gov>; Ward 3B <ward3b@laurel.mt.gov>
Subject: The rest of my public comment on LUPA

Not doing your job while you wait to see what the outcome is - is gambling
Laurel deserves better than a city planner that gambles with our future

This was Kurt's job - he didn't do it. What are the repercussions FOR HIM? Why do we keep paying for his failures?

We will pay now, considerably more than we would have three years ago to conduct these studies.

Kurt failed to mention that some funds were released to communities without needing to apply. Laurel received some. How much? When? Where is it now?

We will be fined 500 dollars per day for non compliance. How much will that be?

Why are we paying a planner who takes his salary and then spends even more of Laurel's money to defer his responsibilities.

Do the digging yourself - how many times has Kurt contracted out his duties just before a deadline?

He draws a portion of his salary from LURA, yet he attends a fraction of the meetings and now we pay Forrest to do that part of his job too?

Do we believe for a minute that Kurt will submit for reimbursements in time? I honestly would hope that Kurt isn't the one in charge of doing so when the time comes.

Why is he still employed?

How does this city intend to recoup what Kurt has cost us?

Talking about disrespect - Reading aloud emails instead of supplying them to be included in the packet is a waste of everyone's time.

Why not just include/provide records of all correspondence, proactively? Nobody believes a word that comes out of Kurt's mouth and we're sick of listening to him make excuses. Kurt. Dave.
You deserve less than zero respect.

You will continue to receive as much from me.

Looking forward to reading emails from the FOIA drop for my non-agenda public comment Every. Single. Tuesday. Looking forward to a Laurel with competent leadership.
- Elizabeth Gilg



Brittney Harakal

From: Ward 4A
Sent: Wednesday, April 22, 2026 6:40 AM
To: Brittney Harakal
Subject: FW: ICYMI BOI will move to approve construction contract for the prison TODAY
Attachments: ConstructionContract.pdf

From: Elizabeth Gilg <elizabeth@laurelcared.com>
Sent: Wednesday, April 22, 2026 5:09 AM
To: board@laurelcared.com; Civil Attorney <civilattorney@laurel.mt.gov>; Ward 1B <ward1b@laurel.mt.gov>; Ward 4B <ward4b@laurel.mt.gov>; Ward 4A <ward4a@laurel.mt.gov>; Ward 1A <ward1a@laurel.mt.gov>; Ward 2A <ward2a@laurel.mt.gov>; Ward 2B <ward2b@laurel.mt.gov>; Ward 3A <ward3a@laurel.mt.gov>; Ward 3B <ward3b@laurel.mt.gov>; Jennifer Lorenz <montanahomesolutions@gmail.com>; Kurt Markegard <kmarkegard@laurel.mt.gov>; Brittney Harakal <bharakal@laurel.mt.gov>
Cc: matthew_torix@laurel.k12.mt.us; Matt <gilgm12@gmail.com>; monnarae@cbthebrokers.com; laurakirschenmann@gmail.com; Ricci, Vince <Vince.Ricci@legmt.gov>; Deming, Lee <lee.deming@legmt.gov>
Subject: ICYMI BOI will move to approve construction contract for the prison TODAY

TODAY

The Board of Investments is reviewing and voting on the approval of this construction contract for the psychiatric prison - - on land they do not own - - during a board meeting that will be in session the same time as the MEPA Public Hearing.. You know, that silly thing that they were required to do before site selection - and that they are required to weigh prior to making further concrete decisions.

Interesting.

Hey Kurt, if Dan is truly blackmailing you, send me the proof and I'll mention it to the Board during comment - and to Cort and the rest of the panel at the hearing.

Wednesdays have always been a great day to have a spine. I mean - I choose every day, but if you're a one day a week, or one day a quinquennium kid of guy, today wouldn't be a bad choice.

Wishing you all a meaningful day!!

- Elizabeth



Behavioral Health Facility Investment
Project Manager Contract
Contract BOI SH-DM-1-2026

THIS AGREEMENT is made and entered into as though it began January 1st, 2026, by and between D&M Development, LLC, "Independent Contractor", and the Montana Board of Investments, "BOI". In the collective, Independent Contractor and BOI are referred to as the "Parties." It replaces all parts of "Preliminary and other Architecture/Engineering for the Investment Project for Leasable Building - Manager Contract - BOI STATE HOSPITAL Phase I-2025" other than the already completed and paid for phase one portion.

BOI has optioned land in Laurel known to both parties as ("Subject Property").

Independent Contractor has agreed to design, manage, construct, sell, and supervise this investment by the management of the construction on the Subject Property under the terms of this contract and the current version of the building management contract as amended.

Section 1. Appointment of Independent Contractor

The BOI appoints and retains the Independent Contractor as its sole and exclusive manager and supervisor for oversight of the investment and construction of a behavioral health hospital to be built on the Subject Property, upon the conditions, for the term, and at the compensation set forth in this contract.

Section 2. Term of Contract

The term of this Project Management Agreement shall be for a period running from January 1, 2026, through December 31, 2029, unless terminated prior to by the mutual written agreement of the parties. At BOI's sole discretion, this agreement may be renewed for an additional one (1) year period. Notice of termination must be in writing at least 30 days prior to the end of the most current period.

Section 3. Acceptance of Responsibilities and Duties of an Independent Contractor

Independent Contractor hereby accepts project management and supervision of construction on the Subject Property and agrees to perform the following :

- a. Ensure that the General Contractor ("GC") and, through them, all subcontractors and suppliers comply with all necessary federal, state, and local laws for securing all governmental permits, authorizations, approvals, inspections, construction of, and certifications for the Subject Property.
- b. Oversee the purchase of supplies to ensure those purchases comply with Exhibit A (Plans) and Exhibit B (Budget).
- c. To the extent that Independent Contractor and the GC enter a contract(s) (General

Contract), it will not override or modify this contract, but copies of such will be provided to BOI.

- d. Ensure that the GC is following all laws related to the GC's management of employees and subcontractors, as agreed to in the GC Contract.
- e. At the time of acceptance of the completion of a unit or pad, as defined in the GC Contract, work with the GC to ensure the completion of the portion of the build, including any inspections and completions of punch lists. This includes all reasonable insurances required to protect the investment property during construction.
- f. Communicate regularly with the BOI representative regarding construction progress, issues, discussions with the GC, and completions.
- g. If the Independent Contractor has employees, fully comply with all applicable laws and regulations having to do with Workers' Compensation, Social Security, Unemployment Insurance, hours of labor, prevailing wages, working conditions, and other employer-employee related subjects.
- h. This agreement is not one of agency by the Independent Contractor for BOI, but one with the Independent Contractor engaged independently in the business of managing projects on his own behalf as an independent contractor.
- i. Independent Contractor shall, at its own expense, install and maintain for the benefit of the BOI, proper and suitable records and books of account in which Independent Contractor shall properly record documents connected with the project management of the Subject Property. All records shall always be open to the inspection and audit of any officer or duly accredited and authorized representative of BOI, during reasonable business hours. Upon termination of this Agreement, all such records shall be delivered to BOI by the Independent Contractor.
- j. Independent Contractor acknowledges that they will negotiate and implement the GC Contract for the Subject Property to ensure compliance with the project management of the construction for the Subject Property.
- k. Once structures become available for occupancy, the Independent Contractor will notify the BOI so that proper insurance can be placed on the structure by the BOI prior to the construction insurance lapsing.
- l. This project will have substantial completion, not to include commissioning or regulatory approval, 26 months after foundations are in place, which is currently scheduled for April 1, 2027. For each month or part of a month after the allotted 26 months that it is not at substantial completion, BOI will reduce the total amount paid to the Independent Contractor by \$124,051.20 per month.
- m. The finished project must be consistent with the Exhibit A Plans, including conformity with all approved specifications, applicable building codes, permit requirements, and manufacturer installation instructions. Independent Contractor owes a fiduciary duty to the BOI when supervising this project to ensure the quality of the workmanship of the General Contractor.

Section 4. Compensation

Compensation will be paid to the Independent Contractor who will be responsible for all payments to other parties for this project, including the GC.

This includes payments to Cushing Terrell for all remaining engineering, architecture, support documents, geo, and other services, up to \$4,028,940. These services include, but are not limited to, those under the original contracts phase II, III, and IV, summarized as:

- a. Phase II: initially builds designs, engineering, and approvals to meet the requirements and drawings provided by DPHHS, including estimating the cost of the finished project, so that it is ready to be put out for bid.
- b. Phase III: any additional design, engineering, and approvals needed after the exact site of the proposed building is known that will impact building and landscaping on the site, and that are required before construction begins.
- c. Phase IV: other architecture and engineering work needed to have the building ready for tenants to move in.

No Management Fees will be charged on this amount. Independent Contractor will forward the bills for this portion of the contract to BOI. They will be paid by BOI to the Independent Contractor 30 days after we receive the invoice.

The remainder is for construction and the management fee. The Construction cost may not exceed \$42,565,260. The Management fee is based on 4% of the Construction Cost and is a flat fee of \$1,702,610.40. Prior to the start of construction, the Independent Contractor has the right to terminate the contract and will not be entitled to any management fee.

Quarterly payments starting on December 31, 2026, as follows:

December 31, 2026	\$ 4,426,787.04
March 31, 2027	\$ 4,426,787.04
June 30, 2027	\$ 4,426,787.04
September 30, 2027	\$ 4,426,787.04
December 31, 2027	\$ 4,426,787.04
March 31, 2028	\$ 4,426,787.04
June 30, 2028	\$ 4,426,787.04
September 30, 2028	\$ 4,426,787.04
December 31, 2028	\$ 4,426,787.04
March 31, 2029	\$ 4,426,787.04
Total for Construction and Management	\$44,267,870.40
Passthrough Payments to Cushing Terrell	\$ 4,028,940.00

Under no circumstances will the BOI under this contract owe more than the \$48,296,810.40 minus any late charges.

Section 5. Insurance

Independent Contractor will be responsible for making sure all commercially reasonable insurances are maintained on the property during construction and until such time as the BOI

has proper notice to place insurance on units that are available for occupancy.

Section 6. Indemnification

Independent Contractor agrees to indemnify the BOI, its officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, and causes of action, including the cost of defense, arising in favor of the Independent Contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of negligent maintenance, or acts/omissions of the Independent Contractor and/or its agents, employees, subcontractors, or its representatives under this agreement.

Section 7. Contractor Insurance

The Independent Contractor shall maintain for the duration of the Contract, at its cost, insurance coverage against claims for injuries to persons or damages to property, including contractual liability which may arise from work performed by the Independent Contractor, his agents, representatives, employees, or assigns under the contract.

The Independent Contractor's insurance coverage shall be primary coverage with respect to the BOI. Any insurance maintained by the BOI shall be in excess of the Independent Contractor's insurance and shall not contribute with it. The Independent Contractor's insurance shall cover such claims as may be caused by any act, omission, or negligence of the Independent Contractor or its officers, agents, representatives, assigns, or servants.

Independent Contractor shall maintain Workers' compensation insurance as required by the State of Montana. The Independent Contractor will always comply with applicable worker's compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable. All certificates, indicating compliance with the required coverage, must be filed with the BOI within ten (10) working days after execution of this Agreement. The certificates and/or endorsements shall evidence that coverage is provided for the duration of the Contract.

Section 8. Termination

Notwithstanding other provisions of the Project Management Agreement, the Agreements herein contained shall be terminated, and the obligations of the parties hereto shall thereupon cease, except as to any obligations or liabilities arising or occurring prior to termination, and an accounting to be made by Independent Contractor to BOI upon the occurrence of any of the following circumstances or events:

- a. Destruction or condemnation of the Subject Property.
- b. Upon the agreement of BOI and Independent Contractor expressed in writing
- c. For cause after thirty (30) days' notice and failure of Independent Contractor to cure a default within 30-day period or to diligently commence to cure such default if it reasonably shall take longer than 30-days to cure such default; or
- d. Notice to not proceed is provided by BOI prior to July 17, 2026.

Section 9. Limitation of Liability

BOI's liability shall be limited to its interest in the Subject Property and shall not exceed the compensation agreed to in Section 4.

Section 10. Consents and Approvals

In any instance under this Project Management Agreement in which the consent or approval of BOI to any proposed action is required, Independent Contractor must secure BOI's consent or approval.

Section 11. Waiver of Subrogation

BOI and Independent Contractor hereby waive their respective rights of recovery against each other for any loss insured or insurable against under fire, extended coverage, or all risk insurance policies, and shall cause their respective insurers to waive their rights of subrogation.

Section 12. Notices

Notices to Designate Persons hereunder shall be valid if mailed by registered or certified mail, postage prepaid, or by overnight express mail, addressed as follows:

If to BOI:

Peg MacEwen
Montana Board of Investments
2401 Colonial Drive, 3rd Floor
Helena, MT 59601

If to Independent Contractor:

Mark Esponda
D&M Development, LLC 3424 E
U.S. Highway 12
Helena, MT 59601

or to such other address, with respect to either party, as such party shall notify the other party hereto in writing, as above provided.

Section 13. Assignment

Independent Contractor shall be prohibited from assigning its interest in this Project Management Agreement without the written consent of BOI. BOI may assign its interest in this Project Management Agreement to any purchaser of the building(s) or real estate.

Section 14. Venue

In the event of litigation concerning this contract, venue shall be the First Judicial District in the County of Lewis and Clark, Montana, and the Contract shall be interpreted according to the laws of the State of Montana.

Section 15. Entire Agreement and Modification

This contract, consisting of this document, constitutes the entire agreement between the parties and may be modified only by a written document signed by both parties. Exhibits A and B are illustrative and are not part of the agreement between the parties. If new versions that more reflect the project are updated, they should be numbered sequentially (A.1, A 2, A 3...). For them to have any material effect on the contract, a separate signed agreement by both parties specifying the exact change(s) is required.

Section 16. Signatures

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

Independent Contractor: D&M, LLC

By: _____
Mark Esponda, Vice President

Date: _____

BOI: MONTANA BOARD OF INVESTMENTS

By: _____
DAN VILLA, Executive Director

Date: _____

Approved as to Legal Content:

By: _____
Cort Jensen, Chief Legal Counsel

Date: _____

Exhibit B

	Expense
Building	\$ 42,565,260.00
Construction/Site Prep	
DM	\$ 1,702,610.40
CT	\$ 4,028,940.00
TOTAL	\$ 48,296,810.40

DRAFT

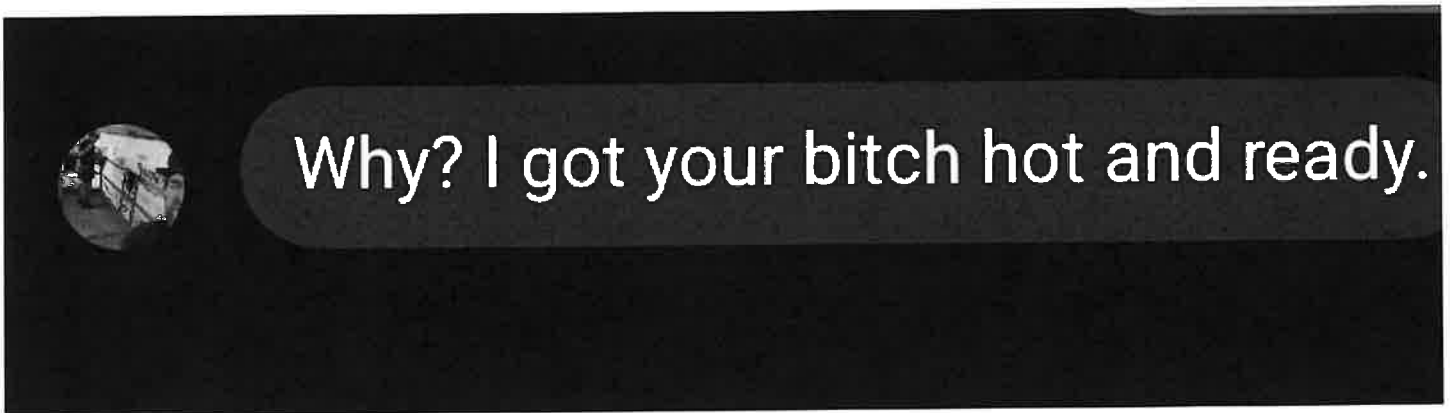
Brittney Harakal

From: Ward 4A
Sent: Wednesday, April 22, 2026 6:40 AM
To: Brittney Harakal
Subject: FW: Respect?

From: Matt <gilgm12@gmail.com>
Sent: Tuesday, April 21, 2026 7:31 PM
To: Ward 1A <ward1a@laurel.mt.gov>; Ward 1B <ward1b@laurel.mt.gov>; Ward 2A <ward2a@laurel.mt.gov>; Ward 2B <ward2b@laurel.mt.gov>; Ward 3A <ward3a@laurel.mt.gov>; Ward 3B <ward3b@laurel.mt.gov>; Ward 4A <ward4a@laurel.mt.gov>; Ward 4B <ward4b@laurel.mt.gov>; City Mayor <citymayor@laurel.mt.gov>; City Clerk <cityclerk@laurel.mt.gov>; Civil Attorney <civilattorney@laurel.mt.gov>
Subject: Respect?

I noticed that the mayor decided to deem my wife "disrespectful".

I received this from the mayor's son Ben about my wife:



Thought I'd share.

Unrelated -

Morrison-mairle and STC should be a hell no for you and I cannot understand how any of the council would choose a firm with so much disregard for public trust.

--

Matt Gilg

mattgilg.dev

Cell: 860.771.3511

File Attachments for Item:

5. Budget/Finance Committee Minutes of April 14, 2026.

**Minutes of City of Laurel
Budget/Finance Committee
Tuesday, April 14, 2026**

Members' Present: Jessica Banks, Tom Canape, Richard Klose, Casey Wheeler

Others Present: Kelly Strecker, Kelly Gauslow, Amy Mullaney, JW Hopper, Matt Wheeler

The meeting was called to order by the Committee Chair at 5:30 pm.

Public Input: There was no public comment.

General Items –

1. Review and approve March 24, 2026, Budget and Finance Committee meeting minutes. Jessica Banks moved to approve the minutes of March 24, 2026. Tom Canape seconded the motion. With no objection, the minutes of March 24, 2026, were approved. There was no public comment or committee discussion.
2. Review and approve purchase requisitions. JW Hopper presented a purchase requisition for Fired Up Rescue. He is asking to upgrade extraction gear. With this upgrade Gen2 Storm Tools from M28v to M18v Milwaukee. These upgrades will also include batteries. JW stated that all necessary upgrades or repairs will be completed as well. The total cost for the upgrades and shipping for Fired Up Rescue is \$9520.00. Tom Canape moved to approve the purchase requisition for upgrades and batteries to rebuild the extrication gear. Jessica Banks seconded the motion. With no objection, the purchase requisition was approved. Matt Wheeler presented a purchase requisition for Star Service. He stated that this project is for the removal and replacement of a 6-inch steel pipe for Digester B. The steel pipe that needs replacement is approximately 43 years old and is corroded due to anaerobic sludge and corrosive gas from the digesters. Matt stated that some areas of the pipe are corroded though and is crumbling. This service quote includes labor and dismantle of steel pipe, construction of new pipe and building scaffolding on site due to location of this pipe. This quote also includes cost of materials, excluding the cost of new valves that are needed. The total cost of this project is \$20,507.22 Tom Canape moved to approve the purchase requisition for Star Service to remove and replace the 6-inch steel pipe for Digester B. Jessica Banks seconded the motion. With no objection, the purchase requisition was approved. Matt Wheeler also presented a purchase requisition to repair and replace the damaged ceiling at the Jaycee Hall, that is now leased by the Lions Club. The city split the cost with the Lions Club. The total cost of this project is \$20,000 with the city contributing \$10,000.00 Tom Canape moved to approve the purchase requisition to repair and replace the damaged ceiling at Jaycee Hall. Jessica Banks seconded the motion. With no objection the purchase requisition was approved.
3. Review and recommend approval to Council; claims entered through April 10, 2026. Jessica Banks moved to approve the claims and check register for claims entered through April 10, 2026. Casey Wheeler seconded the motion. With no objection, the claims and check register of April 10, 2026, were approved. There was no public comment.
4. Review and approve Payroll Register for the pay period ending March 29, 2026, totaling \$294,818.45. Jessica Banks motioned to approve the payroll register for the pay period ending March 29, 2026, totaling \$294,818.45. Casey Wheeler seconded the motion. With no objection, the payroll register was approved. There was no public comment.
5. Review and approve March 2026 Utility Billing Adjustments. Jessica Banks moved to approve March 2026 Utility Billing Adjustments. Tom Canape seconded the motion. With no objection, the March Utility Billing Adjustments were approved. There was no public comment.

6. Review and approve March 2025 Monthly Financial Statement. Jessica Banks moved to approve March 2025 Monthly Financial Statement. Tom Canape seconded the motion. With no objection, the March Monthly Financial Statement was approved. There was no public comment.

New Business -None

Old Business – None

Other Items –

1. Review Comp/OT reports for the pay period ending March 29, 2026.
2. Mayor Update – The mayor was not present at the meeting.
3. Clerk/Treasurer Financial Update-Kelly stated that third quarter quarterly reports have been completed. Transit third quarter reports have been completed. Kelly said that Union 316 negotiated March 31st through April 1, 2026, but did not finish. They are scheduled to meet again on April 21, 2026. She said that the city went to bid for a new garbage truck and that a fiscal analysis was done for the garbage fund prior to doing so. Kelly stated that the fiscal year 24/25 audit was completed and she is just waiting for the final draft. The budget paperwork will be going out to department heads, hopefully by the end of this week or by next week to begin working on their FY 26/27 budgets.

Announcements –

1. The next Budget and Finance Committee meeting will be held on April 28, 2026, at 5:30 pm.
2. Casey Wheeler is scheduled to review the claims for the next meeting.

Meeting Adjourned at 5:53 p.m.

Respectfully submitted,



Kelly Strecker

NOTE: This meeting is open to the public. This meeting is for information and discussion of the Council for the listed workshop agenda items.

File Attachments for Item:

6. Appointment of Bill Brew as the Police Captain for the Laurel Police Department.



LAUREL POLICE DEPARTMENT

215 West 1st Street, Laurel, MT 59044 Phone: 406-628-8737

Email: laurelpd@laurel.mt.gov

Chief of Police Jarred Anglin

March 30, 2026

Mayor Dave Waggoner

Re: Promotion of Bill Brew to Captain

Dear Sir,

I am writing to formally request your approval to appoint Detective Bill Brew to the position of Captain/Assistant Chief for the Laurel Police Department.

Detective Brew has been serving as Acting Captain for the past six months and has consistently demonstrated strong leadership, sound judgment, and a deep commitment to both the department and the community we serve. During this time, he has taken on increased responsibilities seamlessly, providing steady guidance to our personnel while effectively managing both administrative and operational functions.

Detective Brew has been with the Laurel Police Department for 19 years and will reach his 20-year anniversary this coming June. Over the course of his career, he has developed extensive institutional knowledge and a proven track record of service. He has also served as a Task Force Officer with the Drug Enforcement Administration (DEA) for several years, bringing valuable experience, strengthening interagency relationships, and enhancing our department's capabilities.

It is with the highest regard that I recommend Detective Brew be appointed to the position of Captain of the Laurel Police Department.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jarred Anglin", is written over a light blue horizontal line.

Jarred Anglin
Chief of Police
Laurel Police Department

File Attachments for Item:

7. Resolution No. R26-12: A Resolution Of The City Council Of The City Of Laurel, Montana Authorizing Correspondence To The Federal Energy Regulatory Commission.

RESOLUTION NO. R26-12

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAUREL,
MONTANA AUTHORIZING CORRESPONDENCE TO THE FEDERAL ENERGY
REGULATORY COMMISSION.**

BE IT RESOLVED by the City Council of the City of Laurel, Montana,

Section 1: Intent. The City of Laurel has determined that it is appropriate to communicate with the Federal Energy Regulatory Commission (“FERC”) regarding NorthWestern Energy’s move to change the 370 MW of generation received, at no cost, from Puget Sound and Energy from rate based to market based (“Cost Based Tariff”), upon the request of Montana Public Service Commissioner Brad Molnar. The City’s proposed communication to FERC is attached hereto and incorporated by reference herein (“FERC Correspondence”).

Section 2: Approval. The FERC Correspondence, a copy attached hereto and incorporated herein, is hereby approved.

Section 3: Execution. The Mayor, CAO, and City Council are hereby given authority to send the FERC Correspondence.

Introduced at a regular meeting of the City Council on the 28th day of April, 2026, by Council Member _____.

PASSED and APPROVED by the City Council of the City of Laurel the 28th day of April, 2026.

APPROVED by the Mayor the 28th day of April, 2026.

CITY OF LAUREL

Dave Waggoner, Mayor

ATTEST:

Kelly Strecker, Clerk-Treasurer

APPROVED AS TO FORM:

Michele L. Braukmann, Civil City Attorney

CITY HALL
115 W. 1ST ST.
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City Of Laurel

P.O. Box 10
Laurel, Montana 59044



April 28, 2026

The Honorable Laura V. Swett, Chairman

Docket ER26-129-002

Federal Energy Regulatory Commission
888 First St NE
Washington, DC 20426

Dear Chairman Swett and Commissioners, Rosner, See, Chang and LaCerte,

The Laurel City Council represents a unique population, all of which are NorthWestern Energy customers. There are many of the City of Laurel residents that work at the BNSF railroad railyards and the CHS Refinery (the largest refinery in Montana).

For such a small community we consume a large amount of energy and produce a large amount of energy. Most of our residents work regular jobs and many are retired. Many of our businesses are small and struggling.

Our population growth is often people moving here to avoid the costs of living or retiring in bigger cities. Our energy consumption will continue to increase along with the rest of Montana. This with a backdrop of an ill-liquid energy market and stretched capacity of rate-based energy and transmission upgrades. Because of this we are experiencing double-digit rate increases every few years.

With great concern we learned of NorthWestern Energy's move to change the 370 MW of generation received, at no cost, from Puget Sound and Energy from rate based to market based (Cost Based Tariff). Removing this resource from the control of the Montana Public Service Commission, and in service to all of NWE customers, to benefit just a few new customers, is counter intuitive. Especially since, as our "default supplier," NWE's only obligation is to serve their captive customers.

Commissioners, except for a few moderate days in late spring and early fall we are often energy deficit and must go to the market to balance our energy consumption and generation. Rate basing the 370MW mentioned would not only take us out of an illiquid energy market, thus providing relief to a stressed grid, but also provide a capacity for economic growth to all; not just a few or

one data center. Yes, even the “new large load” customers would benefit from rate basing this resource as indicated in NWE’s recent Large Load Tariff filing with the Montana Public Service Commission. If the Montana Public Service Commission approves NWE’s new Large Load Tariff legacy ratepayers could be paying for \$2.1B in new generation used only by data centers. Of course, the attending rate decreases if the afore mentioned 370 MW are rate based, would help all as property taxes would drop after a recent history of massive market value increases have driven property taxes beyond the capacity of many on fixed incomes to pay.

Thank you for your consideration of this vital issue. We ask that you reconsider not only your determination that NWE can avoid scrutiny by upholding their determination that the capacity to generate 370MW in an energy deficit circumstance is of \$0 value. We also ask you to recognize that the generation being used is for the greatest good when it serves all equally.

Sincerely,

Dave Waggoner, Mayor

City Council President/ Ward 1B

City Council Vice-President/ Ward 4B

City Council Ward 1A

City Council Ward 2A

City Council Ward 3A

City Council Ward 4A

City Council Ward 2B

City Council Ward 3B

194 FERC ¶ 61,153
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Laura V. Swett, Chairman;
David Rosner, Lindsay S. See,
Judy W. Chang, and David LaCerte.

NorthWestern Colstrip 370Pu LLC

Docket No. ER26-129-001

ORDER ACCEPTING TARIFF REVISIONS

(Issued February 27, 2026)

1. On October 14, 2025, as amended on January 7, 2026, NorthWestern Colstrip 370Pu LLC (NorthWestern Colstrip) filed, pursuant to section 205 of the Federal Power Act (FPA)¹ and Part 35 of the Commission's regulations,² a Cost-Based Rate Tariff (CBR Tariff) for the purpose of making short-term sales of electricity produced by its share of Units 3 and 4 of the Colstrip Generating Station in Eastern Montana. In this order, we accept the CBR Tariff, effective January 1, 2026, as requested.³

I. Background

2. NorthWestern Colstrip is a Montana limited liability company that was created to hold a single coal-fired generation asset located in Colstrip, Montana, and is a subsidiary of NorthWestern Energy Group, Inc. (NorthWestern Group). NorthWestern Group is a publicly traded, diversified energy holding company that engages in the generation, transmission, and distribution of electricity and the supply and distribution of natural gas through its public utilities and operating company subsidiaries NorthWestern Corporation (NorthWestern) and NorthWestern Energy Public Service Company. NorthWestern Group's subsidiaries provide electric and natural gas services to customers in Montana, South Dakota, and Nebraska.⁴

3. NorthWestern Colstrip states that, on July 30, 2024, NorthWestern reached agreement with Puget Sound Energy, Inc. (PSE) to acquire PSE's ownership stake in

¹ 16 U.S.C. § 824d.

² 18 C.F.R. pt. 35.

³ See Appendix for tariff records accepted in this order.

⁴ Filing at 2.

Units 3 and 4 of the Colstrip Generating Station (Colstrip Station), a total of 370 MW, effective January 1, 2026. NorthWestern Colstrip further states that once PSE's ownership stake is acquired, NorthWestern will acquire the remaining ownership stake in Units 3 and 4 of the Colstrip Station and assign such to NorthWestern Colstrip.⁵

4. NorthWestern Colstrip states that it intends to make cost-based sales from its ownership stake in Units 3 and 4 of the Colstrip Station into NorthWestern's balancing authority area and first-tier markets to that balancing authority area.⁶ NorthWestern Colstrip asserts that it is actively negotiating various deals based on the cost-based rates proposed in the instant filing, but that it is unclear whether potential sales will be short-term or long-term until those deals are finalized. NorthWestern Colstrip states that it is submitting the instant filing to ensure that it has the requisite authority to make any short-term sales and commits to filing any long-term sale agreements with the Commission.⁷

II. Filing

5. NorthWestern Colstrip submitted its proposed CBR Tariff for the purpose of making short-term sales of electricity produced by its ownership stake in the Colstrip Station. Specifically, NorthWestern Colstrip's proposed CBR Tariff includes the terms and conditions governing the availability of service, sales of electric capacity and/or energy, expansion of facilities, service agreements and rates.⁸ NorthWestern Colstrip states that it relies on a Commission-approved cost-based rate methodology and that the Commission has found that sellers have the flexibility to use in designing ceiling rates under cost-based rate tariffs.⁹

6. As it relates to the proposed terms and conditions for rates, NorthWestern Colstrip proposes that the prices paid by the buyer for the production of electric energy from Units 3 and/or 4 of the Colstrip Station shall be agreed upon and not exceed the sum of a demand charge equal to: (i) \$11,920/MW-month; (ii) \$2,750/MW-week;

⁵ *Id.*

⁶ *Id.* at 2-3.

⁷ *Id.* at 3 (citing *Market-Based Rates for Wholesale Sales of Elec. Energy, Capacity & Ancillary Servs. by Pub. Utils.*, Order No. 697, 119 FERC ¶ 61,295, at P 659 (2007)).

⁸ See NorthWestern Colstrip, Filing, attach. A.

⁹ Filing at 3 (citing *Ill. Power Co.*, 57 FERC ¶ 61,213, at 61,699 (1991); *Consumers Energy Co.*, 80 FERC ¶ 61,283, at 62,009 (1997)).

(iii) \$390/MW-day; or (iv) \$16.30/MWh;¹⁰ and the system incremental cost and the out-of-pocket cost of transmission and ancillary services purchased by NorthWestern Colstrip.¹¹ In addition, NorthWestern Colstrip proposes that it will determine the amounts of and times that electric energy and/or capacity is to be made available prior to entering into any transactions, that all services agreements will be governed by the non-rate terms and conditions of the Western Systems Power Pool agreement, that it has no obligation to plan its system or modify its facilities, and that all transactions will be governed by an executed service agreement between the buyer of electric energy and NorthWestern Colstrip.¹²

7. NorthWestern Colstrip states that its demand charge component portion of its proposed CBR Tariff relies on the Commission's "Units to Most Likely Participate" stacking methodology. NorthWestern Colstrip explains that it has relied upon actual operations costs from NorthWestern Colstrip's 2024 FERC Form No. 1 (Form 1) to develop its proposed CBR Tariff.¹³ NorthWestern Colstrip further explains that under this methodology, the demand charge component is based on the weighted cost of the Colstrip Station, or NorthWestern Colstrip's to-be ownership stake that has no load service obligations, that is deemed most likely to participate in sales transactions. NorthWestern Colstrip states that the total annual cost in \$/kW of its ownership stake in the Colstrip Station is calculated by deriving a fixed charge rate that is applied to the installed costs per kW and adding the fixed operations and maintenance expenses per kW.¹⁴ NorthWestern Colstrip explains that the available capacity for its ownership stake

¹⁰ NorthWestern Colstrip, Filing, attach. A § V.1(a)(i)-(iv). For the MW-day and MWh demand charges, neither amount should exceed the daily/hour rate times the highest amount in MW of purchased electric energy in any day/hour during such week/day.

¹¹ *Id.* § V.1(b)-(c). The system incremental cost is the costs NorthWestern Colstrip incurs related to forecasted incremental generation, power purchase, and other related costs that NorthWestern Colstrip would not otherwise incur if the buyer had not purchased electric energy to be produced from NorthWestern Colstrip's Units 3 and/or 4 of the Colstrip Station. System incremental costs can include, but are not limited to, costs associated with fuel, labor, variable operation and maintenance, start-up, shutdown, fuel handling, regulation commission charges, emission allowance and environmental compliance costs, transmission losses, wheeling charges, applicable taxes based on revenues, and energy NorthWestern Colstrip purchases from a third party.

¹² *Id.* § III, IV.

¹³ Filing at 4.

¹⁴ *Id.* at 5.

in the Colstrip Station was determined by subtracting the capacity factor from the availability factor and multiplying the product by nameplate capacity.¹⁵

8. NorthWestern Colstrip states that, for its stacking methodology, demand-related expenses for NorthWestern Colstrip's ownership stake in the Colstrip Station are calculated per kW using the grossed-up 2024 Form 1 data. NorthWestern Colstrip explains that its fixed charge rate is 13.15%, which is applicable to the gross book value of its ownership stake in the Colstrip Station and includes depreciation, income taxes, return, deferred income taxes, and working capital, with general plant operations and maintenance expenses excluded from this rate. NorthWestern Colstrip explains that it calculated the maximum demand charge by weighing the annual costs of its ownership stake in the Colstrip Station based on available capacity compared to total available capacity of the entire Colstrip Station. As for NorthWestern Colstrip's weighted annual cost, or \$139,060 per MW before losses, such was derived by calculating total annual costs per kW, expected participation, and equivalent availability factor, while factoring in a 2.8% adder for losses. NorthWestern Colstrip asserts that it does not intend to differentiate its cost-based rates for service taken during peak or off-peak periods.¹⁶

III. Notice of Filing and Responsive Pleadings

9. Notice of NorthWestern Colstrip's filing was issued on October 14, 2025, with interventions and protests due on or before November 4, 2025. On November 4, 2025, Montana Environmental Information Center (MEIC) filed a timely motion to intervene and protest. On November 18, 2025, NorthWestern Colstrip filed a motion for leave to answer and answer. On November 25, 2025, MEIC filed a motion for leave to answer and answer. On December 3, 2025, Montana Public Service Commission (Montana PSC) filed an out-of-time motion to intervene and comment. On December 15, 2025, Montana PSC withdrew its comments and protest.

10. On December 23, 2025, a letter was issued informing NorthWestern Colstrip that its filing was deficient and requested additional information (Deficiency Letter). On January 7, 2026, NorthWestern Colstrip filed a response to the Deficiency Letter (Deficiency Response). Notice of the Deficiency Response was published in the *Federal Register*, 91 Fed. Reg. 1310 (Jan. 13, 2026), with interventions and protests due on or before January 28, 2026. BHE U.S. Transmission, LLC filed a timely motion to intervene. PSE, the Montana Chamber of Commerce (MCOC), MEIC, the Montana Department of Justice (Montana DOJ), and Mr. Jim Brown, filed timely comments. On January 29, 2026, Montana State Governor, Greg Gianforte (Governor Gianforte), and on February 2, 2026, U.S. Senators, Steve Daines and Tim Sheehy, and U.S. Congressmen,

¹⁵ *Id.*

¹⁶ *Id.* at 5-6.

Troy Downing and Ryan Zinke (together, U.S. Congress Members), filed out-of-time comments. On February 25, 2026, Montana Public Service Commissioners, Bradley Molnar and Randolph Pinocci (Independent Commissioners), filed an out-of-time motion to intervene and comments.

A. MEIC Protest

11. MEIC asserts that NorthWestern Colstrip has not satisfied the requirements of section 203 of the FPA¹⁷ for the underlying transaction leading to NorthWestern Colstrip's acquisition of 370 MW of the Colstrip Station, which involves affiliated corporate entities that are franchised public utilities with captive customers.¹⁸ As a result, MEIC argues that NorthWestern Colstrip's section 205 filing is not complete because it is predicated on a transaction requiring section 203 authorization.¹⁹

12. MEIC continues that, although the transaction price of PSE's transfer of the Colstrip Station interest is \$0, NorthWestern has made recent statements indicating that the market value of the shares may be higher than stated. Specifically, MEIC cites to a recent NorthWestern report that indicates it expects to earn nearly \$30 million per year for the next two years from sales associated with the shares and interests it will acquire from PSE.²⁰ Further, MEIC argues that the CBR Tariff filing and the structure of the demand charge and system incremental cost components suggest that NorthWestern Colstrip may still be earning significant profits from the deal.²¹

13. MEIC also argues that NorthWestern Colstrip fails to demonstrate that the CBR Tariff satisfies restrictions against prohibited cross-subsidization of a non-utility associate company. MEIC explains there is a concern that NorthWestern's retail customers will subsidize the cost of service for the NorthWestern Colstrip because of the static rate formula and transmission term.²² MEIC argues that the CBR Tariff likely underestimates the actual costs to maintain and operate Units 3 and 4 of the Colstrip

¹⁷ 16 U.S.C. § 824b.

¹⁸ MEIC Protest at 2-3.

¹⁹ *Id.*

²⁰ *Id.* at 4.

²¹ *Id.* at 4-5 (citing *NorthWestern Energy Grp., Inc.*, SEC Form 10-Q 14 (Oct. 30, 2025)) <https://www.northwesternenergy.com/docs/default-source/default-document-library/about-us/investors/financials/form-10-q-q3-2025.pdf>).

²² *Id.* at 6.

Station which, it argues, could result in retail customers paying more than the NorthWestern Colstrip's wholesale customers for Colstrip-generated power. MEIC also argues that the CBR Tariff risks cross-subsidization of the affiliate's transmission costs by NorthWestern's retail customers. MEIC explains that NorthWestern charges 100% of its transmission-related costs to the company's retail customers, and retail customers are reimbursed through a revenue credit based on the historical average revenue generated through its open access transmission tariff (OATT). MEIC contends that it is likely that a revenue credit based on historical revenues will not fully compensate the utility's retail customers.²³

B. NorthWestern Colstrip Answer

14. NorthWestern Colstrip asserts that the Commission should dismiss MEIC's protest because MEIC's intervention has not met the requirements of Rule 214 of the Commission's Rules of Practice and Procedure, which states that "[i]f an answer in opposition to a timely motion to intervene is filed not later than 15 days after the motion to intervene is filed . . . the movant becomes a party only when the motion is expressly granted."²⁴ NorthWestern Colstrip states that its answer provides such opposition and also contends that MEIC has not demonstrated sufficient interest in the proceeding or that its participation would be in the public interest.

15. NorthWestern Colstrip also maintains that it has no authority to recover any wholesale costs from retail customers in Montana. NorthWestern Colstrip asserts that it is "walled off" from NorthWestern, which services retail customers. NorthWestern Colstrip argues that because of the separation between the two entities, MEIC is not a "consumer, customer, competitor, or security holder" of NorthWestern Colstrip as described in Rule 214(b)(2)(ii). NorthWestern Colstrip also argues that MEIC is not intervening in the public interest because it is doing so without a legal basis (i.e., not having any interest that will be affected by the outcome). NorthWestern Colstrip argues that MEIC's intervention contravenes the public interest because MEIC "materially misstates the facts and law at issue in this proceeding and . . . undermines the Commission's ability to make a timely, reasoned decision."²⁵

16. NorthWestern Colstrip also argues that MEIC's protest is substantively deficient. NorthWestern Colstrip argues that MEIC improperly expands the scope of the instant

²³ MEIC Protest at 7-8.

²⁴ NorthWestern Colstrip Answer at 4 (citing 18 C.F.R. § 385.214(c)(2)) (internal quotations omitted).

²⁵ *Id.* at 5.

filing by primarily focusing on issues related to section 203 of the FPA.²⁶ According to NorthWestern Colstrip, MEIC wrongly asserts that the rebuttable presumption of the “value” of a section 203 transaction can be overcome here.²⁷ According to NorthWestern Colstrip, MEIC fails to support its assertion that the presumptive “value” of this transaction should be rebutted because the PSE share of Colstrip will produce energy products that have value. NorthWestern Colstrip maintains that the true value of the asset in question, defined as what a willing, unaffiliated buyer is willing to pay, is equal to NorthWestern Colstrip’s purchase price of \$0.²⁸

17. Further, NorthWestern Colstrip argues that MEIC’s characterization of the Commission’s section 203 precedent is incorrect. NorthWestern Colstrip argues that section 203 approval is not a prerequisite to approving agreements and that the CBR Tariff is not predicated on a market structure first being put into place.²⁹ NorthWestern Colstrip argues that MEIC is incorrect in suggesting that the transaction in question represents a transaction between affiliates that requires section 203 approval. NorthWestern Colstrip asserts that the acquisition of the PSE share of Colstrip will occur by NorthWestern Colstrip, which is allowed under the agreement that NorthWestern originally entered.³⁰

18. NorthWestern Colstrip asserts that MEIC incorrectly argues that the transfer results in cross-subsidization, and explains that, under Montana law, NorthWestern Colstrip cannot recover any costs or distribute revenues to the utility and its ratepayers.³¹ NorthWestern Colstrip explains that it will become a customer of PSE under PSE’s OATT and the transfer will be completed over the Open Access Same-Time Information System. Therefore, NorthWestern Colstrip argues, the transmission rights relevant to the transfer of the PSE share of Colstrip cannot be characterized as part of NorthWestern’s transmission system and are instead part of the NorthWestern Colstrip transmission

²⁶ *Id.* at 7.

²⁷ NorthWestern Colstrip Answer at 9 (citing MEIC Protest at 3-4). The rebuttable presumption is that the value of a section 203 transaction is equal to the transaction price. *See* 18 C.F.R. § 33.1(b)(3)(i).

²⁸ NorthWestern Colstrip Answer at 9-10.

²⁹ *Id.* at 11.

³⁰ *Id.*

³¹ *Id.* at 12-13.

system.³² Further, NorthWestern Colstrip explains that because the transmission rights between NorthWestern Colstrip and PSE are functionally and legally separate from the NorthWestern transmission system, there is no risk for prohibited cross-subsidization.³³ NorthWestern Colstrip asserts that only it will be negatively impacted by any under-recovery of costs, rather than NorthWestern's retail customers. NorthWestern Colstrip also explains that it was intentionally conservative in using 2024 FERC Form 1 data to when developing the CBR Tariff.³⁴

C. MEIC Answer

19. MEIC argues that it satisfies the requirements for intervention and that the interests of its members, who are residential electric customers in NorthWestern's service territory, "may be directly affected" by the proposed CBR Tariff.³⁵ MEIC states that NorthWestern Colstrip erroneously argues the instant proceeding will have "zero impact" on MEIC's members because NorthWestern and NorthWestern Colstrip are wholly isolated.³⁶ MEIC argues that the CBR Tariff, as proposed, risks cross-subsidization that could increase costs or diminish transmission capacity for NorthWestern retail customers. MEIC further argues that its intervention is in the public interest because its intervention will ensure that the Commission has a full record upon which to judge whether the CBR Tariff is just and reasonable.³⁷

20. MEIC maintains its argument that NorthWestern Colstrip must receive authorization under section 203 for the transfer of the PSE shares to NorthWestern Colstrip as a prerequisite before the Commission can approve the proposed CBR Tariff. MEIC argues that NorthWestern Colstrip's presumptive market value of \$0 can be rebutted by evidence such as the "expected future earnings or profit over the life of the asset."³⁸ MEIC points to NorthWestern Colstrip's estimate that it will earn revenue of

³² *Id.* at 13-14.

³³ *Id.* at 19.

³⁴ *Id.* at 14-15.

³⁵ MEIC Answer at 3 (citing 18 C.F.R. § 385.214(b)(2)(ii)).

³⁶ *Id.*

³⁷ *Id.* at 4 (citing 18 C.F.R. § 385.214(b)(2)(iii)).

³⁸ *Id.* at 8 (citing *Transactions Subject to FPA Section 203*, Order No. 669, 71 Fed. Reg. 1348, 1359 (2006); *Cross-Subsidization Restrictions on Affiliate Transactions*, 122 FERC ¶ 61,155 (2008)).

more than \$30 million and the Colstrip Station's undepreciated original cost of \$500 million as two relevant pieces of evidence to ascertain market value. MEIC reiterates its argument that NorthWestern Colstrip fails to meet its burden to demonstrate that the CBR Tariff satisfies restrictions against improper cross-subsidization of a non-utility company.³⁹ MEIC argues that there is a risk that NorthWestern's captive retail customers may be forced to cross-subsidize NorthWestern Colstrip and its wholesale customers. MEIC asserts that NorthWestern has stated that it will reimburse PSE for capital expenditures, but that NorthWestern Colstrip has failed to confirm that NorthWestern's retail customers will not pay for these capital expenditures.⁴⁰

D. Deficiency Letter and Response

21. The Deficiency Letter asked NorthWestern Colstrip (1) to describe the ownership arrangements and the timing of such arrangements, and any rights or veto powers granted to any party that are disproportionate to that ownership arrangement with respect to the Colstrip Station, and (2) to provide the original cost undepreciated of the interest in the Colstrip Station transferred to NorthWestern Colstrip, or the original book value, as applicable. In its Deficiency Response, NorthWestern Colstrip explains that it acquired the PSE share of the Colstrip Station directly, and NorthWestern did not acquire, hold, or transfer ownership of the PSE share.⁴¹

22. NorthWestern Colstrip explains that PSE and NorthWestern entered into an Abandonment and Acquisition Agreement (A&A Agreement) on July 30, 2024. NorthWestern Colstrip continues that, prior to the A&A Agreement, PSE and NorthWestern independently determined the value of Units 3 and 4 of the Colstrip Station was \$0 and would be recorded as such in PSE's and NorthWestern Colstrip's accounting records. NorthWestern Colstrip explains that the A&A Agreement specifies that no purchase price will be paid by NorthWestern for the Colstrip Station.⁴² NorthWestern Colstrip maintains that NorthWestern only executed the A&A Agreement for the future transfer of the Colstrip Station, and that the transaction for the Colstrip

³⁹ *Id.* (citing *Cross-Subsidization Restrictions on Affiliate Transactions*, 122 FERC ¶ 61,155).

⁴⁰ *Id.* at 9-10.

⁴¹ Deficiency Response at 3, 6.

⁴² *Id.* at 4 (citing Deficiency Response Ex. B at 20).

Station is directly from PSE to NorthWestern Colstrip under the terms of the A&A Agreement.⁴³

23. In reference to the Commission's question of the original cost of the interest in the Colstrip Station, NorthWestern Colstrip explains that PSE reported an original cost of \$541,638,546 for its shares of Units 3 and 4 of the Colstrip Station.⁴⁴ However, NorthWestern Colstrip asserts that this share has since been fully depreciated on PSE's books, thus PSE currently lists their share of the Colstrip Station as having a net book value of \$0.⁴⁵

E. MCOC Comments

24. MCOC requests the Commission prioritize the NorthWestern acquisition and waive the Commission's 60-day prior notice requirement, noting that a timely decision will add certainty to Montana's business climate and ensure economic growth. MCOC explains that affordable electricity is essential to Montana's continued growth and "Energy" is part of MCOC's strategic plan and will be a leading issue over the next decade. MCOC states that the Colstrip Station is Montana's largest source of baseload electricity and essential for day-to-day operations.⁴⁶

F. PSE Comments

25. PSE explains that in 2018, it determined that the likely only option to dispose its interest in the Colstrip Station was to another owner.⁴⁷ PSE describes three separate unsuccessful attempts to transfer its interest in the Colstrip Station before the A&A Agreement in the instant proceeding.⁴⁸ PSE explains that in 2024, NorthWestern approached PSE regarding a new agreement whereby NorthWestern would acquire PSE's 25% undivided interest in Units 3 and 4 of the Colstrip Station.⁴⁹ PSE explains that in the subsequent A&A Agreement, it agreed to provisions allowing for an assignment of that

⁴³ *Id.* at 6-7.

⁴⁴ *Id.* at 7.

⁴⁵ *Id.* at 8.

⁴⁶ MCOC Comments at 1.

⁴⁷ PSE Comments at 5.

⁴⁸ *Id.* at 5-10.

⁴⁹ *Id.* at 10.

interest from NorthWestern to one of its subsidiaries without PSE's consent. PSE explains that it was notified by NorthWestern that the assignment from NorthWestern to NorthWestern Colstrip of the right to acquire PSE's share of Colstrip Station was completed on December 19, 2025.⁵⁰

26. PSE continues that on or about July 31, 2024, PSE provided written notice of the A&A Agreement to the other owners.⁵¹ PSE states that this notice provided a 90-day period during which Owners could exercise a right of first refusal to acquire its proportionate interest in PSE's 25% undivided ownership interest in Colstrip Units 3 & 4 to be transferred to NorthWestern for no consideration. PSE states that no other owner elected to exercise its right of first refusal to acquire a proportionate interest in PSE's 25% undivided ownership interests in Units 3 and 4 of the Colstrip Station.⁵²

G. MEIC Comments

27. MEIC argues that NorthWestern Colstrip has failed to adequately respond to the Deficiency Letter because it did not provide a detailed description of its ownership arrangements. MEIC asserts that NorthWestern Colstrip failed to disclose that NorthWestern recently purchased a 15% share of the Colstrip Station from Avista Corporation (Avista Share), effective January 1, 2026.⁵³ As a result of acquiring this new share, NorthWestern currently owns 45% of Units 3 and 4 of the Colstrip Station and NorthWestern Colstrip owns 25%.

28. Additionally, MEIC argues that NorthWestern Colstrip failed to acknowledge the disproportional rights and veto powers that NorthWestern has gained through NorthWestern Colstrip's acquisition of PSE's share of the Colstrip Station.⁵⁴ MEIC cites to a 2011 statement made by NorthWestern to Montana PSC in which it explained its decision to acquire the PSE share was "driven by a desire to obtain majority ownership of the Colstrip Plant."⁵⁵ MEIC explains that, in this statement, NorthWestern also asserts that "[a]ssigning the Puget Agreement to Colstrip 370Pu insulates customers from costs

⁵⁰ *Id.* at 10-11.

⁵¹ *Id.* at 11.

⁵² *Id.*

⁵³ MEIC Comments at 2.

⁵⁴ *Id.* at 3.

⁵⁵ *Id.* (citing Letter from Michael Green, Associate General Counsel, NorthWestern to Mont. Pub. Serv. Comm'n at 2 (Nov. 11, 2025)).

and liabilities... and secures operational control of Colstrip to support its continued reliability.”⁵⁶ Given this statement, MEIC argues that if NorthWestern has operational control over the Colstrip Station without a majority ownership, then its rights and veto powers must be disproportionate to its ownership interests.⁵⁷ MEIC asks the Commission to require NorthWestern Colstrip to explain which NorthWestern entity has “operation control” over the Colstrip Generation Station and whether it exercises disproportionate rights and veto powers.⁵⁸

29. Further, MEIC argues that, while NorthWestern Colstrip disclosed the original cost undepreciated of the PSE share of the Colstrip Station, it is a skewed representation of the actual transaction price.⁵⁹ MEIC explains that because PSE had no bargaining power when marketing the PSE share of the Colstrip Station, the \$0 transaction price does not accurately reflect the market value.⁶⁰ Additionally, MEIC states that PSE cites high federal Mercury and Air Toxics Standards (MATS) compliance costs as an explanation for the negative value of the PSE share. However, MEIC argues that in April 2025, the Environmental Protection Agency issued a Presidential Proclamation exempting coal generating plants, including the Colstrip Station, from MATS compliance from January 8, 2027 through July 8, 2029.⁶¹ As such, MEIC argues that the potential removal of the MATS compliance costs should be factored into the market value of the PSE share of the Colstrip Station.

30. Finally, MEIC urges the Commission to reject NorthWestern Colstrip’s request for expedited action, as the delay NorthWestern Colstrip seeks to avoid is of its own making and NorthWestern has offered no justification as to why it waited over a year after the execution of the A&A Agreement to initiate proceedings with the Commission.⁶²

⁵⁶ *Id.*

⁵⁷ *Id.*

⁵⁸ *Id.* at 4.

⁵⁹ *Id.*

⁶⁰ *Id.* at 5.

⁶¹ *Id.* at 7 (citing Proclamation No. 10914, 90 Fed. Reg. 16777 (Apr. 8, 2025)).

⁶² *Id.*

H. Montana DOJ Comments

31. Montana DOJ filed comments in support of the acquisition, stating that the Colstrip Station is essential to electric grid reliability. Montana DOJ continues that the acquisition provides certainty at a time when the Colstrip Station faces out-of-state pressure. Montana DOJ explains that majority ownership safeguards the plant from premature closure and ensures that key decisions are made with Montana workers, ratepayers, and communities in mind. Montana DOJ also notes that the costs associated with the acquired share are excluded from Montana retail rates and therefore Montana consumers are protected. Montana DOJ requests prompt Commission approval of the filing.⁶³

I. Jim Brown Comments

32. Jim Brown, a citizen of Montana, and former Montana PSC commissioner, filed comments in support of NorthWestern's acquisition of Units 3 and 4 of the Colstrip Station. Mr. Brown states that based on his four years as a Montana energy regulator, he is aware that the Colstrip Station remains a critical component of Montana's energy generation and distribution system. Mr. Brown states that the acquisition at issue was completed following PSE's required exit under Washington state law and will help ensure that the Montana-based resource will help meet reliability needs. Mr. Brown urges that the Commission approve the proposed acquisition and recognize an effective date of January 1, 2026.⁶⁴

J. Governor Gianforte Comments

33. Governor Gianforte filed comments in support of NorthWestern's acquisition of an additional ownership interest in Units 3 and 4 of the Colstrip Station. Governor Gianforte asserts that the Colstrip Station plays an essential role in maintaining reliability during winter conditions, stabilizing the regional grid, and keeping energy affordable for Montana families, farmers, and employers. Governor Gianforte states that costs associated with the acquired share are excluded from Montana retail rates. Governor Gianforte states that without timely Commission action, NorthWestern lacks certainty regarding its ability to market power from the Colstrip Generation Station. Governor Gianforte urges that the Commission approve the pending filings and recognize an effective date of January 1, 2026.⁶⁵

⁶³ Montana DOJ Comments at 1-2.

⁶⁴ Jim Brown Comments at 1-2.

⁶⁵ Governor Gianforte Comments at 1-2.

K. U.S. Congress Members

34. U.S. Congress Members explain that the Colstrip Station provides baseload power for Montana and supports jobs. U.S. Congress Members note that, prior to the acquisition, the Colstrip Station has served largely out-of-state customers, and with increased ownership, NorthWestern will be well positioned to invest in the operation and maintenance of the Colstrip Station. U.S. Congress Members conclude that the acquisition enhances Montana's access to critical, affordable power, and ensures long-term energy security.⁶⁶

L. Independent Commissioners Comments

35. Independent Commissioners assert that they have a substantial interest in securing affordable and reliable power for Montana ratepayers.⁶⁷ Independent Commissioners explain that the Montana PSC withdrew its previously filed comments in this proceeding due to "misrepresentations and errors" in the comments; however, Independent Commissioners argue that they are filing comments independently to ensure representation for Montana ratepayers.⁶⁸

36. Independent Commissioners concur with MEIC's belief that NorthWestern Colstrip must receive authorization under FPA section 203 for the transfer of the PSE shares to NorthWestern Colstrip and accepting the CBR Tariff prior to NorthWestern Colstrip receiving authorization would set a negative precedent. Independent Commissioners voice concern that all generation from the Colstrip Station will be contracted to a large load customer, and will not benefit the people and small businesses of Montana.⁶⁹

37. Independent Commissioners also maintain that any claim that the units have zero value is an attempt to avoid filing a section 203 filing, and that the market value of coal plants has "skyrocketed."⁷⁰ Independent Commissioners explain that NorthWestern received permission from the Montana PSC to set aside 58 MW from the Avista Share to sell and pay for operation and maintenance costs on the Avista Share, which equated to

⁶⁶ U.S. Congress Members Comments at 1-2.

⁶⁷ Independent Commissioners Comments at 2.

⁶⁸ *Id.* at 3.

⁶⁹ *Id.*

⁷⁰ *Id.* at 5.

\$81,000 per MW.⁷¹ Independent Commissioners assert that the annual operation and maintenance costs for PSE's 370 MW share of the Colstrip Station also equate to \$81,000 per MW. Independent Commissioners contend that these measures establish market value and the value of the Colstrip Station should be calculated based on the average of 3-5 years of revenue.⁷² Further, Independent Commissioners argue that the transfer of 370 MW of generation without any capital expense to a single customer is unjust and unreasonable because it will cause legacy ratepayers to bear the cost of developing new generation.⁷³ Thus, Independent Commissioners request that the Commission find that NorthWestern Colstrip failed to meet the requirements of the Deficiency Letter.

IV. Discussion

A. Procedural Matters

38. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2025), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.⁷⁴ We grant the timely, opposed motion to intervene of MEIC because we are satisfied that it has expressed an interest in this proceeding that is not represented by any other party and that its participation is in the public interest.⁷⁵

39. Pursuant to Rule 214(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214(d), we grant the late-filed motions to intervene submitted by Montana PSC and Independent Commissioners given their interest in the proceeding, the early stage of the proceeding, and the absence of undue prejudice or delay.

40. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2025), prohibits an answer to a protest and/or answer unless otherwise ordered by the decisional authority. We accept MEIC's and NorthWestern Colstrip's

⁷¹ *Id.* at 4-5.

⁷² *Id.* at 6.

⁷³ *Id.*

⁷⁴ Entities that filed comments or protests but did not file a motion to intervene are not parties to this proceeding. *See* 18 C.F.R. § 385.211(a)(2) (2025) ("The filing of a protest does not make the protestant a party to the proceeding.").

⁷⁵ *See Greeley Energy Facility, LLC*, 189 FERC ¶ 61,016, at P 22 (2024); *Minden, La. v. Sw. Elec. Power Co.*, 163 FERC ¶ 61,194, at P 31 (2018).

answers because they have provided information that assisted us in our decision-making process.

B. Substantive Matters

41. We find NorthWestern Colstrip's proposed CBR Tariff to be just and reasonable and not unduly discriminatory or preferential, and therefore accept it, effective January 1, 2026, as requested. We find that NorthWestern Colstrip's use of the Units Most Likely to Participate stacking analysis and the resulting ceiling rate are supported by Commission precedent.⁷⁶

42. We further find that the acquisition by NorthWestern Colstrip of a share of the Colstrip Station from PSE did not require prior authorization under FPA section 203. Section 203 requires prior authorization before a public utility may "purchase, lease, or otherwise acquire an existing generation facility" with "a value in excess of \$10,000,000."⁷⁷ Under the Commission's regulations, the value of a generation facility for purposes of section 203 jurisdiction means "the market value of the facilities or companies for transactions between non-affiliated companies; the Commission will rebuttably presume that the market value is the transaction price."⁷⁸ NorthWestern Colstrip states in its Deficiency Response that the share of the Colstrip Station at issue here was directly transferred between PSE and NorthWestern Colstrip, non-affiliated companies, at a transaction price of \$0.⁷⁹ Therefore, this transfer is under the \$10,000,000 threshold required for Commission jurisdiction under section 203.

43. MEIC and Independent Commissioners do not rebut the presumption that the market value of the generation facility at issue here is the transaction price. MEIC and Independent Commissioners argue that NorthWestern has indicated that NorthWestern Colstrip expects to earn revenue from sales from the Colstrip Station but MEIC acknowledges that those revenues will be offset by incremental operating and maintenance costs.⁸⁰ In the Deficiency Response, NorthWestern Colstrip provides support for using the transfer price of \$0 as the market value for the share of the Colstrip

⁷⁶ *TriState Generation & Transmission Ass'n Inc.*, 182 FERC ¶ 61,135, at P 12 (2023).

⁷⁷ 16 U.S.C. § 824b(a)(1)(D).

⁷⁸ 18 C.F.R. § 33.1(b)(3)(i).

⁷⁹ Deficiency Response at 6.

⁸⁰ Protest at 4.

Station transferred to PSE.⁸¹ Specifically, we find persuasive the evidence that (1) the net book value of PSE's share of the Colstrip Station is currently \$0, and (2) PSE was unable to find other bidders for its share of the Colstrip Station.⁸² Further, Independent Commissioners fail to cite any precedent in support of their proposed methodology. Accordingly, we find that the record supports reliance on a market value of \$0 to assess whether authorization under FPA section 203 was required.

44. Further, we are not persuaded by MEIC's argument that the Commission should reject the CBR Tariff because it may result in cross-subsidization of NorthWestern Colstrip by NorthWestern's captive retail customers. The CBR Tariff does not authorize the shifting of any costs between NorthWestern Colstrip and NorthWestern's captive retail customers. In response to MEIC's concerns, NorthWestern Colstrip states that: (1) it is a completely separate and distinct legal entity from NorthWestern, and that NorthWestern Colstrip has no authority to, or mechanism through which it could, recover costs from the utility and its ratepayers; (2) NorthWestern Colstrip will rely upon assigned transmission rights from PSE, and therefore will not rely upon transmission paid for by NorthWestern's captive retail customers; and (3) NorthWestern Colstrip will be responsible for costs associated with those transmission rights.⁸³ These representations support our determination that the CBR Tariff does not result in inappropriate cross-subsidization.

45. With respect to MEIC's assertion that NorthWestern's captive customers may, in the future, be forced to cross-subsidize potential losses by NorthWestern Colstrip, we find that sufficient protections exist to address that concern at both the wholesale and retail levels. First, the Commission's affiliate restrictions at 18 C.F.R. § 35.39 and the affiliate transaction rules at 18 C.F.R. § 35.44 continue to apply to NorthWestern and its market-regulated power sales affiliates, including NorthWestern Colstrip. Accordingly, should NorthWestern Colstrip seek to execute a power purchase agreement or other transaction with NorthWestern, the Commission will review any such agreement or transaction under FPA section 205. Furthermore, the Montana PSC has authority over the rates paid by NorthWestern's captive retail customers. Additionally, NorthWestern Colstrip states that under Montana state law, NorthWestern Colstrip cannot recover any

⁸¹ Deficiency Response at 3-4, 7-8.

⁸² PSE Comments at 5 (PSE offered its interest in Colstrip "for nominal (or no) consideration; however, the non-Owners were unwilling to complete a transaction for two primary reasons: (1) potential, future environmental liabilities; and (2) more significantly, the lack of a viable mechanism to market the output from Colstrip.").

⁸³ NorthWestern Colstrip Answer at 12-14.

Docket No. ER26-129-001

- 18 -

costs from NorthWestern and its ratepayers,⁸⁴ The Montana PSC can, through its retail rate authority, protect NorthWestern's captive retail customers from any improper cost shifts.⁸⁵

The Commission orders:

NorthWestern Colstrip's proposed CBR Tariff revisions are hereby accepted for filing, effective January 1, 2026, as requested, as discussed in the body of this order.

By the Commission.

(S E A L)

Carlos D. Clay,
Deputy Secretary.

⁸⁴ NorthWestern Colstrip Answer at 13.

⁸⁵ See Montana PSC Motion to Withdraw Comments and Protest at 1 (stating that the Montana PSC "is satisfied that it can assess the prudence of the transactions within its jurisdiction through the State regulatory processes" and noting NorthWestern's representations to the Montana PSC that "Montana has jurisdiction over the prudence of these transactions as that would apply to inclusion of any of the associated costs in retail rate," and that "inclusion of these assets to serve its retail customers (e.g., meet retail customer capacity needs as required) is subject to Montana review and approval").

Appendix – Tariff Records

NorthWestern Colstrip 370Pu LLC Cost-Based Tariffs, Rate Schedules and Other Agreements

- [Cost-Based Rate Tariff \(2.0.0\).](#)

Document Content(s)

ER26-129-001.docx.....1

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

NorthWestern Colstrip 370 Pu LLC

Docket Nos. ER26-129-000 and
ER26-411-000
(Not Consolidated)

MOTION TO INTERVENE OUT OF TIME, AND COMMENTS OF MONTANA PUBLIC SERVICE
COMMISSIONERS BRAD MOLNAR AND RANDALL PINOCCI

1 Commissioners Brad Molnar and Randall Pinocci respectfully move to intervene out-of time and offer these comments on NorthWestern Colstrip 370 Pu LLCs (NorthWestern Colstrip) January 8, 2026 response (Response) to the Federal Energy Regulated Commission's (FERC) December 23, 2025 deficiency letter(the-"Defeciency Letter"-).

NorthWestern Colstrip's response did not respond to the questions raised by FERC. It did not establish a zero market value for the transferred 25% interest in Colstrip units 3 & 4. It did not justify NorthWestern Colstrip's (or Puget Sound's) failure to file for FERC authorization prior to transferring the jurisdictional assets. Notwithstanding support by numerous politicians and governmental agencies, whether these assets are valuable to Montana rate payers is not the issue raised in the Deficiency Letter. The sole issue is whether Section 203 of the Federal Power Act requires authorization before these assets may be disposed of. As the comments below demonstrate, it does.

I. COMMUNICATIONS

2. All correspondence and communication concerning this filing should be directed

To:

Commissioner Brad Molnar
Montana Public Service Commission District 2
PO Box 517

Commissioner Randall Pinocci
Montana Public Service Commission District 1
66 Sun River Cascade Road

Laurel, Montana 59044
Direct 406-794-5982
Email: brad.molnar@mt.gov

Sun River, Montana 59483
Direct 406-231-3649
Pinocci@3rivers.net

II. MOTION FOR LEAVE TO LATE INTERVENE

Pursuant to Rules 212 and 214,1 Commissioners respectfully move to intervene in the above-captioned proceedings. Commissioners are duly elected to bring balance between the rate paying public and this public utility (NWE). The COMMISSIONERS represent the majority of NWE electricity customers in Montana. Without the intervention of the COMMISSIONERS ratepayers will not have any representation before FERC on this Docket.

The COMMISSIONERS have a substantial interest in assuring affordable and reliable power not only to the ratepayers in their districts but all of Montana without the political posturing and self-serving comments evident in the presentations of some of the commenters. The outcome of this case will affect the ability to provide affordable and reliable power to Montana citizens and military bases for decades to come. Accordingly, the COMMISSIONERS state that their intervention in this proceeding is in the public interest and in accordance with Commission regulations.

III. COMMENTS OF INDEPENDENT COMMISSIONERS

2/24/2025

Honorable Laura V. Sweet
Chairman Federal Energy Regulatory Commission
888 First St NE
Washington, DC 20426

Re: Docket Nos. ER26-129-000 and ER26-411-000

Dear Chairwoman Sweet and Commissioners Rosner, See, Chang and LaCerte,

We support NorthWestern Energy receiving the 370 MW generated formerly by Puget Sound and Energy as they attempted to do on January 1, 2026. Our only concern is that the application be considered in a lawful manner and the generation continue to be rate based to serve the people of Montana at the end of this process.

First, the elephant in the room. The Montana PSC withdrew their comments on this case with a note that we withdrew due to misrepresentations and errors. I have asked the President and the signatory (Vice-President) to state what those errors and misrepresentations were. None were given. I know of none. The PSC's attorney, Mr. Booth, accurately portrayed the facts contained in the application in good faith. We rise to keep the voice of the NWE ratepayers of Montana before the Federal Energy Regulatory Commission. We do not yield the field to those representing strictly the shareholders of a regulated utility. We are filing as the Commissioners representing over half of NWE's ratepayers and not the Montana Public Service Commission.

COMMENTERS

Several Montana entities have filed comments. The Commissioners respond.

None of the comments from Montana's statewide office holders (except Governor Gianforte) and lobbyists address NWE's response, or lack thereof, to FERC's deficiency issues and permitted methods of curing the deficiency, which is the singular focus of this phase.

The requirement and capacities to cure the deficiency on the original filing are made clear in the deficiency letter. As to why NWE has ignored those simple edicts defies all logic. Commentors attempt to deflect with discussions about base load being "good" and that the energy is necessary for climatic abnormalities. While we agree with those simplistic platitudes, they must be ignored. We firmly believe that FERC must deny the 203 lack of filing (and thus the 205 application) in the public interest, and keep the need to file a correct filing consistent and paramount. Acceptance of PSE and NWE's arguments as compliance would be a horrific precedent that FERC would soon be trying to overturn, or defend, in court.

Comments by Montana's Attorney General, Austin Knudsen, deserve special attention. He also shares the idea that ownership by NWE of the Colstrip 370Pu LLC held shares is necessary not only for extreme winter conditions but also for "Montana families, farmers, and small businesses". So do Commissioner Pinocci and I. But, again, if these rate-based electrons are contracted to a large use customer they will not be available to help Montana's families, farmers, or small business. If they are available to NWE's legacy customers families, farmers and small businesses will enjoy the lowest energy rates in the nation which will drive a great economic boom. Property taxes would fall as the energy costs for schools and public buildings are reduced. Equally important, customers that NWE currently serve can be accommodated through economic dispatch with residential customers getting the low-cost electricity as a priority.

PSC negotiation with NWE will be necessary. But if the power is contracted away there will be nothing to negotiate. Mike Greene, NWE's governmental affairs person, confirmed this in a recorded PSC meeting.

The Attorney General's and Governor Gianforte's comments that contracting the power to one large customer is in the public interest, and will help with catastrophic severe climatic conditions, demonstrates the oddness of the arguments made by themselves and other commentators.

The Montana Chamber of Commerce's comments are as conflated as the other commentators attributing the benefits of rate basing while it seems they support the cost-plus approach. But their motive is not the same as the political sound bites. In the last rate case NWE provided evidence that they pay \$153,000 per year in dues to the Montana Chamber of Commerce.

INTERVENORS

Puget Sound and Energy (PSE) offers a historical look at failed attempts to dispose of their share of the Colstrip plants. This appears to be a play to negate the need to file an accurate 203 Filing by claiming CU 3 and Cu 4 have zero value because they were acquired via drop key acquisition.

PSE and NWE conflate acquisition costs with market value. The reason for a zero dollar value is decades old political posturing concerning carbon-based generation. Rate payers of Washington State are buying out the remaining value to eliminate stranded costs. This will conclude next year. Pudget cannot/could not sell value already bought down by rate-payers under legislated orders of divestment.

As correctly pointed out by MEIC, the MATTS 2024 EPA mercury rules were suspended making coal fired generation far more valuable than it was two years ago. MATTS is now repealed. And the underpinnings of that effort, the 2007 "Endangerment Finding" is now also repealed. Recent presidential edicts make coal generation far more stable and valuable. Certainly, far more valuable than \$0. Since January 1, 2026 the Washington legislature and the WUTC are no longer millstones shackled to the process driving down interest in purchasing share's of CU 3 and CU4.

The 2019 Montana legislature considered SB 331 to allow NWE to acquire 150 MW of PSE's Colstrip complex for \$1 (**Exhibit A**). NWE also wanted an additional \$45M, then \$75M (as their confidence grew, then amended out in an attempt to save the bill; strike outs in Sec 3), without explanation as to why they were due that money from rate-payers. But SB 331 clearly stated that the MT PSC could establish market value. This despite the fire sale price of \$1. Plainly the difference between acquisition price and market value was as clear to NWE and PSE at the time as it is to everyone today. SB 331 also allowed for the acquisition of transmission rights without mention of costs and allowed for the assumption of more environmental remediation costs due to a fly ash leak. These hidden costs, liabilities, and flimflam, brought down SB 331 when legislators learned how to interpret the heavily amended bill and recognize the sleight of hand used to promote it. These truths are not in the narrative brought forward by PSE.

When SB 331 failed, NWE filed with the PSC to implement SB 331 (the “Colstrip for a dollar” bill). Midway through the discovery process the Washington Utilities and Transportation Commission (WUTC) withdrew permission to sell the 150MW and the process stopped. Certainly, this had a chilling effect on pursuing ownership in PSE’s holdings in the Colstrip plant. Notwithstanding the supposed concerns for carbon legislation not yet written. If PSE’s other (free) offers did not include the necessary transmission (not discussed in PSE’s testimony) rejection was all but certain. For the procurement in this docket NWE has affirmed that they have obtained transmission capacity from PSE.

TRAJECTORY REVERSAL

The FB Culley and R.M. Schafer coal plants in Indiana and the J.H. Campbell coal fired generation plant in Michigan are coming back online to feed a power-hungry America. Though mainly depreciated, no one is arguing they have zero market value. A \$10M offer for any of them would not be seriously considered. I am not aware of any offers to sell functioning coal fired generation.

The market value for coal fired generation during the past two years has skyrocketed rather than stagnated in a 2022 rut. Now that the WUTC and the Washington State Legislature are out of the picture, and federal interference via various laws has diminished, the value of the Colstrip plant has grown exponentially. As a board member of the Organization of MISO States Commissioner Molnar has closely followed and voted on these plant re-openings. NorthWesten Energy and Puget Sound and Energy would have you believe that it is still 2022. It is not. Polite words on how to phrase this Jedi conjectured mind set escape us.

The response filed by MEIC is spot on. NWE has not updated their filing to accommodate the new market reality. Nor has NWE gotten a professional appraisal. They have not complied with your deficiency letter’s demands though they had plenty of time to do so. Rejecting their filings and putting the disposition and allocation of the energy from the transferred PSE Colstrip holdings clearly under the regulatory authority of the Mt. PSC is the only legal and responsible path forward.

ESTABLISHING VALUE

NWE has owned part of Colstrip Unit CU 4 (222 MW) for decades. They know the value and the costs of O&M. NWE asked for and received permission from the Mt. PSC to set aside 58MW from the rate based Avista 222 MW share in CU 4 acquisition (also obtained “drop key” Jan. 1, 2026) to sell and pay for \$18M in maintenance on the prior Avista share. This is \$81k per MW. The \$30M in annual O&M costs for Puget’s 370MW is also \$81K per MW. NWE and PSE are aware of the value of

the plants and what those profit opportunities are. This determines market value. Three to five years of revenue, averaged, is accepted as the sell/buy price for a new business. In this case \$30M per NWE for its short term sales. It is a simple formula with many ways to detract but without other numbers it is considered legitimate. NWE has the other numbers embedded in their assumed long-term contracts ie property taxes, labor, or insurance costs, transmission costs, etc.

To think otherwise would be naive. These could have been shared with an appraiser to give FERC an honest number. They were not.

Puget offers historical data. Even that was not factored in giving FERC a justifiable number. Rather, they argue that a plant which can turn a profit after \$30M in cost of production, in a rising market, has no value. Production sold at an assumed \$50MWh comes to \$162M per year. \$162M-\$30M leaves \$132M. No amount of “yeah buts” generated to justify not giving the financial information, can reduce the value to \$0 or below \$10M. The information could have been given as confidential/proprietary, so that accurate numbers could have been provided to meet your requirements for filing a Section 203 filing. It was not.

EFFECT ON RATES

The excess power from the inclusion of the 370 megawatts in Montana’s portfolio would lower costs to Mt. consumers but also could be sold by NWE per PSC authorization. This would result in the “just and reasonable rates” FERC is to consider in their final ruling. When the Northern Plains Connector is complete the “excess” electricity could also be sold into the power-hungry MISO and SPP footprints. A win,win,win that accomplishes “just and reasonable rates” but only if the power is rate-based and allocated through Montana Public Service Commission. This of course would help keep rates down not only for NWE’s captive customers but also our neighbors to the east and provide reliability. Selling everything to one large load customer would accomplish neither.

Commissioner Pinocci states that the amount of new generation necessary to serve the burgeoning Great Falls area, a major Montana city and the home of Malmstrom USAF base, which is served by NWE, is not adequately planned for. To give the 370MW generated without capital expense to one large customer and force legacy rate payers to bear the cost of developing new generation to serve the growing load is not a logical argument for the politicized commenters to make. Nor does it lead to just and reasonable rates.

Malmstrom Air Force base was an intervenor in NWE’s last rate increase request with concerns for budgetary matters at their forefront. Of course, reliability is a serious component of this national security issue. Without the 370 MW being rate-based future reliability is reliant on planned construction and an ill-liquid independent power producer market.

LEGALITY

As stated in our original filing, the placing of the 370 MW into an unregulated holding company is probably illegal under Montana law.

During the 2025 legislature HB 911 (Exhibit B) was considered. HB 911 allowed an unregulated holding company with full managerial and fiscal control of the regulated utility to be placed inside the regulated company. HB 911 died 11-1 in the Senate Energy Committee on 4/24/2025. On April 30th the legislature adjourned.

On July 11th NWE incorporated a wholly owned financially and managerially controlled shell company to remove the 370 MW from PSC regulation. It is now known as Colstrip 370Pu LLC. The Mt. Commission was not notified of this action. That the 370 MW would be rate based was a consistent fact in all filings until NWE, without notice, asked FERC to make them cost based. Exhibit C.

EFFECTS ON CUSTOMERS' NWE IS OBLIGATED TO SERVE

Commenters posit Montana needs reliable, affordable, power during critical winter months. True.

In January of 2024 temperatures plunged to thirty-five degrees below zero for 5 days across Montana. NWE had to purchase additional electricity for about \$1000 per MW costing their customers an additional \$39M. If the power in question is not rate based for the people of Montana, but rather sold to a large customer, it will not be available for this purpose despite statements by our congressional delegation et al. Northwestern admitted this fact at a recorded Mt. PSC meeting.

Montana is currently in the throes of a winter drought. If we do not get a Pineapple Express soon our hydro infrastructure will seriously underperform, as will BPA's hydro system. We will once again (just like January 2024) compete in an ill-liquid market for any available electricity. If lucky, we will again find enough market power to avoid blackouts and will be paying \$1000 per MWh which is the soft cap. Five days of reliable power for only an additional \$39M will seem like the good ol'days in a region wide, all summer and fall, drought. The economic and political fallout will be horrific as people realize they are paying \$1000MWh while NWE's new large customer is paying \$50MWh for Made in Montana energy.

RELIEF SOUGHT

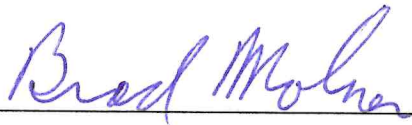
Because PSE is a regulated utility (WUTC) transferring a rate-based generation asset (Colstrip units 3 and 4) to a regulated utility (NWE) it remains rate-based generation, therefore under the local control of the PSC and not out-of-state corporations. The electricity generated would benefit

residential customers and allow NWE to profit via market sales; even if without astronomical profits per electron.

For this to happen FERC must rightly maintain that NWE has failed to meet the requirements of the deficiency letter.

The relief sought is a clear statement from FERC that the 370 MW in question is confirmed rate based under the well-established regulatory authority of the Montana Public Service commission.

In the alternative, please do not expedite the process by shortening the comment period on NWE's Section 205 filing. If the comment period had been shortened the commentator's and intervenors asking for the expedited model would not have been able to comment. I am sure that, on second thought, they now realize the importance of public involvement in a public process, regret their statements, and support a robust period of fact finding on this most important issue to the people of Montana.

 2/24/2026



Brad Molnar Commissioner District 2 Randolph Pinocci Commissioner District 1

IV. CONCLUSION

The Commissioners respectfully requests that the Commission grant our motion to late intervene in the above-referenced proceedings and accept the comments contained herein. Dated this 24th day of February, 2026.

Respectfully submitted, Brad Molnar, Commissioner, P.O. Box 517, Laurel, Mt 59044 Email: brad.molnar@yahoo.com Direct 406-794-5982

And

Randolf Pinocci, Commissioner, 66 Sun River Cascade Road, Sun River, Montana 59483, Direct 406-231-3649, Email: Pinocci@3rivers.net

Respectfully Submitted:

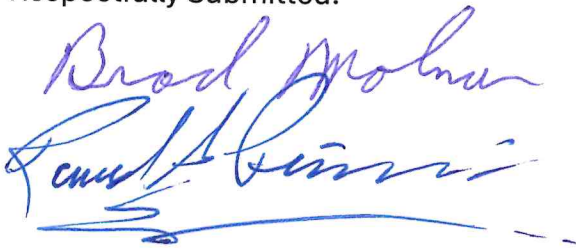
Handwritten signatures in blue ink. The top signature is "Brad Molnar" and the bottom signature is "Randolph Pinocci".

EXHIBIT A

2019 Montana Legislature

SENATE BILL NO. 331

INTRODUCED BY T. RICHMOND, D. ANKNEY

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING ELECTRIC UTILITY COST RECOVERY FOR CERTAIN COAL-FIRED GENERATING UNITS AND TRANSMISSION; ESTABLISHING THE MONTANA ENERGY SECURITY ACT OF 2019; REQUIRING ALLOWING THE PUBLIC SERVICE COMMISSION TO INCLUDE CERTAIN RETURNS AND COSTS IN UTILITY RATES; ALLOWING FOR UTILITY COST RECOVERY FOR CERTAIN ACQUISITIONS; ALLOWING FOR AN INCREASED INTEREST, BASED ON A TRANSFER, IN CERTAIN COAL-FIRED GENERATING UNITS; PROVIDING EXCEPTIONS; ESTABLISHING CONDITIONS FOR A TRANSFER; REQUIRING INFORMATION TO BE FILED WITH THE DEPARTMENT OF ENVIRONMENTAL QUALITY; ESTABLISHING A FEE; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

WHEREAS, the Colstrip generating complex consists of four different generating units, with six joint owners, each holding different ownership shares of the various units; and

WHEREAS, four of the joint owners are public utilities with significant service territories in the state of Oregon and Washington and no significant service territory in Montana; and

WHEREAS, one of the joint owners is a merchant generator with no service territory; and

WHEREAS, Colstrip Units 1 and 2 are currently scheduled to be closed by July 1, 2022, under a settlement agreement signed by its joint owners; and

WHEREAS, there is a difference of opinion between the states of Washington, Oregon, and Montana as to the desirability of maintaining the operations of the Colstrip units, and the closure of the Colstrip units disproportionately affects Montana; and

WHEREAS, baseload coal-fired electrical generating resources are important to Montana and Montana customers; and

8

WHEREAS, the continued operation of Colstrip Unit 4 and the interconnected 500-kilovolt transmission line are in the economic best interests of Montana; and

WHEREAS, the importance of continuing the operation of Colstrip Unit 4 and the interconnected 500-kilovolt transmission line requires a clear expression of certain electric utility ratemaking principles to be applied to the operation of that unit and the transmission line.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Short title. [Sections 1 through 3] may be cited as the "Montana Energy Security Act of 2019".

NEW SECTION. Section 2. Investment -- cost recovery for certain coal-fired generating units and transmission resources -- DEFINITIONS . (1) (A) Except as provided in [section 3(3)] [SECTION 3(3) AND (4)] AND SUBSECTION (1)(C) OF THIS SECTION , if a coal-fired generating unit is retired before the expected life used for depreciation purposes, the electric utility's PRUDENTLY INCURRED undepreciated investment in the coal-fired generating unit, together with any PRUDENTLY INCURRED AND required decommissioning and site remediation costs FOR AN INCREASED OWNERSHIP SHARE OF A COAL-FIRED GENERATING UNIT ACQUIRED ON OR AFTER [THE EFFECTIVE DATE OF THIS ACT], NOT TO EXCEED 150 MEGAWATTS , must MAY be included in rates by the public service commission as a long-term amortization, not to exceed 30 years. RETIREMENT BEFORE THE EXPECTED LIFE USED FOR DEPRECIATION PURPOSES MUST BE APPROVED BY THE PUBLIC SERVICE COMMISSION.

(B) RETIREMENT OF A COAL-FIRED GENERATING UNIT BEFORE THE EXPECTED LIFE USED FOR DEPRECIATION PURPOSES MUST BE APPROVED BY THE PUBLIC SERVICE COMMISSION.

(C) COST RECOVERY FOR AN UNDEPRECIATED INVESTMENT AND REQUIRED DECOMMISSIONING AND SITE REMEDIATION COSTS ATTRIBUTABLE TO AN ELECTRIC UTILITY'S SHARE IN A COAL-FIRED GENERATING UNIT ACQUIRED BEFORE [THE EFFECTIVE DATE OF THIS ACT] ARE SUBJECT TO PUBLIC SERVICE COMMISSION REVIEW AND APPROVAL.

(D) ON OR BEFORE JANUARY 1, 2020, THE COMMISSION SHALL DETERMINE THE CURRENT ANNUAL MARKET VALUE OF AN ELECTRIC UTILITY'S SHARE IN A COAL-FIRED GENERATING UNIT AND THE ESTIMATED AND ASSUMED COSTS INCLUDED IN THE ORIGINAL VALUATION OF THE COAL-FIRED GENERATING UNIT ACCRUED ANNUALLY.

(E) BASED ON THE DETERMINATION MADE IN SUBSECTION (1)(D), THE COMMISSION SHALL REVISE THE CURRENT AMORTIZATION PAYMENT SCHEDULE FOR A COAL-FIRED GENERATING UNIT AND REVISE RATES IN ACCORDANCE WITH THE DETERMINATION.

(2) For the purposes of [sections 1 through 3], "coal-fired generating unit" THE FOLLOWING DEFINITIONS APPLY:

(A) "COAL-FIRED FOR THE PURPOSES OF [SECTIONS 1 THROUGH 3], "COAL-FIRED GENERATING UNIT" means a unit of a coal-fired generating station located in Montana in which an electric utility that has restructured in accordance with Title 69, chapter 8, holds an ownership interest on or before [the effective date of this act].

(B) "COSTS" FOR THE PURPOSES OF [SECTION 3], "COSTS" MEANS CAPITAL INVESTMENTS FOR ENVIRONMENTAL, REGULATORY, AND SAFETY COMPLIANCE AND RELIABILITY.

NEW SECTION. Section 3. Acquisition cost-recovery for certain coal-fired generating units AND TRANSMISSION RESOURCES . (1) (a) Except as provided in subsections (1)(b) through (1)(d) AND SUBJECT SUBJECT TO THE CONDITIONS AND LIMITATIONS OF THIS SECTION , the commission shall MAY allow the full recovery of costs incurred by an electric utility in acquiring and owning an increased ownership share of a coal-fired generating unit, not to exceed 150 megawatts and subject to the conditions and limitations of this section, AND THE PRUDENT INVESTMENT IN ANY INTERCONNECTED TRANSMISSION FACILITIES OF 500 KILOVOLTS OR MORE, NOT TO EXCEED BOOK VALUE .

(b) Costs incurred by an electric utility in accordance with subsection (1)(a) must be capped at a total of \$40 \$75 million over a consecutive 5-year 10-YEAR period following the date of transfer. The date of transfer may not be later than December 31, 2021.

(c) Operational, maintenance, repair, or improvement costs COSTS that exceed the limitations or time constraints of subsection (1)(b) are subject to commission review. The commission may review the prudence of those costs.

(d) Operational, maintenance, repair, or improvement costs COSTS do not include decommissioning and site remediation costs in accordance with [section 2(1)].

(2) An acquiring electric utility must be provided the increased ownership share of the coal-fired generating unit at a nominal transfer price of \$1, regardless of the book value of that ownership share to the transferring utility.

(3) (a) A transferring utility remains liable for its share of the ownership costs and liabilities that existed by virtue of its ownership on and before the date of transfer, including but not limited to any required decommissioning or site remediation costs imposed by federal, state, or local government.

(b) Prior to an acquisition, the acquiring electric utility shall file information with the department of environmental quality verifying the continued acceptance of liability by a transferring utility as established in subsection (3)(a).

(c) The information must be accompanied by a \$100 filing fee. The fee is not recoverable in an acquiring electric utility's rates.

(4) COST RECOVERY ESTABLISHED IN [SECTIONS 1 AND 2] [SECTIONS 2 AND 3] IS PROVIDED FOR IF AN ELECTRIC UTILITY ACQUIRES AN INCREASED OWNERSHIP SHARE OF A COAL-FIRED GENERATING UNIT ON OR BEFORE DECEMBER 31, 2021.

NEW SECTION. Section 4. Codification instruction. [Sections 1 through 3] are intended to be codified as an integral part of Title 69, chapter 3, and the provisions of Title 69, chapter 3, apply to [sections 1 through 3].

NEW SECTION. Section 5. Effective date. [This act] is effective on passage and approval.

- END -

EXHIBIT B

HOUSE BILL NO. 911

INTRODUCED BY J. FITZPATRICK

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE MEANING OF THE TERM "PUBLIC UTILITY";
5 6 7 8 9 10 11 PROVIDING REQUIREMENTS; PROVIDING AN APPROPRIATION; AMENDING
SECTION 69-3-101, MCA; AND PROVIDING EFFECTIVE DATES."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA

Section 1. Section 69-3-101, MCA, is amended to read:

"69-3-101. Meaning of term "public utility" -- requirements of certain entities excluded from 12
meaning. (1) The term "public utility", within the meaning of this chapter, includes every
corporation, both 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 public and private, company,
individual, association of individuals, and their lessees, trustees, or receivers appointed by any
court that own, operate, or control any plant or equipment, any part of a plant or equipment, or
any water right within the state for the production, delivery, or furnishing for or to other persons,
firms, associations, or corporations, private or municipal:

(a) heat:

(b) street-railway service

(c) light

(d) power in any form or by any agency

(e) except as provided in chapter 7, water for business, manufacturing, household use, or
sewerage service, whether within the limits of municipalities or towns or elsewhere;

(f) regulated telecommunications service.

(2) The term does not include:

(a) privately owned and operated water, sewer, or water and sewer systems that do not serve the
public;

- (b) county or consolidated city and county water or sewer districts as defined in Title 7, chapter 13, parts 22 and 23;
- (c) except as provided in chapter 7, municipal sewer or water systems and municipal water supply 2 systems established by the governing body of a municipality pursuant to Title 7, chapter 13, parts 42, 43, and 44;
- (d) a person exempted from regulation as a public utility as provided in 69-3-111. ; or
- (e) a legally separate entity established by a public utility that owns or controls an electric 6 generation, TRANSMISSION, OR DISTRIBUTION facility FACILITIES, or part of an electric generation facility

PORTIONS 7 OF THE FACILITIES, that solely supplies generation SUPPLY ELECTRICITY to a customer CUSTOMERS located in the 8 utility's service territory EACH with a monthly average load greater than or equal to 20 5 megawatts. CUSTOMERS 9 SERVED BY THE LEGALLY SEPARATE ENTITY MAY NOT ALSO BE CUSTOMERS THAT PURCHASE ELECTRIC SUPPLY SERVICE 10 FROM THE PUBLIC UTILITY. The legally separate entity shall demonstrate TO THE COMMISSION IN ACCORDANCE WITH 11 RULES ADOPTED BY THE COMMISSION THAT it: 1

(i) was not established using an affiliate transaction or material affiliate transaction and is not an 13 affiliate as provided for in Title 69, chapter 3, part 15; and 14

(ii) does not and will not have any financial impact on the utility's regulated customers;

(III) DOES NOT UTILIZE THE PUBLIC UTILITY'S TRANSMISSION FACILITIES OR TRANSMISSION RIGHTS OTHER 16 THAN AS PERMITTED BY FEDERAL LAW; AND

(IV) OPERATES IN ACCORDANCE WITH FEDERAL LAW GOVERNING THE SALE OF ELECTRICITY.

(3) All revenues and expenditures from an entity that meets the requirements of subsection (2)(e) 19 must be accounted for separately from a regulated public utility. While an entity that meets the requirements of 20 subsection (2)(e) may fund that entity with a utility's retained earnings, the entity may not guarantee debt using:

(a) utility assets; or

(b) proceeds in issuing securities for which the assets of the utility are pledged."

NEW SECTION. Section 2. Appropriation. (1) There is appropriated \$15,000 from the general fund 25 to the department of commerce for the biennium beginning July 1, 2025, to work in conjunction with the 26 department of environmental quality to analyze Montana's growing energy demand.

(2) On or before September 1, 2026, the department of commerce shall update the energy and 28 telecommunications interim committee on the analysis.

NEW SECTION. Section 3. Effective dates. (1) Except as provided in subsection (2), [this act] is effective on passage and approval

(2) [Section 2] is effective July 1, 2026.

- END

EXHIBIT C

Montana Public Service Commission

November 5, 2025

Mr. Charles Lane

Director of Regulatory Affairs

NorthWestern Energy

208 North Montana Avenue, Suite 200

Helena, MT 59601

Re: Federal Energy Regulatory Commission Docket ER26-129

Dear Mr. Lane:

On July 30, 2024, NorthWestern Energy announced that it would acquire Puget Sound Energy's 370 megawatt share of the Colstrip Plant. According to the announcement, together with the previously-announced acquisition of Avista's 222 megawatt share, NorthWestern Energy will own 55% of the Colstrip Plant beginning on January 1, 2026.

Following NorthWestern Energy's announcement of its acquisition of Puget Sound Energy's 370 megawatt share of the Colstrip Plant, NorthWestern Energy submitted multiple compliance filings in Docket 2022.11.102 indicating that the Colstrip Plant capacity to be acquired from Puget Sound Energy would contribute to meeting NorthWestern Energy's capacity obligations under the Western Resource Adequacy Program or would otherwise contribute to serving retail customers' peak demands and ensure adequate and reliable service.

On October 14, 2025, NorthWestern Colstrip 370pu LLC ("NorthWestern Colstrip") submitted a filing with the Federal Energy Regulatory Commission ("FERC") requesting approval of a cost based rate tariff ("Filing"). The Filing states that NorthWestern Colstrip is a special purpose subsidiary of NorthWestern Group, Inc. and is not regulated by the Montana Public Service Commission. According to the Filing, NorthWestern Corporation will acquire Puget Sound Energy's 370 megawatt share of the Colstrip Plant and, once acquired, the 370 megawatt share of

the Colstrip Plant will be held 100% by NorthWestern Colstrip, which will be effectuated through an assignment from NorthWestern Corporation.

The Commission has consistently exercised authority over mergers, sales, and transfers of utilities and utility property. See In re the Joint Application of NorthWestern Corp. and BBI, Dkt. 2006.6.82, Order 6754e ¶¶ 19-32 (Aug. 1, 2007). Based on the information above, it appears that NorthWestern Energy intends to transfer property that it has characterized as utility property.

Please clarify whether NorthWestern Energy intends to seek approval from the Montana Public Service Commission prior to effectuating the transfer of its 370 megawatt share of the Colstrip Plant to NorthWestern Colstrip.

If NorthWestern Energy does not consider this transaction to constitute a transfer of utility property requiring Commission approval, please provide a comprehensive explanation supporting that position.

Please submit your response by November 7, 2025.

Sincerely, /s/ Will Rosquist

Will Rosquist

Regulatory Division Administrator

Montana Public Service Commission

1701 Prospect Avenue • P.O. Box 202601 • Helena, Montana 59620-2601 • Web: <http://psc.mt.gov>

Phone: 406-444-6199 • Consumer Assistance: 800-646-6150 • Fax: 406-444-7618 • Email:

pschelp@mt.gov

Jason Kuzma

Director, Assistant General Counsel

Puget Sound Energy, Inc.

P.O. Box 97034

Bellevue, WA 98009-9734

Direct: 206.499.2438

Email: jason.kuzma@pse.com

E. Lars Phillips

Maxine C. Sugarman

Jenny K. Harbine

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Shannon M. Heim

General Counsel, Vice President – Federal Govt Affairs & FERC Compliance Officer

NorthWestern Energy 208 N. Montana Ave., Suite 200 Helena, MT 59601

(406) 443-8903

shannon.heim@northwestern.com

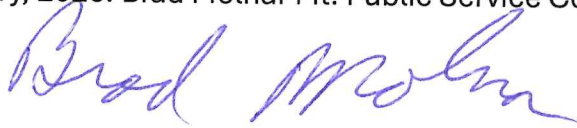
CERTIFICATE OF SERVICE

I hereby certify that on this day I have served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding. Dated at

Helena, Mt. this 24th day of February, 2026. Brad Molnar Mt. PSC P.O. Box 517, Laurel, Mt. 59044
Direct: 406.794.5982 Email: Brad.molnar@yahoo.com

Certificate of Service

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding, in accordance with Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010. Dated this 24 th day of February, 2026. Brad Molnar Mt. Public Service Commissioner



COMMISSIONER MOLNAR PROPOSED DATA REQUESTS:

NWE: When did you inform Black Hills Energy (BHE) that you were going to try to get the 370 MW from the Puget acquisition market based and not rate based? Provide documentation:

BHE: When did NWE inform you that they were going to appeal to FERC to shift the 370 MW Puget acquisition from rate based to market based? Please provide documentation:

Commissioner Molnar, somewhat related, please see the below data request (JEA-021) by Joint Energy Advocates and the Joint Applicants' response:

**JEA-021 RE: Merger impact on disposition of Colstrip Power Plant
Witness: LaFave (NorthWestern) / Jones (Black Hills)**

Please provide any communications between the Joint Applicants with respect to the disposition of Colstrip Power Plant, including any communications addressing the following issues:

- a. Planning for the acquisition and disposition of the Avista Utilities share of Colstrip;
- b. Planning for the acquisition and disposition of the Puget Sound Energy share of Colstrip, including the formation of NorthWestern Colstrip 370Pu LLC.

RESPONSE:

Joint Applicants object to this request, including subparts, to the extent it seeks information protected by the joint defense or common interest privilege or other applicable privileges. Joint Applicants further object to this data request as overly broad and not reasonably calculated to lead to the discovery of admissible evidence as those two acquisitions have no impact on the proposed Merger. It is also burdensome as it requires "all" communications without limitation as to time, category, or other meaningful restriction. To the extent this request seeks all emails, it is overly broad and unduly burdensome. This information is unnecessary for the Commission to determine whether the proposed Merger meets the legal standard for approval, and the request is not proportional to the issues in this docket.

Furthermore, under federal antitrust laws, Joint Applicants are prohibited from engaging in any activities that would be considered implementation of the merger, including acquisition and disposition of assets.

Subject to and without waiving these objections, Joint Applicants respond as follows:

Joint Response:

a.-b. NorthWestern informally communicated to Black Hills regarding developments in its acquisition of the additional shares of Colstrip but did not coordinate with or engage Black Hills in planning for such acquisitions.

BHE and NWE: Southwest Power Pool will expand their footprint across northern Wyoming this April. This may open north/south transmission, existing and new, to connect with legacy NWE Montana customers. Would you use SPP based generation and/or your own generation, to replace existing NWE generation, including CU4, due to economic dispatch?:

(See Joint Energy Advocates JEA-010)
(LCG-004 and LCG-005 ask for info. re: east west/connectors, not north/south)

BHE: You have been shuttering coal fired generation and replacing them with renewable and natural gas generation.

- a) Please name each shuttered plant and give the date of the decision to shut them down and the actual shutdown date.
- b) What was the capacity rating of each plant shut down? What was the generation capacity of each plant?
- c) What was the cost per MW generated at each plant?
- d) What was the cost per MW generated by replacement gas generation and intermittent replacement energy including regulation product and CapX?
- e) What is the capacity rating of the replacement gas generation and replacement intermittent energy generation?
- f) If there is/was a capacity deficient, how is it made up?
- g) As concerns each of the shuttered coal plants, were any shuttered before the end of the depreciation schedule? If so, how much were the stranded costs and who paid them? :

(See Joint Energy Advocates JEA-007)

BHE: You are advertising for data center customers. What would be the source of the energy to supply the data centers? What would that cost be per MWh? Is it rate based energy? What is the cost per MWh to your

residential customers? Would any additional electricity supplied to data centers served by you be rate based? Please provide documentation.

Commissioner Molnar, please see below the Joint Applicants' response to a data request, 350 Montana (350-006) re data centers:

350-006: RE: Larger scale impacts

Witness: Bird (NorthWestern) / Jones (Black Hills)

Regarding your testimony at BBB-18:13-23 and MMJ – 15, and your presentations to investors on August 19, 2025 available at <https://ir.blackhillscorp.com/static-files/fa6e3568-27d8-45959bf9-e82b2394f0a5> (last visited January 2, 2026), along with your announcements including the July 30, 2025 LOI “to provide energy services for Quantica Infrastructure’s proposed data center development in Montana” available at <https://northwesternenergy.com/about-us/ourcompany/2025/07/30/northwestern-energy-signsletter-of-intent-to-serve-quantica-infrastructures-montana-data-center-development#> (last visited January 2, 2026):

- a. Provide all current, interconnection requests, draft or fully executed power service agreements, letters of intent (LOIs), and memoranda of understanding (MOUs) with data center customers (load > 5 MW), and all internal studies or analyses projecting the resource adequacy gap or required new generation (MW) through 2030, specifically segmented to meet new data center load versus existing customer load growth.
- b. Please produce all internal or external Documents and Communications regarding negotiation strategy, key terms, risks, or approvals for service to any Data Center or Large-Load Customer.
- c. Please produce all analyses, models, and pricing workpapers (native format) used to develop commercial terms or pricing for electricity and natural gas supply and delivery to meet Data Center service requirements, including load forecasts, cost-of-service studies, incremental cost analyses, and margin and return analyses.
- d. Please provide all Documents, Communications, and testimony that address how the merger will ensure that the public interest and consumer benefit standards are met, including any proposed metrics for ongoing performance monitoring related to affordability, meeting previously-established clean energy commitments, renewable integration, and grid resiliency.

RESPONSE:

Joint Applicants object to subparts (a)-(c) as they are overly broad and seek irrelevant information that is not reasonably calculated to lead to admissible

evidence. The information sought exceeds the testimony referenced above. Joint Applicants do not object to general inquiries regarding their operations. However, specific agreements, studies, negotiation strategies, pricing, and other documentation related to data centers are outside the scope of this docket, which concerns whether the proposed Merger meets the legal standard for Commission approval. Seeking information beyond this scope unduly broadens the issues at issue in this proceeding. ARM 38.2.2407(7). These subparts are also overly broad to the extent they seek information related to operations outside the jurisdiction of Montana.

Joint Applicants object to subpart (d) to the extent it misstates the legal standard for approval of the Merger and seeks information on this basis. The net-benefits standard does not apply here. The correct standard is whether the Merger results in no harm to Montana ratepayers.

Joint Applicants also object to subpart (d) as vague and ambiguous as well as overly broad and unduly burdensome because it requests “all” documents and communications without meaningful limitation in time, category, author, or other restriction. As defined, these terms include every potential document within Joint Applicants’ possession. It also seeks draft, which are preliminary and deliberative. Providing this level of documentation would require extensive time and resources and would create an unreasonable burden on Joint Applicants, which is not proportional to the needs of this case. Joint Applicants also object to this request as overly broad to the extent it seeks to solicit information about a non-applicant, Black Hills Power or seeks information from utilities outside the jurisdiction of the Commission.

Joint Response:

d. See Joint Applicants’ testimony, exhibits, and all other documents produced by Joint Applicants or that will be produced in this docket demonstrating no harm to customers or public interest.

North Western:

a.-c. See objection.

Black Hills:

a.-c. Subject to and without waiving objections, Black Hills Power does not currently have plans for serving new large loads or data center loads in Montana.

(See also the responses to 350 MT’s Data Requests 350-004, 350-005, 350-007, 350-008, 350-009, 350-010, 350-011, 350-013, 350-014, 350-017, 350-018, 350-019, 350-021, 350-022, 350-023, 350-024, 350-025, all of which ask about data centers)

(See the responses to the Montana Farmers Union data requests MFU-001, -002, -003, -004, -005, -006, -008, -010, 012, which are about data center water usage.)

(See the response to City of Missoula & Missoula County's COM-MCM-006)

(See the response to MCC-105, and MCC-100, MCC-101, both of which are in the confidential directory on the s: drive. To get there, go to the s:\ drive. Click on "Common." Click on "1 – CONFIDENTIAL MATERIAL. Select "2025." Select "2025.10.078 – NWE – Black Hills – Merger.")

(See the response to PSC-009)

BHE: You advertise providing "clean renewable energy" to residential, industrial, and commercial customers. Is that actual electricity from renewable generation or from the transfer of Renewable Energy Credits from your wind farms or third party generated? What is the economic effect to your customers that do not participate in this program?:

(See JEA-008)

BHE: You currently are charging customers for your efforts at carbon capture at a rate of about \$10M per year. This is expected to climb to about \$30M per year. What economically successful carbon capture project(s) are you copying and what success are they having in containing carbon? Are these costs transferred to ratepayers in their bills? Do you think that you can improve on the record of other carbon containment projects? Which ones? How? :

BHE and NWE: Currently Data Centers are pressuring SPP to give them priority over other applications to connect to the transmission infrastructure.

- 1) The Federal Energy Regulatory Commission has asked SPP to respond to the giving of priority to data centers. Are you supportive of this?**
- 2) Have you commented to SPP and/or FERC on this? If so, please provide the comments.**
- 3) Will this affect Montana customers if the merger happens? How?**
- 4) Will allowing data centers to move to the head of the transmission queue in SPP territory affect NWE Montana captive customers if the expansion of the SPP footprint into northern Wyoming results in increased transmission inerties? :**

BHE and NWE: Would your merger make/allow the current Montana service area of NWE be a member of SPP? Please explain.

Commissioner Molnar:

See responses to the Large Customer Group's ("LCG") requests LCG-004, LCG-005, which address east/west interconnection. There were no data requests about a north/south interconnection to the Southwest Power Pool.

Document Content(s)

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Montana Public Service Commission



Brad Molnar, Commissioner
District 2
Randy Pinnocci Commissioner
District 1

Debbie Anne- Reese
Secretary Federal Energy Regulatory Commission
888 1st Street, NE
Washington DC 20246

Dear Secretary Reese,

Attached please find a Certificate of Service for my most recent filing on ER26-129-002.

This is dated 4/07/26 and was inadvertently left out of my filing sent it to you on 4/07/2026.

All of those on the service list sent to me were served on 04/07/2026.

Please get this where it needs to go.

// Brad Molnar //

Commissioner Brad Molnar Montana Public Service Commission

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the forgoing document upon each person designated on the official service list compelled by the Secretary in this proceeding in accordance with Rule 2010 of the Practice and Procedure, 18 C.F.R. 385.1010.

// Brad Molnar//

Brad Molnar,
Montana Public Service Commission, District 2

Dated at Helena, Montana on this 7th day of April 2026

Document Content(s)

Molnar Certificate of Service FERC 3.pdf.....1

Commissioner Brad Molnar
1701 Prospect Ave.
Helena, Mt. 59601
bmolnar@mt.gov
406-794-5982

April 6, 2026

Debbie-Anne A. Reese
Secretary
Federal Energy Regulatory Commission
888 First St. NE
Washington, DC 20426

Re: Corrected Signature Page and Certificate of Service Page – (in re NorthWestern Colstrip 370Pu LLC) – Docket No. ER26-129-002

Dear Secretary Reese,

I am submitting this correspondence to provide a corrected Signature Page and a corrected Certificate of Service page for my rehearing filing in the above-referenced docket. The original filing submitted on March 30, 2026, contained several errors. On the signature page my name was spelled as “Bob” instead of Brad. Also, it stated that I am an attorney. I am not nor is Commissioner Pinocci. This was just a “cut and paste” error.

On the Certificate of Service page, the date listed was March 27th which I believed was the final date to file. In fact, the final date to file was March 30th. I filed and gave service on the 30th of March, 2026.

The two pages following this are the corrected versions of the signature page (next to last of the filing for rehearing but before the Exhibits and the Certificate of Service which is the last page of the filing for rehearing. Only these two pages are replaced.

If you have any questions or require additional information, I am available at 406-794-5982.

Thank you for your attention to this matter.
Sincerely,
//Brad Molnar//
Mt. Public Service Commission District 2

Time spent in court to decide if the value of a generation plant that can produce the lowest cost electricity in the nation is zero dollars, is better spent working together pursuing our energy destiny according to law, fact and precedent.

JURISDICTION

The Montana Commission is not aware that the Commission has any information as to who shall receive the 370 MW short term. But in NorthWestern's Integrated Resource Plan filed with the Montana Commission it appears that it will all go to a Data Center located in Broadview, Mt. in two years time. With this in mind we uphold FERC's authority rule on the transfer the PSE holdings to NWE as this is plainly an interstate issue. The rest seems to be, or soon shall be, intrastate, which is the purview of the Montana Commission.

Respectfully submitted,

/s/ Brad Molnar
Brad Molnar
Montana Public Service Commissioner

Dated March 30, 2026

/s/ Randall Pinocci
Randall Pinocci
Montana Public Service Commissioner

CERTIFICATE OF SERVICE

I hereby certify that I have on this day served the forgoing document upon each person designated on the official service list compelled by the Secretary in this proceeding in accordance with Rule 2010 of the Practice and Procedure, 18 C.F.R. 385.1010.

Brad Molnar,
Montana Public Service Commission, District 2

Dated at Helena, Montana on this 30th day of March 2026

Dated this 30th day of March 2026.

Document Content(s)

amendment to certificaate of service.docx1

Commission's Rules of Practice and Procedure ("Rules") governing requests for rehearing; (b) attempts to introduce extraneous evidence that should have been introduced prior to the Commission's original Order; and (c) seeks relief that the Commission does not have authority to grant. The Request for Rehearing is substantively deficient because it: (y) attempts to revisit issues that were already addressed by the Commission without providing any explanation or support that the issues were wrongly decided by the Commission's Order; and (z) significantly misconstrues the facts and law in several instances.

I. MOTION FOR LEAVE TO ANSWER

NorthWestern Colstrip respectfully moves for leave to file this Answer and asks that the Commission accept this response. While the Commission's Rules normally prohibit an answer to a request for rehearing,⁵ the Commission permits an answer when it provides useful and relevant information that will assist the Commission in its decision-making process,⁶ or when the answer will clarify the issues before the Commission.⁷

⁵ *E.g.*, 18 CFR §§ 385.213(a)(2), 385.713(d).

⁶ The Commission permits answers that would otherwise be prohibited where the reply would assure a complete record in the proceeding or assists the Commission in its decision-making process; *SunEnergy1, LLC*, 176 FERC ¶ 61,004 at P 41 (2021) ("We accept SunEnergy's answer because it has provided information that assisted us in our decision-making process."); *New Fortress Energy LLC*, 174 FERC ¶ 61,207 at P 7 ("The Commission's Rules of Practice and Procedure do not permit answers to protests or answers to answers; however, we find good cause to waive our rules and accept the answers because they provide information that has assisted in our decision-making process." (citation omitted)), *order on reh'g*, 176 FERC ¶ 61,031 (2021), *aff'd sub nom. New Fortress Energy Inc. v. FERC*, 36 F.4th 1172 (D.C. Cir. 2022); *Saltville Gas Storage Co., L.L.C.*, 164 FERC ¶ 61,212 at P 2 n.6 (2018) ("the Commission finds good cause to accept Saltville's answer because it will not delay the proceeding, will assist the Commission in understanding the issues raised, and will ensure a complete record"); *Columbia Gas Transmission, LLC*, 146 FERC ¶ 61,232 at P 10 (2014) ("While the Commission's Rules of Practice and Procedure generally prohibit answers to protests or answers, ... the Commission will accept Columbia's answer to aid in the disposition of the issues" (citation omitted)); *Algonquin Gas Transmission, LLC*, 166 FERC ¶ 61,012 at P 30 (2019) ("we will accept Algonquin's answers because they clarify the concerns raised").

⁷ *See, e.g., PJM Interconnection, L.L.C.*, 176 FERC ¶ 61,003 at P 24 (2021) ("We accept the answers filed by PJM and the Market Monitor because they provide information that has assisted us in our decision-making process."); *Ala. Gasline Dev. Corp.*, 171 FERC ¶ 61,134 at P 7 (2020) ("Although the Commission's Rules of Practice and Procedure do not permit answers to protests, we will accept the answers herein because they clarify the concerns raised and provide information that has assisted in our decision making" (citation omitted)), *order on reh'g*, 172 FERC ¶ 61,214 (2020), *aff'd sub nom. Ctr. for Biological Diversity & Sierra Club v. FERC*, 67 F.4th 1176 (D.C. Cir. 2023).

This Answer demonstrates that the Request for Rehearing is procedurally deficient and must be rejected. Similarly, this Answer identifies several substantive contradictions and inaccuracies presented by the Request for Rehearing. Thus, because this Answer will aid the Commission in its decision-making process, NorthWestern Colstrip respectfully requests that this Answer be accepted as helpful to the Commission, including by clarifying the issues that are properly before the Commission in this proceeding. Therefore, good cause exists for the Commission to grant this motion for leave to file this Answer.

II. ARGUMENTS

This Answer demonstrates that the Request for Rehearing is both procedurally deficient and fails on the substance. Therefore, NorthWestern Colstrip requests that the Commission promptly dispose of the Request for Rehearing by issuing a substantive order reaffirming the conclusions reached in its original Order.

A. The Request for Rehearing is procedurally deficient in several respects, all of which suggest that the Commission should summarily reject the filing.

There are at least three grounds upon which the Request for Rehearing is procedurally deficient, including that it does not comply with the requirements of the Rules for rehearing requests, seeks to introduce evidence that is extraneous and should have been provided to the Commission prior to issuance of its Order, and requests relief that the Commission does not have statutory authority to grant.

1. The Request for Rehearing Raises Issues That are Deemed Waived Under the Commission's Rules, so Those Issues are not Properly Before the Commission.

Rule 713(c)(2) of the Commission's Rules⁸ requires a rehearing request to include a separate "Statement of Issues" section listing each issue that was incorrectly decided.

⁸ 18 CFR § 385.713(c)(2)

In the Request for Rehearing, the Montana Independent Commissioners listed a sole issue in its “Statement of Issues” section—namely, whether FERC erred by relying on the rebuttable presumption that fair market value is the transaction price.⁹ Rule 713(c)(2) states that any issue not so listed will be deemed waived, and the D.C. Circuit has reinforced the requirement to include such issues in the Statement of Issues presented at rehearing.¹⁰ Because the Montana Independent Commissioners only listed a single issue, all of the other subsequent issues raised in their Request for Rehearing are deemed waived. For example, the Request for Rehearing touches on issues such as Montana’s legal process,¹¹ credibility of information and comments previously submitted to the Commission,¹² the coal executive order,¹³ why the Montana Independent Commissioners’ prior comments were withdrawn,¹⁴ cross-subsidization,¹⁵ competitiveness,¹⁶ and whether the generation plant in question should be placed into rate base.¹⁷ However, because none of those issues were enumerated in the Request for Rehearing’s “Statement of Issues,” all of them are deemed waived,

⁹ See Request for Rehearing on Behalf of Northwestern Energy’s Captive Montana Customers as Represented by Montana’s Independent Public Service Commissioners at 3, Docket No. ER26-129-000 (filed Mar. 27, 2026) (“Request for Rehearing”).

¹⁰ 18 CFR § 385.713 (“[A]ny issue not so listed will be deemed waived.”); *Food & Water Watch v. FERC*, 104 F.4th 336, 348 (2024) (“FERC regulations require parties seeking rehearing to “include a separate section entitled ‘Statement of Issues,’ listing each issue in a separately enumerated paragraph.” 18 C.F.R. § 385.713(c)(2). Moreover, they provide that failure to do so means that the issue “will be deemed waived.” *Id.* In its petition for rehearing, Food & Water Watch briefly mentioned the New York City ordinance, but it did not separately identify the ordinance in its Statement of Issues. And where statutes bar us from addressing issues not raised before an agency, a party must do so consistent with valid agency rules.”).

¹¹ Request for Rehearing at 7.

¹² *Id.* at 8-11, 13-15.

¹³ *Id.* at 13.

¹⁴ *Id.* at 15.

¹⁵ *Id.* at 15-16.

¹⁶ *Id.* at 16-17.

¹⁷ *Id.* at 17.

leaving the only relevant issue before the Commission as whether the Commission erred in relying upon the rebuttable presumption that the fair market value is the transaction price.

2. The Request for Rehearing also seeks to introduce new arguments and evidence that the Commission should not consider.

As relevant to the lone issue before the Commission (*i.e.*, fair market value and the reliance on the rebuttable presumption), the Request for Rehearing seeks to introduce extraneous and new evidence that was readily available at the time of the initial comment period and/or the Commission's issuance of the Order; however, for reasons unexplained by the Montana Independent Commissioners, such evidence was not introduced at that point. By failing to timely introduce the available evidence, the Commission should reject it and conclude that, by failing to timely submit the evidence, the Montana Independent Commissioners have waived the right to subsequently introduce such extraneous evidence.¹⁸

The Commission has been clear that new arguments and evidence submitted for the first time, at the rehearing stage, "raises concerns of fairness and due process."¹⁹ As a result, the Commission regularly rejects such newly-raised arguments and newly-presented evidence,²⁰ and NorthWestern Colstrip respectfully requests that the Commission reach a similar conclusion here.

Even if the newly introduced arguments and evidence were properly before the Commission on rehearing, the Commission should similarly reject these arguments. Other than the Montana Independent Commissioners' claim that the Commission erred when it relied on the

¹⁸ *Exxon Corp., et al. v. FERC*, 114 F.3d 1252, 1260-61 (1997).

¹⁹ *La. Pub. Serv. Comm'n v. Entergy*, 172 FERC ¶ 61,056 at P 38 (2020) ("We find the Louisiana Commission's argument with respect to mutual mistake of fact is waived because it is being raised for the first time on rehearing. The Commission has "long held that it will reject new arguments on rehearing that could have been made originally but were not. Because other parties are precluded—pursuant to Rule 713(d)(1) of the Commission's Rules of Practice and Procedure—from filing answers to requests for rehearing, allowing [parties] to introduce new arguments at the rehearing stage raises concerns of fairness and due process.").

²⁰ *Id.*; see also *Columbia Gulf Transmission, LLC v. FERC*, 106 F.4th 1220, 1231 (D.C. Cir., 2024).

rebuttable presumption that the FMV was the contract price, the Montana Independent Commissioners' make no further effort to demonstrate how or why any of their other arguments demonstrate error by the Commission. Instead, the Montana Independent Commissioners raise a variety of confounding arguments that appear unrelated and irrelevant to the issues before the Commission, including that: (1) some of the arguments and information presented by commenters in this proceeding lack credibility;²¹ (2) the coal executive order would keep the Colstrip plant open in any party's hands;²² (3) the Montana Independent Commissioners' prior comments and protest were withdrawn for reasons other than described in the Commission's Order;²³ (4) this transaction is an illegal cross-subsidization of wind contracts held by NorthWestern Colstrip's affiliate, NorthWestern Corporation d/b/a NorthWestern Energy ("NWE"); (5) NorthWestern Colstrip's sale of energy is at an uncompetitive price;²⁴ and (6) the generation in question was previously rate-based in Washington State and should remain so, despite the Commission's Order.²⁵

However, all of these arguments should be swiftly dismissed by the Commission because: (1) the Montana Independent Commissioners make no attempt to demonstrate how or why these arguments demonstrate that Commission erred in its original Order, (2) these arguments are irrelevant and distracting to the issues before the Commission in this proceeding—namely, whether NorthWestern Colstrip's proposed cost-based rate tariff ("CBR Tariff") was just and

²¹ Request for Rehearing at 8-11, 13-15.

²² *Id.* at 13.

²³ *Id.* at 15.

²⁴ *Id.* at 16-17.

²⁵ *Id.* at 17.

reasonable under Section 205 of the Federal Power Act; and (3) these arguments are substantively incorrect, misleading, and misconstrue both the facts and the law.

3. The Montana Independent Commissioners seek relief the Commission does not have authority to grant.

The Request for Rehearing is also procedurally improper in that it seeks relief that the Commission does not have authority to grant, and, therefore, the relief sought cannot be considered. The Montana Independent Commissioners suggest sanctions are warranted for both NWE and Puget Sound Energy (“PSE”) on the grounds that (1) NWE and PSE offered documents without a factual basis, and (2) that FERC return the asset to rate base.²⁶ However, the Montana Independent Commissioners did not provide a single statutory or regulatory citation for the Commission’s authority to issue sanctions for the alleged errors, and NorthWestern Colstrip is aware of no such authority. Similarly, even if the Commission had such authority, the Montana Independent Commissioners ask that such be remedy be imposed on two parties (NWE and PSE) that are not parties to the actual application at issue in this proceeding. Instead, as has been repeatedly emphasized by NorthWestern Colstrip throughout the course of this proceeding, the scope of this proceeding is limited to whether the proposed CBR Tariff is just and reasonable under Section 205 of the Federal Power Act. The Commission properly concluded that the CBR Tariff is just and reasonable in its original Order, and the relief sought by the Montana Independent Commissioners is irrelevant to that finding by the Commission.

For each of the procedural reasons laid out above, NorthWestern Colstrip asks that the Commission promptly issue a substantive order dismissing the arguments raised by the Request for Rehearing and summarily affirming its Order.

²⁶ *Id.* at 17-19.

B. The Request for Rehearing also fails on substance, and therefore should be promptly rejected by the Commission.

1. The Request for Rehearing fails to raise any new issues that were not already adequately and correctly addressed by the Order.

As noted above, there is only one issue properly before the Commission—namely, whether it was appropriate to rely upon the Commission’s rebuttable presumption that the fair market value (“FMV”) of a transaction is the contract price. However, the Commission’s Order correctly dismissed numerous prior arguments on that issue and adequately explained the rationale for its decision, which does not constitute error or a basis to overturn those conclusions now.

The Commission’s Order provided a detailed, reasoned, and well-supported response to this very same argument,²⁷ and, as further explained below, because the Montana Independent Commissioners have failed to provide evidence to refute the accuracy of the Commission’s underlying order, these arguments should easily be rejected.

2. The Montana Independent Commissioners offer confusing and inaccurate evidence regarding the valuation that is irrelevant to the issues before the Commission.

The Montana Independent Commissioners introduce evidence of Montana Department of Revenue valuation, which is confusing, inaccurate, and irrelevant to the question of whether the Commission properly relied upon the rebuttable presumption that fair market value is equal to the transaction price.

Because the valuation issue is the only issue not otherwise waived due to the procedural deficiencies noted above, this Answer will provide a response to that specific issue; however, NorthWestern Colstrip preserves its right to address other issues should the Commission determine such issues are properly before them.

²⁷ See Order at PP 42-44.

The Request for Rehearing seeks to confuse the valuation issue by introducing evidence of the Department of Revenue for Montana valuation methods as indicative of the use of a FMV determination, when in reality, Montana's valuation of utilities is quite different and distinct from the Commission's definition of FMV under the relevant statutes and regulations. The Department of Revenue for Montana does not assess utilities in the same manner as it does other properties like commercial business or residences.

The recitations of purported evidence of alleged "value" is significantly misleading to the Commission because: (1) the Montana Department of Revenue informed Commissioner Molnar that the tax assessment of utility property is not indicative of market value;²⁸ and (2) the tax values used by the Montana Department of Revenue are an apportionment of a "unit value" that has nothing to do with the actual market value of the asset in question.²⁹ Thus, the apparent "evidence" of the true value of this asset presented by the Montana Independent Commissioners is misleading and confuses the issue before the Commission.

As NorthWestern Colstrip has previously argued, the FMV must be determined at the time of the sale, based on all facts known at that time, not a retroactive calculation of value as the Montana Independent Commissioners suggest in the Request for Rehearing. As a result, the evidence offered by the Montana Independent Commissioners in an attempt to rebut the presumption that FMV is equal to the transaction price should be disregarded as inaccurate, misleading, and inconsistent with the Commission's rules for determining the appropriate "value" of the Colstrip generation asset.

²⁸ See *Email from Angie Haller*, Request for Rehearing, FERC 2 at 8 ("This is the market value that was attributed to Puget Sound Energy for these assets on a unit basis and it is not to be construed as the market value of the assets being transferred to NorthWestern Energy.") (emphasis added).

²⁹ *Id.* at 18 ("We do not value these assets individually.... These market values are apportionments and do not represent the market value of individual assets.") (emphasis added).

III. CONCLUSION

WHEREFORE, for the foregoing reasons, NorthWestern Colstrip respectfully requests that the Commission grant this motion for leave to answer, accept this Answer, and dismiss, or summarily reject, the Montana Independent Commissioners' Request for Rehearing. Through this Answer, NorthWestern Colstrip objects to the Montana Independent Commissioners' Request for Rehearing, and requests the Commission dismiss, or summarily reject, the Montana Independent Commissioners' Request for Rehearing due to the procedural and substantive issues set forth above.

As has been shown in this Answer, there are numerous reasons the Request for Rehearing should be dismissed or, alternatively, summarily rejected, including on both procedural and substantive grounds. For each of the foregoing reasons, the Request for Rehearing should be dismissed or, alternatively, summarily rejected.

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Dated: April 17, 2026

CERTIFICATE OF SERVICE

I hereby certify that, on this 17th day of April 2026, I have served a copy of the foregoing document on the official service list compiled by the Office of the Secretary for the above-referenced proceeding.

/s/ Samantha DeLee _____

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Document Content(s)

NorthWestern Colstrip_Motion for Leave to Answer and Answer.pdf1

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Northwest Western Colstrip 370Pu LLC)

ER26-129-001

**REQUEST FOR REHEARING ON BEHALF OF NORTHWESTERN ENERGY'S
CAPTIVE MONTANA CUSTOMERS AS REPRESENTED BY MONTANA'S
INDEPENDENT PUBLIC SERVICE COMMISSIONERS**

Montana Commissioners Brad Molnar and Randall Pinocci (Montana's Independent Commissioners or ICs) respectfully request that the Federal Energy Regulatory Commission (FERC) grant rehearing of the February 27, 2026 Order Accepting Tariff Revisions (Order).¹ FERC relied on misleading information provided by Northwestern in response to a deficiency letter; information that led FERC to believe that the jurisdictional asset being sold had no market value and therefore Federal Power Act Section 203 approval was not required. The ICs recognize the political pressure that was brought to bear in an attempt to persuade FERC to reach this conclusion, but the fact remains that this asset has become very valuable. Had FERC directed Northwestern to provide a current market value assessment rather than rely on unsworn statements submitted by the very parties seeking to avoid FERC's Section 203 jurisdiction, it would have been obvious that Northwestern's preferred valuation was suspect. The asset is an operating and profitable steam generating plant with a current replacement cost of approximately \$600M to \$800M. The only thing that made it valueless to utilities on the west coast was its fuel source - - coal. That story has completely changed in the last year as even cursory research would demonstrate.

¹ Order Accepting Tariff Revisions, *North Western Colstrip 370Pu LLC*, 194 FERC ¶ 61,251 (2026) (Order).

FERC's decision rests entirely on its misapplication of the rebuttable presumption that "the market price is the transaction price."² In light of the relaxation of environmental controls applicable to coal plants, the exponential increase in demand being driven by artificial intelligence and associated data center growth, and the need for reliable dispatchable generation to serve this growing load, concluding that sale of a fully functioning coal plant with projected earnings in excess of \$30 million per year (according to the record) are obvious grounds not to rely on that presumption. Is it any surprise to FERC, given the west coast's irrational dislike of coal generation, Washinton State legislation, and WUTC rulings, that Puget Sound would be "willing" to give away its ownership share of the Colstrip assets?

FERC has an "affirmative duty to inquire into and consider all relevant facts."³ FERC must consider arguments regarding its jurisdiction, or else it acts arbitrarily.⁴ Because FERC defaulted to the rebuttable presumption in light of record evidence and instead of conducting a common sense review of the change in conditions since last Puget Sound sought to sell its share of Colstrip, its decision is unjust and unreasonable.⁵

In lieu of rejecting the filing, FERC should have set the docket for hearing so that a record could have been created to establish market value.

The ICs respectfully request that FERC grant rehearing and reject the filing or set it for hearing to establish the market value of this asset to determine whether FPA Section 203 applies.

² Order, P 42.

³ *Scenic Hudson Preservation Conference v. FPC*, 354 F.2d 608, 620 (2d Cir. 1965) (citing *Mich. Consol. Gas Co. v. FPC*, 283 F.2d 204, 224, 226, 108 U.S. App. D.C. 409 (D.C. Cir. 1960)).

⁴ 5 U.S.C. § 706(2)(A), (2)(C); *Scenic Hudson Preservation Conference*, 354 F.2d, 608, 620 (2d Cir. 1965) (citing *Mich. Consol. Gas Co. v. FPC*, 283 F.2d 204, 224, 226, 108 U.S. App. D.C. 409 (D.C. Cir 1960)).

⁵ *Scenic Hudson Preservation Conference*, 354 F.2d, 608, 620 (2d Cir. 1965) (citing *Mich. Consol. Gas Co. v. FPC*, 283 F.2d 204, 224, 226, 108 U.S. App. D.C. 409 (D.C. Cir 1960)).

Specification of Errors and Statement of Issues

In compliance with Commission Rule 713(c)(1)-(2), the ICs identify the following issues with the Order and explain that the Commission erred as follows:

1. Issue: Whether FERC erred by relying on a rebuttable presumption that the transaction price is the market price despite record evidence to the contrary.

Answer: Yes, FERC erred. Record evidence demonstrated that the coal strip asset is expected to produce at least \$30 million in revenue per year. The threshold for FERC jurisdiction under FPA Section 203 is \$10 million. Clearly an asset that produces that level of revenue is not worthless. Under the Administrative Procedure Act (APA), federal agency actions are held as unlawful and set aside when they are “arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.”⁶ FERC has an “affirmative duty to inquire into and consider all relevant facts.”⁷ The Commission’s decision to ignore these facts was arbitrary and capricious.

REASONS FOR GRANTING REHEARING

At the center of this determination is the market value of Colstrip Units 3 & 4 driven in part by their capacity to generate 370MW in a reliable manner. The plant was operational on the day of the transfer. Profitable contracts had been negotiated so we must assume that this acquisition is at a value greater than the \$0 value claimed by the applicants. This is especially true because the plant is totally equipped with very expensive pollution control devices that make it 100% compliant with federal and state air quality standards. And has received recent upgrades.

Reliance by FERC on a rebuttable presumption that the acquisition price is the market value ignored significant evidence that the asset is not valued at zero dollars. An appraisal of the value would have at the very least reflected the revenue projected to be earned, the salvage value, land value, and in this case contract value at a minimum. The only real question is whether the market value of the transferred generation assets is above or below \$10M.

⁶ 5 U.S.C. § 706(2)(A).

⁷ *Scenic Hudson Preservation Conference v. FPC*, 354 F.2d 608, 620 (2d Cir. 1965) (citing *Mich. Consol. Gas Co. v. FPC*, 283 F.2d 204, 224, 226, 108 U.S. App. D.C. 409 (D.C. Cir. 1960)).

FERC's Rule, 18 CFR 33.1 (a) (ii), states that establishing a value of over \$10M may be done by "any means whatsoever". Fortunately, there are many accurate methods. These are simple, common, and accepted across the board in every segment of society.

Market Value

The highest price in terms of money which a property will bring in a competitive and open market under all condition's requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus.

There are several ways to value a business. Here are several that are commonly used:

Establishing a business's value—often called "valuation"—is a blend of financial science and market reality. In 2026, most professionals triangulate value using three primary approaches.

The Market Approach (Multiples)

This is the most common method for small to mid-sized businesses. It values a company based on what similar businesses have recently sold for.

- * Earnings Multiples: You multiply a specific profit figure (typically EBITDA—Earnings Before Interest, Taxes, Depreciation, and Amortization) by an industry-standard "multiple."

- * Example: If your EBITDA is \$1M and your industry multiple is 5x, the enterprise value is \$5M.

- * SDE: For very small "Main Street" businesses, owners often use Seller's Discretionary Earnings (SDE), which adds back the owner's salary and perks.

The Income Approach (Discounted Cash Flow)

This method looks at the future rather than the past. It is the "gold standard" for companies with high growth or predictable recurring revenue.

- * DCF Analysis: It projects the business's future cash flows (usually 5 years) and "discounts" them back to their value in today's dollars using a discount rate (to account for risk and the time value of money).

The Asset-Based Approach

This calculates the “liquidation” or “book value” of a company.

* Formula: Total Assets - Total Liabilities = Net Asset Value.

* It is generally used for under performing companies or those with significant physical holdings (like real estate or heavy machinery).

Key Value Drivers in 2026

Modern buyers look beyond the balance sheet. Factors that increase your “multiple” include:

* Data Maturity: Having clean, actionable customer data.

* Recurring Revenue: Subscription models are valued significantly higher than one-time sales.

* Owner Independence: A business that can run without the founder is worth more.

Sources:

* Auxo Capital Advisors (2026): “How to Value a Business: Step-by-Step Guide”

* PwC (2026): “Global M&A Industry Trends”

* The Hartford: “Determining Your Business’s Market Value”

All that shows that there are many accepted ways to appraise a venture, but NWE chose none. In fact, the only number they show for value is \$0 and they do not substantiate that. Instead, they chose to live in the past and ask the Commission to ignore present day reality, future contracts, cash flows, and accept a self-serving narrative that market value is not achieved via an agreed to price between a willing buyer and a willing seller. But rather established by a politically mandated abandonment date and a bar to selling the asset for even \$1.

In Commissioner Molnar’s discussions with industrial appraisers none found the market value of \$0 anything but laughable. None wish to be quoted for fear of political retaliation but all said they would testify if subpoenaed.

The qualifier (first sentence after Market Value) in the examples above is virtually identical to Montana’s definition of Market Value in Montana Code Annotated 15-8-111 (**Exhibit A**). (2) (a) “Market value is the value at which property could change hands between *a willing buyer and a willing seller, neither being under any compulsion to buy or to sell* and both having reasonable knowledge of relevant facts.” Plainly PSE was under compulsion to not sell but rather to

“abandon”. The State of Montana had to use a realistic, legal, example of “market value” and did so properly placing that value at well over \$100,000,000.

The relevant fact is that NorthWestern Energy was the last standing qualified entity capable of receiving the Puget shares of the Colstrip Generating Plant because it could not be sold per Washington State law as interpreted by the WUTC. And the Colstrip Owners Agreement granted veto power over a transfer. Therefore, an asset-based approach (see above) was necessary to get realistic market value. Which the Montana Department of Revenue did, and NorthWestern Energy and Puget Sound and Energy should have presented to the Commission. **(Exhibit B)**

MCA 15-8-111 (2) (b) Plainly states that “If the department uses the cost approach as one approximation of market *value* (emphasis added), the department shall fully consider reduction in value caused by depreciation, whether through physical depreciation, functional obsolesce, or economic obsolesce”. These are the same rationales given to FERC by the applicant, Puget Sound and Energy, and Governor Gianforte but the definition of “depreciation” is different. FERC erred when they accepted their story line instead of demanding facts based on an appraisal, with NorthWestern having to provide the facts, not the Intervenors. In our original filing we clearly demonstrated the inaccurate and self-serving nature of PSE’s historical rendition so shall not repeat here.

Now we plead the established market value of PSE’s Colstrip holdings the day they transferred to NWE from a factual and provable basis.

Montana Code Annotated 15-6-156 (2) (i) (a) **(Exhibit A)** in pertinent part shows that the coal fired generation in question (2)(i)(a) is Class Thirteen Property and (4) shows the multiplier to establish the tax bill to be determined at 6% of *market value* established by the Montana Department of Revenue. The Commission’s own rules call for the establishment of *market value*

with acquisition value to be a rebuttable presumption, not a replacement for *proven* market value. Zero value is not common nor even logical. An easy rebut to the presumption would be an appraisal based on “comparative sales”. This was never pursued though it would have established a legitimate market value based on a willing buyer and a willing seller acting without compulsion. No explanation as to “why not” is offered.

STATE’S LEGAL PROCESS

An email from Jonathan Rosling (**Exhibit B**), a utility appraiser for the Montana Department of Revenue, indicates that the arguments shared with them, and eventually FERC, regarding declining value were considered, and determinations made, in response to their arguments. This was done during the assessments for Tax Year 2024. Assessments are made every two years, so the 2024 market value assessment was used for the 2024 and 2025 tax bills though the market for coal plants had increased per undisputed MEIC testimony, and the undisputed testimony of the Independent Commissioners during the 2024 – 2025 timeline up to the day of transfer and after.

The market value for PSE’s Colstrip holding established in 2024 including the plant and pollution control equipment was \$134,169,942 (**Exhibit B**). Because this is a two year cycle the value on the day the plant and some environmental control equipment transferred to NorthWestern Energy was \$134,169,942. Puget and NorthWestern were only \$134,169,942 off in their assertions to FERC. Montana’s DoR market value determination was never appealed by PSE.

New numbers for the next assessment period are due March 31, 2026, the day after this compressed deadline. We assume that NWE’s tax calculation for 2026 will not read Market Value x 6% = Tax value \$0 because the Colstrip Owners have veto power.

Because PSE negotiated their “declining value theory” with Mr. Rosling (**Exhibit B**) and twice paid their tax bill since then the rebuttable presumption is that they were aware of this fact,

decided to roll the dice, and withhold the facts from FERC to benefit NWE. NorthWestern Energy is also centrally assessed, so knows that each such plant is taxed on Market Value after negotiation with Mt. DoR. Crystal Lail, Chief Financial Officer of NWE, testified at a rate hearing mid 2025 that she had recently negotiated property tax determinations with the Mt. DoR. Facts do not supplant facts. As to why NWE and PSE chose this high risk tactic remains a mystery. Perhaps a fear of the WUTC motivated their actions. Perhaps not. But their motive is of zero value.

CREDIBILITY

This is standard practice for NorthWestern Energy and being used on FERC. Not only the lack of transparency but using time compression as a weapon against a full investigation. In a recent rate case they uniquely rolled in four other rate cases all to be determined in a 9-month time frame (the average time frame for one is 14 months) so they could declare their own rate increase. That rate case also took 14 months.

NWE is in a merger application with Black Hills Energy. The last merger application went on for 14 months and was for less than \$3B. Adjusted for inflation it was still under \$4B. The combined stock value of NWE and BHE in the current merger request is over \$15B. The hearing date is set for 6 months at the request of NWE and Black Hills Energy. During this time there have been protests that NWE has refused to answer substantive questions and in other ways impeded the process to not allow full and robust discovery very similar to the requests to abbreviate the public comment period so questions on this docket could not be raised. We are all victims when this happens. See (**EXHIBIT C**)

This exhibit, filed by Attorney Monica Tranel, a utility attorney formerly employed by the Mt. PSC, is twenty one pages of alleged efforts by NWE and BHE to use time compression, refusal to answer questions, or to falsely answer questions, to sabotage efforts to build a robust evidentiary

base from which the Mt. Commission can raise questions during the hearing and then make an informed decision. This certainly mirrors the tactics of NWE in this docket. Two weeks ago Commissioner Molnar raised similar issues and Commissioner Pinocci voted with him to have a public work session on the proper response to these concerns.

The Commission of course could not have known about the possible nexus between the acquisition and the merger outlined in Tranel's filings because NWE withheld it from you. Now that these statements are public, I am sharing them with you. This goes straight to credibility.

When a quasi-judicial body receives unsworn testimony the first question is if the testimony is contrived or accurate. Please review commentator's statements made during this investigation.

With one exception, none of them, to our knowledge, ever filed anything with FERC. Yet all filed within two days of the deadline, in theory, nullifying any counter points from being offered. All mis-stated the effects of the transfer ie attributing the benefits of the transaction to residential customers when in fact the benefits all flow to NWE's investors, and new large customers. All asked FERC to shorten the period of comment for both intervenors and the public though it is doubtful they even knew of this possibility, or would have condoned it, if not coached to do so. All requested a January 1, 2026 retroactive acceptance date. Logic dictates the conclusion that the public commentators (all politicians) were coached to get a second, unchallenged, bite at the apple and skew the public comment record.

If indeed coached the commentators were all put at risk for any future campaigns having stood for having the low cost energy reserved for a data center and not for residential rate payers. The political blow back on this would haunt NWE for years yet is apparently considered worth it for a plant of zero value.

Property taxes have been a huge issue in Montana for the past decade. Rapidly appreciating market values being multiplied by the tax rate, have forced people to pay taxes on unrealized capital gains without corresponding increases in income. This has been the conversation around every pot-bellied stove and pickle barrel in Montana. Were these elected officials oblivious to the deception their letters caused? Or was this just harmless street theater laid on the Commission?

Governor Gianforte also attributed the benefits of selling this super low-cost electricity to data centers as somehow providing services to residential rate payers. To put a fine point on this he also states that the transfer of this “zero value” holding is “consistent with the assets fully depreciated value.

Governor Gianforte is a seasoned, pragmatic, successful, businessman and a renowned philanthropist.

While serving in Congress he was rumored to be the wealthiest congressman. But he might not know that the full depreciation was not a stranded cost because the plant had reached its depreciation schedule end, or that it was old and beyond repair. Rather the depreciation schedule had been bought down to avoid stranded costs to whoever acquired it through abandonment. The “buy down” was done by Washington ratepayers. The zero dollar valuation is in response to a political mandate, not a market variable.

Governor Gianforte realizes that if one of his companies buys a warehouse and his accountants put it on a twenty-year depreciation schedule, at the end of the schedule, it will be depreciated out. And the same accountant will advise to purchase another warehouse to enjoy the tax advantages.

If the properties around the warehouse have gone up in value, Governor Gianforte will sell the warehouse for more than he paid for it. But if the property around his warehouse has dropped in value and/or the building has fallen into disrepair the appraisal may cause him to sell for less than he paid for the building and land twenty years before. An appraisal will show him and the buyer the current market value. At no point in this example would Governor Gianforte claim the warehouse is fully depreciated so it must be abandoned and transferred to a new owner in a zero-dollar transaction.

Yet Governor Gianforte, perhaps with the best of intentions, and NorthWestern Energy, guided by avarice and greed, and Puget Sound Energy trying to keep former Governor Inslee and the Insleeites happy, have indeed misled the Commission.

Commissioners Molnar and Pinocci are both seasoned political veterans and recognize that political pressure is common, but often with low yield results for the governed. The political pressure brought in this case championed the dismissal of solid, normal, appraisal tactics. The Commission must reject the political comments and, rather, rule based on facts and law.

FURTHER ECONOMIC VALUATION CONSIDERATIONS

The market value of the Colstrip plant, \$115,214,707, more than satisfies the need to fill out a 203 Form. And Mt. DoR included \$18,955,235 in pollution control equipment for a total value of \$134,169,942. Other value additions are unnecessary but highlight the purposeful undervaluation presented by NWE and PSE to FERC.

NWE's response to the deficiency letter shows receiving 25% of the water shares of Castle Rock Lake to cool the plant. Water is a key component in operating a steam plant. Montana does not tax water rights, so a market value was not obtained from DoR records.

A true industrial audit would have given the water shares a market value. In the high plains prairie eco system, where the Colstrip Plant is located, the value of water is very high. Twenty-five percent of this 150-acre lake is possibly more than the \$10M in question, every year.

Mt. DoR valued only \$18,955,235 in pollution control equipment. The tax burden on such equipment ranges from \$0 to 3% of the market value. Much of the equipment does not qualify for special tax consideration because the Dept of Environmental Quality has not certified it. Despite the bureaucratic morass, it has value. Though not included in the “first blush” answer the values total, not including the \$19M mentioned above, \$106,391,441, found on Page 4 of 8. **EXHIBIT B**

Also found on page 4 of 8 are two pipelines and supplies to accommodate the plant valued at \$4,910,730. And two small substations, valued at \$3,912,509. We do not know if the substations transferred because PSE did not willingly account for transferred items. They may have been used in the operation of the plant and the transmission system NWE leased. Plainly, listing the market value of the items transferred was not considered supportive of their story line resulting in \$0 in value.

In NWE’s response to the deficiency letter was a listing of real estate parcels located in Colstrip, Mt. The Rosebud County Forsyth Field Office reports 182 locations in Colstrip, Mt listing PSE as owner or co-owner of the properties along with other owner interests in the plant. Mt. DoR recommended we contact the Field Office to get the valuations, and the Field Office told us to Contact the Mt. DoR. They then both told us to contact the Montana Office of Public Records Request. All messages sent through the portal have gone unanswered as of this sending. With the abbreviated time available the Independent Commissioners cannot provide the market value. Though certainly a great market value exists. NWE and PSE had a year to do this. **Exhibit D**

The market value is clearly over \$10M. The total overage is not important but the lack of transparency and the failure to provide documentation is.

COAL EXECUTIVE ORDER

In response to your deficiency letter NWE claims that putting the former PSE generation in their hands, with a CBRT, would help keep the plants open and generating. And NWE states that this outcome supports the EO supporting the continued use of coal generated electricity. Commissioners Molnar and Pinocci offer an alternative view point while supporting EO 14621.

First the generation in anyone's hands would keep it open in our energy-starved nation. Second, if NWE acted like an Independent Power Producer and sold the electricity to their residential customers for \$21 MWh they would keep the plant open and make better money than their short term sales will generate, by 25%. Why did they opt to not do this?

With the 370 MWh rate based, as originally intended, and blended with current supplies, Montanans would enjoy the lowest residential and commercial rates in the nation. This would give Montanan's, the Montana legislature, and the Montana Public Service Commission every incentive to protect the asset and keep it operational even in the face of renewed federal burdens. We proudly stand in support of President Trumps statement during the recent State of the Nation address that Data Centers should provide their own energy. Your ruling is the exact opposite of that national goal.

MORE ON CREDIBILITY

Compare the above sentiments of NWE to the historical antics of NorthWestern Energy, with many of the current top corporate officers still seated at the table.

Shortly after claiming financial reserves capable of securing the needs of the people of Montana to become Montana's default provider for their service area they declared bankruptcy.

This was due in part to the multiple fraudulent activities they engaged in before becoming the default provider. The allegations were upheld by the Securities and Exchange Commission.

While Montanans strained under the cost of keeping NWE afloat during the bankruptcy court proceedings NorthWestern offered to sell the original Colstrip Unit 4 (CU4) to a private buyer for \$403M after having acquired it for \$185 two years before. They offered to rate base it for \$403M so Montanans would not have to risk being in the day-ahead market for 5-7 years while a new gas plant was built. Then rate-base that plant. We rate based. The prospective buyer went bankrupt the following year.

Under the recent FERC ruling NWE residential customers would remain paying \$70 MWh from Colstrip Unit Four and the cost-based customers will be paying 425% less, at \$16.30 per MWh, for generation from the same plant. The Commissions recent decision is not balanced.

In the midst of bankruptcy NWE offered to transfer our transmission lines to an Australian Equity firm (Babcock and Brown) so they could use them as collateral and Montanans would have to pay the never-ending interest. Application denied. Babcock and Brown filed Chapter 11 the following year. At about the same time NWE offered to sell off our hydro generation system (Montanans still strained under the costs of keeping NWE afloat in the bankruptcy proceedings). We rate based the hydro system under duress for an estimated \$200M over appraised value (there remains some dispute on the amount of the overage because so much information was contradictory) and a 5% "carbon tax"...ON HYDRO!

As pointed out in the Monica Tranel's 350 filing the income of the 370 MW's may simply be uploaded to the umbrella group if the merger is approved by the Montana PSC and your tariff is allowed to stand.

Montana's Independent Commissioners firmly re-state that the best chance to keep CU 3&4's generation online is for the Montana Public Service Commission to hold the generation as rate based so the people of Montana can enjoy the benefits and protect them instead from allowing the generation to become just another piece in the corporate chess game being played by NWE.

ADDENDUM

The comments of the Montana Public Service Commission were not withdrawn due "inaccuracies". No such blemish exists. We attest that the points made on the need to file an accurate Form 203 are solid and perhaps could have avoided this dust up overvaluation and tariff. To that end we attach the original PSC filing as our own. **Addendum Exhibit D**

We note that in an unpublished, closed door, meeting between PSC leadership and NWE Governmental Affairs officers staff present remember that part of the presentation by NWE asking the PSC to withdraw their comments was that in the last year the valuation of coal plants had moved upward and they were afraid that if the Jan 1, 2026 deadline was missed PSE might cancel the abandonment and take the plant back to capitalize on the new market. I remember the same facts presented by PSC leadership in our meeting on this subject. Of course it was not possible under Washington law and precedent on this subject.

CROSS SUBSIDIZATION

Definition: Cross-subsidization is a pricing strategy where a company uses profits from high-margin products or services to cover the costs or losses of another product, service, or customer segment. It allows firms to set lower prices in one market to gain competitive advantage or increase affordability while maintaining profitability overall.

Mentioned in the FERC order **II Filling (6)** is that NWE has a contract for regulation product for the sales of it's 370 megawatts from Colstrip 3 and 4. We are not aware of such a "contract".

Monica Tranell of 350 Law mentions in her Emergency Motions to Stay that in an investors meeting NWE stated that with the addition of the Yellowstone County Gas Station, and the 370 Puget megawatts, NWE would have enough energy to serve it's new large customers.

The Yellowstone gas plant is a rate-based, multi purpose, plant and provides regulation products for Montana rate payers. NWE has admitted that they only charge the FERC Rate for this service, even for wind energy exported from Montana to Seattle by Puget Sound and Energy. FERC Rate does not cover costs borne by rate payers to service the new plants construction costs. This is referenced on P6 (13) of FERCs rendition of MEIC's arguments. MEIC and the IC agree on this point. MEIC's definition of cross-subsidization was and is correct in this context.

Plainly this is an illegal cross subsidization of NWE's wind contracts. For NWE to say they will use this same rate-based plant, without authorization, to serve those receiving what should be low cost megawatts serving Montana's captive customers, and have those ratepayers provide the plant for the regulation product, without compensation, is impermissible cross subsidization and a back handed slap. This is in contradiction with Commission comments on P 16 (42).

If the Commission does not want to call this cross-subsidization perhaps we can settle on Forced Investment Without Dividends.

COMPETITIVENESS

Allowing NWE to sell electricity below \$17 per MWh out of CU4 to new wholesale customers is a distinct disadvantage to those that would also want to sell electricity to the same customers. Those receiving the same power from the same plant and paying \$70MWh are not

competitive in selling their products to their customers as their competitor's would be in selling those products with an energy cost of \$16.30.

FERC's precedents set in Order 2222, rejecting requests to sell excess capacity in the PJM auction thus protecting rate payers long term, FERC Rule 1920, and many more recent FERC rulings/interactions supporting competitive markets to ensure positive outcomes by protecting competitive energy markets are laudable. The single outlier is your ruling on ER26-129-001 in which NWE is allowed self-dealing by totally ignoring the responsibility to provide a single factual market-based valuation based on precedent and law.

We repeat, market valuation is not \$0 because you won the asset in a poker game, received it in probate, arm wrestled for it, pistols at dawn, knives at night, or a Slap Jack Tournament. It is decided by determination of who would buy/sell for how much without interference. Any federal court will find the same.

RATE BASED

The generation in question was rate based and paid for by the residential customers of Washington State. The buy down of the depreciated cost was done by the rate based customers of Washington State. It was rate based and assumed to be so by the Mt. PSC until the Commission took that away and gave a market based determination without a single fact being given.

Because this was a rate based generation, held by a regulated utility and transferred to another regulated utility it remained rate based until the recent determination. This should happen only after a full investigation. Even a cursory investigation did not happen.

RELIEF SOUGHT

The Independent Commissioners of Montana appreciate this opportunity to find a legal and logical way forward without having to seek judicial review in the 9th District. While we share the

belief that such review would not smile on a claim of zero value supported by withheld documents, we prefer to keep this in the hands of professional regulators voting based on law and fact.

We ask that FERC acknowledge the transfer of the former PSE Colstrip holdings in recognition of the complexities (created by NWE's squandering of a year's time) in compliance and allow the transfer of the generation as rate based with clear authority for the PSC to review and act upon the contracts already penned.

Because the first ruling was affected by documents not offered to have a fact based outcome, we ask that the Commission invoke FERC Rules of Practice and Procedure Part 385 and sanction both NWE and PSE for failure to provide necessary documents and direct each to contribute \$5M to Montana's Energy Share not recoverable in rates.

In the alternative we ask that the transfer be deemed probationary while allowing NWE 30 days to file a factual Form 203 with the commission that establishes a defensible market valuation as of January 2, 2026. And we then ask that the generation be returned to rate based as it was originally transferred and intended.

While we appreciate the invitation of the FERC Commissioners for the Montana Commission to protect Montana ratepayers from the fallout of their decision, we prefer to grant said ratepayers the blessings of the lowest cost, reliable energy in America, and the economic opportunities it presents. And having that protected by the Montana Public Service Commission.

Finally, we ask that FERC mandate NWE to produce all documents concerning the discussion on why their current retail customers should not get the \$16.30 electricity but their new customers should.

Time spent in court to decide if the value of a generation plant that can produce the lowest cost electricity in the nation is zero dollars, is better spent working together pursuing our energy destiny according to law, fact and precedent.

JURISDICTION

The Montana Commission is not aware that the Commission has any information as to who shall receive the 370 MW short term. But in NorthWestern's Integrated Resource Plan filed with the Montana Commission it appears that it will all go to a Data Center located in Broadview, Mt. in two years time. With this in mind we uphold FERC's authority rule on the transfer the PSE holdings to NWE as this is plainly an interstate issue. The rest seems to be, or soon shall be, intrastate, which is the purview of the Montana Commission.

Respectfully submitted,

/s/ Brad Molnar _____

Bob Molnar
Randall Pinocci
Montana Public Service Commission
[MPSC address]
[email Bob]
[email Randall]

*Attorneys for Montana Public Service
Commission*

Dated March 30, 2026

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the forgoing document upon each person designated on the official service list compelled by the Secretary in this proceeding in accordance with Rule 2010 of the Practice and Procedure, 18 C.F.R. 385.1010. Dated this 27th day of March, 2026.



Brad Molnar, Montana Public Service Commission, District 2

EXHIBIT A
MONTANA TAX LAW

MCA Contents / TITLE 15 / CHAPTER 8 / Part 1 / 15-8-111 Appraisal -- m...

Montana Code Annotated 2025

TITLE 15. TAXATION

CHAPTER 8. ASSESSMENT PROCEDURE

Part 1. General Provisions

Appraisal -- Market Value Standard -- Exceptions

15-8-111. Appraisal -- market value standard -- exceptions. (1) All taxable property must be appraised at 100% of its market value except as otherwise provided.

(2) (a) Market value is the value at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts.

(b) If the department uses the cost approach as one approximation of market value, the department shall fully consider reduction in value caused by depreciation, whether through physical depreciation, functional obsolescence, or economic obsolescence.

(c) If the department uses the income approach as one approximation of market value and sufficient, relevant information on comparable sales and construction cost exists, the department shall rely upon the two methods that provide a similar market value as the better indicators of market value.

(d) Except as provided in subsection (4), the market value of special mobile equipment and agricultural tools, implements, and machinery is the average wholesale value shown in national appraisal guides and manuals or the value before reconditioning and profit margin. The department shall prepare valuation schedules showing the average wholesale value when a national appraisal guide does not exist.

(3) (a) In valuing class four residential and commercial property described in **15-6-134**, the department shall conduct the appraisal following the appropriate uniform standards of professional appraisal practice for mass appraisal promulgated by the appraisal standards board of the appraisal foundation. In valuing the property, the department shall use information available from any source considered reliable. Comparable properties used for valuation must represent similar properties within an acceptable proximity of the property being valued. The department shall use the same valuation method to value residential properties in the same neighborhood or subdivision unless there is a compelling reason to use a different approach.

(b) When valuing residential property under the cost approach, the department shall document why the comparable sales model does not support usage of the comparable sales approach, including an analysis of whether the cost approach is used for other class four residential property in the market area.

(4) The department may not adopt a lower or different standard of value from market value in making the official assessment and appraisal of the value of property, except:

(a) the market value for agricultural implements and machinery is the average wholesale value category as provided in published national agricultural and implement valuation guides. The valuation guide must provide average wholesale values specific to the state of Montana or a region that includes the state of Montana. The department shall adopt by rule the valuation guides used as provided in this subsection (4)(a). If the average wholesale value category is unavailable, the department shall use a comparable wholesale value category.

(b) (i) for condominium property, the department shall establish the value as provided in subsection (5); and

Montana Code Annotated 2025

TITLE 15. TAXATION

CHAPTER 6. PROPERTY SUBJECT TO TAXATION

Part 1. Classification

Class Thirteen Property -- Description -- Taxable Percentage

15-6-156. Class thirteen property -- description -- taxable percentage. (1) Except as provided in subsections (2)(a) through (2)(i), class thirteen property includes:

(a) electrical generation facilities, except wind generation facilities, biomass generation facilities, and energy storage facilities classified under **15-6-157**, of a centrally assessed electric power company;

(b) electrical generation facilities, except wind generation facilities, biomass generation facilities, and energy storage facilities classified under **15-6-157**, owned or operated by an exempt wholesale generator or an entity certified as an exempt wholesale generator pursuant to 42 U.S.C. 16451;

(c) noncentrally assessed electrical generation facilities, except wind generation facilities, biomass generation facilities, and energy storage facilities classified under **15-6-157**, owned or operated by any electrical energy producer;

(d) allocations of centrally assessed telecommunications services companies; and

(e) dedicated communications infrastructure or electrical generation systems described in **15-6-162(5)** for which construction commenced after June 30, 2037, or for which the 10-year period provided for in **15-6-162(5)** has expired.

(2) Class thirteen property does not include:

(a) property owned by cooperative rural electric cooperative associations classified under **15-6-135**;

(b) property owned by cooperative rural electric cooperative associations classified under **15-6-137** or **15-6-157**;

(c) allocations of electric power company property under **15-6-141**;

(d) electrical generation facilities included in another class of property;

(e) property owned by cooperative rural telephone associations and classified under **15-6-135**;

(f) property owned by organizations providing telecommunications services and classified under **15-6-135**;

(g) generation facilities that are exempt under **15-6-225**;

(h) qualified data centers classified under **15-6-162**; and

(i) property classified under **15-6-163**.

(3) For the purposes of this section, the following definitions apply:

(a) (i) "Electrical generation facilities" means any combination of a physically connected generator or generators, associated prime movers, and other associated property, including appurtenant land and improvements and personal property, that are normally operated together to produce electric power. The term

(ii) The term does not include electrical generation facilities used for noncommercial purposes or exclusively for agricultural purposes.

(iii) (A) The term also does not include a qualifying facility certified by the federal energy regulatory commission.

(B) To qualify for consideration of an abatement as allowed in **15-24-1402**, the requesting entity must disclose, in writing, its intent to request certification as a qualifying facility to the governing body.

(C) If the intent is not disclosed and an abatement granted, abatement may be rescinded by the governing body.

(D) Certified qualifying facilities are classified under **15-6-134** and **15-6-138**.

(iv) The term also does not include a facility that is owned and operated by a person not primarily engaged in the generation or sale of electricity other than power from a small power production facility and classified under **15-6-134** and **15-6-138**.

(b) (i) "Fiber optic or coaxial cable" means any fiber optic or coaxial cable, including all capitalized costs associated with installing and placing in service the fiber optic or coaxial cable, and other property that is normally operated when installing and placing in service fiber optic or coaxial cable to deliver digital communication and access to the internet.

(ii) The term does not include routers, head-end equipment, central office equipment and other electronics, or hardware or software not directly associated with installing and placing in service fiber optic or coaxial cable or the buildings used to house equipment.

(c) (i) "Wireless infrastructure" means signal transmission facilities and associated network equipment, including all capitalized costs associated with installing and placing these facilities and network equipment in service, together with other property that is directly associated with providing wireless service to customers and which includes power equipment, cables, lines, radios, antennas, transceivers, shelters, and towers.

(ii) The term does not include central office equipment and other electronics or hardware or software not directly associated with installing and placing wireless infrastructure into service.

(4) (a) Except as provided in subsections (4)(b) and (4)(c), class thirteen property is taxed at 6% of its market value.

(b) (i) Except as provided in subsection (4)(b)(ii), fiber optic or coaxial cable installed and placed in service on or after July 1, 2021, and wireless infrastructure placed in service on or after July 1, 2025, is exempt from taxation for a period of 5 years starting from the date the fiber optic or coaxial cable or wireless infrastructure was placed in service, after which the property exemption is phased out at a rate of 20% a year, with the property being assessed at 100% of its taxable value after a 10-year period. In order to maintain the exemption, the owner of fiber optic or coaxial cable or wireless infrastructure shall reinvest the tax savings from the exemption by installing and placing in service new fiber optic or coaxial cable or wireless infrastructure in Montana within 2 years from the date the owner first claimed the exemption provided for in this subsection (4)(b) without charging those costs to the consumer. The cost of installing or placing into service fiber optic or coaxial cable or wireless infrastructure with the reinvested tax savings without charging those costs to the consumer must be equal to or greater than the value of the tax savings received from the tax incentive.

(ii) Fiber optic or coaxial cable installed using federal funds received pursuant to Section 9901 of the American Rescue Plan Act is not eligible for exemption from taxation under this section.

(iii) An entity that claims a tax exemption under this subsection (4)(b) shall maintain adequate books and records demonstrating the investment the owner made when installing and placing in service fiber optic coaxial cable or wireless infrastructure in Montana. The property owners shall make those records available

EXHIBIT B
EMAIL COMMUNICATION WITH THE MT DEPT OF REVENUE
IN PERTINENT PART



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From: Molnar, Bradley <bmolnar@mt.gov>
Sent: Friday, March 6, 2026 2:01 PM
To: Nelson-Haller, Angie <anhaller@mt.gov>
Subject: RE: Puget Sound Energy

Thank you Angie, This, and your knowledgeable help, are so appreciated. Would you know if PSE appealed these appraisal amounts?

Brad



Brad Molnar

Commissioner

Montana Public Service Commission

☎ Main line 406.444.6199

✉ brad.molnar@mt.gov 🌐

<http://psc.mt.gov/>

From: Nelson-Haller, Angie <anhaller@mt.gov>

Sent: Friday, March 6, 2026 12:29 PM

To: Molnar, Bradley <bmolnar@mt.gov>

Subject: Puget Sound Energy

Hello Brad,

Here is the information that you requested for Puget generation equipment in Rosebud County. Let me know if you have any additional questions.

Angie Haller

How did we do? Let us know!

Angie Haller

Lead Utility Appraiser

Regulatory Taxes and Valuation Bureau

Montana Department of Revenue

PO Box 7149 | Helena, MT 59604

Phone: (406) 444-2515 | Fax: (406) 444-0705

we apportion a value to the assets based on a Market to Book ratio after determining the Market value of the entire company and allocating that portion to Montana.

On page 5 of 8 the total of Class 14 property value is \$73,106,170. This number is repeated on page 7 of 8 and labeled as Beaver Creek Turbines which is a PSE windfarm in Stillwater County. I am not aware that this windfarm was part of the \$0 transfer. I sent you the entire apportionment report for Puget Sound Energy. I do not believe that the PSE Wind farm was part of the transfer (Stillwater County). This \$73,106,170 makes up a portion of the State Total of Personal property along with the \$3,226,452 for Material and Supplies for Puget Sound Energy.

Assuming this to be correct, would the market value of the transfer be \$111,988,255 plus the value of the pollution control equipment which I believe is stated in the second attachment as \$18,955,235? We do not know for certain which assets were part of the transfer we are assuming that the generation and pollution control assets were transferred which would include the real property of \$111,988,255 and the pollution control \$18,955,235. Again, this is the Market Value apportioned to PSE not the market value of the individual assets.

Apparently, these are biforcated in your report because taxes vary from 6% for the plant, to 3% to 0% for the pollution control equipment – correct the tax rate for pollution control depends on the year of installation and whether it is new or replacement pollution control, so the tax rate is dependent on these conditions and varies.

Once the answers to the above are figured, can I please have your total for the transferred assets in question? We assume it would include the generation and pollution control assets, but we do not know for certain. This is the market value that was attributed to Puget Sound Energy for these assets on a unit basis it is not to be construed as the market value of the assets being transferred to Northwestern Energy.

PSE was given the task of negotiations with you on this issue concerning the value of the transferred generation assets and any ancillary issues. Have they reached out and if so, what was the result? I have included Jonathan Rosling on this email as he is the appraiser of Puget Sound Energy. According to him PSE has not reached out. They are required to submit a reporting form for central assessment on March 31st.

Angie Haller

How did we do? Let us know!

Angie Haller
Lead Utility Appraiser
Regulatory Taxes and Valuation Bureau
Montana Department of Revenue
PO Box 7149 | Helena, MT 59604
Phone: (406) 444-2515 | Fax: (406) 444-0705
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Brad Molnar
Commissioner
Montana Public Service Commission
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<http://psc.mt.gov/>

From: Nelson-Haller, Angie <anhaller@mt.gov>
Sent: Friday, March 6, 2026 2:09 PM
To: Molnar, Bradley <bmolnar@mt.gov>
Subject: RE: Puget Sound Energy

Tax Year 2025 was an off-year assessment in that the same Market value applied as Tax year 2024 when the value was appraised. Centrally assessed property is now on a 2-year reappraisal cycle since Tax year 2024. There was no appeal for Tax Year 2025.

Angie Haller

How did we do? Let us know!

Angie Haller
Lead Utility Appraiser
Regulatory Taxes and Valuation Bureau
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From: Molnar, Bradley <bmolnar@mt.gov>
Sent: Sunday, March 8, 2026 11:22 AM
To: Nelson-Haller, Angie <anhaller@mt.gov>
Subject: RE: Puget Sound Energy

Was there any appeal in 2024? Thank you. Brad



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From: Molnar, Bradley <bmolnar@mt.gov>
Sent: Monday, March 9, 2026 3:35 PM
To: Nelson-Haller, Angie <anhaller@mt.gov>
Subject: RE: Puget Sound Energy

Hi Angie,
A few quick questions.

On page 2 of 8 in the real property section Electric Generation Personal Property shows as \$3,226,452. This is added to the real property market value for a total of \$115,214,707. What is included in the \$3,226,452? Was it tools needed to run the plant so would have been part of the transfer of the generation assets of Puget Sound and Energy to NWE?

The last entry on page of 4 of 8 seems to be substations. This is a very small amount for any substation. Were these part of the generation system or part of the transmission system that appears to have been leased rather than transferred?

On page 5 of 8 the total of Class 14 property value is \$73,106,170. This number is repeated on page 7 of 8 and labeled as Beaver Creek Turbines which is a PSE windfarm in Stillwater County. I am not aware that this windfarm was part of the \$0 transfer. Assuming this to be correct, would the market value of the transfer be \$111,988,255 plus the value of the pollution control equipment which I believe is stated in the second attachment as \$18,955,235? Apparently, these are biforcated in your report because taxes vary from 6% for the plant, to 3% to 0% for the pollution control equipment.

Once the answers to the above are figured, can I please have your total for the transferred assets in question?

PSE was given the task of negotiations with you on this issue concerning the value of the transferred generation assets and any ancillary issues. Have they reached out and if so what was the result?

Thank you so much for your service to the ratepayers of Montana through your diligence and capacity on this issue.

Brad

On page 4 of 8 you show the referenced chunk of the Pollution Control Equipment as having a market value of \$106,391,441 which is a lot more than the \$18, 965,235 referenced on page 2 of 5 and as part of the total value reference in you email of 3/10/26. Please help me. Which number is correct? \$18M or \$106M?

Thank you. Sorry but you know more than I do and I get lost.

Brad



Brad Molnar

Commissioner

Montana Public Service Commission

☎ Main line 406.444.6199

✉ brad.molnar@mt.gov 🌐

<http://psc.mt.gov/>

From: Nelson-Haller, Angie <anhaller@mt.gov>

Sent: Monday, March 9, 2026 8:17 AM

To: Molnar, Bradley <bmolnar@mt.gov>

Subject: RE: Puget Sound Energy

PSE did not appeal for Tax Year 2024 or 2025.

Angie Haller

How did we do? Let us know!

Angie Haller

Lead Utility Appraiser

From: Nelson-Haller, Angie <anhaller@mt.gov>
Sent: Tuesday, March 10, 2026 9:27 AM
To: Molnar, Bradley <bmolnar@mt.gov>
Cc: Rosling, Jonathan <jonathanrosling@mt.gov>
Subject: RE: Puget Sound Energy

Brad,

I think we need to take a few steps back. **We do not value these assets individually.** The Puget Sound Colstrip assets are not individually valued but are valued on a unit basis. Unit valuation methodology is used to determine the market value of centrally assessed property. Unit valuation involves “appraising the whole pie and then taking Montana’s slice. Thus, the same assets may have different values when owned by different companies. These market values are apportionments and do not represent the market value of individual assets.

The Centrally Assessed Unit determines the market value of centrally assessed property on an annual basis. As of tax year 2024, the unit follows a 2-year reappraisal cycle where property is assessed on an even or odd year cycle depending on industry. Railroad and Railcar property is on a formula and is assessed annually. The unit completes appraisals to **value the entire company unit**, then **allocates** a portion of the unit value to the state and finally **apportions** the state value among the counties and local jurisdictions based on the location of the company’s property (situs and mileage). This information is then delivered to the Property Assessment Division for Certification of Values. The local County Treasurer bills and collects the taxes.

The Puget Sound Energy market value apportioned to Rosebud County for the Colstrip Assets for Puget Sound Energy was \$115,214, 707 Generation Assets + Pollution Control \$18,955,235 = \$134,169,942. **We do not know for sure that all these assets were transferred. Pollution control devices are integral so assumed to have been transferred. Further if any were “bolt on” and removed on Dec. 31, 2025 operation under NWE beginning on Jan 1, 2026 would have been in violation of many state and federal air quality laws resulting in millions of dollars in fines. So yep, pretty sure they transferred and PSE did not pawn them.**

Now to answer your questions:

On page 2 of 8 in the real property section Electric Generation Personal Property shows as \$3,226,452. This is added to the real property market value for a total of \$115,214,707. What is included in the \$3,226,452? Was it tools needed to run the plant so would have been part of the transfer of the generation assets of Puget Sound and Energy to NWE? **The \$3,226,452 was materials and supplies. The company self-reports the assets so I do not know what**

exactly is made up of the Materials and Supplies or that it was transferred to Northwestern Energy. Those would be materials and supplies needed to run the coal fired plant and PSE actions were mandated by the Washington legislature to divest, without compensation of their Colstrip holdings. So, they most certainly did not put the material and supplies on a semi and haul them to another coal plant. These supplies and materials of course would have been personal property.

The last entry on page of 4 of 8 seems to be substations. This is a very small amount for any substation. Were these part of the generation system or part of the transmission system that appears to have been leased rather than transferred? This may be a percentage share of the substation, and we do not know if it was transferred to Northwestern Energy. The original cost of the assets is self-reported to us and then we apportion a value to the assets based on a Market to Book ratio after determining the Market value of the entire company and allocating that portion to Montana. At that cost they may be imbedded in the plant to transfer power within the plant(s) or depreciated and being used to attach generation to the transmission system. I don't know either, and their records are scant indeed.

On page 5 of 8 the total of Class 14 property value is \$73,106,170. This number is repeated on page 7 of 8 and labeled as Beaver Creek Turbines which is a PSE windfarm in Stillwater County. I am not aware that this windfarm was part of the \$0 transfer. I sent you the entire apportionment report for Puget Sound Energy. I do not believe that the PSE Wind farm was part of the transfer (Stillwater County). This \$73,106,170 makes up a portion of the State Total of Personal property along with the \$3,226,452 for Material and Supplies for Puget Sound Energy. I also am positive the wind farm was not transferred. It just recently got activated and it would have been in the papers.

Assuming this to be correct, would the market value of the transfer be \$111,988,255 plus the value of the pollution control equipment which I believe is stated in the second attachment as \$18,955,235? We do not know for certain which assets were part of the transfer we are assuming that the generation and pollution control assets were transferred which would include the real property of \$111,988,255 and the pollution control \$18,955,235. Again, this is the Market Value apportioned to PSE not the market value of the individual assets.

Apparently, these are biforcated in your report because taxes vary from 6% for the plant, to 3% to 0% for the pollution control equipment – correct the tax rate for pollution control depends on the year of installation and whether it is new or replacement pollution control, so the tax rate is dependent on these conditions and varies.

Once the answers to the above are figured, can I please have your total for the transferred assets in question? We assume it would include the generation and pollution control assets, but we do not know for certain. This is the market value that was attributed to Puget Sound Energy for these assets on a unit basis it is not to be construed as the market value of the

assets being transferred to Northwestern Energy. And NorthWestern aien't saying. But we agree on the assumption as that is the only rational answer.

PSE was given the task of negotiations with you on this issue concerning the value of the transferred generation assets and any ancillary issues. Have they reached out and if so, what was the result? **I have included Jonathan Rosling on this email as he is the appraiser of Puget Sound Energy. According to him PSE has not reached out. They are required to submit a reporting form for central assessment on March 31st. Per their agreement PSE was supposed to negotiate with you. Like most things in this docket I have no idea if that is pre or post transfer.**

Brad

Angie Haller

Angie Haller
Lead Utility Appraiser
Regulatory Taxes and Valuation Bureau
Montana Department of Revenue
PO Box 7149 | Helena, MT 59604
Phone: (406) 444-2515 | Fax: (406) 444-0705
MTRevenue.gov

How did we do? Let us know!

Jonathan Rosling

Utility Appraiser

Montana Department of Revenue

jonathanrosling@mt.gov

406-444-0209

MTRevenue.gov



BUSINESS &
INCOME TAX
DIVISION
MONTANA



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From: Molnar, Bradley <bmolnar@mt.gov>
Sent: Wednesday, March 11, 2026 4:07 PM
To: Rosling, Jonathan <jonathanrosling@mt.gov>
Subject: FW: Puget Sound Energy

Hi Jonathan,

Apparently, you were the appraiser for Puget Sound Energy. A few quick questions please.

I notice that in the transfer of assets to NWE that there are substantial water rights that I assume are for cooling the plant. But they are not included in the market value. Do we not tax water rights? Also in the transfer document there are many real-estate parcels. Their location or use is not specified. If they are part of the plant, would they not have value? I assume that if they are housing tracts they would not for this purpose. Do we know?

Did PSE come in to negotiate the valuation and assert that it was zero due to the difficulty in disposing of the property? If so, does the \$134M (plant + pollution control) reflect this scenario or would the valuation be higher without this argument?

Thank you,

Brad

RE: Puget Sound Energy

From: Molnar, Bradley (bmolnar@mt.gov)
To: jonathanrosling@mt.gov
Cc: anhaller@mt.gov
Date: Friday, March 13, 2026 at 03:52 PM MDT

Thank you, Jonathan. You are a credit to your profession and a sterling example of leadership for those that follow. Really. You and Angie have been a pleasure to work with.

You have been very helpful.

Brad



Brad Molnar
Commissioner
Montana Public Service Commission
Main line 406.444.6199
brad.molnar@mt.gov <http://psc.mt.gov/>

From: Rosling, Jonathan <jonathanrosling@mt.gov>
Sent: Thursday, March 12, 2026 8:51 AM
To: Molnar, Bradley <bmolnar@mt.gov>
Cc: Nelson-Haller, Angie <anhaller@mt.gov>
Subject: RE: Puget Sound Energy

Hello Mr. Molnar,

I am not familiar with the tax treatment of water rights in Montana, but they are not treated as property subject to ad valorem assessment. The real estate parcels are owned by the plant owners but are locally assessed and have been removed from the unit for ad valorem tax purposes.

PSE's last assessment was in Tax Year 2024, and they did not appeal their valuation. They have historically argued their ownership interest in Colstrip was progressively declining in value, and considerations were made in response to their arguments.

How did we do? Let us know!

Jonathan Rosling
Utility Appraiser
Montana Department of Revenue
jonathanrosling@mt.gov
406-444-0209
MTRevenue.gov

From: Nelson-Haller, Angie <anhaller@mt.gov>
Sent: Tuesday, March 17, 2026 11:49 AM
To: Molnar, Bradley <bmolnar@mt.gov>
Cc: Rosling, Jonathan <jonathanrosling@mt.gov>
Subject: RE: Puget Sound Energy

Brad,

There will not be anyone at DEQ that will be able to answer that question. The situs is self-reported by the company – Puget would have to answer that question . The companies must apply for Pollution Control to be certified by DEQ so that we can apply the different tax rates to the pollution control equipment. Whatever was not certified would likely fit into that line item. Pollution control equipment has been certified clear back to the 80s when Colstrip was built.

Angie Haller

How did we do? Let us know!

Angie Haller

Lead Utility Appraiser

Regulatory Taxes and Valuation Bureau

Montana Department of Revenue

PO Box 7149 | Helena, MT 59604

Phone: (406) 444-2515 | Fax: (406) 444-0705

MTRevenue.gov



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From: Molnar, Bradley <bmolnar@mt.gov>
Sent: Tuesday, March 17, 2026 11:40 AM
To: Nelson-Haller, Angie <anhaller@mt.gov>
Cc: Rosling, Jonathan <jonathanrosling@mt.gov>
Subject: RE: Puget Sound Energy

So, if it doesn't qualify for a tax rate of 0% to 3% is it taxed at 6%? Obviously, the devices are credited to PSE and have a market value. I feel confident that, like the other pollution control devices, they went with the transfer.

Angie, I hate to do this but my deadline on this issue is looming large. If you know who at DEQ can explain "Excluded Approved Pollution Controls" and could ask them or give them my number/email address I would appreciate it.

Sparky



Brad Molnar

Commissioner

Montana Public Service Commission

☎ Main line 406.444.6199

✉ brad.molnar@mt.gov 🌐

<http://psc.mt.gov/>

From: Nelson-Haller, Angie <anhaller@mt.gov>

Sent: Tuesday, March 17, 2026 8:27 AM

To: Molnar, Bradley <bmolnar@mt.gov>

Cc: Rosling, Jonathan <jonathanrosling@mt.gov>

Subject: RE: Puget Sound Energy

Hi Brad,

The pollution control equipment that has been certified as pollution control by DEQ has a market value of \$18,965,235. I am not sure what the Colstrip 3 & 4 Excluded approved pollution control consists of but if I had to guess that would be pollution control that was likely not certified by DEQ so does not qualify for a tax rate of 0 or 3%. I included Jonathan on the email in case he has another take on that line item.

Angie Haller

How did we do? Let us know!

jonathanrosling@mt.gov
406-444-0209
MTRevenue.gov



**BUSINESS &
INCOME TAX
DIVISION**
MONTANA



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From: Molnar, Bradley <bmolnar@mt.gov>
Sent: Monday, March 16, 2026 4:53 PM
To: Rosling, Jonathan <jonathanrosling@mt.gov>
Subject: RE: Puget Sound Energy

Hi Jonathan,

As to the realstate parcels in Colstrip that were transferred to NWE by PSE who would I contact in Rosebud County to discuss this?

Thanks,
Brad



Brad Molnar
Commissioner
Montana Public Service Commission
Main line 406.444.6199
brad.molnar@mt.gov <http://psc.mt.gov/>

From: Rosling, Jonathan <jonathanrosling@mt.gov>
Sent: Thursday, March 12, 2026 8:51 AM
To: Molnar, Bradley <bmolnar@mt.gov>
Cc: Nelson-Haller, Angie <anhaller@mt.gov>
Subject: RE: Puget Sound Energy

Hello Mr. Molnar,

I am not familiar with the tax treatment of water rights in Montana, but they are not treated as property subject to ad valorem assessment. The real estate parcels are owned by the plant owners but are locally assessed and have been removed from the unit for ad valorem tax purposes.

PSE's last assessment was in Tax Year 2024, and they did not appeal their valuation. They have historically argued their ownership interest in Colstrip was progressively declining in value, and considerations were made in response to their arguments.

Molnar, Bradley

From: Rosling, Jonathan
Sent: Tuesday, March 17, 2026 8:46 AM
To: Molnar, Bradley
Subject: RE: Puget Sound Energy

Hello Mr. Molnar,

I am not familiar with the property assessment personnel in Rosebud, but here is the contact information for the Forsyth Field Office.

— **Rosebud** County

Forsyth Field Office

Email

DORPADForsyth@mt.gov

Phone

(406) 346-7477

Open

Monday - Thursday
9:00 AM - 4:00 PM

Physical Address

1200 Main Street,
Forsyth, MT 59327

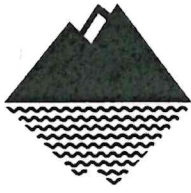
Mailing Address

1010 Main Street, Suite 13
Miles City, MT 59301

How did we do? Let us know!

Jonathan Rosling

Utility Appraiser
Montana Department of Revenue



Montana Department of Revenue



March 31, 2025

Dear Tax Representative:

Enclosed are the 2025 State allocations (assessments) to the counties. Please review these documents carefully and notify this office immediately if there are any errors.

THIS CONSTITUTES YOUR OFFICIAL NOTICE OF ASSESSMENT

If you have any questions, please contact any of the following:

Angie Haller	(406) 444-2515	anhaller@mt.gov
Doug Roehm	(406) 444-2569	droehm@mt.gov
Kelli Willhardt	(406) 444-6987	Kelli.Willhardt@mt.gov
Jonathan Rosling	(406) 444-0209	jonathanrosling@mt.gov

Montana Department of Revenue
 Centrally Assessed Property
 Allocation & Apportionment Report

COUNTY OF: **Rosebud**

TAX YEAR: **2025**

ROSEBUD COUNTY PROPERTY ASSESSMENT DIVISION OFFICE: THE BUSINESS AND INCOME TAXES DIVISION OF THE DEPARTMENT OF REVENUE, ACTING UNDER THE AUTHORITY OF SECTIONS 15-23-101 TO 15-23-403 INCLUSIVE, MONTANA CODES ANNOTATED, HAS ASSESSED THE PROPERTY OF:

COMPANY NUMBER: **259**

PUGET SOUND ENERGY INC - ELECTRIC GENERATION

MR. MARK SALAMA
PO BOX 97034
BELLEVUE, WA 98009-9734
(425) 462-3892
Email: mark.salama@pse.com

DISTRICT TOTALS BY PROPERTY CODE

<u>Levy District</u>	<u>County Dist Name</u>	<u>Prop Code</u>	<u>Property Type</u>	<u>Market Value</u>	<u>Taxable Value</u>
0796	0019	8314	Electric Generation Improvements	551,179	33,071
			LEVY DISTRICT TOTAL:	551,179	33,071
1790	0004	8314	Electric Generation Improvements	1,133,126	67,988
			LEVY DISTRICT TOTAL:	1,133,126	67,988
3796	013A	8314	Electric Generation Improvements	110,303,950	6,618,237
3796	013A	8318	Electric Generation Personal Property	3,226,452	193,587
			LEVY DISTRICT TOTAL:	113,530,402	6,811,824

<u>County Total</u>	<u>Market Value</u>	<u>Taxable Value</u>
Mileage Property	0	0
Real Property	111,988,255	6,719,296
Personal Property	3,226,452	193,587
	<u>115,214,707</u>	<u>6,912,883</u>

Montana Department of Revenue
 Centrally Assessed Property
 Allocation & Apportionment Report

COUNTY OF: **Rosebud**

TAX YEAR: **2025**

COMPANY NUMBER: **259**

PUGET SOUND ENERGY INC - ELECTRIC GENERATION

SITUS PROPERTY

<u>Levy District</u>	<u>Location Code</u>	<u>Property Description</u>	<u>Prop Code</u>	<u>Market Value</u>	<u>Taxable Value</u>
0796	29_000_000_0	COLSTRIP 3&4:PIPELNE 5138	8314	551,179	33,071
1790	29_000_000_0	COLSTRIP 3&4 INTAKE & PPL. 5068	8314	1,133,126	67,988
3796	29_000_000_0	MATERIAL & SUPPLIES 5140	8318	3,226,452	193,587
3796	29_000_000_0	COLSTRIP 3 & 4 EXCL APPROVED POLLUTION CONTROL EQUIPMNT 5140	8314	106,391,441	6,383,486
3796	29_000_000_0	COLSTRIP 3&4 SUBSTATIONS 5140	8314	3,912,509	234,751



Montana Department of Revenue



March 31, 2025

Dear Tax Representative:

Enclosed are the 2025 State allocations (assessments) to the counties. Please review these documents carefully and notify this office immediately if there are any errors.

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If you have any questions, please contact any of the following:

Angie Haller	(406) 444-2515	anhaller@mt.gov
Doug Roehm	(406) 444-2569	droehm@mt.gov
Kelli Willhardt	(406) 444-6987	Kelli.Willhardt@mt.gov
Jonathan Rosling	(406) 444-0209	jonathanrosling@mt.gov

Montana Department of Revenue
Centrally Assessed Property
Allocation & Apportionment Report

COUNTY OF: **Rosebud**

TAX YEAR: **2025**

ROSEBUD COUNTY PROPERTY ASSESSMENT DIVISION OFFICE: THE BUSINESS AND INCOME TAXES DIVISION OF THE DEPARTMENT OF REVENUE, ACTING UNDER THE AUTHORITY OF SECTIONS 15-23-101 TO 15-23-403 INCLUSIVE, MONTANA CODES ANNOTATED, HAS ASSESSED THE PROPERTY OF:

COMPANY NUMBER: **269**

PUGET SOUND ENERGY INC - POLLUTION CONTROL

MR. MARK SALAMA
PO BOX 97034
BELLEVUE, WA 98009-9734
(425) 462-3892
Email: mark.salama@pse.com

DISTRICT TOTALS BY PROPERTY CODE

<u>Levy District</u>	<u>County Dist Name</u>	<u>Prop Code</u>	<u>Property Type</u>	<u>Market Value</u>	<u>Taxable Value</u>
2796	019A	8430	Pollution Control of Centrally Assessed Companies Exemption (15-6-135, MCA)	4,998,120	0
2796	019A	8440	Pollution Control of Centrally Assessed Companies	691,451	20,744
LEVY DISTRICT TOTAL:				5,689,571	20,744
3796	013A	8430	Pollution Control of Centrally Assessed Companies Exemption (15-6-135, MCA)	11,662,279	0
3796	013A	8440	Pollution Control of Centrally Assessed Companies	1,613,385	48,402
LEVY DISTRICT TOTAL:				13,275,664	48,402

<u>County Total</u>	<u>Market Value</u>	<u>Taxable Value</u>
Mileage Property	0	0
Real Property	0	0
Personal Property	18,965,235	69,146
	<u>18,965,235</u>	<u>69,146</u>

Montana Department of Revenue
Centrally Assessed Property
Allocation & Apportionment Report

COUNTY OF: **Rosebud**

TAX YEAR: **2025**

COMPANY NUMBER: **269**

PUGET SOUND ENERGY INC - POLLUTION CONTROL

SITUS PROPERTY

<u>Levy District</u>	<u>Location Code</u>	<u>Property Description</u>	<u>Prop Code</u>	<u>Market Value</u>	<u>Taxable Value</u>
2796	29_000_000_0	ROSEBUD POLLUTION CONTROL Colstrip Pollution Control - 3%	8440	691,451	20,744
2796	29_000_000_0	ROSEBUD POLLUTION CONTROL Colstrip 4 Pollution Control - 0%	8430	4,998,120	0
3796	29_000_000_0	ROSEBUD POLLUTION CONTROL Colstrip Pollution Control - 3%	8440	1,613,385	48,402
3796	29_000_000_0	ROSEBUD POLLUTION CONTROL Colstrip 4 Pollution Control - 0%	8430	11,662,279	0



Montana Department of Revenue
Centrally Assessed Property
Allocation & Apportionment Report



PUGET SOUND ENERGY INC - POLLUTION CONTROL

TAX YEAR: **2025**

COMPANY NUMBER: **269**

STATE TOTAL	Market Value	Taxable Value
Mileage Property	0	0
Real Property	0	0
Personal Property	18,965,235	69,146
	<hr/>	<hr/>
	18,965,235	69,146

EXHIBIT C
EMERGENCY MOTION TO STAY INVOLVING THE NWE MERGER AS
COORDINATED WITH ER26-129-001

Monica J. Tranel
TRANEL LAW FIRM, P.C.
401 Washington Street
Missoula, Montana 59802
(406) 926-2662
mtranel@tranelfirm.com

Attorneys for 350 Montana

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER OF the Joint Application of NorthWestern Corporation, Black Hills Corporation, and NorthWestern Energy Group, Inc. for Approval of Merger	REGULATORY DIVISION DOCKET NO. 2025.10.078
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**350 MONTANA’S EMERGENCY MOTION TO STAY
AND TO CONTINUE**

Behind the sanitized corporate promises, NorthWestern’s proposal to merge with Black Hills is a shell game designed to serve AI data centers over every-day Montanans. If the Commission does not thoroughly review and examine the proposal, Montanans will be irreparably harmed and captive customers will be subsidizing Silicon Valley and Wall Street.

Pursuant to Admin. R. Mont. 38.2.3301, Mont. Code Ann. § 69-3-103, and the Commission’s inherent obligation to ensure a fair and adequate record before acting on a transaction affecting Montana utility customers, 350 Montana moves the Commission to stay the current procedural schedule and grant additional time for review, discovery, and testimony.

This motion is filed to exhaust administrative remedies and to ensure that judicial review will be available should the Commission fail to act on 350 Montana’s motion so as to provide an adequate remedy. Section 2-4-701, MCA (immediate judicial review of preliminary or intermediate agency ruling, or failure to act, is available if ordinary review of the final agency

decision under § 2-4-702(1)(a), MCA would not provide an adequate remedy). *City of Great Falls v. Int'l Ass'n of Fire Fighters*, 560 P.3d 621, 625 (Mont. 2024). Whether a petition for judicial review of a contested case agency decision, or failure to decide, satisfies the threshold procedural requirements of §§ 2-4-701 or -702(1)(a), MCA, is generally a threshold question of law subject to *de novo* review. See *North Star Dev., LLC v. Mont. Pub. Serv. Comm'n*, 2022 MT 103, ¶¶ 11-20, 408 Mont. 498, 510 P.3d 1232; *Qwest Corp. v. Mont. Dep't of Pub. Serv. Regulation*, 2007 MT 350, ¶¶ 27-33, 340 Mont. 309, 174 P.3d 496; *Wilson v. Dep't of Pub. Serv. Regulation*, 260 Mont. 167, 171-72, 858 P.2d 368, 371 (1993).

This request is warranted for two reasons.

First, key aspects of the transaction's rationale, expected benefits, financial assumptions, and strategic implications were not fully presented in the public filing that launched this case. The initial Application's deficiencies have not been corrected and the Commission must stay this proceeding or dismiss it outright out of fundamental fairness concerns. Due process compels the Commission to consider the entirety of the utility's circumstances when analyzing and deciding whether to approve a requested merger. The Commission's authority in this proceeding is to impose conditions now, before the merger is consummated. Once the merger is complete, the Commission will not have the same authority over the merged entity going forward. Article II, § 17 of the Montana Constitution provides that "[n]o person shall be deprived of life, liberty, or property without due process of law." The Fourteenth Amendment to the U.S. Constitution also guarantees due process. *Montanans v. State*, 2006 MT 277, ¶ 29, 334 Mont. 237, 146 P.3d 759, *City of Missoula v. Mountain Water Co.*, 384 Mont. 193, 378 P.3d 1113, 2016 MT 183 ¶ 24.

Second, the Commission must review all material information that has come to light while this docket has been pending, rather than confining its analysis to the narrow record first

presented. The Joint Applicants' late-filed confidential information is a central and standalone basis for relief. Those materials go to the core of the transaction and were produced too late for meaningful review under the current schedule. Major issues continue to emerge in related PSC and FERC proceedings, including developments concerning the Colstrip shares and associated strategic planning, which alter the factual context in which the merger must be evaluated.

It is clear from the new information, including the confidential documents and public events and financial statements made by the Joint Applicants, that the reliability and affordability of the NorthWestern power grid and distribution services to existing Montana customers would be severely harmed by the merger without Commission intervention and imposing conditions.

The Commission should not decide an \$11.4 billion merger on a record that has materially changed during the pendency of the case. Confidential materials going to the heart of the transaction were just provided a week ago. Those records present major issues that require further factual development. The appropriate remedy is a stay of the current schedule and an order allowing sufficient additional time for review of the new information, follow-up discovery, supplemental testimony, and any necessary proceedings concerning conditions the Commission may determine are required before approval.

350 Montana reserves the right to seek immediate judicial review to ensure that there is an adequate remedy and that fundamental due process concerns are protected. § 2-4-701, MCA.

FACTS

1. There is no statutory requirement that the Joint Application for approval of a merger be decided within any period of time.
2. On October 20, 2025, the Joint Applicants filed their merger application.
3. On December 10, 2025, the Commission issued Procedural Order 8043

establishing an expedited procedural schedule, including an evidentiary hearing set to commence on May 12, 2026. The Commission implemented the Joint Applicants request for an expedited docket with tight timelines, despite no statutory requirement. Procedural Order 8043, ¶ 4.

4. In compliance with the Joint Applicants preferred scheduling order, intervenors and the Commission issued data requests to the Joint Applicants, seeking, among other things, due diligence documents and board minutes relating to the merger.¹

5. Joint Applicants objected to the data requests and sought a protective order for the information requested.²

6. The Commission issued Protective Order 8043(b) and (c) on February 18 and Protective Order 8043(d) and (e) on February 23, 2026. 350 Montana witness Tanya Bodell and counsel for 350 Montana filed NDA for Protective Order 8043(c) on February 24, 2026.

7. On March 4, 2026, the Commission entered Protective Order 8043f governing a broad range of confidential merger-related materials (Doc. Index 162).

8. On March 4, 2026 at 5:28 p.m., NorthWestern made a secure file available for access of the confidential information requested in December of 2025. Doc. Index 163 – 168.

9. On March 5, 2026, the Commission entered Amended Procedural Order 8043g (Doc. Index 169) inserting additional deadlines into the already tight Procedural Schedule, requiring intervenor testimony related to the March 4, 2026 (5:28 p.m.) confidential production to be filed by March 13, 2026. Amended Procedural Order 8043g.

10. The confidential materials authorized for production under Protective Order 8043f are extensive. They include due diligence information, board presentations and minutes,

¹ See PSC Data Requests 001, 007, and MCC Data Requests 010, 044, 049, 051, 052, and 097.

² See, e.g., Joint Applicants response to PSC 001, and MCC 010.

confidential S-4 materials, ratings agency analyses, employment and retention information, savings analyses, and credit rating information. Those categories are not peripheral. They concern the Joint Applicants' valuation, strategic rationale, financial assumptions, governance, anticipated synergies, risks, and internal decision-making concerning the merger. They are the only information submitted in this docket that address the potential impacts of this merger on reliability and affordability.

11. The updated responses filed on March 4, 2026 to PSC-001, PSC-007, LCG 001, updated MCC Set 1, and Laborers-012, together with the secure production made available on March 4, 2026 at 5:28 p.m., finally disclosed information that should have been submitted as part of the initial merger application. This is information that intervenors and the Commission had sought months earlier, that was available to the Joint Applicants to provide, and that go to the very issues that a merger docket is meant to address. Claiming that these documents are confidential is no excuse – they could have been submitted as confidential documents as part of the initial filing. Instead, Joint Applicants submitted an incomplete application and the recent disclosure of confidential documents with a truncated response time does not remedy the initial shortcomings (see 350 Montana's Motion to Compel, Index 72, filed on January 26, 2026).

12. Under Amended Procedural Order 8043g, intervenor testimony regarding that confidential information is due on March 13, 2026. That allows a matter of days to review thousands of pages of strategically significant material.

13. That compressed timing confirms the concern 350 Montana raised in this proceeding, which remains pending (no decision has been issued on 350 Montana's Motion to Dismiss and Motion to Stay): that delayed production of central merger materials would prevent meaningful review. The current schedule does not afford a realistic opportunity to analyze the

newly produced information, test it through follow-up discovery, assess whether additional public disclosure is required, and present informed testimony to the Commission.

14. The Joint Applicants represented that a Large Load tariff would be filed by the end of 2025, which would be relevant to substantive issues the Commission must address as part of the merger application. That filing has not been made.

15. On November 11, 2025, in response to a November 5, 2025 inquiry into Colstrip's generating capacity, NorthWestern advised the Commission that it had acquired Puget Sound's 370 MW of Colstrip (Puget share) "for the mutual benefit of customers and the companies" for a purchase price of zero dollars.³

16. According to NorthWestern in its November 11, 2025 letter, all the output from the Puget Sound shares was contracted over 21 months through "Mercuria Energy America, LLC." *Id.* NorthWestern acquired Puget's share of Colstrip on October 29, 2025, and assigned the Puget share to its affiliate. NorthWestern was the only entity that could acquire Puget's share – at any price.⁴ NorthWestern represented in its November 11, 2025 letter that it would use the acquired 370 MW PU shares to sell power on the market.

17. On February 27, 2026, FERC issued its decision approving NorthWestern's cost-based rates for the 370 MW Puget share of Colstrip. 350 MT Exhibit 026, incorporated.

18. NorthWestern's 222 MW share of Colstrip remains in Montana's regulated rate base with a remaining cost to be paid by Montanans of \$256,670,276. This is one of, if not the, most expensive resource in NorthWestern's regulated generation portfolio.⁵ It is unclear why

³ See PSC Docket No. 2025.12.089, Correspondence, also included as 350 Montana Exhibit 014, November 11, 2025 Letter to Will Rosquist at the Montana PSC and 350 Montana Exhibit 025, November 5, 2025 Rosquist letter to Lane.

⁴ See 350 Montana Exhibit 26, FERC Order, and Exh. 014, NorthWestern letter to Commission.

⁵ 2024.05.053 NW Rebuttal Testimony, Final Order 7968t, Dec. 24 2025 Order.

Montanans should be forced to have more than \$1 million per MW of Colstrip costs in ratebase when 370 MW of Colstrip is available for a purchase price of \$0 per MW.

19. NorthWestern is asking for customers to pay for an additional \$18 million associated with buying the Avista share of the Colstrip plant in exchange for any excess revenues above the ongoing maintenance costs. It is unclear why customers should pay \$18 million when the market price of the Puget share is \$0. The net result of the acquisition and emerging regulatory treatment of the Puget and Avista shares is that one generating plant, Colstrip, is being regulated in three different ways, with the consumers of Montana being on the hook for the smallest and most expensive share of the generation and the competitive arm of NorthWestern acquiring the Puget and Avista shares for \$0. This clearly has the appearance of cross-subsidization of the competitive affiliate at the expense of the captive customers subject to regulation. The proposed merger amplifies the continued risk of such cross-subsidies. It is unclear how these different shares of Colstrip will be treated by the merged entity.⁶

20. The confidential information disclosed in the evening of March 4, 2026, contains thousands of pages of dense financial and strategic information, including tax returns, financial presentations, board minutes and resolutions, and credit agency risks and assessments. There is no opportunity for discovery on the new information. Intervenors are being asked to analyze the core economic drivers of an \$11.4 billion merger in eight days, without further discovery.

21. MCC witness Ralph Smith warned the Commission in his direct pre-filed testimony that withholding this information would create a procedural crisis. Smith testified: “There appears to be insufficient remaining time before that testimony filing date in order to allow time for a thorough review” and “It is our belief that the confidential information that is

⁶ See Prefiled Direct Testimony of Bodell, Section V, lines 3-13.

being withheld by the Joint Applicants could be some of the most important and relevant material to understanding and evaluating the proposed merger.” PSC Docket Seq. No. 124, Smith direct testimony p. 27:12-19. That has turned out to be the case.

LEGAL STANDARD

Montana Administrative Rule 38.2.3301(3) allows the Commission to modify the procedural schedule as necessary. The Commission has authority to regulate the mode and manner of its proceedings under § 69-3-103 MCA. Amended Procedural Order 8043g recognizes that the Commission may adjust the schedule when necessary to permit reasonable review of newly produced confidential information.

The Commission may issue protective orders and manage confidential material, but Commission records remain subject to Montana’s constitutional presumption of openness and may be protected only when legally justified. Montana Constitution, Article II, Section 9: “No person shall be deprived of the right to ... observe the deliberations of all public bodies or agencies of state government and its subdivisions, except in cases in which the demand of individual privacy clearly exceeds the merits of public disclosure.”

Montana open meeting laws similarly provide that “[a]ll meetings of public or governmental bodies [or] boards ... of ... any political subdivision of the state ... must be open to the public” except to the extent that “the demands of individual privacy clearly exceed the merits of public disclosure.” Section 2-3-203(1) and (3), MCA, *Raap v. Bd. of Trs.*, 2018 MT 58, 414 P.3d 788, also see § 69-3-105, MCA; *Great Falls Tribune v. PSC*, 2003 MT 359, ¶¶ 38-39, 319 Mont. 38, 82 P.3d 876 (equal protection and due process rights exception).

The Montana Constitution guarantees the public’s right to know and the Commission has a duty to ensure that its proceedings are fair, transparent, and based on a complete evidentiary

record, subject to data requests and cross-examination, before acting on a transaction affecting Montana utility customers and generation resources.

Montana law also recognizes that a stay is an appropriate procedural device where necessary to preserve the integrity of the Commission's lawful process and protect the public interest. The fundamental requirement of due process is the opportunity to be heard at a meaningful time and in a meaningful manner. *Montana Power Co. v. Public Service Com'n*, 671 P.2d 604, 206 Mont. 359 (Mont. 1983), *Mathews v. Eldridge* (1976), 424 U.S. 319, 333. *Montana Power* and judicial review (§ 2-4-702, MCA) reflect the principle that agency proceedings are not to be rushed forward when fairness requires an orderly opportunity to review and respond. If this merger is approved, Montana will lose local control. The Commission's obligation is not merely to keep dates on a calendar. It is to ensure that any final decision rests on a record that is fair, complete, and sufficiently tested to support the Commission's final determination.

350 Montana requests the Commission address this motion on an emergency basis, to satisfy the exhaustion doctrine, a necessary condition before seeking judicial review of Commission action, or failure to act. *Noland v. State*, 2025 MT 294, citing *Hilands Golf Club v. Ashmore*, 277 Mont. 324, 331, 922 P.2d 469, 472-73 (1996).

ARGUMENT

I. A stay is warranted because the Application was inadequate from the beginning.

A. The Application's deficiencies have not been addressed.

From the beginning of this docket, 350 Montana has maintained that the Joint Application did not provide an adequate basis for a decision on the merits. The Application presented an incomplete picture of the transaction, while leaving out matters that bear directly on the Commission's no-harm, net benefits, and public-interest analysis. The information produced

since then confirms that key aspects of the transaction's rationale, expected benefits, financial assumptions, and strategic implications were not fully presented in the public filing that launched this case and continue to be insufficient.

A stay is warranted because this docket can no longer proceed fairly on the assumption that the transaction should be evaluated solely on the rationale originally presented. The late-emerging information identifies a central practical question: whether Colstrip-related interests being acquired for nominal or zero consideration will be used to serve new large-load customers, including data centers, rather than be deployed in a manner that first maximizes benefits for existing Montana ratepayers.

That issue goes to the heart of the public-interest inquiry. If the lowest-cost or most advantageous portion of the Colstrip-related acquisition is going to be used at all, the Commission should determine on a public record whether that value should flow first to existing customers versus the merged entity, whether any such allocation is just and reasonable, and whether approval of the transaction without addressing that allocation would prejudice Montana ratepayers. This information was all available to the Joint Applicants from the start, and could have been laid out in a transparent, logical, way for the Commission to evaluate in the public domain. It was not provided when the Application was filed, although it is within their control.

The Joint Applicants' decision to file a subset of the relevant record when they opened this proceeding warrants a stay now for the Commission and intervenors to fully review and meaningfully address the new and emerging information that is critical for a fair and defensible decision. The Commission must determine the transaction impacts and whether they benefit or harm Montana and are in the public interest, what plans exist regarding data-center service, their effect on Montana customers, and whether the application remains accurate.

There is no statutory timeline for the Commission to issue its final decision. The Commission should not be placed in the position of evaluating the merger solely through the lens of the original application when the later-produced record now shows that the original presentation was materially incomplete. A stay is warranted for that reason alone.

B. Due process requires a stay.

These are not isolated procedural concerns. They are cumulative. The record began with an Application that did not fully present the merger's practical context. Responses to intervenor inquiries were dismissive and insufficient. After months of dispute, the Joint Applicants produced confidential materials that appear to bear directly on issues previously minimized, withheld, or left unexplained. Even these materials do not appear to complete the record or represent the requirements for disclosure and affirmative showing that a merger docket requires.

Taken together, those circumstances establish a present procedural shortcoming requiring a stay. The Commission's role is not merely to review events in hindsight. It is to determine, *before* approval, whether the merger can proceed under the statutory requirements of no harm, net benefits, and public interest, including what conditions are necessary to ensure the statutory requirements are met. The Commission's authority is to impose conditions now. Once the merger is consummated, the Commission will not have the same authority over the merged entity.

The Commission should not treat the inadequacy of the original application, the late-filed confidential information, and the new events that surround the proposed merger as separate technicalities. They together demonstrate why the current schedule is insufficient and why the Commission must pause this proceeding long enough to understand the full record, permit follow-up discovery, receive supplemental testimony, and determine what conditions, if any, must be imposed before any approval is granted.

As presently structured, the merger appears to benefit shareholders, *and only shareholders*, while leaving Montana ratepayers exposed to costs, reliability and other risks, and the possible diversion of valuable generation resources and strategic advantages to serve data-center load and other growth opportunities. There is no enforceable benefit to existing customers. Montanans gain nothing from this merger, there is no basis to conclude it is in the public interest, and the documents filed to date show it will lead to harm. Affordability and reliability of NorthWestern's Montana system are at risk due to the proposed merger.

Jamming approval of this merger through on an accelerated timeline, without adequate review of the record, violates the very purpose of this merger docket. The Commission must analyze this docket correctly now, while it still has authority to impose protective conditions for the benefit of Montana ratepayers and in accordance with the regulatory compact. If the Commission fails to address these issues on a fair and complete record in accordance with the statutory requirements, and fails to exercise the authority it has to protect Montana customers, 350 Montana will have no choice but to seek judicial review and request appropriate relief. The Commission must follow the regulatory compact. It cannot abdicate its duty.

The Montana Constitution strongly favors public access to governmental records and proceedings, and Montana law does not permit confidentiality to become a substitute for adequate public process. See *Raap v. Bd. of Trs.*, 2018 MT 58, 414 P.3d 788, 391 Mont. 12, *Great Falls Tribune v. Cascade Co. Sheriff*, 238 Mont. 103, 105-07, 775 P.2d 1267, 1268-70 (1989). Even where certain materials may properly remain protected in whole or in part, the existence of confidentiality designations does not justify forcing the Commission to decide this docket before new information has been fully reviewed and addressed on a public record.

There is no statutory shot clock requiring the Commission to decide this merger on the

current accelerated timeline. By contrast, there is a substantial risk of prejudice if the Commission proceeds without affording adequate time to assess the now-expanded record. A continuance serves the public interest far better than a rushed decision on an incomplete, late-developed, and insufficiently tested evidentiary record. The Commission cannot adequately evaluate the no harm, net benefit, and public interest standards of this merger while the utility employs a strategy that diverts the cheapest generation assets away from existing ratepayers, with clear affordability and reliability consequences for existing Montana customers.

II. Information that Applicants knew or had at the time of filing has emerged post-filing that requires additional time for review and discovery.

A. Late filed confidential information is central stand-alone basis for a stay.

The late production of confidential information is a central procedural defect that independently requires a stay. The Joint Applicants produced, only after prolonged delay, a large body of core merger materials that were in their possession when they filed the initial Application. As MCC witness Ralph Smith predicted, this information goes directly to the rationale, valuation, risks, expected benefits, internal planning, and consequences of the merger.

Those materials include due diligence documents, board presentations and minutes, internal financial forecasts, value-creation analyses, financing materials, ratings-agency presentations and feedback, employment and retention materials, and other strategic records. By any measure, these are central merger documents. They illuminate what the parties knew, what they expected, what they represented internally, what risks they identified, and what benefits they projected. They also indicate that the transaction is being driven, at least in material part, by anticipated large-load growth associated with data centers. This belies the Joint Applicants' refusal to answer other data requests on the grounds that data centers have nothing to do with the

merger. The information should have been available in time for meaningful discovery, analysis, and testimony.

Instead, the materials were produced in the evening on March 4, 2026, after the schedule had already been compressed. Intervenor testimony on the confidential information was set to be due only days later. That timing does not allow a fair opportunity to review thousands of pages of strategically significant material, consult with witnesses and experts, conduct follow-up discovery, determine what should be addressed publicly, and prepare supplemental testimony. A schedule that allows only days to assess such materials denies meaningful participation.

This problem is more serious than the ordinary emergence of new facts during a pending docket because it concerns information already possessed by the Joint Applicants and central to the merger itself. The prejudice results not simply from volume, but from delay. This is particularly egregious in light of the Applicants' refusal to answer discovery and denial that data centers had any relevance to this docket – an assertion directly contradicted by all investor statements and representations and their own planning documents.⁷ The confidential materials indicate that anticipated data-center load is a material driver of the transaction and of the Joint Applicants' associated planning, underscoring that the original filing did not fully present the merger's reality. NorthWestern's internal confidential supply diligence (PSC-001) identifies **"CONFIDENTIAL MATERIAL"** and lists **"CONFIDENTIAL MATERIAL"** as a top 3-5 year operational priority. Internal documents confirm that the recent Colstrip acquisitions were executed specifically to **"CONFIDENTIAL MATERIAL"**. The original investor call regarding the merger held on August 19, 2025 includes numerous references to large load and

⁷ The Joint Applicant's presentations to investors that are available publicly also show that what they are saying to investors is markedly different from what they are telling this Commission.

data center opportunities.⁸

The Montana Constitution guarantees that “No person shall be deprived of the right to examine documents or to observe the deliberations of all public bodies.” Article II, Section 9. Decisions of this magnitude must be made in public, based on public facts. Montanans should not have to rely on heavily redacted filings and last-minute confidential document disclosures to understand the future of their grid. The Commission should require public disclosure of the non-confidential core facts necessary for the public and parties to understand the transaction and test the Applicant’s claims. At minimum, the public record should disclose:

1. Whether the applicant or any affiliate has represented, internally or externally, that the transaction will enable or support service to data centers or other large new loads, or potential returning large choice loads, in the short term.
2. The nature of any such anticipated load, including the expected timing, scale, resource basis, and relationship to the acquired Colstrip-related interests.
3. Whether the applicant contends that any portion of the acquired interests, energy, capacity, or associated economic value will be reserved, dedicated, or prioritized for data-center service rather than existing retail customers.
4. Whether the applicant has evaluated using the lowest-cost or zero-cost acquired Colstrip value to offset costs for existing Montana ratepayers, and if not, why not.
5. The date on which the applicant became aware of any plan, proposal, or expectation that the transaction would be used to support data-center service, and why that information was not publicly presented earlier in this docket.

To the extent specific numbers, counterparties, or competitively sensitive terms require

⁸ See 350 Montana response to PSC 039.

protection, the Commission can require narrowly tailored redactions while still compelling a public narrative statement and public evidentiary summary sufficient for meaningful participation. What cannot happen is that the dispositive theory of the case remains effectively hidden while the Commission is asked to rule in the public interest.

The timing of the new information creates independent prejudice. Intervenors prepared their participation, discovery, and case strategy based on the public presentation of the transaction. Material evidence produced late in discovery, under seal, changes the practical purpose and effect of the transaction. Intervenors have not had a fair chance to test it. The Commission should require supplementation of the public record, allow follow-up discovery, and reset any procedural deadlines as necessary. Without those protections, the proceeding would elevate secrecy and timing advantage over informed decision-making.

B. Emerging information in related PSC and FERC dockets requires a stay.

Apart from the late confidential production, information that Applicants either knew or had in their possession at the time of filing, continues to emerge. Those issues include intentions and developments concerning large-load growth, data-center-related planning, strategic assumptions, and facts now available concerning the Colstrip shares and associated FERC proceedings. These developments are significant independently of the late-filed confidential information because they further alter the factual and economic context in which the merger must be evaluated.

NorthWestern acquired Puget Sound Energy's 370 MW share of Colstrip for a purchase price of \$0. Instead of putting this free generation into the regulated rate base to lower costs for existing Montana ratepayers, NorthWestern parked it in an unregulated, competitive affiliate: NorthWestern Colstrip 370Pu LLC, and bound it to a short-term, 21-month power purchase

agreement with Mercuria Energy. See 350 MT Exh. 014; 350 MT Exhibit 026, FERC decision ER26-129-001, Order Accepting Tariff Revisions re NorthWestern Colstrip 370Pu LLC under ER26-129.

NorthWestern seeks approval for a short-term, 21-month power purchase agreement to sell this power on the open market to Mercuria Energy America. This 21-month contract bridges the gap to late 2027, when the data center loads, for which NorthWestern already has signed Letters of Intent, are scheduled to come on line. (See NorthWestern's Letter of Intent with Quantica Infrastructure for 175 MW growing to 500 MW, with a start date of 2028).

The Commission's obligation is to decide the transaction on the record as it actually exists to make a fair determination of the impact of the merger on Montanans, not on the narrower and less complete record initially offered by the Joint Applicants. Developments materially changed the context of the merger. Fundamental fairness requires a meaningful opportunity for review, follow-up discovery, and testimony addressing those developments.

The new facts regarding the Colstrip shares are illustrative. Information now available concerning NorthWestern's acquisition and intended use of the former Puget Sound Energy Colstrip interest, including the November 11, 2025 letter to the Commission, the 21-month arrangement for the output of those shares, and the February 27, 2026 FERC action approving cost-based rates associated with the 370 MW interest, bears on how value from those shares will be realized, whether that value will accrue first to existing Montana ratepayers or elsewhere, and whether the merger's near-term economic context was fully described in the original filing.

NorthWestern's 2026 Draft IRP admits that serving the rapid speed-to-market requirements of data centers will be challenging.⁹ To solve this, the IRP states: "Therefore, the

⁹ 350 Montana Exhibit 006, IRP p. 128.

Data Center Sensitivities assume a rapid increase in demand from 2026-2030 and that NorthWestern acquires the 370 MW Puget share of Colstrip. The Puget share is capable of providing a source of accredited generation to serve these large loads.” Every single data center scenario modeled in the IRP (Sensitivities J, K, and L) assumes the 370 MW Puget share is pulled into the portfolio to meet the data center capacity need.¹⁰

Brian Bird told investors that the acquisition of Colstrip and the data center expansion are inherently linked. During the Q1 2025 earnings call, Bird explicitly stated: “With Colstrip and YCGS additions” “we anticipate enough capacity to support our portfolio and provide opportunities to add load.” Bird said: “Speaking of economic development, large load customers with a full portfolio and now having long capacity, we have the ability to serve large load customers.” The Joint Applicants are telling the Montana PSC that data centers are outside the scope of this merger, but their statements to investors and their actions at FERC prove otherwise.

The Commission should address, as part of its analysis of whether the merger is a net benefit, in the public interest, and there is no harm. Incorporated into this analysis should be the question of how the three different portions of Colstrip, each of which has different regulatory treatment, will be treated in the merged entity going forward. The three separate regulatory shares – the 222 MW in regulated rate base, the Avista share contracted to a third party with residual revenues accruing to existing ratepayers under Montana Public Service Commission oversight, and the Puget share to be sold as a wholesale transaction subject to FERC rate approval – are all, in practical terms, part of one generating asset and all may be used in one way or another to support anticipated data-center load. The Montana Public Service Commission has the obligation to ensure that cross-subsidization between competitive and regulated customers

¹⁰ 350 Montana Exhibit 006, IRP pp. 146- 148.

does not occur now or post-merger. Indeed, FERC recognized the risk of cross-subsidies and places the onus on the Commission to ensure that improper cost shifts do not occur, “The Montana PSC can, through its retail rate authority, protect NorthWestern’s captive retail customers from any improper cost shifts.”¹¹ What FERC does not recognize is that the proposed merger is an opportunity to do so now, to ensure that such improper cost shifts do not accrue to the benefit of the merged entity.

The merger itself, as information to investors shows and confidential materials indicate, is being driven in material part by data-center demand. If one Colstrip asset is effectively being divided into three different regulatory treatments while all three portions are positioned to serve data centers or related large-load growth, the Commission should understand and decide that issue now and should attach whatever conditions are necessary to protect existing Montana ratepayers from bearing costs or risks without receiving a fair share of the benefits.

These major issues may or may not make sense under the Joint Applicants’ current corporate structure. But unless the Commission reviews their impact now, while it still has authority to determine conditions before approval, it will not have the chance to do so later under a piecemeal approach that never gives the Commission insight into the entire structure and its impact on Montana. Additional time is required for the Commission and for intervenors to develop facts related to this corporate structure and test its impact. That need for additional time is separate from, and in addition to, the time required to address the late confidential production.

This Commission must not approve the proposed merger without a full review on a complete record, a binding Large Load Tariff, strict ring-fencing protections in place, and other

¹¹ 350 Montana Exhibit 026, NorthWestern Colstrip 370Pu LLC Docket No. ER26-129-001 ORDER ACCEPTING TARIFF REVISIONS, 194 FERC ¶ 61,153 (February 27, 2026), p. 18.

conditions as recommended by 350 Montana and other intervenors.

RELIEF REQUESTED

350 Montana requests the Commission issue an Order:

1. Staying the proceeding and immediately suspending the procedural schedule in Docket No. 2025.10.078 until the matters raised in this motion are resolved.
2. Taking official notice that late-filed and confidential information concerning the short-term use of the transaction and acquired Colstrip-related interests for potential data-center service is directly relevant to the Commission's public-interest analysis.
3. Requiring the Joint Applicants, within a time certain set by the Commission, to file a public notice and public narrative disclosure identifying the existence, nature, timing, and significance of any plan, expectation, or representation that the transaction will be used to support service to data centers or other large new load.
4. Requiring the Joint Applicants to justify with specificity any continued confidential treatment of any responsive information and to provide proposed redacted public versions that maximize disclosure consistent with law.
5. Requiring the Joint Applicants to publicly file their integration strategy regarding the 370 MW Colstrip 370Pu LLC asset, including the effect on resource allocation, customer benefits, cost recovery, and service to existing Montana ratepayers.
6. Establishing a revised procedural schedule that permits additional public comment, targeted follow-up discovery, supplemental testimony if appropriate, and briefing on the issues raised by the material development identified herein.
7. Mandating a Large Load Tariff and prohibiting the resumption of the merger procedural schedule until NorthWestern files, and the Commission reviews, a specific Large Load

Tariff that dictates exactly how existing ratepayers will be protected from the costs of the 1,400 MW data center buildout.

CONCLUSION

This proceeding should not move forward as though nothing has changed. The late emergence of confidential information signifies that this transaction threatens affordability and reliability for Montana customers. The merger may be used in the near term to serve data-center load through Colstrip-related interests. Paired with the recent FERC decision and other Commission proceedings, this raises a consequential public-interest question and whether the Joint Applicants' assertions of no harm can be supported.

Before the Commission acts, Montana ratepayers and the public are entitled to know what is actually being proposed, why that information was not disclosed earlier, and whether the benefits of any newly-acquired Colstrip value will be directed to existing customers or diverted elsewhere under the merged entity.

The Commission should stay the proceeding, compel public disclosure of the material facts, and ensure that any final decision is made on a complete and public record.

Respectfully submitted this 13th day of March, 2026.

TRANEL LAW FIRM, P.C.

By: /s/ Monica Tranel
Monica J. Tranel
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DEPARTMENT OF PUBLIC SERVICE REGULATION
 BEFORE THE PUBLIC SERVICE COMMISSION
 OF THE STATE OF MONTANA

IN THE MATTER OF the Joint Application of NorthWestern Corporation, Black Hills Corporation, and NorthWestern Energy Group, Inc. for Approval of Merger	REGULATORY DIVISION DOCKET NO. 2025.10.078
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350 MONTANA’S SUPPLEMENT TO EMERGENCY MOTION TO STAY

At 8:35 p.m. on March 16, 2026, Joint Applicants disclosed that \$36 million in projected merger savings are attributable to labor.¹ March 16, 2026 was the deadline for cross-intervenor testimony. This new labor-savings disclosure confirms concerns raised in 350 Montana’s Emergency Motion: the Joint Applicants delayed production of central merger materials and late-produced confidential materials of “employment and retention information” and “savings analyses” that indicate the merger will bring real harm to Montana communities if it means job losses as indicated by these materials. The Joint Applicants’ submission of this information at 8:35 p.m. the day cross-intervenor testimony is due makes a mockery of the regulatory process.

¹ E-filed updated response to MCC 010 (public) states that gross savings opportunity from non-labor and labor expense is within the \$48-\$70 million range. The non-labor portion of this estimated savings is “approximately \$35 to \$31 million.” For labor savings, the savings is estimated to be “approximately \$36 million.” See MCC 010 March 16, 2026 updated response, attached as 350 Montana Exhibit 035. See 350 Montana Exhibit 036, email from Tracy Killoy dated March 16, 2026 at 8:35 p.m.

The Eleventh-Hour Disclosure of Quantified Job Losses

Throughout this proceeding, the Joint Applicants have downplayed the risk of local job losses and repeatedly deferred answering discovery requests about quantified merger synergies, claiming such models did not exist.

Then, on March 16, 2026, the day the evidentiary window for Intervenor testimony closed, the Joint Applicants filed an updated response to MCC-010. This late-filed disclosure provided additional detail underlying the quantified estimate of \$48 million to \$70 million in gross savings based on past industry deals. The Joint Applicants' initial response to MCC-010 was provided on January 20, 2026. The late evening disclosure provided on March 16, 2026, includes information with a more detailed break-out of the source of alleged savings, but the underlying models have not been provided and there is no break-out by state or geographical location.

By withholding this fundamental financial information, without the underlying details and models that would allow for an appropriate review, until the evidentiary deadline, the Joint Applicants prevented Intervenors from conducting discovery on these estimates or submitting responsive expert testimony to such discovery.

\$36 Million in lost jobs and impact on the Montana Labor Market

The most critical revelation in the March 16 disclosure is the merger's elimination of jobs. The public narrative of the updated MCC-010 response admits that approximately \$36 million in savings will be driven by labor reductions, achieved through the "identification of potentially overlapping roles" primarily within "corporate services."²

The underlying confidential PwC presentation ("Value Creation Workstream Update"),

² 350 Montana Exhibit 035 p. 5 of response.

dated March 16, 2026, exposes the exact scope of this reduction. These files were submitted at 8:45 p.m., after the public version of MCC-010.³ **[BEGIN CONFIDENTIAL] [END CONFIDENTIAL]**

That matters because the due-diligence operations materials previously produced in this docket show that **[BEGIN CONFIDENTIAL] [END CONFIDENTIAL]**

The Joint Applicants are representing that this transaction depends in material part on labor elimination – putting Montanans out of work in exchange for shareholder profits. When asked if Joint Applicants are reducing the Montana workforce, Brian Bird responded no, but made no commitments other than that “Montana customers will continue to be provided by local employees with operational decisions made at the local level”⁴ and “No material changes to the workforce due to the merger and maintaining local presence in Montana at the operational-level and at local Montana offices including in Butte and the Butte General Office.”⁵ Without detail underlying the \$36 million in savings from workforce reduction, Intervenors have no means of challenging Mr. Bird’s statements.

The Commission cannot lawfully evaluate no-harm, net-benefit, public-interest, service-quality, or reliability issues without addressing the likelihood of workforce reductions, vacancy non-filling, functional consolidation, diminished local capacity, reduced customer-service responsiveness, weaker outage and restoration performance, and the transfer of economic value away from Montana communities.

Because the Joint Applicants are consolidating their corporate headquarters to another location in South Dakota, the elimination of “overlapping” corporate roles may represent a direct

³ 350 Montana Exhibit 037, Tracy Lowry email dated March 16, 2026 at 8:45 p.m.

⁴ Rebuttal Testimony of Brian B. Bird, p. BBB-22, lines 1-5.

⁵ *Id.*, pp. BBB-30, line 22 – BBB-31, line 2.

that the reason for the merger is “potential scale, shared values, and financial and operational strength for the merger”⁶ and Crystal Lail concurs while claiming “. . . a separate showing of quantified customer benefits is not required to satisfy the Commission’s no harm standard . . .”⁷ In the meantime, Marne Jones states, “That said, the purpose of this merger is not workforce reduction, and the Joint Applicants do not anticipate material operational labor reductions as a direct result of the merger.”⁸

The March 16 production shows that the Joint Applicants have developed a much more specific value-creation framework tied to quantified labor and non-labor savings, including a concrete FTE-reduction estimate. Yet this analysis fails to determine where those FTE reductions will take place. The timing also reinforces 350 Montana’s prior filing requesting a stay because the merger docket was incomplete.

The Commission should either:

- 1) stay the proceeding and reopen the record to allow the parties and the public a meaningful opportunity to understand whether the claimed labor savings come at the expense of Montana workers, Montana communities, and Montana utility customers; or
- 2) enter an order on the record as it stands finding that the proposed merger will cause harm and cannot be approved as filed.

⁶ Rebuttal Testimony of Brian Bird, BBB-14:21 to BBB-15:2.

⁷ Rebuttal Testimony of Crystal D. Lail, CDL-42, lines 1-2.

⁸ Rebuttal Testimony of Marne M. Jones, MMJ-22, line 21 – MMJ-23, line 2.

Respectfully submitted this 17th day of March, 2026.

TRANEL LAW FIRM, P.C.

By: /s/ Monica Tranel

Monica J. Tranel

Attorneys for 350 Montana

CERTIFICATE OF SERVICE

I hereby certify that on March 17, 2026 **350 MONTANA'S SUPPLEMENT TO EMERGENCY MOTION TO STAY** was served via email to the email list below.

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Intervenor Service List

_____ U.S. Mail, Postage Prepaid
_____ Federal Express, Billed to Sender
_____ Hand Delivery
X _____ E-Mail

By: /s/ Monica Tranel

EXHIBIT D
ADDENDIUM OF MT. PSC ORIGINAL FILING

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

NorthWestern Colstrip 370 Pu LLC) Docket Nos. ER26-129-000 and
ER26-411-000
(Not Consolidated)

**MOTION TO INTERVENE OUT-OF-TIME, COMMENTS, AND PROTEST OF
THE MONTANA PUBLIC SERVICE COMMISSION**

The Montana Public Service Commission (Montana) moves to intervene out-of-time and identify three (3) significant concerns with two related Federal Power Act (FPA) Section 205¹ filings² submitted by NorthWestern Colstrip 370 Pu LLC (NW Colstrip).

First, NW Colstrip, and its corporate parent, NorthWestern Corporation d/b/a Northwestern Energy (NorthWestern) will likely violate Montana State law by illegally transferring Puget Sound Energy's 370 megawatts of the Colstrip Generating Station (generation assets) from NorthWestern to NW Colstrip, a shell corporation formed specifically to hold the generation assets, without Montana's authorization.³

¹ 16 U.S.C. § 824d.

² On October 14, 2025, NW Colstrip filed a Cost-Based Rate Tariff, Docket No. ER26-129-000 (Short Term Tariff). On October 31, 2025, NW Colstrip filed an Edison Electric Institute (EEI) Master Power Purchase and Sale Agreement and Confirmation, Docket No. ER26-411-000 (Long Term Agreement; together with the Short Term Tariff, the Filings). See *Northwestern Colstrip 370Pu LLC*, Cost-Based Rate Tariff Filing, Docket No. ER26-129-000 (October 14, 2025); *Northwestern Colstrip 370Pu LLC*, Edison Electric Institute Master Power Purchase and Sale Agreement and Confirmation, Docket No. ER26-411-000 (October 31, 2025).

³ See Mont. Pub. Serv. Comm'n., *In re the Transfer of Ownership and Sale of the Flathead Utility Company and Request to Adopt Rates*, Dkt. 2022.09.086, Order No. 7872b ¶ 21, (Mar. 22, 2023) (finding that [Montana] has jurisdiction over and must approval any sale or transfer of a public utility, its assets, or utility obligations); see also Mont. Pub. Serv. Comm'n., *In re NorthWestern Energy's, Energy West Montana, Inc's, and Cut Bank Gas Company's Joint Application for Approval of the Purchase and Sale of Assets and Associated Relief*, Dkt. 2024.08.088, Order No. 7981d, ¶ 42 (May 20, 2025) (considering NorthWestern a public utility and asserting authority over a proposed transaction); MCA §§ 69-3-101 and 69-3-102 (defining public utilities and vesting Montana with "full power of supervision, regulation, and control of such public utilities").

Second, Puget Sound will transfer to NorthWestern (who will assign to NW Colstrip) the generation assets without first receiving the Federal Energy Regulatory Commission's (FERC) authorization in violation of FPA Section 203.⁴

Third, both the Short Term Tariff and the Long Term Agreement (described below) seek authorization to sell energy and capacity from the same generation assets NW Colstrip neither legally owns nor controls without FPA Section 203 approval, in violation of FPA Section 205.

Montana agrees with several issues raised in Montana Environmental Information Center's pleadings,⁵ some of which are repeated here.

Montana respectfully requests that FERC reject the Filings and commence an investigation under the FPA to determine whether the Puget Sound to NorthWestern (and subsequent assignment to NW Colstrip) violate FPA Section 203.

I. Background

NorthWestern is a public utility under Montana law. Montana exercises its authority to review and approve the sale or transfer of public utility assets.⁶ On July 30, 2024, NorthWestern Energy announced that it would acquire Puget Sound Energy's 370-megawatt share of the Colstrip Plant (the generation assets). On March 29, 2025, a bill was introduced in the Montana House of Representatives that would have modified the

⁴ 16 U.S.C. § 824b(a)(1)(A) ("No public utility shall, without first having secured an order of the Commission authorizing it to do so—sell, lease, or otherwise dispose of the whole of its facilities subject to the jurisdiction of the Commission, or any part thereof a value in excess of \$10,000,000.").

⁵ *Montana Environmental Information Center*, Motion to Intervene and Protest, Docket No. ER26-411-000 (Nov. 21, 2025); *Montana Environmental Information Center*, Motion to Intervene and Protest on NW Colstrip's Cost-Based Rate Tariff, Docket No. ER26-129-000 (Nov. 4, 2025); *Montana Environmental Information Center*, Answer in Support of Intervention and Protest, Docket No. ER26-129-000 (Nov. 25, 2025).

⁶ See *infra*, Section II. A.

NorthWestern and NW Colstrip are attempting an end around Montana law by proceeding at FERC under FPA Section 205. Prior to the Filings, NorthWestern made compliance filings in the Montana Commission proceeding in Docket 2022.11.102 indicating that the generation assets would contribute to meeting NorthWestern's capacity obligations under the Western Resource Adequacy Program or would otherwise contribute to serving retail customers' peak demands and ensure adequate and reliable service. *See* Mont. Pub. Serv. Comm'n, *NWE 2023 Elec. Integrated Res. Plan*, Docket No. 2022.11.102 (filed Apr. 28, 2023). Montana believes NorthWestern acquired the generation assets from Puget Sound and subsequently assigned them to NW Colstrip without the required Section 203 filing hoping to avoid state- and federal-level scrutiny regarding ownership and the associated state law violation.

As discussed below, NorthWestern uses the assignment to claim that the Commission's jurisdiction under Section 203 has not yet been triggered; that is, the assignment itself does not cause NorthWestern to violate Section 203 yet.¹⁷ But this assignment was engineered to avoid Montana regulation, stop-gapped with a last-minute attempt at legislative change. First, NorthWestern creates what it describes as an affiliate not regulated by Montana, NW Colstrip.¹⁸ Then, NorthWestern assigns purchase rights to NW Colstrip prior to the transaction.¹⁹ Had the legislation passed, once the transaction occurs, NorthWestern could have asserted that NW Colstrip is not a public utility and is not subject to Montana regulation. But it failed. Consequently, in assigning the right to

¹⁷ NW Colstrip Answer, Docket No. ER26-129-000 at 12.

¹⁸ NW Colstrip Transmittal Letter at 2, Docket No. ER26-129-000 (October 14, 2025).

¹⁹ NW Colstrip Answer, Docket No. ER26-129-000 at 12.

purchase to NW Colstrip, NorthWestern has effectuated the transfer of utility property and is likely subject to the regulation of Montana.

In addition to alerting FERC about these activities, Montana anticipates opening an investigatory docket to examine the facts and circumstances concerning Northwestern's unusual and unregular behavior.

B. Puget Sound, NorthWestern and NW Colstrip's Transactions will Violate FPA Section 203

In relevant part, Section 203 requires public utilities to file for Commission approval before they "sell, lease, or otherwise dispose of the whole of its facilities subject to the jurisdiction of the Commission, or any part thereof of a value in excess of \$10,000,000."²⁰ Subsection (B) applies when a public utility merges or consolidates its jurisdictional facilities with those of another entity, provided the facilities involved exceed \$10,000,000 in value.²¹ Subsection (D) applies when a public utility acquires an existing generation facility valued at more than \$10,000,000 that is used for interstate wholesale sales subject to Commission ratemaking jurisdiction.²² The valuation is the market value of the facilities, which the Commission rebuttably presumes to be the market price of the transaction.²³ Assignment can trigger 203 jurisdiction if the thing being assigned is subject to the Commission's 203 jurisdiction.²⁴ The Commission will decide on a complete

²⁰ 16 U.S.C. § 824b(a)(1)(A).

²¹ 16 U.S.C. § 824b(a)(1)(B).

²² 16 U.S.C. § 824b(a)(1)(D).

²³ 18 C.F.R. § 33.1(b)(3)(i); *Transactions Subject to FPA Section 203*, Order No. 669, FERC Stats. & Regs. ¶ 31,200, P 116 (2005).

²⁴ See *D.E. Shaw Plasma Power, L.L.C.*, 102 FERC ¶ 61,265, 61,823 (2003) (considering assigned veto rights under Section 203 and disclaiming jurisdiction not because of the assignment but because of the specific assigned right in question.).

application under Section 203 in 180 days.²⁵ If parties to a transaction are unclear as to whether Section 203 applies to the transaction, they have three options. First, they can file a declaratory order from FERC, who can claim or disclaim jurisdiction.²⁶ Second, they can request approval out of an abundance of caution if Section 203 authority may be implicated.²⁷ Finally, they can proceed and hope that Section 203 authorization is not required.

NW Colstrip seems to have chosen to roll the dice as Montana was unable to find any evidence that Puget Sound, NorthWestern or NW Colstrip seeks FERC's Section 203 authorization to dispose of or acquire the generation assets.

NW Colstrip offers arguments designed to avoid addressing the Section 203 issue. First, it argues that considering whether it has violated Section 203 improperly expands the scope of the Short Term Tariff filing.²⁸ Montana fails to see how determining whether NW Colstrip legally acquired the generation assets is irrelevant. NW Colstrip cannot sell power from a generator it does not own or to which it has no contractual rights. This is not a scenario where an asset owner has a Section 203 application pending with FERC while it proceeds with a rate filing under Section 205.²⁹ Nor is it similar to the recent decision in *Idaho Power Co.*, where the Commission approved a Section 205 rate when the applicant in question filed for the rate, the Section 203 approval, *and relevant state approval*

²⁵ 18 C.F.R. § 33.11(a).

²⁶ *Conowingo Power Company, et al.*, FERC Docket Nos. EC95-7-000, EL95-14-000 (Dec. 6, 1994) (indicating the appropriate vehicle for disclaimer of jurisdiction is a declaratory order).

²⁷ FERC, May I Now? Update on When FERC Authorization is Needed for Transfers of Public Utility Assets and Equity Interests in Public Utilities, Hugh E. Hilliard et. al., *Energy Law Journal* Vol. 44.2, p. 162 (Nov. 2023) (citing *Big Beau Solar, LLC*, 181 FERC ¶ 62,112 (2022)). The second option is usually the preferred to the first, as FERC is on a 180-day clock to decide.

²⁸ NW Colstrip Answer, Docket No. ER26-129-000 at 7.

²⁹ NW Colstrip Answer, Docket No. ER26-129-000 (citing *Atl. City Elec. Co. et al.*, 76 FERC ¶ 61,306 at 3 (1996)).

concurrently.³⁰ There is no pending Section 203 application or state approval process of which Montana is aware. Ownership of the generation assets is relevant here.

Second, to avoid Section 203 scrutiny, NW Colstrip argues that the generation assets are worth “zero dollars,” well below the \$10 million threshold. As evidence, NW Colstrip cites failed attempts to sell the generation assets in 2019 and 2020.³¹ Of course the world changed drastically since then. The One Big Beautiful Bill has eliminated future renewable production tax credits.³² Federal subsidies and recent technological advances in Artificial Intelligence (AI) are prompting major investment in data centers and the generation resources needed to serve their load.³³ And, these data centers want reliable power 24 hours a day, seven (7) days a week; the Department of Energy has issued orders to prevent the closure of coal and gas plants that were scheduled for retirement.³⁴ Add to this the recent relaxation of environmental rules applicable to coal plants and you have a major sea change in the value of operational coal generation. As MEIC pointed out, NorthWestern reported to its shareholders and the public that sales under the Long Term Agreement will amount to close to \$30 million per year.³⁵ Considering these recent changes in the industry and the magnitude of revenue NW Colstrip now expects to receive from energy and

³⁰ *Idaho Power Co.*, 193 FERC P 61,094 P. 9 (2025).

³¹ NW Colstrip Answer, Docket No. ER26-129-000 at 10-11 and n.23.

³² One Big Beautiful Bill Act, Pub. L. No. 119-21, 139 Stat. __ (2025).

³³ U.S. Dep’t of Energy, Letter re Large Loads (Oct. 2025), <https://www.energy.gov/sites/default/files/2025-10/403%20Large%20Loads%20Letter.pdf>, at 2.

³⁴ See e.g., U.S. Dep’t of Energy, Emergency Order No. 202-25-3 (May 23, 2025); U.S. Dep’t of Energy, Emergency Order No. 202-25-7 (Aug. 20, 2025), U.S. Dep’t of Energy, Emergency Order No. 202-25-9 (Nov. 18, 2025); U.S. Dep’t of Energy, Emergency Order No. 202-25-04, (May 30, 2025).

³⁵ MEIC Protest, Docket ER26-129-000 at 4 and n.12.

C. NW Colstrip Cannot Fulfill Section 205 Filing Requirements.

When filing for rate approval under Section 205, applicants are required to provide certain information so that the Commission can appropriately analyze the filing. Included in this information is the requirement that the applicant provide a summarization of “the circumstances which show that all requisite agreement to the rate schedule or tariff or the filing thereof, including any contract embodied therein, has in fact been obtained.”³⁹ First, Montana has not approved of the transaction, nor has NW Colstrip requested approval, so NW Colstrip cannot demonstrate that the requisite agreement has been obtained.

Second, the transaction is or will be subject to approval under Section 203 of the FPA as described above, which will not be obtained by December 31, 2025 closing date. If Section 203 approval is required, it is a condition precedent to closing.⁴⁰ Because NW Colstrip has not applied for Section 203 authorization, it cannot demonstrate that approvals are underway or likely, and so it cannot satisfy the filing requirements of Section 205.

III. **Motion to Intervene Out-Of-Time**

Montana respectfully moves to intervene out-of-time, consistent with Commission precedent. Montana staff corresponded several times with NorthWestern to address concerns raised in this proceeding, but with no success.⁴¹ Consequently, Montana is compelled to intervene, comment and protest here.

³⁹ 18 C.F.R. § 35.12(a).

⁴⁰ Ex. 1, Colstrip Units 3 and 4 Interests Abandonment and Acquisition Agreement by and between NorthWestern Corp. and Puget Sound Energy, Section 3.5 (d), *Montana Environmental Information Center*, Motion to Intervene and Protest on NW Colstrip’s Cost-Based Rate Tariff, Docket No. ER26-129-000 (Nov. 4, 2025).

⁴¹ See Letter from Montana to NorthWestern re: FERC Docket ER26-129 (Nov. 5, 2025); Letter from NorthWestern to Montana re: Acquisition of additional Colstrip shares (Nov. 7, 2025). Both letters are attached as Exhibit 1 and 2 to these comments, respectively.

The Commission grants petitions to intervene out of time for good cause shown when the parties' interests are not adequately represented by others in the proceeding, intervention will not prejudice any party and will not disrupt the proceeding.⁴² No disruption will occur at this stage of the proceeding, and Montana agrees to accept the record as it stands. Montana, the Commission responsible for balancing the interests of rate payers and utilities and enforcing Montana regulatory law, has a direct and substantial interest that cannot be represented by any other party. As the state regulatory authority, Montana has a right to participate in this proceeding afforded by Rule 214(a)(2), but the timeliness of this request requires Montana to explain why it meets the standards in Rule 214(b).⁴³ Montana's status as a state commission provides an interest which will be directly affected by the outcome of the proceeding as the contemplated filing directly affects Montana's jurisdiction. Montana's participation is in public interest.

IV. Conclusion

NorthWestern and NW Colstrip have employed a strategy to violate Montana law and avoid FERC scrutiny of transactions subject to Section 203. For the reasons stated above, Montana respectfully requests that FERC reject the Filings and initiate an investigation. Montana will do the same.

⁴² 18 C.F.R. § 385.214(d); *see, e.g., Midwest Indep. Transmission Sys. Operator, Inc.*, 99 FERC ¶ 63,011 at P 3 (2002) (granting motion to intervene filed after hearing order and prior to first hearing date); *Californians for Renewable Energy, Inc.*, 96 FERC ¶ 61,203 (2001) (granting late motion to intervene that was filed after the issuance of a hearing order and prior to evidentiary hearing of party accepting the record). *Valley Link Transmission Maryland, LLC, et al.*, 191 FERC ¶ 61,113 (2025) (finding that late intervention was not prejudicial in part because the Commission had not yet issued orders, and that any prejudice was outweighed by the strong interest movant had in the proceeding).

⁴³ 18 CFR § 385.214(d)(1)(v).

EXHIBIT E
REQUESTS TO THE MONTANA OFFICE OF PUBLIC RECORDS
REQUEST

[New Request](#)

[Request Status](#)

[Reading Room](#)

[Payment Status](#)

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OFFICE OF PUBLIC INFORMATION REQUESTS

[Contact Us](#)

Use this form to ask general questions about public information requests. Do not use this form to submit a public information request. A public information request submitted using this form will not receive a response. If you wish to make a public information request, please click on New Request.

First Name *

bradley

Last Name *

molnar

Email *

brad.molnar@yahoo.com

Subject *

property valuation of Puget Sound and Energy in Rosebud County

Description *

This is my third request. What is the market value of the 182 real estate parcels held in whole or in shares in Colstrip Mt. as held by Puget Sound and Energy.

Submit

Clear

On Jan 1, 2026 Puget Sound and Energy a Washington state-based corporation, transferred all of their holdings in Colstrip Mt. to NorthWestern Energy. Included in that were about 182 real estate parcels. Some may have been wholly owned and some may have been owned in conjunction with others including Talen and NorthWestern Energy. Perhaps Talen paid the taxes and was reimbursed by PSE. The Mt DoR and the DoR Forsythe Field Office say that you can answer the question of the market value of the state appraisal determined market value. Please respond at your earliest convenience. Brad

3/24/2026

Second Request

The Mt Dept of Revenue sent me to you to get the valuation of 182 parcels of property in Rosebud County transferred from Puget Sound and Energy to NorthWestern Energy on January 1 of 2026. I need this quickly. Please respond.

Document Content(s)

FER 1.pdf.....	1
FERC 2.pdf.....	21
FERC 3.pdf.....	50
FERC 4.pdf.....	78

File Attachments for Item:

8. Resolution No. R26-13: A Resolution Of The City Council Of The City Of Laurel, Montana Authorizing The Mayor To Enter Into Negotiations For A Professional Services Agreement With Interstate Engineering Related To Limited-Scope Planning Services.

RESOLUTION NO. R26-_____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAUREL,
MONTANA AUTHORIZING THE MAYOR TO ENTER INTO NEGOTIATIONS
FOR A PROFESSIONAL SERVICES AGREEMENT WITH INTERSTATE
ENGINEERING RELATED TO LIMITED-SCOPE PLANNING SERVICES.**

BE IT RESOLVED by the City Council of the City of Laurel, Montana,

Section 1: Intent. The City of Laurel is in need of the professional services of a limited-scope Planner to assist in compliance with Montana law, and specifically, related to MLUPA.

Section 2: Approval. The City intends to enter into negotiations for a Professional Services Agreement with Interstate Engineering related to limited-scope planning services to assist in compliance with Montana law, and specifically, related to MLUPA, as Interstate Engineering was the highest-rated applicant for the planning services.

Section 3: Execution. The Mayor is hereby given authority to enter into negotiations for a professional services relationship with Interstate Engineering and thereafter present a proposed Professional Services Agreement to City Council for consideration and possible approval.

Introduced at a regular meeting of the City Council on the _____ day of April, 2026, by Council Member _____.

PASSED and APPROVED by the City Council of the City of Laurel the _____ day of April, 2026.

APPROVED by the Mayor the _____ day of April, 2026.

CITY OF LAUREL

Dave Waggoner, Mayor

ATTEST:

Kelly Strecker, Clerk-Treasurer

APPROVED AS TO FORM:

Michele L. Braukmann, Civil City Attorney

3/16/26

LUPA - GROWTH Policy EFF OPENINGS.

Stanley: 3 COPIES.
MEET CRITERIA
RESPONDED - QUALIFIED. FS/JG/MW.

ORION/WET 3 COPIES
MEET CRITERIA
RESPONDED - QUALIFIED FS/MW/JG.

INTERSTATE 3 COPIES
MEET CRITERIA
RESPONDED - QUALIFIED FS/JG/MW

HOUSEAL - LAVIGE. 3 COPIES -
MEET CRITERIA
RESPONDED - QUALIFIED FS/MW/JG.

SCS ALLIANCE. 3 COPIES.
MEET CRITERIA
RESPONDED - QUALIFIED MW/JG/MW.

DESIGN WORKSHOP. 3 COPIES.
MEET CRITERIA
RESPONDED - QUALIFIED MW/FS/JG.



LUPA Planner

RFP Scoring Criteria

Date: 3/27/26

Criteria	Maximum Points
1 Project undersanding and approach	20
2 Qualifications and relevant experience	25
3 Community and engagement strategy	20
4 Recent and current work with the city	20
5 Capability to meet timeline	10
6 References and past performance	5
	<u>100</u>

Criteria	Maximum Points
1 Project undersanding and approach	20
2 Qualifications and relevant experience	25
3 Community and engagement strategy	20
4 Recent and current work with the city	20
5 Capability to meet timeline	10
6 References and past performance	5
Total:	

Firm:	1	2	3	4	5	6
	INTER	STALISY	SCJ	HOU/INER	OWKSP	OPD
	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points
1	20	19	15	14	14	17
2	23	21	20	20	19	20
3	18	18	18	17	17	15
4	11	11	6	5	3	3
5	10	8	7	6	6	3
6	4	3	3	4	3	3
Total:	86	80	69	66	62	55

Reviewer Name: THOMAS J CANARE

Reviewer Signature: [Signature]



LUPA Planner

RFP Scoring Criteria

Date: 3/27/26

Criteria	Maximum Points
1 Project understanding and approach	20
2 Qualifications and relevant experience	25
3 Community and engagement strategy	20
4 Recent and current work with the city	20
5 Capability to meet timeline	10
6 References and past performance	5
	<hr/> 100

Criteria	Maximum Points	1	2	5	3	6	4
		Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points
Firm:		<u>INTST</u>	<u>STABLEY</u>	<u>SCJ</u>	<u>HOU/INS/6</u>	<u>DWKSHP</u>	<u>OPD</u>
1 Project understanding and approach	20	20	19	15	17	14	18
2 Qualifications and relevant experience	25	24	20	21	21	21	21
3 Community and engagement strategy	20	19	19	20	19	20	20
4 Recent and current work with the city	20	11	13	5	11	7	6
5 Capability to meet timeline	10	10	7	8	6	6	8
6 References and past performance	5	4	3	4	5	3	3
Total:		88	81	73	79	71	76

Reviewer Name: RICHARD A. KLOSE SR

Reviewer Signature: Richard A. Klose Sr



LUPA Planner

RFP Scoring Criteria

Date: 3/27/26

Criteria	Maximum Points
1 Project undersanding and approach	20
2 Qualifications and relevant experience	25
3 Community and engagement strategy	20
4 Recent and current work with the city	20
5 Capability to meet timeline	10
6 References and past performance	5
	<hr/> 100

✓ 1 2 \$ 3 5 4

Criteria		Firm:					
		INTEREST	STANLEY	SCI	Hou/Dmg	DWKSPP	OPP.
		Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points
1	Project undersanding and approach	20	19	16	16	15	17
2	Qualifications and relevant experience	25	21	20	22	22	20
3	Community and engagement strategy	20	20	20	20	20	20
4	Recent and current work with the city	20	12	6	10	6	6
5	Capability to meet timeline	10	8	8	7	7	9
6	References and past performance	5	4	4	5	4	4
	Total:	87	84	74	80	74	76

Reviewer Name: FORREST SANDERSON

Reviewer Signature: *Forrest Sanderson*



LUPA Planner
RFP Scoring Criteria

Date: 4-1-26

Criteria		Maximum Points
1	Project understanding and approach	20
2	Qualifications and relevant experience	25
3	Community and engagement strategy	20
4	Recent and current work with the city	20
5	Capability to meet timeline	10
6	References and past performance	5
		<hr/> 100

(3/4) (5/6) Too many recent by
 (1) (3/4) Too Big limited act
 it's of very community (5/6) (2)

Criteria		Maximum Points	Firm:					
			Interstate	STAINY	SC	Hon / DMG	DWK SHP	OPD
			Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points
1	Project understanding and approach	20	15	15	20	20	20	20
2	Qualifications and relevant experience	25	20	18	25	20	20	25
3	Community and engagement strategy	20	15	10	18	10	15	20
4	Recent and current work with the city	20	10	10	18	10	5	5
5	Capability to meet timeline	10	10	10	10	10	5	10
6	References and past performance	5	5	5	5	5	3	5
Total:			75	68	96	75	48	85

Reviewer Name: Ron Bener

Reviewer Signature: [Signature]

	Intubation	SpO2	SCV	Hum Intub	DiK SP	OPD	Ave Scores
Furcst	57	54	74	80	74	76	79.2
Richard	58	51	73	79	71	74	78
Sam	86	80	69	66	62	55	69.7
Run	25	68	96	75	68	85	77.6
Rank	35.1 1.1	60.2 2.2	96.5 3.3	35.4 3.3	60.5 4.4	74.8 5.5	
Total	386	343	312	300	275	292	
Average	84	70.8	78	75	68.35	73	

R

CITY HALL
115 W. 1ST ST.
PLANNING: 628-4796
WATER OFC.: 628-7431
COURT: 628-1964
FAX 628-2241

City Of Laurel

P.O. Box 10
Laurel, Montana 59044



Laurel – Yellowstone City
County Planning Board

DATE: April 15, 2026
TO: Laurel Mayor and City Council
FROM: Laurel – Yellowstone City County Planning Board

Mayor and City Council:

The Laurel – Yellowstone City County Planning Board has reviewed the responses to the Laurel Montana Land Use Planning Act (MLPUA) Request for Proposals to provide Planning Services related to compliance with the MLUPA Act.

We received responses from six (6) very well qualified firms and upon review, it is the Recommendation of the Laurel – Yellowstone City County Planning Board that the City enter contract negotiations with Interstate Engineering as they are the most qualified firm in the opinion of the Planning Board.

Further, we request that this matter be scheduled for the City Council Workshop meeting on April 21, 2026, and for action on April 28, 2026, City Council Agendas. The Planning Board will ensure that a representative of the Planning Board is in attendance to answer any questions.

Respectfully,

Richard Klose, President
Laurel – Yellowstone City County Planning Board

File Attachments for Item:

9. Resolution No. R26-14: A Resolution Of The City Council Of The City Of Laurel, Montana Authorizing The Mayor To Enter Into Negotiations For A Master Services Agreement With Morrison Maierle Related To Engineering Services.

RESOLUTION NO. R26-_____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAUREL,
MONTANA AUTHORIZING THE MAYOR TO ENTER INTO NEGOTIATIONS
FOR A MASTER SERVICES AGREEMENT WITH MORRISON MAIERLE
RELATED TO ENGINEERING SERVICES.**

BE IT RESOLVED by the City Council of the City of Laurel, Montana,

Section 1: Intent. The City of Laurel is in need of the professional services of an Engineering Firm to assist in assessment and engineering services for the City.

Section 2: Approval. The City intends to enter into negotiations for a Master Services Agreement with Morrison Maierle related to engineering services, as Morrison Maierle was the highest-rated applicant for the engineering services.

Section 3: Execution. The Mayor is hereby given authority to enter into negotiations for a Master Services Agreement with Morrison Maierle and thereafter present a proposed Master Services Agreement to City Council for consideration and possible approval.

Introduced at a regular meeting of the City Council on the _____ day of April, 2026, by Council Member _____.

PASSED and APPROVED by the City Council of the City of Laurel the _____ day of April, 2026.

APPROVED by the Mayor the _____ day of April, 2026.

CITY OF LAUREL

Dave Waggoner, Mayor

ATTEST:

Kelly Strecker, Clerk-Treasurer

APPROVED AS TO FORM:

Michele L. Braukmann, Civil City Attorney



**EMSA - Master Engineering
RFP Scoring Criteria**

Date: _____

Criteria		Maximum Points
1	General Experience and qualification of the Firm	20
2	Experience and Qualifications Key Staff	20
3	References Municipalities served via MSA	20
4	Compliance with RFP and SOQ overview	15
5	Recent and Current work with the city	10
6	Location of Firm's Hedquarters	5
7	Effective and efficient services	10
		100

*KS

*KS

Criteria		Maximum Points	Firm:					
			Outsource	M-M	SDI Arch	GRT WST	AE2S	INTSTATE
			Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points
1	General Experience and qualification of the Firm	20	11	20	11	19	17	20
2	Experience and Qualifications Key Staff	20	17	19	17	19	17	19
3	References Municipalities served via MSA	20	10	19	11	18	17	19
4	Compliance with RFP and SOQ overview	15	9	15	10	14	13	14
5	Recent and Current work with the city	10	3	10	3	8	3	5
6	Location of Firm's Hedquarters	5	1	5	1	5	1	5
7	Effective and efficient services	10	7	10	6	8	7	9
Total:			58	98	59	91	75	91

Reviewer Name: Kelly Strecker

Reviewer Signature: Kelly Strecker



**EMSA - Master Engineering
RFP Scoring Criteria**

Date: _____

Criteria		Maximum Points
1	General Experience and qualification of the Firm	20
2	Experience and Qualifications Key Staff	20
3	References Municipalities served via MSA	20
4	Compliance with RFP and SOQ overview	15
5	Recent and Current work with the city	10
6	Location of Firm's Hedquarters	5
7	Effective and efficient services	10
		100

KS KS

Criteria		Maximum Points	Firm:					
			STAHLY Awarded Points	KLJ Awarded Points	TRIP TREE Awarded Points	WWC Awarded Points	IMEG Awarded Points	Awarded Points
1	General Experience and qualification of the Firm	20	19	19	19	17	17	
2	Experience and Qualifications Key Staff	20	19	19	19	17	18	
3	References Municipalities served via MSA	20	18	18	19	17	18	
4	Compliance with RFP and SOQ overview	15	14	13	14	12	12	
5	Recent and Current work with the city	10	5	8	9	4	5	
6	Location of Firm's Hedquarters	5	5	5	3	3	3	
7	Effective and efficient services	10	8	9	8	7	7	
		Total:	88	91	91	77	80	

Reviewer Name: *Kelly Strecker*

Reviewer Signature: *Kelly Strecker*



EMSA - Master Engineering

RFP Scoring Criteria

Date: 4/8/2026

Criteria		Maximum Points
1	General Experience and qualification of the Firm	20
2	Experience and Qualifications Key Staff	20
3	References Municipalities served via MSA	20
4	Compliance with RFP and SOQ overview	15
5	Recent and Current work with the city	10
6	Location of Firm's Hedquarters	5
7	Effective and efficient services	10
		100

Criteria		Maximum Points	Firm:					
			Outsource Awarded Points	M-M Awarded Points	SDI Arch Awarded Points	GRT WST Awarded Points	AE2S Awarded Points	INTSTATE Awarded Points
1	General Experience and qualification of the Firm	20		17		17	16	13
2	Experience and Qualifications Key Staff	20		16		17	13	14
3	References Municipalities served via MSA	20		18		14	16	12
4	Compliance with RFP and SOQ overview	15		13		13	12	10
5	Recent and Current work with the city	10		5		7	1	1
6	Location of Firm's Hedquarters	5		5		5	5	4
7	Effective and efficient services	10		7		5	8	6
		Total:		81		78	71	60

Reviewer Name: Thomas Henry

Reviewer Signature: *Thomas Henry*



EMSA - Master Engineering

RFP Scoring Criteria

Date: 4/8/2026

Criteria		Maximum Points
1	General Experience and qualification of the Firm	20
2	Experience and Qualifications Key Staff	20
3	References Municipalities served via MSA	20
4	Compliance with RFP and SOQ overview	15
5	Recent and Current work with the city	10
6	Location of Firm's Headquarters	5
7	Effective and efficient services	10
		100

Criteria		Maximum Points	Firm:					
			STAHLY	KLJ	TRIP TREE	WWC	IMEG	
			Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points
1	General Experience and qualification of the Firm	20	16	16	14	14	14	
2	Experience and Qualifications Key Staff	20	15	16	14	15	14	
3	References Municipalities served via MSA	20	16	15	12	16	15	
4	Compliance with RFP and SOQ overview	15	13	13	10	12	10	
5	Recent and Current work with the city	10	3	7	6	1	1	
6	Location of Firm's Headquarters	5	5	5	2	4	5	
7	Effective and efficient services	10	6	6	6	7	5	
Total:			74	78	64	69	64	

Reviewer Name: Thomas Henry

Reviewer Signature:



**EMSA - Master Engineering
RFP Scoring Criteria**

Date: _____

Criteria		Maximum Points
1	General Experience and qualification of the Firm	20
2	Experience and Qualifications Key Staff	20
3	References Municipalities served via MSA	20
4	Compliance with RFP and SOQ overview	15
5	Recent and Current work with the city	10
6	Location of Firm's Headquarters	5
7	Effective and efficient services	10
		<hr/> 100

Great hunting only

Firm:	Outsource	M-M	SDI Arch	GRT/WST	AE2S	INTSTATE
	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points
1	17	17	1	17	16	14
2	17	17	1	18	17	15
3	18	18	1	17	16	13
4	12	12	1	14	14	14
5	8	8	1	8	0	3
6	5	5	1	5	5	5
7	8	8	1	8	8	8
Total:	87	87	7	87	76	76

Reviewer Name: *Keith Markham*

Reviewer Signature: *[Signature]*



**EMSA - Master Engineering
RFP Scoring Criteria**

Date: 4-9-20

Criteria		Maximum Points
1	General Experience and qualification of the Firm	20
2	Experience and Qualifications Key Staff	20
3	References Municipalities served via MSA	20
4	Compliance with RFP and SOQ overview	15
5	Recent and Current work with the city	10
6	Location of Firm's Hedquarters	5
7	Effective and efficient services	10
		<u>100</u>

Firm:	STAHLY	KLJ	TRIP TREE	WWC	IMEG	
	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points
1	17	18	17	17	17	
2	10	10	14	14	15	
3	18	18	16	16	16	
4	13	13	12	11	13	
5	1	9	9	0	0	
6	4	5	3	5	4	
7	8	8	7	7	7	
Total:	77	87	78	70	72	

Reviewer Name: Matt Wherde

Reviewer Signature: [Signature]



EMSA - Master Engineering

RFP Scoring Criteria

Date: 3-9-26

Criteria		Maximum Points
1	General Experience and qualification of the Firm	20
2	Experience and Qualifications Key Staff	20
3	References Municipalities served via MSA	20
4	Compliance with RFP and SOQ overview	15
5	Recent and Current work with the city	10
6	Location of Firm's Hedquarters	5
7	Effective and efficient services	10
		<hr/> 100

Criteria		Maximum Points	Firm:					
			Outsource	M-M	SDI Arch	GRT WST	AE2S	INTSTATE
			Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points
1	General Experience and qualification of the Firm	20	10	19	10	19	17	17
2	Experience and Qualifications Key Staff	20	10	19	10	18	17	10
3	References Municipalities served via MSA	20	10	19	8	18	17	10
4	Compliance with RFP and SOQ overview	15	5	14	5	14	13	12
5	Recent and Current work with the city	10	5	14 9	0	9	8	7
6	Location of Firm's Hedquarters	5	4	5	0	5	4	4
7	Effective and efficient services	10	5	5	3	4	4	4
Total:			49	(90)	36	(87)	(82)	76

Reviewer Name: Matt Whaley

Reviewer Signature: [Signature]



EMSA - Master Engineering

RFP Scoring Criteria

Date: 3-8-26

Criteria		Maximum Points
1	General Experience and qualification of the Firm	20
2	Experience and Qualifications Key Staff	20
3	References Municipalities served via MSA	20
4	Compliance with RFP and SOQ overview	15
5	Recent and Current work with the city	10
6	Location of Firm's Hedquarters	5
7	Effective and efficient services	10
		100

Criteria		Maximum Points	Firm:					
			Outsource	M-M	SDI Arch	GRT WST	AE2S	INTSTATE
			Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points
1	General Experience and qualification of the Firm	20	5	18	5	18	17	27
2	Experience and Qualifications Key Staff	20	5	15	5	15	14	14
3	References Municipalities served via MSA	20	8	19	8	19	18	18
4	Compliance with RFP and SOQ overview	15	7	13	7	13	13	13
5	Recent and Current work with the city	10	0	9	0	9	0	0
6	Location of Firm's Hedquarters	5	0	5	0	5	5	4
7	Effective and efficient services	10	2	8	2	8	8	8
Total:			27	87	27	87	75	74

Reviewer Name: HP Nuernberger

Reviewer Signature: [Signature]



**EMSA - Master Engineering
RFP Scoring Criteria**

Date: _____

Criteria	Maximum Points
1 General Experience and qualification of the Firm	20
2 Experience and Qualifications Key Staff	20
3 References Muniicipalities served via MSA	20
4 Compliance with RFP and SOQ overview	15
5 Recent and Current work with the city	10
6 Location of Firm's Hedquarters	5
7 Effective and efficient services	10
	<hr/> 100

Firm:

	STAHLY	KIJ	TRIP TREE	WWC	IMEG	
Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points
1 General Experience and qualification of the Firm	18	18	15	15	18	
2 Experience and Qualifications Key Staff	15	15	14	14	15	
3 References Muniicipalities served via MSA	19	19	17	17	17	
4 Compliance with RFP and SOQ overview	13	13	13	13	13	
5 Recent and Current work with the city	0	9	9	0	0	
6 Location of Firm's Hedquarters	4	5	4	5	5	
7 Effective and efficient services	8	8	0	7	8	
Total:	77	87	59	71	76	

Reviewer Name: _____

Reviewer Signature: _____



EMSA - Master Engineering

RFP Scoring Criteria

Date: 4/8/20

Criteria		Maximum Points
1	General Experience and qualification of the Firm	20
2	Experience and Qualifications Key Staff	20
3	References Municipalities served via MSA	20
4	Compliance with RFP and SOQ overview	15
5	Recent and Current work with the city	10
6	Location of Firm's Hedquarters	5
7	Effective and efficient services	10
		100

Criteria		Maximum Points	Firm:					
			STAHLY Awarded Points	KLJ Awarded Points	TRIP TREE Awarded Points	WWC Awarded Points	IMEG Awarded Points	Awarded Points
1	General Experience and qualification of the Firm	20	16	17	12	11	16	
2	Experience and Qualifications Key Staff	20	17	16	12	12	13	
3	References Municipalities served via MSA	20	18	17	16	12	13	
4	Compliance with RFP and SOQ overview	15	14	13	12	4	12	
5	Recent and Current work with the city	10	0	9	8	6	6	
6	Location of Firm's Hedquarters	5	4	4	3	2	4	
7	Effective and efficient services	10	7	8	7	3	2	
Total:			76	87	70	44	61	

Reviewer Name: Justin Bator

Reviewer Signature: *Justin Bator*



EMSA - Master Engineering

RFP Scoring Criteria

Date: 4/8/26

Criteria		Maximum Points
1	General Experience and qualification of the Firm	20
2	Experience and Qualifications Key Staff	20
3	References Municipalities served via MSA	20
4	Compliance with RFP and SOQ overview	15
5	Recent and Current work with the city	10
6	Location of Firm's Hedquarters	5
7	Effective and efficient services	10
		100

Criteria		Maximum Points	Firm:					
			Outsource	M-M	SDI Arch	GRT WST	AE2S	INTSTATE
			Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points
1	General Experience and qualification of the Firm	20	10	18	8	19	17	16
2	Experience and Qualifications Key Staff	20	5	17	9	18	17	16
3	References Municipalities served via MSA	20	17	17	13	18	17	15
4	Compliance with RFP and SOQ overview	15	5	13	11	13	11	12
5	Recent and Current work with the city	10	0	8	0	9	0	0
6	Location of Firm's Hedquarters	5	2	4	3	4	4	4
7	Effective and efficient services	10	0	8	3	8	9	9
Total:			41	89	47	89	75	72

Reviewer Name: Justin Baker

Reviewer Signature: [Signature]



*At
Service*

*12 offices
Huge Staff*

**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member *Matt White*
Firm: *Morrison Mairacle*

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit)

Score *30* out of 30

Score based on:

- Understanding of City of Laurel funding and limitations,
- Understanding of identified projects and future projects,
- Project Manager rapport with the Laurel Public Works,
- Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

*Oversize
solution!*

Question 1: (Two minutes for response)

Score *9* out of 10

Tell us what you like about Laurel and how you, and your team, relate to our community. How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response)

Score *9* out of 10

Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

*80
years
Exp
BWSF**

Question 3: (Two minutes for response)

Score *10* out of 10

Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response)

Score *10* out of 10

How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response)

Score *9* out of 10

What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response)

Score *9* out of 10

What is your experience with a waste water system like the one currently used by the City of Laurel



Question 7: (Four minutes for response)

Score 9 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Total Score: 95 out of 100



Jill - funding + ww eng.
 Tyler - construction
 Colter - Laurel
 Kurtis - water - Primary

**Laurel Engineering Selection
 Interview Questions and Scoring Criteria**

Committee Member Jodi Mackay
 Firm: MM

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
 100 total possible points

Presentation: (10 minutes limit) Score 29 out of 30

Score based on:

- Understanding of City of Laurel funding and limitations,
- Understanding of identified projects and future projects,
- Project Manager rapport with the Laurel Public Works,
- Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response) Score 9 out of 10

Tell us what you like about Laurel and how you, and your team, relate to our community.
 How will this understanding of Laurel benefit our projects?

*Colter - from Laurel - connected family + friends
 K - relationships + help out community*

Question 2: (Three minutes for response) Score 9 out of 10

Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

*Ground up helping community / modeled complex systems pumps lift stations (good planning)
 Current construction of tank in Lockwood - type of work we do, not overspend dollars*

Question 3: (Two minutes for response) Score 9 out of 10

Are you, the presenter today, actually running the project or will it be someone else?

*Kurtis - primary
 Colter + Tyler - Leads*

Question 4: (Three minutes for response) Score 9 out of 10

How have you reacted when there has been a problem in the design or construction?

*navigate issue will address their issues if oversight RPR's infield - mitigate before
 Collaborative strong in handling surprise issues*

Question 5: (Three minutes for response) Score 9 out of 10

What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Connection with MOT, everyone on same page, requirements, work w/ BNSF too

Question 6: (Three minutes for response) Score 8 out of 10

What is your experience with a waste water system like the one currently used by the City of

Laurel *facility plan updates
 group focused on waste water - retrofitting based on new requirements*



Question 7: (Four minutes for response)

Score 9 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

get input & align
listen to solutions
feedback from contractors
what went well what didn't
3D modeling to "walk through"
to determine to meet needs

Total Score: 91 out of 100

Big Picture

water project
-excited to dive in

Truly committed to Customer Service + relationships
Trusted advisor

Comes down to people

12 locations in MT - 20-25 people in Billings

4 in WY

10 OR WA



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Thomas Henry
Firm: Morrison + Maierle

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit) Score 24 out of 30

Score based on:

Understanding of City of Laurel funding and limitations,
Understanding of identified projects and future projects,
Project Manager rapport with the Laurel Public Works,
Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response) Score 6 out of 10
Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response) Score 8 out of 10
Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response) Score 10 out of 10
Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response) Score 8 out of 10
How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response) Score 9 out of 10
What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response) Score 7 out of 10
What is your experience with a waste water system like the one currently used by the City of Laurel



Question 7: (Four minutes for response)

Score 8 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Total Score: 80 out of 100



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Shon Mulloney
Firm: Morrison Maerke

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit)

Score 26 out of 30

Score based on:

Understanding of City of Laurel funding and limitations,
Understanding of identified projects and future projects,
Project Manager rapport with the Laurel Public Works,
Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response)

Score 8 out of 10

Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response)

Score 8 out of 10

Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response)

Score 8 out of 10

Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response)

Score 9 out of 10

How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response)

Score 8 out of 10

What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response)

Score 8 out of 10

What is your experience with a waste water system like the one currently used by the City of Laurel



Question 7: (Four minutes for response)

Score 9 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Total Score: 88 out of 100



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member HP NUGENBERGER
Firm: M&M

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit) Score 25 out of 30

Score based on:

Understanding of City of Laurel funding and limitations,
Understanding of identified projects and future projects,
Project Manager rapport with the Laurel Public Works,
Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response) Score 9 out of 10
Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response) Score 9 out of 10
Please elaborate on your or your firm's experience with municipal water systems, experience
with the siting of new and maintenance of existing water tanks. How will you
help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response) Score 9 out of 10
Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response) Score 9 out of 10
How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response) Score 9 out of 10
What is your experience with working with the Montana Department of Transportation on
Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response) Score 9 out of 10
What is your experience with a waste water system like the one currently used by the City of
Laurel?



Question 7: (Four minutes for response)

Score 9 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the “boots on the ground” representatives and listen to their viewpoints and ideas?

Total Score: 88 out of 100



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Kurt Markesand
Firm: M&M

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit) 350 employees Score 29 out of 30

Score based on:

- Understanding of City of Laurel funding and limitations, ✓
- Understanding of identified projects and future projects,
- Project Manager rapport with the Laurel Public Works, ✓
- Overall fit and comfort level to meet the needs of the City,
 - How they might prioritize project components.
 - Do they have ideas for outside funding and their ability to secure grant funding? ✓

Question 1: (Two minutes for response) Score 8 out of 10
Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response) Score 10 out of 10
Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

80 years - Lockwood -

Question 3: (Two minutes for response) Score 10 out of 10
Are you, the presenter today, actually running the project or will it be someone else?

Yes - Design Experts

Question 4: (Three minutes for response) Score 9 out of 10
How have you reacted when there has been a problem in the design or construction?

See

Question 5: (Three minutes for response) Score 9 out of 10
What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Whole Group - DOT Stormwater Group BNSF

Question 6: (Three minutes for response) Score 8 out of 10
What is your experience with a waste water system like the one currently used by the City of Laurel



Question 7: (Four minutes for response)

Score 9 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Operational needs

Feedback from contractors!

Trusted Advisors

Total Score: 92 out of 100



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Kurt Marksgard
Firm: Great West

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit) 120 people Public Sector Score 28 out of 30

Score based on:

- Understanding of City of Laurel funding and limitations,
- Understanding of identified projects and future projects,
- Project Manager rapport with the Laurel Public Works,
- Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components. - Put teams together
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response) Score 8 out of 10
Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response) Score 9 out of 10
Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.
Water PER

Question 3: (Two minutes for response) Score 10 out of 10
Are you, the presenter today, actually running the project or will it be someone else?
Lynn Stutzman
Billing Office

Question 4: (Three minutes for response) Score 7 out of 10
How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response) Score 8 out of 10
What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?
DOT Group

Question 6: (Three minutes for response) Score 9 out of 10
What is your experience with a waste water system like the one currently used by the City of Laurel
BNR - Tetra Tech



Question 7: (Four minutes for response)

Score 8 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Total Score: 87 out of 100



Lynn
City of Laurel

One
Point
Contact

**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Matt Whalen
Firm: Grant West

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit)

Score 28 out of 30

Score based on:

Funding
Expert's

Understanding of City of Laurel funding and limitations,
Understanding of identified projects and future projects,
Project Manager rapport with the Laurel Public Works,
Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response)

Score 8 out of 10

Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response)

Score 8 out of 10

Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response)

Score 10 out of 10

Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response)

Score 8 out of 10

How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response)

Score 9 out of 10

What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response)

Score 10 out of 10

What is your experience with a waste water system like the one currently used by the City of Laurel



Question 7: (Four minutes for response)

Score 9 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Total Score: 89 out of 100



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Thomas Henry
Firm: Great West

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit) Score 19 out of 30

Score based on:

Understanding of City of Laurel funding and limitations,
Understanding of identified projects and future projects,
Project Manager rapport with the Laurel Public Works,
Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response) Score 8 out of 10
Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response) Score 8 out of 10
Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response) Score 10 out of 10
Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response) Score 6 out of 10
How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response) Score 8 out of 10
What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response) Score 7 out of 10
What is your experience with a waste water system like the one currently used by the City of Laurel?



Question 7: (Four minutes for response)

Score 7 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Total Score: 73 out of 100



Lynn - main point of contact
Chad
Brandon

Laurel Engineering Selection
Interview Questions and Scoring Criteria

Committee Member Jodi Mackay
Firm: Great West

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit) Score 22 out of 30

Score based on:

- Understanding of City of Laurel funding and limitations,
- Understanding of identified projects and future projects,
- Project Manager rapport with the Laurel Public Works,
- Overall fit and comfort level to meet the needs of the City,
 - How they might prioritize project components.
 - Do they have ideas for outside funding and their ability to secure grant funding?

one stop shop
w/ special trcs
Funding exp
563 million in
grants
C talking over/
interrupt L

Question 1: (Two minutes for response) Score 7 out of 10
Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

C: football
B: small community relationships
L: not Billings - small - who neighbor is

Question 2: (Three minutes for response) Score 8 out of 10
Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

C: wheelhouse - familiar w/ system
L: similar project in Powell, pressure zones, Cody projects, water modeling

Question 3: (Two minutes for response) Score 8 out of 10
Are you, the presenter today, actually running the project or will it be someone else?

L: main contact ... Chad talking
yes

Question 4: (Three minutes for response) Score 7 out of 10
How have you reacted when there has been a problem in the design or construction?

C: S&O basins - vested but know not perfect
B: we're humble - want perfect
Cottonwood Ave - adjust on fly

Question 5: (Three minutes for response) Score 8 out of 10
What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

B: designated DOT group - cumbersome

Question 6: (Three minutes for response) Score 8 out of 10

What is your experience with a waste water system like the one currently used by the City of Laurel

L: Proj Manager on project



Question 7: (Four minutes for response)

Score 8 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

L: yes there is a disconnect
have to talk to boots
brainstorm = solution
Can't leave boots & admin out of
Convo
Learn from workers
know systems

Total Score: 76 out of 100

C "Try" and involve City
but we're human
Says Laurel is vested more than others
B: approach with common sense
doesn't need to be complex

Water tank
- look at project review modeling
- evaluate
- funding
- phases

Funding = impact fees of future development



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member HP Marnberger
Firm: Great West

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit)

Score 25 out of 30

Score based on:

Understanding of City of Laurel funding and limitations,
Understanding of identified projects and future projects,
Project Manager rapport with the Laurel Public Works,
Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response)

Score 9 out of 10

Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response)

Score 9 out of 10

Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response)

Score 9 out of 10

Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response)

Score 7 out of 10

How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response)

Score 8 out of 10

What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response)

Score 8 out of 10

What is your experience with a waste water system like the one currently used by the City of Laurel



Question 7: (Four minutes for response)

Score 7 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the “boots on the ground” representatives and listen to their viewpoints and ideas?

Total Score: 82 out of 100



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Shawn Mullaney
Firm: Great West

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit)

Score 28 out of 30
32
27 28
01 36
32
96

Score based on:

- Understanding of City of Laurel funding and limitations,
- Understanding of identified projects and future projects,
- Project Manager rapport with the Laurel Public Works,
- Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response) Score 8 out of 10
Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response) Score 8 out of 10
Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response) Score 8 out of 10
Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response) Score 8 out of 10
How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response) Score 9 out of 10
What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response) Score 9 out of 10
What is your experience with a waste water system like the one currently used by the City of Laurel?



Question 7: (Four minutes for response)

Score 9 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Total Score: ~~88~~ 90 out of 100



*David + Steve - water engineer
8 water storage tanks in 15 years*

**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Jodi Mackay
Firm: AE&S

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit)

Score 26 out of 30

Score based on:

- Understanding of City of Laurel funding and limitations,
- Understanding of identified projects and future projects,
- Project Manager rapport with the Laurel Public Works,
- Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding? *Abby \$2 billion secured*

Question 1: (Two minutes for response) Score 8 out of 10

Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

*S - lives here, getting to know Laurel
D - local is great local expert*

Question 2: (Three minutes for response) Score 10 out of 10

Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

*D - understanding baseline - tanks = money - Got something done - stretch the dollar
Phased approach show progress get ready*

Question 3: (Two minutes for response) Score 10 out of 10

Are you, the presenter today, actually running the project or will it be someone else?

yes hire us get us

Question 4: (Three minutes for response) Score 9 out of 10

How have you reacted when there has been a problem in the design or construction?

*We're good not perfect - water screen issue
own mistakes - get right resources*

Question 5: (Three minutes for response) Score 7 out of 10

What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Culvert sizing many projects

Question 6: (Three minutes for response) Score 10 out of 10

What is your experience with a waste water system like the one currently used by the City of Laurel

*Mechanical treatment people (Laurel) - call references
David - has a specialized person for it - Kelsey
Steve - upgrade in Livingston while keeping it running
design around BNSF flows (Laurel)
negotiate w/ BNSF on fees*

*Hannah's in Laurel
Water Spec Company
Steve - lives in Laurel
worked on plant*



Question 7: (Four minutes for response)

Score 10 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Hands on people
became cert. operator
& ran plant in a pinch (3 mo)
Staff has done work
Don't leave intern to run dept
Steve has done the work
Likes field exp & insight
Hands dirty
Part of educating operators
Not talking to office staff

Total Score: 90 out of 100

- Local water experts
- 350 Water Needs
- work well with the other teams - will coordinate
- utility rate surveys
- How to get momentum going



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Shawn Mullancy
Firm: AE 25

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit)

Score 35 out of 30
36
16
7
23

Score based on:

Understanding of City of Laurel funding and limitations,
Understanding of identified projects and future projects,
Project Manager rapport with the Laurel Public Works,
Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response)

Score 7 out of 10

Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response) SM?

Score 9 out of 10

Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response)

Score 8 out of 10

Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response)

Score 9 out of 10

How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response)

Score 8 out of 10

What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response)

Score 9 out of 10

What is your experience with a waste water system like the one currently used by the City of Laurel



Question 7: (Four minutes for response)

Score 9 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Total Score: 84 out of 100



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member HP Nuernberg
Firm: AE25

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit) Score 25 out of 30

Score based on:

Understanding of City of Laurel funding and limitations,
Understanding of identified projects and future projects,
Project Manager rapport with the Laurel Public Works,
Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response) Score 9 out of 10
Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response) Score 9 out of 10
Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response) Score 9 out of 10
Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response) Score 9 out of 10
How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response) Score 5 out of 10
What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response) Score 9 out of 10
What is your experience with a waste water system like the one currently used by the City of Laurel



Question 7: (Four minutes for response)

Score 9 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Total Score: 84 out of 100



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Matt Wheeler
Firm: A&Z

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit)

Score ~~28~~ ²⁹ out of 30

Score based on:

- Understanding of City of Laurel funding and limitations,
- Understanding of identified projects and future projects,
- Project Manager rapport with the Laurel Public Works,
- Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

250k: w
350

Question 1: (Two minutes for response)

Score 9 out of 10

Tell us what you like about Laurel and how you, and your team, relate to our community. How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response)

Score 10 out of 10

Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response)

Score 9 out of 10

Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response)

Score 8 out of 10

How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response)

Score 7 out of 10

What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Honest Answer

Question 6: (Three minutes for response)

Score 9 out of 10

What is your experience with a waste water system like the one currently used by the City of Laurel

Mechanical Treatment
Big Sky Water Sewer

BNSF
Hume



Question 7: (Four minutes for response)

Score 10 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Total Score: 91 out of 100

* Operator
 Pan Plant
 3 Mbs.

* Seasoned RPR
 * Water Expts
 Bit
 * Staff



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Thomas Henry
Firm: AE2S

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit)

Score 21 out of 30

Score based on:

Understanding of City of Laurel funding and limitations,
Understanding of identified projects and future projects,
Project Manager rapport with the Laurel Public Works,
Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response)

Score 6 out of 10

Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response)

Score 9 out of 10

Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response)

Score 10 out of 10

Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response)

Score 7 out of 10

How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response)

Score 7 out of 10

What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response)

Score 8 out of 10

What is your experience with a waste water system like the one currently used by the City of Laurel



Question 7: (Four minutes for response)

Score 8 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the “boots on the ground” representatives and listen to their viewpoints and ideas?

Total Score: 76 out of 100



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Kurt Merkagord
Firm: AEJ

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit) ^{25 offices} Score 27 out of 30

Score based on:

- Understanding of City of Laurel funding and limitations,
- Understanding of identified projects and future projects,
- Project Manager rapport with the Laurel Public Works,
- Overall fit and comfort level to meet the needs of the City,
 - How they might prioritize project components.
 - Do they have ideas for outside funding and their ability to secure grant funding? yes

Question 1: (Two minutes for response) Score 7 out of 10
Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects? Clean water P.E. lines in Laurel.

Question 2: (Three minutes for response) Score 10 out of 10
Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.
Money - Phased approach

Question 3: (Two minutes for response) Score 10 out of 10
Are you, the presenter today, actually running the project or will it be someone else?
David C.

Question 4: ^{Steve C.} (Three minutes for response) Score 8 out of 10
How have you reacted when there has been a problem in the design or construction?
Billing intake

Question 5: (Three minutes for response) Score 6 out of 10
What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?
Road from Roundup to Forsyth

Question 6: (Three minutes for response) Score 10 out of 10
What is your experience with a waste water system like the one currently used by the City of Laurel
Kelsey Wagner BNSF -



Question 7: (Four minutes for response)

Score 9 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

David ran a WTP

Steve has worked for Contractors

Put on Schools for WTP + WWTP

Total Score: 87 out of 100



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Thomas Henry
Firm: KLS

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit) Score 18 out of 30

Score based on:

Understanding of City of Laurel funding and limitations,
Understanding of identified projects and future projects,
Project Manager rapport with the Laurel Public Works,
Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response) Score 7 out of 10
Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response) Score 8 out of 10
Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response) Score 9 out of 10
Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response) Score 7 out of 10
How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response) Score 6 out of 10
What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response) Score 6 out of 10
What is your experience with a waste water system like the one currently used by the City of Laurel



Question 7: (Four minutes for response)

Score 7 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Total Score: 68 out of 100



Laurel Engineering Selection
Interview Questions and Scoring Criteria

Committee Member Jodi Mackay
Firm: KLI - Ryan + Mark

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit)

Score 28 out of 30

Score based on:

- Understanding of City of Laurel funding and limitations,
- Understanding of identified projects and future projects,
- Project Manager rapport with the Laurel Public Works,
- Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response)

Score 9 out of 10

Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

M. Staff relationships
R. small town - advocate + steward

knowledge of systems
budgetary constraints

Question 2: (Three minutes for response)

Score 8 out of 10

Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

R. 27 yrs exp water reviews - been looking at tanks already done prelim work
M. staff depth - modeling - team leadership with exp

Question 3: (Two minutes for response)

Score 10 out of 10

Are you, the presenter today, actually running the project or will it be someone else?

Ryan is primary. Mark client manager.
Matt to Ryan. Mark on standby Staff lives here

Question 4: (Three minutes for response)

Score 8 out of 10

How have you reacted when there has been a problem in the design or construction?

R. construction - contractor default - back into docs • Coordination + legal assistance
M. Colstrip problem - pipe not identified - plan + work through • Have doc for procedure

Question 5: (Three minutes for response)

Score 9 out of 10

What is your experience with working with the Montana Department of Transportation on MOT certifications Urban Routes, storm water mitigation, and general street maintenance?

Ryan on city's behalf / adv to MOT route - permits - req. dealings • Well versed in process

Question 6: (Three minutes for response)

Score 9 out of 10

What is your experience with a waste water system like the one currently used by the City of Laurel

R - Not a lot of exp = John M with all the exp - cert. Waste water op
M. Jessica + Peter = Complexity + size
Heavy on John
Ly providing solutions to issues
not just on paper



Question 7: (Four minutes for response)

Score 9 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

R - Andy M 20 yrs = boots on the ground
acknowledge issues
M Scoping + talking w/ city leads
→ look at plans

Total Score: 90 out of 100

M - Question on 8 years - How can we improve
Matt - said issues not KLT's problem

R - Things we didn't talk about?

M says Laurel is priority



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Kurt Markgeard
Firm: KLTJ

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit) 26 offices Score 25 out of 30

Score based on: 30 Employees in Billing office

- Understanding of City of Laurel funding and limitations, —
- Understanding of identified projects and future projects, —
- Project Manager rapport with the Laurel Public Works, —
- Overall fit and comfort level to meet the needs of the City, —

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding? —

Question 1: (Two minutes for response) Score 9 out of 10

Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Working with the staff. Continuity - past 8 years
Small town feel: Local companies in Laurel

Question 2: (Three minutes for response) Score 9 out of 10

Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Colstrip, 1 million gallon tanks - modeling for tank.
- Hinc Sub.

Question 3: (Two minutes for response) Score 10 out of 10

Are you, the presenter today, actually running the project or will it be someone else?

Ryan W.
Mark R.

Question 4: (Three minutes for response) Score 7 out of 10

How have you reacted when there has been a problem in the design or construction?

Contractor on WTP went bankrupt - worked with bond company & city attorney
Colstrip - water line project

Question 5: (Three minutes for response) Score 8 out of 10

What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

West Railroad - MDT Routes = staff works with DOT.

Question 6: (Three minutes for response) Score 5 out of 10

What is your experience with a waste water system like the one currently used by the City of Laurel?

Ryan has no experience - Bring in sub. who is also an operator.



Question 7: (Four minutes for response)

Score 8 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Bring in Analyst. Find out the issues with city staff.

Total Score: 81 out of 100



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Matt Wheeler
Firm: KHJ

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit)

Score 29 out of 30

Score based on:

Understanding of City of Laurel funding and limitations,
Understanding of identified projects and future projects,
Project Manager rapport with the Laurel Public Works,
Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response)

Score 9 out of 10

Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response)

Score 9 out of 10 *When good*

Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response)

Score 10 out of 10 *good*

Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response)

Score 8 out of 10 *Along with time*

How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response)

Score 8 out of 10

What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response)

Score 8 out of 10

What is your experience with a waste water system like the one currently used by the City of Laurel



8

Question 7: (Four minutes for response)

Score 8 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Total Score: 89 out of 100



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member Shawn Mulhany
Firm: KLV

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit)

Score 25 out of 30
38
16
9

Score based on:

Understanding of City of Laurel funding and limitations,
Understanding of identified projects and future projects,
Project Manager rapport with the Laurel Public Works,
Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response)

Score 8 out of 10

Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response)

Score 8 out of 10

Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response)

Score 10 out of 10

Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response)

Score 10 out of 10

How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response)

Score 9 out of 10

What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response)

Score 9 out of 10

What is your experience with a waste water system like the one currently used by the City of Laurel



Question 7: (Four minutes for response)

Score 9 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Total Score: 88 out of 100



**Laurel Engineering Selection
Interview Questions and Scoring Criteria**

Committee Member HP Muehlenberger
Firm: RLS

Interview Format: 30 minutes total, 10 minutes presentation, 20 minutes Q&A
100 total possible points

Presentation: (10 minutes limit) Score 25 out of 30

Score based on:

Understanding of City of Laurel funding and limitations,
Understanding of identified projects and future projects,
Project Manager rapport with the Laurel Public Works,
Overall fit and comfort level to meet the needs of the City,

- How they might prioritize project components.
- Do they have ideas for outside funding and their ability to secure grant funding?

Question 1: (Two minutes for response) Score 8 out of 10
Tell us what you like about Laurel and how you, and your team, relate to our community.
How will this understanding of Laurel benefit our projects?

Question 2: (Three minutes for response) Score 9 out of 10
Please elaborate on your or your firm's experience with municipal water systems, experience with the siting of new and maintenance of existing water tanks. How will you help guide us through our upcoming and future water system projects.

Question 3: (Two minutes for response) Score 9 out of 10
Are you, the presenter today, actually running the project or will it be someone else?

Question 4: (Three minutes for response) Score 9 out of 10
How have you reacted when there has been a problem in the design or construction?

Question 5: (Three minutes for response) Score 9 out of 10
What is your experience with working with the Montana Department of Transportation on Urban Routes, storm water mitigation, and general street maintenance?

Question 6: (Three minutes for response) Score 9 out of 10
What is your experience with a waste water system like the one currently used by the City of Laurel



Question 7: (Four minutes for response)

Score 9 out of 10

In the past there have been issues with putting engineered designs into practice, there is often talk about a disconnect between engineering and function. How does your company ensure your project engineering accommodates the day to day necessary operations? Do you willingly communicate with the "boots on the ground" representatives and listen to their viewpoints and ideas?

Total Score: 89 out of 100



**Laurel Master Engineering
Engineering Selection Interview Scoring Tabulation**

Date: 04/15/26

Firm:	M-M	AE2S	KLJ	TRIP TREE	GT WEST
	Awarded Points	Awarded Points	Awarded Points	Awarded Points	Awarded Points
Interview Scores:					
Matt Wheeler	95	91	89		89
Jodi McKay Mackay	91	90	90		76
THOMAS HENRY	80	76	68		73
KURT MACKAYARD	92	87	81		87
SHAWN MULLAN	88	84	88		90
HP	88	84	87		82
(Alternate)					
Total:	534	512	503		497

Selection Committee Recommends: MORRISON - MAIERLE.

Selection Committee Chair: *Jodi McKay*

File Attachments for Item:

10. Resolution No. R26-15: A Resolution Of The City Council Of The City Of Laurel, Montana Authorizing Property Owner Darrell Dyer To Apply For Annexation Of Property Less Than 2.06 Acres.

RESOLUTION NO. R26-_____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAUREL,
MONTANA AUTHORIZING PROPERTY OWNER DARRELL DYER TO APPLY
FOR ANNEXATION OF PROPERTY LESS THAN 2.06 ACRES.**

BE IT RESOLVED by the City Council of the City of Laurel, Montana,

Section 1: Intent. The City of Laurel has received a request from Property Owner Darrell Dyer, of 1736 W. Railroad Street, Laurel MT 59044, to apply for annexation of property less than 2.06 acres. The property at issue is more specifically described as: Parcel Nos. 03-0821-10-2-05-20-0000 and 03-0821-10-2-05-07-0000, Nutting Bros. Subdivision Block 6, Lots 1-7. Each Parcel is 7,000 square feet, totaling acreage of 1.125 acres. Pursuant to Resolution No. R08-22, Adopting the City of Laurel Annexation Policy, and Ordinance No. 008-02, Adopting Annexation Regulations for the City of Laurel for Incorporation in Chapter 16 of the Laurel Municipal Code, a property owner must submit a separate request to petition for annexation of property less than 2.06 acres. The Property Owner's request is attached hereto and incorporated by reference herein.

Section 2: Approval. The Property Owner is hereby authorized to submit a Petition for Annexation for the aforementioned property.

Introduced at a regular meeting of the City Council on the _____ day of April, 2026, by Council Member _____.

PASSED and APPROVED by the City Council of the City of Laurel the _____ day of April, 2026.

APPROVED by the Mayor the _____ day of April, 2026.

CITY OF LAUREL

Dave Waggoner, Mayor

ATTEST:

Kelly Strecker, Clerk-Treasurer

APPROVED AS TO FORM:

Michele L. Braukmann, Civil City Attorney



Right of way



Lot 1-7

CITY HALL
115 W. 1ST ST.
PUB. WORKS: 628-4796
WATER OFC.: 628-7431
COURT: 628-1964
FAX 628-2241

City Of Laurel

P.O. Box 10
Laurel, Montana 59044



Office of the Director of Public
Works

Office of Planning

Date: April 17, 2026
To: Mayor and City Council
From: Forrest Sanderson, AICP, CFM – Contract Planner
Re: Annexation Request, Darrell Dyer

BACKGROUND:

On April 15, 2026, an annexation request for Lots 1 – 7, Block 6, Nutting Brothers Subdivision was submitted to the City of Laurel. A portion of this request was an initial zoning assignment of R-7500 to be overlaid with a Planned Unit Development (PUD). The request to annex half a block is being presented to the City Council for consideration as required by City Council Resolution R08-22.

The property owner is Iron Creek Holdings LLC which is believed to be owned by Daryl Dyer. The application materials contain a letter from the owner requesting variances to the minimum area required for annexation 2.06 acres and to the requirements that all public infrastructure adjacent to the areas to be annexed be extended by the developer. These documents are hereby attached to and made part of this report by reference.

ANALYSIS OF REQUEST

City Council Resolution #R08-22 (March 4, 2008) and the Application Form establishes the criteria and requirements for the annexation of property. Given that we are dealing with roughly ½ of a Block the analysis will be limited to only those items of initial relevance.

Standard:

1. Only parcels of land adjacent to the City of Laurel will be considered for annexation. If the parcel to be annexed is smaller than one city block in size (2.06 acres), the city council must approve consideration of the request; the applicant must make a separate written request to the city council stating their wish to annex a parcel of land less than one city block in size. Once the council approves the request, the applicant can apply for annexation.

Findings:

- A. The property requested for consideration is adjacent to the existing Laurel city limits;
- B. The deeded property requested for consideration is 1.125 acres in size.
 - a. The City Council could accept that the deeded ownership is the standard for annexation and decide on the question to approve or deny permission to move forward.
- C. Montana Annexation Law requires the City at the time of annexation to include in the annexation the full width of all adjacent road rights of way.
 - a. The adjacent rights-of-way include:
 - i. Hazel Avenue (60 x 300) 18,000 sq ft
 - ii. The Alley (20 x 300) 6,000 sq ft
 - iii. East 8th Street (60 x 360) 21,600 sq ft
 - iv. East 7th Street (80 x 360) 28,800 sq ft
 - v. $74,400 \text{ sq ft} + (1.125 \times 43560) = (74,400 + 49,005)/43560 = 2.8 \text{ +/- acres.}$
 - b. The full parcel to be annexed exceeds the established minimum, variance is not necessary. Precedence for including adjacent rights-of-way for area calculations was established in November 2024 with the Laurel Middle School rezoning application.
 - c. A Survey showing all of the areas to be annexed into the city is one of the exhibit requirements in the annexation process.

MOVING FORWARD

- 1. Admittedly, where Mr. Dyer is approaching the request as deeded ownership required for annexation, much of what follows is a discussion of the additional materials that must be supplied to formally request annexation into the City of Laurel.
- 2. The application does not adequately address the following items as required by Council Policy other than to request that the developer not be required to improve Hazel Avenue:
 - a. An extension of City Streets, Water, Sewer, Sidewalks, Storm Water, Curb and Gutter and how the developer/owner intends to pay for these infrastructure extensions;
 - b. An executed waiver of the right to protest the creation of SID's;
 - c. Adequate discussion of the suitability of the proposed zoning for the property to be annexed;
 - d. A notarized signature from the record property owner authorizing the annexation and requested initial zoning;
 - e. Adequate discussion of the subdivision process to create lots that conform to the minimum district requirements and use limitations imposed by the Laurel Zoning Regulations.
- 3. The application did include a fee for the consideration of annexation and zoning.

- a. The fee is adequate for the application as presented but depending upon the decision of the Council to proceed may not be adequate if the larger area included in the area to be annexed.
 - b. Should the request to proceed with ½ Block annexation be disapproved by the Council, the fees should be returned.
- 4. The request for variance to the Hazel Avenue Improvements in a preliminary process is inappropriate at best and a violation of our various development regulations, and/or our required public processes at worst. It also potentially carries a substantial future cost to the city rate and taxpayers.
 - a. Our Annexation, Subdivision, and Zoning review processes are very public processes each with an opportunity to request variance from the adopted standard. These processes require a minimum of two public hearings (Planning Board/Zoning Commission and City Council, notice to surrounding owners and the public in general before any decision is made.
 - i. To deviate from these processes is NOT recommended.
 - b. If the City approves the annexation and does not require improvements to Hazel Avenue, the city could well be on the hook to pay for the required water, sewer, street, curb, gutters and sidewalks at some point in the future as the rights-of-way are part of the city infrastructure.
 - i. If we assume that the required improvements cost \$750,000 at 3% interest over 30 years the cost to the city would be \$1,147,933.41 or \$38,264.44 annually. It is highly unlikely that the proposed residential development of the property between taxes and user fees would amortize the debt.

RECOMMENDATION:

I have always told the City Council that annexation is a business decision. The developer/owner has already determined that being in the city provides them greater benefits than the costs. It is the duty of the City Council to determine if the addition to the request to proceed with annexation of Lots 1 – 7, Block 6, Nutting Brothers Subdivision is in the best interest of the city.

To: City Council

4/15/2026

City of Laurel, Mt, 59044

Fm: Darrell Dyer

1736 W Railroad St

Laurel, MT 59044

Good morning,

I am requesting that property that I own be allowed to be annexed into the City. The parcel numbers are 03-0821-10-2-05-20-0000 and 03-0821-10-2-05-07-0000.

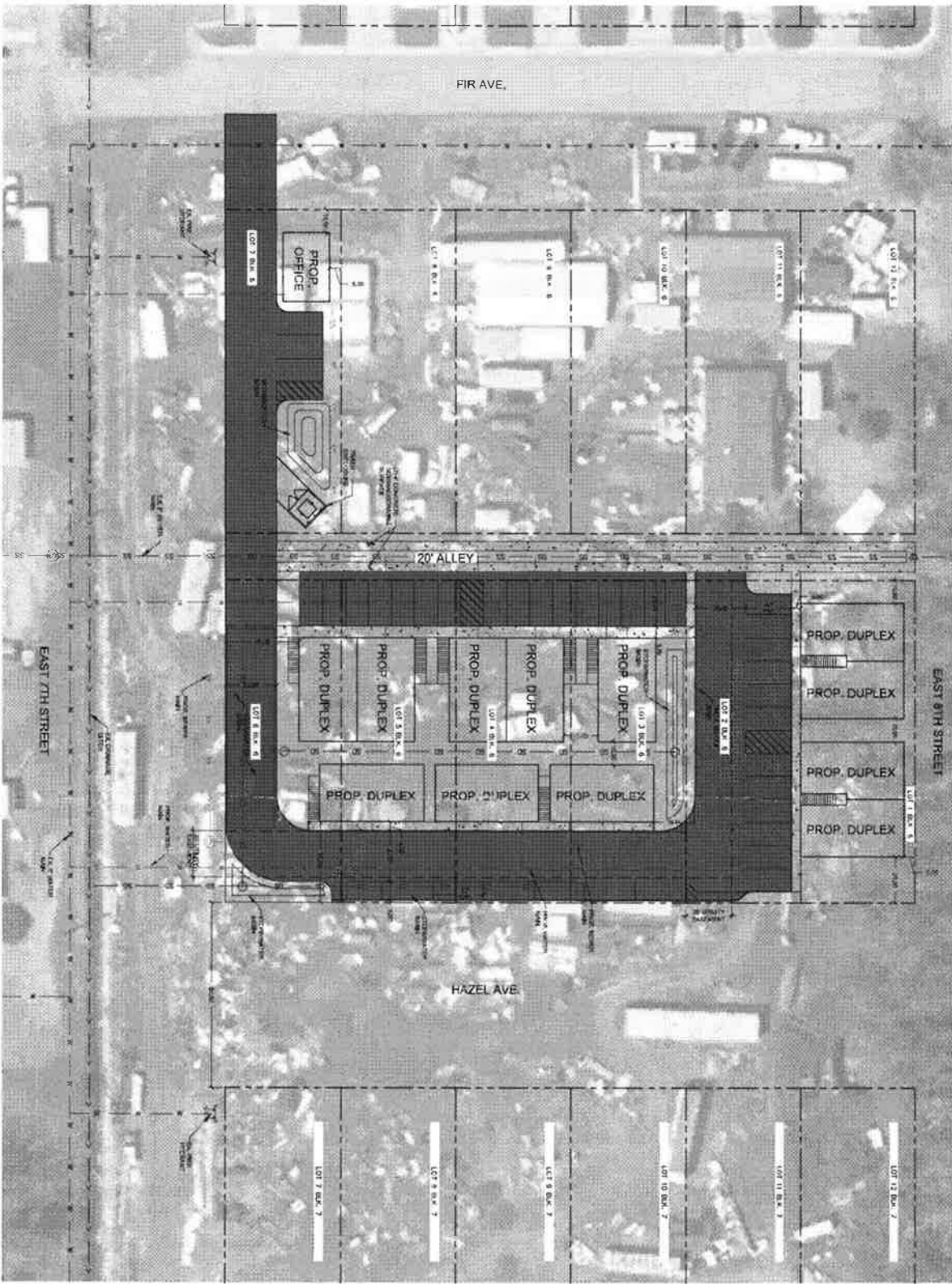
Nutting bros. subdivision block 6 lots 1-7 each lot is 7000 sq feet.

Theses two parcels are platted lots within the nutting bros subdivision. The total acreage is 1.125.. There currently exist an active city sewer line that traverses north to south in the platted alleyways adjacent to these lots. If the Initial request is approved then it would need to be recognized that I be allowed to develop these lots as a multifamily project under a pud without the improvement of the Hazel roadway.

Regards,


Darrell Dyer

1 PRELIMINARY PUD LAYOUT



SCALE 1" = 20'



PROJECT INFORMATION

OWNER: LOTS 10 & 11, HAZEL AVENUE, LAUREL, MONTANA
 DEVELOPER: Papez Development Services, LLC
 PROJECT: HAZEL AVENUE PUD LAYOUT
 DATE: 10/15/2024

PROPOSED DUPLEX: 12
 PROPOSED OFFICE: 1
 PROPOSED DUPLEX: 1
 TOTAL UNITS: 14
 TOTAL SQUARE FEET: 14,000

UTILITY LEGEND

- 1" = 12" WATER MAIN
- 1" = 12" SANITARY SEWER
- 1" = 12" GAS
- 1" = 12" ELECTRIC
- 1" = 12" TELEPHONE
- 1" = 12" CABLE
- 1" = 12" FIBER OPTIC
- 1" = 12" RAINWATER
- 1" = 12" STORMWATER
- 1" = 12" EASEMENT

PRELIMINARY NOT FOR CONSTRUCTION

C1.0

SHEET TITLE
 PRELIMINARY PUD LAYOUT

PROJECT TITLE
 HAZEL AVENUE PUD
 BLK 6 LOTS 1-7
 LAUREL, MONTANA

DATE: 10/15/2024
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 PROJECT NO: [Number]

Papez Development Services, LLC
 1015 1st Street
 Laurel, MT 59044
 (406) 833-1234

CITY OF LAUREL, MONTANA
REQUEST FOR ANNEXATION
AND PLAN OF ANNEXATION

Applicant is required to meet with the City Planner prior to filling out this application. All blanks of this application are to be filled in with explanation by the applicant. Incomplete applications will not be accepted.

1. Only parcels of land adjacent to the City of Laurel municipal limits will be considered for annexation. "Adjacent to" also includes being across a public right of way. If the parcel to be annexed is smaller than one city block in size (2.06 acres), the city council must approve consideration of the request; the applicant must make a separate written request to the city council stating their wish to annex a parcel of land less than one city block in. Once the council approves the request, the applicant can apply for annexation.

2. Applicant landowner's name: _____
Address: _____
Phone: _____

3. Parcel to be annexed: (If it is not surveyed or of public record, it must be of public record PRIOR to applying for annexation.)
Legal description: _____
Lot size: _____
Present use: _____
Planned use: _____
Present zoning: _____
(Land which is being annexed automatically becomes zoned R-7500 when it is officially annexed [City ordinance 17.12.220])

4. City services: The extension of needed city services shall be at the cost of the applicant after annexation by the city has been approved. As part of the application process, each of the following city services must be addressed with an explanation:

Water Service:

Location of existing main: _____
Cost of extension of approved service: _____
How cost determined: _____
Timeframe for installation: _____

Sewer Service:

Location of existing main: _____
Cost of extension of approved service: _____
How cost determined: _____

Timeframe for installation: _____
How financed: _____

Streets:

Is there any adjoining County ROW to the proposed annexation: _____
Location of existing paved access: _____
Cost of paving: _____
How cost determined: _____
Timeframe for construction: _____

Other required improvements: Provide above information on attached pages.

5. A map suitable for review of this application of the proposed area to be annexed must be submitted with this application.
6. A written Waive of Protest must accompany this application, suitable for recording and containing a covenant to run with the land to be annexed, waiving all right of protest to the creation by the city of any needed improvement district for construction or maintenance of municipal services. This Waiver of Protest must be signed by the applicant **prior** to annexation by the city.
7. Requests for annexations are referred to the City-County Planning Board for recommendation to the City Council. Within 30 days after receiving the properly filled out application with all required accompaniments and after conducting a duly advertised public hearing, the City-County Planning Board shall make recommendation to the City Council as to this Request for Annexation. If more information is needed from the applicant during the review of the application, such application shall be deemed incomplete and the timeframe for reporting to the City Council extended accordingly, in needed.
8. A **non-refundable** application fee of \$300 + \$25.00 per acre (80 acres or less); \$300 + \$35.00 per acres (81 acres or more) must accompany the submission of this application.

The City Council of the City of Laurel, Montana, after review and consideration of this Application for Annexation, found such to be in the best interest of the City, that it complied with state code, and approved this request at its City Council meeting of _____

File Attachments for Item:

11. Resolution No. R26-16: A Resolution Of The City Council Of The City Of Laurel, Montana Awarding The Bid And Authorizing The Mayor To Execute All Contract And Related Documents For The Purchase Of A Garbage Truck From Billings Peterbilt, Inc.

RESOLUTION NO. R26-_____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAUREL,
MONTANA AWARDED THE BID AND AUTHORIZING THE MAYOR TO
EXECUTE ALL CONTRACT AND RELATED DOCUMENTS FOR THE
PURCHASE OF A GARBAGE TRUCK FROM BILLINGS PETERBILT, INC.**

WHEREAS, the City of Laurel (hereinafter “the City”) is in need of a Garbage Truck (a/k/a “Refuse Truck”) for the Public Works Department;

WHEREAS, the City has complied with its procurement policy and Montana law by utilizing a competitive bid process to ensure the cost and company selected is in the best interests of the City in both quality and price;

WHEREAS, the City sought bids from qualified companies from whom to purchase the Garbage Truck by publicly advertising the bid pursuant to Montana law;

WHEREAS, the City received a responsive bid from Billings Peterbilt, Inc. in the amount of \$448,954.00;

WHEREAS, Billings Peterbilt, Inc. was the lowest qualified bidder, and such bid is attached hereto and incorporated by reference herein; and

WHEREAS, the City currently possesses adequate funds to purchase the Garbage Truck and/or can make appropriate and reasonable lending arrangements, and it is in the City’s best interests to proceed with the purchase.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Laurel, Montana, that the City Council accepts the bid with Billings Peterbilt, Inc., and the Mayor is authorized to execute all contract and related documents for the purchase of the Garbage Truck, pursuant to the terms and conditions contained in the attached bid for the total cost of \$448,954.00.

Introduced at a regular meeting of the City Council on the _____ day of April, 2026, by Council Member _____.

PASSED and APPROVED by the City Council of the City of Laurel the _____ day of April, 2026.

APPROVED by the Mayor the _____ day of April, 2026.

CITY OF LAUREL

Dave Waggoner, Mayor

ATTEST:

Kelly Strecker, Clerk-Treasurer

APPROVED AS TO FORM:

Michele L. Braukmann, Civil City Attorney

CITY CLERK
CITY OF LAUREL
P. O. BOX 10
LAUREL, MONTANA 59044

INVITATION TO BID

RETURN TO: City Clerk, City of Laurel, P.O. Box 10, Laurel, Montana 59044

Please bid net prices at which you will agree to furnish required services. To receive consideration, this form must be signed in full by a responsible, authorized agent, office, employee or representative of your firm.

BID ITEM: 2027 PETERBILT 520 WITH CURBTENDER POWER PAK

Enter full Company Name and Address

BILLINGS PETERBILT, INC.
3255 N. FRONTAGE RD
BILLINGS, MT 59101

CONDITIONS AGREEMENT

We have read and agree to the conditions and stipulations contained herein and to the Standard Terms and Conditions contained on the attached.

We further agree to furnish the services specified at the prices stated herein, to be delivered to the location and that date set forth herein.


Signature
Sales Associate
Title
4/8/2026
Date

END: INVITATION TO BID

CITY CLERK
CITY OF LAUREL
P. O. BOX 10
LAUREL, MONTANA 59044

FORM OF AGREEMENT – PAGE 1

AGREEMENT, made on the 8TH day of April, 2026, by and between the City of Laurel and BILLINGS PETERBILT, INC..

WITNESSTH that the above named company and the City of Laurel, for consideration, hereinafter name agree as follows:

SCOPE OF OPERATION: The contractor shall provide material and equipment, perform the work and do everything required by the specifications entitled:

CONTRACT SPECIFICATION:

TIME OF COMPLETION: Delivery of goods, equipment, and/or services shall be expected within thirty (30) days of the award of bid.

FOLLOWING IS AN ENUMERATION OF THE CONTRACT BID

- Intent and Scope of Operation
- Call for Sealed Bids: Notice to Bidders
(Bid Bond/Performance Bond)
- Instructions to Bidders
- Contract Specifications
- Standard Terms and Conditions
- Invitation to Bid
- Form of Agreement
- Form of Proposal (Bid Proposal)

IN WITNESS WHEREOF, the parties hereto have executed this agreement to day and year above written.

Contractor

By: _____
Title _____

CITY CLERK
CITY OF LAUREL
P. O. BOX 10
LAUREL, MONTANA 59044

FORM OF AGREEMENT – PAGE 2

CITY OF LAUREL

BY: _____
MAYOR

ATTEST: _____
City Clerk

Approved as to form

END: FORM OF AGREEMENT

GENERAL BIDDING GUIDELINES:

If bid specification is met than place a check in the column marked "YES". If it is necessary to bid alternate equipment or to take exceptions to the specifications as set forth, this must be checked as "NO".

The Basis of Award shall be dependent on the most responsible bid submitted. Consideration will be given to cash flow, purchase price, delivery dates, equipment service guarantees, parts and service availability, parts and service location, analyses and comparison of equipment specification details, and any other items of concern to the City of Laurel.

The purchaser reserves the right to reject any or all bids, to waive any informality in bids, or to accept in whole or part such a bid as may be in the best interest of the City of Laurel.

The purchaser also reserves the right to reject the vehicle at the time of final inspection if the vehicle does not meet any and/or all requirements of the final contract according to the personnel acting on behalf of the department at the time of final inspection. These requirements include, but are not limited to: performance, workmanship, service, quality and operation of the vehicle.

Please state the estimated delivery time after receipt of order in days: 150-180 days from PO

CHASSIS SPECIFICATION

MARK YES OR NO IF COMPLIANT OR NOT

<u>ITEM DESCRIPTION</u>	YES	NO
SINGLE RIGHT HAND DRIVE STEEL CAB YES- SINGLE RH DRIVE/ NO STEEL CAB	<u>X</u>	<u>X</u>
CUMMINS 350HP ISX12 1450 FT-LB TORQUE PACCAR MX-11 400/1450	<u> </u>	<u>X</u>
2 POSITION C BRAKE BY JACOBS S	<u>X</u>	<u> </u>
AUDIBLE & VISUAL ALARM/LOP, HT, LWL	<u>X</u>	<u> </u>
RACOR 412R10 FILTER W/H2O PROBE & 12V ELEC HEAT	<u>X</u>	<u> </u>
PHILLIPS 120V 1500W BLOCK HEATER	<u>X</u>	<u> </u>
HEATER RECEPTACLE LOCATED IN RH CAB STEPS MOUNTED IN BUMPER	<u> </u>	<u>X</u>
1300 SQ. IN. SOLID ALUMINUM RADIATOR (NO PLASTIC TANK ENDS)	<u>X-ALUM</u>	<u>X- 1242 SQ IN</u>
2-SPEED ENGINE FAN	<u>X</u>	<u> </u>
EXTENDED LIFT COOLANT	<u>X</u>	<u> </u>
STEEL COOLANT SUGE TANK W/SIGHT GLASS	<u>X</u>	<u> </u>
16" TWO STAGE AIR CLEANER	<u>X</u>	<u> </u>
BLACK, HOOD TYPE ENGINE AIR INTAKE	<u>X</u>	<u> </u>
HORZ DPF W/LH VERTICLE SCR	<u>X</u>	<u> </u>
PF & SCR SHIELDS	<u> </u>	<u>X</u>
VERTICLE SINGLE EXHAUST DIFFUSER STAINLESS STEEL	<u>X</u>	<u> </u>
OVER-FENDER MTD., RH SIDE, 10-GAL CAPACITY UREA TANK 7.3 GAL, LH SIDE	<u> </u>	<u>X</u>
ALUM TURBO/EXHAUST PIPE DEBRIS SHIELD	<u>X</u>	<u> </u>

CUMMINS WABCO 18.7 CFM AIR COMPRESSOR 25.9 CFM PACCAR	X	X
DELCO REMY 12V 39MT STARTER MOTOR W/OC	X	
DELCO REMY 180 AMP, 28SI PAD MTD. ALTERNATOR 200 AMP	X	
10 MINUTE ENGINE IDLE SHUTDOWN ENABLED AFTER 3000 MILES	X	
CRUISE CONTROL ENABLED	X	
PTO REGEN INHIBIT THRESHOLD = 0 MPH	X	
1200 RPM MAX IN PTO	X	
PTO SET SWITCH = 1200 RPM	X	
PTO RESUME SWITCH = 1000 RPM	X	
PTO RAMP RATE INCREMENT = 500 RPM	X	
ALLISON 4500 SERIES, 6-SPEED TRANSMISSION	X	
ALLISON PUSHBUTTON CONTROLS	X	
OIL TO WATER TYPE	X	
TRANSMISSION OIL FILTER TUBE/DIPSTICK W/ LEVEL SENSOR	X	
TRANSYND SYNTHETIC AUTO TRANSMISSION FLUID	X	
SPICER 1810HD HALD ROUND DRIVESHAFT	X	
PREP FOR CHELSEA 890/897 PTO CLEARANCE	X	
MERITOR MFS-16 STEER AXLE, 16000# RATING PACCAR 20K	X	
7500LB FLATLEAF 16,500 ROUND CAPACITY FRONT SUSPENSION	X	
DOUBLE ACTING SINGLE – HEAVY DUTY FRONT SHOCK ABSORBERS	X	
SCOTSEAL PLUS XL FRONT WHEEL SEALS	X	
CR ZYTEL FRONT HUBCAPS	X	
SYNTHETIC FRONT AXLE LUBRICANT	X	
MERITOR 16.5 X 6 FRONT BRAKES 16.5X7	X	
MERITOR AUTOMATIC FRONT AXLE SLACK ADJUSTERS	X	
DUST SHIELD – FRONT BRAKES	X	
INTEGRAL POWER STEERING W/ LEFT HAND RAM DUAL STEERING GEARS	X	
STEEL FOUR QUART POWER STEERING RESERVOIR	X	
MERITOR RT46-160 46,000LB REAR AXLE ASSEMBLY	X	
5.63 REAR AXLE RATION	X	
FFOUR WHEEL REAR AXEL LOCK	X	
HENDRICKSON HMX-460 REAR SUSPENSION	X	
4 SHOCK ABSORBERS ON REAR SUSPENSION	X	
SCOTSEAL PLUS XL REAR AXLE SEALS	X	
SYNTHETIC REAR AXLE LUBRICANT	X	
MERITOR 16.5 X 7 Q PLUS REAR AXLE BRAKES	X	
MERITOR AUTOMATIC REAR AXLE SLACK ADJUSTERS	X	
DUST SHILD – REAR BRAKES	X	
HENDRICKSON COMPOSILITE STEERABLE TAG, 13,500 LBS CAPACITY	X	
SCOTSEAL PLUS XL TAGE AXLE SEALS	X	
HENDRICKSON INTEGRAL TAG AXLE BRAKES	X	
MERITOR AUTOMATIC TAG AXLE SLACK ADJUSTERS	X	
BENDIXABS 4S/4M	X	
SINGLE 3/8" VARIABLE STEEL FRAME RAIL	X	
3,529,000 FRAME RBM RATING ON MAIN FRANE SECTION 3,336,000 WHOLE FRAME		X
7-PIECE STEEL W/ALUM BOC X-MEMBER 3 PIECE		X
CHASIS WIRING TO BE SUPPORTED ON WIRING STUDS W/ STEEL P-CLAMPS	X	
HUCKSPIN RR SUSP & CROSSMEMBER	X	

STEEL PAINTED FRONT BUMPER	X	
TWO REMOVABLE TOW PINS IN FRONT BUMPER	X	
RO 170 COMPLAINT BODY INTERFACE WIRING	X	
75 GAL 26" DIA UNPAINTED ALUMINUM LH MOUNTED FUEL TANK 80 GAL	X	
FUEL TANK BRACKET TO EXTEND UNDER FUEL TANK WITH 3" WIDE STRAPS	X	
STEEL BATTERY BOX AND LID ALUMINUM BOX AND LID		X
3 GROUP 31 ECL 12V 2250CCA BATTERIES 3000 C.C.A.	X	
BATTERY SHUTOFF SWITCH W/LOCKOUT	X	
BENDIX DV-2 AUTOMATIC WET TANK DRAIN WITH HEATER	X	
CENTRAL MANIFOLD W/PERCOCKS	X	
BENDIX ADIP AIR DRYER W/HEAT	X	
SINGLE SELF-CLEANING CAB ENTRANCE STEP	X	
STEEL CAB WITH REAR CORNER CURVED WINDOWS FOR VISIBILITY	X	X
RUGGED STEEL CAB DOORS ALUMINUM		X
LH & RH DOOR CHECK STRAPS FOR WIND	X	
DUAL INTERNAL REGULATOR POWER WINDOWS	X	
SINGLE PANE REMOTE CONTROL MIRRORS W/HEAT	X	
RETRACTABLE MIRROR ARMS	X	
SINGLE DOWN VIEW MIRROR, LH SIDE	X	
BRUSHED SS EXTERIOR GRAB HANDLE	X	
TWIN AIR HORNS MOUNTED UNDER CAB 1 SINGLE AIR HORN		X
SINGLE ELECTRONIC HORN	X	
HYDRAULIC TILT CAB WITH AIR ASSIST	X	
BUG SCREEN MOUNTED BEHIND GRILLE	X	
IMPACT RESISTANT FRONT POLYFENDERS	X	
16" DIA. STEERING WHEEL, 2 SPOKE	X	
TILT AND TELESCOPIC STEERING COLUMN	X	
SEARS C2 AIR RIDE DRIVERS SEAT	X	
SEARS C2 FIXED PASSENGER SEAT	X	
MODURA SEAT COVERS, ASPHALT IN COLOR	X	
ALUMINUM DIAMOND PLATE FLOOR ON DRIVERS SIDE	X	
ASHTRAY MTD IN CONSOLE W/12V CIGAR LIGHTER	X	
INTEGRAL HVAC WITH ROOF MOUNTED A/C CONDENSER	X	
VOLTAGE & OIL PRESSURE INCLUDED IN VEHICLE DISPLAY	X	
ELECTRONIC TACHOMETER	X	
HOUR METER INCLUDED IN ON BOARD DISPLAY	X	
GRAUDUATED, AIR CLEANER MOUNTED AIR INTAKE RESTRICTION INDICATOR	X	
OEM MOUNTED ELECTRONIC PTO CONTROL SWITCH	X	
ELECTRONIC FUEL LEVEL	X	
LED HEAD LAMPS	X	
LED FRONT TURN SIGNALS	X	
SELF-CANCELING TURN SIGNALS	X	
AMBER LED ROOF MARKERS	X	
DAYTIME RUNNING LAMPS	X	
AM/FM RADIO MOUNTED IN OVERHEAD COMPARTMENT	X	
ANTENNA – ROOF MOUNTED	X	
2 DUAL CONE SPEAKERS	X	

RADIO SHUT-OFF IN REVERSE	X	
DRY TYPE ABC 5LB CAP MTD. IN CAB UNDER SEAT	X	
22.5 X 9" STEEL HP, 5.25" INSET, 5HH FRONT WHEELS	X	
MICHELIN 315/80R22 XZY – 3 FRONT TIRES	X	
22.5 X 8.25" STEEL HP, 5HH REAR WHEELS	X	
MICHELIN 11R22.5H X DE M/S REAR TIRES	x	
22.5 X 8.25" STEEL, HP, 6.18" INSET, 5HH TAG AXLE WHEELS	x	
MICHELIN 11R22.5H XZY-3 TAG AXLE TIRES	x	
STANDARD WHITE DPSS-N0007EX CAB PAINT	X	
1 YEAR CHASSIS WARRANTY	X	
5 YEAR EXTENDED ALLISON TRANSMISSION WARRANTY	X	
5YRS/300K MILE EXTENDED CUMMINS WARRANTY PP2	X	
5YR/300K MILE EXTENDED CUMMINS AFTERTREATMENT WARRANTY	X	
DATALINK ADAPTOR TO HOOK TO CHASIS	X	
CUMMINS SOFTWARE FOR READING CODES DAVIE FOR PACCAR	X	
BEMDIX SOFTWARE FOR READING CODES	X	
OEM TECHNICAL CALL CENTER FOR CUNTOMER AVAILABLE 24/7	x	PACCAR SAMRT LINQ
MADE IN THE USA DENTON, TEXAS	X	

Automated Side Loader Refuse Compactor

INTENT:

These specifications describe a refuse collection body equipment with a mechanical device designed to handle a variety of plastic refuse containers (or specify sizes and types of containers to be handled). The body shall be capable of compacting and transporting refuse to a landfill or transfer station and unloading the load by means of hydraulically raising the tailgate and then ejecting the refuse without raising the body.

GENERAL TERMS:

All equipment furnished under this contact shall be new, unused and the same as the manufacture's current production model. Accessories not specifically mentioned herein, but necessary to furnish a complete unit ready for use, shall also be included. Unit shall conform to the best practice known to the body trade in design, quality of material and workmanship. Assemblies and component parts shall be standard and interchangeable throughout the entire quantity of the units as specified in this invitation to bid. The equipment furnished shall conform to current ANSI Safety Standard Z 245.1.

The bidder shall complete every space in the Bidders Proposal column with checjk mark to indicate if the item being bid is exactly as specified. If any check marks are placed in the "NO" column, a detailed and complete description of the deviation from specification must be supplied on a separate sheet labeled "Deviations from Specification".

SPECIFICATIONS EXPLANATIONS

10-10-2010

- “SINGLE RIGHT HAND DRIVE STEEL CAB”-The Peterbilt in this bid will be a Right-Hand drive with all controls on right hand side. The cab on the 520 will be an aluminum cab with fiberglass roof cap. Peterbilt has been building the chassis with an aluminum cab since 1987. They are built with crossmembers that create the strength of a steel cab, but the ability to change panels if it is damaged, and resists against rust and corrosion better than steel.
- “CUMMINS 350HP ISX12”- the ISX12 is no longer in production and will now be the x-12. Peterbilt does not use this engine in any of our COE configurations as we use the Paccar MX-11. This is our own engine which in this case will be 400 HP and 1450 FT-LB and creates the ability to get warranty work at the dealership without having to go between the chassis and engine builder.
- “1300 SQ IN SOLID ALUMINUM RADIATOR (NO PLASTIC ENDS)- our radiator is 1242 SQ IN
- “STEEL BATTERY BOX AND LID”- Our battery box and lid are aluminum. Saves weight and helps with corrosion.
- “STEEL CAB WITH REAR CORNER CURVED WINDOWS FOR VISIBILITY”- Our cab is aluminum, but we do have curved windows in both rear corners of the cab.
- “10 MINUTE IDLE SHUTDOWN ENABLED”- this is something that we can do at 3000 miles. EPA/CARB has made it be disabled for the first 3000 miles, once it hits 3000 miles we just turn it to enabled. Until then, hitting the cruise control and bumping up idle 100 rpm will create it to idle.
- “MERITOR MFS-16 STERR AXLE, 16,000# RATING- the front axle I will be using will be a PACCAR FX-20, this will be a 20,000 rated front axle with wide track for tighter turning. This axle comes with a 5-year 750,000-mile standard warranty.
- “SINGLE 3/8” VAIRABLE STEEL FRAME RAIL”-our main frame rail will be 10.75”x3.5” x.375”. This will be a 10 3/4” height, 3 1/2” top and bottom flange, and 3/8” thick. This rail is rated at 2,136,000 RBM. We then add an insert which adds another 1,200,000 RBM for a total throughout the entire frame of 3,336,000 RBM.
- “3,529,000 FRAME RBM ON MAIN FRAME SECTION- as described above, our frame rail will have a 3,336,000 RBM throughout the whole frame rail, not just a certain area.
- “7-PIECE STEEL W/ALUM BOX X-MEMBER”- Peterbilt runs a 3-piece cross member, steel frame brackets with aluminum cross member. Stronger, safer, and not as many parts.
- “MADE IN THE USA”- I am proud to announce that our chassis are built in Denton Texas at our main factory.
-

A. BODY CAPACITY AND DIMENSIONS:

Exactly as Specified
 YES NO Offered

- | | | | |
|--|-------------------------------------|--------------------------|--------------------------|
| 1. The body shall be brake-formed radiused "Chiseled" rounded to permit maximum capacity. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. The maximum capacity of the body including tailgate shall be, excluding hopper area: [Specify: 20, 24, 27, or 31 cu.yd] | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. The hopper shall be 4 cu yd. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. The inside hopper width at front shall be 70". | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. The inside body width rear shall be 90". | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. The outside body width shall be 96" (across rear post). | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. The outside body width shall be 98" (fenders) | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. The outside body width shall be 101" (hose guards). | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. The outside body height above chassis frame shall be 98". | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. The inside body height shall be 89.81". | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. The overall body length including hopper shall be: | | | |
| 20 cu yd Capacity Body – 210" | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 24 cu yd Capacity Body – 234" | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 27 cu yd Capacity Body – 258" | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 31 cu yd Capacity Body – 282" | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. The overall body length including hopper and lift arm shall be: | | | |
| 20 cu yd Capacity Body – 230" | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 24 cu yd Capacity Body – 254" | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 27 cu yd Capacity Body – 278" | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 31 cu yd Capacity Body – 302" | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

B. BODY CONSTRUCTION:

- | | | | |
|--|-------------------------------------|--------------------------|--------------------------|
| 1. The body shall have a brake-formed radius design. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. The body floor shall be flat. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

	Exactly as Specified		
	YES	NO	Offered
3. The body floor thickness shall be 3/16" Hardox 450.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. The body long sills shall be 6" @ 10.5 lb/ft structural channel.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. The body floor reinforcements shall be 1/2" ASTM A-715 GR 50 formed steel members.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. The body sides and roof shall have a brake-formed radius design providing superior structural strength to weight ratio.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. The body sides shall be formed from a one-piece panel with no vertical weld seams.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. The body sides and roof steel grade shall be 10ga ASTM A1011 grade 80.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Front perimeter of the body will incorporate a external angle 4 7/8" x 3-7/8" x 10ga ASTM A-715 GR 50 internal bolster.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Rear perimeter of the body will incorporate an external 4" x 3 1/2" 7ga ASTM A715 GR 50 formed bolster.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. A 10ga ASTM A715 GR 50 6" x 2-7/8" external crown rail shall form the transition from the single piece side sheet to the roof of the body.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Roof reinforcement shall incorporate a full length 4" x 2" x 1/4" ASTM A500 GR b rectangle tube.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. The body fenders shall be light weight material to reduce overall weight.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Steel inner fender rub rail thickness shall be 3/16" Hardox 450.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. The body shall include a bolt-on rear under ride guard as standard equipment to meet Federal Motor Carrier Safety Regulation (49CFR393.86) Safety Reg., 49CFR393.86, TTMA RP No 41-02, and SAE J682, Oct84.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C. HOPPER CONSTRUCTION:

1. The hopper shall have a minimum static capacity of 4 cu yd.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.			

	Exactly as Specified		
	YES	NO	Offered
3. The hopper shall have a minimum dynamic capacity (displacement rate) of 10.5 cu yd per minute.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. The hopper floor must include a 1/8" Hardox 450 liner that Extends into the body an additional 38".	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. The hopper floor steel grade shall be: AR450 Hardox, and be 3/16" thick.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. The hopper sides walls steel grade shall be AR450 Hardox and be 3/16" thick.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. A hopper access door shall be provided above the packing panel on the street side of the body to permit access into the hopper area.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. The hopper access door shall be equipped with a safety interlock switch to disable all functions if the access door is opened.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. The hopper access door dimensions shall be: 28" x 32", thickness shall be 11ga ASTM A715 GR 50.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. A hopper ladder with grab handles shall be located on the street side of the hopper.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. The hopper ladder shall be bolted on to the hopper.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. The ladder must have and OSHA Standard 7" toe spacing between the ladder rung and the side of the hopper.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. A transverse sump shall extend the full width of the front hopper.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Two (2) 14" x 20" sealed sump access doors equipped with handles and quick acting over center toggle latches shall facilitate clean out of the sump.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. A clean out tool option shall be provided to facilitate easy removal of any accumulated debris from the hopper sump area.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. A holder shall be provided on the body side to secure the clean out tool in a stored position.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Exactly as Specified		
	YES	NO	Offered
17. The hopper shall have optional plastic gull wing hopper covers to enclose the hopper during transport.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. The hopper cover shall be opened/closed by a single manual control lever located on the right-hand side of the hopper wall. an optional in cab controlled, air operated version is also available.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. The hopper cover must have an interlock eliminating the ability to dump a container if the hopper cover is closed.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Interior hopper side sheet shall extend into the body with no welds at the hopper to body transition.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

D. PACKING MECHANISM:

1. Must have a manual super pack operation that allows the panel to extend into the body to clear debris from the hopper area.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Packer hydraulic control must utilize a regeneration circuit and include manual overrides for maintenance and repair functions.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. The packing panel shall be 33" high x wide.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. A single, centrally mounted, pack cylinder shall generate 83,000 lbs. of packing force. Two cylinder and/or continuous packing mechanisms are not acceptable.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. The packer shall be a platen type design, integral with body.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. The packing panel shall complete an auto pack cycle in a maximum of 13 seconds @ 800RPM.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Packing panel top thickness shall be ¼" ASTM A715 GR 50.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Packing panel face plate shall be 3/8" ASTM A715 GR 50	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Packing panel shall be reinforced with a combination of structural members for maximum rigidity.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. The packing panel shall be guided by a single self-cleaning "T" rail located in the center of the body.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. "T" rail and thickness shall be: ½", AR450 Hardox ultra high-strength, high abrasion resistant steel plate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Exactly as Specified		
	YES	NO	Offered
12. Packing panel wear shoes thickness shall be 1/4" AR450 Hardox.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. The packing mechanism shall use a single, double-acting telescopic cylinder will be supported by self-aligning bearings on each end. these will be 3-stage for 16-, 20-, 24- and 27-yard units.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Cylinder shall be centrally mounted above the hopper box.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cylinder bore diameter shall be 6 1/2".	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. The main cylinder sleeve shall be induction hardness and chrome plated.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. All stages of the sleeves must have metallic scrapers to protect from internal contamination and damage.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. The first stage of the cylinder shall be a 64" stroke.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. The cylinder full eject stroke shall be:			
20 cu yd Capacity Body – 3 stage with a stroke of 133.5"	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24 cu yd Capacity Body – 3 stage with a stroke of 157.5"	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27 cu yd Capacity Body – 3 stage with a stroke of 181.5"	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
31 cu yd Capacity Body – 3 stage with a strike of 205.5"	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Maximum operation pressure shall be 3000 psi.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Inside width of packing panel shall be 70".	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Inside height of packing panel shall be 33".	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23. The automatic packing cycle stroke shall be 52".	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24. Packing panel swept volume shall be 4 cu yd.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

E. FULL EJECT – PUSH OUT:

1. The pack/eject panel shall be capable of a complete extend/retract cycle in less than 30 seconds.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. All eject controls shall be operated from inside the cab.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Exactly as Specified		
	YES	NO	Offered
3. The pack/eject shall not be capable of extending into the body during an auto pack cycle with the tailgate closed.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. A lockout system shall be supplied to allow the ejector panel to the ejection mode only with the tailgate is in the open position.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. A lockout system shall be supplied to require the ejector panel is in the home position before the tailgate can be lowered.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

F. TAILGATE:

1. The tailgate shall be hydraulically operated, top hinge bustle type.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. The tailgate shall automatically lock and unlock without the use of additional locking cylinders, cables or manual turnbuckles.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. The tailgate must use the operating system to remain closed and pressurized in the locked position without the use of any external control blocks or devices.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. The tailgate locking mechanism shall utilize a progressive inverter cam roller design.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Tailgate thickness shall be 10ga ASTM A715 GR 50.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. The tailgate latch roller shall be fully supported by a horizontal bolster around the lower perimeter of the tailgate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. The tailgate shall be operated by 2 cylinders.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Tailgate cylinders shall be chrome plated rod with 1 1/2" diameter and 3" bore diameter.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Tailgate cylinder stroke shall be 36 1/2".	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Tailgate cylinder time at idle shall be 30 seconds.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. The tailgate side sheets will have an integral rolled flange that overlaps the perimeter of the rear tailgate sheet.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. A rubber seal shall be installed on the tailgate and extend across the entire bottom and vertically up each side a minimum of 60".	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Exactly as Specified
 YES NO Offered

- 13. A cab mounted light and audible alarm shall be provided to indicate that the tailgate is unlocked. ✓ _____
- 14. The tailgate noise control shall include a delayed action to guard against accidental activation. ✓ _____
- 15. Self-contained horizontal tailgate maintenance safety props shall be provided. ✓ _____
- 16. The tailgate shall have a wire harness with Deutsch IP 69K connections between the body and the tailgate to isolate the tailgate wiring from the body. ✓ _____

G. AUTOMATED LIFTING MECHANISM:

- 1. The lifting arm mechanism shall be capable of operating simultaneously during any phase of packing operations with full force and flow. ✓ _____
- 2. Lift arm shall be mounted directly to the chassis frame rail. Tip to Dump units with the lift arm mounted to the body are not acceptable. ✓ _____
- 3. The lift arm lower base weldment shall straddle both chassis frame rails and be secured to its mounting brackets with four 1" grade eight bolts. ✓ _____
- 4. The lowest base weld mount shall be fully constructed of ¼" ASTM A715 GR50 steel. ✓ _____
- 5. Arm must utilize hardened spherical self-aligning bushings at dump pivot, tapered roller bearings at gripper pivots. ✓ _____
- 6. Arm must have an automatic container shake feature that allows the inner boom to short stroke to be effective and easy on the arm assembly. ✓ _____
- 7. The Lifting Arm mechanism must have a lifting capacity of 1,750 lbs. at full extension and 2,000 lbs. retracted. ✓ _____
- 8. The Lifting Arm mechanism must have no more than a 15" kick out through the entire arc of the container lift. ✓ _____

	Exactly as Specified		
	YES	NO	Offered
9. The Lifting Arm mechanism must be within the 96" road limit in the travel position with the grippers in the full lowered position and opened/home position.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. No portion of the lift mechanism shall have less than 13" of ground clearance in the stowed position.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Lift Arm extension from the side of the body must be horizontal in a linear fashion. No swinging or arching of the lift arm is permitted.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Lift Arm mechanism shall have a reach of 84" from the side of the body to the centerline of a 90-gallon container.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Lift Arm mechanism shall be capable of grasping a container located 6" from the side of the body.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Vertical dump height shall not exceed 120" above the truck frame while dumping a 90-gallon container.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Container dump angle shall be a minimum of 45 degrees to insure complete dumping of container contents.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. Lifting mechanism shall be capable of a complete cycle, which includes Grip-Lift-Dump-Un-Dump-Lower and Un-grip in a maximum of 8 seconds including proportional cushioning.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. The Lifting Arm must be constructed utilizing an Inner and Outer Arm assembly.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. The inner Arm must be 8" x 6" x 3/16" fabricated rectangular box constructed of ASTM A500 Grade B.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. The outer Arm assembly shall be 10" x 8" x 3/8" fabricated rectangular box constructed of ASTM A500 grade B.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. The inner arm assembly shall include upper and lower 3/8" AR450 Hardox roller bearing tracks.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. The inner arm assembly shall glide in and out on six (6) 4" roller bearings and four (4) plastic slide blocks to guide inner arm.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Roller bearings shall rotate on a eccentric pin roller adjustment to allow compensation for wear and maintain the grippers parallel with the ground. The trunnion will allow the rollers to have full contact with the inner arm tracks.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Exactly as Specified		
	YES	NO	Offered
23. Inner and Outer Arm pivot pins shall be 2" C1045 turn ground, heat-treated and polished pins held with 2" self-aligning spherical bearings.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24. Lift Arm must have a safety interlock to restrict dumping unless the container is positioned over the hopper opening.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25. Lift Arm hydraulics shall be controlled by a 4-spool sectional valve equipped with hydraulic pilot actuators for proportional spool positioning.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26. Standard joystick lift function controls shall be proportional electric over pilot operated hydraulic spools.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27. Solid state linear prox bar for boom angle and ultrasonic sensor for boom in/out.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
28. Dump and grip cylinders shall include internal linear position sensors to provide position feedback to the control system.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
29. Use of standard proximity switches for arm sensing shall not be acceptable.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
30. Arm must be equipped with an air actuated boom safety latch that keeps the inner boom locked in the home position when not in use.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
31. No air operation or controls may be used in the operation of the arm except for arm safety latch operation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
32. Joystick shall be conveniently located to the left of the operator.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
33. Joystick must be can-bus multi-functional operation for all standard arm functions; including auto-grip-un-grip, packer function, work lights, container shake feature. Selectable dead man function.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
34. An ergonomically designed padded armrest shall be provided to support the operator's arm during joystick operation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
35. Two (2) additional control options shall be provided for the operator; additional controls shall consist of a three (3) rocker switch console located on the right hand window sill to allow activation by the operator and a three (3) rocker switch console with dead-man control located at the side of the operator's seat to be activated if the operator is standing outside of the cab.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

		Exactly as Specified		
		YES	NO	Offered
36.	An Automated Dump Cycle "Coordinator" option shall be provided.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
37.	"Coordinator" shall allow the operator to manually reach and grip a container, continued contact on arm lift switch shall cause the container to be raised, dumped and lowered to the side of the vehicle, un-gripped and the arm returns to the stowed/home position.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
38.	The Lifting Arm must utilize for (4) hydraulic cylinders. Cylinders shall include:			
	Reach (In-Out) 1 3/4" bore x 66" stroke	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Lift (Arm Up-Down) 2 1/2" bore x 26" stroke	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Dump (Cart Dump/Un-Dump) 2 1/2" bore x 10" stroke	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Grab (Grip/Release) 2 1/2" bore x 8 1/2" stroke	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

H. GRIPPERS:

For Steel Grippers 30-110 Gallon Container

1.	Grip/Release shall be actuated by a single, double-acting 2 1/2" x 8 1/2" stroke hydraulic cylinder with internal positioning sensor.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Gripper pivots shall incorporate receiver pockets to allow gripper assemblies to be easily interchangeable.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Gripper pivot shafts shall be machined from SAE41L42 quenched and tempered cold drawn steel shafting.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	gripper pivots shall pivot on tapered roller bearings.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Gripper gears shall be constructed from 1" thick AR500 material.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	An infinitely adjustable pressure valve shall control the grip pressure/radial force: Switch will be located on the control console.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Gripper shall be capable of handling 30 – 110-gallon containers designed for automated collections.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.	Grippers shall have UHMW polyethylene rollers at the tip to protect and assist in grasping the container.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Exactly as Specified
YES NO Offered

For Belt Grippers 30-110 Gallon Containers

- | | | | |
|--|-------------------------------------|--------------------------|--------------------------|
| 9. Gripper shall be capable of handling 30–110-gallon container designed for automated collection. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Gripper shall have a stationary inner arm and a pivoting outer arm. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. The pivoting outer arm shall provide tension using tensional springs. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. Gripper shall have a belt 4" wide and connected on each end with three bolts. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. grippers shall pivot on adjustable tapered roller bearings. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. Grippers shall have UHMW poly thylene roller bearings. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Universal Grippers

- | | | | |
|--|-------------------------------------|--------------------------|--------------------------|
| 15. The gripper shall be capable of grasping and dumping containers with capacities from 40-450 gallons with out the need to change grippers. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. The grippers shall exert on appropriate radial force on each size container to firmly grip the container without dropping, damaging, or contorting. This force shall be controlled by a switch on the control panel. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

I. Electronic Proportional Control System (EPC):

- | | | | |
|---|-------------------------------------|--------------------------|--------------------------|
| 1. An electronic proportional control system shall be provided that will give the operator the ability to "feather" the automated lifting mechanism with gripping/un-gripping, extending/retracting, raising/lowering, dumping/un-dumping the containers. (No Exceptions) | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. The automated lifting mechanism shall be controlled by an electronic operated hydraulic directional control valve. The valve shall respond to proportional outputs (PWM signals) from the controller. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Positive linear sensors shall be incorporated into the system to provide feedback of the position of the lift arm while raising, dumping and gripping the containers. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

	Exactly as Specified		
	YES	NO	Offered
4. The system shall consist of multiple electrical components multiplexed together using SAE J1939 Canbus to provide a complete and expandable system.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Must have a separate Canbus to communicate with the engine and transmission.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Must have an engine monitoring system to protect from over torquing or stalling the engine in high load operations.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. A controller designed for mobile equipment with multiple digital and analog inputs and outputs shall be mounted near the main automated lifting mechanism hydraulic control valve.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Remote I/O shall communicate through the Canbus to provide for the inputs and outputs not directly connected to the main controller.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. A color display will be provided in the cab convenient to the operator. The display will feature a function key driven menu system to access system functions.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. The joystick will also include four momentary switches for frequently used functions including pack start, container shake, work lights and auto grip/un-grip.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. A multi-functional joystick shall be provided. It will include two proportional "axis" for extending and retracting the lift mechanism, raising and lowering the loft mechanism and a proportional rocker for closing and releasing the grippers.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. The joystick will include a selectable hold-to-run switch to prevent unintentional operation of the control.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. An optional bank of four rocker switches shall be available to allow lift mechanism operation from the curbside.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. The menu system will include screens for the following:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Factory setup (password protected) so the system can be configured for the user's needs.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• User setup to allow the user to change how specific features operate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Input and output diagnostics for trouble shooting the system.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Exactly as Specified		
	YES	NO	Offered
• Lights, for turning on and off work and warning lights.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Collection mode grouping the controls needed when picking up containers.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Unloading mode grouping the controls needed when unloading the unit.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Joystick operation showing the function of the joystick.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Data collection showing counts of arm cycles, pack cycles, eject cycles, pump run times and warnings.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• System warning messages will display over the operation system.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

J. HYDRAULIC SYSTEM

1. Hydraulic pump design must allow all hydraulic flow to be stopped during emergency situations (ex: hose burst) using the E-Stop button. NO EXCEPTIONS.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Hydraulic pump design must allow truck to be able to drive back to its home base without any harm to the pump and without spilling any fluid after engaging e-stop with no further modifications to the system, (ex: removing PTO shaft). NO EXCEPTIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. An Eaton load sensing, power on demand (POD) hydraulic system featuring a variable displacement tandem piston pump driven by a long-life drive shaft must be used. NO EXCEPTIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. The hydraulic pump shall be driven by chassis transmission PTO, direct mounted off engine crankshaft or a combination of both depending on the chassis limitations.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Piston pump system must be expected to last the life of the body (5-7 years) when properly maintained. NO EXCEPTION.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. For maximum efficiency, the tandem load sense pump shall provide only the flow required for proper operation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. No over-speed control shall be required. NO EXCEPTIONS.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. The arm hydraulic control valve must be true pilot operated, proportional post compensated style with manual over-rides for each junction. NO EXCEPTIONS.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Exactly as Specified		
	YES	NO	Offered
9. Hydraulic reservoir shall be a maximum capacity of 40 gallons to reduce overall weight. The reservoir shall include internal baffling to direct the oil flow for maximum heat.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. A highly efficient light weight non-micro nucleation reservoir must be used, specifically designed to incorporate a suction screen without concerns of micro nucleation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Hydraulic reservoir shall be equipped with a fluid level sight glass and an in cab low lever indicator.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. hydraulic reservoir shall be equipped with a temperature sender so oil temperature can be monitored in the cab.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Hydraulic reservoir shall be located on street side and frame mounted. System must be plumbed and sized sufficiently to the pump inlet to assure optimum inlet conditions without the need for augmented tank pressurization.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. The hydraulic system shall incorporate a full flow 10-micron absolute in-tank return line filter with replaceable element.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. The hydraulic system shall incorporate a fill flow 10-microm tank breather with replaceable element.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. All hydraulic fittings shall be O-ring Face Seal (OFS) or O-ring Boss (ORB).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. All hydraulic components shall be adequately sized and resigned to maintain appropriate hydraulic oil temperature.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Maximum hydraulic system pressure for the lift arm and pack circuits shall be 3000 psi.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. Hydraulic system must provide arm operational gear at engine idle speed, RPM not to exceed 800. NO EXCEPTIONS.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. An optional self-contained forced air to oil cooler shall be available to ensure hydraulic oil temperature is regulated in high ambient temperature as needed for running in extreme environments.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Exactly as Specified
YES NO Offered

K. LIGHTS:

- 1. LED stop, tail, clearance and reverse lights shall be provided in accordance with FMVSS#108.
- 2. An upper bolt on light bar shall be provided.
- 3. Upper light bar shall contain two (2) if each 4" diameter stop/tail/turn lights and 2" diameter clearance and side marker lights.
- 4. Lower light bar shall contain two (2) of each 4" diameter stop/tail/turn and reverse lights.
- 5. All lights shall be sealed, Lexan covers and have flexible gasket mounting.
- 6. Mid-body turn signals shall be provided.
- 7. Two optional LED work lights shall be available, operated by a single push button switches on the in-cab joystick, one (1) light shall illuminate the hopper and one (1) shall illuminate the lift arm area.

L. ELECTRICAL:

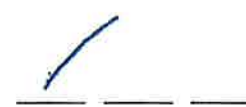
- 1. All electrical wiring shall be in protective looms.
- 2. All wiring harness shall be Deutsch automotive type connections meeting IP67 specification connections.
- 3. The electrical system shall not have junction boxes or terminations that do not use th IP67 specification connections.
- 4. All circuits shall be properly fused, and wiring shall be color coded and numbered.

M. PAINTING:

- 1. The entire unit shall be properly cleaned of all dirt, grease, and weld slag prior to painting.
- 2. The complete unit shall be painted with DuPont Imron Elite high solids to a minimum of 3.5 mils.
- 3. The body shall be painted on color (specify) WHITE

N. MANUALS:

One complete set of operators, parts and service manuals to be supplied for each refuse picker.



O. WARRANTY:

1. The bidder shall offer a one (1) year body warranty against defective material or workmanship.
2. The bidder shall offer a two (2) year warranty on all hydraulic cylinders against defective material or workmanship.
3. The bidder shall offer a three (3) year warranty on the following products supplied by Eaton Corporation, tandem piston pump, hydraulic valves and OFS fittings and hoses against defective material or workmanship.
4. The bidder shall offer a five (5) year structural warranty on the automatic arm with no additional cost to the customer.

File Attachments for Item:

13. Resolution No. R26-18: A Resolution Of The City Council Authorizing The Mayor To Execute An Independent Contractor Service Contract With Your Own Asphalt, LLC.

RESOLUTION NO. R26-18

A RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE MAYOR TO EXECUTE AN INDEPENDENT CONTRACTOR SERVICE CONTRACT WITH YOUR OWN ASPHALT, LLC.

BE IT RESOLVED by the City Council of the City of Laurel, Montana,

Section 1: Approval. The Independent Contractor Service Contract by and between the City of Laurel (hereinafter “the City”) and Your Own Asphalt, LLC, a copy attached hereto and incorporated herein, is hereby approved.

Section 2: Execution. The Mayor is hereby given authority to execute the Independent Contractor Service Contract with Your Own Asphalt, LLC on behalf of the City.

Introduced at a regular meeting of the City Council on the 28th day of April 2026, by Council Member _____.

PASSED and APPROVED by the City Council of the City of Laurel on the 28th day of April 2026.

APPROVED by the Mayor on the 28th day of April 2026.

CITY OF LAUREL

Dave Waggoner, Mayor

ATTEST:

Kelly Strecker, Clerk-Treasurer

APPROVED AS TO FORM:

Michele L. Braukmann, Civil City Attorney

INDEPENDENT CONTRACTOR SERVICE CONTRACT

This Contract is made and entered into this 28th day of April, 2026, between the City of Laurel, a municipal corporation organized and existing under the laws of the State of Montana whose address is P.O. Box 10, Laurel, Montana 59044, hereinafter referred to as “City” and Your Own Asphalt, LLC, a contractor licensed to conduct business in the State of Montana, whose address is 9 1st Avenue, Laurel, MT 59044, hereinafter referred to as “Contractor”.

SECTION ONE DESCRIPTION OF SERVICES

A. Purpose. City shall hire Contractor as an independent contractor to perform for City the services described in the Bid dated April 16, 2026 attached hereto as Exhibit “A” and by this reference made part of this contract.

B. Effective Date. This contract is effective upon the date of its execution by both Parties. Contractor shall complete the services within 60 days of commencing work. The parties may extend the term of this contract in writing prior to its termination for good cause.

C. Scope of Work. Contractor shall perform his/her work and provide services in accordance with the specifications and requirements of this contract, any applicable Montana Public Work Standard(s) and Exhibit “A”.

SECTION TWO CONTRACT PRICE

Payment. City shall pay Contractor five thousand fifteen dollars and no cents (\$5015.00) for the work described in Exhibit A. Any alteration or deviation from the described work that involves extra costs must be executed only upon written request by the City to Contractor and will become an extra charge over and above the contract amount. The parties must agree to extra payments or charges in writing. Prior to final payment, Contractor shall provide City with an invoice for all charges.

SECTION THREE CITY’S RESPONSIBILITIES

Upon completion of the contract and acceptance of the work, City shall pay Contractor the contract price, plus or minus any additions or deductions agreed upon between the parties in accordance with Sections one and two, if any.

SECTION FOUR CONTRACTOR’S WARRANTIES AND RESPONSIBILITIES

A. Independent Contractor Status. The parties agree that Contractor is an independent contractor for purposes of this contract and is not to be considered an employee of the City for any purpose hereunder. Contractor is not subject to the terms and provisions of the City’s personnel policies or handbook and shall not be considered a City employee for workers’ compensation or any other purpose. Contractor is not authorized to represent the City or otherwise bind the City in any dealings, agreements or sub-contracts in any dealings between Contractor and any third parties. The City is interested solely in the

results of this contract. Contractor is solely responsible for all work and work product under this contract, including techniques, sequences, procedures, and means. Contractor shall supervise and direct the work to the best of his/her ability.

B. Wages and Employment. Contractor shall abide by all applicable State of Montana Rules, Regulations and/or Statutes in regards to prevailing wages and employment requirements. Contractor shall comply with the applicable requirements of the Workers' Compensation Act. Contractor shall maintain workers' compensation coverage for all members and employees of his/her business, except for those members who are exempted as independent contractors under the provisions of §39-71-401, MCA. Contractor understands that all contractors or subcontractors working on publicly funded projects are required to have withheld from earnings a license fee of one percent (1%) of the gross contract price if the gross contract price is Five Thousand Dollars (\$5,000) or more. This license fee is paid to the Montana Department of Revenue pursuant to Montana law.

C. Unless otherwise specified by the terms of this Agreement, all materials and equipment used by Contractor on the Construction Project shall be new and where not otherwise specified, of the most suitable grade for their intended uses.

D. All workmanship and materials shall be of a kind and nature acceptable to the City.

E. All equipment, materials, and labor provided to, on, or for the Contract must be free of defects and nonconformities in design, materials, and workmanship for a minimum period beginning with the commencement of the work and ending one (1) year from completion and final acceptance by the City. Upon receipt of City's written notice of a defective or nonconforming condition during the warranty period, Contractor shall take all actions, including redesign and replacement, to correct the defective or nonconforming condition within a time frame acceptable to the City and at no additional cost to the City. Contractor shall also, at its sole cost, perform any tests required by City to verify that such defective or nonconforming condition has been corrected. Contractor warrants the corrective action taken against defective and nonconforming conditions for a period of an additional one (1) year from the date of City's acceptance of the corrective action.

F. Contractor and its sureties are liable for the satisfaction and full performance of all warranties.

G. Contractor has examined the facilities and/or has made field examinations. Contractor has knowledge of the services or project sought under this Contract and he/she further understands the site conditions to be encountered during the performance of this Contract. Contractor has knowledge of the types and character of equipment necessary for the work, the types of materials needed and the sources of such materials, and the condition of the local labor market.

H. Contractor is responsible for the safety of the work and shall maintain all lights, guards, signs, temporary passages, or other protections necessary for that purpose at all times.

I. All work is performed at Contractor's risk, and Contractor shall promptly repair or replace all damage and loss at its sole cost and expense regardless of the reason or cause of the damage or loss; provided, however, should the damage or loss be caused by an intentional or negligent act of the City, the risk of such loss shall be placed on the City.

J. Contractor is responsible for any loss or damage to materials, tools, work product or other articles

used or held for use in the completion or performance of the Contract.

K. Title to all work, work product, materials and equipment covered by any payment of Contractor's compensation by City, whether directly incorporated into the Contract or not, passes to City at the time of payment, free and clear of all liens and encumbrances.

**SECTION FIVE
INDEMNITY AND INSURANCE**

Contractor shall indemnify, defend and save City, its officers, agents and employees harmless from any and all losses, damage and liability occasioned by, growing out of, or in any way arising or resulting from any intentional or negligent act on the part of Contractor or its agents or employees.

**SECTION SIX
COMPLIANCE WITH LAWS**

Contractor shall comply with all federal, state, local laws, ordinances, rules and regulations. Contractor shall either possess a City business license or shall purchase one, if a City Code requires a business license.

**SECTION SEVEN
NONDISCRIMINATION**

Contractor agrees that any hiring of persons as a result of this contract must be on the basis of merit and qualification and further that Contractor shall not discriminate on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability or national origin.

**SECTION EIGHT
DEFAULT**

If either party fails to comply with any term or condition of this Contract at the time or in the manner provided for, the other party may, at its option, terminate this Contract and be released from all obligations if the default is not cured within ten (10) days after written notice is provided to the defaulting party. Said notice shall set forth the items to be cured. Additionally, the non-defaulting party may bring suit for damages, specific performance, and any other remedy provided by law except for punitive damages. The Parties hereby waive their respective claims for punitive damages. These remedies are cumulative and not exclusive. Use of one remedy does not preclude use of the others. Notices shall be provided in writing and hand-delivered or mailed to the parties at the addresses set forth in the first paragraph of this Contract.

**SECTION NINE
TERMINATION**

Either party may terminate the contract for their convenience upon thirty days written notice sent postage prepaid, to the addresses provided herein.

**SECTION TEN
GOVERNING LAW AND DISPUTE RESOLUTION**

The Parties agree that the laws of the State of Montana govern this Contract. The Parties agree that venue is proper within the Courts of Yellowstone County, Montana. If a dispute arises, the Parties, through a representative(s) with full authority to settle a dispute, shall meet and attempt to negotiate a resolution of the dispute in good faith no later than ten business days after the dispute arises. If negotiations fail, the Parties may utilize a third-party mediator and equally share the costs of the mediator or file suit.

**SECTION ELEVEN
ATTORNEY FEES**

If any action is filed in relation to this agreement, the unsuccessful party in the action shall pay to the successful party, in addition to all sums that either is ordered to pay, a reasonable sum for the successful party's attorney's fees and all costs charges and expenses related to the action.

**SECTION TWELVE
ENTIRE AGREEMENT**

This contract and its referenced attachment and Exhibit A contain the entire agreement and understanding of the parties and supersede any and all prior negotiations or understandings relating to this project. This contract shall not be modified, amended, or changed in any respect except through a written document signed by each party's authorized respective agents.

**SECTION THIRTEENTH
ASSIGNMENT OF RIGHTS**

The rights of each party under this Contract are personal to that party and may not be assigned or transferred to any other person, firm, corporation, or other entity without the prior, express, and written consent of the other party.

**SECTION FOURTEEN
SEVERABILITY**

Each provision, section, or subsection of this Contract shall stand separate and independent of every other. In the event that a court of competent jurisdiction shall find any provision, section, or subsection of this contract to be invalid, the remaining provisions, sections, and subsections of this contract shall remain in full force and effect.

**SECTION FIFTEEN
PARAGRAPH HEADINGS**

The titles to the paragraphs of this contract are solely for the convenience of the parties and shall not be used to explain, simplify, or aid in the interpretation of the provisions of this agreement.

SIGNED AND AGREED BY BOTH PARTIES ON THE 28th DAY OF APRIL 2026.

CITY OF LAUREL

CONTRACTOR

Dave Waggoner, Mayor

Your Own Asphalt, LLC

ATTEST:

Employer Identification Number

Kelly Strecker, Clerk/Treasurer



Your Own Asphalt, LLC

9 1st Avenue | Laurel, Montana 59044
yourownasphaltmt.com

RECIPIENT:

City of laurel Matt wheeler

Laurel, Montana 59044

Quote #29

Sent on Apr 16, 2026

Total \$1,955.00

Fourth ave and sixth stw

Product/Service	Description	Qty.	Unit Price	Total
Pavement repair	Saw cut Tackify edges and Repave to a 3" compacted finish	460	\$4.25	\$1,955.00
			Total	\$1,955.00

This quote is valid for the next 30 days, after which values may be subject to change.



Your Own Asphalt, LLC

9 1st Avenue | Laurel, Montana 59044
yourownasphaltmt.com

Beantown

RECIPIENT:

City of laurel Matt wheeler

Laurel, Montana 59044

Quote #30

Sent on Apr 16, 2026

Total \$1,360.00

Product/Service	Description	Qty.	Unit Price	Total
Pavement repair	Saw cut Tackify edges and Repave to a 3" compacted finish	320	\$4.25	\$1,360.00

Total \$1,360.00

This quote is valid for the next 30 days, after which values may be subject to change.



Your Own Asphalt, LLC

9 1st Avenue | Laurel, Montana 59044
yourownasphaltmt.com

RECIPIENT:

City of laurel Matt wheeler

Laurel, Montana 59044

Quote #28

Sent on Apr 16, 2026

Total \$1,700.00

1st ave repair

Product/Service	Description	Qty.	Unit Price	Total
Pavement repair	Saw cut Tackify edges and Repave to a 3" compacted finish	400	\$4.25	\$1,700.00

Total \$1,700.00

Recommend repairing curb \$870

This quote is valid for the next 30 days, after which values may be subject to change.

File Attachments for Item:

14. Ordinance No. O26-02: An Emergency Ordinance Of The City Of Laurel Temporarily Imposing A Moratorium On Annexation Applications In Order To Evaluate Municipal Infrastructure Capacity, Water System Demands, The Impacts Of Recent Changes In State Law, Compliance With The Montana Land Use Planning Act, And The Proper Future Growth Plans For The City Of Laurel.

ORDINANCE NO. 026-02

AN EMERGENCY ORDINANCE OF THE CITY OF LAUREL TEMPORARILY IMPOSING A MORATORIUM ON ANNEXATION APPLICATIONS IN ORDER TO EVALUATE MUNICIPAL INFRASTRUCTURE CAPACITY, WATER SYSTEM DEMANDS, THE IMPACTS OF RECENT CHANGES IN STATE LAW, COMPLIANCE WITH THE MONTANA LAND USE PLANNING ACT, AND THE PROPER FUTURE GROWTH PLANS FOR THE CITY OF LAUREL.

WHEREAS, the purpose of this Emergency Ordinance is to preserve the status quo and temporarily suspend annexation proceedings while the City puts a plan in place to evaluate the capacity of its infrastructure, including potable water supply, water storage, and municipal service capabilities, to assess the impacts of recent changes to Montana law affecting municipal land-use regulation, and to ensure proper future growth plans for the City of Laurel;

WHEREAS, this Emergency Ordinance is adopted pursuant to Mont. Code Ann. §7-5-104, as follows:

7-5-104. Emergency ordinance. In the event of an emergency, the governing body may waive the second reading. An ordinance passed in response to an emergency shall recite the facts giving rise to the emergency and requires a two-thirds vote of the whole governing body for passage. An emergency ordinance shall be effective on passage and approval and shall remain effective for no more than 90 days.

WHEREAS, the City makes the following legislative findings, related to this Emergency Ordinance:

1. The City of Laurel is responsible for providing safe potable water and municipal services to residents within the city limits.
2. The City currently has known infrastructure constraints within its water system, including limited water storage capacity and areas dependent upon temporary booster infrastructure.
3. Engineering analysis and planning documents have identified the need for additional infrastructure improvements.
4. The City is presently evaluating long-term water demand associated with significant industrial and municipal users within the City.
5. Recent amendments to Montana law, including §76-2-345 MCA, have altered municipal land-use authority and may increase development pressure.

6. The City is presently undertaking actions to be fully compliant with the Montana Land Use Planning Act (MLUPA) §76-25-101 et seq. It is anticipated that it will take up to 24 months for the City to become fully compliant with the Act. Failure to be fully in compliance with MLUPA by May 17, 2026, exposes the City to serious liability when considering potential annexations, initial zoning assignments and subdivisions as additions to the City.
7. The City believes that the following planning, in part, is necessary, in order to ensure proper annexation and services to City of Laurel residents: (a) engineering staff certify water capacity; (b) storage impact is analyzed; (c) fire-flow requirements are confirmed; (d) service extension costs are identified; (e) emergency response service demands are evaluated; (f) infrastructure demand related to commercial and residential properties is evaluated; and (g) all other City service demands are evaluated and assessed, prior to any other approved growth within the City.
8. Properties contiguous to the City that may be eligible for annexation include substantial tracts of undeveloped land.
9. Preliminary estimates indicate potential annexation requests could involve approximately 50 to 60 blocks of developable land, if not more.
10. Municipalities that annex property must provide municipal services to annexed areas.
11. The City must ensure infrastructure can safely serve both existing residents and future development.
12. Immediate annexation consideration could jeopardize safe and reliable infrastructure.
13. The City has not completed current engineering confirmation of available potable water reserve for additional annexed territory.
14. The City is presently evaluating contractual water obligations involving major industrial consumption, including anticipated long-term municipal demand impacts.
15. Emergency services delivery capacity for certain contiguous growth areas has not been fully verified.
16. Annexation without immediate engineering verification may impair service reliability to existing residents.

17. Municipal emergency medical, police, and fire response impacts for newly annexed territory require updated review.
18. Temporary delay is necessary to prevent commitment of municipal services before capacity is known.
19. The City requires time to arrange to conduct engineering review, infrastructure review, and policy evaluation.
20. This Emergency Ordinance is not directed at any particular development proposal, and it applies citywide to all annexation requests equally without regard to applicant identity, land use type, or pending proposal.
21. This Emergency Ordinance shall not be applicable to any developer who currently holds a valid/unexpired City Council issued Approval for Conditional Annexation, Preliminary Subdivision Plat, or Initial Zoning Assignment.

WHEREAS, effective immediately upon passage, the City shall not accept, process, review, or approve any annexation petition, application, or request;

WHEREAS, this Emergency Ordinance is effective immediately upon passage and approval and shall remain in effect for ninety (90) days unless earlier repealed by the City Council;

WHEREAS, this Emergency Ordinance requires a two-thirds vote of the whole governing body;

WHEREAS, the City Council finds that this Ordinance is necessary for the immediate preservation of public health, safety, and welfare and shall take effect immediately upon passage, and the City Council waives a second reading of this Emergency Ordinance.

PASSED and ADOPTED on first reading (second reading waived) at a meeting of the City Council on the 28th day of April 2026, upon Motion by Council Member

_____.

APPROVED BY THE MAYOR on the 28th day of April 2026.

CITY OF LAUREL

Dave Waggoner, Mayor

ATTEST:

Kelly Strecker, Clerk-Treasurer

APPROVED AS TO FORM:

Michele L. Braukmann, Civil City Attorney