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TITLE PAGE

WaterSMART: Water and Energy Efficiency Grant Program

- ORIGINAL -

Project Title:
Dodson South Canal Head Gate Rehabilitation Project

Applicant:

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Technical Proposal and Evaluation Criteria

1) Technical Proposal - Executive Summary

- Date: January 17, 2014
- Applicant: Malta Irrigation District
- City: Malta
- County: Phillips
- State: Montana
- Project Summary: Task Area A - Water Conservation

  The Malta Irrigation District (MID) operates and maintains an aging Bureau of Reclamation (BOR) facility within the Milk River Basin. MID provides water to approximately 44,600 acres. The proposed project includes replacement of the Dodson South Canal (DSC) head gate structure which supplies irrigation water to the south side of the Milk River as well as the Saco/Hinsdale area, which is approximately 80% of MID. The DSC head gate is also responsible for providing the diversion head for the Dodson North Canal (DNC) which supplies water to the remaining 20% of MID. Without the DSC head gate structure, MID would be unable to provide water to any irrigable acres within MID as well as contract water for US Fish & Wildlife Bowdoin National Wildlife Refuge (Bowdoin), BOR's Nelson Reservoir (Nelson) and Glasgow Irrigation District. The proposed project will also ensure sustainability of agricultural-based economies, agricultural related businesses, recreation, tourism and the local and state-wide tax base. Water conservation is conservatively estimated at 5 cfs, or 1,500 acre-feet, which will be realized through improved efficiency and water management. Bowdoin is a migratory bird refuge with the primary purpose to preserve and enhance resting, feeding, and breeding habitat for migratory birds and other wildlife. Nelson also provides wildlife habitat for numerous fish species and bird species, including the endangered Piping Plover. The reservoir also provides several recreation opportunities such as fishing, boating, and wildlife viewing. Nelson also provides irrigation off-stream storage for MID for use in the Saco and Hinsdale areas. Releases from Nelson also supply irrigation water to Glasgow Irrigation District.

- Project Length: One (1) Year
- Estimated Completion: May 31, 2015

2) Technical Proposal - Background Data

The area map is attached as Attachment 1, page 28.

The Malta Division of the Milk River Project was constructed between 1909 and 1917; the rehabilitation of the Dodson Diversion Dam was completed in 2004 and included the installation of three inflatable crest gates.

MID extends from Dodson, MT to Hinsdale, MT. It provides for the irrigation of agriculture crops (wheat, barley, corn, alfalfa, and grass) on approximately 44,600 acres on over 300 farms and ranches. Water is supplied to the project from the Milk River into the Dodson South Canal (DSC) and Dodson North Canal (DNC) via Dodson Diversion Dam.

The DSC head gate structure, constructed in 1909, has not been completely rehabilitated in the past; regular maintenance of the structure has taken place as needed. The head gate structure represents original construction but the steel gates have been replaced within the last 30 years. The geared-gate operators are original equipment and currently six are configured with electric motors and instrumentation so they may be controlled remotely.

In the Fall of 2011, the head gate structure was severely damaged as a direct result of the historic flooding on the Milk River. River bank soils in front of the structure were eroded. In addition, post-season dewatering of the reservoir caused a rapid draw-down condition made worse from the elevated river and ground water levels all summer. As a result, a slope failure occurred which extended into the underlying foundation soils causing settlement, rotation and differential displacement of the concrete structure.

MID performed temporary repairs to avoid a breach of the structure and to permit use of the head gate during the following irrigation seasons. These repairs consisted of placing polyethylene plastic sheeting over the cracks and displacements and then back-filled with soil to hold the membrane in place. Fortunately, the structure was not damaged in the vicinity of the operating gates. MID realizes that the temporary repairs require constant inspection and monitoring throughout the irrigation season. A new head gate structure will replace the failed existing gate in order for MID to continue serving those entities which rely on this conveyance canal. Without a functioning head gate, flows to Bowdoin Wildlife Refuge and Nelson Reservoir would cease.

Bowdoin National Wildlife Refuge is a "refuge and breeding ground for migratory birds and other wildlife." The refuge is dependent on delivered water in order to fulfill its purpose. Water diverted to Bowdoin by MID via the Dodson South Canal is used to manage ponds, lakes and marshes ranging in size from 1 to 4,470 acres. The diverted water provides migrating and nesting habitat for thousands of migratory birds and wetland-related wildlife, as well as for resident wildlife. Bowdoin also

provide habitat for the threatened Piping Plover. Without an adequate water supply the wetlands on the refuge would eventually dry up and cease to provide valuable habitat for these wetland dependent migratory birds. Such a scenario would be catastrophic to the management of Bowdoin and a significant loss of natural resources. Bowdoin is also viewed by many as a premier wildlife viewing and hunting destination. The refuge attracts many visitors, hunters, and tourist dollars to surrounding communities. Employment and non-salary refuge expenditures greatly benefit the local community, county and State in the form of income, jobs, taxes, and personal spending. Loss of wetland habitat and refuge management capabilities would greatly impact Bowdoin's ability to maintain this status and could impact the income generated by refuge expenditures and eco-tourism dollars.

BOR's Nelson Reservoir provides irrigation off-stream storage for MID for use in the Saco and Hinsdale areas. Currently, BOR is proposing the Nelson Dikes Safety of Dams project. This project will repair several critical dikes which comprise Nelson Reservoir. Without the DSC head gate, the need for the Safety of Dams project would be moot as the head gate is the only means to divert water to the reservoir. Releases from Nelson Reservoir also supply irrigation water to the Glasgow Irrigation District. In addition, Nelson Reservoir provides wildlife habitat for numerous fish species and bird species, including the threatened Piping Plover. The reservoir also provides several recreation opportunities such as fishing, boating, and wildlife viewing. The recreation opportunities of Nelson brings tourism dollars to the surrounding communities, which benefits the local community, county and State economies.

3) Technical Proposal - Technical Project

The overall goal of this project is to replace the failed DSC head gate with a new structure at a different location. This head gate is critical to MID and the BOR as it supplies water to approximately 80% of the Malta Division, or 35,600 acres. The DSC head gate is also responsible for providing the diversion head for the Dodson North Canal (DNC) which supplies water to the remaining 20% of MID. Without the DSC head gate structure, MID would be unable to provide water to all irrigable acres within MID.

The DSC also provides operational water to Bowdoin National Wildlife Refuge east of Malta as well as Nelson Reservoir. Water is released from Nelson Reservoir to provide irrigation water to the Saco Subdivision of MID and Glasgow Irrigation District downstream. The proposed project will also ensure sustainability of agricultural-based economies, agricultural related businesses, recreation, tourism and the local and state-wide tax base. Water conservation of approximately 5 cfs, or 1,500 acre-feet, will be realized through improved water management. The proposed head gate replacement project is broken down into the following tasks:

Stage	Major Task	Dates
Stage 1	BOR completes NEPA - Federal requirements mandate this project complies with National Environmental Policy Act - BOR will complete this portion of the project as determined in the Agreement dated 2013.	Feb - Jul 2014
Stage 2	MID completes NHPA with BOR / Fort Belknap Tribal Council Assistance - Federal requirements mandate this project comply with the National Historic Preservation Act. MID will complete this portion of the project through coordination with BOR and Fort Belknap Tribal Council's (FBIC) Tribal Historic Preservation Office (THPO). Conversations with FBIC THPO have already commenced.	Jan - Jul 2014
Stage 3	Final Engineering - The 90% design is currently being reviewed by BOR's Montana Area Office and FBIC. Once the review is complete and comments are received, MID will commence with the final engineering design.	Feb - Mar 2014
Stage 4	Attain Required Permits - Federal, State and Local permits may be required. These permits will be completed by Project Manager prior to construction.	Mar - Jun 2014
Stage 5	Purchase Materials - MID Project Manager will start the process of soliciting and awarding material bids for concrete and electrical services.	May - Jun 2014
Stage 6	Construction - MID Field Manager will implement construction. The MID crew will excavate construction site, build concrete forms for new structure, pour concrete, and relocate existing slide gates to new structure. MID Field Manager and Engineer will test the system for successful construction. They will also oversee the construction phase.	Sep - Nov 2014
Stage 7	Reporting, Compliance Review & Monitoring - MID Project Manager will track funds, file all reports, and ensure project compliance. - Hydromet measure water conservation	Mar - May 2015

4) Technical Proposal - Evaluation Criteria

a) Evaluation Criterion A: Water Conservation

i) Water Conservation

Quantifiable Water Savings: Describe the amount of water saved. For projects that conserve water, please state the estimated amount of water expected to be conserved (in acre-feet per year) as a direct result of this project. Please provide sufficient detail supporting how the estimate was determined, including all supporting calculations. Please address the following:

- What is the applicant's average annual acre-feet of water supply?

  (a) Diversions from Milk River: 150,000 acre-feet

  The above information was gathered with assistance from the Milk River Joint Board of Control. The average was based on the 2006 and 2007 irrigation seasons.

- Where is that water currently going (e.g., back to the stream, spilled at the end of the ditch, seeping into the ground, etc.)?

  (a) Spills, seepage, evaporation, and other conveyance losses: 21,500 acre-feet
  (b) Diversions to irrigators: 65,000 acre-feet
  (c) Operational diversions into Nelson Reservoir: 60,000 acre-feet
  (d) Diversions to Bowdoin National Wildlife Refuge: 3,500 acre-feet
  (e) Releases from Nelson Reservoir to Glasgow Irrigation District: 3,000 acre-feet

- Where will the conserved water go?

  Any conserved water will remain in the Milk River. This is crucial when current river flows are low and other water users have a need. This would benefit both up-stream and down-stream users. It also helps sustain critical habitat for the endangered Pallid Sturgeon, which makes its home in the Missouri River, downstream of MID and the Milk River. More water within the Milk River would contribute to this important habitat.

Improved Water Management: Describe the amount of water better managed. For projects that improve water management but which may not result in measurable water savings, state the amount of water expected to be

better managed, in acre-feet per year and as a percentage of the average annual water supply. Please use the following formula:

Estimated Amount of Water Better Managed: / Average Annual Water Supply	$\frac{120{,}000}{150{,}000}$	= 80%

Any waters diverted down the Dodson South Canal will be better managed with this project. Once the proposed project is in place, failure of the existing structure will no longer have a negative impact on MID, Bowdoin National Wildlife Refuge, Nelson Reservoir and Glasgow Irrigation District.

ii) Percentage of Total Supply

Provide the percentage of total water supply conserved: State the applicant's total average annual water supply in acre-feet. Please us the following formula:

Estimated Amount of Water Conserved: / Average Annual Water Supply	$\frac{1{,}500}{150{,}000}$	= 1%

iii) Reasonableness of Costs

Please include information related to the total project cost, annual acre-feet conserved (or better managed), and the expected life of the improvement. Use the following calculation:

Total Project Cost: / (Acre-Feet Conserved or Better Managed x Improvement Life)	$\frac{\$340{,}229}{(1{,}500 \times 100)}$	= $2.27 / acre-foot

Accepted industry life expectancy for cast-in-place concrete hydraulic structures is 100 years. The current head gate structure is over 100-years old, thus it is appropriate to determine the new structure will last as long.

b) Evaluation Criterion B: Energy-Water Nexus - *Not Applicable*

c) Evaluation Criterion C: Benefits of Endangered Species

For projects that will directly benefit federally-recognized candidate species, please include the following elements:

i) What is the relationship of the species to water supply?

The Piping Plover, listed as a threatened species in the Great Plains, is a migratory shorebird which nests along the sand and gravel bars of Nelson Reservoir and Bowdoin National Wildlife Refuge. The Plover have been known

to nest at both locations in late spring and early summer. Without the DSC head gate, water would not be diverted down the DSC and ultimately into Nelson Reservoir and Bowdoin National Wildlife Refuge. Both would dry up and would no longer provide the vital nesting habitat crucial for the Piping Plover.

The Pallid Sturgeon has habitat in the Missouri River system; the Milk River flows into the Missouri River system and thus contributes to Pallid Sturgeon habitat. This habitat is extremely important; according to the US Army Corps of Engineers Threatened and Endangered Species Program, the Pallid Sturgeon wild populations have been propagated with hatchery raised sturgeon. By leaving water within the Milk River through conservation it would contribute to a more stable river flow necessary for the Pallid Sturgeon survival.

ii) What is the extent to which the proposed project would reduce the likelihood of listing or would otherwise improve the status of the species?

Delisting the Piping Plover would be the ultimate goal but without supporting the critical nesting habitat at Nelson Reservoir and Bowdoin National Wildlife Refuge this would not be possible. With consistent and reliable nesting habitat, which would be provided by this project, Piping Plover could ultimately reproduce enough to survive and thrive.

d) Evaluation Criterion D: Water Marketing - *Not Applicable*

e) Evaluation Criterion E: Other Contributions to Water Supply Sustainability

i) Will the project make water available to address a specific concern? For example:

- Will the project address water supply shortages due to climate variability and/or heightened competition for finite water supplies (e.g., population growth or drought)? Is the river, aquifer or other source of supply over-allocated?

  The Milk River Basin water rights are over-allocated; it is so over-allocated that the basin has been closed to new water rights. Drought years, which generally occur six out of ten years, can increase the tension amongst the various water users. In the past recent years, snowmelt and water runoff have come off sooner due to climate change making it less available for the irrigators, aquatic life and wildlife habitat, and recreationists which rely on available water. Any water savings and improved water management associated with this project is beneficial for MID and the other beneficiaries.

- Will the project market water to other users? If so, what is the significance of this (e.g., does this help stretch water supplies in a water-short basin)?

The water will not be marketed to other users but will be part of a basin-wide effort to better share this limited resource in the over-allocated, water-short basin.

- Will the project make additional water available for Indian tribes?

  Through improved efficiencies and conservation, more water will remain in the Milk River for use by other water users, including Indian Tribes both up-stream and down-stream of the Malta Irrigation District.

- Will the project help to address an issue that could potentially result in an interruption to the water supply if unresolved? (e.g., will the project benefit an endangered species by maintaining an adequate water supply)? Are there endangered species within the basin or other factors that may lead to heightened competition for available water supplies among multiple water uses?

  If this project is not implemented, improved efficiency and water conservation will not be realized and the DSC head gate will eventually fail. A structure failure will result in lack of diversion down the Dodson South Canal. This lack of water will negatively impact local, state and regional economies through local farming and ranching. This project will allow for the sustainability of water supply to farms and ranches, and thus sustaining local and regional economies. The recreation opportunities provided by Nelson Reservoir and Bowdoin National Wildlife Refuge brings tourism to the local economy as well.

  The Dodson South Canal is also used to divert water to USFWS Bowdoin Wildlife Refuge and BOR's Nelson Reservoir. Both Bowdoin Wildlife Refuge and Nelson Reservoir provide Piping Plover habitat. Piping Plover is on the threatened species list within the Great Plains region. If the DSC head gate structure is not replaced as proposed, the water supply to these habitats will disappear, thus negatively impacting the Piping Plover recovery; replacing the head gate will allow for sustainability of the migratory birds' significant habitat.

- Will the project generally make more water available in the water basin where the proposed work is located?

  The proposed project will allow MID to better manage available water. Better management generally results in water savings. This water savings could be left in the Milk River for use by other water users within the Basin, such as other water users, aquatic and wildlife habitat and recreationists.

ii) Does the project promote and encourage collaboration among parties?

- Is there a widespread support for the project?

  There is widespread support for this project. MID received several letters of support for the project. This support came from individual MID irrigators, specifically those served by Dodson South Canal; other irrigation districts, both upstream and downstream, who will globally benefit from the efforts implemented by MID; as well as State and Federal agencies which promote the enhancement and preservation of fisheries and wildlife habitat; local and regional tax-based groups including cities, counties and school districts who understand the need for preserving irrigation-based agriculture; and, local business owners who rely directly on a vibrant and stable economy provided by irrigation practices, as well as indirectly from enhanced recreation benefits and tourism, realizing the fragile balance between the local farmers' and ranchers' businesses and their own businesses. The following entities are a small example of the many who have contributed letters of support for this project:

  - US Dept. of Interior Bureau of Reclamation
  - Dept. of Natural Resources & Conservation
  - Milk River Joint Board of Control
  - Phillips County Board of Commissioners
  - City of Malta
  - Town of Dodson
  - PhillCo Economic Growth Council
  - Dodson Irrigation District
  - Independence Bank of Malta
  - First State Bank of Malta
  - Hardware Hank of Malta
  - US Dept. of Interior Fish & Wildlife Service Bowdoin National Wildlife Refuge
  - Montana Fish, Wildlife & Parks
  - Phillips Conservation District
  - Valley County Board of Commissioners
  - City of Glasgow
  - Town of Saco
  - Glasgow Area Chamber of Commerce & Agriculture
  - Hinsdale Public Schools
  - First Security Bank of Malta
  - Milk River Cooperatives

- What is the significance of the collaboration/support?

  Non-irrigation entities are supporting an irrigation-based industry knowing that conservation, recreation and agriculture rely on each other and that all must work together to meet the many needs of the water within the Milk River Basin.

- Will the project help to prevent a water-related crisis or conflict?

The proposed project will prevent a water-related crisis. With or without this project, there will be the same water demands within the Malta Irrigation District. Without this project the Dodson South Canal head gate will fail and the water necessary to meet the demands will simply flow downstream past the Dodson Diversion Dam.

Any extended period of time without irrigation water will result in vast economic losses from devastating crop damages and lack of tourism revenues. It will also result in negative impacts to both wildlife and fish habitats which currently thrive because of the water diversions down DSC.

- Is there frequently tension or litigation over water in the basin?

  There have been long-term tensions within the Milk River Basin; everyone has a claim for the same waters. These tensions are fueled during dry years; this project will result in water savings which will reduce this issue.

- Is the possibility of future water conservation improvements by other water users enhanced by completion of this project?

  MID has led the charge with water conservation and improved efficiencies and thus have instilled a sense of importance to work together within the Milk River Basin to improve water efficiency and conservation which would benefit everyone.

iii) Will the project increase awareness of water and/or energy conservation and efficiency efforts?

- Will the project serve as an example of water and/or energy conservation and efficiency within a community?

  The project will serve as another example of teamwork and water conservation. By continuing to find ways to better manage available water and conserve water the community will see first-hand that MID is not giving up on ways to help other water users.

- Will the project increase the capability of future water conservation or energy efficiency efforts for use by others?

  The project will increase the capability of future water conservation efforts for use by others. These others include recreationists, communities and fish. This project will allow MID to replace the existing DSC head gate structure, thus allowing for continued water supply.

- Does the project integrate efficiency efforts for use by others?

This project does not integrate efficiency efforts for use by others.

- Does the project integrate water and energy components?

  This project does not integrate water and energy components.

f) Evaluation Criterion F: Implementation and Results

i) Project Planning

Does the project have a Water Conservation Plan, System Optimization Review (SOR), and/or district or geographic area drought contingency plans in place? Does the project relate/have a nexus to an adaptation strategy developed as part of a WaterSMART Basin Study?

- Identify any district-wide, or system-wide, planning that provides support for the proposed project. This could include a Water Conservation Plan, SOR, Basin Study, or other planning efforts done to determine the priority of this project in relation to other potential projects.

  The proposed project is not part of any district-wide or system-wide plan. This project stems from flood related issues during 2011. The failure of the DSC head gate and its temporary repairs were considered an emergency. The ultimate replacement of this failed structure is necessary to sustain operation of the DSC, Nelson Reservoir, Bowdoin Wildlife Refuge and Glasgow Irrigation District.

- Identify and describe any engineering or design work performed specifically in support of this proposed project.

  When the DSC head gate failed, MID saw the need to rehabilitate or replace the structure. At that time, MID contracted with TD&H Engineering to complete a Preliminary Engineering Report; it was finalized in May 2012. This report was used by MID to determine feasible alternatives and project costs.

  MID contracted with TD&H Engineering in 2013 to complete the engineering designs for the proposed project. The 90% design has recently been submitted to the Bureau of Reclamation's Montana Area Office and Fort Belknap Tribal Council for review and comments. Once comments are returned, MID will commence with final design. The final design will need to be completed prior to construction.

- Describe how the project conforms to and meets the goals of any applicable planning efforts, and identify any aspect of the project that implements a feature of an existing water plan(s).

The proposed project is not part of any district-wide or system-wide plan. This project stems from flood related issues during 2011. The failure of the DSC head gate and its temporary repairs were considered an emergency. The ultimate replacement of this failed structure is necessary to sustain operation of the DSC, Nelson Reservoir, Bowdoin Wildlife Refuge and Glasgow Irrigation District.

ii) Readiness to Proceed

Describe the implementation plan of the proposed project.

- Please include an estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates.

Stage	Major Task	Dates
Stage 1	BOR completes NEPA - Federal requirements mandate this project complies with National Environmental Policy Act - BOR will complete this portion of the project as determined in the Agreement dated 2013.	Feb - Jul 2014
Stage 2	MID completes NHPA with BOR / Fort Belknap Tribal Council Assistance - Federal requirements mandate this project comply with National Historic Preservation Act. MID will complete this portion of the project through coordination with BOR and Fort Belknap Tribal Council's (FBIC) Tribal Historic Preservation Office (THPO). Conversations with FBIC THPO have already commenced.	Jan - Jul 2014
Stage 3	Final Engineering - The 90% design is currently being reviewed by BOR's Montana Area Office and FBIC. Once the review is complete and comments are received, MID will commence with the final engineering design.	Feb - Mar 2014
Stage 4	Attain Required Permits - Federal, State and Local permits may be required. These permits will be completed by Project Manager prior to construction.	Mar - Jun 2014
Stage 5	Purchase Materials - MID Project Manager will start the process	May - Jun 2014

	of soliciting and awarding material bids for concrete and electrical services.	
Stage 6	Construction - MID Field Manager will implement construction. The MID crew will excavate construction site, build concrete forms for new structure, pour concrete, and relocate existing slide gates to new structure. MID Field Manager and Engineer will test the system for successful construction. They will also oversee the construction phase.	Sep - Nov 2014
Stage 7	Reporting, Compliance Review & Monitoring - MID Project Manager will track funds, file all reports, and ensure project compliance. - Hydromet measure water conservation	Mar - May 2015

- Please explain any permits that will be required, along with the process for obtaining such permits.

MID may need to apply for several permits. The "Joint Application for Proposed Work in Streams, Wetlands, Floodplains, and Other Water Bodies" will be submitted to the following entities:

- Phillips Conservation District (310 Permit)
- Department of Fish, Wildlife & Parks (SPA 124 Permit)
- Phillips County Floodplain Administrator (Floodplain Permit)
- Montana Department of Environmental Quality (318 Authorization)
- U.S. Army Corps of Engineers (Section 404 Permit)

Even though the construction work for this project will not be completed within the Milk River streambed, it is within the floodplain. Some work, such as removing the existing slide gates from the current DSC head gate, may occur along the active river bank but any possible effects will be negligible. MID feels the permits, other than the floodplain permit, will not be necessary to apply for but MID will apply for them to appease any concerns the project may generate.

A permit is not required by Fort Belknap Tribal Council. MID will keep them aware of the construction start dates so they can oversee any soil disturbances. MID will be contracting with a local concrete supply company and a local electrician. Those entering into a contract will be required to conform with the Fort Belknap Tribal Employment Rights Office (TERO) policies. MID will not need to comply with TERO since all labor will be done in-house by staff.

iii) Performance Measurers

Provide a brief summary describing the performance measure that will be used to quantify actual benefits upon completion of the project (e.g., water saved, marketed, or better managed, or energy saved).

- Water Management and Conservation

  Through coordination efforts with the Milk River Joint Board of Control and BOR, a new hydromet will be installed on the Dodson South Canal. The current hydromet no longer works as it should and diversion numbers have been inaccessible for a number of years. This new hydromet will allow MID and BOR to monitor water diversions at the DSC and therefore have the ability to better manage available water supply.

- Endangered Species

  There will be no performance measures in place to quantify actual benefits of this project in regards to endangered species. MID will consider the sustained habitat for the threatened Piping Plover at both Nelson Reservoir and Bowdoin National Wildlife Refuge as proof of the success of this project.

g) Evaluation Criterion G: Additional Non-Federal Funding

MID ($122,214) and DNCR ($100,000) Funding: $222,214
Total Project Cost: $340,229 = 65.31%

h) Evaluation Criterion H: Connection to Reclamation Project Activities

i) How is the proposed project connected to Reclamation project activities?

The BOR built the Malta Division of the Milk River Project between 1909 and 1917. MID was formed in 1923 and has managed the Malta Division on behalf of BOR for several years. MID is the largest district within the Milk River Project.

ii) Does the applicant receive Reclamation project water?

MID receives BOR project water through a shared water right.

iii) Is the project on Reclamation project lands or involving Reclamation facilities?

The DSC head gate is a BOR facility and is located on BOR lands within the Fort Belknap Indian Reservation boundaries in Phillips County.

iv) Is the project in the same basin as a Reclamation project or activity?

The project is within the Milk River Project. The DSC head gate is extremely important to another BOR project, the Nelson Reservoir. The head gate and associated DSC is the only diversion point for water into Nelson Reservoir. Releases from Nelson Reservoir also provide water to Glasgow Irrigation District, which is a BOR owned facility as well.

v) Will the proposed work contribute water to a basin where a Reclamation project is located?

The work will contribute water to the Milk River Project within the Milk River Basin.

It is projected that 1,500 acre-feet will be conserved from installing the replacement head gate structure. This water will be left in the Milk River for use by other beneficiaries.

5) Technical Proposal - Performance Measures

a) Environmental and Cultural Resources Compliance

i) Will the project impact the surrounding environment (e.g., soil [dust], air, water [quality and quantity], animal habitat)? Please briefly describe all earth-disturbing work and any work that will affect the air, water, or animal habitat in the project area. Please also explain the impacts of such work on the surrounding environment and any steps that could be taken to minimize the impacts.

The project may have temporary impacts, albeit minimal, to the immediate surrounding environment. The new head gate structure will be located further into the Dodson South Canal. The areas to be disturbed will be within the current canal prism and canal banks; this will be done to allow for concrete forms to be built and concrete poured. Once the project is complete, any disturbed areas will be reclaimed.

ii) Are you aware of any species listed or proposed to be listed as a Federal threatened or endangered species, or designated critical habitat in the project area? If so, would they be affected by any activities associated with the proposed project?

MID is unaware of any species listed or proposed to be listed as a Federal threatened or endangered species, or designated as critical habitat in the project area.

iii) Are there wetlands or other surface waters inside the project boundaries that potentially fall under CWA jurisdiction as "waters of the United States?" If so, please describe and estimate any impacts the project may have.

There are no wetlands or other waters inside the project boundaries which potentially fall under CWA jurisdiction as "waters of the United States."

iv) When was the water delivery system constructed?

The Malta Division of the Milk River Project was constructed between 1909 and 1917. The DSC head gate was constructed in 1909.

v) Will the project result in any modification of or effects to, individual features of an irrigation system (e.g., head gates, canals or flumes)? If so, state when those features were constructed and describe the nature and timing of any extensive alterations or modifications to those features completed previously.

The new proposed head gate is a new structure to be located further downstream along the DSC. The current head gate will remain in place until it is absolutely necessary to remove it. The new structure will hail the currently used slide gates and operators. MID is reusing the current gates and operators to reduce overall project costs. The current head gate was built in 1909. The only modifications to the structure were the replacement of the slide gates throughout the years.

vi) Are any buildings, structures, or features in the irrigation district listed or eligible for listing on the National Register of Historic Places?

The only structure that MID is aware of which is listed or eligible is the office building, located within Malta, MT, approximately 20 miles from the proposed project site.

vii) Are there any known archeological sites in the proposed project area?

MID is unaware of any known archeological sites. The Tribal Historic Preservation Office (THPO) will complete the National Historic Preservation Act (NHPA) requirements for this project. This project is within the canal prism and was previously excavated during its original construction.

viii) Will the project have disproportionately high and adverse effect on low income or minority population?

The project will not have high or adverse effects on low income or minority populations.

ix) Will the project limit access to any ceremonial use of Indian sacred sites or result in other impacts on tribal lands?

The project will not limit access to any ceremonial use of Indian sacred sites or result in other impacts on tribal lands. The new head gate will be located within the existing DSC right-of-way and canal prism.

x) Will the project contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species know to occur in the area?

The project will not contribute to the introduction, continued existence or spread of noxious weeds or non-native invasive species.

b) Required Permits or Approval

MID may need to apply for several permits. The "Joint Application for Proposed Work in Streams, Wetlands, Floodplains, and Other Water Bodies" will be submitted to the following entities:

- Phillips Conservation District (310 Permit)
- Department of Fish, Wildlife & Parks (SPA 124 Permit)
- Phillips County Floodplain Administrator (Floodplain Permit)
- Montana Department of Environmental Quality (318 Authorization)
- U.S. Army Corps of Engineers (Section 404 Permit)

Even though the construction work for this project will not be completed within the Milk River streambed, it is within the floodplain. Some work, such as removing the existing slide gates from the current DSC head gate, may occur along the active river bank but any possible effects will be negligible. MID feels the permits, other than the floodplain permit, will not be necessary to apply for but MID will apply for them to avoid any concerns the project may generate.

A permit is not required by Fort Belknap Tribal Council. MID will keep them aware of the construction start dates so they can oversee any soil disturbances. MID will be contracting with a local concrete supply company and a local electrician. Those entering into a contract will be required to conform with the Fort Belknap Tribal Employment Rights Office (TERO) policies. MID will not need to comply with TERO since all labor will be done in-house by staff.

c) Official Resolution

See Attachment 2 on page 29 for Malta Irrigation District Board of Commissioners resolution to commit $122,214 of in-kind support to accomplish the project within one year.

d) Project Budget

i) Funding Plan and Letters of Commitment

- How will you make your contribution to the cost share requirement, such as monetary and/or in-kind contributions and source funds contributed by the applicant (e.g., reserve account, tax revenue, and/or assessments).

  Any funds contributed by MID will be paid for through reserve funds. No special assessments will be applied to cover project costs.

- Describe any in-kind costs incurred before the anticipated project start date that you seek to include as project costs.

  MID will not be seeking reimbursement for costs incurred prior to start date.

- Provide the identity and amount of funding to be provided by funding partners, as well as the required letters of commitment.

  The Department of Natural Resources & Conservation (DNRC) has approved a Renewable Resource Grant of $100,000 to assist in this project. These funds were made available in 2013. MID entered into Grant Agreement #No. RRG-14-1588 for these funds; the agreement is attached as Attachment 3 on pages 30-35. There are no time constraints on the available funds.

  MID contributions of $122,214 are in-kind services; these funds will pay for equipment, remaining materials, BOR fees (MOU No. R13MU60070), project management, and any construction contingencies.

- Describe any funding requested or received from other Federal partners.

  No Federal funding has been previously requested or received. MID is requesting $118,015 from BOR through this application.

- Describe any pending funding requests that have not been approved, and explain how the project will be affected if such funding is denied.

  There are no pending funding requests.

Table 1. Summary of non-Federal and Federal funding sources:

Funding Source	Funding Amount
Non-Federal Entities	
Malta Irrigation District	* $122,214
Department of Natural Resources & Conservation	$100,000
Total Non-Federal Entities	$222,214
Other Federal Entities Subtotals	
None	$0
Total Other Federal Subtotals	$0
Requested Reclamation Funding	$118,015
Total Project Funding	$340,229

**Denotes in-kind contributions*

ii) Budget Proposal

Table 2. Funding Sources

Funding Sources	Percent of Total Project Cost	Total Cost by Source
Recipient Funding	35.92%	$122,214
DNRC Funding	29.39%	$100,000
Reclamation Funding	34.69%	$118,015
Other Federal Funding	0%	$0
Totals	100%	$340,229

Table 3. Budget Proposal

Attachment 4, page 36, shows the engineer's cost estimate of $340,230 for the project. MID will use the following table to track project costs.

Stage	Major Task	BOR Funding	MID / DNRC Funding	Total
Stage 1	BOR complete NEPA • MOU No. R13MU60070	$0	$3,000	$3,000
Stage 2	MID complete NHPA with BOR / Fort Belknap Tribal Council Assistance			
	• THPO to perform compliance	$5,000	$0	$5,000
	• BOR review of Cultural Resource Report - MOU No. R13MU60070	$0	$750	$750
	• BOR to complete THPO consultation and Indian Trust	$0	$1,100	$1,100

	Assets preparation and consultation with BIA - MOU No. R13MU60070 • Project Manager - 40 hrs x $35/hr	$0	$1,400	$1,400
Stage 3	Final Engineering			
	• Engineering and Certificate of Design	$5,000	$0	$5,000
	• Project Manager Review of Final Engineering - 10 hrs x $35/hr	$0	$350	$350
	• BOR Review of Engineering - MOU No. R13MU60070	$0	$2,000	$2,000
	• As-built records and drawing documentation - MOU No. R13MU60070	$0	$650	$650
Stage 4	Attain Required Permits			
	• Project Manager - 10 hrs x $35/hr	$0	$350	$350
Stage 5	Materials Purchase			
	• Project Manager to prepare bid documents, review bids and prepare award documents for concrete and electrical services - 40 hrs x $35/hr	$0	$1,400	$1,400
	• Engineering review of bid documents	$1,500	$0	$1,500
Stage 6	Construction			
	• Concrete materials - Materials - 350 CY x $250/CY - Labor - 2072 hrs x $35/hr - Equipment - 50 hrs x $125/hr	$54,500	$111,750	$166,250
	• Mobilization - Truck Tractor - 420 mi x $6/mi - Pick-ups - 840 mi x $1/mi - Labor - 185 hrs x $35/hr	$6,475	$3,353	$9,828
	• General Excavation - 250 CY x $4.20/CY - Equipment - 8.5 hrs x $125/hr	$0	$1,050	$1,050
	• Embankment fill and compaction - 5,750 CY x	$0	$32,488	$32,488

	$5.65/CY - Excavator - 200 hrs x $125/hr - Loader - 50 hrs x $75/hr - 2.5 ton Trucks - 68 hrs x $55/hr			
	• RipRap canal armoring - 270 tons x $39.60/ton - Materials - 270 t x $12.75/ton - Excavator - 45 hrs x $125/hr - Loader - 20 hrs x $75/hr - 2.5 ton Trucks - 18 hrs x $55/hr	$0	$11,543	$11,543
	• Roadway Gravel - 60 CY x $43.50/CY - Materials - 60 CY x $15/CY - Excavator - 10 hrs x $125/hr - 2.5 ton Trucks - 12 hrs x $55/hr	$0	$2,790	$2,790
	• Grading and Reseeding - 5 Ac x $179/Ac - Dozer - 4 hrs x $100/hr - Labor - 15 hrs x $35/hr	$525	$400	$925
	• Structural Excavation – 85 CY x $8.50/CY - Excavator - 6 hrs x $125/hr	$0	$744	$744
	• Granular Structural Fill – 125 CY x $43.50/CY - Materials - 125 CY x $15/CY - Excavator - 14 hrs x $125/hr - 2.5 ton Trucks - 40 hrs x $55/hr	$0	$5,813	$5,813
	• Remove and Relocate Existing Slide Gates and Operators - Labor - 191 hrs x $35/hr	$6,700	$0	$6,700
	• Extend Electrical and Comm Lines – 250 LF x $15.20/LF - To be contracted with an electrician	$4,050	$0	$4,050
	• New Equipment / Control	$400	$1,800	$2,200

	Building - Materials - $1,800 - Labor - 12 hrs x $35/hr • Chain Link Fencing with Gates - Materials - 150 LF x $30/LF - Labor - 119 hrs x $35/hr	$4,155	$4,500	$8,655
	• Railing Installed - Materials - $1,300 - Labor - 34 hrs x $35/hr	$1,200	$1,300	$2,500
	• Engineer construction oversight	$26,000	$0	$26,000
	• Field Manager construction oversight - 100 hours x $35/hour	$0	$3,500	$3,500
	• Project Manager construction oversight - 30 hours x $35/hour	$0	$1,050	$1,050
	• BOR Engineering construction site visits - MOU No. R13MU60070	$0	$2,600	$2,600
	• THPO Excavation Oversight	$2,500	0$	$2,500
Stage 7	Reporting, Compliance Review & Monitoring • MID Project Manager accomplish required grant and project monthly and final reporting and billings - 100 hours x $35/hour	$0	$3,500	$3,500
Other	Other Expenses • BOR Administration - MOU No. R13MU60070	$0	$2,600	$2,600
	• Construction Contingency – 8% - Materials - $11,000 - Labor - 270 hrs x $35/hr	$0	$20,443	$20,443
Total		$118,015	$222,214	$340,229

iii) Budget Narrative

- Salaries and Wages
  - MID Project Manager, Tara Taborsky = $4,550
    - $35/hr for all work
    - 100 hours - compliance review, permitting, design, materials bid
    - 30 hours - assisting in project oversight
  - MID Field Manager, Bud Slade = $3,500

- $35/hr for all work
- 100 hours - project oversight

- MID Laborers - up to 9 person crew = $101,395
  - $35/hr for all work
  - 2,897 hours - build concrete forms, pour concrete, complete finishing work of structure, build control building, relocate slide gates, reclaim construction site
- *Total Salaries and Wages = $109,445*

- Fringe Benefits - None

- Travel - None

- Equipment - Total for all aspects of project, including contingency
  - MID Excavators - excavate construction site and backfill = $41,688
    - $125/hr - this rate includes labor and fuel
    - 333.5 hours - construction work
  - MID Loader - move materials = $5,250
    - $75/hr - this rate includes labor and fuel
    - 70 hours - construction work
  - MID Truck Tractor - move equipment = $2,520
    - $6/loaded mile - this rate includes labor and fuel
    - 420 miles - construction work
  - MID 2.5 ton Trucks - move dirt and fill materials = $7,590
    - $55/hr - this rate includes labor and fuel
    - 138 hours - construction work
  - MID Dozer - move dirt and fill materials = $400
    - $100/hr - this rate includes labor and fuel
    - 4 hours - construction work
  - MID Pick-ups - mileage to and from work site = $840
    - $1/mile
    - 840 miles - construction work
  - *Total Equipment = $58,288*

- Materials and Supplies - includes only materials - labor and equipment are documented above
  - Reinforced Concrete, Cast-in-Place, Pumped, Walls and Slabs - will be contracted out to lowest bid
    - 350 CY x $250/CY = $87,500
  - RipRap Canal Armoring
    - 270 ton x $12.75/ton = $3,443
  - Roadway Gravel
    - 60 CY x $15/CY = $900
  - Granular Structural Fill
    - 125 CY x $15/CY = $1,875

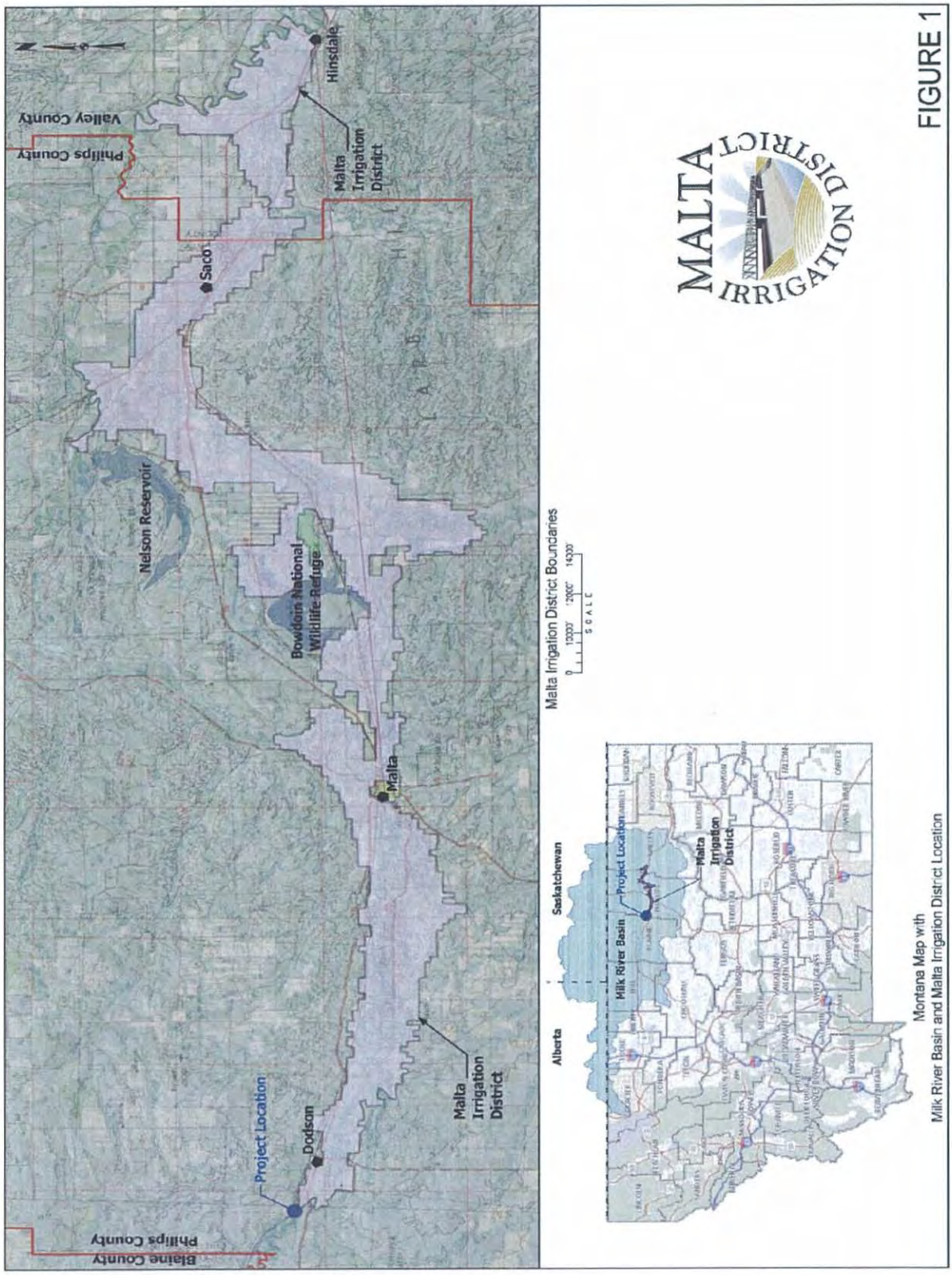
- New Equipment / Control Building - will be completed by MID crew = $1,800
- Chain Link Fencing with Gates - will be completed by MID crew
  - 150 LF x $30/LF = $4,500
- Railing Installed = $1,300
- Contingency = $11,000
- *Total Materials = $112,318*

- Contractual
  - MID has contracted with BOR for design review, NEPA requirements and other activities related to the project
    - Memorandum of Understanding No. R13MU60070 Between US Dept. of Interior Bureau of Reclamation and Malta Irrigation District = $12,700
      - *Review of Contracted Cultural Resource Report - $750*
      - *Tribal Historic Preservation Officer Consultation and Indian Trust Assets Preparation and Consultation with the BIA - $1,100*
      - *National Environmental Policy Act - $3,000*
      - *60% - 90% Final Design Reviews - $2,000*
      - *Engineering Construction Site Visits - $2,600*
      - *As-Built Records and Drawing Documentation - $650*
      - *Administrative - $2,600*
  - MID will work with Fort Belknap Indian Council regarding the NHPA requirements
    - Since the project is within Fort Belknap Indian Reservation boundaries, this project will require involvement of Tribal Historic Preservation Office. Conversations with FBIC have been ongoing; indications from FBIC that a tribal member will be on site during construction.
      - Estimated cost = $7,500
  - MID will contract with a local concrete supplier for the concrete materials
    - The materials portion of this project will be more than the state minimum, which will require MID seek bids. This aspect will be completed by July 2014. The materials portion of this is listed above.
  - MID will contract with a local electrician to extend any electrical or communication lines
    - This will be put out to bid to allow for any qualified electrician the opportunity for work. This aspect will be completed by July 2014.
      - 250 LF x $16.20/LF = $4,050
  - *Total Contractual = $24,250*
- Environmental and Regulatory Compliance Cost
  - National Environmental Policy Act - BOR contractual costs listed above
  - National Historic Preservation Office through Tribal Historic Preservation Office - Fort Belknap Indian Council costs listed above
- Reporting
  - MID Project Manager, Tara Taborsky = $3,500

- $35/hour for all work
- 100 hours completing review, permitting and project reporting

  - *Total Reporting $3,500*
- Other Expenses
  - Engineering Final Design, Construction Oversight and Reviews = $32,500

iv) Budget Form - SF-424A, Budget Information - Attached at front of application



J:\2012\12-043 MID Dodson S Canal Headgate\CAD\GIS\FIGURE 1.dwg, 7/3/2014 3:01:38 PM, MMJ

MALTA IRRIGATION DISTRICT

RESOLUTION TO COMMIT SUPPORT AND RESOURCES FOR BUREAU OF RECLAMATION 2014 WATERSMART GRANT FOR INFRASTRUCTURE IMPROVEMENTS DODSON SOUTH CANAL HEAD GATE REPLACEMENT PROJECT

WHEREAS, the Malta Irrigation District (hereinafter called the "District") has one Dodson South Canal head gate structure which is in dire need of immediate replacement in order to continue deliveries and maintain the operation of this main canal which serves the south side of the Milk River as well as transfers water to Nelson Reservoir, Bowdoin Wildlife Refuge and Glasgow Irrigation District, and

WHEREAS, the District understands the water conservation, improved conveyance efficiencies, sustained agriculture and sustained wildlife habitat will be realized upon replacement of the Dodson South Canal head gate structure,

BE IT RESOLVED, the Malta Irrigation District's Board of Commissioners has reviewed and authorizes the District President to pursue a Bureau of Reclamation 2014 WaterSMART grant for infrastructure improvements, and

BE IT FURTHER RESOLVED, the Malta Irrigation District's Board of Commissioners by the authority given to it by the State of Montana is committing the necessary resources and funds to complete the infrastructure project by May 30, 2015.

Dated this 14th Day of January, 2014.

MALTA IRRIGATION DISTRICT CORPORATE SEAL MONTANA

Board of Commissioners
Malta Irrigation District
Malta, Montana

David Gostin, President

Wade Jones, Vice-President

Larry Smith, Commissioner

Attest:

Secretary of Board of Commissioners

FOR DNRC USE ONLY	
Maximum amount under this Agreement: $ 100,000 **-Source of Funds -** **Natural Resource Projects Account**	**Approved** **Agreement No.** RRG-14-1588 **Amendment No.** ____
Accounting Entity Name / Natural Resource Projects Account — **Fund** 02577	**Division**
Subclass 54016 — **ORG** 3414118 — **Percent** 100%	**C.S.D** **Legal**
Appropriation Authority - 63rd Legislature/2013 H.B. 6	
Workers Comp: ___ N/A ___ Attached ___ Exempt ___ Will be forwarded	

MONTANA RENEWABLE RESOURCE GRANT AGREEMENT

THIS GRANT, approved, appropriated, and awarded by the Montana Legislature and administered by the Montana Department of Natural Resources and Conservation (DNRC) is consistent with the policies, procedures and objectives of the Montana Renewable Resource Grant and Loan Program (MCA Title 85, Chapter 1, Part 6) for the enhancement of Montana's renewable natural resources. This grant is accepted by Project Sponsor, Malta Irrigation District, hereinafter referred to as the Project Sponsor and represented by Wade Jones, President, Board of Commissioners, 406-654-2540, PO Box 64, Malta, MT 59538, of project sponsor, according to the following terms and conditions:

SECTION 1. PURPOSE. The purpose of this Agreement is to establish mutually agreeable terms and conditions, specifications, and requirements to grant funds to the Project Sponsor for the rehabilitation of the Dodson South Canal head gate.

SECTION 2. TERM. The Project Sponsor shall have until December 31, 2015 to complete the project and work described in Section 4, Project Scope. DNRC may grant an extension for completion upon request and showing of good cause by the Project Sponsor. A request for extension must be submitted 45 days prior to the termination date if an extension is to be considered by DNRC. The effective date of this Agreement is the date of last signing.

SECTION 3. DNRC's ROLE. DNRC is administering funds awarded by the legislature to ensure that the funds are used according to the intent of the legislature and the purposes, objectives, and procedures of the Renewable Resource Grant and Loan Program. Upon request from the Project Sponsor or its agent, DNRC will explain or clarify the terms and conditions of this Agreement award and may provide limited technical assistance. DNRC will monitor project expenditures to assure payment eligibility. DNRC assumes no responsibility for the Project Sponsor's obligation to faithfully perform the tasks and activities necessary to implement and complete a project. The Project Sponsor should contact DNRC's liaison Ann L.

Kulczyk at 406-228-4129, PO Box 231, Glasgow, MT 59230. All requests for information and assistance shall be submitted to DNRC's liaison / designee.

SECTION 4. PROJECT SCOPE. The Project Sponsor shall use funds provided under this Agreement to complete design and replacement of the Dodson South Canal head gate. The scope of work for this project is attached to this contract as Attachment A and incorporated herein by this reference.

Subsection 4.1 Supporting documents/attachments:

- RRGL Grant Application, dated May 2012

SECTION 5. PROJECT BUDGET. A project budget showing anticipated expenditures in the categories of administration, construction, materials, and professional/technical services for each task and matching funds is provided in Attachment B and incorporated herein by this reference. A transfer of funds between budget categories in an amount exceeding 20 percent of the total grant amount must have prior written approval of DNRC.

SECTION 6. AVAILABILITY OF GRANT FUNDS. The Project Sponsor acknowledges and understands that grant funds become available through earnings from certain natural resource based taxes deposited in the natural resources projects state special revenue account. Renewable Resource Grant and Loan Program funds will be released to the extent they are available. Costs incurred prior to this Agreement are not eligible for reimbursement, unless determined by DNRC to be an emergency, but may be counted as match funds upon written approval by DNRC. DNRC may consider an expenditure made prior to the effective date of this agreement to be an emergency expenditure if it is necessary to protect the imminent loss of life or property; to prevent significant imminent environmental damage; or to prevent the physical failure of a system.

SECTION 7. GRANT DISBURSEMENTS. The Project Sponsor shall submit claims for grant funds to the DNRC liaison. Receipts, vendor invoices, inspection certificates and other documentation of costs incurred shall be submitted with the claims. DNRC will verify the claims and check them against the Reports required in Section 8 and the Budget provided in Section 5. DNRC will disburse grant funds to the Project Sponsor upon approval. Reimbursement of Project Sponsor expenditures will only be made for expenses included in the Budget provided in Section 5 and that are clearly and accurately supported by the Project Sponsor's quarterly reports and that show the Project Sponsor has fully complied with Sections 11, 12 and 14. In addition, DNRC may withhold 10 percent of the total authorized grant amount until all the tasks outlined in Section 4 and the Final Report required by Section 8 are completed and approved by DNRC. Total payment for all purposes under this Agreement shall not exceed $100,000.

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

SECTION 8. REPORTS. Quarterly progress reports for the periods ending each March, June, September and December shall be submitted to the DNRC liaison during the term of the

Agreement. Reports will provide status information for each project implementation objective. Status information will include, at a minimum, activities conducted, the percent complete, costs incurred, funds remaining, and projected completion date. The Project Sponsor shall report on total project costs including those funded by the Project Sponsor and other matching funds. Significant problems encountered shall be noted and necessary scope and/or time line modifications requested.

Quarterly reports must be submitted to the DNRC liaison within 15 calendar days following the close of the quarterly period. No claims for disbursements will be honored if the quarterly report has not been approved or if there is a delinquent report.

Pictures of the project, before construction, during construction and after construction shall be provided to DNRC for use in publicity and reporting. The state shall have a royalty-free, non-exclusive, and irrevocable right to reproduce, publish, or otherwise use any photographic materials submitted to DNRC during performance of this agreement (including any before and after project pictures) as provided in Section 15 . COPYRIGHT - GOVERNMENT RIGHT TO USE. Project Sponsor shall acquire any release(s) necessary for such right. Copies of photographic materials submitted to the DNRC are the property of DNRC and will not be returned.

One hard copy and one electronic copy (in pdf format) of the Final Report will be submitted to the DNRC liaison for approval upon project completion. Final disbursement of grant funds is contingent upon DNRC receipt and approval of the Final Report. Information required in the Final Report is presented in Attachment C.

SECTION 9. RECORDS AND AUDITS. The Project Sponsor will maintain appropriate and adequate records showing complete entries of all receipts, disbursements and other transactions relating to the project. DNRC, the Legislative Audit Division, or the Legislative Fiscal Division may, at any reasonable time, audit all records, reports, and other documents that the Project Sponsor maintains under or in the course of this Agreement to ensure compliance with its terms and conditions.

SECTION 10. PROJECT MONITORING AND ACCESS FOR INSPECTION AND MONITORING. DNRC or its agents may monitor and inspect all phases and aspects of the Project Sponsor's performance to determine compliance with Section 4.0, Project Scope, and other legal, technical and administrative requirements in this Agreement, including the adequacy of records and accounts. DNRC may present specific areas of concern to the Project Sponsor providing the Project Sponsor the opportunity to better accomplish the goals and objectives of the Agreement and conditions of this Agreement.

Because this grant is from public funds, public access to the project site and project records must be available. The Project Sponsor shall accommodate requests for public access to the site and records with due consideration for safety, private property rights, and convenience of everyone involved.

SECTION 11. EMPLOYMENT STATUS AND WORKER'S COMPENSATION. The project is for the benefit of the Project Sponsor. DNRC is not an owner or general contractor for the project and DNRC does not control the work activities or work-site of the Project Sponsor or any contractors that might be engaged for completion of the project. The Project Sponsor is independent from and is not an employee, officer or agent of DNRC. The Project Sponsor, its employees and contractors are not covered by the Workers' Compensation laws applicable to DNRC as an employer. The Project Sponsor is responsible for making sure that its employees are covered by Workers' Compensation Insurance and that its contractors are in compliance with the coverage provisions of the Workers' Compensation Act.

The Project Sponsor is independent, is not an employee of the State of Montana or of DNRC, and is not covered by the Workers' Compensation laws applicable to DNRC as an employer. The Project Sponsor must acquire Workers' Compensation coverage or the appropriate exemption.

SECTION 12. EQUAL EMPLOYMENT. Any hiring of employees under this Agreement shall be on the basis of merit and qualifications, and there shall be no discrimination on the basis of race, color, religion, creed, sex, national origin, age, disability, marital status, or political belief. "Qualifications" mean qualifications as are generally related to competent performance of the particular occupational task.

SECTION 13. INDEMNITY AND LIABILITY. The Project Sponsor shall defend, indemnify and hold harmless DNRC and the State of Montana and its agents from and against any and all claims, demands, or actions for damages to property or injury to persons or other damages to persons or entities arising out of or resulting from the performance of the work or services funded by this Agreement. This Agreement is not intended to relieve a liable party of financial or legal responsibility.

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

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

14.2. Procurement of labor, services, supplies, materials, and equipment shall be conducted according to applicable federal, state, and local statutes. The award of a grant or by grantee entering into this Agreement shall not be taken to imply that any required permits or authorizations issued by DNRC or other state, federal or local agency will be approved.

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

SECTION 16. FAILURE TO COMPLY. If the Project Sponsor fails to comply with the terms and conditions of this Agreement, or reasonable directives or orders from DNRC, DNRC may terminate the Agreement and refuse disbursement of any additional funds under the Agreement. Such termination will become a consideration in any future application for grants from the Renewable Resource Grant and Loan Program.

SECTION 17. ASSIGNMENT AND AMENDMENT. This Agreement is not assignable. Amendment may be accomplished only by express written agreement of the parties. Amendments will be attached as an integral component of the grant.

Section 18. MONTANA LAW AND VENUE. Any action brought by any party to this Agreement that is based on enforcement or performance under this Agreement or interpretation of any term or condition of this Agreement, shall be governed by the laws of the State of Montana. Venue shall be in the First Judicial District, Lewis and Clark County, Montana. Pursuant to Section 85-1-605(6), MCA , Project Sponsor, *if a tribal government*, by executing this agreement, hereby waives any right it may have of tribal government immunity from suit on any issue specifically arising from the transaction of this Agreement and Project Sponsor waives any right to exhaust tribal remedies.

The Project Sponsor hereby accepts this Agreement according to the above terms and conditions.

[signature] PRESIDENT MID — 10/8/13

Project Sponsor, Title — Date

81-6001549

Federal Tax ID Number

[signature] — 10/24/13

Department of Natural Resources and Conservation — Date

CODE:GP-2200

ESTIMATE WORKSHEET

Sheet 1 of 1

FEATURE:	January 16, 2014	PROJECT: Dodson South Canal Head Gate Structure
Malta Irrigation District Dodson South Canal Head Gate Replacement Head Gate at New Location		DIVISION:
		FILE:

PLANT ACCT.	PAY ITEM	DESCRIPTION	CODE	QUANTITY	UNIT	UNIT PRICE	AMOUNT
		Earthwork					
	1	General Excavation		250.0	CY	$ 4.20	$1,050.00
	2	Embankment Fill and Compaction		5,750	CY	$ 5.65	$32,487.50
	3	Riprap Canal Armoring		270	Ton	$ 42.75	$11,542.50
	4	Roadway Gravel		60	CY	$ 46.50	$2,790.00
	5	Grading and Reseeding		5	Ac	$ 185.00	$925.00
		New Under-Shot Head Gate					
	6	Structural Excavation		85	CY	$ 8.75	$743.75
	7	Granular Structural Fill		125	CY	$ 46.50	$5,812.50
	8	Reinforced Concrete, Cast-In-Place, Pumped, Walls and Slabs		350	CY	$ 475.00	$166,250.00
	9	New Equipment/Control Building		1	LS	$ 2,200.00	$2,200.00
	10	Remove and Relocate Existing Slide Gates and Operators		1	LS	$ 6,700.00	$6,700.00
	12	Extend Electrical and Comm Lines		250	LF	$ 16.20	$4,050.00
	13	Chain Link Fencing with Gates		150	LF	$ 57.70	$8,655.00
	14	Railing installed		1	LS	$ 2,500.00	$2,500.00
		Subtotal minus mobilization					$245,706.25
		Mobilization		4%			$9,828.25
		Subtotal including mobilization					$255,534.50
		Construction Contingency		8%			$20,442.76
		SUBTOTAL CONSTRUCTION					$275,977.26
		Engineering, Final Design & Construction Oversight (TD&H)			EST		$32,500.00
		Bureau of Reclamation Oversight & Reviews			LS		$12,700.00
		Tribal - Cultural Resource Survey and On-site Construction Inspection			EST		$7,500.00
		Project Management and Oversight					$11,550.00
		TOTAL ESTIMATED PROJECT COST					$340,227.26

QUANTITIES		PRICES	
BY EAJ	CHECKED	BY	CHECKED
DATE PREPARED Updated/Revise 01/14/14	APPROVED	DATE	PRICE LEVEL