



Townsend School District System Costs & Funding

Fuels for Schools <i>(Includes \$12,420 from Climate Trust)</i>	\$202,500.00
USDA Loan to School <i>(4.5% interest, 15 year loan)</i>	\$140,000.00
USDA Grant to School	\$30,000.00
Montana DNRC Grant <i>(HB223 grant)</i>	\$15,000.00
School Cash Funding*	\$37,500.00
PROJECT COST	\$425,000.00

* Other costs to the project included interim loan interest (until USDA loan became active), asbestos abatement, hot water heater relocation, purchase of a used auger to load pellets, etc. The majority of these costs were covered by the project contingencies and the \$30,000 USDA grant.



Townsend School District Predicted Savings with System



Savings in fuel costs are predicted to pay for system within seven to eight years.

Predicted savings to the school over 30 year period -
\$1.2 Million

(These are the predicted savings AFTER the district cost of the system has been repaid)

Funding for Feasibility Studies and/or Project

The Department of Natural Resources House Bill 223

STATE OF MONTANA
Department of Natural Resources and Conservation
Conservation Districts Bureau
Box 204601
Helena, MT 59620-1601

For Department Use
Received By _____
Date _____
Application No. _____
Annual Budget Submitted _____

Conservation Districts Grant Program
HB223 Grant Application (over sheet)
This application consists of 4 pages

Please fill out application in its entirety.

- Name of District: Broadwater County Conservation District
- Name of Project: Townsend K-22 School District #1 Pull-Through Boiler Heating System
- Amount Requested: \$15,000.00
- Total Project Cost: \$381,922.72
- Has your district levied the maximum county mill allowed for the current fiscal year?
No _____ Yes X Mill Levy = 4 (amount)
- County commissioner verification

- Has this project been identified in a conservation district plan? (Projects must be part of a CD plan) Yes
- Give a brief statement of need, including why the project cannot be funded from present sources of funding. If the district has not submitted a budget to DNRC for other financial assistance programs for the current fiscal year, a current CD budget shall be attached. The school district is one of the lowest funded school districts in the state. The total investment cost of this project is well beyond the means of the school and parents are unable to make a viable option.
- Give a brief explanation of your project. The school needs to upgrade its boiler heating system, moving the school from a coal fired boiler to a gas boiler. This will reduce its cost of operation and fuel oil and the project, over 10 years, is projected to save the school over \$1 million. It is an advanced institution the school will be the project to which students, and the public, about conservation & fuel alternatives.
- Contact person's name, address, and telephone number.
Brian Fortney, Superintendent • Townsend K-22 School District #1 • 201 N. Spruce, Townsend, MT 59644 • (406) 286-3322
- This application was approved by the _____ Conservation District Board of Supervisors meeting on the _____ January 15, 2006.

Revised 2005 Authorized Signature _____

Conservation District Grant Program
HB 223 Grant
Application Summary

Purpose of project: The main purpose of the project is to reduce the expenditures for school facility heating and move to consumption of non-renewable resources toward renewable resources. The feasibility study will provide approximately 70% of the school district's heating costs and reduce the current heating costs for the elementary, middle and high school buildings. Rapidly rising costs of propane gas and fuel oil coupled with reduced school heating hours make it necessary for our district to seek ways to reduce spending. Funds saved on heating costs (projected to be over \$1 million in 10 years) can be spent on education. Our district also has fuel oil and gas heat contracts on the way for non-renewable resources. At the end of the project will be incorporated as a tool to educate our students and the public on energy conservation. It will allow us to show how our district is reducing heating costs, shifting from fossil fuels to renewable resources, reducing fossil fuel use and helping to maintain the economy by utilizing pollution-free products produced in Montana.

Project conservation benefits: Part of the project is being funded by the Fuel For Schools program. To meet that grant criteria the school agreed, for a specific period, to utilize a pollution-free product produced from at least 50% wild land (for biomass) reduction wood products. These products help conserve our forests by reducing the fuels that cause and add to wild land fires on both public and private lands. Moving to the use of a renewable energy source also helps conserve our non-renewable energy resources.

Number of people and/or number of acres directly affected by proposed project: The project will directly affect Broadwater County residents (1200 pop.). Local residents help fund and support the school district and the energy conservation created by the project will create a substantial monetary benefit. It is our plan to show our project to other school/public facilities, creating a state-wide effect.

Project location: This project is located on the grounds of the Townsend K-22 School District #1 located at 201 North Spruce in Townsend, Montana.

Who will own the work proposed? The school board, superintendent, maintenance and office staff will be providing to fund services for portions of the project. The design and construction of the system will be done by hired contractors.

What, specifically, will be accomplished? A wood pollution-free system will be integrated into the existing propane and fuel oil systems. A feasibility study has already been completed. The project is already being designed and prepared for construction by CEA in Helena. Engineers shall be accepted in February. Construction would begin in May of 2006 and be completed by no later than October 2006.

Time frame: At the end of the school district to have this system installed and operational for the fall 2006, and winter 2007, heating needs of the facilities. The feasibility study was done prior to receiving the Fuel For Schools grant. The system is currently being designed and prepared for construction by CEA in Helena. Engineers shall be accepted in February. Construction would begin in May of 2006 and be completed by no later than October 2006.

Conservation District/Grant Application
Application Project Details

Project details - on separate sheets including the following (do not omit any items; if an item does not apply to your project please acknowledge this with text). An incomplete application may be rejected.

- Project objectives.
- Describe how the project will be carried out.
- What specifically are the tasks, deliverables or outcomes of this project.
- Time frames.
- Show the district plans to monitor project effectiveness.
- Describe how the project benefits the public.
- Include plans to inform or educate the public about the project's benefits or availability (see requirements).
- If the project includes equipment purchases - describe a maintenance and replacement plan, who will own the equipment, and how it will be used after the project is complete. Other information that will help evaluate your project.
- For irrigation projects describe landowner or irrigation district company contributions to the project (\$0.50 cash match is required).
- List any other current conservation district grant program and their status (all grant reports must be current before other grants will be distributed).

Provide a detailed budget. Include other sources of funding and in-kind services. Irrigation projects require 50:50 cash match. Grant requests over \$15,000 require 20:80 match. Use this table or create your own in a similar format. Your budget should include, but is not limited to:

GRANT BUDGET		
	HB 223	Explanation
Subtotal (number of hours, hourly rates, type of work)		
Contract services (specify services to be contracted)	\$15,000.00	The school district will utilize funds provided by DNRC for helping offset the overall cost for the research and construction of the pollution-free boiler heating system.
Materials & installation of the Chip-Block Boiler		
Construction & labor expenses		
Permits/licenses & utility costs		
Materials & supplies (quantity)		
Equipment costs (quantity)		
Administration		
Miscellaneous (quantity)		
TOTAL	\$15,000.00	

TOTAL PROJECT BUDGET

Line Item	Funding Source	Cash Amount	In-Kind Amount	TOTAL
WOOD PELLET HEATING SYSTEM (Amount will include amount of grant funding)	DNRC HB223 School District Fuel For Schools CEA Grant Fuel For Schools	\$ 7,500.00 100,000.00 130,000.00 147,000.00 700	NA NA NA NA	\$ 7,500.00 100,000.00 130,000.00 147,000.00 700
GRAND TOTAL FOR ABOVE		\$ 244,500.00	NA	\$ 244,500.00
SOIL DEVELOPMENT (Amount will include amount of grant funding)	School District	\$ 8,000.00	NA	\$ 8,000.00
GRAND TOTAL FOR ABOVE		\$ 252,500.00	NA	\$ 252,500.00
MECHANICAL RETROFITATION (Amount will include amount of grant funding)	DNRC HB223 School District Fuel For Schools	\$ 7,500.00 133,000.00 170,000.00	NA NA NA	\$ 7,500.00 133,000.00 170,000.00
GRAND TOTAL FOR ABOVE		\$ 270,000.00	NA	\$ 270,000.00
ELECTRICAL RETROFITATION (Amount will include amount of grant funding)	School District Fuel For Schools	\$20,000.00 100,000.00	NA NA	\$20,000.00 100,000.00
GRAND TOTAL FOR ABOVE		\$ 120,000.00	NA	\$ 120,000.00
FUEL FOR SCHOOLS PROGRAM (This amount is in-kind support for the design phase of the project)	School District Fuel For Schools	\$15,000.00 170,000.00	NA NA	\$15,000.00 170,000.00
GRAND TOTAL FOR ABOVE		\$ 185,000.00	NA	\$ 185,000.00
LABOR PROVIDED BY AGRICULTURE (Amount will include amount of grant funding)	School District	NA	\$25,000.00	\$25,000.00
GRAND TOTAL FOR ABOVE		\$ 185,000.00	\$25,000.00	\$ 210,000.00
CONVENTIONAL A-RURAL A-RURAL (Amount will include amount of grant funding)	School District Fuel For Schools	\$25,000.00 115,000.00	NA NA	\$25,000.00 115,000.00
GRAND TOTAL FOR ABOVE		\$ 140,000.00	NA	\$ 140,000.00
TOTAL COSTS FOR THE PROJECT		\$ 436,500.00	\$ 125,000.00	\$ 561,500.00

* School District funds for these items (\$25,000.00) will come from building funds or other grant programs. Other funds we have received, or will provide, are a Fuel For Schools Grant (\$15,000.00) and school bond fund (\$25,000.00). Other funds we are applying for are DNRC HB223 (\$1,000.00), CEA Grant (\$30,000.00) and a FUEL For Schools Grant (\$175,000.00).

HB 223 is a four page form and a project detail (our detail was 2½ pages).



Possible Funding Sources

- DNRC (Grants/Loans), DEQ (loans), USDA (Grants/Loans), Climate Trust Fund
 - Foundations: Beim Foundation, Bonneville Environmental Foundation, Bullitt Foundation, Charlotte Martin Foundation, Cinnabar Foundation, Greenville Foundation, Kresge Foundation, M.J. Murdock Charitable Trust, Wallace Global Fund & Others
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