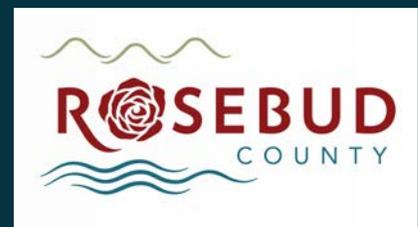


August 2019 Draft

ROSEBUD COUNTY 2019 Growth Policy Update



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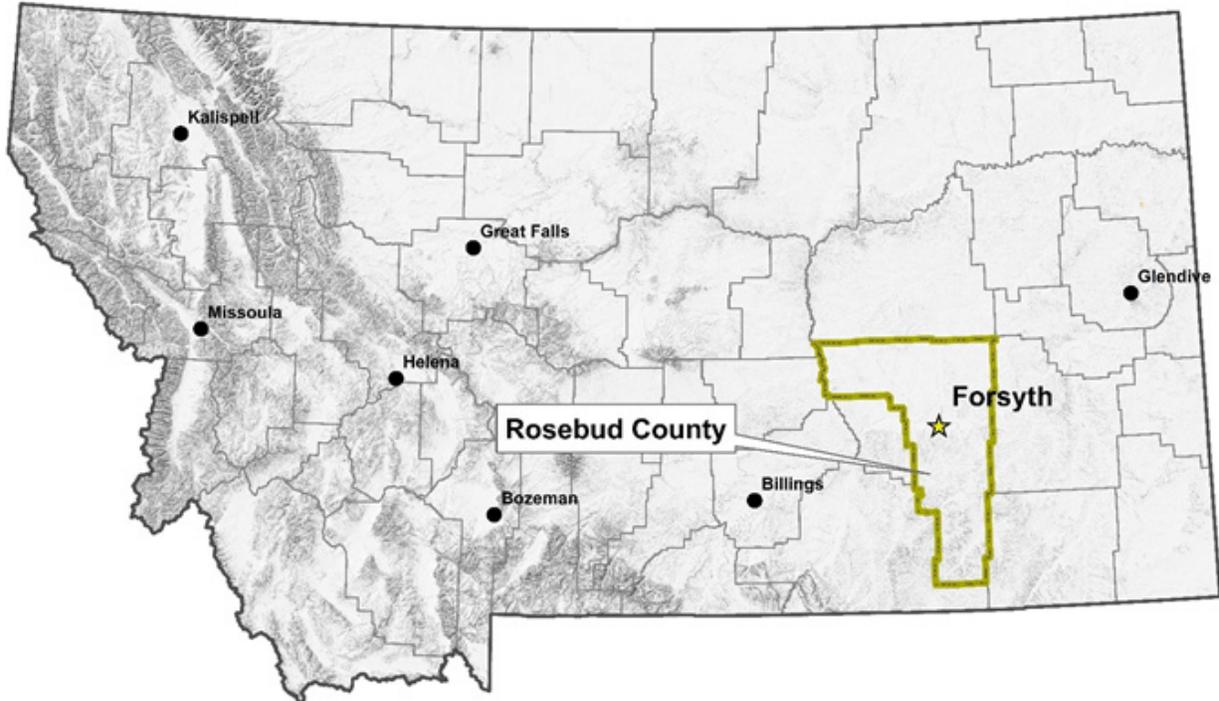
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EXECUTIVE SUMMARY

Map 1 - Location of Rosebud County



The residents of Rosebud County face a challenging future. The main issue is the economic and social uncertainty surrounding the electrical generation plants and associated coal mining at Colstrip. The plants and mining provide hundreds of well-paying jobs and significant tax revenues for the County and its communities. In addition, the jobs and tax revenues have a trickle-down effect that help create other supporting jobs and to provide for high quality public services. Losing these funding sources will dramatically impact the economy of the County and its ability to provide services. The potential changes at Colstrip will also have social and cultural impacts. There are questions such as how many working age people would move away? What will happen to housing affordability and availability? Can healthcare and educational facilities remain open? These and many other questions are unanswered as of yet.

Despite the unknowns at Colstrip, the County has many economic, social and cultural strengths. It has an incredible transportation system with the railroad, Interstate 94 and a well-integrated state highway system. The agricultural economy remains strong and has the potential to continue its growth with value-added operations such as meatpacking or an elevator facility and an increase in the planting of crops such as beans and lentils (PULSE) crops.

The potential exists for a large wind tower facility in the northeast corner of the County to generate electricity. The County has oil reserves, particularly in the northwest that have the potential for higher production depending upon economic factors and technology.

EXECUTIVE SUMMARY

All of this being said, the County's greatest strength is its people. Its residents are a diverse group with skills ranging from healthcare and education, to agriculture and transport to mining and utilities. Thus, the County has a workforce that can help it weather the economic uncertainties that exist.

This document contains nine sections that provide the rationale for understanding and achieving the goals listed in this document. These sections include:

- **Goals and Objectives:** Taking advantage of opportunities and overcoming challenges does not happen by chance. County residents must be willing to set practical and achievable goals to make things happen.
- **Project Priorities:** The critical tasks that the County can complete to achieve its highest goals.
- **Introduction:** A description of the County, its location, features and history.
- **Population:** A brief description of the County's population and demographics.
- **Economy:** A description of the County's current economic situation and a vision for addressing issues and capitalizing on economic opportunities and challenges.
- **Local Services and Public Facilities:** A description of the infrastructure and services available in the County including those that the County operates and maintains.
- **Housing:** A description of the current housing stock in the County.
- **Land Use:** A description of land use in the County, including the impacts of flooding and wildland fires and the County's administration of its subdivision regulations.
- **Resident Outreach:** This section describes the process used to gather advice and guidance from County residents on the issues of importance to them.
- **Action Plan:** A description of the actual steps the County may take to achieve the Goals and Objectives in this document.

GOALS & OBJECTIVES

The following are the goals and objectives that the County would like to achieve to address the opportunities and challenges identified in the Growth Policy. The specific actions that the County will take to achieve these goals and objectives are found in the Action Plan section of this document.

Economy

The County’s residents need opportunities to prosper. Therefore, the County will work to strengthen and diversify its economy, despite the future challenges it faces.

Goals	Objectives
<p>Work to ensure the sustainable future of the County’s current coal related industries such as mining, electrical power generation and in the future perhaps clean coal technologies and carbon sequestration.</p>	<ul style="list-style-type: none"> ▪ Ensure the long-term viability of Electrical Generation Units #3 and #4 at Colstrip. ▪ Continue to lobby the legislature and the state’s Congressional delegation to support the long-term use of coal as an energy source. ▪ Continue to support the development of wind and solar and other proposed renewable/value-added energy commercialization opportunities for electrical generation facilities that take advantage of the transmission lines at Colstrip to deliver electricity to states that have revised their Renewable Portfolio Standards that require a percentage of electricity comes from renewable sources.
<p>Maintain the viability of other County employers such as BNSF, Westmoreland Rosebud Mining, Colstrip Electric Inc., Range Telephone, Prince Construction etc.</p>	<ul style="list-style-type: none"> ▪ As applicable, sponsor or assist with the development of applications for funding from the United States Department of Commerce Economic Development Administration (EDA) or the Montana Department of Commerce Community Development Block Grant Economic Development (CDBG-ED) Program for infrastructure needed to support business expansion. ▪ As applicable, sponsor or assist with the development of applications for funding from programs such as USDA Rural Development’s Rural Business Development Grant (RBDG) Program or Montana’s Big Sky Trust Fund (BSTF) Program to finance equipment purchases or workforce training assistance.
<p>Support the development of value-added agricultural operations and other processing facilities.</p>	<ul style="list-style-type: none"> ▪ Help facilitate the establishment of a meat-packing facility. ▪ Create a storage and shipping point for crops grown in the County. ▪ Support applications for funding from programs such as Montana’s Growth Through Agriculture (GTA) or USDA Rural Development’s Value-Added Producer Grants (VAPG) to help producers create new products, create and expand marketing opportunities and increase producer income.
<p>Encourage the development of expanded or new energy and industrial projects.</p>	<ul style="list-style-type: none"> ▪ Promote Forsyth as the hub of construction for any alternative energy or oil production projects. ▪ Examine the potential to leverage Colstrip’s industrial capabilities into new industries or energy production. ▪ Consider tax incentives as appropriate.
<p>Work with partners such as Colstrip, Forsyth, Northern Cheyenne and Crow tribes and Southeastern Montana Development Corporation to attract new businesses and industry to the region.</p>	<ul style="list-style-type: none"> ▪ Create a marketing coordinator position to assist the County, Colstrip and Forsyth with attracting new businesses. ▪ Provide the most modern telecommunications infrastructure possible, including Broadband internet service. ▪ Provide a highly skilled and trained workforce. ▪ Ensure a predictable local regulatory process. ▪ Work with Southeastern Montana Development Corporation in the development of an online Site Suitability database that utilizes ArcGIS Community Analyst software to help companies identify locations for commercial and industrial development.

GOALS & OBJECTIVES

Economy (continued)

Goals	Objectives
Utilize all available resources to address the economic and social impacts that the closure of Power Generating Units #1 and #2 in Colstrip could cause.	<ul style="list-style-type: none"> ▪ Leverage any impact funds provided as part of the settlement for the plant closures with other funding resources including private, local, state and federal sources. ▪ Create a long-term funding source to pay for upfront planning such as a pro forma, architectural and site and engineering assessments to aid business and industrial expansion or creation.
Future reclamation projects at Colstrip must benefit the County and its residents economically and environmentally.	<ul style="list-style-type: none"> ▪ Ensure that residents of the County and communities such as Colstrip and Forsyth play a significant economic and decision-making role in any reclamation projects.
Improve telecommunications availability and affordability.	<ul style="list-style-type: none"> ▪ Improve the speed and lower the cost of Broadband services.

Infrastructure

Well maintained infrastructure will ensure the health and safety of County residents and help promote the economic growth. Infrastructure ranges from roads and bridges to buildings and equipment such as the graders, trucks and patrol cars.

Goals	Objectives
Provide County residents with safe and cost-effective infrastructure i.e. bridges, roads and buildings.	<ul style="list-style-type: none"> ▪ Prioritize revenue expenditures on the most critical County facilities. ▪ Utilize other funding sources to maintain and upgrade County infrastructure. ▪ Ensure emergency services in the County have adequate facilities and equipment. ▪ Ensure the County’s unincorporated communities have adequate facilities including water-sewer, schools and community/youth centers. ▪ Assist unincorporated communities with the creation of water and sewer districts eligible for state and federal funding to plan for and repair or construct water and wastewater infrastructure.

GOALS & OBJECTIVES

Local Services

Quality of life for County residents depends upon many things, particularly the provision of services such as law enforcement, senior services, fire protection, healthcare, education, emergency services and solid waste disposal.

Goals	Objectives
Ensure the County can provide cost-effective and efficient services to County residents.	<ul style="list-style-type: none"> ▪ Analyze the financial impacts that the closure of the generating plants at Colstrip would have upon tax revenues. ▪ Identify the critical services to be funded if a decline in tax revenues does occur. ▪ Identify staffing thresholds the County can maintain depending upon estimated future tax revenues. ▪ Understand the statutory and financial duties the County would be responsible for if municipal disincorporation occurred in Colstrip.
Ensure critical services such as medical facilities, emergency services and schools maintain and/or recruit talented and qualified staff.	<ul style="list-style-type: none"> ▪ Encourage health care facilities to work with recruitment and retention specialists from 3RNet in Montana to fill positions with the qualified candidates (https://www.3rnet.org/).
Provide seniors and special needs residents with services to allow them to live independently and continue to contribute to their communities.	<ul style="list-style-type: none"> ▪ Provide reliable transportation services. ▪ Sponsor applications for grant funding for the construction and renovation of senior citizen centers, assisted living facilities, or nursing homes.
Ensure the long-term viability of Colstrip’s water system.	<ul style="list-style-type: none"> ▪ Understand the status of the City’s water rights and if necessary, obtain additional rights. ▪ Understand the condition of the water system including the pumps and transmission lines. ▪ Help the City obtain ownership of the existing transmission easements or obtain new easements.

GOALS & OBJECTIVES

Housing

Safe and adequately maintained housing is essential for the well-being of each County resident. The County will need to identify ways to provide such housing for all residents.

Goals	Objectives
Understand the impact the closure of the generating plants at Colstrip will have upon the County's housing market.	<ul style="list-style-type: none">▪ Gather case study information from other regions of the country.▪ Undertake a housing assessment and study to better understand the County's housing situation and future needs.
Promote additional rental or temporary housing options.	<ul style="list-style-type: none">▪ Examine the potential to create additional recreational vehicle spaces or facilities.▪ Examine the potential to convert existing buildings such as hotels or motels into rental housing.
Ensure new industrial developments such as alternative energy or oil production projects, provide temporary workforce housing for the construction crews.	<ul style="list-style-type: none">▪ Minimize the temporary inflation of housing prices.▪ Concentrate the impacts of temporary housing.▪ Ensure sanitation issues are properly addressed.

GOALS & OBJECTIVES

Land Use

To be successful, the County will need to work to attract new residents and businesses. Nonetheless, new development should take place in areas with limited natural hazards such as floodplain or wildfire.

Goals	Objectives
Ensure new residential and commercial development occur in areas of minimal hazard.	<ul style="list-style-type: none"> ▪ New subdivisions will not be approved within flood prone areas. ▪ The development of new homes and businesses on existing tracts of record shall comply with the requirements of the County Floodplain Regulations. ▪ New subdivisions will be discouraged in areas of high to severe wildfire hazard unless mitigation steps are taken to reduce the risks.
Reduce the risk of wildfire in the County’s forested areas.	<ul style="list-style-type: none"> ▪ Support the commercial harvest of timber on public and private lands. ▪ Encourage the USFS and BLM to undertake controlled burns on lands managed by each agency.
Encourage the development of projects such as oil extraction, alternative energy (wind, solar) and other energy projects, if negative impacts to local services and housing are mitigated.	<ul style="list-style-type: none"> ▪ Use tax incentives such as tax abatements when appropriate to encourage the development of energy and industrial projects. ▪ New industrial projects will need to mitigate the impacts directly attributable to their construction including impacts to roads and housing for construction personnel.
Ensure that new residential, commercial and industrial projects requiring review under County regulations are provided with a predictable and fair review process.	<ul style="list-style-type: none"> ▪ Ensure all applicable County regulations i.e. subdivision, sanitation, floodplain, workforce housing are up to date and accessible on the County’s website.

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INTRODUCTION

Location

Rosebud County is in southeastern Montana. In 2016, the County had an estimated population of 9,287 people. There are two municipalities in the County, the City of Forsyth and the City of Colstrip. Forsyth serves as the County seat.

Geography

The topography of the County is primarily bench-lands, river and stream valleys, and coulees. Elevations in the County vary from 2,410 where the Yellowstone River leaves the County to 4810 feet in the forested hills of the southern end. The Yellowstone River is the largest major waterway located in the County and has tributaries including the Tongue River and Rosebud Creek that cross the County. These waterways provide drinking water, irrigation water for crops and water for industry.

Climate

The climate of the County is considered “Continental,” with cold and dry winters, cool and damp springs and falls and hot and dry summers. The average daily high and low temperatures for the City of Forsyth from 1975 to 2016 are displayed in the table shown here.

Like most of Montana, Rosebud County’s climate can be one of extremes, but is generally mild and dry. Average annual precipitation in the County is approximately 14.4 inches, with most of the precipitation falling between April 1st - October 30th. May and June are generally the wettest months.

(1975-2016)	Average Daily Temperatures
January	High: 33.2 degrees F
	Low: 8.7 degrees F
July	High: 89 degrees F
	Low: 57.4 degrees F

Western Regional Climate Center, 2019

Landownership

Rosebud County encompasses 3,216,229-acres of land. Of that, 2,456,393-acres are privately owned, 514,174-acres are publicly owned, and 245,662-acres are owned by the Northern Cheyenne Tribe. Ownership of public lands is held by three main entities, the United States Forest Service, the Bureau of Land Management and the State of Montana.

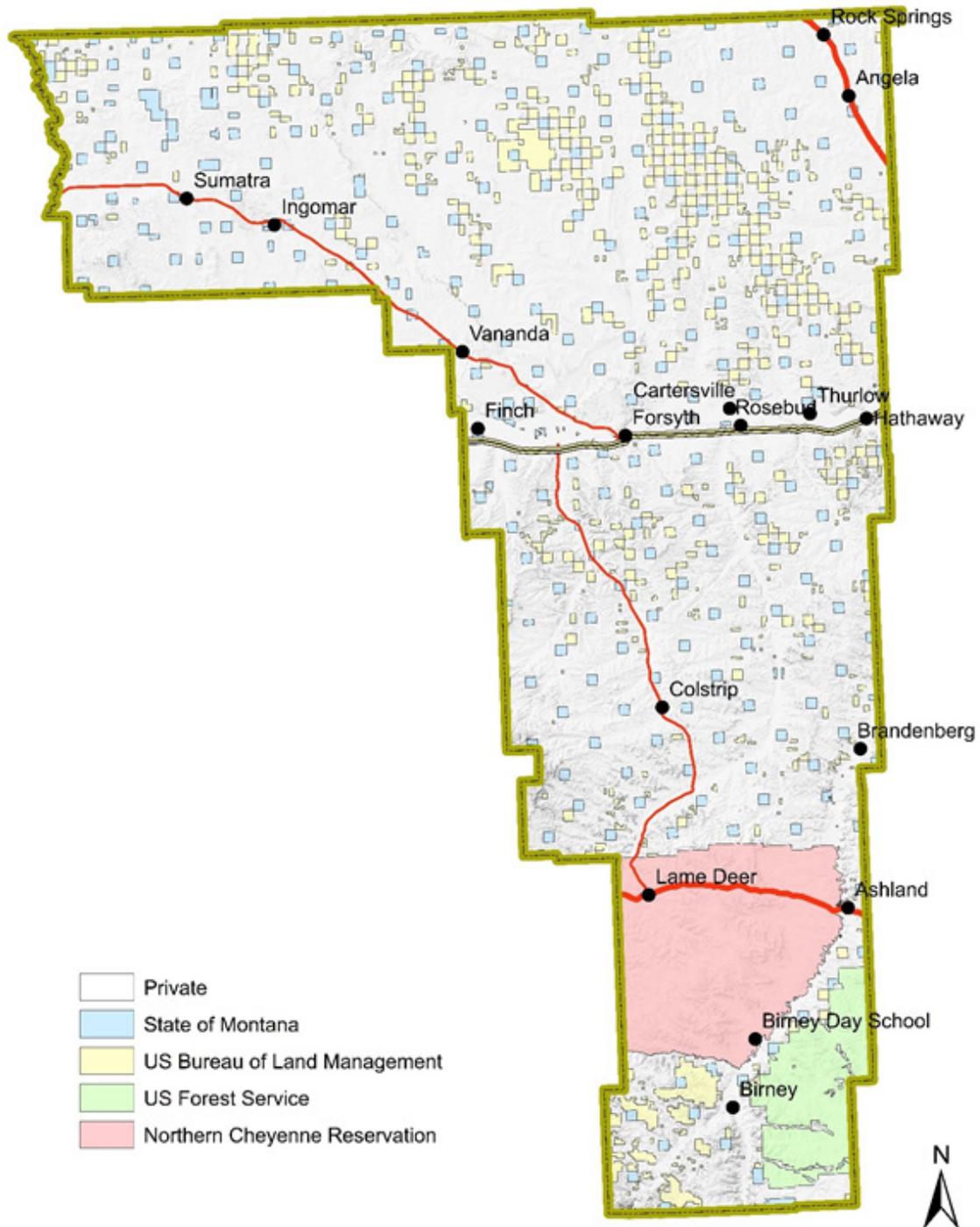
Land Ownership in the County (Acres)		
Private Ownership	2,456,393	76.4%
Federal Lands	325,518	10.1%
Tribal Lands	245,662	7.6%
State of Montana	188,656	5.9%

U.S. Geological Survey, Gap Analysis Program. 2016.
Protected Areas Database of the United States (PADUS) version 1.3

INTRODUCTION

The large amount of public land in the County has significant impacts, particularly from an economic and land management standpoint. Public lands do not directly contribute to the property tax revenues of the County as do privately owned lands. In addition, public lands are managed under rules and regulations created in either Helena, Montana or Washington, D.C.

Map 2 - Public Lands in Rosebud County



INTRODUCTION

The state legislature and United States Congress do not necessarily have the same priorities for land management as County residents.

Vegetation

The predominant vegetation type in the County is grassland which covers approximately 2,862,444 acres or 89.0 percent of the County's total land area. Mixed cropland comprises 64,325 acres of land, including irrigated and dryland crops and forest comprises 27,183 acres and shrub land (sagebrush-grasses) cover 192,974 acres.

Communities

The cities of Forsyth and Colstrip are the only incorporated municipalities in the County. In 2016, Forsyth and Colstrip had respective populations of approximately 1,837 and 2,288 people. Forsyth is the County seat and updated its Growth Policy in 2016. Colstrip is currently in the process of doing the same. Unincorporated communities in the County include, Ashland, Ingomar, Lame Deer and Rosebud. Lame Deer is the administrative headquarters for the Northern Cheyenne Reservation.

History

The area of what is today Rosebud County was originally part of the Montana Territory. In 1865 present day Rosebud County was part of Big Horn County. Rosebud County was created in 1901 and in 1919, Treasure County was formed from a portion of Rosebud County. Today Rosebud County ranks fourth in size of counties in the State of Montana.

The Northern Cheyenne Indian Reservation was established by Executive Order In 1884 and achieved its present size in 1900. Approximately fifty five percent (55%) of the reservation area is in Rosebud County, with the remainder in Big Horn County.

The City of Forsyth was named after General James William Forsyth, an 1856 graduate of West Point who participated in various military campaigns during the Civil War and who later commanded detachments of infantry and cavalry units throughout the western United States, including eastern Montana. The City of Forsyth became a division point for the Northern Pacific Railroad in 1882. The unincorporated community of Rosebud along the Yellowstone River is the location where General George Armstrong Custer turned south on his march to the Little Big Horn.

Throughout its history, agriculture has always been a major industry in the County. Farmers and ranchers have successfully weathered grasshoppers, Mormon crickets, beetles, hailstorms, hard winters and the extended drought of the 1930s. The 1920's saw the development of coal mines at Colstrip to fuel the steam locomotives on the nearby railroads. Diesel locomotive engines eventually replaced steam and coal mining activity subsided for a time. It surged again in the 1970's, to fuel the four-coal fired electrical generating plants built in Colstrip. Today the pending closure of electrical generating units 1 and 2 at Colstrip will significantly impact the economic and social fabric of the County and the region.

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POPULATION

Since 1970, the County has experienced a dramatic increase in population. In fact, the County saw a 54 percent rise in population over that time span. In 1970 the County's population was 6,044 people, by 2000 it had increased to 9,399 people. In 2016, there had been a slight decline to 9,287 persons. The increase in population was due largely to the development of the electrical power generation facilities at Colstrip and the coal mining that supports them. With the announcement that electrical generating units #1 and #2 will close at the end of 2019, changes to the County's population remain uncertain.

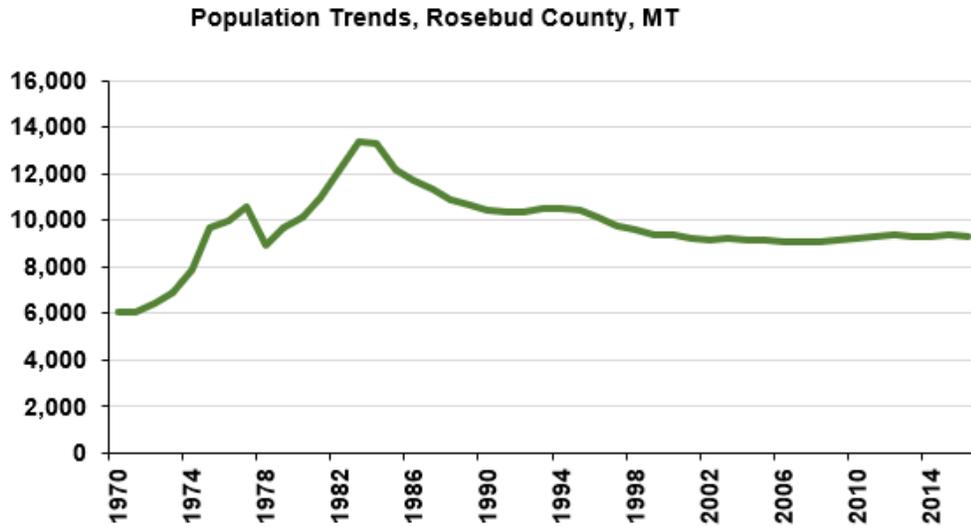


Figure 1 - Population Trends, Rosebud County (1970-2016)
(Census Bureau, 2016 Washington, D.C.)

In 2016, the County found itself in a unique situation in which the median age of its residents decreased. This is contrasted by the fact that in most other counties in the region the median age of people is increasing. In 2010, the median age for County residents was estimated at 37.3 years of age and by 2016 it had decreased to 36.3. Despite the lowering of its median age, the County has seen a decrease in the number of people in the age group 35 to 44 years of age and an increase in the number of people in the age group 65 years of age and over. This is a trend found in most other eastern Montana counties.

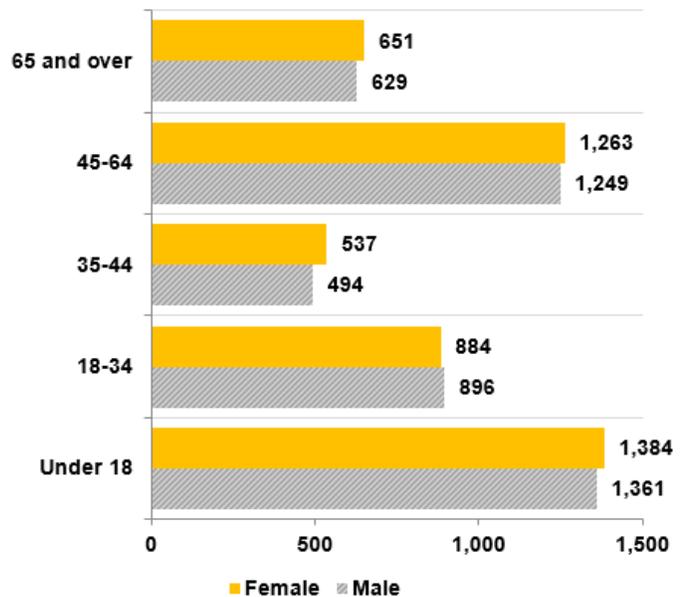


Figure 2 – Population Age Breakout by Gender for Rosebud County, 2016

Census Bureau, American Community Survey, 2016 Washington, D.C., as reported in Headwaters Economics' Economic Profile System (headwaterseconomics.org/eps)

A decrease in the number of middle-aged people and an increase in the senior population needs to be watched closely. Significant changes in these demographics may affect

POPULATION

the ability of the County to provide services such as healthcare to seniors and to ensure a stable and experienced workforce for the County's businesses and industries. Again, the impacts of the announced closure of the electrical generation units in Colstrip remains an unknown.

ECONOMY

In 2016, the economy of Rosebud County was relatively diversified. Major employers included farming/ranching, mining, electrical utilities, retail trade, education and government employment. This situation could dramatically change with the announced closure of electrical power generation plants 1 and 2 close at Colstrip. Such a closure may reduce employment at the power generation facility and have a similar effect at the coal mines that supply fuel for the power plants.

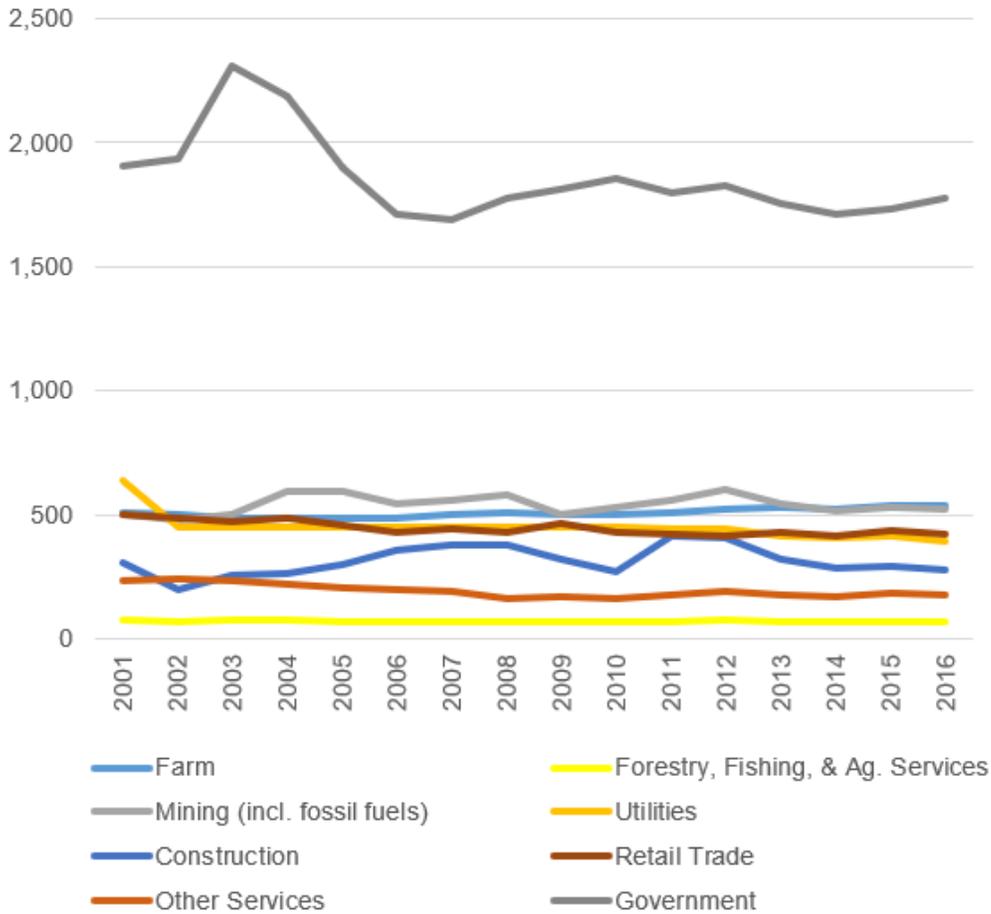


Figure 3 - Top Employment Sectors in Rosebud County 2001-2016
 U.S. Department of Labor. 2016. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Washington, D.C., as reported in Headwaters Economics' Economic Profile System (headwaterseconomics.org/eps).

In 2016 the three industry sectors with the largest earnings in Rosebud County were government (\$95.3 million), utilities (\$51.0 million), and transportation and warehousing (\$10.0 million). It is important to note that a large percentage of the people employed at the electrical power generation plants in Colstrip are classified as working in the construction industry and are not categorized under utilities.

Labor and Non-Labor Income

From 1970 to 2016, labor earnings in Rosebud County grew from \$83.8 million to \$206.6 million (in real terms), a 147% increase. This increase is most likely attributable to the development of the Colstrip Power Generating Station and the accompanying coal mining. During the same time, non-labor income in the

County grew from \$34.8 million to \$140.7 million (in real terms), a 304% increase. Non-labor sources of income include dividends, interest, and rent and transfer payments such as Social Security, and Medicare.

Per Capita Income

From 1970 to 2016, per capita income in the County increased from \$19,620 to \$37,395. Between 2000 and 2016, increased from \$31,087 to 37,395, a 20.3 percent increase. The per capita income for the entire State of Montana was \$28,933 in 2016. Per capita income is a measure of income per person. It is total personal income (from labor and non-labor sources) divided by total population. Per capita income is considered one of the most important measures of economic well-being for communities.

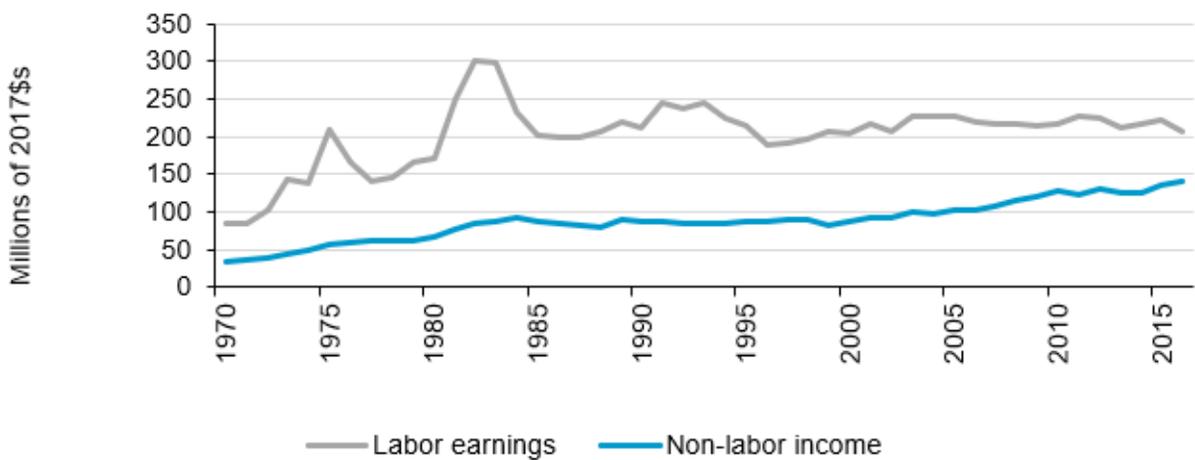


Figure 4 - Components of Personal Income, Rosebud County 1970-2016

U.S. Department of Labor. 2016. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Washington, D.C., as reported in Headwaters Economics' Economic Profile System (headwaterseconomics.org/eps).

Total personal income is a measure of the total annual gross earnings of an individual from all income sources, such as: salaries and wages, investment interest and dividends, employer contributions to pension plans, and rental properties.

Coal Mining

There is one coal mine in the County, the Rosebud Mine owned by Westmoreland Rosebud Mining LLC. It is a surface mine that extracts sub-bituminous coal. The mines' production is used primarily to power the steam turbines at electrical generation units of the Colstrip Power Station. This is an advantageous situation to both operations as the mine is adjacent to the generating units and the units were specifically designed to burn coal from the mine. In 2017, the mine employed 407 full-time employees.

Major Utilities

There are two electrical power generation facilities in Rosebud County: the Colstrip Generating Station Colstrip and Rosebud Power Plant Colstrip Energy Limited Partnership.

The Colstrip Station is located adjacent to the City of Colstrip. The station has a combined peak output of 2,094 megawatts and has been identified as the second-largest coal-fired electrical generating station west of the Mississippi River. The station is made up of four separate coal-fired generating Units 1, 2, 3, and 4. The units are under the ownership of multiple private corporations, with Talen Energy and Puget Sound Energy having the largest percentage of ownership. Units 1 and 2 each have 307 megawatts of net generating capacity and Units 3 and 4 each have 740 megawatts of net generating capacity. In 2017, the station had 360 full-time employees. Fuel for the station is provided by the Western Energy Company, Rosebud Mine. Talen Energy announced in June of 2019 that Units 1 and 2 would close by the end of 2019.

The Rosebud Power Plant Colstrip Energy Limited Partnership is a 38-megawatt waste coal-fired power project located north of the City of Colstrip. Currently, energy produced at the station is sold to Northwestern Energy. Fuel for the plant is primarily waste coal from the nearby Rosebud Mine. In 2017, the station employed 30 full-time employees.

Agriculture

Agriculture has always been one of the economic anchors for Rosebud County. In 2016, 356 persons were engaged in agricultural operations. Cash receipts from agricultural operations in that same year were over \$72 million, with \$57.3 million from livestock and almost \$7.1 million from crops (adjusted for inflation), with the remaining balance from other income sources.

Seventy-six percent (76%) of farm and ranch jobs and their associated income belong to owner-operators, not paid laborers. This is a situation that has remained steady for almost 50 years from 1970 and 2016. Farm and ranch income have declined over that period, dropping from \$22.1 million (adjusted for inflation) in 1970 to \$6.9 million (adjusted for inflation) in 2016.

Cash receipts from the sale of crops in the County increased over the four plus decades, from \$15.5 million in 1970 to \$22.4 million in 2016 (adjusted for inflation). With regard to livestock, cash receipts decreased from \$67.3 million (adjusted for inflation) in 1970 to \$58.5 million (adjusted for inflation) in 2016. In 2015, it was estimated that 90,000 head of cattle and calves were raised in the County, which ranked it 5th in cattle production in the state.

There is an expressed need for a grain storage facility in Rosebud

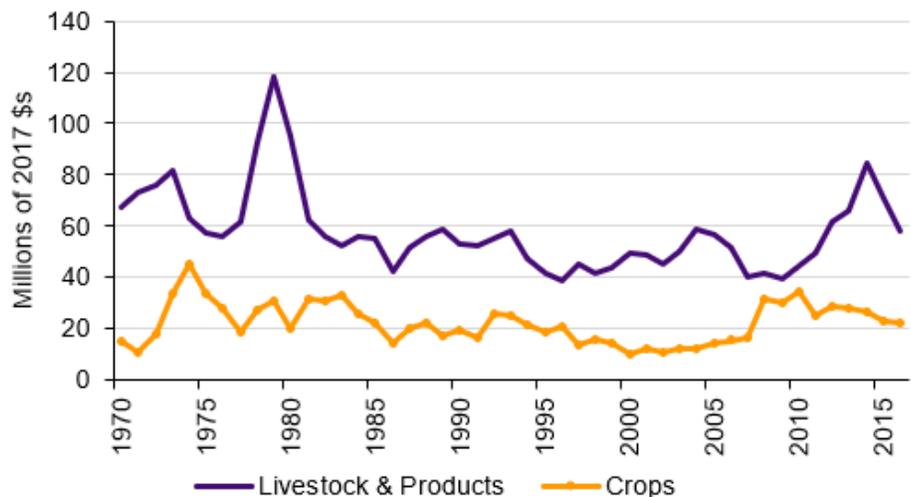


Figure 5 - Cash Receipts from Agriculture in Rosebud County 1970-2016
U.S. Department of Labor. 2017. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Washington, D.C., as reported in Headwaters Economics' Economic Profile System (headwaterseconomics.org/eps).

County. The nearest facility is in Miles City and it is not adequate for the demand. Developing an elevator facility along the Burlington Northern Santa Fe Railroad in the County could improve the production and efficiency of grain growers in the area.

Other opportunities to expand agriculture in the County exist. With an excellent transportation system and significant numbers of cattle being raised in the region, the potential for the development of

a meat-packing plant is possible. In addition, the growing of PULSE crops (dried beans, chickpeas, lentils and peas) continues to increase in Montana and the County may be able to expand its share of the market.

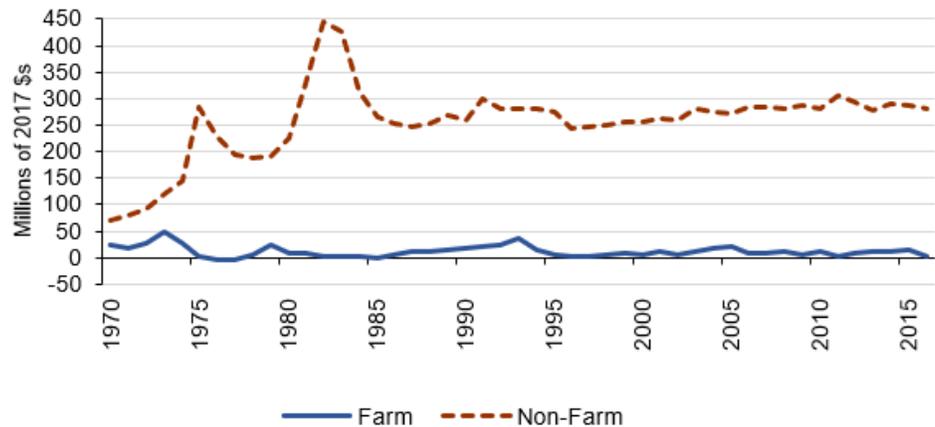


Figure 6 - Farm and Non-Farm Earnings in Rosebud County 1970-2016

U.S. Department of Labor. 2017. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Washington, D.C., as reported in Headwaters Economics' Economic Profile System (headwaterseconomics.org/eps).

Petroleum Production

Northwestern Rosebud County contains petroleum resources that have been developed and produce a modest amount of oil. Production in the area has steadily declined over the last 5 plus years. For example, according to the Montana Board of Oil and Gas Conservation, production in the County was 329,160 barrels in 2012. In 2018, the amount was 152,525. This reduction was likely due to the decrease in the value of petroleum products such as gasoline. Exploration in the area continues and if petroleum prices increase in the future as they are likely to do, production may increase. In addition, the development of new technologies will make extracting oil from this part of the County more cost effective.

Three new wells have been brought into production in the northwestern part of the County. In addition, a petroleum pipeline exists in this part of the County, but it is not being used due to its age and the need for upgrade and repairs. Nonetheless, the right of way for the line exists and this may serve as a good transportation method if production continues to increase.

Wind Energy

Orion Renewable Energy Group LLC is considering the development of electrical generation project on the Clearwater Wind Farm located in Rosebud, Garfield and Custer Counties. The proposed project will be located in northeastern Rosebud County and northwestern Custer County near Angela. The project is proposed to be up to 750 megawatts (MW) and will interconnect into the electric grid at an existing substation north of Colstrip, via a new 345 kilovolt electric transmission line approximately 70 to 95 miles in length that will need to be constructed. It is estimated that 500 jobs would be created during construction, and then perhaps 25 to 35 jobs to manage the wind farm. The County is also encouraging Orion to use Forsyth as the staging area for offloading and transportation of the wind farm infrastructure such as blades and towers.

Orion is also requesting a tax abatement to temporarily reduce their property tax payments. During the summer of 2019, the County Commission was considering this request.

Transportation

The Burlington Northern and Santa Fe Railroad (BNSF) is a major employer in the County. Railroad jobs in the County have fluctuated significantly depending upon the economic factors. For example, in 2015, BNSF transferred 45 jobs from Forsyth to Laurel, Montana.

BNSF is also storing a significant number of railcars along its spur line that extends south from the Yellowstone River toward Colstrip.

Broadband

Many portions of the County, such as Forsyth and Colstrip have access to Broadband internet service. There is some concern with the speed and cost of the service available in the County. Faster and cost-effective Broadband speeds will be essential to attracting new commercial enterprises, so any steps that can be taken to address this issue will be important.

Tax Incentives

The County may consider using a Tax Abatement Program to attract new business as well as grow existing businesses within the County. In 1988, the Montana Legislature statutorily provided local governments with the authority to implement tax abatement programs. Abatement programs are meant to allow businesses to increase their bottom line, which in turn should incentivize further growth in the economy of the County through more jobs, increased services, and thus improving the overall economic health of the County. For example, the developers of the Clearwater Wind Farm project are requesting a tax abatement from the County Commission in order to improve the economic viability of their project.

Reclamation Economy and Job Training

A by-product of using coal to generate electricity at Colstrip is coal ash waste. The coal ash is stored in large impoundments called ash ponds. The coal ash pond complex at Colstrip is estimated at over 800-acres. As the generating plants close or are decommissioned, reclamation of the sites will be necessary. Depending upon the proposed method of reclamation, anywhere from 150 to 400 direct and indirect jobs will be needed to complete the reclamation. Many of these jobs could be taken over by some of the current workforce at the generating plants and coal mine at Colstrip. Such work would require some level of job training, but the workforce at the plants and mine are already highly skilled and employees there should be able to transition to reclamation jobs if they choose to.

An internship/job training program currently exists at the Forsyth High School. Nonetheless there appears to be additional need for this type of program. Places such as Forsyth are struggling to find enough people working in trades such as plumbing, electrical and construction. Thus, additional on the job training and internship opportunities for high school students and young adults is something that the County and its partners should consider creating.

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LOCAL SERVICES & PUBLIC FACILITIES

Revenues and Expenditures

Providing services and maintaining infrastructure in an efficient and economic manner is the primary function of Rosebud County. Services provided by the County include but are not limited to law enforcement, emergency and senior services and weed control. Infrastructure that the County is responsible for maintaining includes buildings, roads and bridges and equipment such as road graders and patrol cars for the Sheriff's Department. Providing these services, infrastructure and equipment requires the County collect enough revenues to cover their costs.

Based upon data from the Local Government Services Bureau of the State of Montana, in 2017 the County generated a total of \$15,137,440 in governmental revenues. The three largest sources of revenue in that year were from State and Federal intergovernmental payments (\$7,508,104); taxes and assessments (\$6,352,070) and charges for services (\$908,688).

The County's main expenditures were for public safety (law enforcement), public works (roads and bridges), general government (Commissioners, County Attorney, Clerk etc.), capital projects and public health (nursing etc.).

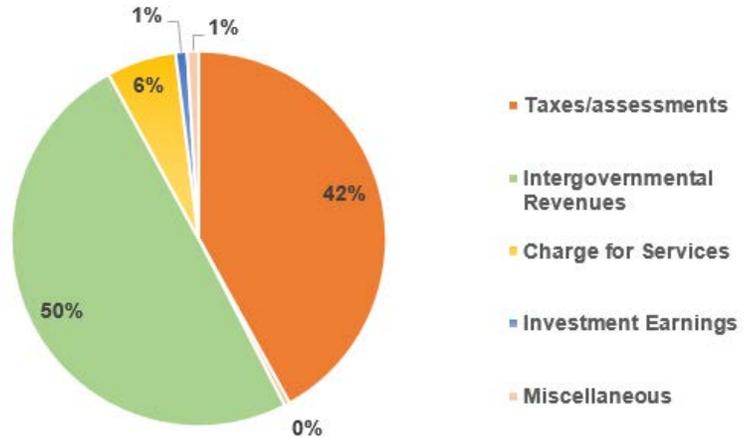


Figure 7 - Rosebud County Governmental Revenues in 2017
Financial Statements-Rosebud County, Montana Department of Administration, Local Government Services Bureau 2018.

Economic Impact of the Colstrip Closures

The economic impact that the closure of electrical power generation units 1 and 2 at Colstrip will have upon the County cannot be overstated. The loss of mineral royalties, property tax revenues coupled with potential job losses at the power plants and the mine will likely cause significant economic and social hardship for the County and its residents.

Here is a brief snapshot of some of the estimated economic impacts that the closures could have upon just the tax revenues of Rosebud County alone:

- According to the Montana Department of Labor and Industry:
 - Coal gross proceeds is a 5 percent annual flat tax on gross proceeds of coal mines distributed to the state and local governments. "In FY2016, Rosebud County received \$3.286 million from coal gross proceeds taxes, which was distributed across different taxing jurisdictions. If we assume

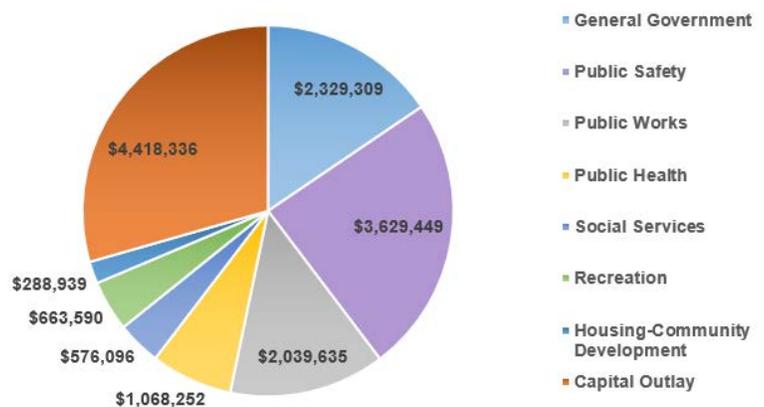


Figure 8 - Rosebud County Governmental Expenditures in 2017
Financial Statements-Rosebud County, Montana Department of Administration, Local Government Services Bureau 2018.

LOCAL SERVICES & PUBLIC FACILITIES

that the value of coal mined at the Rosebud mine decreases by 27% due to the Units 1 & 2 closure, that would have resulted in a loss of \$887,300 in FY2016.”

- “In TY2017, Rosebud County had \$94.7 million in taxable value for property taxes, according to the Montana Department of Revenue. **The total taxable value for the Colstrip plant, including all property within Rosebud County that is owned by the Colstrip owners, was \$75.9 million in tax year (TY) 2017, or about 80% of the taxable value in the county. According to the same source, Units 1 & 2 comprise \$22,307,814 of that taxable value, or roughly 24% of the total taxable value in the county.** The attached memo from Rose Bender at the Montana Department of Revenue elaborates on **the impact of the Units 1&2 closure, indicating that the estimated loss of property tax is roughly \$6.58 million using TY2017 values.**”

Strategy for Infrastructure

Rosebud County does not currently have a capital improvements plan (CIP) that prioritizes the operation and maintenance of its infrastructure and equipment. A CIP would prioritize capital improvements and equipment and provide a schedule for completing projects or purchasing equipment, and list options for funding the construction or acquisition. While capital improvements are typically defined as infrastructure projects or equipment purchases, CIPs should also consider the operation and maintenance of infrastructure and equipment.

If the County pursues a CIP in the future, it should include some of the following information:

- An ongoing inventory of existing infrastructure.
- An evaluation of needs based on state and federal requirements and infrastructure deficiencies.
- Opportunity for residents to provide input on priorities.
- A process for analyzing and prioritizing projects.
- Identification potential project funding sources.

Infrastructure owned and maintained by the County includes:

- Airport
- Cemeteries (Colstrip and Forsyth)
- Roads
- Bridges
- County Fairgrounds and associated facilities
- Buildings including the airport, courthouse, law enforcement center, library and those housing the road and weed departments and

Until such a plan is created, this section of the Growth Policy serves as the County’s strategy for the maintenance and replacement of its infrastructure. In conjunction with the Southeast Montana Development Corporation (SEMDC), the County also maintains a list of priority infrastructure projects.

LOCAL SERVICES & PUBLIC FACILITIES

2018 County Infrastructure Priorities, Southeast Montana Development Corporation

Project	Estimated Cost
Ashland K-6 School Repairs	\$1,013,000
Emergency Medical Services Building Preliminary Architectural Report	\$25,000
Five Building Roof Replacements	\$250,000
Castle Rock Road Engineering and Paving	\$ 3,500,000
Wildfire-Coal Seam Fire Fighting Equipment	\$ 250,000
Ashland Fire Department and Community Center Upgrades	\$2,200,000

Airports

There are two airfields owned and managed by the County: Tillet Airport in Forsyth and Rick’s Airport in Colstrip. Tillet Field is located approximately 3 miles east of Forsyth. Its runways are hard surfaced with the longest runway being 4800 feet long by 75 feet wide. The runways are lighted and fuel and aircraft storage are available. The airport is managed by a five-member board appointed by the County Commissioners.



Tillitt Field Sign

Rick’s Field is located 3 miles southwest of Colstrip. The runway is hard surfaced and aircraft storage is available.

Rural Fire Departments

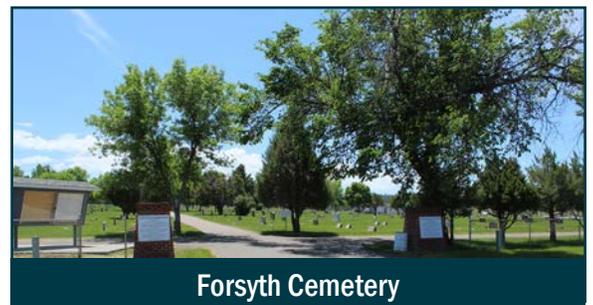
There are three rural fire departments in the County: the Ashland Fire District, the West Rosebud Fire District and the County Rural Fire Department. These departments are manned by volunteers. The West Rosebud Fire District encompasses the area around Sumatra and Ingomar. The District contracts with the Town of Melstone Fire Department for fire protection. The County Rural Fire Department has nine (9) firefighting vehicles stationed north of Interstate 94, ten (10) located south of the Interstate, and nineteen (19) in Forsyth. The vehicles located outside of Forsyth are strategically placed with farmers and ranchers to expedite quick response to wildland and structural fires.



Ashland Volunteer Fire Department

Cemetery

Rosebud County owns and operates two cemeteries. One is located in Colstrip and the other is in Forsyth. In Forsyth, the



Forsyth Cemetery

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County pumps water from the Yellowstone to irrigate the cemetery grounds. A sign listing all burial sites at the cemetery has been erected.

Emergency Medical Services

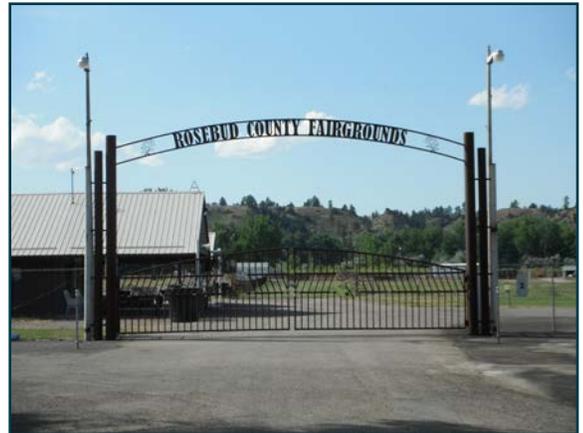
Rosebud County Ambulance provides emergency medical services, with a focus on Colstrip, Forsyth and the Ashland areas. The Ambulance service is staffed by 24 EMTs and Paramedics who are paid volunteers. They provide 24-hour coverage for most of the County using rotating call shifts. The ambulance service has five (5) ambulances and one quick response supervisor vehicle. The Angela area is covered by the Miles City Ambulance Service and the Melstone Quick Response Unit helps provide aid in the northwestern part of the County.



Fairgrounds

The Rosebud County Fairgrounds is home to the annual Rosebud-Treasure County Fair. The Rosebud County Fair began in 1906 and except for two years, it has continued every year since. In 1934, the fair was canceled due to drought, grasshoppers, and Mormon crickets. In 1945, German prisoners-of-war occupied the fairgrounds, so the fair was canceled that year.

Some of the facilities and associated improvements at the fairgrounds include: Exhibition Hall, the Grandstand, the 4-H Building, concession facilities, restrooms, a new front gate and improved lighting.



In 2007, the carnival midway area was upgraded to an all-grass midway. In addition, during the last decade the Exhibition Hall underwent improvements such as installing air conditioning, a full kitchen, restrooms, new doors and windows, large roll-up doors, wintertime heat, and new concrete flooring. A new 4-H building was built to replace an aging unsafe barn and the new building can be used for winter storage. Additional restrooms are planned for the area just north of the Exhibition Hall to replace the original, outdated facilities.

Hospital/Healthcare

There are three medical facilities located in the County at Ashland, Colstrip and Forsyth.

The Bighorn Valley Community Health Center provides integrated and behavioral health services to residents of the southern part of the County, including a physician and pharmacy. The Colstrip Medical Center provides a variety of services includ-



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ing health exams, Urgent Care, treatment of minor injuries, women’s care, pediatrics and X-ray and lab services. Rosebud Health Care Center (RHCC) is an 11-bed critical access hospital in Forsyth. Services provided by RHCC include a 24-hour emergency room, CT scan, X-ray, a full-service lab and a 32-bed long-term care unit. Mental health services are also provided in Colstrip.



Irrigation Districts

Irrigation districts within Rosebud County include Cartersville, Hammond, and Yellowstone. In addition, there is the Tongue River Water Users Association.

Cartersville Irrigation District

This project began in 1904 and diverts from the Yellowstone River near Forsyth on the north side of the river and runs from there to a point approximately four miles east of Thurlow. The district comprises a narrow strip of land in the valley that averages about two miles in width and water is diverted from the river by a submerged dam. This is a fee-based district.

Hammond Irrigation District

The Hammond Irrigation Company was formed in 1909. Following the bankruptcy of the company, landowners formed what is known as the Hammond Irrigation District . The district is located on the north side of the Yellowstone River starting ten miles west of Forsyth and ending just north of the City. This is a fee-based district.

Yellowstone Irrigation District

The Sanders-Howard Cooperative Ditch Company began operating in 1906 and diverts water from the Yellowstone River to farms located near the Rosebud-Treasure County line. Water is diverted by a rock-filled submerged diversion dam. This is a fee-based district .

Tongue River Water Users Association (TRWUA)

The Tongue River Water Users Association (TRWUA) was organized in 1938 to distribute water to landowners along the Tongue River. The water is allocated based on landowner-held shares and the association owns the stored water. There are approximately 75 users in the Association. The State of Montana owns the dams that the TRWUA uses, including the Tongue River Dam.



Tongue River

Landfill

The County landfill is located 5 miles north of Colstrip and west of the Highway 39. The landfill was completed in 1995 and is projected to be operational for another 50 years. The County owns an additional 160 acres at the current site for future



Dump Site

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development as may be needed. Transfer stations for solid waste collection are located at Ashland, Birney, Colstrip, Ingomar, Angela, Reservation Creek and Rosebud.

There is also a County owned transfer station at the west end of the City of Forsyth, which was developed in partnership with the City. The City manages and maintains the upper deck of the station, while the County maintains and operates the compactor on the lower level.

Library

There are two libraries owned and operated by the County: Bicentennial Library, in Forsyth and Bicentennial Library in Colstrip. The Libraries serve Colstrip, Forsyth, Rosebud County and Treasure County.

Each facility offers a range of services including a large collection of both non-fiction and fiction books, audiobooks, DVD's and music CD's. Computers are available to the public, in both desktop and laptop options. Patrons can borrow iPads and tablets for in-library use, and internet and WiFi are free. The facility is also a testing site for a variety of educational institutions. Library staff is available, by appointment, to assist patrons with their devices and downloading e-books and audio books. The library also regularly offers classes on a variety of technology-based topics.

Museum

The Rosebud County Museum in Forsyth serves as a center for the storage and display of artifacts relating to the history of the County. The museum is staffed by senior volunteers and is open to the public all day during the summer months. The Museum was built in 1966, with additions added in 1982 and 2005. The facility houses various temporary exhibits of items such as military uniforms and wedding dresses of residents.



Public Health Department

The County Health Department provides a wide variety of public and environmental health services to County residents. These include:

- Immunizations (Infant, Adolescent, Adult)
- Communicable Disease Surveillance
- Family Planning/Contraceptive Services
- STD/HIV testing and referrals
- Post-partum counseling/visits
- Senior citizen home visiting
- School screenings/health presentations
- Health education and counseling
- Public Health Emergency Preparedness
- Food Service Inspections



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- Sanitation Inspections

The Department has a staff of six people who handle public health services and an on-call consultant who handles environmental health services such as the installation of septic systems.

Roads and Bridges

Interstate 94 is the primary road providing east-west access in the County. Highway 39 provides southward access to Colstrip and Lame Deer from I-94 and intersects with Highway 212 at Lame Deer. Route 447 provides southward access through the central portion of the County to Ashland, which is located along Highway 212. Route 566 provides access to the far southern end of the County along the Tongue River. Highway 12 provides access to the northwestern portion of the County and connects Forsyth with the communities of Melstone and Roundup. Highway 59 accesses the northeast corner of the County and connects to Miles City and Jordan. The Montana Department of Transportation is responsible for maintaining I-94, Highways 12, 39, 59 and 212.

Elsewhere, the County Road Department maintains an extensive network of roads and bridges. This is an expensive and time-consuming task and of primary importance to residents. Well-maintained roads and bridges provide daily access for residents and emergency services.

The Road Department has a staff of fifteen (15) employees who work on approximately 1,165 miles of roads. In addition to road maintenance, the Department is responsible for all road signs, maintaining cattle guards and culverts, and mowing along County roads. According to the Montana Department of Transportation Off-System Bridge records, the County is responsible for maintaining 32 bridges over 20 feet in length. The County's main maintenance shop is in Forsyth and three outlying shops are in Angela, Birney & Ingomar.

As mentioned earlier, the pending closure of the power generation units at Colstrip will have a significant negative impact upon the County's collection of tax revenues. This will in turn reduce the County's ability to fund the repair and maintenance of its roads and bridges. The County's burden of providing road maintenance is made even more challenging by the fact that the County has responsibility for maintaining the roads used to access substantial amounts of land managed by the United States Forest Service (USFS) and Bureau of Land Management (BLM), particularly in the south end of the County. County roads used to access USFS and BLM lands see particularly heavy use during the fall hunting season. The County would like to work with these federal agencies to identify sources of funding to help cover the costs of maintaining those roads and to ensure that they are safe and efficient.



County Road



West Rosebud

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Schools

The County is divided into six school districts: Colstrip, Forsyth, Rosebud, Birney, Lame Deer, Ashland and Ingomar. In addition, there is one large private school located on the St. Labre's campus in Ashland. There is also one college located within the County, Chief Dull Knife College in Lame Deer.



Senior Centers and Programs

The County's programs for its senior residents includes Senior Centers in Forsyth and Colstrip and other services such as:

- In home nursing services,
- Health screenings,
- Transportation to Billings or Miles City for medical needs,
- Homemaker services such as housekeeping,
- Respite/personal care,
- Commodity food box for low income seniors,
- Seniors volunteers helping seniors maintain their independence,
- Insurance assistance,
- Congregate meals in Ashland, and
- Loan Closet providing walkers, wheelchairs etc.

Sheriff's Department

The Sheriff's Department provides law enforcement to all of Rosebud County. The main office and detention center are in Forsyth and there are satellite offices in Ashland and Colstrip. The departments' staff includes 25 people:

- Sheriff
- Undersheriff
- 2 sergeants
- 9 deputies
- 6 dispatchers
- 5 detention officers
- 1 administrative assistant



Sheriff's Department

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Stockyards

The County owns and maintains a set of corrals and a scale at its stockyards east of Forsyth near the County Road Shop. Users pay a fee and the facility is used as a point of sale for many the County's live-stock producers who contract their calves.

Water and Sewer

Ashland Water and Sewer District (AWSD)

This district serves the unincorporated community of Ashland and is a fee-based service. The wastewater treatment system operated by AWSD includes the St. Labre Mission as a customer. The drinking water system for AWSD consists of three wells connected to a 250,000-gallon storage tank. The system was originally designed to serve up to 2500 people. The system currently serves 100 users. The Mission has its own drinking water system.

The wastewater treatment system includes sewer lagoons and an irrigation sprinkler system. It was designed to serve 2000+ users. The sewer lagoons for the system are located north of Ashland and the Mission provides 130 acres for the disposal of treated wastewater effluent through sprinkler irrigation.

City of Colstrip Water System

With the announced closure of electrical generation units 1 and 2 and the uncertainty of the future of units 3 and 4, the City of Colstrip faces many serious questions. One of those is related to the City's Raw Water System.

Colstrip's water source is the Yellowstone River. Water is pulled from the river at the Nichols Pump Station, about six miles west of Forsyth and is pumped approximately thirty miles south to Castle Rock Lake for usage by the generation plants and the City. The plants consume approximately 5 billion gallons of water annually and the City uses an annual estimated 200 million gallons of water.

The current system includes the Nichols Pump Station comprised of three massive water pumps, each rated at 10,000 GPM and two water pipelines. The pipeline for Units 1 and 2 was constructed in 1974 and the second pipeline was constructed in 1983 for the operation of Units 3 and 4.

The question becomes how can the City economically maintain a raw water supply? The current system is only financial sustainable with support by the generating plants. When the plants close, the City will be faced with the problem that the existing system is too large and expensive to operate and maintain on a long-term basis without supplementary funding. Possible solutions to this issue include:

- Secure the ownership of the water rights, pipeline easements and supply system including the pumps. Attempt to operate and maintain the System using supplementary funding.
- Secure the ownership of the water rights and pipeline easements. Construct a smaller more economical water supply system from the Yellowstone River.
- Develop and operate a new raw water source, e.g. groundwater wells.

The first two solutions would require an analysis and understanding of the following:

LOCAL SERVICES & PUBLIC FACILITIES

- Full documentation and understanding of the water rights ownership.
- Full documentation and understanding of the easements and their ownership
- An engineering analysis of the condition of the existing water system and the costs to continue operation of the system as it is currently configured and the cost of operating a downsized system.

Creating a new water system using a new source such as groundwater wells would also require a thorough engineering analysis.

St. Labre Water System

The St. Labre Mission operates its own drinking water system. The system was designed to treat surface water and provides water to 600 - 700 individuals on the Mission campus on any given day, which includes 92 housing units.

Rosebud Sewer District (RSD)

The unincorporated community of Rosebud is located 10 miles east of Forsyth. The community formed a water and sewer district in 1975 and constructed a facultative lagoon system wastewater treatment plant. The system includes two cells and two lift stations. The system processes approximately 11,100 gallons of wastewater effluent per day from the residential users. The district is funded through user fees.

Ingomar Water District

The Ingomar Water District provides drinking water to ten (10) users in the unincorporated community of Ingomar. The system storage tank has a capacity of 20,000 gallons and is located 1.5 miles from the well and the tank is located 1.5 miles from the users. This is a fee-based district.

Weed Department

The Rosebud County Weed District has a 100 and a 200-gallon slide in sprayer for pickup trucks available for public use. The Department also has 25-gallon ATV sprayers and backpack sprayers that can be rented.

The County also offers residents a fifty percent cost share on herbicide for certain approved noxious weeds. To be eligible for the cost share residents must meet certain requirements.

Transition Planning

The future of the generation plants and mining at Colstrip is uncertain and therefore the amount of tax revenues paid to the County is also uncertain. In order to prepare for a potential dramatic reduction in tax revenues, the County will consider developing a transition plan to determine how to fund services and infrastructure.

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Age of Housing

Rosebud County’s housing stock is relatively diversified by age. Data from the Census Bureau, American Community Survey, estimated that there were 4,104 residential structures in the County in 2016. Of the total number of residential structures identified in 2016, 773 were built prior to 1970, 1,366 were constructed between 1970 and 1979 and 729 between 1980 and 1989.

The older a home is, generally the more maintenance and upkeep it requires. Older homes are also often less energy efficient, and the increased cost to heat them in the winter can add to the overall cost of housing. Low income families are more likely to live in older homes as they have a lower market value. Thus, increased costs for maintenance and utilities can be a significant economic burden for them.

Age of Residential Structures in Powder River County (2016) (American Community Survey)		
Year Built	Number of Units	Percentage
2010 or later	79	1.9%
2000 to 2009	354	8.6%
1990 to 1999	292	7.1%
1980 to 1989	729	17.8%
1970 to 1979	1,366	33.3%
Older than 1969	773	18.8%

Condition of Housing

In 2008, the Montana Department of Revenue compiled data as part of its appraisal process that classified the physical condition of housing throughout the State. The data from the Department provided physical assessments for 1,838 residential structures in the County, including the cities of Forsyth and Colstrip. Of the structures assessed, 551 or almost 30 percent were classified as being in either unsound or in poor physical condition. This may be indicative of the fact that many homes in the County were built over 60 years ago and maybe in need of updates to electrical, plumbing and heating systems. They may also need additional insulation and exterior repairs.

Condition of Residential Structures in Powder River County – 2008 (Montana Department of Revenue)		
Condition	Number of Structures	Percentage
Unsound	30	1.5%
Poor	521	28.3%
Fair	517	28.1%
Average	545	29.6%
Good	219	12%
Excellent	6	0.5%

Of the total housing units existing in the County in 2016, a large portion were identified as being vacant. American Community Survey data for 2016, estimated that 21.1 percent of all housing was vacant. The vacancy of these structures can affect their long-term condition, as vacancy is generally related to a lack of maintenance and upkeep.

Housing Issues and Opportunities

With the announced closure of electrical generation units #1 and #2 at Colstrip, County residents face an uncertain future with regard to housing. How this will affect the housing market in the County and the

region is unknown. If job losses occur at the plants and the mine, how will this affect housing affordability and availability? Brief research as part of the update of this plan did not find any definitive answers to these questions.

Contrasting the proposed changes at Colstrip is the proposal for a large wind farm in the northeastern corner of the County and the ever-present potential for additional development of oil resources in the northwestern part of the County. If either type of development occurs housing would be needed for the construction crews. Temporary workforce housing in the form of “man-camps” may be an appropriate step to avoid negative impacts to housing availability and affordability.

There is an expressed need for additional and affordable rental housing in some locations such as Forsyth. Ideas mentioned to address this issue include the potential conversion of motel facilities in the City to rental housing. There is also apparently a need for additional recreational vehicle spaces around the County.

In order to better understand all of these issues and opportunities, the County and the Cities should consider undertaking a detailed housing assessment and plan. Such an analysis, would help identify the most effective steps and projects and ensure that limited resources are used effectively to address housing availability and affordability in the County.

Existing Land Use

Rosebud County is a large county, covering 5,010 square miles and stretching 85 air miles from the northern edge of the County to the southern edge. A majority of the land in the County is open grassland or shrubland and is used to graze cattle. Other uses include coal mining and electrical generation around Colstrip, cropland in the Yellowstone River valley and timber in the southern half of the County.

Subdivision Regulations

The County's Subdivision Regulations were updated in 2018 and at that time they complied with State statute. Subdivision regulations are meant to address issues related to the division of land for new residential and commercial development. These include ensuring accurate surveying, providing legal and physical access, provision of utilities, parkland requirements, right-of-way location and mitigating hazards. The current regulations were reviewed to ensure that they were consistent with the guidance provided in this Growth Policy.

Flooding and Floodplain Regulations

Flooding is a fact of life in Rosebud County, particularly along the Yellowstone River. The County administers Floodplain Regulations for those areas that have identified floodplains. They include:

- Yellowstone River, particularly around the City of Forsyth
- Dry Creek
- Cove Creek
- Five Mile Creek

Maps showing the location of identified floodplains in the County are available in the office of the County Commission. The County Floodplain Regulations were updated in 2019 using the State of Montana's Model Floodplain Regulations.

Sand, Gravel and Scoria Resources

Access to sand, gravel and scoria is important for the construction and maintenance of streets and roads as well as the construction of new homes and businesses. According to the Montana Department of Environmental Quality Open Cut Mining Program there are 31 permitted gravel pits in Rosebud County. A new gravel pit has started operation northwest of Forsyth that may provide gravel to the proposed wind farm in the northeast corner of the County.

The Soil Survey completed for the County by the Soil Conservation Service shows sixteen (16) types of soils that are suitable for use as gravel. See Map 4 for the location of these soils.

Wildland-Urban Interface

Rosebud County has numerous areas that are classified as being in the Wildland-Urban Interface (WUI). These include the cities of Forsyth and Colstrip, the unincorporated communities of Ashland, Rosebud,

LAND USE

Birney-Cash as well as the subdivisions of Wild Horse, Bascom, Poacher/Broadus, Four L Land and Live-stock and Hidden Valley.

The development of rural housing in the WUI increases the complexity of fire suppression and raises a host of issues including:

- Safe ingress and egress for fire fighters
- Safe evacuation routes for residents
- Communication between fire fighters and with residents

As mentioned earlier, wildland fire engines and fire trucks are located throughout the County to aid in the quick suppression of fire starts. In addition, the County has actively provided information to homeowners in areas of high wildfire risk advising them to mitigate fire danger by creating defensible space around personal property, particularly homes.'

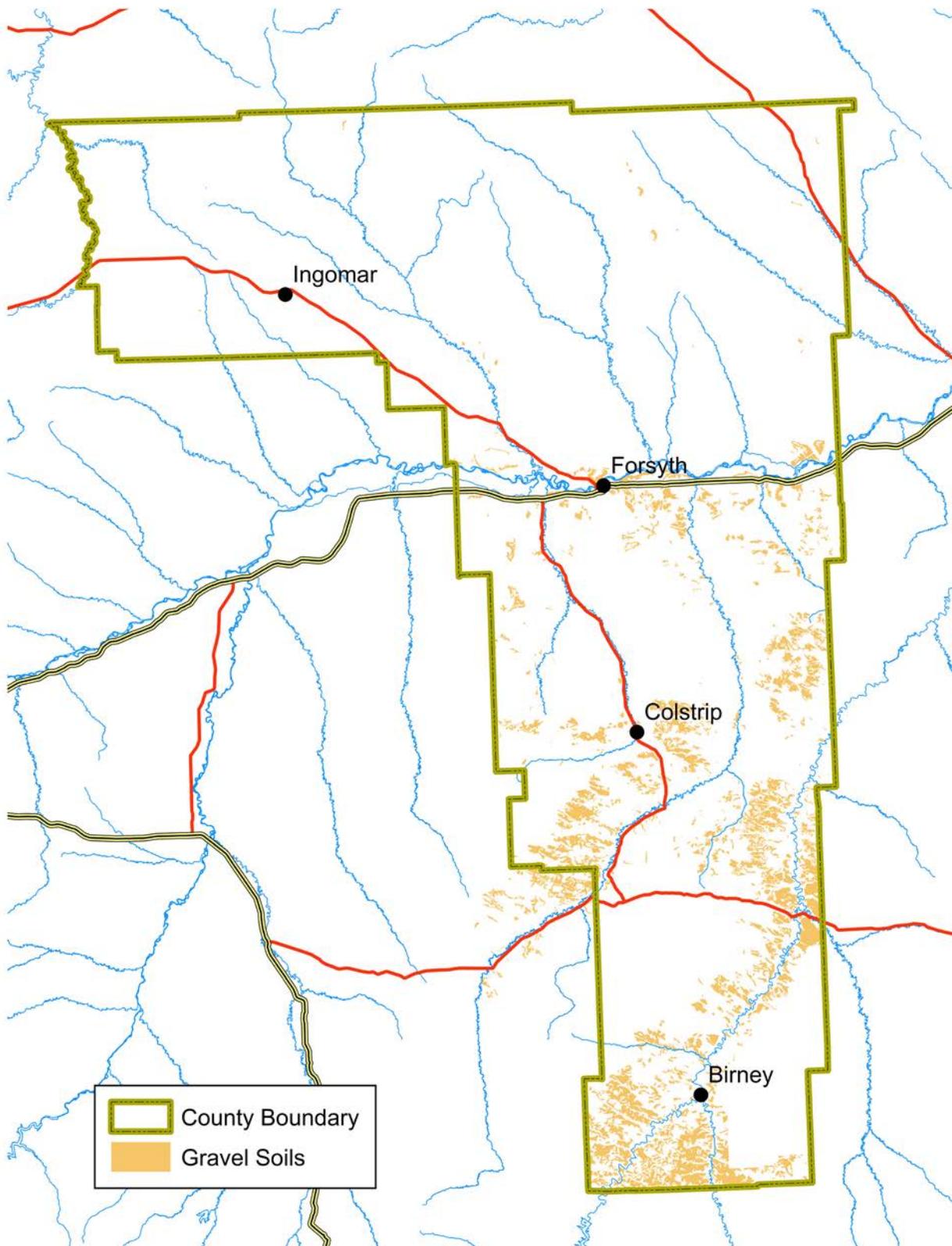
To reduce the potential impact of wildfire, the County has actively promoted fuels reduction projects in areas with the highest risk for wildfire. In fact, the County would like to see a much more aggressive approach to the commercial harvest of timber on private and public lands. In addition, the County would like public land management agencies such as the Forest Service and Bureau of Land Management to also be much more aggressive about undertaking controlled burns on public lands in order to reduce fuel loading.



Wildland Engine

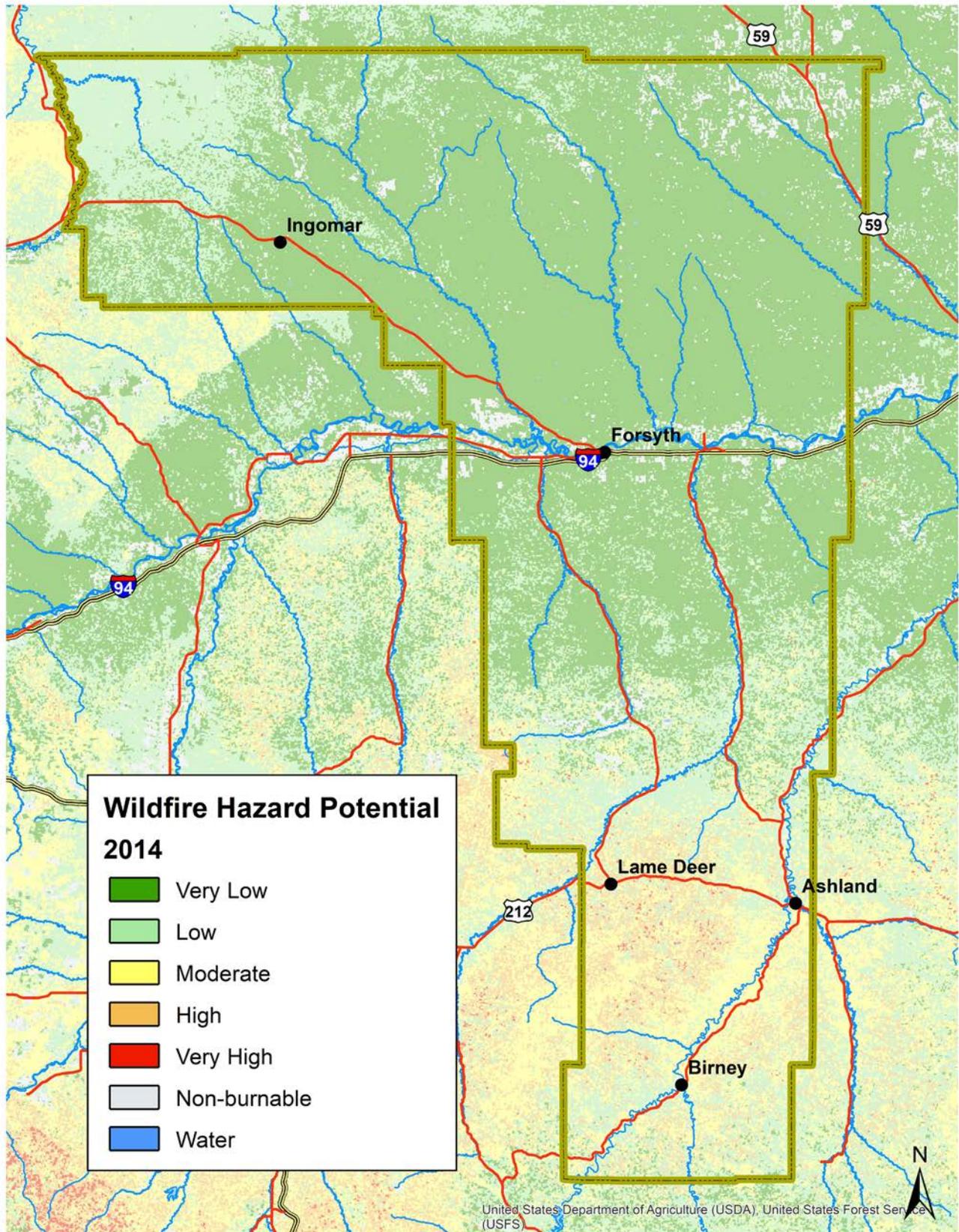
LAND USE

Map 4 - Gravel Soils



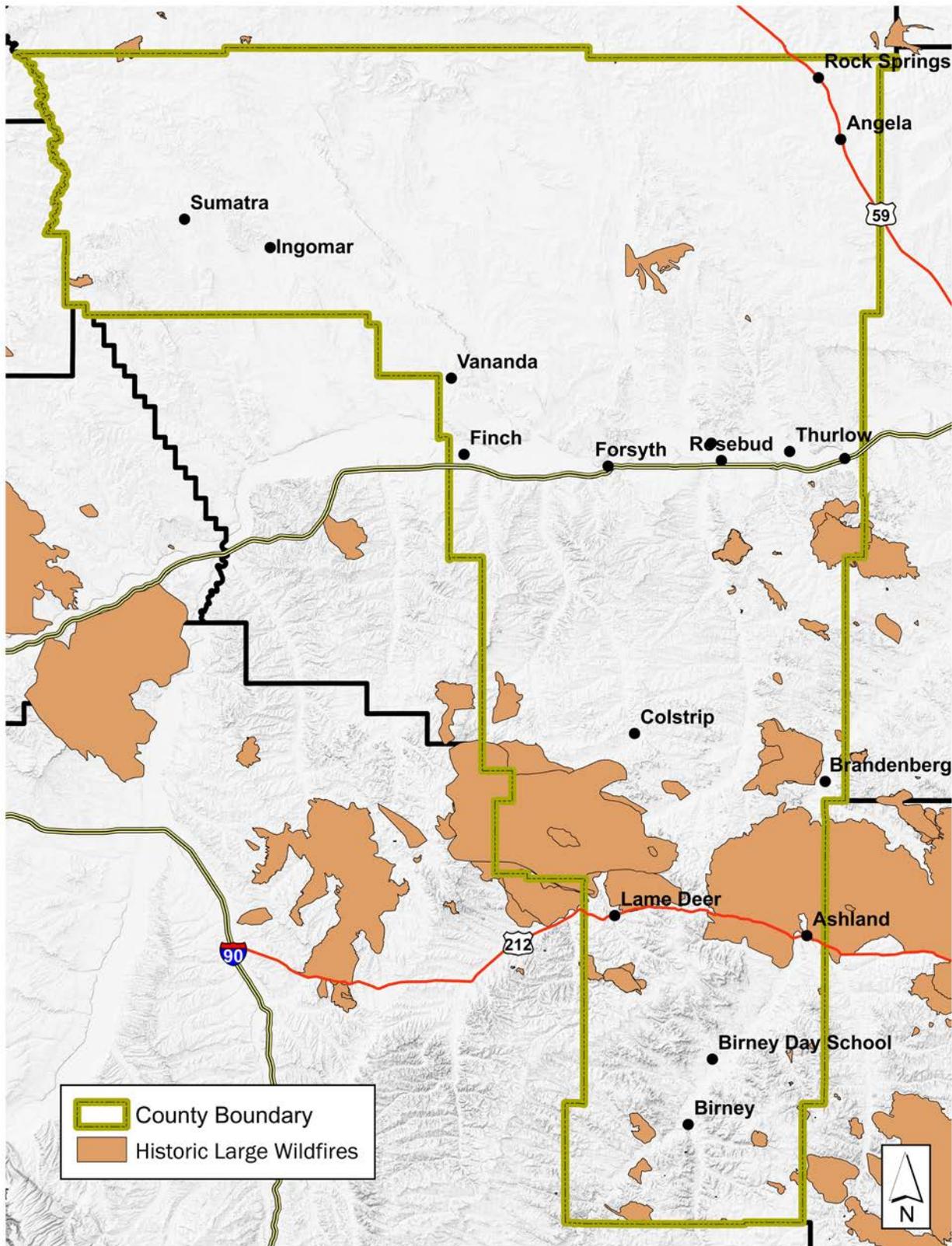
LAND USE

Map 5 - Wildfire Risk in the County



LAND USE

Map 6 - Large Wildfires in the County and Surrounding Area (2000-2017)



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RESIDENT OUTREACH

The update of the County's Growth Policy has been based upon extensive resident advice and guidance over the last several years. The results of outreach efforts by the Governors' Colstrip Community Impact Advisory Group (CCIAG), Southeast Montana Development Corporation (SEMDC) and a survey effort by the County have all been used to document resident needs and ideas.

The CCIAG held many meetings in Colstrip to discuss the impacts of the proposed closure of the generation plants. In addition, the CCIAG hosted public meetings around the County in places such as Forsyth and Lame Deer to continue the discussion and to collect resident feedback.

SEMDC held meetings around the County as part of its review and update of its Comprehensive Economic Development Strategy (CEDs). Meetings were held in Ashland, Forsyth, Colstrip and Lame Deer. Resident input was incorporated into the update of the CEDs.

In addition, to using data from the CCIAG and SEMDC, the County created a project survey to assist in gathering advice and guidance from residents about what opportunities and issues are their priority. The survey was available to residents in a hardcopy format and online. To date, the Board has held three (3) meetings to discuss the update. Sixty-five (65) people took the survey. The results mirrored the input that was gathered by the CCIAG and SEMDC.

The County Planning Board held multiple public meetings to consider public input and to update the Growth Policy. The Board held four public meetings to work on the update between January and July of 2019 and then held a public hearing on ????

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ACTION PLAN

Implementation of goals identified in this Growth Policy will take time and resources. Most important of all implementation will require a commitment by County residents and the County Commission to follow through on the guidance provided by the document. Implementation of this plan also includes meeting the statutory requirements for subdivision review, cooperation between the County and the Cities of Forsyth and Colstrip and the review and update of the document in the future.

Economy		
Action	Responsibility	Schedule-Tasks
Continue to lobby the state legislature and Federal delegation in support of coal powered electricity and mining.	County, Colstrip, Forsyth and SEMDC	Ongoing
Provide tax incentives for appropriate industries and businesses.	County	Project dependent
Hire a marketing coordinator to expand existing businesses and attract new ones.	County, Colstrip, Forsyth and SEMDC	2020
Ensure the County's existing workforce is prepared and trained to take on future reclamation work in Colstrip.	County, Colstrip, Forsyth, SEMDC, Miles City Community College and Dull Knife College	2020-2022
Improve "on the job training" opportunities for high school students and young adults.	County, High Schools, Colstrip, Forsyth, SEMDC, Miles City Community College and Dull Knife College	2021 or 2022
Create an "Opportunity Fund" to have cash resources on hand to fund PAR's, PER's or pro-formas for potential business opportunities	County	2020
Review the e-Connectivity Program at the USDA to determine if there are tools or resources for improving broadband access.	County, Colstrip, Forsyth and SEMDC	2020

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Local Services & Infrastructure

Action	Responsibility	Schedule-Tasks
Develop a capital improvements plan.	County	2020
Develop a transition plan to determine how to fund services if a reduction in tax revenues occurs.	County	2020
Colstrip Water System Analysis: system evaluation, water rights and easement status.	County and Colstrip	2020-2021
Complete repairs at the Ashland K-6 School.	County	2020-2021
Complete a Preliminary Architectural Report (PAR) for a new Emergency Medical Services Building.	County and SEMDC	2021
Roof replacements for five County buildings.	County	Ongoing
Complete engineering and paving of Castle Rock Road.	County	2022
Purchase wildfire-coal seam fire-fighting equipment.	County	Ongoing
Complete a Preliminary Architectural Report (PAR) for the upgrade of the Ashland Fire Department and Community Center.	County and SEMDC	2022

Housing

Action	Responsibility	Schedule-Tasks
Develop a housing assessment and plan for the County and other communities.	County, Colstrip, Forsyth and SEMDC	2020 or 2021
Review examples of workforce housing regulations in preparation for industrial development such as the wind farm.	County	2021 or 2022

Subdivision Review

The Montana Code Annotated requires that the County Commission provide a statement in the Growth Policy explaining how they will:

- define the review criteria found in 76-3-608 (3) (a) M.C.A. i.e. impacts upon agriculture, local services, public health and safety etc.; and
- evaluate and make decisions regarding proposed subdivisions with respect to the criteria in 76-3-608 (3) (a) M.C.A.

Definition of 76-3-608 Criteria:

Rosebud County will use the following definitions as found in the Subdivision Regulations for each of the criteria listed below.

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- **Agriculture:** Aspects of farming or ranching including the cultivation or tilling of soil; dairying; the production, cultivation, growing, harvesting of agricultural or horticultural commodities; raising of livestock, bees, fur-bearing animals or poultry; and any practices of forestry or lumbering operations, including preparation for market or delivery to storage, to market, or to carriers for transportation to market. The term, Agriculture, does not include residential or commercial uses or practices.
- **Agricultural Water User Facilities:** Those facilities which provide water for irrigation or stock watering to agricultural lands for the production of agricultural products. These facilities include, but are not limited to water diversions, canals, ditches, wells, pumps, head gates, pipes, and other water conveying facilities.
- **Local Services:** Local services are defined as any and all services that local governments, public or private utilities are authorized to provide for the benefit of their citizens.
- **Natural Environment:** The natural environment is defined as the physical conditions which exist within a given area, including land, air, water, mineral, flora, fauna, sound, light and objects of historic and aesthetic significance.
- **Public Health and Safety:** The prevailing healthful, sanitary condition of well-being for the community at large. Conditions that relate to public health and safety include but are not limited to: disease control and prevention; emergency services; environmental health; flooding, fire or wildfire hazards, rock falls or landslides, unstable soils, steep slopes, and other natural hazards; high voltage lines or high-pressure gas lines; and air or vehicular traffic safety hazards.
- **Wildlife:** Those animals that are not domesticated or tamed.
- **Wildlife Habitat:** The place or area where wildlife naturally lives or travels through.

Evaluation of Subdivisions Based Upon 76-3-608 Criteria

Subdivision applications and subdivision review by the County Planning Board will include documentation and an analysis of as to whether and to what extent the proposed subdivision will impact agriculture, agricultural water user facilities, local services, the natural environment, wildlife, wildlife habitat, and public health and safety as defined in this Growth Policy.

The County will evaluate each proposed subdivision with regard to the expected impacts upon each of the criteria, and the degree to which the subdivision applicant proposes to mitigate any adverse impacts. This evaluation will be based upon the subdivision application, staff review, and reports and information gathered from public hearings and other sources of information as deemed appropriate.

Upon completion of its review and evaluation, the County will render a decision on the proposed subdivision with respect to the requirements of the Rosebud County Subdivision Regulations, the County Growth Policy, and the Montana Subdivision and Platting Act.

Evaluation Criteria for Effects on Agriculture

- a. How many acres would be removed from the production of crops or livestock. Acreage will be obtained from Department of Revenue tax records.

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- b. How many acres of prime soils or soils of statewide importance would be removed from County's agricultural base? Maps and land capability classifications developed by the USDA Natural Resource Conservation Service shall be used to determine the agricultural significance of land.
- c. Can the un-subdivided remainder(s) continue to be used for farming or ranching unit by evaluating the use of the remainder and adjoining properties.
- d. What would be the potential conflicts between the proposed subdivision and adjacent agricultural operations including:
 - Interference with the movement of livestock or farm machinery
 - Interference with agricultural production and activities
 - Maintenance of fences
 - Proliferation of weeds
 - Increased human activity
 - Harassment of livestock by pets

Evaluation Criteria for Effects on Agricultural Water User Facilities

- a. Will the proposed subdivision impact the location and proximity to a ditch, canal, headgate, sprinkler system, watering tank or developed spring?
- b. Could the potential subdivision create nuisance complaints or problems for agricultural water user facilities?
- c. Would the water user facilities pose a safety hazard to subdivision residents?
- d. Ownership of water rights and the historic and current use of facility on the proposed subdivision shall be examined. Easements to protect the use of water user facilities on or accessed through a subdivision shall be considered.
- e. Allocation of water rights, if applicable, within a subdivision shall be considered.

Evaluation Criteria for Effects Upon Local Services

- a. How will increased demand on services and need to expand services be affected by the proposed subdivision including:
 - Ambulance service
 - Fire Department
 - Parks and recreation
 - Law enforcement
 - Schools
 - Solid waste management
 - Road and bridge management
- b. How will the proposed subdivision affect the cost to provide services, including:
 - Current and anticipated tax revenues
 - Cost of services for the subdivision

Evaluation Criteria for Effect on Natural Environment

- a. Are there any expected alterations of any streambanks? Any draining, filling or alteration of any wetland?
- b. Would cuts and/or fills on slopes be needed for road or building construction?
- c. Will there be significant removal of vegetation that could be contributing to soil erosion or bank or slope instability?
- d. Will the subdivision design maintain significant open space?

Evaluation Criteria for Effect on Public Health and Safety

- a. Are there potential man-made hazards to residents of the subdivision from high voltage lines, high-pressure gas lines, highways, roads, railroads or railroad crossings, nearby industrial or mining activity?
- b. Will the subdivision create unsafe traffic conditions?
- c. Are there natural hazards such as flooding, high winds, wildfire, or site issues such as high-water table, expansive soils or excessive slopes that would create hazards or building challenges?

Evaluation Criteria for Effect on Wildlife and Wildlife Habitat

- a. Is the subdivision located in critical wildlife areas such as big game wintering range, calving areas, migration routes, nesting areas, wetlands, or habitat for endangered or threatened species?
- b. Will resident activity impact wildlife?

Upon completion of its review and evaluation, the County will render a decision on the proposed subdivision with respect to the requirements of the County Subdivision Regulations, the County Growth Policy, and the Montana Subdivision and Platting Act.

Public Hearing Procedure-Subdivisions

The Rosebud City-County Planning Board conducts their meetings open to the public following the public notice requirements as prescribed by state code. Major subdivisions and those minor subdivisions treated as major subdivisions are subject to public hearings. Minor subdivisions shall not have public hearings.

The Rosebud City-County Planning Board shall provide public notice of proposed subdivisions following the notice requirements as prescribed by statute. Public hearings are required for major subdivisions and subsequent minor subdivisions. Hearings are not permitted for first minor subdivisions.

Public hearings held by the Planning Board shall use the following format:

1. The chair shall open the public hearing and introduce the preliminary plat.
2. The chair shall request that ask if any board member has a conflict of interest.

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3. If a member does have a conflict, they must recuse themselves from participating in the hearing.
4. The developer and the County Planner shall respectively make a presentation on the proposed division.
5. The chair shall ask the Board if they have any questions for the developer of the Planner.
6. The hearing shall be opened to the public for questions and comments.
7. The developer shall be given opportunity to answer questions and to rebut comments from the public.
8. The chair shall close the hearing.
9. The Board shall discuss the proposed development.
10. The Board shall vote to approve, approve with conditions, or to deny the proposed subdivision. The Board may table the decision to a date specific with a mutual consent of the developer.
11. The Board shall submit its recommendation in writing to the County Commission and the developer within ten working days following the public hearing. The recommendation shall contain the rationale for the recommendation.

Coordination with the Cities of Forsyth and Colstrip

Rosebud County will coordinate its efforts to implement this Growth Policy with the City Councils of Forsyth and Colstrip in the following ways:

- a. Lobby to the state legislature and congressional delegation in support of coal industries.
- b. Leverage and coordinate resources with the cities to hire and maintain a marketing coordinator to attract new businesses.
- c. Assist Colstrip with analyzing options for maintaining and/or updating its water supply system.
- d. Maintain the viability of Colstrip as an incorporated municipality.
- e. Working together to ensure residents have access to job training and reclamation jobs.
- f. Promoting improved broadband access.
- g. Development of a housing assessment and plan.

Coordination with Other Governmental Organizations

There are many other local, state and federal agencies and organizations within the County that provide public services or management of lands. Examples include the Ashland Water & Sewer District, Ashland Fire District, Ingomar Water District, Rosebud Sewer District, West Rosebud Fire District, the Northern Cheyenne Indian Reservation, Montana Department of Transportation, Montana Department of Natural Resources and Conservation, Montana Department of Fish Wildlife and Parks, Bureau of Land Management and United States Forest Service.

To the best of its ability, the County Commission and the City-County Planning Board will notify the appropriate organizations and agencies about projects taking place in the County.

Conditions and Timing for Review and Revision

To be a useful and relevant document that will assist the County in making decisions regarding the issues it faces; the Growth Policy will need to be periodically reviewed and updated.

The document will be reviewed every 5 years from the date of its adoption. The County Planning Board will be the entity responsible for reviewing the Policy and will make any recommendations regarding revisions or changes to the County Commission. Future reviews will include an evaluation of every section of the Policy. It is anticipated that a full update of the Policy will be necessary within 10 years of its original adoption.

The Growth Policy may also be revised when a situation or issue has been identified by the public that necessitates changes or when changes are deemed to be in the public interest by the Planning Board or the County Commission. It is also possible that Legislative changes to the Growth Policy statutes may require significant amendments or changes. Finally, amendments to the Policy may also be necessary when litigation in the Commission or elsewhere in Montana sets legal precedent that is clearly contrary to the stated goals, objectives or implementation strategies in the Growth Policy.

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Introduction

1. National Weather Service
2. Rosebud County
3. United States Census Bureau

Population Characteristics

1. Headwaters Economics, Economic Profiling System
2. United States Census Bureau

Economy

1. Headwaters Economics, Economic Profiling System
2. Montana Department of Commerce, Housing Division
3. Montana Department of Transportation
4. Northern Plains Resource Council
5. United States Department of Agriculture

Local Services & Public Facilities

1. Rosebud County
2. Montana Department of Transportation
3. Rosebud County Rural Fire Department
4. Dan Negethon: Colstrip Water Supply System Analysis

Housing

1. American Community Survey, Census Bureau
2. Montana Department of Revenue

Land Use

1. Rosebud County
2. Montana Department of Natural Resources and Conservation
3. Montana Department of Revenue
4. Montana State Library

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Water/Wastewater ▪ Transportation ▪
Grant Services ▪ Solid Waste ▪
Structural ▪ Bridges ▪
Natural Resources ▪ Planning

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