



## MONTANA FOREST, COMMUNITY AND WORKING LANDSCAPES CLIMATE RESILIENCY PROJECT

### APPENDIX A

### BUDGET NARRATIVE

An explanation of costs associated with each measure and a consolidated budget are presented below. A breakdown of costs for each budget category for each measure is provided in the Budget Table, Budgetcalcs\_MTDNRC.xlsx -, included with this proposal.

#### PERSONNEL AND FRINGE

##### **Measure 1 – DNRC Forest Management and Wildfire Mitigation**

Funds will support a portion of a staff forester position (30% of 1.0 FTE @\$32/hour with salary increase) required to oversee the grant, administer contracts and manage/implement projects over 5 years. Working with affiliated staff, contractors, communities, and partners directly related to these funds, develop meaningful relationships within underserved landowners and other potential partners to provide educational assistance on the outcomes and benefits of this project.

Fringe benefits based on an expected benefit rate of 40% of personnel costs.

##### **Measure 2 - DNRC Expand Healthy Urban and Community Forests**

Funds will support the following positions:

- Grant administration and programmatic support: Funds to support staff capacity in DNRC grants administration personnel; including building capacity and support for programmatic services for implementing projects and grants. (Grant Administrator 72% 1.0 FTE @\$30/hour with salary increase)

- UCF CRPG Project Manager – Modified full-time position (Equivalent to UCF Forester salary) required to oversee the grant, administer subawards and manage/implement projects over 5 years. Working with affiliated staff, contractors, communities, and subrecipients directly related to these funds, coordinate citizen outreach and develop meaningful relationships within key residential areas, work with neighborhood groups and underserved populations, tribal communities, provide educational assistance. Lead partner and volunteer efforts, support consistent and effective messaging. (Project Manager 1.0 FTE @\$32/hour with salary increase)
- DNRC Regional UCF Foresters: Two regional UCF foresters for CPRG project work. Regional UCF foresters will assist in UCF program's CPRG work, provide direct services to subrecipients, including technical, educational assistance. Work with UCF CPRG Project Manager and staff for services such as direct outreach, technical assistance, project work, etc. Assist in local project development and implementation. (UCF Foresters 2.7 FTE @\$32/hour with salary increase)
- Technical and field services through DNRC staff; interns; short term workers; seasonals; specialists (Interns 2 full time seasonal, 6 months each, @\$24/hour)

Fringe benefits based on an expected benefit rate of 40% of personnel costs.

### **Measure 3 - DNRC Mitigate and Extinguish Coal Seam Fires**

DNRC will hire a CPRG Program Lead (1.0 FTE Program Specialist 2 @\$79,040 with salary increases) to manage the agency subawards and subawards to local government and Tribes. The Program Lead will also manage all information collection necessary for federal reporting and compliance per 2 CFR 200 and FAFTA, promote public awareness of the program.

The CPRG Program Lead will oversee public involvement in identifying coal fires, assist local governmental agencies for subawards, implement an inventory/prioritization of coal seam fires, and coordinate the activities of two DNRC grant and contract specialists (2.0 FTE Program Specialist 1 @\$70,720 with salary increases). The Grant/Contract Specialists will oversee the contracted components in this proposal including the procurement, Davis-Bacon Wage, BABA, project milestones and project completion/closeout.

Fringe benefits based on an expected benefit rate of 40% of personnel costs.

## **TRAVEL**

### **Measure 2 - DNRC Expand Healthy Urban and Community Forests**

Lodging, per diem, state vehicle mileage for staff to travel to project sites, attend events throughout life of the grant. Anticipated destinations include all potential subgrant recipients, communities for tree database work, and CPRG projects. 4 staff are estimated to travel up to 40 times each year. The estimated annual mileage is 10,000/year @\$0.64 per mile. The estimated per diem cost is factored at 160 days per year @ \$33.5/day and lodging costs estimated at 160 nights per year at \$107/night. All travel costs follow the State of Montana Travel Policy.

### **Measure 3 - DNRC - Mitigate and Extinguish Coal Seam Fires**

Travel costs will be for DNRC personal to conduct site visits to contracted and subaward projects to assure the work is being completed within scope, schedule and budget per contract/subaward agreements. 3 staff are estimated to travel up to 50 times each year. The estimated annual mileage cost is 7,500 @\$0.64 per mile. The estimated per diem cost is factored at 150 days per year @

\$33.5/day and lodging costs estimated at 150 nights per year at \$107/night. All travel costs follow the State of Montana Travel Policy.

## **SUPPLIES**

### **Measure 1 - DNRC - Forest Management and Wildfire Mitigation**

CPRG funds are requested for production supplies for the DNRC Nursery to produce 2,500,000 tree seedlings over the 5-year grant award term. These supplies include but are not limited to styroblocks, fertilizer, soil, grit, irrigation parts, etc. Costs for DNRC Nursery to produce 500,000 seedlings is \$0.66/seedling.

### **Measure 2 - DNRC - Expand Healthy Urban and Community Forests**

Trees and project supplies include the following, totaling \$45,000/yr:

Tree purchases, plant materials, and all associated costs with installation, delivery, and establishment such as fencing, mulch, planting tools, soil amendments, and 150 trees annually \$200/each totaling \$30,000/yr

Watering supplies for sustainable tree establishment: water capture systems, tree water bags, hoses, water devices, solar-powered irrigation pumps for remote areas. 10 systems of various types/year averaging \$800 each totaling \$8,000/yr

Educational costs such as print materials, conducting workshops, trainings, speaker/consultant fees, event expenses for community tree plantings, workshops, booth fees, ceremonies, public service announcements, multi-media, website work, interpretive signage, educational curriculum development. \$7,000/yr

Operational expenses to support Project manager for project work such as tree care supplies, PPE, data collection devices and software, office supplies, workshop expenses, project assistance, tools and materials for project planning and design, tree propagation, tree planting, maintenance, and care, seed sourcing expenses.. Estimated annual cost of project manager supplies is \$18,000.

**Measure 3 - DNRC - Mitigate and Extinguish Coal Seam Fires** – Office supplies are anticipated to include laptop, monitor, and other necessary materials for new employee. Costs are estimated at \$3,000/laptop.

Camera equipment is estimated at \$1,200 for a one-time purchase to monitor and track project activities. Other supplies necessary to implement the proposal, include Personal Protective Equipment (PPE), satellite phones and miscellaneous emergency firefighting equipment. Working around coal seam fires is hazardous and would require the purchase of PPE, including hard hats, safety glasses, safety vests and steel toed boots. Satellite phones are also necessary to ensure safety while working in remote locations that do not have cell coverage. Field vehicles need to be equipped with additional fire extinguishers, backpack style spray pumps and shovels, for emergency situations, resulting from unpredictable fire activity. The estimated annual cost of supplies is \$4,000.

## **CONTRACTUAL**

### **Measure 1 - DNRC Forest Management and Wildfire Mitigation**

DNRC will procure contractual services to:

- Collect cones/seed and plant 2,500,000 tree seedlings at an annual cost of \$156,907 for an estimated 500,000 seedlings/year, costs are estimated based on projects of a similar size and nature.
- Thin pre-commercial stands of forests mechanically or by hand at an annual cost of \$469,000. 1340 acres per year at \$350/acre.
- Mechanically thin small-commercial stands of forest at an annual cost of \$260,000. 260 acres per year at \$1,000 per acre.
- Chip and haul slash generated by thinning 8800 tons/year at \$30/ton.

### **Measure 2 - DNRC Expand Healthy Urban and Community Forests**

Statewide Canopy Cover Assessment, Equity Analysis Project: Conduct statewide canopy cover/equity assessment ranging from 45-70 communities total. Initial examination in the CEJST map shows that Montana has 260 communities that meet or surpass the threshold of a disadvantaged community; 56 of these are within tribal reservation boundaries.

- Contractor to provide analysis, assessment to examine canopy disparity, shade equity, planting areas, and landcover such as heat islands. Analysis, maps, individual reports showing canopy as it relates to socioeconomic and environmental indices such as carbon measurements, and urban heat variations in temperatures which commonly correlates with underserved neighborhoods. When possible, expand canopy analysis into neighborhoods in the wildland urban interface to also consider wildfire risk. Est. \$10-20K per community based on community size. Approximately 50 communities at \$15,000 each is \$750,000.
- Contractor to provide Local and statewide incorporation – Building from the assessment, provide services to create materials for informational and educational delivery of data and findings. Integrate canopy data with CEJST and existing GIS and DNRC maps. Incorporate public health and census data, income, demographics, and environmental factors like surface temperatures, air and water quality. Build canopy goals with communities, particularly in disadvantaged areas. Develop methods for prioritizing tree and shade equity through available planting spaces, to maximize environmental and social benefits. Create infographics, interactive public maps, ArcGIS story maps, factsheets, etc. to present and deliver to communities. Services include utilizing technical experts, arborists, specialized knowledge (culturally/locally). Multimedia services to create highlights, videos, photography of project progress, activities, events in all projects. Approximately 50 communities at \$3,000 each is \$150,000.
- Services for expanded UCF technical community support: assist UCF program's CPRG work in geospatial services and needs. Produce maps for sub awarded projects, integrate CEJST map tool with existing UCF mapping systems such as the MT Forest Action Plan map and statewide public tree inventory database. for data collection, database management. 35 work projects for technical, mapping, and information technology support at \$2,000 each is \$70,000 each year.
- Acquire services for workforce capacity, field and technical assistance: Local community assistance towards special projects, i.e., technical assistance in food forests & sovereignty programs, local outreach, public relations, etc. Funds to hire consultants, tribal liaisons, community liaisons, etc. for partnership development. Average of 35 communities each year @\$2,000 each for \$70,000.

### **Measure 3 - DNRC Mitigate and Extinguish Coal Seam Fires**

A contractor will be competitively procured to provide engineering, design and oversight of project

activities can range from \$30,000 - \$50,000 per fire depending on the size and complexity. A contractor will be competitively procured to provide heavy equipment and labor to excavate, extinguish the coal seam fire, reshape and revegetate landscapes can range up to \$500,000 depending on the size and complexity of the project. The contracted services included in the proposal for Measure 3 are for the Specialized work for extinguishing the high-risk fires that cannot be addressed by the county and tribal fire Wardens. With limited funds, these high-risk fires will have to be prioritized based on site accessibility, safety, and estimated cost of extinguishment as reflected in bids. A total of \$500,000 annually is estimated to extinguish complex, high risk coal seam fires.

## **OTHER**

**Subawards:** DNRC is providing subawards under the following Measures:

- Measure 2 – Subawards to communities for Urban Community Forest projects.
- Measure 3 – Subawards to counties and Tribes to extinguish and mitigate coal seam fires.
- Measure 4 – Subaward to Montana DEQ to provide grant funds to local groups to implement nonpoint source pollution projects.
- Measure 5 – 7 Subaward to Montana Department of Agriculture (DOAg) to hire and manage personnel to implement GHG reduction measures.

DNRC will develop program specific applications, guidelines, and scoring matrices for each subgrant incorporating the following:

- Eligibility:
  - Eligible subrecipients (reimbursement only for direct or approved indirect costs, and do not “profit” from the transaction) must be registered in SAM.gov prior to applying. Eligible recipients include the federal government, state or local governments, non-profit organizations, and institutes of higher education.
  - Eligible projects must: implement CPRP Goals; implement DNRC’s program goals; meet the project period of performance.
  - Eligible project costs: Administrative costs comply with the 2 C.F.R. Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards. Project costs are procured in accordance with 2 C.F.R. 200.317 and 2 C.F.R. 200.318.
  - Additional eligibility considerations include: Applicable provisions of 2.C.F.R. Part 200; Specific EPA Subaward Policy; EPA’s National Terms and Conditions for Subawards; State of MT legal requirements; and other program specific requirements.
- Project Ranking Criteria: Technical and financial feasibility of the project as determined by:
  - Budget Narrative and Detail: Costs are reasonable to accomplish the proposed project goals, objectives, and measurable environmental outcomes. Proposed budget provides a detailed breakout of the approximate funding used for each major category. Budget must itemize costs related to personnel, fringe benefits, travel, equipment, labor, and contractual costs.
  - Scope of Work. The Application identifies milestones for specific tasks or deliverables such as: Project management plan, bidding and procurement, obtaining permits, field sampling/surveys, community outreach events, progress and final reports, and partnership agreements.

- Ability of the project to achieve measurable outputs/outcomes identified in the CPRG program and the proposed subgrant programs considering: Past performance & programmatic capacity; work plan w/clearly identified activities and quantified outputs/outcomes; performance plan describing progress to achieving outputs/outcomes; longevity of the applicant's ability to promote/continue efforts after grant funding has ended; commitment of applicant to have a documented long-term water quality/restoration goal and/or publicly available report or education/outreach material for meaningful engagement w/affected communities; percent of committed match; demonstrated public & stakeholder support; projects mitigating for past environmental justice impacts & improve community health, resilience and/or sustainability; & projects that will foster resilience/adaptation to changing climate & environmental conditions.

#### **Measure 2 - DNRC Expand Healthy Urban and Community Forests (Subawards)**

DNRC will design and implement a subaward program to provide \$5 million grant funding to implement the CPRG projects. It is estimated that these funds would support 20 – 70 projects for community forestry throughout the state. Subawards will fund personnel, contracted services and equipment to inventory tree data, plant trees and monitor success. Subaward amounts will vary depending on the financial need and technical capacity of the local groups as well as the ability to meet the goals of the CPRG Program.

#### **Measure 3 - DNRC Mitigate and Extinguish Coal Seam Fires (Subawards)**

DNRC will design and implement a subaward program to provide a total of \$5,300,000 to county and Tribal governments to extinguish and mitigate coal seam fires. Subawards will provide grant funding for local and Tribal governments to conduct public outreach, purchase equipment, hire and train staff, procure contracted technical and construction services and administer grants. DNRC estimates that local governments can develop a coal seam fire mitigation program to extinguish between 2 – 5 smaller and less complex fires annually. DNRC staff will provide technical assistance to ensure that local governments comply with state and federal requirements in permitting, procurement and site activities.

#### **Measure 4 - Nonpoint Source Pollution Reductions**

Subawards: DEQ will subaward grant funds to eligible entities to plan and implement projects that reduce pollution and algal blooms. DEQ will subaward \$1,000,000 through the existing \$319 Nonpoint Source Program at DEQ. These funds can be used for up to eight subawards to groups to pay for costs associated with personnel, contracted technical services, construction, and monitoring.

#### **Measure 5 – DOAg Fertilizer Use Innovation for Improved Soil Health**

#### **Measure 6 - DOAg Ranchland Stewardship Program**

#### **Measure 7 - DOAg Incentivize Innovation in the Cattle and Beef Industry**

Personnel & Fringe: Measure 5: Ag Sciences Division Administrator, Ian Foley, will be responsible for Agency Coordination at an estimated 9% FTE, or 180 hours annually at an initial hourly rate of \$58, assuming a 3% annual increase, totaling \$55,427 over five years. A Precision Ag coordinator (1.0 FTE) will be hired to lead outreach and education efforts and participate in meetings, workgroups, and information dissemination statewide. This FTE is budgeted for 2,080 hours annually at an initial hourly rate of \$40, assuming a 3% annual increase, totaling \$441,720 over five years. In concert with the Precision Agriculture Program at Montana State University and industry-led research and development efforts occurring statewide Montana is a leader in adopting new and innovating technologies to reduce input costs, sustainably manage the land, and limit adverse environmental impacts.



Measure 6 & 7: Ag Development Division Administrator, Zach Coccoli, will be responsible for Agency Coordination at an estimated 9% FTE, or 180 hours annually at an initial hourly rate of \$58, assuming a 3% annual increase, totaling \$55,427 over five years for each measure.

Measure 6: an industry liaison representative(1.0 FTE) will be hired to coordinate industry outreach and program implementation, design incentives to support transitions to regenerative grazing, and oversee monitoring, reporting, and contracted services. This FTE is budgeted for 2,080 hours annually at an initial hourly rate of \$40, assuming a 3% annual increase, totaling \$441,720 over five years.

Measure 7: a grant manager (1.0 FTE) will be hired to develop grant program guidelines, host a competitive application period, conduct eligibility, and impact reviews, deliver cost-share agreements, and oversee performance and reporting. This FTE is budgeted for 2,080 hours annually at an initial hourly rate of \$40. Assuming a 3% annual increase, totaling \$441,720 over five years.

Fringe benefits are based on an expected benefit rate of 35% of personnel costs.

Travel: Statewide travel is anticipated to conduct outreach and monitoring to program participants, contractors, and other public stakeholders. 1-2 staff are estimated to travel up to 50 times each year, The estimated annual milage costs is \$7,276 @ \$0.655 per mile. The estimated per diem cost is factored at 100 days per year @ \$33.50/day and lodging costs estimated at 68 nights per year at \$107/night. All travel costs follow the State of Montana Travel Policy.

Supplies: Office supplies are anticipated to include laptop, monitor, and other necessary materials for new employee. Costs are estimated at \$3,500 the first year and \$1,142 subsequent years.

Contractual: Measure 6 only. A contractor will be competitively procured to provide hands-on data collection, monitoring, and program participant reporting services at an estimated annual cost of \$500,000. Contractor will be responsible for providing landowner training, technical assistance, and land management mapping in support of new grazing management plan. Further, contractor will coordinate with and deploy soil sampling agents to routinely monitor and measure soil carbon sequestration rates.

Other: Planning and implementing meetings, workshops, and convenings to foster collaboration among and between levels of government, the public, and key stakeholders. Training and staff capacity-building costs to implement GHG reduction measures. Estimated at \$10,000 annually for each measure.

Subawards: Measure 6: DOAg will provide \$6.5 million in grant funds through subawards to eligible entities to support participating ranches through reporting of data-driven rangeland health metrics, including increased stocking density, decreased pasture size, decreased graze period length, increased number of pastures, greater water source availability, and longer recovery periods.

Measure 7: DOAg will provide \$9 million in grant funds through subawards to eligible entities to support data collection, such as surveys, articles, media coverage, site visits, and GIS mapping. Additionally subawards to communities, will fund local personnel working with stakeholders and organizations to understand needs, gather input and feedback, and provide technical assistance and support to produce on-the-ground results.

Indirect Cost Rate: DOAg's indirect cost rate for federal grants is 29.99% on Personnel and Fringe.

**a. DNRC INDIRECT COST**

The DNRC's negotiated indirect rate for federal grants is 8.85% of Direct Costs. A copy of the federally negotiated rate agreement is provided as Appendix G.



**MONTANA FOREST, COMMUNITY AND WORKING LANDSCAPES CLIMATE RESILIENCY PROJECT**

**1. CONSOLIDATED BUDGET BY YEAR**

CONSOLIDATED BUDGET BY YEAR							
COST-TYPE	CATEGORY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Direct Costs	TOTAL PERSONNEL	\$581,928	\$586,027	\$595,924	\$606,106	\$616,581	\$2,986,566
	TOTAL FRINGE BENEFITS	\$232,179	\$234,411	\$238,370	\$242,442	\$246,632	\$1,194,035
	TOTAL TRAVEL	\$97,955	\$97,955	\$97,955	\$97,955	\$97,955	\$489,775
	TOTAL EQUIPMENT	\$0	\$0	\$0	\$0	\$0	\$0
	TOTAL SUPPLIES	\$369,200	\$359,000	\$359,000	\$359,000	\$359,000	\$1,805,200
	TOTAL CONTRACTUAL	\$2,539,909	\$1,939,909	\$1,789,909	\$1,789,909	\$1,789,907	\$9,849,543
	TOTAL OTHER	\$4,375,180	\$10,382,896	\$5,898,128	\$7,913,818	\$3,429,978	\$31,999,999
	TOTAL DIRECT	\$8,196,351	\$13,600,197	\$8,979,286	\$11,009,231	\$6,540,054	\$48,325,118
	TOTAL INDIRECT	\$338,174	\$284,731	\$272,682	\$273,944	\$275,242	\$1,444,773
TOTAL FUNDING		\$8,534,525	\$13,884,928	\$9,251,968	\$11,283,175	\$6,815,295	\$49,769,891

**2. CONSOLIDATED BUDGET BY PROJECT**

BUDGET BY PROJECT			
Project Number	Project Name	Total Cost	% of Total
1	Forest Mgmt and Wildfire Mitigation	\$8,215,955	17%
2	Urban & Community Forestry	\$9,737,193	20%
3	Coal Seam Fire Mitigation	\$9,816,744	20%
4	NonPoint Source Pollution	\$1,000,000	2%
5	Nitrogen Fertilizer Innovation	\$1,000,000	2%
6	Ranchland Stewardship	\$10,000,000	20%
7	Cattle/Beef Industry	\$10,000,000	20%
Total		\$49,769,891	

### **3. EXPENDITURE OF AWARDED FUNDS**

DNRC will specifically state in all applications for subawards the required timeframes for expenditures and check application materials for eligibility under this requirement. DNRC will include project schedules and term dates in subaward agreements and contracts and monitor compliance throughout the term of the subawards/contracts. Project schedules are included in the mandatory progress reporting in the DNRC subaward agreements and contracts.

The semi-annual reports and final report will include a breakdown of expenditures associated with implementation of this proposal.