

Board of Commissioners for the
West Great Falls Flood Control & Drainage District
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MONTANA EIGHTH JUDICIAL DISTRICT COURT, CASCADE COUNTY

IN RE THE MATTER OF:) Cause No. ADV-66-67075
) COMMISSIONERS' ANNUAL REPORT
THE WEST GREAT FALLS FLOOD)
CONTROL & DRAINAGE DISTRICT) Prepared February - April 2022

I. PURPOSE.

This report is filed by the Commissioners of the West Great Falls Flood Control and Drainage District (hereinafter District) pursuant to MCA 85-8-368(1). That statute sets forth the procedure for presenting the ongoing needs of the District to the Court so that the District may obtain the funds necessary to preserve the Flood Protection Project (Project) that protects the lands within the District from flooding. The statute requires that "the commissioners shall, on or before the first Tuesday of March of each year, file with the clerk of court having jurisdiction a report in which they shall specify in detail:

- (a) the emergency repairs which they have made during the preceding year;
- (b) the labor and repairs then necessary to the preservation and protection of the work under their control;
- (c) the places where such labor and repairs are especially needed;
- (d) amount of the outstanding indebtedness of the District; and
- (e) the sum to be assessed against each tract, lot, easement, or corporation to pay all emergency repairs theretofore done, necessary labor and repairs to be done during the ensuing year, maintenance, incidental expenses, and interest on and principal of all outstanding indebtedness."

The Commissioners have prepared this Annual Report in conformity with the above requirements. The Commissioners ask

that the Court examine the Report and approve the District's Proposed Operations and Maintenance Budget in the amount of \$114,000.00 for the ensuing year. Section III. of this Report discusses each budgeted expenditure in detail. Additionally, the Commissioners request that the Court take the following actions necessary for the preservation of the Project and the effective functioning of the District:

(a) The Commissioners respectfully request that, within thirty (30) days after the date of the filing of this Report, the Court set a hearing date for the purpose of approving this Annual Report. This procedure is set forth more particularly at MCA 85-8-368(3).

(b) The Commissioners ask that the Court reconfirm the assessment method for the Special Benefits assessments and the General assessments as presented in this Report. The Commissioners further ask the Court to approve the District's Proposed Operations and Maintenance Assessments based upon these assessment methods, thereby authorizing the Commissioners to place said assessments on the 2022 property tax rolls of Cascade County. County Exhibit A, attached hereto and by this reference incorporated herein, contains the last assessment roll (2021) of the District, in accordance with MCA 85-8-368(2), to be updated for this Report's 2022 property tax assessment year. Section V. of this Report discusses these assessments in further detail.

II. BACKGROUND.

The Flood Protection Project (Project) was constructed by the U.S. Army Corps of Engineers (Corps) under the authority of Public Law 85-500 in accordance with House Document Number 343, 85th Congress, 2nd Session, dated July 3, 1958, and as modified by Public Law 89-298, 89th Congress, 1st Session, dated October 27, 1965. The District agreed to furnish the non-Federal (local) cooperation required by the Federal legislation, including providing assurance of and assuming responsibility for the operation and maintenance of the Project upon completion of construction by the Corps.

A. HISTORY OF PROJECT CONSTRUCTION.

The District's local sponsor obligations for the Project included rights-of-way, borrow areas, Watson Coulee contribution, road repairs and replacement, City services relocations, utility relocations, local liaison engineering services, appraisal services, legal services, etc. The Amended and Supplemental

Commissioners' Report, pages 18 through 27, dated the 9th day of November 1979 (Clerk of District Court Document No. 811 filed 11/13/1979) estimated the total cost for these local cooperation obligations at \$2,050,000.00.

Construction of the Flood Protection Project (Project) by the U.S. Army Corps of Engineers was completed in five contracts. Stage I (Watson Coulee Drainage) consisted of drainage conduits and drainage inlets in connection with the conduits. This project was started in 1981 and completed in 1982 by Felton Construction Co. of Missoula, Montana, for \$2,750,000.00. Stage II (Sun River Left Bank levee system) consisted of the Sun River levee, drainage structures, relocated channel, collector ditch, and interceptor embankment. This project was started in 1982, was substantially completed in 1983 with the final items completed in 1985 by Washington Construction Company of Missoula, Montana, for \$6,625,000.00. Miscellaneous Construction consisted of flood-proofing the sewer lines and provided a portable generator with power wrench. This contract was constructed in 1985 by Barnard Construction Company of Bozeman, Montana, for \$37,500.00. The Levee Repair consisted of construction of interior drainage ditches and repair of the right bank. This contract was constructed in 1986 by Abcon Inc., for \$367,232.50. The Mitigation Planting consisted of tree and shrub plantings. This contract was completed in 1986 by Montana Lawn Service for \$222,238.00. The work, resulting from completion of these five construction contracts by the U.S. Army Corps of Engineers, was turned over to the non-Federal local sponsor (the District) for operation and maintenance on June 25, 1987.

Maps included in Corps Exhibit C, attached hereto and by this reference incorporated herein, show the completed Project location and features.

B. DISTRICT BOUNDARY DESCRIPTION.

In its present form, the boundaries of the District are properly described as per District Exhibit B, attached hereto and by this reference incorporated herein. District Exhibit B contains the original boundary description from the Amended and Supplemental Commissioners' Report, pages 9 through 13, dated the 9th day of November 1979 (Clerk of District Court Document No. 811 filed 11/13/1979). This original boundary description was approved by the Court's Order and Decree, dated the 1st day of April 1981 (Clerk of District Court Document No. 1173 filed 4/2/1981). District Exhibit B also includes a minor correction by John R. Kelly dated December 11, 1979, and excludes two (2)

additional lots from the District as per correspondence by the Court dated February 13, 1998.

III. PROPOSED OPERATIONS AND MAINTENANCE (O & M) BUDGET.

A. An average annual budget increase of 2.5% (rounded up) was adopted by the Commissioners and approved by the Court in 2014. At the February 2022 Commissioner Meeting the Commissioners reviewed the Financials and the Proposed 2022 O & M Budget total remains unchanged with minor revisions within specific expenses. Following are the proposed budget and comparative budgets prepared pursuant to MCA 85-8-368(1) for fiscal years beginning July 1:

<u>Budgeted Items:</u>	<u>Proposed 2022</u>	<u>2021</u>	<u>2020</u>
For the Preceding Year:			
1. Emergency Repairs	\$ None	\$ None	\$ None
For the Ensuing Year:			
2.a. Maintenance	68,500	66,900	66,900
2.b. Improvements (Reserve)	10,000	10,000	10,000
3. 5-Yr. Pipes Inspections	13,000	12,000	12,000
4. Commissioners	6,825	7,000	7,000
5. Admin & Secretary Services	5,400	5,500	5,500
6. Insurance	4,000	5,000	5,000
7. Legal Advisor	3,000	2,500	2,500
8. Miscellaneous	1,875	3,000	3,000
9. Elections	450	1,000	1,000
10. Employer Payroll Taxes	550	700	700
11. Public Official Bonds	400	400	400
TOTALS	<u>\$114,000</u>	<u>\$114,000</u>	<u>\$114,000</u>

District Exhibit E, attached hereto and by this reference incorporated herein, includes details for this proposed budget and other District financial information.

B. DISCUSSION OF PROPOSED BUDGETED EXPENDITURES:

The Proposed Budget (District Exhibit E) total remains unchanged from the last Budget total approved by the Court with minor revisions within specific expenses to provide necessary funds for the ongoing Flood Protection Project (Project) Operation and Maintenance and District Operations.

1. Emergency Repairs: NONE.

The District did not incur any emergency repair costs during the preceding year.

2. Maintenance and Improvements:

a. Maintenance: \$68,500.00.

As noted in Section II.A. of this Report, total responsibility for operation and maintenance of the Flood Protection Project (Project) was transferred to the District by the U.S. Army Corps of Engineers (Corps) on June 25, 1987. The Project consists of approximately 7.65 miles of earthen levees, berm areas, collector ditches, drainage structures, and access ramps. A collector ditch, interceptor embankment (levee), inlet, and two 84-inch reinforced concrete pipes each approximately 4,688 feet in length intercept flows from the Watson Coulee drainage basin; roller gates at the outlet structure prevent backflows from entering these conduits in an emergency situation; five floor box inlets along 27th St. NW receive surface runoff. Bar gates and fencing have been installed to help prevent encroachment and trespass by unauthorized vehicles, individuals, and the public at large. Corps Exhibit C contains Project maps, descriptions, and features.

The Corps issued an Operation and Maintenance (O&M) Manual in 1988 specifically for this Project. Levee maintenance includes monitoring and stabilizing riverbank erosion; riprap repair; maintaining sod cover growth; exterminating and repairing damage caused by burrowing animals; mowing; maintaining access ramps, turnouts, and the levee crown; and weed, tree, and brush control. Collector ditch, drainage structure, and roller gate maintenance includes removal of debris and sediment deposits; lubrication and operation of moving parts; rust and paint deterioration repairs; and plank and piling repairs. Existing fencing and gates throughout the Project need continuous maintenance and repairs.

The Corps Operation and Maintenance (O&M) Manual also requires that the District have an appointed Project "Superintendent" who will be responsible for the operation and maintenance of all the structures and facilities during flood periods and for continuous inspection and maintenance of the Project during periods of low water. (Source: Corps O&M Manual, pages II-1 through II-6.)

Project emergency, operation, and maintenance equipment and supplies include sandbags, two electric generators, power wrench, valve cranks, utility trailer, small tools, parts, lubricants, fencing materials, padlocks, "No Trespassing" signs, etc.

The Corps issues periodic "Sponsor responsibilities" letters which include reminders, overviews of existing and new Corps Programs, regulatory information, resources websites, etc. The Interim Policy released 21 March 2014 (included in Corps Exhibit C), the ongoing Levee Screening and Levee Safety Action Classification (LSAC) under the National Levee Safety Act, and the Guidance for Section 408 Alteration Requests (Policy and Procedural Guidance for Processing Requests to Alter US Army Corps of Engineers Civil Works Projects Pursuant to 33 USC 408 Engineer Circular/EC 1165-2-220) all remain in effect at this time. The Commissioners are also reviewing the final published 114-page Corps Levee Safety Program (Engineer Circular/EC 1165-2-218 dated 22 April 2021) for Program changes, new Corps policies and procedures, and the "activities that sponsors (i.e. the District) are required to conduct or participate in" for added District responsibilities, potential budget increases, etc.

The Corps performs annual inspections of the Project. An extensive 4-day on-site Periodic Inspection (PI) was completed October 9 thru 12, 2020; the written PI Report has not yet been released by the Corps. For reference, a copy of the most recent annual Routine Inspection (RI) Report for the June 6, 2019, on-site Corps inspection is included in Corps Exhibit C; the District "shall continue normal operations and maintenance of the project in accordance with the Project's Operation & Maintenance Manual." District Exhibit D, attached hereto and by this reference incorporated herein, contains a copy of the Corps Transmittal Letter, Table of Contents, and Executive Summary from the lengthy Culverts and Discharge Pipes Inspection Report (2020) wherein the "...pipes and associated structures and appurtenances are generally in good condition...no deficiencies have been identified...that would negatively affect the function of the levee system during a flood event." Reference Corps Exhibit C and District Exhibit D for the "places where such labor and repairs are especially needed" in accordance with MCA 85-8-368(1)(c).

The Commissioners continue to have concerns regarding the impact of new and additional Corps maintenance requirements on District budgets. Mowing of the levee slopes and woody vegetation removal with subsequent upkeep are examples of some of the more costly added "routine" maintenance requirements. Using both budgeted and available funds, establishment of the Corps-required woody vegetation-free zones had to be completed in phases over three maintenance seasons (Fiscal Years 2011-15) at a total cost of \$43,565.00.

Ongoing Issues and Concerns:

1. The Commissioners continue to remain vigilant regarding past, present, and future developments that impact the Watson Coulee Drainage Basin segment of the Project. During 2015, the City of Great Falls approved the Thaniel Addition Major Subdivision development and additional development within the West Ridge Addition wherein the developers "...will be participating in the cost of a Storm Water Master Plan (Plan) for the area... All storm water management plans related to the (development) project will be reviewed and approved by the (City) Public Works Department." The District's primary issues and concerns are that storm water runoff flows from past, present, and future developments cannot exceed the Corps design criteria for pre-development agricultural runoff without express written permission and approval from the Corps and that the Project interior drainage system with the Watson Coulee Drainage Basin segment is included in the certification, accreditation, and recognition requirements of the Federal Emergency Management Agency (FEMA) National Flood Insurance Program (NFIP) Code of Federal Regulations Title 44, Part 65, Section 65.10 (44 CFR 65.10). The Commissioners have reiterated these issues and concerns, both verbally and in writing, to City and County officials. The City Engineer was the lead official in this Plan process. Reference District Exhibit F, attached hereto and by this reference incorporated herein, for copies of relevant correspondence relating to this ongoing issue. As of the preparation of this Report, the Storm Water Master Plan has not been completed, the City Engineer has retired, and an Interim City Engineer (who is very familiar with and well aware of these longstanding issues and concerns) has been appointed. The Commissioners will continue to work with the City Public Works, Engineering, and Planning & Community Development Departments on this important matter.

2. No Public Access to the Project/District Property: In accordance with the eminent domain Court proceedings (1979-1982) for the Corps-designated Project rights-of-way, the "public at large will not be allowed" on the Project/District property. City and County officials and the River's Edge Trail Foundation have been noticed in writing (District Exhibit G, attached hereto and by this reference incorporated herein) of this well-established, critical edict.

3. Unanticipated Costs and Expenditures: Criminal activity on the Project resulted in the damage/destruction of five gates, associated fencing, and padlocks. The District was forced to use

Reserve funds to restore the gates, etc. to their original condition. In the Court's Judgment of Conviction and Sentencing Order (Cause No. DDC-16-333; December 20, 2016), full restitution in the amount of \$7,037.50 shall be paid to the District via the MT Dept. of Corrections (DOC). As of 6/30/2021 Fiscal Year-End, the District has received \$133.36 in restitution from the MT DOC.

b. Reserve for Improvements: \$10,000.00.

1. Funding.

With added Corps requirements and increasing costs for routine maintenance, interest earnings and small savings from other budget categories do not provide an adequate, reliable funding source for needed Project improvements. The District has established a budgeted Reserve for funding long-term Project improvements and repairs.

2. Long-Term Project Improvements and Repairs.

1. Riverbank Erosion: Following the 2011 flooding, riverbank erosion was observed at three sites.

a) Area +/- Station (Sta.) 196+00: The Corps determined that the "levee section integrity is not threatened because the erosion is not in the critical levee section" and denied the District's 2011 PL 84-99 RIP assistance request. A Preliminary Engineering Report (PER) completed by WWC Engineering in May 2016 for a MT DNRC construction assistance grant estimated the cost for a proposed 850-foot Armored Riverbank alternative at \$310,136.00; the 2017 MT Legislature funded 26 of 93 grant applications (the District's application ranked #81). To-date costs (fiscal 2015-16) total \$15,592.09 for the Request For Proposals legal ads, PER, Grant Application Fee, and Grant Application submittal assistance. The District will continue to search for Federal and State funding opportunities to assist with the riverbank erosion rehab and repairs costs. Because the Project has an "Acceptable" Corps rating for Erosion/Bank Caving (Corps Exhibit C), the Commissioners are not considering any financing (long-term debt) at this time.

b) The Commissioners will continue to monitor the remaining two riverbank erosion sites for future as-needed repairs.

2. As per the recommendations in the Culverts and Discharge Pipes Inspection Report (2020) (District Exhibit D), the following

modifications/repairs/actions have been completed or are in progress and planning:

a) Five corroded slide/slucice gate stems/"lift stems" were replaced with new stainless steel stems/"lift stems" at Stations 176+00, 186+50, 193+00, 196+00, and 252+40 at a cost of \$6,569.00 (fiscal 2016-17).

b) Broken stem guides have been replaced: two at Sta. 216+10 and one at Sta. 323+75 East at a cost of \$2,363.09 as of 6/30/2021.

c) Lake Drain Sta. 344+50 Outlet/"Outfall" Improvements Project: The survey and initial design plan have been completed by Great West Engineering, Inc. for to-date costs of \$7,184.30. The construction cost estimate is \$58,430.90 (\$53,119.00 plus a 10% \$5,311.90 contingency). The District is preparing the Corps-required Section 408 Alteration Request which could result in additional design and construction costs based on Corps requirements for approval of this alteration/improvement. Additional costs to complete this improvement will also include final construction plans, construction bidding procedures, permits, construction, engineer construction oversight, as-built record drawings, etc. In a cooperative effort with the City of Great Falls Park & Rec. Dept., the District allows reverse flows from the Sun River through this drainage structure culvert/discharge pipe into Wadsworth Lake/Pond in order to maintain a Lake/Pond water level desired by the Park & Rec. Dept. This cooperative effort has resulted in an initial award of a MT Fish, Wildlife, & Parks "Community Pond" grant of approximately \$43,218.00.

d) Flap Gates Recoating: The bituminous coating on all 23 of the drainage structures flap gates needs to be reapplied. The bituminous coating is no longer available; the Corps has approved a new currently available coating material. Each flap gate will need to be removed, transported to a shop, cleaned down to bare metal, recoated, and reinstalled. Cost estimates range from \$100,000.00 to \$125,000.00 for this long-term improvement/repair.

e) Sta. 258+74 East Watson Coulee Pipe: The District will need to engage an Engineer annually to monitor and verify that the pipe section displacement at Sta. 30+21 does not increase and that no water seepage is occurring at the displaced grouted pipe section.

f) Various other Drainage Facility Deficiencies will need to be addressed before the next 2025 Corps-required 5-year Culverts and Discharge Pipes Inspections.

3. Outlet/Flap Gate Extensions at Sta. 216+10 and Sta. 186+50: Riverbank accretion has caused these outlets/flap gates to become recessed back into the riverbank, requiring additional annual sediment removal; the extensions would reduce routine drainage structures maintenance costs. A preliminary design, cost estimate, funding research, and permit requirement research report was completed by Stelling Engineers, Inc. for \$9,168.00 (fiscal 2012-13). The Corps has accepted the preliminary design plans. The estimated cost to complete the extensions is \$95,000.00. Funding sources listed in the report continue to have a low potential for acceptance. Because all Project outlets/Flap Gates have an "Acceptable" Corps rating (Corps Exhibit C), the Commissioners are not considering any financing (long-term debt) at this time.

4. Riverside Berm: Apparent abandoned beaver dens cave-ins and standing deadfall upstream of Sta. 163+00 are beginning to create a safety concern. The Commissioners will continue to monitor this area for future as-needed repairs.

5. Top-of-Levee and Access Ramps Surfaced Areas: add fill material and gravel as-needed to maintain surfaced areas and adequate levee crown drainage.

6. Security and Replacement Fencing: install upgraded security fencing at high trespass problem sites (foot trails, vehicle ruts, vandalism, etc.); replace aging fencing which has deteriorated beyond cost-effective routine repairs.

7. Power Wrench: used for drainage structures operation; in service since 1985; repaired and refurbished prior to the 2018 flood season; continue to monitor for future replacement.

3. 5-Year Pipes Inspections: \$13,000.00.

Under new and additional Corps requirements, the condition of all culverts/discharge pipes must be verified every five years via video or visual inspection and an inspection report must be made available for review by the Corps inspector. The Project has +/- 15,000 feet of pipes. The first pipes inspections and report were completed in 2010 at a cost of \$44,484.37; the 2015 inspections and report cost \$50,748.14; the 2020 inspections and report (District Exhibit D) cost \$55,823.62. The District

needs an annual reserve to provide an available funding source for the next pipes inspections and report due in May 2025.

4. Commissioners: \$6,825.00.

The Commissioners work to assure that the District meets its obligations to operate and maintain the Flood Protection Project (Project) in accordance with Corps rules, regulations, guidelines, annual inspections, etc. and that the District itself operates in accordance with MCA Title 85 Water Use, Chapter 8 Drainage Districts. The budgeted amount is \$175.00 per month per Commissioner with an additional \$175.00 stipend per Commissioner attending each Corps Annual on-site Project Inspection.

5. Administration and Secretary Services: \$5,400.00.

Under the direction of the Commissioners, an Administrator and a Secretary prepare assigned reports (Court, Federal, State, Corps, etc.) and assist in various office and District operations tasks and projects on an as-needed basis.

6. Insurance: \$4,000.00.

This budgeted amount is used to purchase General Liability, Directors and Officers (D&O) Liability, and Workers' Compensation insurance policies for the District.

7. Legal Advisor: \$3,000.00.

The County Attorney provides only very limited legal counsel to the District under MCA 7-4-2711(2)(a). From time to time, the District will need to engage an attorney/law firm for legal advice and services.

8. Miscellaneous: \$1,875.00.

Miscellaneous expenditures include: office equipment and supplies; telephone and internet service; website development and maintenance; Public Meetings hall rentals; newsletter costs; Treasurer's Bank Account Fees; etc.

9. Elections: \$450.00.

MCA 85-8-302(1) requires an annual election for the purpose of electing one Commissioner to a three-year term of office. The Cascade County Elections Department conducts these annual elections and bills the District for the election costs.

10. District Employer Payroll Taxes: \$550.00.

Internal Revenue Service (IRS) regulations generally classify elected (Commissioners) and appointed government officials as employees of the government entity (District); therefore, the District is responsible for employer contributions of 6.2% Social Security and 1.45% Medicare on employees' gross pay. (Source: IRS website irs.gov "Classification of Elected and Appointed Officials")

11. Public Official Bonds: \$400.00.

MCA 85-8-308(1)(b) requires a Public Official Bond for each Commissioner. The Commissioner elected each year is bonded for his/her three-year term of office in the amount of \$5,000.00.

IV. DISTRICT'S OUTSTANDING INDEBTEDNESS.

At this time, the District does not owe and has not incurred any long-term debt (MCA 85-8-368(1)(d) and (e)).

V. SUM TO BE ASSESSED.

PROPOSED OPERATIONS AND MAINTENANCE (O & M) ASSESSMENTS.

County Exhibit A contains a listing of the last (2021 Property Tax Year) Special Benefits and General assessments confirmed by the Court (MCA 85-8-368(2)). The two basic requirements for assessment are that the property be located within the boundaries of the District (District Exhibit B) and that the property be benefited by the Flood Protection Project (Project). Although all benefits from a special improvements district have been generally referred to as special benefits, the Drainage District Statutes distinguish between the special and the general benefits derived from the improvement (the Project) itself. Due to the more complex nature of the special benefits, those benefits are calculated based upon a formula derived from the Amended and Supplemental Commissioners' Report dated the 9th day of November 1979 (Clerk of District Court Document No. 811 filed 11/13/1979) and approved by the Court's Order and Decree dated the 1st day of April, 1981 (Clerk of District Court Document No. 1173 filed 4/2/1981). The remainder of the assessments are spread across the generally benefited area of the District.

A. SPECIAL BENEFITS ASSESSMENTS.

The entities comprising the Special Benefits assessment paid 36.73% of the original non-Federal local cooperation obligations (the "original construction" assessment). It is the considered opinion of the Commissioners that this same percentage should be specially assessed for the ongoing Operations and Maintenance needs of the District. This amount (\$114,000.00 x 36.73% = approx. \$41,872.00) should then be divided on a pro rata basis against each of the entities according to the percentage of the original construction assessment paid by each entity as follows:

<u>Parcel#</u>	<u>Entity</u>				<u>2022</u> <u>Tax Year</u> <u>Proposed</u> <u>Assessment</u>
1919500	Cascade County	\$41,872.00	x	17.265%	= \$ 7,229.20
1919600	City of Great Falls	41,872.00	x	66.405%	= 27,805.10
1919800	Great Falls Public School	41,872.00	x	7.305%	= 3,058.75
1919900	MT Dept. Transportation	41,872.00	x	5.844%	= 2,447.00
1921200	Northwestern Corp Transmi	41,872.00	x	0.89%	= 372.66
1921350	Burlington Northern Santa	41,872.00	x	0.584%	= 244.53
1921700	Centurylink Inc	41,872.00	x	0.658%	= 275.52
1921900	Bresnan Communications	41,872.00	x	0.319%	= 133.57
2734400	Great Falls Gas Company	41,872.00	x	0.73%	= 305.67
				Total	<u>\$41,872.00</u>

B. GENERAL ASSESSMENTS.

Owners of real property (land and improvements) within District boundaries paid the remaining 63.27% of the original non-Federal local cooperation obligations (the "original construction" assessment) based on the then-current appraisals/market valuations and taxable valuations of land and improvements. The proposed O & M General assessments continue to utilize the current appraisals/market valuations (as determined by the State appraisal system) and the resulting MT Department of Revenue Certified Taxable Values of land and improvements as the basis for apportioning the General assessments. The General assessments will pay essentially the same percentage of the budget requested in this Report (63.27% of the \$114,000.00 proposed O & M budget = approx. \$72,128.00) as was paid for the Flood Protection Project original construction assessment.

The O & M General assessments continue to incorporate two exemptions from the original construction assessments: 1.) a 50% (i.e. one-half) partial exemption granted to properties within the

District which had not suffered damage from an historic Sun River flood event (County Exhibit A, 30 Parcels), the theory being that these properties received less benefits from the Flood Protection Project than those properties which had suffered historical flood damage; and 2.) a general exemption which adopted the exemptions from real estate taxes as provided by State law (County Exhibit A, 37 Parcels), save and except any exemptions applicable to governmental subdivisions of the state, county, or city as these governmental subdivisions were, and continue to be, assessed under the Special Benefits assessments.

County Exhibit A also shows the pro rata amount for properties along the District's boundary which are only partially located within the District (6 Parcels).

Property values are adjusted periodically under the State reappraisal system to reflect current sales and general economic conditions. The MT Dept. of Revenue annually updates property values to reflect new construction, additions, remodels, State property tax reductions for qualifying low-income residents, etc. and issues current year Certified Taxable Value Information during July/August each year. It is the considered opinion of the Commissioners that utilizing the current tax year MT Dept. of Revenue Certified Taxable Values of the properties within the District boundaries reflects the current benefits of the Flood Protection Project for the O & M General assessments.

O & M General assessments examples are as follows:

Market/ Assessed Value	2021 Taxable Value	2021 Assessments County Exhibit A	Approx. 2022 Assessments Based on Proposed Budget
\$50,000	\$680	46.04 mills= \$31.31	0.0% increase = \$31.31
\$100,000	\$1,360	46.04 mills= \$62.61	0.0% increase = \$62.61
\$200,000	\$2,720	46.04 mills=\$125.23	0.0% increase =\$125.23

A planned mailing will notify and inform District property owners/taxpayers of the filing of this Report and the Proposed Budget and Assessments contained herein. One complete copy of this Report will be available at the District's office for Public review and comment. The Commissioners are also available to answer questions and take comments.

C. OMITTED ASSESSMENTS.

In accordance with MCA 85-8-616, the Commissioners must report any omission to assess benefits to the Court. An annual review of MT Dept. of Revenue assessment maps and data files

identifies parcels within the District that have been added to (property splits) or deleted from (property combines) the O & M assessments file. Said annual review indicates no such omission to assess benefits at this time.

**VI. FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA).
NATIONAL FLOOD INSURANCE PROGRAM (NFIP).
FLOOD MAP MODERNIZATION (MAP MOD) PROGRAM.
LEVEE (RE-)CERTIFICATION AND (RE-)ACCREDITATION ISSUES.**

Under a U.S. Army Corps of Engineers (Corps) policy change, the Corps no longer provides levee certification information to FEMA for locally sponsored Federal Flood Protection Projects designed, engineered, constructed, and annually inspected by the Corps. The District and its members requested support and assistance from our Montana Congressional Delegation to deal with this Federal issue. The documents included in FEMA Exhibit H, attached hereto and by this reference incorporated herein, are provided for reference in the discussions that follow.

Cascade County and the City of Great Falls adopted updated Floodplain Regulations and the new FEMA Flood Insurance Rate Maps (FIRMs) and Flood Insurance Study (FIS) for Cascade County effective March 19, 2013. Corrections to both the effective FIRMs and the FIS have been finalized (December 18, 2013) and refer to the levee as "Provisionally Accredited" at this time. Without the required levee certification data and documentation, "...FEMA will revise the flood hazard and risk information for this (levee-protected) area to reflect de-accreditation of the levee system."

At this time, the 2013 FEMA FIRMs and FIS remain effective and continue to show the levee-protected area (shaded Zone X). It is the understanding of the Commissioners that, unless a re-mapping of Cascade County is initiated by FEMA or requested by the FEMA Communities (MT Department of Natural Resources & Conservation/DNRC, Cascade County, and/or the City of Great Falls), the 2013 FIRMs and FIS remain effective.

The Commissioners will continue to work with our Montana Congressional Delegation and update District members; we can only hope that the Corps will reverse its policy change and return to providing levee certification information to FEMA.

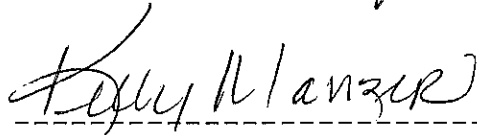
VII. CONCLUSION.

The Commissioners ask that the Court approve the Proposed Operations and Maintenance Budget and reconfirm the assessment

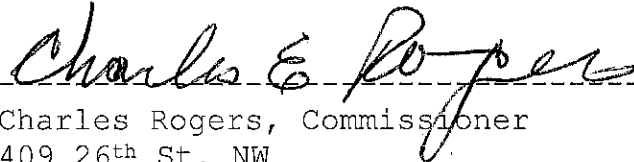
method already adopted and in place for the Special Benefits assessments and the General assessments. The Commissioners further ask that the Court approve the Proposed Operations and Maintenance Assessments as described in Section V. of this Report, thereby authorizing the Commissioners to place said assessments on the 2022 property tax rolls of Cascade County.

The Board of Commissioners for the West Great Falls Flood Control and Drainage District hereby respectfully submit this Annual Report for the Court's approval.

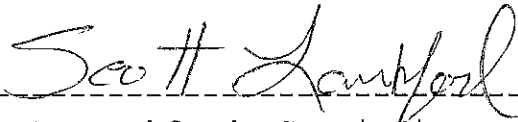
DONE AND DATED THIS 11th day of May, 2022.



Kelly Manzer, Commissioner and Chairperson
713 13th St. SW
Great Falls, MT 59404



Charles Rogers, Commissioner
409 26th St. NW
Great Falls, MT 59404



Scott Lankford, Commissioner
2028 5th Ave. SW
Great Falls, MT 59404