

COPY

EXHIBIT 2-O

MEAGHER COUNTY/MARTINSDALE WATER & SEWER DISTRICT
WATER SYSTEM IMPROVEMENT PROJECT
NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS
FOR NOI/RRF & FONSI/NOI/RRF

(as to be published on January 26, 2006 in the Meagher County News)

DISTRIBUTION LIST: CHECK APPLICABLE AGENCIES

State Agencies

- ✓
Montana Department of Commerce
Community Development Division
301 South Park
P.O. Box 200523
Helena, Montana 59620-0523
Ph. 841-2770
- ✓
Montana Department of Fish, Wildlife & Parks
Resource Assessment Unit
1420 East Sixth Avenue
P.O. Box 200701
Helena, Montana 59620-0701
Ph. 444-5670
- ✓
Montana Department of Environmental Quality
1520 East Sixth Avenue
P.O. Box 200901
Helena, Montana 59620-0901
Ph. 444-5263
- ✓
Montana Department of Natural Resources & Conservation
1625 Eleventh Avenue
P.O. Box 201601
Helena, Montana 59620-1601
Ph. 444-6743
- ✓
Montana Environmental Quality Council
P.O. Box 201704
Helena, Montana 59620-1704
Ph. 444-3742

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JAN 26 2006

LEGISLATIVE ENVIRONMENTAL
POLICY OFFICE



 Montana State Historic Preservation
 1410 Eighth Avenue
 Preservation Officer
 P.O. Box 201202
 Helena, Montana 59620-1202
 Ph. 444-7717

*See SHPO Letter of Concurrence
 w/Cultural Resource Inventory
 Findings, to USDA Rural
 Development, dated 11/22/05*

Federal Agencies

✓
 U.S. Environmental Protection Agency
 Attention: EIS Review
 Montana Office, Federal Building
 10 West 15th Street, Suite 3200
 Helena, Montana 59626
 Ph. 457-5000

✓
 U.S. Fish & Wildlife Service
 Sub-office Coordinator
 2900 Fourth Avenue N, Room 301
 Billings, Montana 59101
 Ph. 247-7366

Local Agencies

✓
 Meagher County Local Conservation District
 Joy Short
 P.O. Box 589
 White Sulphur Springs, Montana 59645

 Local Government Planning Agency
 (List Name and Address)

 Local Historical Society
 (List Name and Address)

Local Postings

- Meagher County Courthouse
- Post Office
- Community Center

**COMBINED NOTICE
FINDING OF NO SIGNIFICANT IMPACT and
NOTICE TO PUBLIC OF REQUEST FOR RELEASE OF FUNDS
(FONSI/NOI/RRF)**

January 26, 2006

Meagher County/Martinsdale Water and Sewer District
P.O. Box 64
Martinsdale MT 59053 Telephone: (406) 572-3651

TO ALL INTERESTED AGENCIES, GROUPS AND PERSONS:

On or about February 28, 2006, the above-named Meagher County/Martinsdale Water and Sewer District, Martinsdale, Montana, will request the Montana Department of Commerce (DOC) to release Community Development Block Grant (CDBG) funds provided under Title I of the Housing and Community Development Act of 1974, as amended (PL 93-383) for the following project: Meagher County/Martinsdale Water and Sewer District Water System Improvements, CDBG Contract #MT-CDBG-06PF-05. The purpose of this project is to construct water system improvements for the community of Martinsdale. The proposed improvements include construction of a new 200,000 gallon storage tank; development of a new spring; construction of a water transmission main to connect the spring to the tank; construction of a new disinfection building; and installation of water meters and additional fire hydrants.

Finding of No Significant Impact

It has been determined that such request for release of funds will not constitute an action significantly affecting the quality of the human environment and accordingly the above named Meagher County has decided not to prepare an Environmental Impact Statement under the National Environmental Policy Act of 1969 (PL 91-190).

The reasons for the decision not to prepare such Statement are as follows:

- A Uniform Environmental Checklist, which is on file at the Meagher County Courthouse in White Sulphur Springs, and at the Martinsdale Water and Sewer District in Martinsdale, itemizes the physical environment and human population of the project area.
- A Cultural Resources Inventory concluded that no historic properties would be affected if the project proceeds as currently planned.
- The potential environmental impacts have been assessed by USDA Rural Development determining that the proposed action will not significantly affect the quality of the human environment.

- The proposed action is not located in a flood plain.

An Environmental Review Record documenting review of all project activities in respect to impacts on the environment has been made by the above-named Meagher County/Martinsdale Water and Sewer District. This Environmental Review Record is on file at the above address and is available for public examination and copying upon request between the hours of 11:00 a.m. and 4:00 p.m.

No further environmental review of such project is proposed to be conducted prior to the request for release of CDBG project funds.

Public Comments on Findings

All interested agencies, groups and persons disagreeing with this decision are invited to submit written comments for consideration by the Meagher County/Martinsdale Water and Sewer District, to the office of the undersigned on or before February 10, 2006. All such comments so received will be considered and the Meagher County/Martinsdale Water and Sewer District will not request release of funds or take any administrative action on the project prior to the date specified in the preceding sentence.

Release of Funds

The Meagher County/Martinsdale Water and Sewer District will undertake the project described above with CDBG funds provided by DOC under Title I of the Housing and Community Development Act of 1974, as amended. The Meagher County/Martinsdale Water and Sewer District is certifying to DOC that the Peter Marchi, in his official capacity as the Martinsdale Water and Sewer District Water System Operator consents to accept the jurisdiction of the Federal courts if an action is brought to enforce responsibilities in relation to environmental reviews, decision-making, and action; and that these responsibilities have been satisfied. The legal effect on the certification is that upon approval, the Meagher County/Martinsdale Water and Sewer District may use the CDBG funds and DOC will have satisfied its responsibilities under the National Environmental Policy Act of 1969.

Objections to State Release of Funds

The Department of Commerce will accept an objection to its approval of the release of funds and acceptance of the certification only if it is on one of the following bases:

- (a) that the certification was not in fact executed by the certifying officer or other officer of the applicant approved by the Department of Commerce;
- (b) that the applicant's environmental review record for the project indicates omission of a required decision, finding, or step applicable to the project in the environmental review process;

- (c) the grant recipient has committed funds or incurred costs not authorized by 24 CFR Part 58 before approval of a release of funds by DOC; or
- (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental design.

Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58) and may be addressed to: Department of Commerce, Local Government Assistance Division, 301 South Park, P.O. Box 200523, Helena, Montana 59620-0523.

Objections to the release of funds on bases other than those stated above will not be considered by DOC. No objection received after February 28, 2006 will be considered by DOC.

Peter T. Marchi
Name of Environmental Certifying Officer

January 23, 2006
Date

Address:

P.O. Box 96
112 Main Street
Martinsdale MT 59053