

2025-2030



Gena Lynn Micu

CITY OF DEER LODGE

COMPREHENSIVE CAPITAL IMPROVEMENTS PLAN (CCIP)

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I. EXECUTIVE SUMMARY



Deer Lodge is the county seat of Powell County, located in west central Montana. Powell County has a total area of 2,333 square miles. Deer Lodge is the largest city in Powell County and has a rich western history dating back to the late 1850s that includes cattle ranching, fur trading, the Montana gold rush, and the railroad. Deer Lodge is also home to the Montana State Prison.

The City of Deer Lodge previously completed a Comprehensive Capital Improvements Plan (CCIP) in March 2017 for the years 2017 through 2022. Additionally, the City completed a Growth Policy in February 2024.

Like many rural communities in Montana, Deer Lodge struggles to maintain its infrastructure due to a limited tax base, which hampers efforts to fund its upkeep. In addition to regular operations and maintenance, there is a constant need to upgrade and replace public facilities and systems to ensure they continue to meet the community's needs.

This document presents the Comprehensive Capital Improvements Plan for the City of Deer Lodge and the City's plan of action to provide for and meet the needs of its citizens by assisting city leaders with project planning and financing.

Table 1: Top Four City of Deer Lodge Ranked Projects

Project Ranking	Project	City Department
1	Equipment Purchase - Type 6 Brush Engine	Fire Department
2	Annual Street Maintenance Program	Public Works
3	Equipment Purchase – Patrol Rifles and Updated Sidearms	DLPD
4	Approximately 4,100 lineal feet of 12" water main replacement on W. Peterson Ave.	Public Works
4	FEMA Flood Mitigation (Property Acquisition in Floodway) – in 2026 and 2031	Public Works
4	Main Street Redesign and Pedestrian Improvements	Public Works
4	Additional Full-time Sworn Officer	DLPD
4	Purchase of patrol vehicle computers, printers, in car Computer Aided Dispatch service, and E-Citations	DLPD
4	Secure and Updated Facilities	DLPD

**Projects were ranked based on score. As a result, multiple projects may have the same project ranking.*

Figure 1: Deer Lodge Hall (Swackhammer, 2022)



This Comprehensive Capital Improvements Plan (CCIP) will help the City of Deer Lodge identify public facility needs, assess the requirements for existing and future facilities, plan for infrastructure management, establish project priorities, and create a long-range program for scheduling and funding projects located within the city. The CCIP is designed to prioritize budgetary needs and verify that the City will have the funds available to pay for improvements as planned. It is critical to review and update the CCIP regularly to keep the Plan current and practical, while maintaining the proper focus on local government needs.

Purpose of a Comprehensive Capital Improvements Plan

The overall purpose of a CCIP is to identify the capital needs and priorities of a community, to provide estimated projects costs that assist with budgeting for the identified needs, and to outline available funding options that may help defray the costs of the capital projects identified. The process allows for:

- The identification, review, planning, and budgeting of capital expenditure;
- Time to study identified projects;
- Public discussion of projects; and
- Citizen input concerning potential projects and expenditures.

The planning process of a CCIP initiates citizen participation to ensure a better understanding of the community's needs by the local citizens, in addition to demonstrating that the city is fulfilling its obligation to the taxpayers in a long-term, financially efficient manner. Implementation of a CCIP allows the city to maintain the safety and efficiency of existing capital facilities and infrastructure and encourages unity among city officials through a clearly defined scope of work, budget, and time frame. With project needs identified in a planning document, it is easier to anticipate financial needs to maximize available federal, state, and private funding. Evidence of planning and managing debt for capital improvements illustrates the need for grant and loan funding and has the potential for minimizing interest rates and the cost of borrowing money.

In general, the creation of a CCIP follows a logical and sequential process of identifying and financing capital needs, in addition to making sure the City is prioritizing projects in a way that responds to the needs of residents as obtained during the public involvement portion of the process.

Essential Components

The development of this CCIP involved several essential elements, as outlined below.

1. Needs Assessment

The first step in the CCIP planning process is to assess the overall needs of the community. Public participation is essential for the completion of a successful CCIP and active participation from all levels was encouraged throughout the process. Public opinion provides a critical point of view; however, it is not the sole source of information for determining project needs. An on-line survey was available and advertised for the purpose of gathering information from the residents concerning community priorities, needs, and projects. In addition, a public meeting was held at City Hall on July 15, 2024 to discuss the CCIP with residents and hear comments from them concerning the needs of their community. Appendix A includes a copy of the survey that was conducted, as well as the responses that were submitted.

City department heads and employees were also surveyed to identify the priorities and needs of specific departments within the City. Also considered were projects identified in existing planning documents, as well as projects identified in the City's previous CCIP that were not completed by the time of the needs assessment.

Upon completion of the needs assessment process, the City of Deer Lodge CCIP team was able to prepare a list of possible capital improvements projects compiled from existing plans, City officials, and public input.

2. Project Identification and Prioritization

As the comprehensive list of needs is often greater than financial availability, potential projects are evaluated and prioritized to address the most critical needs of the City and to avoid the potential for deferred maintenance costs. The CCIP team in coordination with a City-appointed committee developed ranking criteria to prioritize the potential projects, which provided the City with an objective means of establishing project priorities and determining which projects to evaluate further.

The following ranking criteria was used to evaluate the list of potential projects:

- **Public Health and Safety:** Does the project address an urgent health or safety concern, legal mandate, or code compliance? (Priority Factor = 0-6)
- **Public Infrastructure/Integral to Another Project:** Does the project provide benefit to public infrastructure and, in particular, is it necessary to complete another project that is planned? (Priority Factor = 0-6)
- **Economic Development/Community Benefit:** Does the project provide a benefit to the entire community, or only to a particular segment of the population based on location or need? Does the project improve or enhance the lives of individuals residing in the City? Does the project contribute to additional/expanded business within the City? Would the project protect local property values? (Priority Factor = 0-6)
- **Funding Availability - Now or is Attainable:** Is the project currently budgeted for funding through City resources or existing grants/loans or is there grant or low interest loan funding that the project qualifies for which is relatively easy to attain? (Priority Factor = 0-6)

- Immediate Need: Is the project critical to the immediate function of City services? Will the project lead to long-term cost savings, in which case it should be planned as soon as possible? (Priority Factor = 0-6)

The steering committee was able to score any of the criteria at zero (0) if they did not feel it warranted a score.

The initial list of projects was reduced by eliminating projects with a cost less than \$5,000.00 and projects that would not be completed within the next five years. Projects that were determined to not have a reasonable chance of being funded were also eliminated. Projects submitted outside of the City's direct financial responsibility were noted within the CCIP but were not scored or included in the City's overall list of projects. All recommended City projects were given a score based on the above criteria, which enabled the CCIP team to establish a prioritized list of projects. This prioritized list was used to determine the number of projects for further investigation. Final ranking of the projects was completed after the CCIP team considered cost estimates, project schedules, funding availability, and public input. The final project list has been adopted as the Deer Lodge Comprehensive Capital Improvements Plan.

3. Evaluation of Funding Options

While the proposed project list was being generated, potential funding sources for implementing projects were identified. All available sources of funding were evaluated to identify all possible options for financing the final project list.

There are a number of options available to the City for the purpose of funding capital projects, such as general funds, grant funding, loans, bonds, and government agencies. These options are evaluated in further detail in Chapter V of the CCIP.

After researching all funding options, a funding scenario was created for each project included in the final CCIP. Due to the scope and size of some projects, more than one funding source may be identified for a single project. This can be advantageous, as funding strategies that are not dependent on one source are less vulnerable to changes in funding availability and are more likely to be successful.

4. Adoption and Implementation of the CCIP

The final step in completing the City of Deer Lodge CCIP was adoption and implementation of the plan. Prior to formal adoption, a draft CCIP was provided to the Deer Lodge City Council, the Mayor, and the Chief Administrative Officer for final review and comment. The availability of the draft CCIP for review by the public was published in the Silver State Post on XXX. Appendix B contains copies of the published notice.

The CCIP was adopted by resolution at a public meeting held on {location, date, time}. The formal

adoption of the CCIP enables City of Deer Lodge staff to begin implementation of the projects identified.

Public Participation

Public participation is essential for completing a successful CCIP, and in particular, during the needs assessment portion of the CCIP process. Active participation from all levels was encouraged throughout the process. While public opinion alone does not determine need, it does provide a critical point of view.

A general information session was held regarding the development of a CCIP during a regular meeting of the Deer Lodge Council which is open to the public. A CCIP fact sheet was distributed and made available at City Hall (see Appendix B). A website designed specifically to provide information about the process, post the survey, and display draft documents was created and a link was placed on the City's website.



City of Deer Lodge Comprehensive Capital Improvements Plan

The City of Deer Lodge is developing a Comprehensive Capital Improvements Plan centered around improvements to City infrastructure including streets, trails, water and sewer systems, facilities, and equipment.

[Start Survey](#)

[DOWNLOAD FACT SHEET](#)

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Use the comment box below to tell us your thoughts on infrastructure improvements in the City of Deer Lodge.

Enter text here

Send

A **press release** was issued to the Silver State Post to announce the availability of the draft document for review prior to the final public meeting (see Appendix B).

City Council Adoption

It is the City's intent that the adopted CCIP help identify future public facility needs, assess the requirements for existing and future facilities, plan for infrastructure management, establish project priorities, and create a long-term program for scheduling and funding construction or repair projects.

It is now binding on the Deer Lodge Council to utilize information contained within this Plan in annual and long-range planning and budgeting efforts so that improvements can be achieved. It is also important to review and update the CCIP regularly to keep the Plan current and responsive to the needs of the City.

III. CITY OF DEER LODGE OVERVIEW

According to the Powell County Chamber of Commerce, Deer Lodge is the second oldest town in Montana and has had several names over the years, including LaBarge City, Spanish Fork, Cottonwood, and now Deer Lodge (Powell County Chamber of Commerce, 2024). Deer Lodge is Powell County's only incorporated community and the county seat.

Figure 2: Location of Deer Lodge within Powell County and Montana

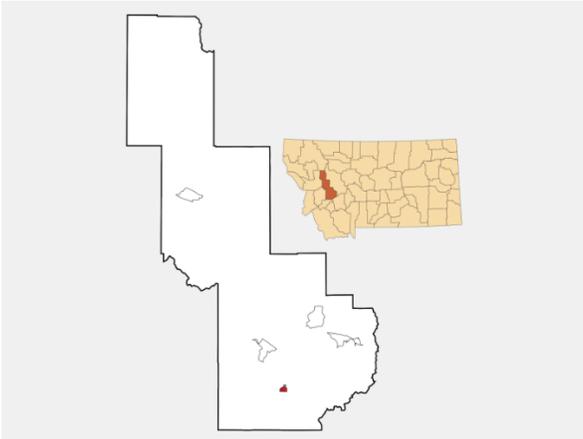
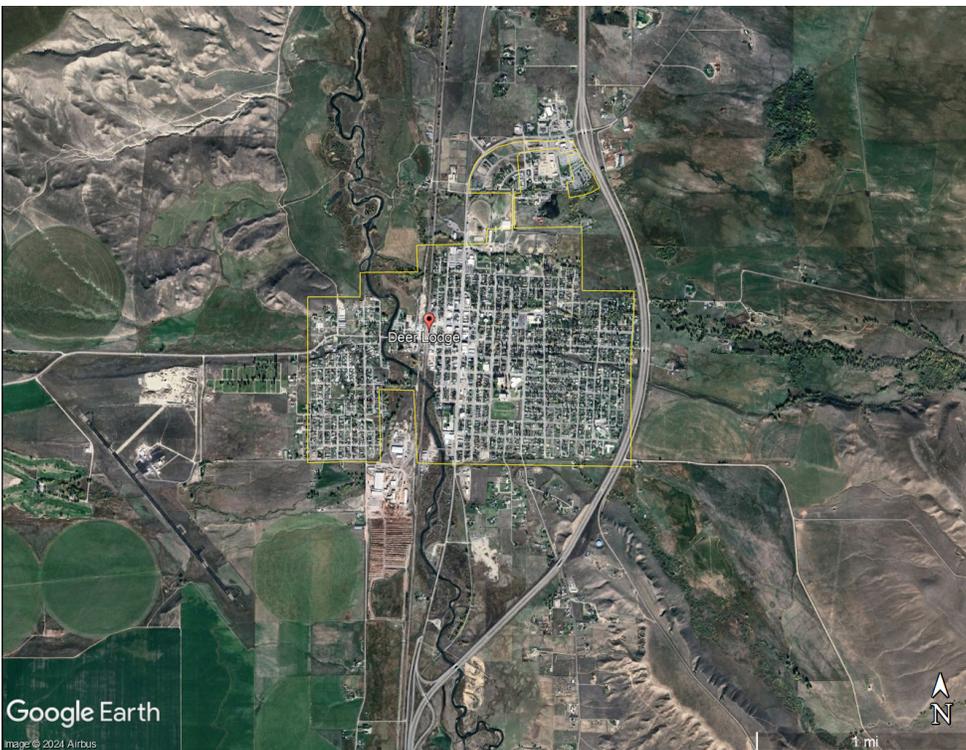


Figure 3: Map of Deer Lodge

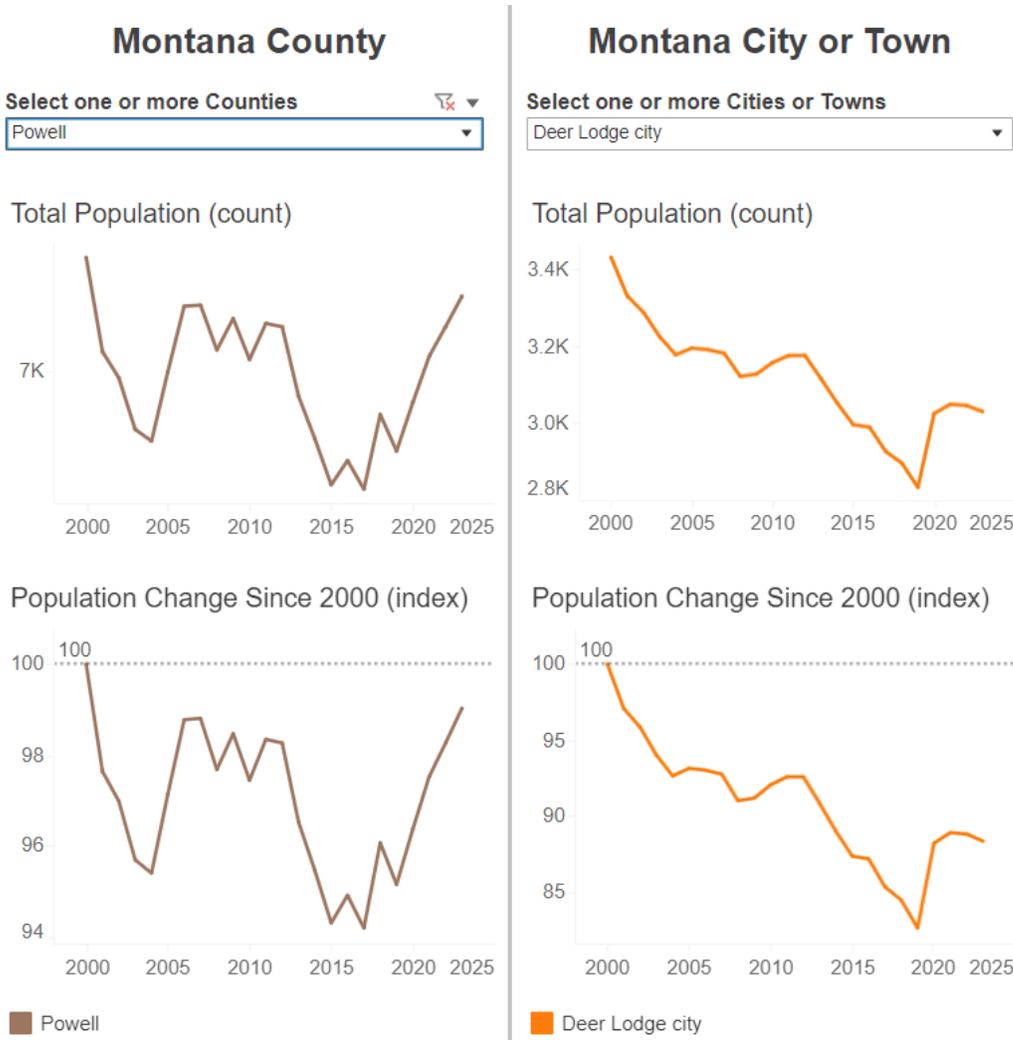


In general, an awareness of planning area characteristics and population trends provides a valuable guide for planning, budgeting, and financing decisions. Population, along with the socioeconomic characteristics of a community, is a basic indicator of the services needed to serve the residents of a community.

III. CITY OF DEER LODGE OVERVIEW

Information published by the Montana Department of Commerce reports the 2023 population of Deer Lodge was 3,030, which is a decrease of 0.5% from the previous year (Montana Department of Commerce, 2024). The population of Deer Lodge declined almost steadily from 2000, when the population was 3,429, to 2019, when the population reached a low of 2,824. From 2019 to 2021, the population steadily increased, reaching a high of 3,046, before resuming a gradual decline. Figure 4 illustrates the historical population trends of both Powell County and Deer Lodge from 2000 to 2023.

Figure 4: Historical Population Trends of Powell County and Deer Lodge (Montana Department of Commerce, 2024)



A lack of growth in population is typical of rural Montana communities. Because the population trend in the State of Montana shows steady growth since 1990, the population decline in Deer Lodge reflects the need for continued planning at the City level. Setting tangible goals for the City to improve and replace public facilities will encourage population growth, which leads to a more vibrant economy.

III. CITY OF DEER LODGE OVERVIEW



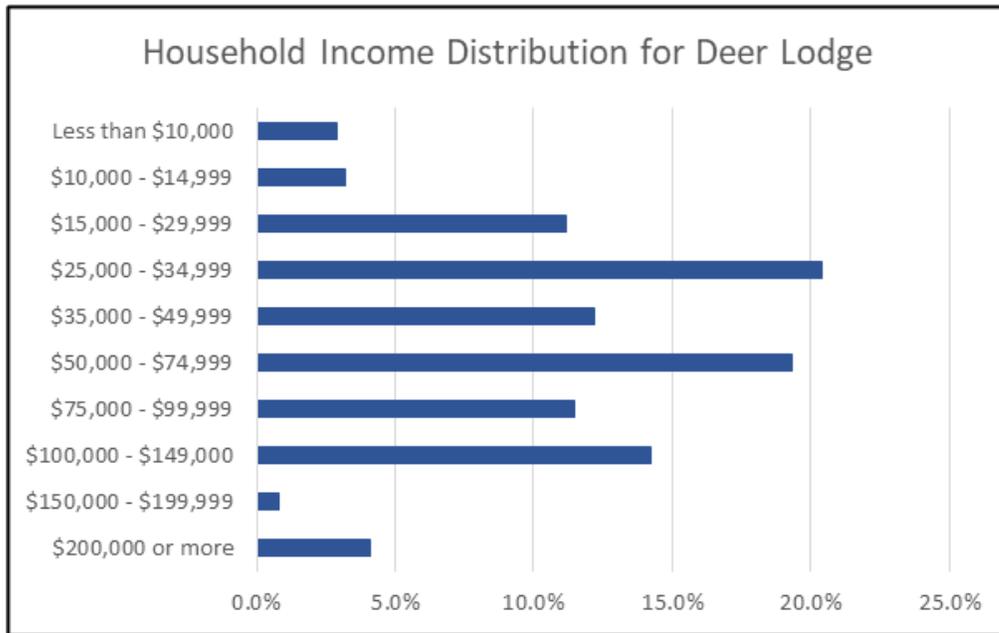
The median age in Deer Lodge has increased over 16% since 2010, compared to the United States, which has increased 4.3% (see Table 2). As noted by Headwaters Economics, an aging population can be a significant development, in particular, the retirement of the ‘Baby Boomer’ generation (those born between 1946 and 1964). As this generation continues to enter retirement age, their mobility, spending patterns, and consumer demands (for health care and housing, for example) can affect how communities develop economically.”

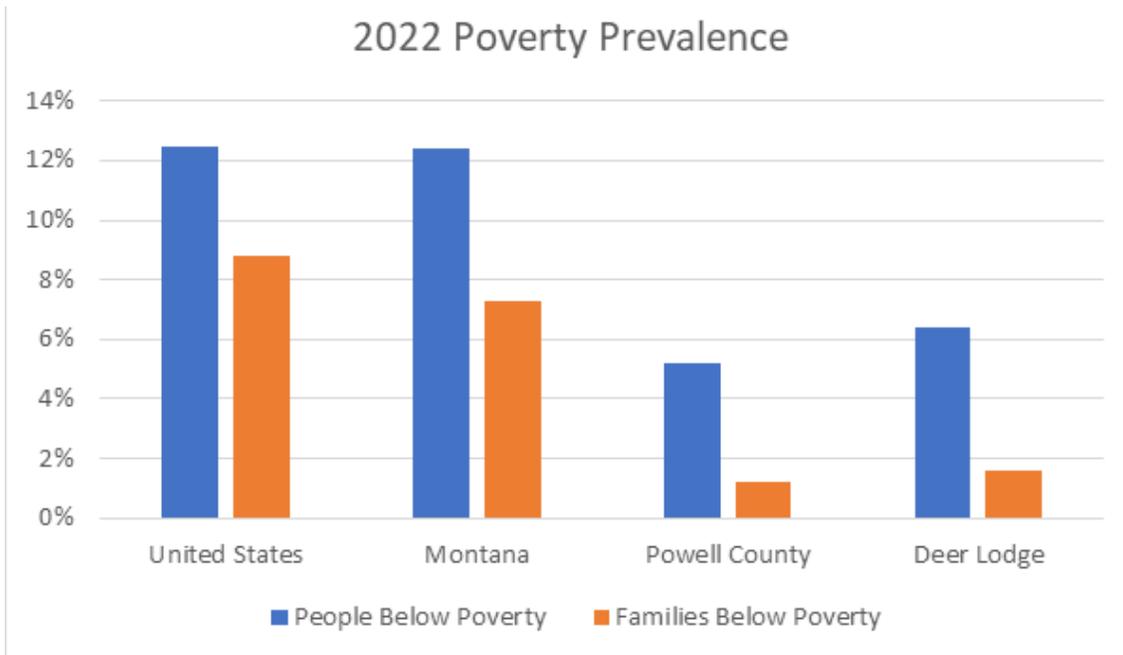
Table 2: Median Age Change Comparisons (Headwaters Economics, 2024)

	2010 Median Age	2022 Median Age	Percent Change
United States	36.9	38.5	4.3%
Montana	39.7	40.1	1.0%
Powell County	44.5	45.5	2.2%
Deer Lodge	42.8	49.9	16.6%

The Median Household Income (MHI) in Deer Lodge was estimated at \$52,813 in 2022, as compared to the Montana MHI of \$66,341 (Headwaters Economics, 2024). The income distribution in Deer Lodge is shown in Figure 5. According to Headwaters Economics, “The distribution of income is related to important aspects of economic well-being. Large numbers of households in the lower end of income distribution indicate economic hardship. A bulge in the middle can be interpreted as the size of the middle class. A figure that shows a proportionally large number of households at both extremes indicates a location characterized by ‘haves’ and ‘have-nots.’”

Figure 5: Deer Lodge Household Income Distribution (Headwaters Economics, 2024)





Poverty levels in Deer Lodge, estimated at 6.4% in 2022, are nearly half the average for Montana as a whole at 12.5%; however, almost half (44.3%) of residents are living on Social Security income (Headwaters Economics, 2024).

Figure 6: Poverty Prevalence Comparisons (Headwaters Economics, 2024)

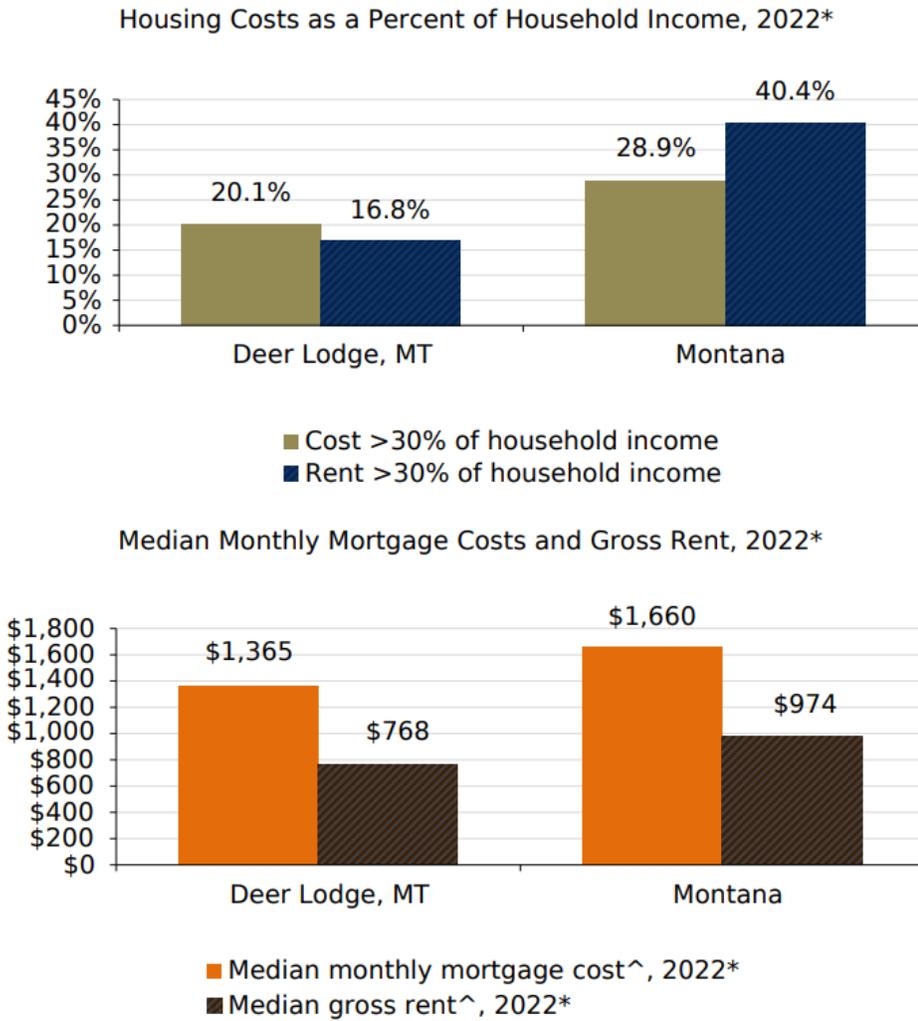
The housing supply in Deer Lodge is relatively old and deficient in general, and with the senior population continuing to increase in the City, the need for affordable and senior housing will continue to grow. Approximately half (49.6%) of the housing stock in Deer Lodge was constructed prior to 1969 and 12.5% residences are sitting vacant (Headwaters Economics, 2024), likely due to their deteriorated condition. Additionally, housing in Deer Lodge is more affordable than the rest of the state, with mortgage expenses being almost double the cost of rent (see Figure 7).

In 2024, two major subdivisions were approved by the Deer Lodge City Council that, upon completion, will add approximately 250 housing units to the City’s housing stock. This is a significant increase in the City’s housing stock of approximately 1,400 current units.

One of these subdivisions is being developed by the State of Montana and will provide 56 workforce-attainable rentals for Montana State Prison and State Hospital employees. The City is cooperating with the developers to assure that housing costs are competitive and affordable with the existing housing stock in the City. While the developers are fronting the cost of infrastructure development on-site, the City needs to ensure that long-term infrastructure improvements and maintenance schedules incorporate this significant addition to the City of Deer Lodge infrastructure systems.

III. CITY OF DEER LODGE OVERVIEW

Figure 7: Housing Affordability (Headwaters Economics, 2024)



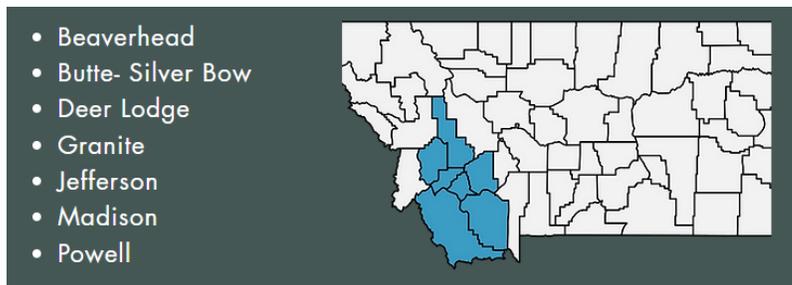
The economy of Deer Lodge is dependent on public administration, education, natural resources, health care, and social assistance, as well as arts, entertainment, recreation, accommodation, and food-related businesses (Headwaters Economics, 2024). By far, the two largest employers in the City are the Montana State Prison and Sun Mountain Lumber. Deer Lodge benefits from any growth in these industries and the resulting income and tax base that help fund local infrastructure. However, as the economy is heavily dependent on its two largest employers, substantial changes to these two industries can and do have profound impacts on the Deer Lodge economy. Projects that support tourism, natural resource development, and business sector diversity will lead to future economic development in the geographic area, including employment and growth income.

Regional Comprehensive Economic Development Strategy

Headwaters RC&D is a non-profit organization focused on improving the economic and social well-being of the Southwest Montana region through conservation, development, and proper use of natural and human resources.

III. CITY OF DEER LODGE OVERVIEW

Figure 8: Counties Served by Headwaters RC&D (Headwaters RC&D, 2024)



Headwaters RC&D maintains a Comprehensive Economic Development Strategy (CEDS), and assists with the development of small business, tourism, employment, and other economic and social opportunities. It also assists communities in planning public works projects and coordinating public and private investments.

According to the 2023 CEDS, “The abundance and health of the region’s water, land, forests, minerals, and wildlife are perhaps its greatest assets. Agriculture remains a strong sector, and with national trends in food, it will likely become more so over time. Tourism and recreation also continue to grow in importance, with a particular focus on outdoor recreation, the opportunities for which are abundant in this part of Montana. While natural resource-based industries present many opportunities for the region, this reliance, and the resulting uncertainty caused by forces beyond local control, make the regional economy vulnerable. Therefore, diversification is critical. Other sectors have emerged in recent years that are significant economic drivers, including advanced manufacturing, aerospace technology, environmental remediation, and transportation, distribution, and warehousing” (Headwaters RC&D, 2023). Additionally, “Powell County boasts the most museums and historical collections in the northwest, including the Old Montana Prison, the Montana Law Enforcement Museum, the Montana Auto Museum, Frontier Montana Museum, Desert John’s Saloon, the Powell County Museum, and Deer Lodge’s 1,500-acre Grant-Kohrs Ranch National Historic Site. A number of resource-based industries call Powell County home, including farming, ranching, mining, timber harvest, lumber and other wood product production, and tourism” (Headwaters RC&D, 2023).

The 2023 CEDs identified making the Deer Lodge community an appealing and healthy place to live, work, and play; housing; and workforce development as the top three concerns for the region. Residents of Deer Lodge reported that limited options for employment, housing, and childcare have resulted in people leaving to seek these services elsewhere.

As part of the 2023 CEDS, the region’s strengths, weaknesses, opportunities, and threats were evaluated in the areas of economy, workforce, infrastructure, natural resources, and tourism. Headwaters RC&D then developed five goals with accompanying objectives, action items, timelines, and funding sources for the next five years. The five goals are as follows:

III. CITY OF DEER LODGE OVERVIEW

- Goal 1 Housing Solutions and the Region's Economic Well-Being
- Goal 2 Workforce, Childcare, Education and Healthcare
- Goal 3 Infrastructure
- Goal 4 Support for Existing Businesses (Access to Capital) and Tourism Infrastructure and Promotion
- Goal 5 Capitalize on Natural Resource

Priority projects specific to Powell County include hiring a City/County Economic and Community Development Coordinator and providing training and capacity for small businesses. Headwaters RC&D is a resource for Deer Lodge as they consider priorities for capital improvements within the City.

City growth will have an impact on all public services, such as fire protection, law enforcement response services, and healthcare amenities. However, declining population also has a significant impact on public services as there is a smaller tax base from which to fund capital improvement projects. It is crucial that the City of Deer Lodge keep up with deferred maintenance and rehabilitation projects, which tend to be more cost effective than infrastructure replacement projects.

The City of Deer Lodge is comprised of multiple departments which are each operated by department heads, who are appointed by the Mayor with the advice and consent of the City Council, and operate under the management and supervision of the Mayor. A brief description of each department's services, as well as their assessment of needs during the CCIP process is detailed in the following pages.

Stahly Engineering distributed surveys to the Chief Administrative Officer and City Departments, who conducted interviews with City employees and collected survey responses from the community to better understand new and existing facility, equipment, infrastructure, recreation, transportation, emergency services, and economic development needs that would improve the quality of life in Deer Lodge.

Public Facilities and Services Priorities

The City of Deer Lodge owns or manages a total of 27 public buildings and facilities, including Deer Lodge City Hall and the William K. Kohrs Memorial Library.

The library, constructed in 1902, and city hall, constructed in 1919, are the most antiquated buildings owned by the City. While most buildings in Deer Lodge are in fair condition, some of the facilities are in need of repair in order to improve and/or maintain an acceptable level of service.

The Deer Lodge City Hall is home to the City Council Chambers and offices of the Mayor, Chief Administrative Officer, City Clerk, City Services Coordinator, Police Department, and Treasurer, among others. City departments include the Building Department, City Attorney, Code Enforcement, Fire Department, Police Department, Public Works, and Recreation Department.

The William K. Kohrs Memorial Library (pictured in Figure 9) was established by Conrad and Augusta Kohrs in 1902, following the death of their only son, William Kruse Kohrs. The library has been serving the community as a free public library since it was gifted to the City in 1902. The library employees and capital improvements are overseen by the William K. Kohrs Memorial Library Board of Trustees.

Figure 9: William K. Kohrs Memorial Library



Deer Lodge Medical Center is a non-profit community hospital located in Deer Lodge. Managed by Cypress Healthcare, Deer Lodge Medical Center is a certified critical access hospital serving Powell County and the outlying communities. The Deer Lodge Clinic offers a wide array of services that encompass specialists to help take care of various medical needs. It offers an assortment of special programs, from immunization clinics to diabetes and coumadin monitors.

Emergency Medical Services (EMS) are privately operated but funded by Powell County through the hospital. While the City does not manage nor operate the hospital or EMS services, they are important assets in the community. Projects identified in this plan may provide benefit to these services.

Public facilities and services related projects and equipment purchases identified in Deer Lodge include:

Year	Project	Estimated Cost to Deer Lodge	Project Ranking
2025	City Hall Renovation - Phase 1 (Exterior)	\$602,156	6
2026	Set up for electronic meetings and recording in City Council Chambers	\$20,000	17
2027	City Hall Renovation - Phase 2 (Elevator, Restrooms, Mechanical Upgrades)	\$1.25 million	8
2027	Online GIS viewer for the City (Zoning, infrastructure, wards, etc.)	\$15,000	10
2031	City Hall Renovation - Phase 3 (Interior Remodel, Garage Renovation)	\$2.2 million	13

**Projects were ranked based on score. As a result, multiple projects may have the same project ranking.*

Community Facilities and Services Priorities

Community facilities in Deer Lodge include Parks and Recreation, Deer Park Golf Course, Hillcrest Cemetery, and Partnership for Animal Welfare Humane Society (PAWHS). There are two community parks in Deer Lodge that are owned and maintained by the City: Jaycee and West Side. Arrowstone is another community park that is maintained by Powell County. The City also provides a location and resources for the Deer Lodge Community Garden, located in Jaycee Park. The Community Garden Board oversees operation of the community garden. The City would like to expand the community garden to make additional space available.

Figure 10: Deer Lodge Community Garden (Stahly Engineering & Associates, 2024)

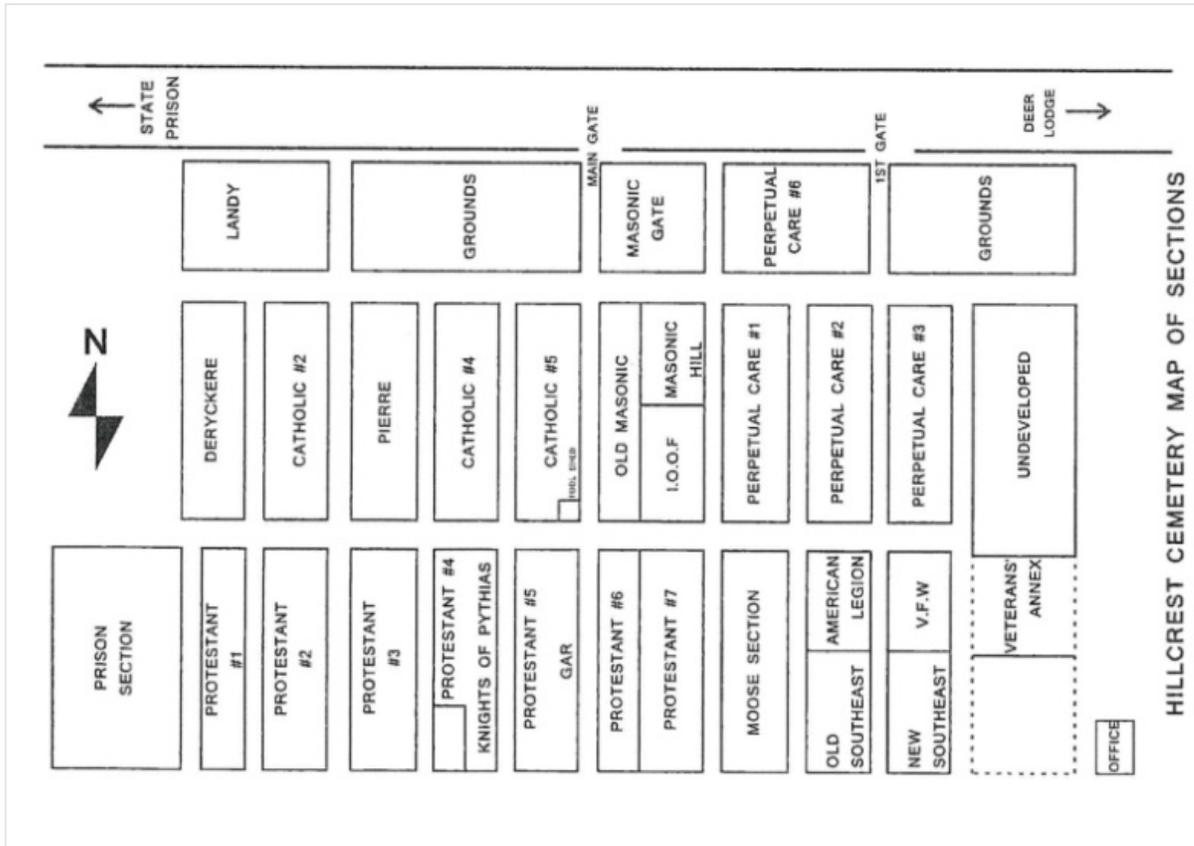


Deer Park Golf Course is a nine-hole golf course, country club, and driving range located in Deer Lodge. The City owns the property but leases it to a private entity to operate and maintain the golf course.

Hillcrest Cemetery was established in 1883. The City of Deer Lodge owns and maintains most of the cemetery, with the exception of the portion owned and maintained by the Catholic Diocese.

IV. DEPARTMENTS AND PROJECT PRIORITIES

Figure 11: Hillcrest Cemetery Map of Sections (Montana's Historic Landscapes, 2023)



The City would like to install a columbarium at the cemetery to reduce the demand for burial plots. Currently, burial plots are being purchased for the purpose of storing decedents' ashes, which is limiting the availability of burial plots. The City would also like to acquire additional land to expand the cemetery grounds and increase the number of burial plots available.

Figure 11: Hillcrest Cemetery Proposed Expansion Area (Stahly Engineering & Associates, 2024)



PAWHS is a nonprofit organization located on Vigilante Drive. They provide rescue, placement, and protection services for abandoned, lost, and mistreated animals. The animal shelter is owned by the City of Deer Lodge, but boarding is provided by PAWHS. In lieu of payment, PAWHS manages the shelter for the City.

IV. DEPARTMENTS AND PROJECT PRIORITIES

Community facilities and services related projects and equipment purchases identified in Deer Lodge include:

Year	Project	Estimated Cost to Deer Lodge	Project Ranking
2025	Pickleball Courts	\$50,000	12
2025	Community Garden Expansion to accommodate additional beds, fruit trees, etc.	\$5,000	17
2026	New Restroom Facilities at West Side Park	\$130,000	5
2026	Off-Leash Dog Park at Westside Park	\$25,000	10
2026	Improvements to sledding hill park, to include: warming hut or firepit, bathrooms, renovation of basketball court, fencing, picnic tables.	\$40,000	12
2026	Gazebo or Pavilion at Westside Park	\$30,000	13
2027	Ted Rule Memorial Track and Football Field renovation (being spearheaded by local group, limited City involvement).	\$2.2 million	8
2027	Installation of sprinkler systems at Westside Park and Jaycee Park	\$800,000	12
2027	Picnic Gazebo at Jaycee Park	\$15,000	14
2028	Baseball Field refurbishment at Jaycee Park	\$15,000/year	9
2029	New Restrooms at Upper Ballfields at Jaycee Park	\$315,000	7
2029	Installation of Columbarium at Hillcrest Cemetery	\$500,000	14
2030	Lighting at Jaycee Park (either stadium lighting for ballfields and/or streetlights for safety)	\$50,000 for streetlights, \$500,000 for stadium lights	8
2030	Purchase of land for expansion of Hillcrest Cemetery	\$200,000 - \$250,000 per acre	9
2030	Sprinkler system for cemetery	\$1,000,000	10
2030	Trail Connector between Old Yellowstone Trailhead on Washington Street and Arrowstone Park	\$150,000	11
2030	Parklets and Trail System along Cottonwood Creek at floodplain-acquired properties	\$10,000 per park for landscaping, \$135/lf for trail	12
2030	Recreation Department Equipment	\$75,000	13
2030	Recreation Gym	\$750,000	17

**Projects were ranked based on score. As a result, multiple projects may have the same project ranking.*

Public Utilities Priorities

The City of Deer Lodge is responsible for providing and maintaining the following public utilities and associated facilities:

- Public Works Facility and Equipment
- Water
- Wastewater Treatment Plant
- Storm Water
- Solid Waste

The City provides public garbage service, but the County owns and maintains the landfill.

Public utilities related projects and equipment purchases identified for Deer Lodge include:

Year	Project	Estimated Cost to Deer Lodge	Project Ranking
2025	Water Main Replacements Preliminary Engineering Report	\$60,000	7
2025	4" Sewer Main Replacement to an 8" Sewer Main and line relocation on Kentucky Ave. The 4" line goes through people's yards before it ties into another Sewer Main currently	\$350,000	7
2025	Purchase a new sewer jetter to replace the existing jetter	\$80,000	8
2025	Service Truck to add to the fleet for Public Works	\$90,000	12
2025	SUV for WWTP vehicle replacement	\$60,000	14
2026	Approximately 4,100 lineal feet of 12" water main replacement on W. Peterson Ave. due to numerous leaks that have been repaired over the last several years	\$950,000	4
2026	FEMA Flood Mitigation (Property Acquisition in Floodway)	\$500,000	4
2026	Full-time or another part-time building inspector	\$30,000/year	8
2026	West Side Storm Drainage PER	Will fall into City-wide stormwater study	8
2027	Storm Sewer Infrastructure to reduce the amount of water ponding on the surface throughout town and reduce the amount of clean water being pumped into the sewer infrastructure	\$5 million	8
2027	Replacement and Expansion of the existing garbage truck shed	\$350,000	13
2027	Two new fleet trucks for Public Works to replace old, worn-out trucks	\$160,000	14
2028	New Water Supply Well	\$1,200,000	6

IV. DEPARTMENTS AND PROJECT PRIORITIES

Year	Project	Estimated Cost to Deer Lodge	Project Ranking
2028	Two new dump trucks to replace existing worn out 1970 models	\$240,000	8
2030	Water Meters City Wide to conserve a natural resource	\$800 - \$1,000 each (approx. 1,480 meters)	6
2031	FEMA Flood Mitigation Property Acquisition in Floodway)	\$500,000	4
2032	Sewer Main Upgrades City wide to replace aging infrastructure	\$13 million	6
2035	Water Main Looping for new West Peterson water line, down Airport Rd., down W. Milwaukee Ave, then tie in Van Gundy Ave and Kentucky St.	\$650,000 - \$900,000	5
2035	New 2 million gallon water tank to replace the old 660,000 gallon concrete tank	\$3.5 million	5
2035	Water Main Upgrades City Wide to replace the existing aging infrastructure	\$20 million	5
2035	Water and Sewer Main Upgrades on West Side by Arizona St.	\$2.3 million	7
2035	Water Main Looping for new West Peterson water line, down Airport Rd., down W. Milwaukee Ave, then tie in Van Gundy Ave and Kentucky St.	\$650,000 - \$900,000	11
2040	Sewer Main Inflow and Infiltration Projects City Wide	\$3 million	9
Ongoing	Water Valve Replacements throughout City	\$30,000/year	5
TBD	Solid Waste Shop to House Solid Waste Vehicles	\$400,000	9

**Projects were ranked based on score. As a result, multiple projects may have the same project ranking.*

Transportation Priorities

Deer Lodge transportation facilities consist of the City road network, as well as the Deer Lodge City-County Airport, co-owned by the City of Deer Lodge and Powell County. The Montana Department of Transportation (MDT) maintains National Highway System (NHS) Interstate (I-90) and Secondary (S-272 and S-275) Routes that run through Deer Lodge, i.e., Main Street and West Milwaukee Avenue, respectively. Additionally, the Burlington Northern Santa Fe (BNSF) Railway transports freight through Deer Lodge.

The Deer Lodge City-County Airport is located two miles southwest of Deer Lodge. Runway 13/31 is 5,800 feet long, 75 feet wide, and comprised of asphalt in excellent condition. This public-use airport provides fueling and parking services to general aviation aircraft. The airport utilizes a separate CIP that is updated regularly. The airport is beginning a major apron and runway expansion project that will accommodate larger aircraft.

Transportation facilities in Deer Lodge also include sidewalks and trails. Powell County is responsible for maintaining the Arrowstone Park Trail System, although portions of the trail are on City property.

Transportation-related projects and equipment purchases identified for Deer Lodge include:

Year	Project	Estimated Cost to Deer Lodge	Project Ranking
2025	Replace existing Motor Grader	\$200,000	9
2026	Replace existing backhoe	\$120,000	11
2027	Sidewalk, Curb, and Gutter Master Plan	\$30,000	6
2029	Sidewalk Replacement/Construction	\$7/SqFt	7
2030	Main Street redesign and pedestrian improvements	\$5 million	4
2030	Above or below-grade rail crossing on Milwaukee Avenue (at least start planning and/or scoping phase)	\$7 million - \$15 million	11
Ongoing	Annual Street Maintenance Program	\$450,000/year	2

**Projects were ranked based on score. As a result, multiple projects may have the same project ranking.*

Public Safety Priorities

Law enforcement services in Deer Lodge are provided by the City's Police Department and the Powell County Sheriff's Office, which is located in Deer Lodge. Dispatch services are operated by the Powell County Sheriff's Office under a Memorandum of Understanding for dispatch services with the City.

The Police Department, staffed by the police chief, sergeant, and five officers, is housed in City Hall.

The Fire Hall houses the Fire Department, which is completely staffed by volunteers.

Public safety related projects and equipment purchases identified in Deer Lodge include:

Year	Project	Estimated Cost to Deer Lodge	Project Ranking
2025	DLPD needs to provide their sworn staff with patrol rifles. The cost of each patrol rifle set up is \$2,500. To outfit our current staff it would cost \$15,000. To update our sidearms it is \$1,200 each. This would total \$7,200. The total for this project is \$22,200.	\$22,200	3
2025	A smokehouse building preferred to be two stories, for training new and old firemen on structure fires, also for using SCBAs, rescues in buildings, how to attack fires interior and exterior.	\$20,000 to \$40,000	5
2026	Type 6 Brush Engine. Currently our fire department has no brush truck.	\$300,000	1
2026	The DLPD is currently in need of an additional full time sworn officer. The city also has a large subdivision currently under construction. With the projected increase in the city's population we will need another officer at that time. This project would be a total of two new fulltime sworn officers.	\$200,000 a year	4
2026	Purchase patrol vehicle computers, printers, in car Computer Aided Dispatch service, and E-Citations.	\$80,000	4
2026	Wildland firefighter gear. Shirts, pants, hardhats, gloves, backpacks	\$60,000	5
2026	New Fire Engine	\$1 million	5
2026	SCBAs. 13-20 packs with bottles and masks for firefighters	\$100,000	8

IV. DEPARTMENTS AND PROJECT PRIORITIES

Year	Project	Estimated Cost to Deer Lodge	Project Ranking
2026	Vest replacement for police officers	\$500/vest	10
2026	Placement of two radar speed detection signs on West Milwaukee Avenue	\$10,000	10
2028	Up to date radars for DLPD	\$38,000	6
2028	1 Structure Engine. This will replace 2 old engines still in service. 1 is 40 years old, other is 30 years old	\$1.1 million	7
2028	New Rescue Truck/Command Vehicle. Replacing current one as it ages	\$400,000	8
2028	Training Facility		11
2030	Purchase Ladder truck	\$3 million	18
2030	Addition - Add on 800-square foot living quarters		18
2035	The DLPD is in need of a secure and updated facilities. This could be a different building than we are currently in or an upgrade to our current building. This facility would need a secure evidence room, an interview and interrogation room with recording capabilities. The police department area would need to have secure entrances with only PD staff having access, would be able to remotely allow access to others.	\$200,000 to \$900,000	4
Every 2-3 years	Police Department New Vehicles – six-year replacement plan/one per year	\$15,000/year	15

**Projects were ranked based on score. As a result, multiple projects may have the same project ranking.*

Economic Development Priorities

The City has two large economic development projects underway:

- Downtown Revitalization
- Brownfields Remediation and Redevelopment

The Downtown Revitalization project is spearheaded by the Discover Deer Lodge Economic Development Group, a nonprofit organization that aims to advance Deer Lodge and the surrounding communities of Powell County.

Brownfields Studies are currently needed to provide Hazardous Materials evaluation and remediation for projects that include renovation of the Deer Lodge Hotel, which has sat vacant on Deer Lodge's Main Street for many years and for renovations to City Hall. The studies and remediation would improve the aesthetics of Main Street and, in the case of the hotel, provide potential for economic development.

There are two Montana Comprehensive Environmental Cleanup and Responsibility Act (CECRA) facilities located within City limits: the Milwaukee Roundhouse Area, owned by Powell County; and the Milwaukee Roundhouse Passenger Refueling Area, owned by the City. Both the County and City are in cleanup stages for the two sites. In 2025, the County and City adopted a Future Use Plan for the two superfund sites. The County intends to sell or lease space at the Milwaukee Roundhouse Area for business and commercial development, and the City intends to develop the Passenger Refueling Area into a natural park.

Furthermore, the federal Clark Fork River Operable Unit (CFR OU) Superfund Site, one of the largest superfund sites in the Country, passes through the middle of Deer Lodge. The coming years will see contamination remediation occurring in and around the City, most importantly at Arrowstone Park.

IV. DEPARTMENTS AND PROJECT PRIORITIES

Economic development projects and equipment purchases identified in Deer Lodge include:

Year	Project	Estimated Cost to Deer Lodge	Project Ranking
2026	Tourism and Branding Study	\$30,000	9
2027	Urban Forest. The planting and maintenance of trees throughout the City on public and private property	Unknown, depends on scope of the project	11
2027	Market Analysis Study	\$30,000	12
2027	Murals on Main Street Buildings	\$50,000 (\$5k-\$10k per mural)	16
2028	Installation of a South Entrance Gateway Sign	\$25,000	12
2030	Expansion of AOK Campground (City-owned, privately leased RV Campground on Clark Fork River) to accommodate additional RVs, site camping, and other activities.	N/A	17
2032	Clark Fork River Park (on Clark Fork River Superfund Site and PRA Superfund Site). A planning document is in the process of being created, to include trails, fishing locations, parking lots, bathrooms, pavilions, gazebos, bird blinds.	\$1.5 million	9

**Projects were ranked based on score. As a result, multiple projects may have the same project ranking.*

V. FUNDING SOURCES

One essential objective of any CCIP is to create a plan for improvements that will keep user rates and tax rates static while leveraging loan and grant programs for capital projects and expenditures. Large capital projects, by nature, are anticipated to require some debt; however, keeping that debt to a minimum is the goal of any local government.

Capital improvement plan projects can be funded from a variety of sources. The following information provides a brief description of common funding sources used by Cities throughout Montana and a more detailed discussion of how Deer Lodge may plan for funding opportunities for capital improvement projects. Beyond the means discussed below, additional options to generate funds for improvement projects include increased user rates, mill levies, and Special Improvement Districts.

General Funds

The most commonly used method of financing capital improvement projects is the use of general funds, which are gathered from property taxes, local option tax, and state entitlement share. The general fund is typically inadequate to fund larger project needs; however, it is a practical source for funding small capital improvement projects. Few City departments generate fees, but again, it is not adequate to fund larger project needs.

The City of Deer Lodge taxable value for FY2024-2025 was \$4,144,564 whereby the city collected 110.06 mills for a total tax collection of \$456,150.71. Mills are split between the general fund, the library fund, fire hall General Obligation Bonds, and comprehensive liability insurance. A five-year history analysis as shown in the table below shows that although taxable value has increased, the city has not increased their tax collection by a significant amount, thereby limiting the amount of general funds that can be used for capital projects. This is due to Montana statute, which limits local governments from imposing mills to generate more property tax revenue than the previous year, plus one-half the average rate of inflation over the past three years (15-10-420, MCA). This limitation does not apply to newly taxable property, which includes property created in the city through annexation or construction. If the City wishes to levy mills higher than the statutory limit, it must ask the voters to pass a voted mill levy. Deer Lodge currently has only one voted levy, which is used to pay bonds issued for the construction of the fire hall. The levy will sunset in Fiscal Year 2027.

Fiscal Year	Taxable Value	Mill Levy	Tax Collection
2023-2024	\$4,110,430	106.82	\$439,076
2022-2023	\$3,187,046	135.00	\$430,252
2021-2022	\$3,139,664	137.41	\$431,467
2020-2021	\$3,012,000	138.42	\$416,921

Effect of Taxable Value and Debt Limits on Potential for Increased Revenue

Montana laws govern City indebtedness and bonding capacity. A City may not issue bonds or incur other indebtedness for any purpose in an amount, including existing indebtedness, that in the aggregate exceeds 2.5% of the total assessed value of taxable property within the City as ascertained by the last assessment for state and City taxes. However, a City may incur additional indebtedness – up to 55% over its debt limitation – for the purpose of creating a water or sewer system. In this case, the revenues from the water or sewer system must be used to repay the debt.

Municipalities may sell two different types of bonds to borrow money, General Obligation Bonds and Revenue Bonds.

A General Obligation Bond is backed by the full faith and credit in the government body's ability to levy taxes for repayment. Typically, General Obligation Bonds are paid through a voted levy, with some exceptions.

General Obligation Bonds are often used to fund building construction and renovation, property acquisition, and water and sewer systems. Water and sewer system bonds are typically paid through user rate increases, not through property taxes. Otherwise, water and sewer system bonds that are backed by the taxing authority of the City must be submitted to a vote of the people.

A Revenue Bond is issued to pay for a specific facility or utility and is paid back through fees collected from users of the facility. Often, these bonds are seen as riskier to buyers as they depend on user fees being adequate to meet debt payments. Revenue bonds are often used to fund facilities that can charge fees, such as parks, convention centers, and aquatic centers. Revenue bonds do not usually require an election as they do not obligate the taxing power of the City.

Deer Lodge is currently paying on three USDA Rural Development General Obligation Bonds that were used to construct the City's Wastewater Treatment Plant. These bonds are paid through an additional fee on users' utility bills. The City also has a General Obligation Bond to pay for the construction of the Fire Hall. This bond is paid through a voted levy.

More information on City debt management can be found in Montana Code Annotated Title 7. Local Government, Chapter 7. Debt Management.

Other Revenue

In addition to revenues generated from tax collections, Deer Lodge also receives income from a 1/2% local option tax (from licensing vehicles), miscellaneous sources such as licenses and permits, service fees, fines, and rents/leases. Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditure for specific purposes other than debt service or capital projects. These special revenue funds include:

Fund	Revenue Source
Recreation Fund	Service fees, state entitlement share
Library	Tax penalties, franchise fees, state entitlement share, grant funds, contributions, local shared revenue
Lighting Districts	Assessments
Street Maintenance Districts	Permits, assessments
Gas Tax	Tax apportionment
Historical Preservation	Grants, contributions

Deer Lodge conducts a yearly budgeting process in which they review prior years' expenditures and plan for the coming year's revenue and expenses. In participating in this process, each major department head is asked to provide a budget that is then incorporated into the overall City budget. The City has capital outlay fund accounts in addition to the special revenue funds noted above. Identified departments utilize a special revenue fund for capital improvements that is tracked separately in City financial statements. The City Council may transfer monies from operating funds into these capital outlay funds for the purpose of saving money for larger expenditures. Capital Improvement funds have been created for the following purposes:

- Fire Department
- Cemetery
- Parks
- Public Works
- Law Enforcement Vehicles

Other general government departments not listed above can still request formation of a capital improvement account and the Council can designate funds to be tracked in that account to save for future projects. Utilizing savings from department efficiencies and planned capital improvement budgets will provide leverage for potential additional funding sources, which may include grant funding.

Grant Funds

Grants are one of the primary means to fund large capital improvement projects and there are a number of state and federal grant programs available for the critical capital improvement needs of communities. Typically, grant funds are allocated for projects that are protecting and preserving the health and welfare of the residents; however, grants may also be obtained for the purpose of stimulating economic development and protecting renewable resources. Grant applications are generally ranked and processed on a competitive basis, based on the severity of the project need and the financial need of the community.



Communities that have demonstrated adequate planning efforts, such as this CCIP, will be more successful at securing grant funding. The most frequently used sources of grant funds in Montana include:

[Community Development Block Grant Program \(CDBG\)](#)

CDBG is a federally funded grant program that provides funding assistance for projects that are designed to predominantly benefit low and moderate-income families. Funding categories for CDBG include planning grants, public facilities, housing and urban renewal, neighborhood stabilization programs and economic development.

- Planning grants are available in amounts up to \$50,000, with a required match of \$1 for every \$3 of CDBG planning grant funds.
- Community and public facility grants are available up to \$750,000 and require a 25% match.
- Housing and Urban renewal grants are available up to \$750,000 with no match required.

Rural Development (RD) Water and Environmental Program

This program provides funding for clean and reliable drinking water systems, sanitary sewage disposal, sanitary solid waste disposal and storm water drainage to households and businesses in eligible rural areas. RD grants may award up to 75% of the eligible project costs for public works infrastructure and public facilities in rural communities. Grant awards are based on available funding and applicant eligibility.

Rural Development (RD) Community Facilities

This program provides affordable funding to develop essential community facilities in rural areas. Essential community facilities are those that provide an essential service to the local community, such as health care facilities, public safety services, public facilities, and community support services. Projects are ranked based on population and Median Household Income, and matching funds are determined by these same metrics.

Montana Coal Endowment Program (MCEP)

MCEP is a state-funded program that is designed to help address the affordability of local infrastructure projects by providing grants to lower the cost of constructing public facilities. MCEP awards matching grants to local governments for the construction of infrastructure projects, such as drinking water systems, wastewater treatment facilities, sanitary or storm sewer systems, solid waste disposal and separation systems, and bridge projects. Planning grants are also available for preparation of a construction grant application.

- Planning grants are available in amounts dependent on legislative approval. Grants provide up to \$30,000 with a required 20% match. Planning grants may be used for a Preliminary Engineering Reports (PER) or Capital Improvements Plans.
- Bridge project grants are limited to a maximum of \$500,000 and require a 50% match from the applicant. In the instance of one bridge with an estimated project cost greater than \$1 million, the applicant may request up to \$750,000.
- All other infrastructure grants are limited to a maximum of between \$500,000 and \$750,000 depending on the resulting rates for water and sewer combined and require a 50% match from the applicant. Target rate set utilizing median household income (MHI) must be met at the end of a project funded by MCEP.
- Emergency grants are available up to \$30,000 per project with no match required.

Renewable Resource Grant and Loan Program (RRGL)

RRGL provides grants for projects protecting, preserving or enhancing natural and renewable resources, and is administered by the Department of Natural Resources and Conservation (DNRC). Projects eligible for RRGL grants include drinking water, wastewater, and solid waste development and improvement, in addition to irrigation rehabilitation, dam repair, soil and water conservation, and forest enhancement. RRGL also provides planning and technical assistance grants. Planning grants currently range from \$15,000 to \$40,000 for PERs, PER or Technical Narrative Updates, Resource Plans or Studies, Watershed Restoration Plans or Restoration Project Plans.

- Construction grants are limited to \$125,000 per project with no match required.
- Emergency grants are available up to \$30,000 per project with no match required.

Montana Office of Tourism and Business Development Tourism Grants

This program provides funds for projects that strengthen Montana's economy through the development and enhancement of the tourism and recreation industry. Grants are funded from the Montana Lodging Facility Use Tax. Eligible entities for this grant are non-profit 501 (c) organizations, City or City governments, or tribal governments. Grant types include Agritourism, Economic Impact and Destination Events, Pilot Community Tourism, Resiliency Plans, and Regional Assistance. Detailed information about each program and its eligibility and other requirements can be found on the Montana Department of Commerce website: <https://commerce.mt.gov/Business/Programs-and-Services/Tourism-Marketing/Tourism-Grant-Program/>.

Montana Historic Preservation Grant (MHPG)

The MHPG program supports public or private entities with preservation of historic sites, historical societies, or history museums through grant funding. Newly proposed grant guidelines provide grants available up to \$350,000 with a 20% required match for public or non-profit entities and a 1:1 match for for-profit entities. This is a new program funded by the Legislature and, as such, is subject to substantial biennial changes.

Montana Main Street Program (MMS)

Deer Lodge is a Main Street Community and, therefore, is eligible for MMS Program grant awards that focus on planning and/or implementation projects that directly relate to downtown revitalization, development, and historic preservation. Award amounts are dependent on the amount of funds available to the program from year to year and require a 20% match.

Montana Fish, Wildlife & Parks (FWP) Recreational Trails Program (RTP)

The RTP is funded by the Federal Highway Trust Fund to support Montana trail projects. The maximum award is \$100,000 and requires a 20% match of total project costs. The program can help construct new trails, maintain and restore existing trails, develop and rehabilitate trailhead facilities, and purchase trail construction and maintenance equipment.

Land & Water Conservation Fund (LWCF) Recreation Grants

Projects funded by LWCF grants include ball fields, public parks, outdoor municipal pools, playgrounds, picnic facilities, and walking trails or other projects that develop outdoor recreation. A 50% match is required. These grants require adherence to federal grant requirements.

Loans

Many of the programs listed for grant funding also have loan funding available. Some of the more common loan sources include:

Rural Development (RD)

RD provides loans for projects with an emphasis on assisting small, rural communities with loan interest rates based on median household income and user rates. There is no maximum amount of loan funding, but it is limited by the applicant's ability to repay the loan. The typical loan repayment length is 40 years, or the maximum life of the facility being funded.

Montana State Revolving Fund (SRF)

SRF provides low interest loans for two types of projects: drinking water projects and water pollution control projects (wastewater and non-point source). There is no maximum amount of loan funding, but it is limited by the applicant's ability to repay the loan. The typical repayment cycle is 20 years, or the design life of the facility, whichever is the least. The current interest rate for SRF loans is 2.5%, and there is no local match required.

Renewable Resource Grant and Loan Program (RRGL)

RRGL, working with DNRC, provides loans to protect, preserve or properly utilize natural and renewable resources. The projects eligible for loan funding are similar to the projects eligible for grant funding through RRGL. There is no maximum amount of loan funding, but it is limited by the applicant's debt capacity and ability to repay the loan. There is no local match required.

Intermediate Term Capital Program (INTERCAP)

INTERCAP loans may be used for a number of projects, including infrastructure projects, new or used vehicle and equipment purchases, preliminary engineering costs, and grant writing. Projects may receive 100% financing, with no local match required; however, for loans over \$200,000, the full board of directors must review the loan application. INTERCAP loans typically have a 10-year repayment cycle.

Although most loan programs have a low interest rate, some may require a matching share or have very strict administration or project requirements.

Special Districts

Cities are authorized to create Special Districts for all or part of their jurisdiction for the purposes of funding a specific project or maintenance. More information about the creations and administration of these districts can be found in Title 7, Chapter 12 of the Montana Code Annotated.

Special Improvement Districts (SIDs)

Special Improvements Districts are a form of general obligation utilized by cities most often for street and road improvements, sidewalk installation, lighting, and other specific needs of a particular area within the City. Property owners within the special district are obligated to repay the project costs or a portion thereof. Taxpayers outside the district are not obligated to pay. The City currently has four special improvement districts:

1. **Street Maintenance District #4:** This SID encompasses the majority of Deer Lodge and is used to fund repairs and improvements to the City-owned streets throughout town. It is assessed through a fee/square foot of properties within the City. It primarily funds the City's annual Street Maintenance Project and is designed so that fees assessed generate enough funding to maintain every street in Deer Lodge on a 10-year cycle.
2. **Maverick Lane Street Maintenance District:** This SID encompasses several properties on the north end of Deer Lodge, including the Indian Creek Campground and Fic's Auto Plaza. It is used to fund repairs and improvements to Maverick Lane and is only paid by the properties that are directly accessed by Maverick Lane. It is a flat rate that increases every year by a small amount to develop a reserve for future street improvements.
3. **City Lighting District #104:** This SID encompasses the majority of Deer Lodge and is used to pay for the power, upkeep, and replacement of streetlights throughout town. It is a flat rate paid by each property in the district.
4. **Main Street Lighting District #105:** This SID encompasses the downtown district and is used to pay for the power, upkeep, and replacement of the decorative streetlights in the district. It is a flat rate paid by each property in the district.

Tax Increment Financing Districts (TIFDs)

A TIFD is a public financing method that can be used to fund redevelopment, infrastructure, and other community improvement projects. The district must be considered blighted under Montana Code, and improvements paid using district funds must pay to improve the property valuation and investment in the district. In Montana TIFDs were authorized in 1974 and are assessed through property tax. Financing options include private activity revenue bonds, pay as you go, loans, special assessments, and tax increment bonds (State of Montana, 2022). These financing options are repaid through the incremental taxable value increases that the improvements generate over the life of the district. With a TIFD, any increase in tax revenue from the district does not go towards City, County, or School District revenues, but instead pays the debt used to fund the district's improvements. Typically, a TIFD has a life span of 20 years, after which the district is dissolved and the increases in property taxes revert to the City, County, or School District.

More information on the creation and implementation of TIFDs can be found in Title 7, Chapter 15 of the Montana Code Annotated.

Business Improvement Districts (BIDs)

Business Improvement Districts are created by a city in areas that contain predominantly business and commercial uses. In a BID, an additional assessment is levied upon the property owners within the district to fund improvements that benefit the district. These funds are collected by the city, but the management and use of the funds are directed by a Board of Directors who own businesses or property within the district and who are appointed by the Mayor.

The funds generated can be used to finance such projects as street and parking improvements, trash containers, benches, and other streetscape beautification projects within the designated area.

More information on the creation and implementation of BIDs can be found in Title 7, Chapter 12, Part 11 of the Montana Code Annotated.

Government Agencies

There are several government agencies that have their own resources available to help counties with capital projects. Most are very specific as to the type of project eligible for funding, and are typically based on need, proper planning, and documentation that the project is meant to serve the citizens as a whole. Examples of such agencies include:

Montana Transportation Alternatives Program (TA)

TA provides funding for programs and projects defined as transportation alternatives. Eligible projects include pedestrian and bicycle facilities, community improvement activities, recreational trails program projects, safe routes to school projects, and infrastructure projects for improving access to public transportation and enhanced mobility. Entities qualified to receive funds from the TA program include local governments, tribal governments, transit agencies, public land agencies, school districts, and regional government entities. Guidance for submitting an application for TA funding can be found on the Montana Department of Transportation web site. Projects located within reservation land will not require a match from the local entity, while projects outside of reservation lands will be required to provide a local match of 13.42%. The match can only be provided as cash.

V. Funding Sources

US Department of Agriculture (USDA)

The USDA funds a Community Facilities Grant to assist in the development of essential community facilities in rural areas and towns of up to 20,000 in population. Grant funds may be used to construct, enlarge or improve community facilities for health care, public safety, and community and public services. Grant funds may be available for up to 75% of the project cost, and grants are awarded based on the median household income and the community population.

Water Resources Development Act (WRDA)

WRDA is a federal grant program, funded through the U.S. Army Corps of Engineers. Eligible projects include wastewater treatment, water supply and storage, treatment and distribution facilities, stream bank stabilization, and storm water runoff abatement. WRDA grants require a 25% match from local entities, and there is no maximum grant award amount.

Big Sky Economic Development Trust Fund (BSTF)

The BSTF is a Montana funded program designed to aid in the development of good paying jobs for Montana residents and promote long-term stable economic growth in Montana. The BSTF program provides financial assistance in two categories: Economic development job creation projects and planning projects.

Pre-Disaster Mitigation (PDM)

The PDM program, funded by the Federal Emergency Management Agency (FEMA), provides funds for hazard mitigation planning and the implementation of mitigation projects prior to a disaster event. Funding these projects reduces overall risks to the population and structures, while reducing the reliance on funding from actual disaster declarations. Types of projects include structural retrofitting of existing buildings, soil stabilization, minor localized flood reduction projects, and infrastructure retrofit.



FEMA

Federal Lands Access Program (FLAP)

This program is intended to improve transportation facilities that provide access to, are adjacent to, or are located within Federal lands. The grants are intended to supplement state and local resources for public roads, transit systems, and other transportation facilities, with an emphasis on high-use recreation sites and economic generators. Required match for the program is typically 13.42%.

National Park Service – Rivers, Trails and Conservation Assistance Program (NPS-RTCA)

The National Park Service implemented this program to support locally led conservation and outdoor recreation projects that either develop or restore parks, conservation areas, rivers, and wildlife habitats. In addition, the program will assist with creating outdoor recreation opportunities and programs that engage the community in the outdoors. This program does not provide monetary grants; however, it does provide professional services to help the community achieve their project vision.

VI. Capital Improvements Plan Summary

The capital improvement projects defined in this document were selected in accordance with the process outlined in Section II and represent the most pressing projects to be executed in order to maintain and improve community services and facilities in Deer Lodge. Table 3 presents the Comprehensive Capital Improvements Plan for Deer Lodge for the years 2025-2030. The projects are listed in priority order, and each project line item includes the following: estimated project cost, possible annual recurring costs, the target date for completion, and possible funding sources. It also details the estimated amount of the cost of the project that Deer Lodge will be responsible for and a plan for which budgetary fund that amount will be drawn from.

It is now the responsibility of the Deer Lodge City Council to utilize this document in their annual budgeting and planning period to ensure that the projects are completed as planned. It is also important that the Council continue to update and renew this plan in order to maintain proper planning efforts and keep their goals on track.

Table 3: Deer Lodge 2025-2030 CCIP Project List



2025						
Project	"Estimated Cost"	Funding Sources	Increased Yearly Maintenance / Fixed Costs / Personnel / Supplies	Consequences of Not Completing Project	Priority Score	Project Ranking
Community Garden Expansion	\$5,000	Grant funds, nonprofit donations	Minor annual maintenance	Continued low amount of space at community garden.	9	17
SUV for WWTP vehicle replacement	\$60,000	Operating Budget	Annual Maintenance \$2,000	If the existing plant vehicle breaks down, we would have to start paying employee mileage to drive his personal vehicle for work related travel	12	14
Pickleball Courts	\$50,000	General fund budget, grant funds, donations	Annual maintenance of facilities and budget for long-term replacement.	Lack of facilities for growing pickleball community in Deer Lodge.	14	12
Service Truck to add to the fleet for public works	\$90,000	Operating Budget	Annual Maintenance \$7,000	None	14	12
Replace existing Motor Grader	\$200,000	Operating Budget	Annual Maintenance Fee approx. \$10,000/ year	The old blade has obsolete parts. We would be without a blade and people would get angry for rough alleys and it would beat our new garbage truck to death causing early failure	17	9
Purchase a new sewer jetter to replace the existing jetter	\$80,000	Operating Budget	Minimal Maintenance of approx. \$2,000/ year	Inadequate Maintenance of Sewer Infrastructure	18	8
Water Main Replacements Preliminary Engineering Report	\$60,000	MCEP/RRG Planning Grants, water fund reserve			19	7
4" Sewer Main Replacement to an 8" Sewer Main and line relocation on Kentucky Ave.	\$350,000	Operating Budget and Reserve Funds	N/A	Inadequate sewer main capacity for future expansion and the potential for disturbing private property if the line needs to be repaired from being plugged	19	7
City Hall Renovation - Phase 1 (Exterior)	\$602,156	MHPG Grant, SLIPA Funding, Local Match, ARPA	General building maintenance and upkeep	The exterior shell of the building will continue to deteriorate.	20	6
A smokehouse building for training firefighters	\$20,000 to \$40,000	Grants, operations	Very little maintenance, occasionally cleaned	No consequences, just help with training firefighters, safety and would cut down on travel expenses for the department to go get training, different instructors coming to Deer Lodge, also the rest of the county departments could be trained in the structure	21	5
DLPD purchase sworn staff patrol rifles and update side arms	\$22,200	Operating Budget or Grants	No, firearms will need to be replaced as worn out or as newer technology becomes available.		23	3

2026						
Project	"Estimated Cost"	Funding Sources	Increased Yearly Maintenance / Fixed Costs / Personnel / Supplies	Consequences of Not Completing Project	Priority Score	Project Ranking
Setup for electronic meetings and recording in City Council Chambers	\$20,000	General Fund, state grant funding	General electronic maintenance and obsolescence replacement	Eventually, the State will require City's to record all Council meetings. We can either loop this project into City Hall renovation, or be required to complete it earlier	9	17
Gazebo or Pavilion at Westside Park	\$30,000	Grants, parks budget, donations	General maintenance of structure and vandalism removal.	Lack of shaded area or gathering area at Westside Park. Currently, this park does not have adequate programming to support the population it is intended to serve.	13	13
Improvements to Sledding Hill Park	\$40,000	General fund budget, grants, reserve funds.	General park facility maintenance	Dangerous interaction between sledders and vehicles, continued dilapidation of basketball facility, lack of uses.	14	12
Replace existing backhoe	\$120,000	Operating Budget	Annual Maintenance \$2,000	Funding for Emergency Replacement may not be available	15	11
Off leash Dog Park at Westside Park	\$25,000	Parks budget, grant funds.	General fence maintenance, increased personnel burden for animal control from dogs potentially getting loose.	Lack of place in town to exercise dogs may lead to continued dogs at large.	16	10
Vest replacement for police officers	\$500/vest				16	10
Placement of two radar speed detection signs on West Milwaukee Ave	\$10,000	Street maintenance funds, grant funds.	Minor maintenance and recalibration.	Continued dangerous speeding on road out to Montana State Prison.	16	10
Tourism and Branding Study	\$30,000	Grant funding	No	Lack of clear strategy for the City, residents, and business owners in advertising and attracting tourists.	17	9
Full-time or additional part-time building inspector	\$30,000/year	General fund, building permits	Annual salary and potential benefits depending on type of hire.	Our current building inspector will probably retire within the next few years. We will need a new one, and it is preferable to have them train under the current inspector. Also, a large increase in inspections resulting from new residential development necessitates additional capacity.	18	8
West Side Storm Drainage PER					18	8
SCBAs. 13-20 packs with bottles and masks for firefighters	\$100,000	FEMA grants	Yes. Flow testing and small general maintenance	Current SCBAs will be outdated soon. Need new ones to move forward with. This is important PPE.	18	8
New Restroom facilities at West Side Park	\$130,000	Grant Funding	Annual Maintenance \$1,000	None	21	5

Wildland firefighter gear. Shirts, pants, hardhats, gloves, backpacks	\$60,000	Grants with help from DNRC and rural fire department	Replacement possibly every 10 years.	Crews not outfitted for wildland responses, a growing concern in SW Montana.	21	5
New Fire Engine	\$1 million				21	5
Approximately 4,100 lineal feet of 12" water main replacement on W. Peterson Ave.	\$950,000	Grant Funds and Reserve Funds. No recent attempts have been made	"N/A"	Main break severe enough to have to do an emergency replacement	22	4
FEMA Flood Mitigation (Property Acquisition in Floodway)	\$500,000	FEMA, general fund			22	4
The DLPD is currently in need of an additional full time sworn officer	\$200,000 a year	Operating Budget and possibly grants	This would be a yearly increase to the budget		22	4
Purchase patrol vehicle computers, printers, in car Computer Aided Dispatch service, and E-Citations.	\$80,000	Grants and Operation Budget	\$20,000/yr for service		22	4
1 Type 6 purchase Brush Engine	\$300,000	Grants with possible help from DNRC.	Basic yearly vehicle maintenance	Not being able to attack wildland fires effectively, a growing concern in SW Montana.	25	1

2027

Project	"Estimated Cost"	Funding Sources	Increased Yearly Maintenance / Fixed Costs / Personnel / Supplies	Consequences of Not Completing Project	Priority Score	Project Ranking
Picnic Gazebo at Jaycee Park	\$15,000				12	14
Two new fleet trucks for public works	\$160,000	Operating Budget	Annual Maintenance \$14,000	None	12	14
Replacement and Expansion of existing garbage truck shed	\$350,000	Operating Budget and Reserve Funds	N/A	Premature wear of new equipment	13	13
Installation of sprinkler systems at Westside Park and Jaycee Park	\$800,000	General Parks fund, reserve funds, grant funds.	General sprinkler system maintenance. Maintenance burden will decrease on city due to automation of park watering.	Continued manpower burden of parks sprinkling, spotty park watering.	14	12
Market Analysis Study	\$30,000	Grant funding	No	Lack of solid understanding of good market conditions in Deer Lodge. This plan could be a tool to spur economic development and increased investment in town.	14	12
Murals on Main Street Buildings	\$50,000 (\$5k-\$10k per mural)	Grant funding.	General maintenance. The North Gateway sign does not seem to create a large burden of additional maintenance.	Lack of branding on southern entrance into Deer Lodge.	14	12

Urban Forest	Unknown, depends on scope of the project	General parks fund budget, private donations, grants	Greatly increased street tree and park tree maintenance burden. This could necessitate a full-time parks maintenance employee (along with other parks projects), and/or the burden of maintenance could be passed on to residents.	The urban forest in Deer Lodge is rapidly approaching the end of its effective lifespan (80 years). Not starting planting trees now will result in a town without any mature trees. This has a variety of negative consequences.	15	11
Online GIS viewer for the City	\$15,000	Enterprise funds, general fund, Montana State Library Grants	Annual licensing costs, costs of personnel or contracted assistance in updated or hosting geodatabase.	Continued staff burden of answering infrastructure and zoning questions, lack of transparency to public, lack of central location for infrastructure data.	16	10
City Hall Renovation - Phase 2 (Elevator, Restrooms, Mechanical Upgrades)	\$1.25 million	Grants	General building maintenance, upgrades to mechanical will require additional certification of City employees or outside maintenance.	Foregoing necessary ADA upgrades to building, continued use of substandard restroom facilities.	18	8
Ted Rule Memorial Track and Football Field renovation	\$2.2 million	Private donations, grants, fundraising by nonprofit.	Yes, but maintenance costs will be borne by school district and/or nonprofit	Lack of ability to use track and football field for practice, games, tournaments.	18	8
Storm Sewer Infrastructure	\$5 million	Grant Funding and Reserve Funds	Yes, annual maintenance for a new infrastructure will increase	Prematurely deteriorated roadways and increased wear on WWTP components for treating clean water	18	8
Sidewalk, Curb, and Gutter Master Plan	\$30,000	Grants, Street maintenance funds	No, but the plan will lead to considerable maintenance and construction costs. Ideally, the plan would provide funding strategy.	Continued deterioration of sidewalks, curb, and gutter in town without a cohesive strategy for replacement. This in turn creates safety hazards and liability.	20	6

2028

Project	"Estimated Cost"	Funding Sources	Increased Yearly Maintenance / Fixed Costs / Personnel / Supplies	Consequences of Not Completing Project	Priority Score	Project Ranking
Installation of a South Entrance Gateway Sign	\$25,000	Grant funding.	General maintenance. The North Gateway sign does not seem to create a large burden of additional maintenance.	Lack of branding on southern entrance into Deer Lodge.	14	12
Fire Department Training Facility					15	11
Baseball Field refurbishment at Jaycee Park	\$15,000/year	General fund monies. The City has an agreement with the Deer Lodge Little League, passed earlier this year, that gives them funding to refurbish one field per year for the next 4 years.	General field maintenance. The intent would be to continue the agreement with the Little League to provide them additional funding after 5 years that will allow for maintenance of already refurbished fields.	Safety hazards at baseball fields.	17	9
Two new dump trucks	\$240,000	Operating Budget	Annual Maintenance of \$15,000	No emergency funding to replace one when it breaks down	18	8
New Rescue Truck/Command Vehicle	\$400,000	FEMA Grants	Yearly vehicle maintenance	Current truck has a history of break downs. New one would be more reliable.	18	8

Structure Fire Engine	\$1.1 million	Municipal loans supplemented with grant funding.	Yearly pump testing and preventative maintenance required.	Maintenance cost increasing on older trucks. Some parts on older trucks are obsolete and are not replaceable.	19	7
New Water Supply Well	\$1,200,000	Grant Funding	Yes	No water for the municipality if another well goes down or gets shut down	20	6
Up to date radars	\$38,000	Grants and Operating Budget	No		20	6

2029

Project	"Estimated Cost"	Funding Sources	Increased Yearly Maintenance / Fixed Costs / Personnel / Supplies	Consequences of Not Completing Project	Priority Score	Project Ranking
Installation of Columbarium at Hillcrest Cemetery	\$500,000	Cemetery perpetual fund.	General building maintenance, but can be included in Cemetery groundskeeper duties.	Lack of location in town to store deceased individual's ashes will lead to continued purchase of cemetery plots for ash storage, limiting burial plots.	12	14
New Restrooms at Upper Ballfields at JC Park	\$315,000	Grant Funding	Annual Maintenance \$1,500	None	19	7
Sidewalk Replacement/ Construction	\$7/SqFt				19	7

2030

Project	"Estimated Cost"	Funding Sources	Increased Yearly Maintenance / Fixed Costs / Personnel / Supplies	Consequences of Not Completing Project	Priority Score	Project Ranking
Addition for Fire Hall (Add on 800-sq ft living quarters)					7	18
Recreation Gym	\$750,000				9	17
Expansion of AOK Campground (City-owned, privately-leased RV Campground on Clark Fork River)	N/A	Private enterprise, grant funding.	Maintenance costs will be borne by lessee.	Lack of available lodging space in Deer Lodge will continue.	9	17
Parklets and Trail System along Cottonwood Creek at floodplain-acquired properties	\$10,000 per park for landscaping, \$135/lf for trail	Grant funding.	General park and trail maintenance. May necessitate (with other projects) the hiring of a full-time parks maintenance employee.	Lack of usable park space or access to Creek. Continued lack of maintenance on previously-acquired properties.	14	12
Trail Connector between Old Yellowstone Trailhead on Washington Street and Arrowstone Park	\$150,000	Grant funding	Annual trail maintenance.	Lack of park connectivity in Deer Lodge.	15	11
Main Street redesign and pedestrian improvements	\$5 million	Federal Transportation Grants, MDT and local match	Greatly increased maintenance costs that may be shared by City, MDT, and downtown property owners	Dangerous Main Street for pedestrians, lack of connectivity, lack of positive environment for economic development.	15	11

Above or below-grade rail crossing on Milwaukee Avenue	\$7 million - \$15 million	Federal Transportation grant funding, local match, MDT match	Yes, unknown at this time.	Milwaukee Avenue is the only access point to the west side of town and the City's largest employer. At grade rail crossing of an active railroad poses significant safety concerns for first responder access, evacuations, etc. in the case of the roadway being blocked by a train.	15	11
Sprinkler	\$1,000,000				16	10
Purchase of land for expansion of Hillcrest Cemetery	\$200,000 - \$250,000 per acre	Cemetery perpetual maintenance fund	Similar maintenance requirements to the rest of the Hillcrest Cemetery.	Eventually, we will run out of space for burials in town.	17	9
Lighting at Jaycee Park	\$50,000 for streetlights, \$500,000 for stadium lights.	Parks budget, reserve funds, recreation grant programs	Electricity costs, general lighting maintenance.	Lack of safety at Jaycee Park, lack of ability to use ballfields at night or twilight.	18	8
Water Meters City Wide to conserve a natural resource	\$800 - \$1,000 each (approx. 1,480 meters)	Grant Funding	Yes, additional maintenance supplies will need to be stocked in order to repair any damaged or leaking meters. Additional computer software for reading meters and potentially billing software upgrades	Wasting a natural resource	20	6
Ladder Truck	\$3 million	FEMA Grants	Pump and ladder testing. Basic vehicle maintenance.	No means of fighting fire on our tall buildings.	21	5
Recreation Department Equipment	\$75,000					13

2031 and Beyond

Project	"Estimated Cost"	Funding Sources	Increased Yearly Maintenance / Fixed Costs / Personnel / Supplies	Consequences of Not Completing Project	Priority Score	Project Ranking
City Hall Renovation - Phase 3 (Interior Remodel, Garage Renovation)	\$2.2 million	Grants	General building maintenance	Lack of office space in growing city, continued dilapidation of historic garage structure.	13	13
Water Main Looping for new West Peterson water line, down Airport Rd., down W. Milwaukee Ave, then tie in Van Gundy Ave and Kentucky St.	\$650,000 - \$900,000	Grant Funding, Operating Budget, Reserve Funds	Yes	No room for industrial expansion	15	11
Sewer Main Inflow and Infiltration Projects City Wide	\$3 million	Grant Funds	No	Deteriorated Manholes and other appurtenances associated with sewer infrastructure allowing inflow and infiltration into the sewer system creating increased wear at the WWTP	17	9

Clark Fork River Park (on Clark Fork River Superfund Site and PRA Superfund Site).	\$1.5 million	LWCF Funding (contact with DEQ believes we can use superfund remediation dollars already spent as our 50% match requirement).	Large increase in parks maintenance burden. This may require a full-time parks maintenance employee.	Lack of adaptive reuse at superfund site.	17	9
Solid Waste Shop to House Solid Waste Vehicles	\$400,000				17	9
Water and Sewer Main Upgrades on West Side by Arizona St.	\$2.3 million	Grant Funding, Operating Budget	Minimal	Not being able to expand and existing utilities failing	19	7
Sewer Main Upgrades City wide	\$13 million	Grant Funding, Reserve Funding	No additional yearly costs	Continue to have Inflow and Infiltration issues that can prematurely wear the components at the WWTP. Increased sewer backups because of failing infrastructure	20	6
Water Main Looping for new West Peterson water line, down Airport Rd., down W. Milwaukee Ave, then tie in Van Gundy Ave and Kentucky St.	\$650,000 - \$900,000	Grant Funding, Operating Budget, Reserve Funds	Yes	No room for industrial expansion	21	5
New 2 million gallon water tank	\$3.5 million	Grant Funding, Operating Budget, Reserve Funds	Yes	May have Inadequate water supply if Deer Lodge expands	21	5
Water Main Upgrades City wide	\$20 million	Grant Funding, Operating Budget, Reserve Funds	N/A	Continuous Water Main Breaks putting people out of water for hours or even days	21	5
DLPD - secure and updated facilities	\$200,000 to \$900,000	Grant and Operating Budge	General maintnance		22	4
FEMA Flood Mitigation (Property Acquisition in Floodway)	\$500,000	FEMA, general fund			22	4

Ongoing

Project	"Estimated Cost"	Funding Sources	Increased Yearly Maintenance / Fixed Costs / Personnel / Supplies	Consequences of Not Completing Project	Priority Score	Project Ranking
Annual Street Maintenance Program	\$450,000/year				24	2
Water Valve Replacements throughout City	\$30,000/year				21	5
Vehicles for Police Department (6-year replacement plan/1 per year)	\$15,000/year				11	15

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