



Public Service Commission

State of North Dakota

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September 30, 2011

Mr. Jeff Fleischman, Director
Casper Field Office
Office of Surface Mining
P.O. Box 11018
Casper WY 82602-5004

RE: Closeout of the Construction Portion of North Dakota's 2009-2012 AML Grant

Dear Mr. Fleischman:

Enclosed is the final report for the construction portion of North Dakota's 2009-2012 AML Grant GR907380. The sub-grants for the construction portion of that grant were S09AP15130-0001-FE03, 0002-SS03, 0004-HU03, 0005-HC03 and 0007-SS03. The closeout report covers the period beginning March 1, 2009 and ending on March 1, 2011. All of the grant funds were spent by March 1, 2011. A completed Financial Status Report, SF 425, covering the 2009-2012 construction grant is enclosed. The original construction grant award was \$2,538,531.00. However, this amount was later increased by \$594.81 (S09AP15130-0007-SS03), when the remaining funds from an earlier grant were transferred to the 2009-2012 AML construction grant. Also enclosed is a summary of AML projects that were funded from this grant (attached to Form OSM-51).

All allowable, allocable and reasonable costs have been paid, all funds have been expended and the projects are considered complete. OSM is released from all obligations under or arising from the construction portion of the 2009-2012 AML Grant, GR907380, subject to final audit, if any.

If you have any questions, please contact me.

Sincerely,

James Deutsch
Director, AML Division

Attachments

cc: Carolyn Garrett

Minedata/AML/AMLGrants/2009/Cnstr_closeout_ltr_9-30-11.docx

FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted Office of Surface Mining	2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) 2009-2012 AML Construction Grant Sub-grants S09AP15130-0001-FE03, S09AP15130-0002-SS03, S09AP15130-0004-HU03, S09AP15130-0005-HC03, and S09AP15130-0007-SS03.	Page 1	of 1 pages
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3. Recipient Organization (Name and complete address including Zip code)
 AML Division, Public Service Commission, 600 East Boulevard Ave., Dept. 408, Bismarck, ND 58505-0480

4a. DUNS Number 802-744-946	4b. EIN 45-0309764	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment) GR907380	6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Final	7. Basis of Accounting <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual
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8. Project/Grant Period From: (Month, Day, Year) 3/1/2009	To: (Month, Day, Year) 3/1/2011	9. Reporting Period End Date (Month, Day, Year) 3/1/2011
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10. Transactions Cumulative

(Use lines a-c for single or multiple grant reporting)

Federal Cash (To report multiple grants, also use FFR Attachment):

a. Cash Receipts	
b. Cash Disbursements	
c. Cash on Hand (line a minus b)	

(Use lines d-o for single grant reporting)

Federal Expenditures and Unobligated Balance:

d. Total Federal funds authorized	\$2,539,125.81
e. Federal share of expenditures	\$2,539,125.81
f. Federal share of unliquidated obligations	\$0.00
g. Total Federal share (sum of lines e and f)	\$2,539,125.81
h. Unobligated balance of Federal funds (line d minus g)	\$0.00

Recipient Share:

i. Total recipient share required	\$0.00
j. Recipient share of expenditures	\$0.00
k. Remaining recipient share to be provided (line i minus j)	\$0.00

Program Income:

l. Total Federal program income earned	\$0.00
m. Program income expended in accordance with the deduction alternative	\$0.00
n. Program income expended in accordance with the addition alternative	\$0.00
o. Unexpended program income (line l minus line m or line n)	\$0.00

11. Indirect Expense	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
	Final	39.98%	3/1/2009	6/30/2009	\$67,096.98	\$26,825.37	\$26,825.37
Final	35.73%	7/1/2009	2/28/2011	\$140,757.27	\$50,292.59	\$50,292.59	
g. Totals:					\$207,854.25	\$77,117.96	\$77,117.96

12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:

13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)

a. Typed or Printed Name and Title of Authorized Certifying Official James R. Deutsch, Director AML Division	c. Telephone (Area code, number and extension) (701) 328-2251
b. Signature of Authorized Certifying Official 	d. Email address jdeutsch@nd.gov
e. Date Report Submitted (Month, Day, Year) September 30, 2011	
14. Agency use only:	

Standard Form 425
 OMB Approval Number: 0348-0061
 Expiration Date: 10/31/2011

Paperwork Burden Statement
 According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is 0348-0061. Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0060), Washington, DC 20503.

**U.S. DEPARTMENT OF THE INTERIOR
Office of Surface Mining
Washington, DC 20240**

Performance Report

Program Narrative Statement

1. Type of Program (Check Appropriate Box) <input checked="" type="checkbox"/> Abandoned Mine Land Program <input type="checkbox"/> State and Federal Program			
2. Grant Recipient Public Service Commission 600 East Boulevard Ave., Dept.408 Bismarck, ND 58505-0480	Type of Report Closeout Report	Reporting Period 3-1-2009 to 3-1-2011	Control Number(s)
3. Project Title/Program 2009-2012 Abandoned Mine Lands Reclamation Grant – GR907380 – Construction Portion			
4. Performing Organization Same as above			
5. Program Narrative Please see the attached narrative.			

OSM-51(12/80)

Paperwork Reduction Act Statement

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501) requires us to inform you that: Federal Agencies may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. This information is being collected to review, administer and evaluate the States/Tribes grants for program development and administration and enforcement to meet the requirements of the Surface Mining Control Reclamation and Enforcement Act. The obligation to respond is required to obtain a benefit.

Public reporting burden for this form is estimated to average 5.5 hours per response, including time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to the Information Collection Clearance Officer, Office of Surface Mining Reclamation and Enforcement, Room 210 SIB, 1951 Constitution Ave., NW, Washington, D.C.

2009 Construction Grant Closeout Narrative

The construction portion of North Dakota's 2009 AML grant was used by the Public Service Commission for construction projects under North Dakota's Abandoned Mine Lands Reclamation Program for the 36-month grant period that began on March 1, 2009 and ends February 28, 2012. By March 1, 2011, all funds in this construction grant had been expended so the grant is being closed-out at this time.

In addition to the actual construction costs incurred under contracts, the cost of staff time and travel to design the projects and oversee the construction work between March 1, 2009 and February 28, 2010 were charged to the 2009 construction grant. Funds from this grant were used for the projects discussed below.

2009 Williams County Road 9 – Phase 4

The Commission entered into two contracts for the 2009 Williams County Road 9, Phase 4, abandoned mine project that occurred in 2009. One contract was for drilling holes into hazardous subsurface underground mine voids and pumping cement grout to fill them and stabilize the surface from collapse. The second contract was for field and lab testing of the grout. Drill holes, totaling 59,985 feet, were drilled along public roads and residential areas near Williston, ND; and 8,026 cubic yards of grout were pumped into underground mine voids. The contractor work that was charged to this project from the 2009 grant was \$546,888.81. When including staff time for design and construction management and travel costs for this project, the total amount charged to the 2009 construction grant for this project was \$646,418.05.

2009 Hazen-West – Phase 2

The Commission entered in a contract for Phase 2 of the Hazen-West AML Site during the 2009 construction season. This project involved moving approximately 508,000 cubic yards of material to complete highwall backfilling and grading on 50 acres. Tree and shrub planting on this site in the 2010 was also included. The amount of the contracted work paid from the 2009 construction grant was \$613,886.04. The total amount charged to the 2009 construction grant for work at the Hazen-West AML site, including staff time and travel, was \$698,714.58.

2009 Columbus – Phase 10

The Commission entered in a contract for Phase 10 of the Columbus AML Site during the 2009 construction season. This project involved moving approximately 25,000 cubic yards of material to complete highwall backfilling and grading on 7 acres and erosion repairs on another phase of the Columbus project. The amount of the contracted work paid from the 2009 construction grant was \$70,003. The total amount charged to the 2009 construction grant for work at the Columbus AML site, including staff time and travel, was \$91,365.80.

2009 Maintenance/Mine Investigations

The Commission conducted a maintenance project and mine investigations that were charged to the 2009 construction grant. A contract was entered into that required the contractor to fill dangerous sinkholes at numerous abandoned underground mines in western North Dakota in

the fall of 2009 and spring of 2010. Approximately 32,783 cubic yards of dirt were used to fill 360 dangerous sinkholes on 22 properties at 10 locations. The total construction cost charged to the 2009 construction grant was \$124,412.50. With the staff time and travel costs for the sinkhole filling projects and other mine investigations, the total amount charged to the 2009 construction grant was \$189,947.13.

2010 Beulah/Zap – Phase 11

The Commission entered into two contracts in 2010 for the Beulah/Zap, Phase 11, abandoned mine project that occurred in 2010. One contract was for drilling holes into hazardous subsurface underground mine voids and pumping cement grout to fill them and stabilize the surface from collapse. The second contract was for field and lab testing of the grout. Drill holes, totaling 14,956 feet, were drilled along public roads near Beulah and Zap; and 6,870 cubic yards of grout were pumped into underground mine voids. Most, but not all, of the contractor costs were charged to the 2009 construction grant. The remaining costs were charged to the 2010 construction grant. Contractor work that was charged to this project from the 2009 grant was \$451,060.10. When including staff time for design work that was completed by February 28, 2010, the total amount charged to the 2009 construction grant for this project was \$457,192.76.

2010 Buechler/Velva

The Commission entered into a contract in May of 2010 for the Buechler/Velva abandoned mine project and some of the work was done in 2010. This project involves the elimination of dangerous highwalls at abandoned surface mines south of Sawyer and Velva in Ward County. Approximately 1,850,000 cubic yards of earthen material will be used to reclaim about 150 acres. However, the contractor abandoned the project after completing about one-third of the work. For the work that was completed by the original contractor, the costs were charged to the 2009 construction grant. The original contractor's bonding company arranged for a completion contractor and the remaining costs for this project are being charged to the 2010 and 2011 construction grants. Contractor work that was charged to this project from the 2009 grant was \$398,094.99. When including staff time for design work that was completed by February 28, 2010, the total amount charged to the 2009 construction grant for this project was \$429,490.54.

Coal Fire Suppression

In late 2008, the Commission received a special \$40,000 grant to extinguish coal outcrop fires and numerous coal outcrop fires were extinguished in the spring of 2009. The actual construction costs for extinguishing the fires were charged to the special grant. However, AML staff time and travel costs to oversee the construction activities were charged to the 2009 AML construction grant. The total amount charged for this work under the 2009 construction grant was \$16,374.49.

Design Work for a 2010 Project

Some staff time was spent preparing design plans for another 2010 construction project. Design cost charged to the 2009 construction grant for the 2010 Williams County Road 9 Phase 5 Project was \$9,622.47.