



Public Service Commission State of North Dakota

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February 23, 2012

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

RE: Closeout of North Dakota's 2010-2013 AML Construction Grant

Dear Mr. Fleischman:

Enclosed is the final report for the construction portion of North Dakota's 2010-2013 AML Grant GR007380. The sub-grants for the construction portion of the grant were S10AF16174-0002-SS03, S10AF16174-0003-HC03, S10AF16174-0004-HU03, S10AF16174-0007-SS03 and S10AF16174-0008-SS03. The closeout report covers the period beginning March 1, 2010 and ending on December 31, 2011. All funds in the construction portion of the grant were spent by December 31, 2011. A completed Financial Status Report, SF 425, for closing out the 2010-2013 construction grant is enclosed. The original construction grant award was \$3,001,798.00. However, this amount was later increased by \$53,786.57 (S10AP16174-0007-SS03) and \$73,660.63 (S10AP16174-0008-SS03) when the remaining funds from the 2009 Administrative Grant and 2010 Administrative Grant were transferred to the 2010-2013 Construction Grant. Also enclosed is a summary of AML projects that were either partially or totally funded from this grant (attached to Form OSM-51).

All allowable, allocable and reasonable costs have been paid and all funds have been expended. OSM is released from all obligations under or arising from the construction portion of AML Grant GR007380, subject to final audit, if any.

If you have any questions, please contact me.

Sincerely,

James Deutsch
Director
AML Division

Attachments

cc: Carolyn Garrett
John Sieving

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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) 20010-2013 AML Construction Subgrants S10AF16174-0002-SS03, S10AF16174-0003-HC03, S10AF16174-0004-HU03, S10AF16174-0007-SS03 and S10AF16174-0008-SS03				Page 1	of 1 pages
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) GR007380		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 checked="" type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual		
8. Project/Grant Period From: (Month, Day, Year) 3/01/2010			To: (Month, Day, Year) 12/31/2011		9. Reporting Period End Date (Month, Day, Year) 12/31/2011		
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							
\$3,129,245.20							
e. Federal share of expenditures							
\$3,129,245.20							
f. Federal share of unliquidated obligations							
\$0.00							
g. Total Federal share (sum of lines e and f)							
\$3,129,245.20							
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
	Approved	35.73%	3/01/2010	2/28/2011	\$239,265.29	\$85,489.49	\$85,489.49
	Approved						
g. Totals:					\$239,265.29	\$85,489.49	\$85,489.49
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) February 23, 2012		
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 Lands Program	
2. Grant Recipient GR007380 PUBLIC SERVICE COMMISSION 600 E. Boulevard Ave., Dept. 408 BISMARCK, ND 58505-0480	Type of Report: Grant Closeout Report
3. Project Title/Program GR007380 Abandoned Mine Lands Reclamation Grant	
4. Performing Organization SAME AS ABOVE	
5. Program Narrative Please see the attached narrative for the closeout report for the construction portion of the grant.	

2010 AML Construction Grant Closeout Narrative

The construction portion of North Dakota's 2010 AML grant was used by the Public Service Commission for Abandoned Mine Lands Reclamation construction projects for the 36-month grant period that began on March 1, 2010 and ending on February 28, 2013. By December 1, 2011, all funds in this construction grant had been expended so it is being closed-out at this time.

In addition to the actual construction costs incurred under contracts, the costs of staff time and travel for designing and overseeing the construction work between March 1, 2010 and February 28, 2011 were charged to the 2010 construction grant. Funds from this grant were used for the projects discussed below:

2009 Columbus – Phase 10

In 2009 the Commission entered in a contract for Phase 10 of the Columbus AML Site. This project involved moving approximately 25,000 cubic yards of material to complete highwall backfilling and grading on about 7 acres as the tenth phase of reclamation work at this site. While this work was completed in late 2009, costs incurred for abstracting work associated with the next two phases of work at the Columbus site were also charged to Phase 10 project code. The amount charged to the 2010 construction grant for the abstracting work was \$4,320.00.

2010 Williams County Road 9 – Phase 5

Reclamation work for the Williams County Road 9 Phase 5 project involved drilling and pumping pressurized grout into collapsed underground mine workings located beneath public roads and near residences east of Williston. This was the fifth year of a multi-year project in areas along Williams County Road 9 and nearby residential areas. A total of 25,833 feet were drilled and 1,290 cubic yards of grout were injected into underground mined workings. Most of the work was conducted between May and July of 2010. A separate contract was issued for field and laboratory testing of the grout used for this project. Also, title memoranda were prepared under a separate contract for the private lands included in the project. Contracted work paid from the 2010 construction grant was \$243,309.00. The total amount charged to the 2010 construction grant for the Williams County Road 9 Phase 5 project, including staff time and travel, was \$319,188.21.

2010 Beulah/Zap – Phase 11

The 2010 Beulah/Zap Phase 11 project also involved drilling and pumping grout into collapsed underground mine workings. The project included areas along N.D. Highway 200 and county roads near Beulah and Zap. A total of 14,956 feet were drilled and 6,870 cubic yards of grout were injected into underground mined workings. Most of the work was conducted between July and November of 2010. A separate contract was also issued for field and laboratory testing of the grout. The contracted work paid from the 2010 construction grant was \$245,296.30. The total amount charged to the 2010 construction grant for the Beulah/Zap Phase 11 project, including staff time and travel, was \$302,585.37.

2010 Buechler/Velva

The Buechler/Velva project involved 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 was moved to reclaim about 150 acres, including unstable highwalls that were more than 75 feet high in some areas. Part of the work was done by the original contractor in 2010 before ceasing work on the project. However, the project was completed by another contractor in 2011. The contracted work paid from the 2010 grant totaled \$776,678.57. The total amount charged to the 2010 construction grant for the Buechler/Velva project, including staff time and travel, was \$924,076.13.

2011 Columbus – Phases 11 and 12

The Commission entered into two separate contracts for Phases 11 and 12 of the Columbus AML Site for the 2011 construction season. These projects involved the elimination of about 2.5 miles of hazardous highwalls by backfilling final pit areas with mine spoil. Contracted work paid from the 2010 construction grant was \$1,410,905.20, including \$7,500 that was paid for a cultural resource survey of the area. The total amount charged to the 2010 construction grant for these two phases of the Columbus project, including staff design time, was \$1,432,391.04.

2010 Maintenance Project/Mine Investigations

The Commission conducted a maintenance project and mine investigations that were charged to the 2010 construction grant. A contract was entered into for filling dangerous sinkholes at numerous abandoned underground mines in western North Dakota in the fall of 2010 and spring of 2011. A separate contract was awarded in the spring of 2010 for obtaining a detailed topographic map for a portion Columbus AML site. In addition, a contract was issued in the fall of 2010 to repair some mine related erosion features near the Buechler/Velva project site. The total contracted amount charged to the 2010 construction grant was \$65,999.59. With the staff time and travel costs for the maintenance projects and other mine investigations, the total amount charged to the 2010 construction grant was \$121,378.02.

2010 Coal Fire Suppression

In July 2010 the Commission received a special \$25,000 grant to extinguish coal outcrop fires and numerous coal outcrop fires were extinguished in the fall of 2010. The actual construction costs for extinguishing the fires in southwest North Dakota were charged to the special grant. However, AML staff time and travel costs prepare projects specifications and oversee the construction activities were charged to the 2010 AML construction grant. The total amount charged to the 2010 construction grant was \$10,652.27.

Design Work for 2011 Projects

Some staff time was spent preparing design plans for other 2011 construction projects. Design cost charged to the 2010 construction grant included the Beulah\Zap Phase 12 Project and an Exploratory Drilling project. The total amount for this design charged to the 2010 construction grant was \$14,654.19.