HYALITE RURAL FIRE DISTRICT
BOARD OF TRUSTEES REGULAR PUBLIC MEETING
SYNOPSIS

DATE: AUGUST 18, 2026 TIME: 7:00 p.m.
LOCATION: Sourdough Fire Station, 4541 S. 3rd Rd., Bozeman, Montana

In compliance with MCA 2017 2-3-212 and the Hyalite Rural Fire District Bylaws, the minutes of HRFD Board of Trustees open public meetings are comprised of an audio recording and a written synopsis. The audio recording is designated as the official record of a meeting. The written synopsis serves to assist the public in accessing portions of the audio recording and is a good faith attempt to provide the public with another method to be informed about the actions of the Board. The minutes are available to the public at www.hyalitefire.org/board-meeting-minutes/ or at the Hyalite Rural Fire District Administrative Offices, 4541 S. 3rd Rd., Bozeman, MT, during its standard business hours.

TRUSTEES IN ATTENDANCE:
Justin Miller
Jason Jarrett
Ken Beideman
Bob Pailthorpe

STAFF IN ATTENDANCE:
Brian Nickolay, Fire Chief
Sheryl Wyman, Administrative Assistant
Allie Kuntz, Shift Captain

0:00:02	**CALL TO ORDER OF HYALITE RURAL FIRE DISTRICT** Chairman Miller called the meeting to order and reminds everyone the meeting is being recorded. He asks for any public comment on non-agenda items. None given. **HYALITE CONSENT AGENDA** Chairman Miller asks if there are any requests to pull anything from the Consent Agenda for review. None given. **Motion**: **Trustee Jarrett moves to approve consent agenda as presented** Trustee Pailthorpe seconded the motion. **Vote:** Jarrett-Yes; Pailthorpe-Yes; Beideman-Yes; Miller-Yes; Unanimous approval. *[See July 21, 2026 Board Packet for Consent Agenda items Approved]*

0:00:35	**Agenda Item 1 – Captain Promotion and Pinning** Chief Nickolay introduces Nick Blommel and has him tell the board a little about his background. Chief reminds the board the captain position is an incident command post.
0:03:03	**Agenda Item 2 – Volunteer Firefighters Association Report** None given.
0:03:13	**Agenda Item 3– Presentation of Fire Rescue 1 Article by Allie Kuntz** Allie Kuntz states she was approached to write an article. She gives the board her background. The article is presented to the board. The Chief explains Fire Rescue 1 is a national publication. Questions and discussion are held among the trustees and Captain Kuntz. *[See Attachment A – Fire Rescue 1 Article by Allie Kuntz]*
0:22:13	**Agenda Item 4 – Approval of Final Fiscal Year 2027 Budget** Chief Nickolay presents the final budget and resolution. The budget is the same as the preliminary budget previously approved. He explains we are able to move $900,000 into our capital apparatus fund. We are struggling keeping up with the inflation costs. Discussion is held among the Trustees and Chief. **Motion**: **Trustee Jarrett moves to approve the FY2027 Budget and Resolution.** Trustee Beideman seconded the motion. **Vote:** Jarrett-Yes; Beideman-Yes; Pailthorpe-Yes; Miller-Yes; Unanimous approval *[See Attachment B – Fiscal Year 2027 Resolution and Final Budget]*
0:30:07	**Agenda Item 5 – Appointment of a Trustee to the Impact Fee Coalition of Gallatin County Fire District** The Chief provides the statute explaining the authority for impact fees. The impact fees have to be used for capital projects. The funds need to be overseen by Gallatin County. A study would also need to be completed by Gallatin County. Trustee Pailthorpe states he would be interested to participate if needed.

	Tabled for further information from the County. *[See Attachment C – MCA Statutes]*
0:36:22	**Agenda Item 6 – Replacement of Rae Fire Station – Standing Agenda Item** Chief Nickolay advises the board we had a kick-off meeting with Liz Loomis and her team. They have ideas on how to market the fire district. One idea is to post signage. We would need to find private land owners to place the signs. Liz Loomis will be visiting the district October 1st to see the district. Green Hills Ranch is having their annual BBQ and meeting August 30th and we will attend.
0:39:31	**Agenda Item 7 – Fire Chief's Report** Chief goes through his fire chief's report. 72 calls in July. Membership is at 43. Nick Blommel is the only volunteer captain we have on the roster. Hopefully by the end of the year we will have three. All residences are full. We will be starting the accelerated academy with three firefighters the last two weeks of August. Chris Leeper our recruitment captain is trying to reach different audiences for volunteers including rodeos and Music on Main. We will be participating in Catapalooza which is our biggest recruitment time. We supported Central Valley, Fort Ellis and the City of Bozeman fire departments on structure fires. Division Chief Prato has been working hard to complete all of our fire apparatus pump, ladder, and hose testing. We had all our apparatus pumps and ladder pass. We had one hose fail and will need to be replaced. For several years we have been struggling with one of the three HVAC units at Sourdough Station. The unit which continues to fail is the unit that heats and cools the residential rooms. We have brought in a new HVAC company to look at the issue. It has been determined the best course of action would be to replace the unit at a cost of $24,000. *[See Attachment D-Fire Chief's Report]*
0:48:20	**Agenda Item 8 – Trustee's Activities** Trustee Jarrett reports the preliminary numbers for the valley wide ambulance district. To provide seven staffed ambulances, two ALS chiefs' cars, four support FTE is about $11 million or an estimated $84/yr for average house. This would be

	just for transport – not first responders. Big Sky and West Yellowstone are not participating. Discussion is held among the trustees.
0:55:06	**Announcements** • Next Board Meeting – Tuesday, September 15, 2026
0:55:43	**Adjournment of Meeting**

Attachment A

Leadership

Growing leaders: The impact of resident firefighter programs

The leaders who shaped my development as a firefighter created opportunities to learn and lead — a model critical to volunteer recruitment and retention

8/20/26, 8:43 AM Growing leaders: The impact of resident firefighter programs

Since graduating from Montana State University, Kuntz has worked as a captain/paramedic in the same department she joined as a volunteer firefighter during her freshman year.

Photo/Allie Kuntz

By Allie Kuntz

"We do not develop firefighters, officers, and community leaders by waiting for them to be ready. We develop them by investing in them before they are."

"I don't feel ready for this," I remember thinking as our engine responded to a head-on collision on a cold winter morning. At 19 years old, I was serving as the acting officer and sitting in the front right seat of a fire engine with a crew of four other college students.

The incident was near the station, and our command officer was over 20 minutes away. I knew that when we got on scene, I wouldn't just be responsible for my crew; I would be responsible for managing the entire incident.

As we drove, dispatch advised us that several people were injured. I thought about what I'd do when we arrived. I had practiced this exact scenario in training and had watched experienced officers manage similar scenes. Yet none of that completely removed the uncertainty I felt. When we arrived, there was no perfect plan waiting for me. There was only the responsibility — and the expectation that I would step into it.

Later that day, after the call was over and we were back at the station, I realized something important: You don't become ready and then step up. You step up, and that's how you become ready.

Looking back, that lesson shaped my understanding of leadership more than any book ever could. Ironically, I was learning the same lesson in two different places at the same time — inside a business school classroom and inside a volunteer fire station.

Two-way learning

When I arrived at Montana State University in Bozeman, I was looking for a community. I had just moved to a new town and wanted to find people who shared similar interests and values. That search led me to the Hyalite Fire Department, where I became involved as a volunteer and resident firefighter, meaning I lived at the fire station. It wasn't just the place from which we responded to calls; it was my home and my second classroom.

Some early fire life lessons came from emergency calls. Others came from training drills, late-night conversations around the kitchen table, and simply observing experienced firefighters and officers interact. Living alongside people committed to serving their community created an environment where leadership lessons occurred every day, often without anyone realizing it.

At the same time, I was studying business management. In class, we discussed leadership development, organizational culture, team dynamics, communication and how successful organizations invest in their people.

What made the experience unique was that the learning flowed in both directions.

Business school gave me a framework for understanding leadership and organizations. The fire service gave me an opportunity to test those ideas in the real world.

I could spend an afternoon discussing organizational culture in a classroom and then spend the evening watching that culture influence everything from training expectations to how members supported one another after a difficult call. Likewise, experiences from the fire station often made classroom discussions more meaningful because I had already seen those concepts at work. When we discussed leadership, I wasn't picturing a hypothetical case study; I was thinking about people I knew and respected. The two environments continually reinforced one another, creating an education that neither could have provided on its own.

Shortly after completing my Fire Officer 1 training, I was sitting in a college human resources class where we discussed the importance of setting clear expectations for employees. As I shared some of the approaches I had learned in my fire officer training, the teacher stopped and asked, "Where did you learn that? It's not in our textbook."

The experience involved far more than simply balancing school and the fire station. There were weekends spent training all day, only to be woken up for a call after midnight that could be anything from a lift assist to a working structure fire. Regardless of what happened the night before, I was expected to be back in the classroom at 8 a.m. the next morning. The schedule was unpredictable, but the expectation remained the same: Show up, stay engaged and continue learning.

The recruitment and retention impact

The reason I was sitting in the officer seat that morning wasn't because I had all the answers or felt completely prepared. It was because leaders before me had invested in my development. They provided opportunities to learn. They trusted me with responsibility. They allowed me to make mistakes and learn from them. Most importantly, they created an environment where growth was expected.

I believe this is one of the most important lessons for volunteer and combination fire departments today. Many conversations about the future of volunteerism focus on recruitment. Recruitment is important, but retention often depends on something deeper. People stay where they feel connected and valued, and where they believe they are growing.

Volunteerism is not automatically passed from one generation to the next. The ethic of volunteer service must be intentionally taught through mentorship, culture and responsibility. Very few people walk into the fire service already understanding commitment, sacrifice and service before self. Those values are developed over time. They are learned through experience and reinforced by leaders who take the time to invest in others.

Empowering firefighters with early responsibilities not only fosters leadership skills but also addresses a critical issue: retention. Departments that trust and value their members create an environment where firefighters feel a sense of belonging. This investment in their growth can transform casual involvement into deep-rooted commitment. For college-aged firefighters, the opportunity to take on meaningful roles can be the key factor that keeps them engaged and dedicated to their department.

Departments that invest in people create future officers, future mentors and future leaders. This reinforces something I believe many departments understand intuitively but do not always articulate clearly: People stay committed to organizations that invest in them.

Invest in your people

Since graduating from Montana State University, I have worked as a captain/paramedic in the same department I joined as a volunteer firefighter during my freshman year.

Kuntz (third from left) with fellow Hyalite Fire Department resident firefighters.

Photo/Allie Kuntz

That progression reflects the impact of leaders who chose to develop others, create opportunities for growth, and place trust in people before confidence had fully caught up with capability.

The future of volunteerism depends on leaders who are willing to do the same. We do not develop firefighters, officers and community leaders by waiting for them to be ready. We develop them by

The lesson I learned sitting in the officer seat that winter morning holds true: Readiness is often the result of responsibility, not the prerequisite for it by.

ABOUT THE AUTHOR

Allie Kuntz is a captain/paramedic with the Hyalite Fire Department in Bozeman, Montana. She holds a bachelor's degree in business management from Montana State University and an associate of applied science in paramedicine from Flathead Valley Community College. Kuntz holds National Registry and Montana Paramedic certifications and is certified as Firefighter I and II, Fire Instructor I and Wildland FFT1.

Fire Careers **Fire Chief** **Fire Department Management** **FireRescue1 Voices**

Leadership

FireRescue1 Contributors

FireRescue1 contributors include fire service professionals, trainers and thought leaders who share their expertise to address critical issues facing today's firefighters. From tactics and training to leadership and innovation, these guest authors bring valuable insights to inspire and support the fire service community.

Board of Trustees for the Hyalite Rural Fire District
Resolution No. 2026-02

Resolution of the Board of Trustees to the Gallatin County Board of Commissioners Providing the Estimated Annual Fiscal Year 2027 Budget for the Hyalite Rural Fire District and Authorizing the Maximum Mill Levy and Additional Mills to Include Debt Service as Authorized by the Voters.

This resolution was introduced and moved by ________________, seconded by _________________. The Resolution was adopted by a vote of 5-0.

WHEREAS, pursuant to MCA 7-33-2105, the Hyalite Rural Fire District Board of Trustees have the authority to provide adequate and standard firefighting and emergency response apparatus, equipment, personnel, housing, and facilities, including real property, for the protection of the fire district; and

WHEREAS, MCA 7-33-2105 requires the Board of Trustees to prepare annual budgets and request special levies for the budgets of Fire Districts; and

WHEREAS, on August 14, 2026, the Hyalite Rural Fire District posted and published notice of the meeting and a copy of the agenda in which the budget for Fiscal Year 2027 was to be considered, and

WHEREAS, on August 18, 2026, a meeting of the Board of Trustees of Hyalite Rural Fire District was held to consider the Estimated Fiscal Year 2027 budget, and

WHEREAS, a quorum of the Board was present; and

WHEREAS, the Board of Trustees allowed the public to comment on the Estimated Fiscal Year 2027 budget in the form of written comment and oral testimony; and

WHEREAS, the Board of Trustees seeks to receive the same amount of tax money in Fiscal Year 2027 as in Fiscal Year 2026, plus the money on newly taxable property, inclusive of the inflationary adjustment authorized by state law, and the Fiscal Year 2027 revenue should be over and above all cash carryovers from Fiscal Year 2026; and

WHEREAS, in determining whether to levy the full maximum mills, the Board of Trustees considered that there has been no significant decrease in calls for service during the last fiscal year, fire calls and mutual aid calls have increased and therefore an additional appreciation in the total number of calls is anticipated in Fiscal Year 2027; and

WHEREAS, the Board of Trustees also considered the number of critical apparatus', equipment and structures owned by the District are in need of repair or replacement; and

WHEREAS, the Board of Trustees has determined the maximum number of mills allowed by state law is necessary to adequately fund the ongoing public health, safety and welfare duties and activities of the District in order to meet their statutory obligations; and

WHEREAS, the Hyalite Fire District has assumed the debt from the Sourdough Fire District bond in the amount of two million, nine hundred thousand dollars ($2,900,000) requiring the payment of principal and interest in Fiscal Year 2027.

NOW THEREFORE, IT IS HEREBY RESOLVED:

1. The Estimated Fiscal Year 2027 budget has been established and is hereby presented as described in Exhibit "A".
2. The Board of Trustees request the Gallatin County Commission levy the maximum number of mills allowed by current state statute, based on updated certified taxable values from the State of Montana, Department of Revenue.
3. The Gallatin County Commissioners include the cost of debt service of $218,158.00 as an additional tax as authorized by the voters.
4. A copy of this Resolution and attached exhibits shall be forwarded to the Gallatin County Finance Director.
5. If needed, the Finance Director is authorized to balance our preliminary budget calculations by either increasing or reducing our future year Capital reserve to meet expected revenue.

Dated this 18th day of August, 2026.

Justin Miller, Chairman

Bob Pailthorpe, Vice-Chairman

Ken Beideman, Secretary

Euguent (Pete) Geddes, III, Treasurer

Jason Jarrett, Trustee

Exhibit A

Hyalite Rural Fire District

FY2027 Budget

FY 2026-2027	DISTRICT NAME: Hyalite Rural Fire District	FUND #: 7220

Attachment B

ANNUAL REVENUE ESTIMATES

DESCRIPTION	FY 25-26 CURRENT BUDGET	FY 25-26 ESTIMATED YEAR END	FY 26-27 REQUESTS	COMMENT
INTEREST	80,000	80,000	80,000	
FIRE INSURANCE COMP				
2% MOTOR VEHICLE TAX	0			
CONTRIBUTIONS/DONATIONS	1,000	500	500	
FIRE IMPACT FEES				
CONTRACTS				
TAXES- PENALTY/INTEREST				
MISCELLANEOUS REVENUE	45,000	72,500	72,500	Amb Rev+Charges for Srvc
LOAN/BOND REVENUE				
OTHER INCOME	172,187	173,000	173,000	St Entitlement & FURS
COUNTY CONTRIBUTION				
SUBTOTAL	298,187	326,000	326,000	
PER UNIT FEE @ $ _______/UNIT				
REAL PROPERTY TAXES	2,146,203	2,483,708	2,265,550	
PERSONAL PROPERTY TAXES				
MILL LEVY	219,233	219,233	218,158	
SUBTOTAL	2,365,436	2,702,941	2,483,708	
TOTAL REVENUE	2,663,623	3,028,941	2,809,708	

FISCAL YEAR 2026-2027 REQUESTED: (select one only)

☐ NUMBER OF MILLS ☐ DOLLAR AMOUNT ☑ MAXIMUM MILLS

ANNUAL EXPENDITURE REQUESTS

DESCRIPTION	FY 25-26 CURRENT BUDGET	FY 25-26 ESTIMATED YEAR END	FY 26-27 REQUESTS	COMMENT
SALARIES/WAGES	1,134,276	1,307,387	1,307,387	
EMPLOYER CONTRIBUTIONS				
SUBTOTAL	1,134,276	1,307,387	1,307,387	
OFFICE/OPERATING SUPPLIES	174,500	240,475	206,000	
OIL/GAS	50,000	39,160	52,500	
UTILITIES	70,000	51,671	70,000	
REPAIR /MAINTENANCE	125,000	128,943	232,000	
TRAVEL	2,000	0	2,000	
TRAINING	167,000	117,981	193,250	
PROFESSIONAL SERVICES	204,500	218,780	213,500	
CONTRACT/DONATIONS		0	0	
DEBT PAYMENT - PRINCIPAL	215,000	215,000	215,000	
DEBT PAYMENT - INTEREST	4,233	4,233	3,158	
SUBTOTAL	1,012,233	1,016,243	1,187,408	
USE OF FIRE IMPACT FEES				
SUBTOTAL	0	0	0	
CAPITAL OUTLAY (This year)	132,000	107,843	676,000	FROM OUTLAY FORM
CAPITAL RESERVE (Future)	1,090,978	1,090,978	1,314,978	FROM RESERVE FORM
SUBTOTAL	1,222,978	1,198,821	1,990,978	
TOTAL EXPENDITURES	3,369,487	3,522,451	4,485,773	

FY 2026-2027	DISTRICT NAME: Hyalite Rural Fire District			FUND #: 7220
BOX 1 - FY 2026 CAPITAL RESERVE BUDGET:				1,090,978
BOX 2 - CAPITAL RESERVE TO BE USED IN FY 2027:				676,000
REQUESTED ITEM/ PROJECT DESCRIPTION	**ESTIMATED TOTAL COST**	**ESTIMATED PURCHASE DATE**	**AMOUNT RESERVED TO DATE**	**FY 2027 REQUESTED INCREASE**
A. Capital Apparatus Fund				900,000
B.				
C.				
D.				
E.				
F.				
G.				
BOX 3 - TOTAL FY 2027 REQUESTED INCREASE (Sum A-G)				900,000
OX 4 -TOTAL CAPITAL RESERVE BUDGET FOR FY 2027 (Box 1 - Box 2 + Box 3)				1,314,978

JUSTIFICATION:

DEFINITION OF CAPITAL OUTLAY: Each item must have a value of $10,000 or more and life expectancy of over (2) years.

LAND	**910**
SOFTWARE	**915**
BUILDINGS	**920**
IMPROVEMENTS **OTHER THAN** BUILDINGS	**930**
EQUIPMENT/MACHINERY	**940**
CONSTRUCTION IN PROGRESS	**950**

REQUESTED ITEM/ PROJECT DESCRIPTION	REPLACING EQUIPMENT? YES/NO	JUSTIFICATION	ESTIMATED COST
SCBA Air Cascade Sys @ Cottonwood-940	Yes	Rollover from FY26-Current Comp is 15 yo	100,000
Old Sourdough Bay Re-Siding-920	No	Rollover from FY26-with increase	40,000
Ambulance 6-940	Yes		450,000
Engine 6-4 Extrication Equipment-940	No		58,000
Stations Parking Lot Sealing-930	No		18,000
Cottonwood Trng Facility Improvement-920	No		10,000
TOTAL FY 2027 CAPITAL REQUEST			676,000

BOARD APPROVAL

We hereby submit our Fiscal Year 2026-2027 Budget Request for Commission review and approval:

Chairman, Signature	Phone	Trustee, Signature	Phone
Trustee, Signature	Phone	Trustee, Signature	Phone
Trustee, Signature	Phone	Trustee, Signature	Phone

FY 2026-2027 **DISTRICT NAME:**	Hyalite Rural Fire District

Attachment B

MAILING ADDRESS:	4541 S. 3rd Rd., Bozeman, MT 59715

BUDGET DOCUMENTS WILL BE FORWARDED TO THE FOLLOWING PRIMARY CONTACT. IF DOCUMENTS ARE UNDELIVERABLE TO THE PRIMARY CONTACT, THEY WILL BE SENT TO THE SECONDARY CONTACT. EMAIL IS PREFERRED DELIVERY OF DOCUMENTS.

PRIMARY CONTACT PERSON:	Brian Nickolay
TITLE:	Fire Chief
PHONE NUMBER:	(406) 586-3770
E-MAIL ADDRESS:	bnickolay@hyalitefire.org
MAILING ADDRESS (if different than above):	

SECONDARY CONTACT PERSON:	Sheryl Wyman
TITLE:	Administrative Assistant
PHONE NUMBER:	(406) 586-3770
E-MAIL ADDRESS:	admin@hyalitefire.org
MAILING ADDRESS (if different than above):	

SIGNING AUTHORITY INFORMATION

#1 SIGNATORY:	Justin Miller
TITLE:	Chairman, Hyalite Rural Fire District Board of Trustees
#2 SIGNATORY:	Eugene (Pete) Geddes, III
TITLE:	Vice Chairman, Hyalite Rural Fire District Board of Trustees

Trustee-Specific Summary: How MCA Title 7, Chapter 6, Part 16 (Impact Fees) Interacts with Rural Fire Districts

For a Montana rural fire district trustee, the key takeaway is that **Part 16 provides a legal mechanism to help pay for growth-related fire protection infrastructure**, while **Title 7, Chapter 33 provides the authority and governance structure for the fire district itself.** Together, these statutes can help ensure that new development contributes to the capital costs required to serve it, rather than shifting all costs to existing taxpayers. [mca.legmt.gov], [law.justia.com], [mca.legmt.gov]

What Trustees Need to Understand

A rural fire district's normal funding sources typically include property taxes and other authorized revenues under Chapter 33. Impact fees under Part 16 are different because they are:

- Collected due to new development.
- Restricted to specific capital improvements.
- Intended to address increased service demand caused by growth.
- Not available for routine operations or maintenance. [law.justia.com], [mca.legmt.gov]

As a trustee, your responsibility is to ensure the district can document how growth affects fire service capacity and what capital investments are required to maintain service levels. Those documented needs can be incorporated into an impact fee program established by the appropriate local government. [mca.legmt.gov], [law.justia.com]

Eligible Fire District Capital Improvements

Under Part 16, impact fees generally support **capital improvements that increase service capacity** and have a useful life of at least 10 years. [law.justia.com]

Examples that may qualify include:

Fire Stations

Potentially eligible:

- Construction of a new fire station.
- Expansion of an existing station.
- Land acquisition for a future station.

- Station infrastructure needed to serve growth areas.

Example:

A fire district historically served 2,500 residents from one station. A new subdivision adds 1,000 homes on the opposite side of the district, creating unacceptable response times. A second station may be justified as a growth-related capital improvement. Impact fees could potentially fund the growth-related share of that project. [law.justia.com], [mca.legmt.gov]

Apparatus and Vehicles

Potentially eligible:

- Fire engines.
- Water tenders.
- Ladder trucks.
- Wildland apparatus.
- Command vehicles when tied to increased service capacity.

Example:

District growth increases call volume from 300 calls annually to 600 calls annually. The district determines that an additional engine company is needed to maintain response standards. The capital cost attributable to growth may be included in the impact fee calculation. [law.justia.com], [mca.legmt.gov]

Major Equipment

Potentially eligible:

- Communications systems.
- Radio infrastructure.
- Vehicle storage facilities.
- Long-life firefighting equipment that increases service capacity.

Not typically eligible:

- Fuel.
- Employee wages.
- Volunteer stipends.
- Utilities.
- Routine maintenance.
- Consumable supplies. [law.justia.com]

Impact Fee Studies and Why They Matter

The most important requirement in Part 16 is that fees must be supported by a reasonable methodology and documentation. A fire district cannot simply estimate what it would like to collect. The fees must be tied to the actual infrastructure demands created by development. [mca.legmt.gov], [law.justia.com]

A typical fire protection impact fee study may evaluate:

- Existing population and growth trends.
- Current service levels.
- Response-time standards.
- Existing station coverage.
- Existing apparatus inventory.
- Future capital needs.
- Cost of maintaining service levels as growth occurs. [mca.legmt.gov], [law.justia.com]

The study generally answers:

"How much additional fire protection infrastructure is needed because of new development?"

That answer becomes the basis for a defensible impact fee. [mca.legmt.gov], [law.justia.com]

Example of an Impact Fee Calculation

Suppose a study finds:

- Growth over the next 10 years requires a new station costing $6 million.
- An additional engine costing $900,000.
- Radio and communications improvements costing $100,000.

Total growth-related capital need:

Plain Text

1. New Station $6,000,000
2. Engine $900,000
3. Communications 100,000

Total $7,000,000

If projected growth equals 2,000 new housing units, the impact fee analysis may allocate a proportionate share of those costs to each new unit, subject to all statutory requirements and local adoption procedures. The fee must be proportional and supported by documentation. [mca.legmt.gov], [law.justia.com]

Trustee Best Practices

As a trustee, consider the following:

1. Maintain a Capital Improvement Plan

Document:

- Future station needs.
- Apparatus replacement schedules.
- Growth corridors.
- Service-level objectives.

A well-developed capital plan strengthens any future impact fee study. [law.justia.com], [mca.legmt.gov]

2. Separate Operations from Capital

Impact fees are intended for capital infrastructure, not day-to-day operations. Trustees should be careful not to blend operational funding requests with impact-fee-funded projects. [law.justia.com]

3. Coordinate with County and Municipal Officials

Because impact fees are typically adopted by counties or municipalities through ordinance or resolution, fire district trustees should work closely with:

- County commissioners
- Planning departments
- Local governments
- Developers and stakeholders

to ensure fire protection needs are incorporated into growth planning. [mca.legmt.gov]

4. Maintain Documentation

If challenged, the district should be able to demonstrate:

- Existing service levels.
- Growth projections.
- Capital needs.
- Cost calculations.
- Proportionate-share methodology. [mca.legmt.gov], [law.justia.com]

Bottom Line for Fire District Trustees

MCA Title 7, Chapter 33 gives the fire district authority to exist and operate; MCA Title 7, Chapter 6, Part 16 provides a tool to help fund growth-driven capital infrastructure. Impact fees can potentially support new fire stations, apparatus, communications systems, and other long-term capital improvements necessitated by development, but only when supported by a documented impact fee study, proportional allocation methodology, and proper local government adoption process.

Montana Code Annotated 2025

TITLE 7. LOCAL GOVERNMENT
CHAPTER 6. FINANCIAL ADMINISTRATION AND TAXATION

Part 16. Impact Fees to Fund Capital Improvements

Definitions

7-6-1601. Definitions. As used in this part, the following definitions apply:

(1) (a) "Capital improvements" means improvements, land, and equipment with a useful life of 10 years or more that increase or improve the service capacity of a public facility.

(b) The term does not include consumable supplies.

(2) "Connection charge" means the actual cost of connecting a property to a public utility system and is limited to the labor, materials, and overhead involved in making connections and installing meters.

(3) "Development" means construction, renovation, or installation of a building or structure, a change in use of a building or structure, or a change in the use of land when the construction, installation, or other action creates additional demand for public facilities.

(4) "Governmental entity" means a county, city, town, or consolidated government.

(5) (a) "Impact fee" means any charge imposed on development by a governmental entity as part of the development approval process to fund the additional service capacity required by the development from which it is collected.

(b) The term does not include:

(i) a charge or fee to pay for administration, plan review, or inspection costs associated with a permit required for development;

(ii) a connection charge;

(iii) any other fee authorized by law, including but not limited to user fees, special improvement district assessments, fees authorized under Title 7 for county, municipal, and consolidated government sewer and water districts and systems, and costs of ongoing maintenance; or

(iv) onsite or offsite improvements necessary for new development to meet the safety, level of service, and other minimum development standards that have been adopted by the governmental entity.

(6) "Proportionate share" means that portion of the cost of capital system improvements that reasonably relates to the service demands and needs of the project. A proportionate share must take into account the limitations provided in **7-6-1602**.

(7) "Public facilities" means:

(a) a water supply production, treatment, storage, or distribution facility;

(b) a wastewater collection, treatment, or disposal facility;

(c) a transportation facility, including roads, streets, bridges, rights-of-way, and traffic signals;

(d) a storm water collection, retention, detention, treatment, or disposal facility or a flood control facility; and

(e) a law enforcement, emergency medical rescue, 9-1-1 system, emergency management, or fire protection facility.

History: En. Sec. 1, Ch. 299, L. 2005; amd. Sec. 1, Ch. 556, L. 2025.

Montana Code Annotated 2025

TITLE 7. LOCAL GOVERNMENT
CHAPTER 6. FINANCIAL ADMINISTRATION AND TAXATION

Part 16. Impact Fees to Fund Capital Improvements

Calculation Of Impact Fees -- Documentation Required -- Ordinance Or Resolution -- Requirements For Impact Fees

7-6-1602. Calculation of impact fees -- documentation required -- ordinance or resolution -- requirements for impact fees. (1) For each public facility for which an impact fee is imposed, the governmental entity shall prepare and approve a service area report.

(2) The service area report is a written analysis that must:

(a) describe existing conditions of the facility;

(b) establish level-of-service standards;

(c) forecast future additional needs for service for a defined period of time;

(d) identify capital improvements necessary to meet future needs for service;

(e) identify those capital improvements needed for continued operation and maintenance of the facility;

(f) make a determination as to whether one service area or more than one service area is necessary to establish a correlation between impact fees and benefits;

(g) make a determination as to whether one service area or more than one service area for transportation facilities is needed to establish a correlation between impact fees and benefits;

(h) establish the methodology and time period over which the governmental entity will assign the proportionate share of capital costs for expansion of the facility to provide service to new development within each service area;

(i) establish the methodology that the governmental entity will use to exclude operations and maintenance costs and correction of existing deficiencies from the impact fee;

(j) establish the amount of the impact fee that will be imposed for each unit of increased service demand; and

(k) have a component of the budget of the governmental entity that:

(i) schedules construction of public facility capital improvements to serve projected growth;

(ii) projects costs of the capital improvements;

(iii) allocates collected impact fees for construction of the capital improvements; and

(iv) covers at least a 5-year period and is reviewed and updated at least every 5 years.

(3) The service area report is a written analysis that must contain documentation of sources and methodology used for purposes of subsection (2) and must document how each impact fee meets the requirements of subsection (7).

(4) The service area report that supports adoption and calculation of an impact fee must be available to the public upon request.

(5) (a) Pursuant to subsection (5)(b), the amount of each impact fee imposed must be based on the actual cost of public facility expansion or improvements or reasonable estimates of the cost to be incurred by the governmental entity as a result of new development. The calculation of each impact fee must be in accordance with generally accepted accounting principles.

(b) The initial amount of an impact fee calculated pursuant to this section may not be increased more than the rate of inflation as determined by the producer price index by commodity, all commodities, using the 1982-84 base of 100, as published by the bureau of labor statistics of the United States department of labor. The inflation rate must be determined by comparing the most recently published month producer price index by commodity, all commodities, compared to the same month in the prior year.

(6) The ordinance or resolution adopting the impact fee must include a time schedule for periodically updating the documentation required under subsection (2).

(7) An impact fee must meet the following requirements:

(a) The amount of the impact fee must be reasonably related to and reasonably attributable to the development's share of the cost of infrastructure improvements made necessary by the new development.

(b) The impact fees imposed may not exceed a proportionate share of the costs incurred or to be incurred by the governmental entity in accommodating the development. The following factors must be considered in determining a proportionate share of public facilities capital improvements costs:

(i) the need for public facilities capital improvements required to serve new development; and

(ii) consideration of payments for system improvements reasonably anticipated to be made by or as a result of the development in the form of user fees, debt service payments, taxes, and other available sources of funding the system improvements.

(c) Costs for correction of existing deficiencies in a public facility may not be included in the impact fee.

(d) New development may not be held to a higher level of service than existing users unless there is a mechanism in place for the existing users to make improvements to the existing system to match the higher level of service.

(e) Impact fees may not include expenses for operations and maintenance of the facility.

History: En. Sec. 2, Ch. 299, L. 2005; amd. Sec. 1, Ch. 358, L. 2009; amd. Sec. 1, Ch. 276, L. 2015; amd. Sec. 2, Ch. 556, L. 2025.

Montana Code Annotated 2025

TITLE 7. LOCAL GOVERNMENT
CHAPTER 6. FINANCIAL ADMINISTRATION AND TAXATION
Part 16. Impact Fees to Fund Capital Improvements

Collection And Expenditure Of Impact Fees -- Refunds Or Credits -- Mechanism For Appeal Required -- Cause Of Action

7-6-1603. Collection and expenditure of impact fees -- refunds or credits -- mechanism for appeal required -- cause of action. (1) The collection and expenditure of impact fees must comply with this part. The collection and expenditure of impact fees must be reasonably related to the benefits accruing to the development paying the impact fees. The ordinance or resolution adopted by the governmental entity must include the following requirements:

(a) Impact fees collected for a public facility must be deposited in a special proprietary fund created specifically for each public facility as identified in the service area report. Funds must be invested with all interest accruing to the fund. Impact fees collected for a specific public facility may not be transferred to a different fund and must be spent and accounted for solely for the public facility as identified in the service area report.

(b) A governmental entity may impose impact fees on behalf of local districts.

(c) (i) If the impact fees are not collected or spent in accordance with the impact fee ordinance or resolution or in accordance with **7-6-1602**, any impact fees that were collected must be refunded to the person who owned the property at the time the impact fee in question was paid.

(ii) If a written request is submitted as provided for in subsection (9), the governmental entity shall refund any impact fee due under subsection (1)(c)(i) within 90 days.

(iii) The governmental entity may not impose conditions when issuing a refund pursuant to this part.

(d) Impact fees may only be used to acquire, construct, or improve the specific public facility project for which they were collected and may only be expended in compliance with the service area report.

(2) All impact fees imposed pursuant to the authority granted in this part must be paid no earlier than the date of issuance of a building permit if a building permit is required for the development or no earlier than the time of wastewater or water service connection or well or septic permitting.

(3) A governmental entity may recoup costs of excess capacity in existing capital facilities, when the excess capacity has been provided in anticipation of the needs of new development, by requiring impact fees for that portion of the facilities constructed for future users. The need to recoup costs for excess capacity must have been documented pursuant to **7-6-1602** in a manner that demonstrates the need for the excess capacity. This part

does not prevent a governmental entity from continuing to assess an impact fee that recoups costs for excess capacity in an existing facility. The impact fees imposed to recoup the costs to provide the excess capacity must be based on the governmental entity's actual cost of acquiring, constructing, or upgrading the facility and must be no more than a proportionate share of the costs to provide the excess capacity.

(4) Governmental entities may accept the dedication of land or the construction of public facilities in lieu of payment of impact fees if:

(a) the need for the dedication or construction is clearly documented pursuant to **7-6-1602**;

(b) the land proposed for dedication for the public facilities to be constructed is determined to be appropriate for the proposed use by the governmental entity;

(c) formulas or procedures for determining the worth of proposed dedications or constructions are established as part of the impact fee ordinance or resolution; and

(d) a means to establish credits against future impact fee revenue has been created as part of the adopting ordinance or resolution if the dedication of land or construction of public facilities is of worth in excess of the impact fee due from an individual development.

(5) Impact fees may not be imposed for remodeling, rehabilitation, or other improvements to an existing structure or for rebuilding a damaged structure unless there is an increase in units that increase service demand as described in **7-6-1602**(2)(j). If impact fees are imposed for remodeling, rehabilitation, or other improvements to an existing structure or use, only the net increase between the old and new demand may be imposed.

(6) This part does not prevent a governmental entity from granting refunds or credits:

(a) that it considers appropriate and that are consistent with the provisions of **7-6-1602** and this chapter; or

(b) in accordance with a voluntary agreement, consistent with the provisions of **7-6-1602** and this chapter, between the governmental entity and the individual or entity being assessed the impact fees.

(7) An impact fee represents a fee for service payable by all users creating additional demand on the facility.

(8) An impact fee ordinance or resolution must include a mechanism whereby a person charged an impact fee may appeal the charge if the person believes an error has been made.

(9) Any person or entity who is owed refunded impact fees as provided in this part may request in writing from the governmental entity that prompt payment be concluded. A person or entity who submitted a written request pursuant to this subsection may bring a cause of action against the governmental entity in a court of competent jurisdiction for failure to comply with this part. If a claimant prevails in an action brought against a governmental entity pursuant to this subsection, the court shall award the claimant payment of all amounts due, court costs, expert witness fees, and attorney fees incurred by the claimant. If the claimant is unsuccessful, the court shall award the governmental entity court costs, expert witness fees, and attorney fees.

History: En. Sec. 3, Ch. 299, L. 2005; amd. Sec. 2, Ch. 358, L. 2009; amd. Sec. 1, Ch. 330, L. 2023.

Montana Code Annotated 2025

TITLE 7. LOCAL GOVERNMENT
CHAPTER 6. FINANCIAL ADMINISTRATION AND TAXATION
Part 16. Impact Fees to Fund Capital Improvements

Impact Fee Advisory Committee

7-6-1604. Impact fee advisory committee. (1) A governmental entity that intends to propose an impact fee ordinance or resolution shall establish an impact fee advisory committee.

(2) An impact fee advisory committee must include at least one representative of the development community. The committee shall review and monitor the process of calculating, assessing, and spending impact fees.

(3) The impact fee advisory committee shall serve in an advisory capacity to the governing body of the governmental entity.

History: En. Sec. 4, Ch. 299, L. 2005; amd. Sec. 2, Ch. 276, L. 2015.

Hyalite Rural Fire District

Fire Chief's Report

August 2026

Prepared by: Fire Chief, Brian Nickolay

1. The Hyalite Fire District responded to a total of 72 incidents in July 2026. Our total call volume for 2026 as of August 1st is 432.
   - Total calls July 2025 - 73
   - Total calls July 2024 - 59
   - Total calls July 2023 - 91
   - Total calls July 2022 - 58
   - Total calls July 2021 - 60

2. Our current roster is at 43 members (effective 8/1/2026).
   - 1 Career Fire Chief
   - 1 Career Assistant Fire Chief
   - 2 Career Division Chiefs
   - 3 Career Captains
   - 1 Volunteer Captains
   - 1 Volunteer Reserve Captains
   - 10 Volunteer Lieutenants
   - 4 Volunteer Firefighters
   - 14 Volunteers Apprentice Firefighters
   - 1 Volunteer Reserve Firefighters
   - 1 Volunteer Reserve Driver/Operator
   - 3 Volunteer Recruit Firefighters

3. We are continuing to work on our overnight command coverage shortages.
   - We currently have one (1) of our needed five (5) volunteer captains.
   - We have five (5) of our new candidates for captain working on shadowing command shifts currently.
   - Our Training Captain and Recruitment and Retention Captain continue to work the modified schedule and cover a night of command each per week.
   - Myself, Assistant Chief Dahlhauser, Division Chief Malone and Division Chief Prato are working with our new candidates on shadowing. We still will provide coverage at night where we lack availability.

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4. We currently have eight (8) resident firefighters living at the Sourdough Fire Station.
   - Current Sourdough Residents -

    - Kade O'Brian, Evan Jones, Ruby Weinburg, Zach Fredach, Garrett O'Tool, Logan Gillespie, Henry Davis, Miriam Genter.
    - Sourdough resident firefighters continue to fill weekend shifts Friday 7pm – Monday 7am.

5. We currently have four (4) resident firefighters living at the Cottonwood Fire Station.
    - Current Cottonwood Residents –
        - Keegan Torsdahl, Ashton Cornelius, Sarah Shenk, and Ben Tuma.
    - Cottonwood resident firefighters continue to fill weekday night shifts Monday – Thursday 7pm – 7am.

6. We currently have three (4) residents at the Rae house.
    - Current Rae Residents -
        - Kate Brownell, Tyler Palmer, Colton Rue and Brandon Pelton.

7. Non-resident volunteer firefighters continue to cover six-hour shifts at the Sourdough Fire Station on Monday - Friday 7am – 7pm. With our current level of staffing we can cover 4 of our 10 day shifts with at least 2 volunteers.

8. We continue our regular multi company fire and EMS training every Wednesday night and command training twice a month. Our training through the month of July has focused on wildland fire tactics.

9. Our Training Division is getting ready to begin our accelerated recruit firefighter academy. We have three recruits going through this academy. They are our previous EMT/Support personnel. This academy will run in the last two weeks of August.

10. Our Recruitment and Retention Captain Chris Leeper has been busy with recruitment for our fall recruit firefighter academy. Chris has expanded areas where we are trying to recruit new firefighters. These areas include the Music on Main event and Stampede Rodeo. We will also be recruiting at Catapalooza coming up in August.

11. We assisted the Central Valley Fire District with a residential structure fire on July 4th. We provided one structure engine and one command.

12. We assisted the Fort Ellis Fire Service Area with a residential structure fire on July 10th. We provided one command unit, one structure engine, and one water tender.

13. We assisted the Bozeman Fire Department with a multi-family structure fire on July 29th. We provided one command unit and one structure engine.

14. The fire district continues to be involved with the EMS Steering Group in Gallatin County. I am still one of the steering committee members.

15. I am still on the Board of Directors with Montana State Fire Chiefs Association as a combination section director.

16. I am still on the Montana State Fire Chiefs Wildland Fire Committee.

17. I am still on the Montana Intrastate Mutual Aid Committee through the Montana Disaster and Emergency Services.

18. I am still on the operational committee for the Northern Rockies Coordination Group.

19. I continue to sit on the board of the Gallatin County Fire Council as Vice President. I also continue to chair the Gallatin County Fire Council communications committee.

20. Assistant Chief Dahlhauser continues to chair the SOP committees with the Gallatin County Fire Council.

21. I am still a Gallatin County Deputy Fire Warden.

22. We had no firefighter injuries in the month of July.

23. All apparatus are in service.

24. Division Chief Colin Prato has been putting in an incredible amount of work to complete our fire apparatus pump, ladder, and hose testing. All testing has been completed. All our apparatus passed pump and ladder testing. We did have fire hose fail testing. Colin is still compiling the final report from hose testing.

25. For several years we have been struggling with one of the three HVAC units at the Sourdough Fire Station. This unit heats and cools the residential rooms at the Sourdough Fire Station. The unit has a known failure of when the outside temperature drops below zero. This causes the unit to overheat and go into failure. This has caused the inside temperatures to drop to fifty degrees at times and requires the unit to be reset manually. This issue has occurred for several years. We have worked with the HVAC company that installed the unit originally several times to resolve the problem. None of the attempted fixes have resolved the issue. This year we began to have air conditioning problems with this unit. We have brought in a new HVAC company to look at both issues. It has been determined that the HVAC unit is failing and is recommended we replace the unit. We are looking at a very expensive replacement for the unit - $24,000. We will have a meeting with the new HVAC company in the coming weeks to develop a plan forward.