

**OPERATING PERMIT APPLICATION  
MONTANA LIMESTONE RESOURCES**

**APPENDIX A-12  
BASELINE SOCIOECONOMICS REPORT**

Revised September 2017

**BASELINE SOCIOECONOMICS STUDY  
MONTANA LIMESTONE RESOURCES PROJECT,  
GRANITE COUNTY, MONTANA**

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**TABLE OF CONTENTS**

	<u>Page</u>
1.0 INTRODUCTION.....	1
2.0 METHODS.....	1
3.0 RESULTS .....	1
3.1 POPULATION CHARACTERISTICS.....	1
3.2 ECONOMIC CHARACTERISTICS.....	3
3.3 HOUSING.....	4
3.4 SCHOOLS .....	5
3.5 HEALTH CARE .....	5
3.6 GOVERNMENT AND COMMUNITY.....	5
4.0 SUMMARY.....	5
5.0 REFERENCES CITED.....	7

**TABLES**

Table 1	Income Characteristics for Drummond, Granite County, State of Montana and the United States, 2015 .....	3
Table 2	Employment by Industry in 2016 for Granite County.....	4
Table 3	Top Private Employers for Granite County in 2015 .....	4
Table 4	Schools in Granite County.....	5

**FIGURE**

Figure 1	General Location.....	2
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## **1.0 INTRODUCTION**

The proposed Montana Limestone Resources (MLR) Project site is located approximately one mile west of Drummond, Montana in northeastern Granite County (Figure 1). The western and southern boundaries of the site are surrounded by private lands primarily used for cattle grazing and hay production. The eastern and northern boundaries of the site are bordered by the Clark Fork River and Interstate-90.

## **2.0 METHODS**

Drummond and Granite County are identified as the region of influence (ROI) for socioeconomic resources including population, employment and income, housing, schools, and government and community services. Data were collected from federal and state government sources, including the U.S. Office of Management and Budget (OMB); U.S. Census Bureau (USCB); U.S. Bureau of Labor Statistics (BLS); U.S. Bureau of Economic Analysis (BEA); Montana Census and Economic Information Center (MCEIC); Montana Department of Labor and Industry (MTDLI); The University of Montana (UM); and Granite County. In all cases, the study used the latest available, consistent and reliable data.

## **3.0 RESULTS**

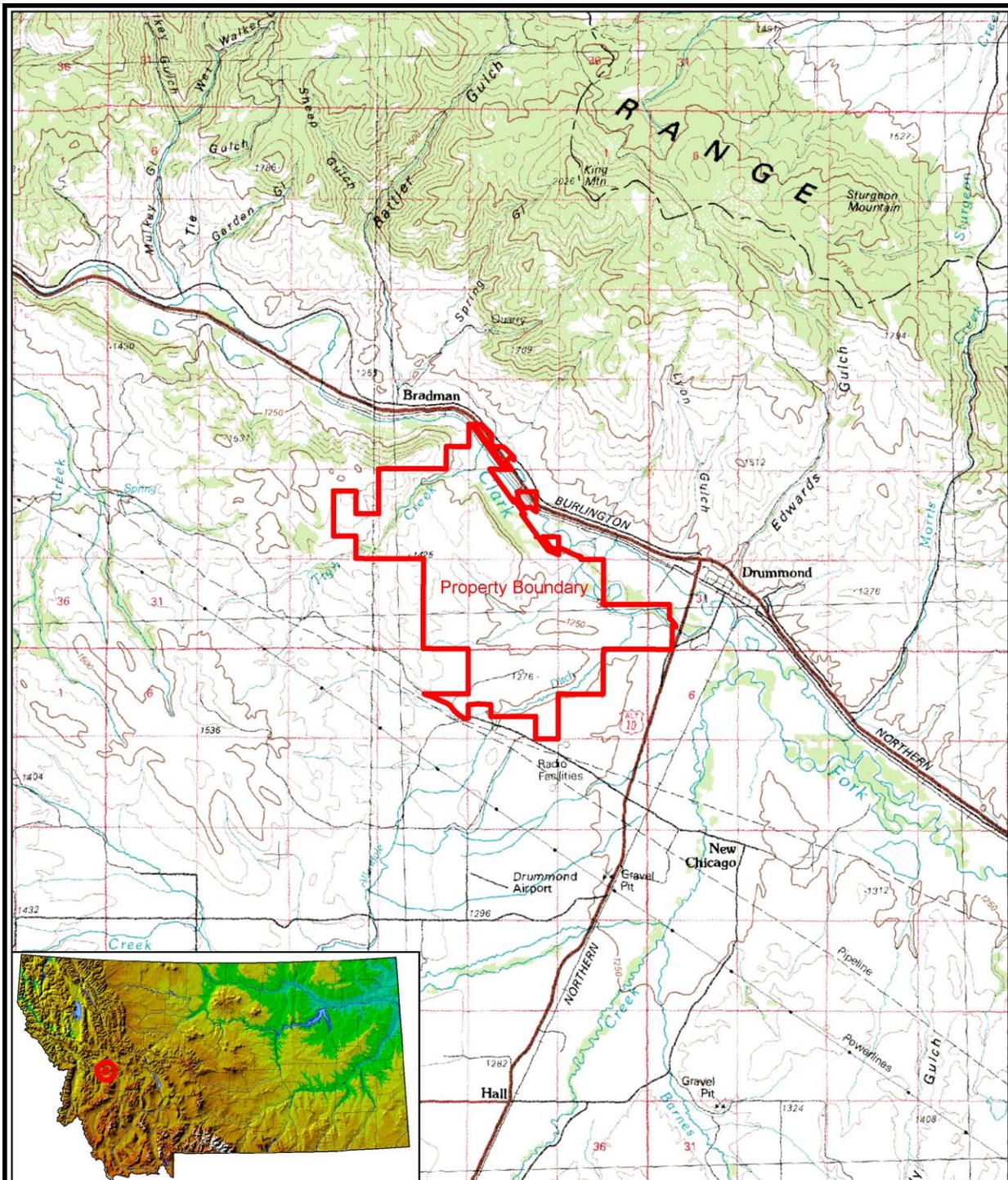
### **3.1 POPULATION CHARACTERISTICS**

Today, Drummond, Hall, and Phillipsburg are the only urban centers in Granite County. Phillipsburg is the county seat of Granite County. Granite County occupies approximately 1,733 square miles and has a population of about 3,168. The population of Drummond is 348 (USCB 2016).

Today, ranching, as well as some mining and forest industries, supports the economy of the ROI. Manganese, silver, lead, and zinc are mined and milled near Phillipsburg. Three stud mills, one at Hall and two at Drummond, harvest and process lodgepole pine, Douglas-fir, and ponderosa pine for the commercial market. Three post-and-pole operations, one at Phillipsburg and two at Drummond, process lodgepole pine for posts, poles, and grape-stakes (NRCS 2003).

Household income measures the income of all persons living in a household, whether related or not. The Drummond median household income in 2015 was 70 percent of the United States median and 80 percent of the overall Montana value. Granite County median household income in 2015 was 90 percent of the United State median and 103 percent of the overall Montana value. Per capita income (PCI) is the total personal income of an area divided by that area's population. Drummond's PCI of \$21,394 represented 74 percent of the United States PCI and 81 percent of Montana PCI. Granite County's PCI of \$27,136 represented 94 percent of the United States PCI and 103 percent of Montana's PCI (Table 1) (USCB 2017).

With 19.9 percent of its population below the poverty level, Drummond has higher rates of poverty than Granite County (14.9), Montana (15.2) and the United States (15.5) (USCB 2017).



USGS 100k: Missoula East



## Montana Limestone Resources Project Area General Location



**WESTECH**  
ENVIRONMENTAL

SCALE: 1:100,000
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Figure 1

**Table 1**  
**Income Characteristics for Drummond, Granite County, State of Montana and the United States, 2015**

<b>2015 Income Data</b>	<b>Drummond</b>	<b>Granite County</b>	<b>Montana</b>	<b>U.S.</b>
Median household income, 2011-2015	\$ 37,656	\$48,512	\$ 47,169	\$53,889
Household income as percent of Montana	80	103	100	---
Household income as percent of U.S.	70	90	87	100
Per capita annual income, 2011-2015 (2015 dollars)	\$ 21,394	\$27,136	\$ 26,381	\$28,930
Per capita annual income as percent of Montana	81	103	100	---
Per capita annual income as percent of U.S.	74	94	91	100
Persons below poverty level (percent) 2011-2015	19.9	14.9	15.2	15.5

Source: USCB 2017

### **3.2 ECONOMIC CHARACTERISTICS**

The town of Drummond comprises 142 people 16 years of age and over (USCB 2017). Neither the U.S. Census Bureau nor the Montana Department of Labor and Industry collect employment data for towns with a population under 5,000. Therefore, data for Granite County are displayed in Table 2. Granite County comprises 2,706 people 16 years of age and over, 1,363 of which are employed in the civilian sector (USCB 2017). As of June, 2017, the unemployment rate in Granite County was 5.0 percent, ranking 50 out of 56 counties in Montana, in order of low to high (MTDLI 2017a). Table 2 shows the employment by industry for Granite County and the average number of the civilian population employed in each category in 2016. Table 3 lists the top five private employers for Granite County in 2015.

Raising livestock, growing forage crops and hardy varieties of small grains, and producing timber are the principal industries in the Drummond and greater Granite County Area. Mining of precious metals is also of importance. Public stockyards at Butte and Missoula provide ranchers with good livestock marketing facilities. Some cattle are sold directly from the ranch to feeder buyers, and some operations send feeder calves to sale barns servicing the farmer feeder operations in eastern Nebraska.

The main means of transportation and commuting is via personal vehicle for 796 workers in Granite County. The second form of transportation is carpooling, used by about 149 people. Carpooling is common with industry-based employment such as mining. One hundred thirty-eight people worked from home, while 108 people walked to work. Mean travel time to work was approximately 26 minutes for workers in Granite County (USCB 2017).

**Table 2**  
**Employment by Industry in 2016 for Granite County**

<b>Industry</b>	<b>Number of Businesses</b>	<b>Average Employment</b>	<b>Annual Wages per Job</b>
Accommodation and Food Services	18	213	\$24,950
Agriculture, Forestry, and Fishing & Hunting	11	48	\$43,417
Arts, Entertainment, Recreation	4	70	\$15,272
Clothing Stores	4	33	\$21,726
Construction	16	27	\$35,985
Construction of Buildings	8	19	\$34,636
Electronic Markets and Agents/Brokers	4	1	\$49,000
Forestry and Logging	8	38	\$46,434
Gasoline Stations	3	35	\$17,174
Manufacturing	9	61	\$26,133
Mining, Quarrying, and Oil & Gas Extraction	5	5	\$47,062
Professional and Technical Services	15	13	\$80,550
Retail Trade	15	99	\$18,868
Transportation and Warehouse	7	14	\$40,687
Wholesale Trade	6	8	\$60,517
Wood Product Manufacturing	4	28	\$33,327

Source: MTDLI 2017b

**Table 3**  
**Top Private Employers for Granite County in 2015**

<b>Trade Name</b>	<b>Number of Employees</b>
Discovery Ski Area	50 to 99
The Ranch at Rock Creek	50 to 99
Mungas Company	20 to 49
Sunshine Station	20 to 49
Wagonwheel Café and Motel	20 to 49

Source: MTDLI 2017b

### **3.3 HOUSING**

The median house cost for a single family, owner-occupied house in 2011-2015 was \$157,900 in Drummond. Vacant units for the area of Drummond total about 44. In Drummond, about 68 percent or 113 of the units are owner-occupied, and approximately 31 percent or 52 of the units are renter-occupied (USCB 2017).

In Granite County, the median house cost for a single-family, owner-occupied house in 2011-2015 was \$216,300. Granite County has a total of 2,809 housing units of which about 50 percent are occupied. Vacant units for the Granite County area total about 1,388. About 75 percent or 1,063 of the units are owner-occupied and approximately 25 percent or 358 of the units are renter-occupied. The town of Drummond has a total of 911 housing units of which about 60 percent are occupied.

### **3.4 SCHOOLS**

The five schools in Granite County are all public schools. Table 4 displays schools by category in Granite County.

**Table 4  
Schools in Granite County**

School	Public	Private	Grades	Number of Students Attending, 2015-2016
Drummond High School	X		9 <sup>th</sup> -12 <sup>th</sup>	N72
Drummond Elementary	X		Kindergarten – 8 <sup>th</sup>	N74
Hall Elementary	X		Kindergarten – 8 <sup>th</sup>	N26
Granite High School	X		9 <sup>th</sup> – 12 <sup>th</sup>	N47
Phillipsburg Elementary	X		Kindergarten – 8 <sup>th</sup>	71

Source: MOPI 2017

### **3.5 HEALTH CARE**

The ROI is served by the Margo Bowers Community Clinic in Drummond, Granite County Medical Center located in Phillipsburg, and St. Patrick Hospital located in Missoula. Missoula is approximately 49 miles west of Drummond, a 45-minute drive on Interstate-90.

### **3.6 GOVERNMENT AND COMMUNITY**

The town of Drummond is governed by one mayor and four town council members each of whom directs parks, sewer, public works and roads, and flood plains. Granite County is governed by three Commissioners.

Granite County has five law enforcement personnel including the sheriff and under-sheriff.

## **4.0 SUMMARY**

The anticipated total number of workers at the mine site is approximately 100 during construction and 30 during operation. It is expected that most of the workers will reside in Drummond and surrounding northeastern Granite County. Therefore, it is not expected that a significant number of workers would commute from Butte and/or Missoula to the mine site.

The socioeconomic impact from the Montana Limestone Resources Project would be felt mostly in the town of Drummond. This is the largest and closest town to the Project with significant housing, employment base and local services. Economic impacts would be relatively small compared to the overall tax base for the county and the state.

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