

**AGENDA**  
**CITY COUNCIL MEETING**  
**CITY OF SHELBY**  
April 2, 2018  
7:30 P.M.

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**ROLL CALL OF MEMBERS**

**PLEDGE OF ALLEGIANCE**

**APPROVAL OF MINUTES**

- Regular Council Meeting, 03/19/18 (pgs 5-7)
- Special Council Meeting, 3/22/18

**APPEARANCE REQUESTS**

- Agenda Items
- Non Agenda Items

**CLAIMS REPORT 3/31/18 (pgs 8-25)**

**BUILDING INSPECTOR**

- Building Inspector Report, March 2018 (no permits sold)

**COMMITTEE REPORTS**

- Minutes of Safety Committee Meeting, 3/21/18 (pg 26)
- Minutes of Park & Rec Meeting, 3/26/18 (pgs 27-32)

**CITY ATTORNEY**

- Resolution No. 1974 re: Resolution of Intent – Increase Water Rates
- Industrial Park Lease – Ben Taylor, Inc
- Williamson Building Lease – Youth Dynamics

**CITY FINANCE OFFICER**

- Payroll Report, March 2018

**CITY SUPERINTENDENT**

- Chlorinator & UV Purchase
- Pool Window Replacement Bid

**COMMUNITY DEVELOPMENT DIRECTOR**

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**OTHER MATTERS**

- Ward 1 Vacancy
- FRA Grant

**ADJOURN**



## CITY COUNCIL PACKET LISTING

A. Agenda

B. Agenda Items

1. Minutes of Regular Council Meeting, 3/19/18
2. Minutes of Special Council Meeting, 3/22/18
3. Claims Report, 3/31/18
4. Minutes of Safety Committee Meeting, 3/21/18
5. Minutes of Park & Rec Committee Meeting, 3/26/18
6. Resolution No. 1974 re: Resolution of Intent to Increase Water Rates
7. Industrial Park Lease - Ben Taylor, Inc
8. Williamson Building Lease - Youth Dynamics
9. Payroll Report, March 2018
10. Chlorinator & UV Purchase Information
11. Pool Window Replacement Bid
12. FRA Grant (bigger maps will be on the tables)

C. Correspondence

- 1.

D. Reports

- 1.

E. Handouts

- 1.

## **Policy on Conduct and Manner of Addressing Council**

The public is invited to speak on any item after recognition by the presiding officer.

1. Public comments will be accepted only on items within the jurisdiction of the City of Shelby.
2. Comments shall be limited to 5 minutes per meeting, unless such time is extended by a majority vote of the Council members.
3. While the Council is in session, those in attendance must preserve order and decorum. No member of the public shall delay or interrupt the Council proceedings; disturb any member who may be speaking; or refuse to obey the orders of the Council or its presiding officer.
4. Prepared statements are welcome and should be given to the Finance Officer prior to a Council meeting. Prepared statements that are also read, however, shall be deemed unduly repetitious. All prepared statements for public hearings shall become part of the hearing record.
5. All remarks shall be addressed to the Council as a body and not to any member of the Council or Staff.
6. Public members recognized by the presiding officer, shall:
  - a. Stand, if able
  - b. For the record, give his/her name and address
  - c. If applicable, give the person, firm or organization he/she represents
  - d. Limit comments to the matter of fact
  - e. Address the Council as a body and not to any individual member of the Council or City Staff
  - f. Ask no questions of individuals who are Council members, staff or other public members, except through the presiding officer
  - g. Limit comments to a maximum of 5 minutes, unless such time is extended by a majority vote of Council members.

The Council thanks public members for respectfully and courteously providing constructive and valuable information.

**MINUTES OF REGULAR COUNCIL MEETING OF THE SHELBY CITY COUNCIL  
HELD IN COUNCIL CHAMBERS  
MARCH 19, 2018**

Mayor McDermott called the meeting to order at 7:30 p.m. Present were: Debra Clark, Lyle Kimmet, Bill Moritz and Trent Tustian, Council Members; Bill Hunt, City Attorney; Jade Goroski, Finance Officer; Loren Skartved, City Superintendent; Lorette Carter, Community Development Director. Absent and Excused: Luke Casey.

Other citizens present: Donna Whitt, Jim Yeagley, Curtis Shuck and Mike O'Brien.

**PLEDGE OF ALLEGIANCE**

**APPROVAL OF MINUTES**

MORITZ MADE A MOTION TO APPROVE THE 3/5/2018 MINUTES. SECONDED BY CLARK. VOTE: AYES - CLARK, KIMMET, MORITZ, TUSTIAN. NOES - NONE. ABSENT - CASEY. ABSTAIN - NONE.

**APPEARANCE REQUESTS**

Curtis Shuck, representing Port of Northern Montana provided an update on the Industrial Park.

**COMMITTEE REPORTS**

Law Enforcement Report - Donna Whitt  
City County Planning Board

**CITY ATTORNEY**

- Resolution No. 1973 - Park Maintenance Agreement, O'Haires Inc/Albertsons  
MORITZ MADE A MOTION TO APPROVE RESOLUTION 1973. SECONDED BY CLARK. VOTE: AYES - CLARK, KIMMET, MORITZ, TUSTIAN. NOES - NONE. ABSENT - CASEY. ABSTAIN - NONE.

**CITY FINANCE OFFICER**

- City Judge's Report, February 2018
- Bank Account Report, Budget Year to Date, Vendor Summary, Enterprise Funds, Statement of Expenditures, Revenues, Budget Variance, Cash Flow Report, Investments, Project Budgets, 2/28/2018  
MORITZ MADE A MOTION TO APPROVE THE REPORTS. SECONDED BY TUSTIAN. VOTE: AYES - CLARK, KIMMET, MORITZ, TUSTIAN. NOES - NONE. ABSENT - CASEY. ABSTAIN - NONE.
- City of Shelby Delinquent Taxes, 2/28/2018

- **Water Rates**

MORITZ MADE A MOTION TO MOVE FORWARD WITH OPTION 2 FOR A RESOLUTION OF INTENT TO INCREASE WATER RATES. SECONDED BY TUSTIAN. VOTE: AYES - CLARK, KIMMET, MORITZ, TUSTIAN. NOES - NONE. ABSENT - CASEY. ABSTAIN - NONE.

### CITY SUPERINTENDENT

- **Motor Vehicle Graveyard Agreement**

MORITZ MADE A MOTION TO APPROVE THE AGREEMENT. SECONDED BY KIMMET. VOTE: AYES - CLARK, KIMMET, MORITZ, TUSTIAN. NOES - NONE. ABSENT - CASEY. ABSTAIN - NONE.

- **Amendment No. 19 - Landfill Engineering Consulting**

MORITZ MADE A MOTION TO APPROVE THE AMENDMENT. SECONDED BY TUSTIAN. VOTE: AYES - CLARK, KIMMET, MORITZ, TUSTIAN. NOES - NONE. ABSENT - CASEY. ABSTAIN - NONE.

Loren reported Dennis Barker went to weed spraying school, the UV plant went down during the power failure, BTI water line is frozen and the crew has been busy plowing and sanding streets.

### COMMUNITY DEVELOPMENT DIRECTOR

- **Opportunity Inc, Youth Program**

CLARK MADE A MOTION TO APPROVE MOVING FORWARD WITH THE PROGRAM. SECONDED BY TUSTIAN. VOTE: AYES - CLARK, KIMMET, MORITZ, TUSTIAN. NOES - NONE. ABSENT - CASEY. ABSTAIN - NONE.

- **MT Department of Commerce Opportunity Zone**

TUSTIAN MADE A MOTION TO APPROVE THE OPPORTUNITY ZONE. SECONDED BY KIMMET. VOTE: AYES - CLARK, KIMMET, MORITZ, TUSTIAN. NOES - NONE. ABSENT - CASEY. ABSTAIN - NONE.

### OTHER MATTERS

- Ward 1 Vacancy
- 5/31/18 Local Government Center Training

### ADJOURN

AT 9:45 P.M. CLARK MADE A MOTION TO ADJOURN THE MEETING. SECONDED BY KIMMET. VOTE: AYES - CLARK, KIMMET, MORITZ, TUSTIAN. NOES - NONE. ABSENT - CASEY. ABSTAIN - NONE.

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GARY MCDERMOTT, MAYOR

ATTEST:

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JADE GOROSKI, FINANCE OFFICER

**MINUTES OF A SPECIAL MEETING OF THE SHELBY CITY COUNCIL  
HELD IN COUNCIL CHAMBERS  
MARCH 22, 2018**

Mayor McDermott called the meeting to order at 12:00 p.m. Present were: Debra Clark, Lyle Kimmet, Trent Tustian and Bill Moritz, Council Members; Bill Hunt, City Attorney; Jade Goroski, Finance Officer; Loren Skartved, City Superintendent; and Lorette Carter, Community Development Director. Absent and Excused; Luke Casey.

Other citizens present: None

**PLEDGE OF ALLEGIENCE**

**RESOLUTION NO. 1975**

KIMMET MADE A MOTION TO APPROVE RESOLUTION NO. 1975 FOR UP TO \$100,000 AND CITY MATCH UP TO \$50,000. SECONDED BY TUSTIAN. VOTE AYES - MORITZ, KIMMET, CLARK, TUSTIAN. NOES - NONE. ABSENT - CASEY. ABSTAIN - NONE.

**ADJOURN**

CLARK MADE A MOTION TO ADJOURN THE MEETING AT 12:15 PM. SECONDED BY MORTIZ. VOTE AYES - MORITZ, KIMMET, CLARK, TUSTIAN. NOES - NONE. ABSENT - CASEY. ABSTAIN - NONE.

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GARY MCDERMOTT, MAYOR

ATTEST:

\_\_\_\_\_  
JADE GOROSKI, FINANCE OFFICER

03/29/18  
13:07:12

CITY OF SHELBY  
Claim Details  
For the Accounting Period: 3/18

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Report ID: AP100

\* ... Over spent expenditure

Claim Line #	Check	Invoice #/Inv Date/Description	Vendor #/Name/	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
170638	-98808E	00144	POSTMASTER	16.11					
1	648	02/28/18	Postage-MTDEQ Water Protection	16.11		31288	5210 430500	300	101000
170639		01806	ALARM SERVICE INC	35.00					
1	R 90696	03/20/18	4/18 Fire Alarm Monitoring	35.00			1000 420401	300	101000
170640		00343	ENERGY LABORATORIES INC	154.00					
1	139880	03/01/18	Lagoon Influent	77.00		31301	5310 430600	300	101000
2	143632	03/21/18	Lagoon Influent	77.00		31319	5310 430600	300	101000
170641		00400	UTILITIES UNDERGROUND LOCATION	3.64					
1	8025093	02/28/18	2 Locates for 2/18	3.64		31306	5210 430500	300	101000
170642		01137	AQUA TECH LABORATORY	80.00					
1	28995	03/16/18	Monthly Coliform Water Testing	80.00		31322	5210 430500	300	101000
170643		999998	LANCE SHANE HOOVER	48.75					
1	03/13/18	CDL Reimbursement Hoover	48.75			5410	430840	300	101000
170644		00539	YEAGLEY, JAMES H	800.00					
1	03/26/18	3/18 Planning Services	800.00			1000	411030	350	101000
170645	-98809E	01486	USDA RURAL DEVELOPMENT	1,603.00					
1	03/05/18	Fire Hall Improvement Loan	1,371.47			1000	490527	610	101000
2	03/05/18	Fire Hall Improvement Loan-Int	231.53			1000	490527	620	101000
170646		01285	HUNT, WILLIAM E JR	5,000.00					
1	03/27/18	3/18 Legal Services	1,250.00			1000	411100	350	101000
2	03/27/18	3/18 Legal Services	1,250.00			5210	430513	350	101000
3	03/27/18	3/18 Legal Services	1,250.00			5310	430613	350	101000
4	03/27/18	3/18 Legal Services	1,250.00			5410	430813	350	101000
170647		00309	PREFERRED OFFICE EQUIPMENT	760.83					
1	24961	03/15/18	3/18 Maintenance & Copies	140.18			1000 410550	300	101000
2	24961	03/15/18	3/18 Maintenance & Copies	16.58			1000 411050	300	101000
4	24961	03/15/18	3/18 Maintenance & Copies	140.18			5210 430570	300	101000
5	24961	03/15/18	3/18 Maintenance & Copies	140.18			5310 430670	300	101000
6	24961	03/15/18	3/18 Maintenance & Copies	140.18			5410 430870	300	101000
7	24961	03/15/18	3/18 Maintenance & Copies	28.05			1000 410240	300	101000
8	24961	03/15/18	3/18 Maintenance & Copies	28.05			5210 430514	300	101000
9	24961	03/15/18	3/18 Maintenance & Copies	28.06			5310 430614	300	101000
10	24961	03/15/18	3/18 Maintenance & Copies	28.06			5410 430814	300	101000
11	24987	03/15/18	3/18 Maintenance & Copies-Shop	17.82		31329	1000 430200	300	101000
12	24987	03/15/18	3/18 Maintenance & Copies-Shop	17.83		31329	5210 430500	300	101000

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Line #	Check Invoice #/Inv Date/Description	Line \$		PO #	Fund Org Acct	Object Proj	Account		
13	24987 03/15/18 3/18 Maintenance & Copies-Shop	17.83		31329	5310 430600	300	101000		
14	24987 03/15/18 3/18 Maintenance & Copies-Shop	17.83		31329	5410 430830	300	101000		
170648	00088 CARQUEST AUTO PARTS	177.25							
1	2567276433 02/28/18 Cross Chains	177.25*		31336	5410 430830	200	101000		
170649	00048 TOOLE COUNTY CLERK & RECORDER	52,562.69							
1	02/28/18 Animal Control-cell phone	23.08			1000 440600	344	101000		
2	02/28/18 City Judge & Sec-Wages	2,387.82			1000 410360	100	101000		
3	02/28/18 City Judge&Sec-Social Security	146.93			1000 410360	141	101000		
4	02/28/18 City Judge & Sec-Medicare	34.36			1000 410360	142	101000		
5	02/28/18 City Judge & Sec-PERS	202.25			1000 410360	143	101000		
6	02/28/18 City Judge&Sec-UnemploymentIns	4.84			1000 410360	145	101000		
7	02/28/18 City Judge & Sec-Worker's Comp	21.69			1000 410360	146	101000		
8	02/28/18 City Judge-Health Insurance	363.50			1000 410360	147	101000		
9	02/28/18 City Judge-Supplies	22.32			1000 410360	200	101000		
10	02/28/18 City Judge-Phone	21.05			1000 410360	344	101000		
11	02/28/18 Community Development-cell	52.34			1000 411050	344	101000		
12	02/28/18 Building-cell phone	23.23			1000 420500	344	101000		
13	02/28/18 Law Enforcement	34,370.00			1000 420000	300	101000		
14	02/28/18 Law Enforcement	4,910.00			5210 420100	300	101000		
15	02/28/18 Law Enforcement	4,910.00			5310 420100	300	101000		
16	02/28/18 Law Enforcement	4,910.00			5410 420100	300	101000		
17	02/28/18 Supt/Foreman/Shop On-call cell	32.75			1000 430200	344	101000		
18	02/28/18 Supt/Foreman/Shop On-call cell	32.75			5210 430500	344	101000		
19	02/28/18 Supt/Foreman/Shop On-call cell	32.75			5310 430600	344	101000		
20	02/28/18 Supt/Foreman/Shop On-call cell	32.76			5410 430830	344	101000		
21	02/28/18 Water Department-cell phone	28.27			5210 430500	344	101000		
170650	-98810E 00111 FIRST STATE BANK	110.00							
1	03/02/18 Monthly Bank Service Charge	27.50			1000 410550	300	101000		
2	03/02/18 Monthly Bank Service Charge	27.50			5210 430570	300	101000		
3	03/02/18 Monthly Bank Service Charge	27.50			5310 430670	300	101000		
4	03/02/18 Monthly Bank Service Charge	27.50			5410 430870	300	101000		
170651	00043 SHELBY GAS ASSOCIATION	7,527.60							
1	03/25/18 3/18 Gas Bill	161.00			1000 411200	343	101000		
2	03/25/18 3/18 Gas Bill	708.10			1000 420400	343	101000		
3	03/25/18 3/18 Gas Bill	708.10			1000 420401	343	101000		
4	03/25/18 3/18 Gas Bill	413.80			1000 460445	343	101000		
5	03/25/18 3/18 Gas Bill	353.00*			1000 460442	343	101000		
6	03/25/18 3/18 Gas Bill	281.80			5410 430840	343	101000		
7	03/25/18 3/18 Gas Bill	515.70			1000 430200	343	101000		
8	03/25/18 3/18 Gas Bill	515.70			5210 430500	343	101000		
9	03/25/18 3/18 Gas Bill	515.70			5310 430600	343	101000		

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10	03/25/18	3/18 Gas Bill		515.70*			5410 430830	343	101000
11	03/25/18	3/18 Gas Bill		114.05			1000 411202	343	101000
12	03/25/18	3/18 Gas Bill		114.05			5210 430520	343	101000
13	03/25/18	3/18 Gas Bill		114.05			5310 430620	343	101000
14	03/25/18	3/18 Gas Bill		114.05			5410 430820	343	101000
15	03/25/18	3/18 Gas Bill		117.00			5210 430500	343	101000
16	03/25/18	3/18 Gas Bill		1,522.60			1000 460465	343	101000
17	03/25/18	3/18 Gas Bill		743.20			2936 460463	343	101000
170652		00026 MARIAS RIVER ELECTRIC COOP INC		12,134.78					
1	03/25/18	3/18 Electric Bill		73.74			1000 411200	342	101000
2	03/25/18	3/18 Electric Bill		247.82			1000 420400	342	101000
3	03/25/18	3/18 Electric Bill		247.82			1000 420401	342	101000
4	03/25/18	3/18 Electric Bill		50.69			1000 411202	342	101000
5	03/25/18	3/18 Electric Bill		50.69			5210 430520	342	101000
6	03/25/18	3/18 Electric Bill		50.69			5310 430620	342	101000
7	03/25/18	3/18 Electric Bill		50.67			5410 430820	342	101000
8	03/25/18	3/18 Electric Bill		175.10			1000 430200	342	101000
9	03/25/18	3/18 Electric Bill		175.10			5210 430500	342	101000
10	03/25/18	3/18 Electric Bill		175.10			5310 430600	342	101000
11	03/25/18	3/18 Electric Bill		175.08			5410 430830	342	101000
12	03/25/18	3/18 Electric Bill		64.16			1000 440600	342	101000
13	03/25/18	3/18 Electric Bill		64.16			1000 460430	342	101000
14	03/25/18	3/18 Electric Bill		117.30*			1000 460465	342	101000
15	03/25/18	3/18 Electric Bill		32.51			1000 460439	342	101000
16	03/25/18	3/18 Electric Bill		1,213.81			1000 460442	342	101000
17	03/25/18	3/18 Electric Bill		52.66			1000 460445	342	101000
18	03/25/18	3/18 Electric Bill		3,873.66			2400 430263	342	101000
19	03/25/18	3/18 Electric Bill		4,273.38			5210 430500	342	101000
20	03/25/18	3/18 Electric Bill		580.84			5310 430600	342	101000
21	03/25/18	3/18 Electric Bill		362.60			2936 460463	342	101000
22	03/25/18	3/18 Electric Bill		27.20			5410 430840	342	101000
170653		01851 CT CLEANING		1,200.00					
1	03/28/18	3/18 Janitorial Service		70.00			1000 411202	390	101000
2	03/28/18	3/18 Janitorial Service		70.00			5210 430520	390	101000
3	03/28/18	3/18 Janitorial Service		70.00			5310 430620	390	101000
4	03/28/18	3/18 Janitorial Service		70.00			5410 430820	390	101000
5	03/28/18	3/18 CC Janitorial Service		800.00			1000 460442	300	101000
6	03/28/18	3/18 Williamson Bldg Service		120.00			2936 460463	300	101000

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CITY OF SHELBY  
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Claim	Vendor #/Name/	Document \$/	Disc \$					Cash
Line #	Check Invoice #/Inv Date/Description	Line \$		PO #	Fund Org Acct	Object Proj	Account	
170654	01388 3 RIVERS COMMUNICATIONS INC	1,151.61						
1	03/01/18 3/18 phone bill	12.39			1000 420500	344	101000	
2	03/01/18 3/18 phone bill	30.92			1000 410550	344	101000	
3	03/01/18 3/18 phone bill	30.93			5210 430570	344	101000	
4	03/01/18 3/18 phone bill	30.93			5310 430670	344	101000	
5	03/01/18 3/18 phone bill	30.93			5410 430870	344	101000	
6	03/01/18 3/18 phone bill	24.10			1000 430200	344	101000	
7	03/01/18 3/18 phone bill	24.10			5210 430500	344	101000	
8	03/01/18 3/18 phone bill	24.10			5310 430600	344	101000	
9	03/01/18 3/18 phone bill	24.10			5410 430830	344	101000	
10	03/01/18 3/18 phone bill	96.76*			1000 460465	300	101000	
11	03/01/18 3/18 phone bill	148.86			1000 411050	344	101000	
12	03/01/18 3/18 phone bill	166.14			1000 460442	344	101000	
13	03/01/18 3/18 phone bill	93.84			1000 420400	344	101000	
14	03/01/18 3/18 phone bill	93.84			1000 420401	344	101000	
15	03/01/18 3/18 phone bill	4.74			1000 410200	344	101000	
16	03/01/18 3/18 phone bill	4.74			5210 430512	344	101000	
17	03/01/18 3/18 phone bill	4.74			5310 430612	344	101000	
18	03/01/18 3/18 phone bill	4.74			5410 430812	344	101000	
19	03/01/18 3/18 phone bill	45.93			1000 460445	344	101000	
20	03/01/18 3/18 phone bill	136.70			5310 430600	344	101000	
21	03/01/18 3/18 phone bill	33.48			5210 430500	344	101000	
22	03/01/18 3/18 phone bill	51.12			5210 430500	344	101000	
23	03/01/18 3/18 phone bill	33.48			5210 430500	344	101000	
170655	02368 OPTUM	12.75						
1	959969168 03/15/18 HSA Service Fee	3.18			1000 410550	300	101000	
2	959969168 03/15/18 HSA Service Fee	3.19			5210 430570	300	101000	
3	959969168 03/15/18 HSA Service Fee	3.19			5310 430670	300	101000	
4	959969168 03/15/18 HSA Service Fee	3.19			5410 430870	300	101000	
170656	24867S 00144 POSTMASTER	298.90						
1	03/22/18 3/18 UB Postage	99.64			5210 430570	310	101000	
2	03/22/18 3/18 UB Postage	99.63			5310 430670	310	101000	
3	03/22/18 3/18 UB Postage	99.63			5410 430870	310	101000	
170657	02389 WELLS FARGO VENDOR FIN SERV	127.70						
	Serial #6507270X							
1	68177151 03/17/18 3/18 Sharp MX-350 Copier-Sho	25.54		31314	1000 430200	200	101000	
2	68177151 03/17/18 3/18 Sharp MX-350 Copier-Sho	25.54		31314	5210 430500	200	101000	
3	68177151 03/17/18 3/18 Sharp MX-350 Copier-Sho	25.54		31314	5310 430600	200	101000	
4	68177151 03/17/18 3/18 Sharp MX-350 Copier-Sho	25.54*		31314	5410 430830	200	101000	
5	68177151 03/17/18 3/18 Sharp MX-350 Copier-Sho	25.54		31314	1000 420500	200	101000	

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CITY OF SHELBY  
Claim Details  
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\* ... Over spent expenditure

Claim Line #	Check	Invoice #/Inv Date/Description	Vendor #/Name/	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
170658		02409 ABIGAIL ST. LAWRENCE		76.50					
1	42	03/02/18 Water Court Adjudication		76.50			5210 430500	300	101000
170659	-98807E	00144 POSTMASTER		4.99					
1	652	03/01/18 Postage-Water Samples		4.99		31296	5210 430500	300	101000
170660	-98806E	01963 DELUXE FOR BUSINESS		94.71					
1	2041959234	02/26/18 300 Deposit Slips		23.67		30931	1000 410550	200	101000
2	2041959234	02/26/18 300 Deposit Slips		23.68		30931	5210 430570	200	101000
3	2041959234	02/26/18 300 Deposit Slips		23.68		30931	5310 430670	200	101000
4	2041959234	02/26/18 300 Deposit Slips		23.68		30931	5410 430870	200	101000
170661		01125 MT DEQ/PERMITTING & COMPLIANCE		1,270.00					
1	SWP83	03/07/18 Solid Waste Management Lic #83		1,270.00			5410 430840	300	101000
170662		01866 SHELBY PAINT AND HARDWARE		127.03					
1	11535	02/02/18 CFD-Smoke Alarms		43.15*		31091	1000 420400	200	101000
2	11394	02/08/18 CFD-Smoke Alarms		83.88*		31091	1000 420400	200	101000
170663		00047 BEN TAYLOR INC		62.08					
1	11282	02/26/18 RFD-2/18 Fuel		62.08		31090	1000 420401	230	101000
170664	24866S	01125 MT DEQ/PERMITTING & COMPLIANCE		2,853.00					
1	03/08/18	Review Categorical Exclusion		2,853.00			5210 430501	950 2284	101000
170665		999998 DENNIS L BARKER		350.44					
		Training for Applicators/Regulatory Weed Training - Missoula, MT							
1	03/13/18	Mileage/Meals-Barker		350.44			1000 460430	300	101000
170666	-98805E	02394 BEST WESTERN PLUS		631.15					
		Training for Applicators/Regulatory Weed Training - Missoula, MT							
1	139184	03/09/18 Lodging-Barker		631.15		31263	1000 460430	300	101000
170667		999998 ROBERT JOHN POSTMA JR		16.00					
		Montana Rural Water Conference - Great Falls, MT							
1	02/27/18	Meals-Postma		8.00			5210 430500	370	101000
2	02/27/18	Meals-Postma		8.00			5310 430600	370	101000
170668		999998 BRIAN DOUGLAS ROARK		114.10					
		Montana Rural Water Conference - Great Falls, MT							
1	02/27/18	Mileage/Meals-Roark		114.10			5310 430600	370	101000

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170669		999998 LOREN D SKARTVED	114.10					
		Montana Rural Water Conference - Great Falls, MT						
1	02/27/18	Mileage/Meals-Skartved	114.10			5210 430500	370	101000
170670		02045 NAPA AUTO PARTS	26.31					
1	87695 01/17/18	RFD-Air Filters	26.31		31093	1000 420401	200	101000
170671		01870 KUSTOM SERVICES	800.00					
1	2012 02/07/18	CFD-Plow Snow	800.00*		31092	1000 420400	300	101000
170672		02370 JUNKERMIER, CLARK, CAMPANELLA,	7,500.00					
1	783358 02/28/18	Final Bill Audit FYE 6/30/16	1,875.00			1000 410530	350	101000
2	783358 02/28/18	Final Bill Audit FYE 6/30/16	1,875.00			5210 410530	350	101000
3	783358 02/28/18	Final Bill Audit FYE 6/30/16	1,875.00			5310 410530	350	101000
4	783358 02/28/18	Final Bill Audit FYE 6/30/16	1,875.00			5410 410530	350	101000
170673		00512 MT DEPARTMENT OF ADMINISTRATION	190.00					
1	6721 03/07/18	Late AFR Filing Fee	23.75			1000 410550	300	101000
2	6721 03/07/18	Late AFR Filing Fee	23.75			5210 430570	300	101000
3	6721 03/07/18	Late AFR Filing Fee	23.75			5310 430670	300	101000
4	6721 03/07/18	Late AFR Filing Fee	23.75			5410 430870	300	101000
5	6608 03/07/18	Late AFR Filing Fee	23.75			1000 410550	300	101000
6	6608 03/07/18	Late AFR Filing Fee	23.75			5210 430570	300	101000
7	6608 03/07/18	Late AFR Filing Fee	23.75			5310 430670	300	101000
8	6608 03/07/18	Late AFR Filing Fee	23.75			5410 430870	300	101000
170674		01620 KADRMAS, LEE & JACKSON INC.	7,589.06					
1	10097450 03/06/18	WW Treatment Design	7,589.06			5310 430601	950 2282	101000
170675		01620 KADRMAS, LEE & JACKSON INC.	2,498.49					
1	10097449 03/06/18	Storm Water-Construction Adm	2,498.49			5720 430246	950 2283	101000
170676		01620 KADRMAS, LEE & JACKSON INC.	21,061.71					
1	10097598 03/09/18	Rail Safety-Project Initiati	17,385.64			1000 470120	790	101000
2	10097598 03/09/18	Rail Safety-Prelim/FinalDesi	3,676.07			1000 470120	790	101000
170677		00117 QUILL CORPORATION	290.72					
1	5277445 03/02/18	Thermal Rolls/HP 72 Matte Blk	65.90		30934	1000 410550	200	101000
2	5277445 03/02/18	Thermal Rolls/HP 72 Matte Blk	65.91		30934	5210 430570	200	101000
3	5277445 03/02/18	Thermal Rolls/HP 72 Matte Blk	65.91		30934	5310 430670	200	101000
4	5277445 03/02/18	Thermal Rolls/HP 72 Matte Blk	65.91		30934	5410 430870	200	101000
5	5289437 03/05/18	1000 ct #7 Coin Envelopes	27.09		30934	1000 460442	200	101000

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170678		02334 BEN TAYLOR INC.	3,874.20					
1	642585	03/05/18 Oil 15-40	580.25		31298	1000 430200	230	101000
2	642585	03/05/18 Oil 15-40	664.40		31298	5410 430840	230	101000
3	642632	03/15/18 Powerdrive 10/Oil	1,314.77		31309	1000 430200	230	101000
4	642632	03/15/18 Powerdrive 10/Oil	1,314.78		31309	5410 430840	230	101000
170679	-98804E	01545 AMAZON.COM	109.00					
1	1138860985	03/06/18 Fuses	109.00		31299	5210 430500	200	101000
170680		02425 DRY FORK PLUMBING & HEATING INC Williamson Park Trailer	2,291.00					
1	03/02/18	Replace Water Heater/TubFaucet	2,291.00*		31300	1000 460437	369	101000
170681		01876 TITAN MACHINERY	84.69					
1	10545677	03/06/18 Filter Bad Assy/Bottom Plate	84.69		31302	1000 430200	200	101000
170682		00027 MARKS TIRE & ALIGNMENT	1,259.00					
1	51967	02/26/18 Flat Repair	64.00		31303	1000 430200	369	101000
2	52203	03/26/18 (2)Tires-Sweeper	600.00		31335	1000 430200	200	101000
3	52230	03/28/18 Flat Repair	35.00		31335	1000 430200	369	101000
4	52231	03/28/18 (4)Tires-Parks Pickup	560.00		31335	1000 460439	200	101000
170683		01125 MT DEQ/PERMITTING & COMPLIANCE	1,500.00					
1	5L1801511	02/28/18 MT0031488 - Outfall Charge	1,500.00		31304	5310 430600	300	101000
170684		00147 MID AMERICAN RESEARCH CHEMICAL	284.24					
1	0629604	02/23/18 Floor Master Brm/Disinf Towel	71.06		31305	1000 430200	200	101000
2	0629604	02/23/18 Floor Master Brm/Disinf Towel	71.06		31305	5210 430500	200	101000
3	0629604	02/23/18 Floor Master Brm/Disinf Towel	71.06		31305	5310 430600	200	101000
4	0629604	02/23/18 Floor Master Brm/Disinf Towel	71.06		31305	5410 430840	200	101000
170685		00164 MONTANA RURAL WATER SYSTEMS INC	250.00					
1	2018030639	02/15/18 2018 Membership Dues	125.00			5210 430500	300	101000
2	2018030639	02/15/18 2018 Membership Dues	125.00			5310 430600	300	101000
170686		02088 GAFFANEY ELECTRIC LLC	3,160.00					
1	6742	02/16/18 (12)54W LED/(12)80W LED	3,160.00		31285	1000 460442	200	101000
170687	-98803E	02426 EREPLACEMENTPARTS.COM	83.67					
1	9763040	03/14/18 Cable	83.67		30837	1000 460442	200	101000

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170688			00119 SHELBY VOLUNTEER FIRE DEPT	1,747.00					
1	03/23/18	RFD-Officer & Men 12/17-2/18		985.00			1000 420401	300	101000
2	03/23/18	CFD-Officer & Men 1/18-3/17/18		162.00*			1000 420400	300	101000
3	03/23/18	CFD-Secretary Wage 1/18-3/18		300.00*			1000 420400	300	101000
5	03/23/18	CFD-Treasurer Wage 1/18-3/18		300.00*			1000 420400	300	101000
170689			999998 ROBERT V TASKER	365.58					
		Building Education Conference - Bozeman, MT - 3/11-3/15/18							
1	03/19/18	Mileage/Meals-Tasker		365.58			1000 420500	370	101000
170690	-98802E		01781 BEST WESTERN GRANTREE	410.32					
		Building Education Conference - Bozeman, MT							
1	116967	03/15/18 Lodging-Building Conf-Tasker		410.32			1000 420500	370	101000
170691			01736 MUNICIPAL EMERGENCY SERVICES INC	1,781.54					
1	1209987	03/13/18 RFD-(3)Seek Reveal Fire Pro		1,781.54		31095	1000 420401	215	101000
170692			02427 DIVERSIFIED INSPECTIONS	918.00					
1	287937	03/15/18 CFD-Inspection of Telesquirt		918.00*		31094	1000 420400	300	101000
170693			01988 FIELDSTONE OFFICE SUPPLY	92.25					
1	120022	03/19/18 (4)Ink Cartridges		67.50		30839	1000 460442	200	101000
2	120060	03/27/18 HP 21		24.75		30840	1000 460442	200	101000
170694			02293 SUPPLYWORKS	95.15					
1	432452027	03/14/18 Urinal Block/Tissue		57.17		30838	1000 460442	200	101000
2	432452027	03/14/18 Good Sense Freshener		37.98		30838	1000 411202	200	101000
170695			01279 A TO Z LOCK & KEY	228.75					
1	42570	03/13/18 25 Key Fobs		228.75		30836	1000 460442	200	101000
170696			01215 SCHOOL DISTRICT #14	2,000.00					
1	03/20/18	TBID-2019 Bid State B Golf		2,000.00			7199 212500		101000
170697			01984 BIG SKY CREATIVE VINYL	60.00					
1	20180320	03/20/18 (8)6x6" Aluminum Trailer Sig		60.00			1000 480100	200	101000
170698			02401 KELLEY IMAGING SYSTEMS	136.75					
1	369609	03/22/18 CDD-Maintenance & Copies		136.75			1000 411050	300	101000

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170699	C0512 MT DEPARTMENT OF ADMINISTRATION	750.00							
1	03/22/18 Balance Filing Fee AFR FY16	187.50			1000 410550	300	101000		
2	03/22/18 Balance Filing Fee AFR FY16	187.50			5210 430570	300	101000		
3	03/22/18 Balance Filing Fee AFR FY16	187.50			5310 430670	300	101000		
4	03/22/18 Balance Filing Fee AFR FY16	187.50			5410 430870	300	101000		
170700	01650 PETTY CASHIER	184.08							
1	2623 12/21/16 Postage	1.78			1000 411050	300	101000		
2	2624 12/22/16 Postage	1.36			1000 411050	300	101000		
3	2625 02/28/17 Postage	9.80			1000 411050	300	101000		
4	2626 02/28/17 Postage	2.24			1000 411050	300	101000		
5	2627 03/03/17 Postage	2.03			1000 411050	300	101000		
6	2628 04/04/17 Postage	19.60			1000 411050	300	101000		
7	2629 04/24/17 Hardware Hank-Battery	14.99			1000 411050	200	101000		
8	2630 06/13/17 Postage	1.19			1000 411050	300	101000		
9	2631 06/20/17 Postage	2.67			1000 411050	300	101000		
10	2632 07/13/17 Postage	18.85			1000 411050	300	101000		
11	2633 08/09/17 Postage	6.65			1000 411050	300	101000		
12	2634 08/14/17 Postage	9.80			1000 411050	300	101000		
13	2635 08/29/17 Postage	7.20			1000 411050	300	101000		
14	2636 08/05/17 Postage	19.60			1000 411050	300	101000		
15	2637 09/27/17 Postage	3.96			1000 411050	300	101000		
16	2638 10/11/17 Postage	3.08			1000 411050	300	101000		
17	2639 01/03/18 Postage	16.45			1000 411050	300	101000		
18	2640 02/24/18 Postage	4.84			1000 411050	300	101000		
19	2641 02/26/18 Postage	20.00			1000 411050	300	101000		
20	2642 03/20/18 Hardware Hank-Battery	14.99			1000 411050	200	101000		
21	2643 03/23/18 Fieldstone Office-Binder	3.00			1000 411050	200	101000		
170701	01805 SYSTEMS	884.37							
1	29981 03/14/18 Email Recovery	45.93		30937	1000 410200	300	101000		
2	29981 03/14/18 Email Recovery	45.94		30937	5210 430512	300	101000		
3	29981 03/14/18 Email Recovery	45.94		30937	5310 430612	300	101000		
4	29981 03/14/18 Email Recovery	45.94		30937	5410 430812	300	101000		
5	30072 03/26/18 Completed Workstation Setup	175.15		30938	1000 410550	300	101000		
6	30072 03/26/18 Completed Workstation Setup	175.15		30938	5210 430570	300	101000		
7	30072 03/26/18 Completed Workstation Setup	175.16		30938	5310 430670	300	101000		
8	30072 03/26/18 Completed Workstation Setup	175.16		30938	5410 430870	300	101000		

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170702		01663 SHELBY GLASS	1,110.00					
1	24308	03/19/18 Replace Windshield Garbage Tk	1,070.00		31327	5410 430830	300	101000
2	24309	03/19/18 Chip Repair	40.00		31327	5410 430830	300	101000
170703		00037 NORTHWEST PIPE FITTINGS INC	79.98					
1	2945919	03/19/18 (6)HD Drop Lid Marked Water	79.98		31321	5210 430500	200	101000
170704		01601 CHEMSEARCH	267.08					
1	3001368	01/22/18 Chemsearch 565	267.08		31326	1000 460465	369	101000
170705		01759 CONSOLIDATED ELECTRICAL	629.30					
1	2808733502	03/14/18 Reset Mod/Aux Cont/Cnctr A	314.65		31325	5210 430500	200	101000
2	2808733502	03/14/18 Reset Mod/Aux Cont/Cnctr A	314.65		31325	5310 430600	200	101000
170706		00260 LIBERTY ELECTRIC INC	1,171.00					
1	58909	03/15/18 Labor/Mileage	553.00*		31324	5210 430500	369	101000
2	58909	03/15/18 Labor/Mileage	618.00		31324	5310 430600	369	101000
170707		01118 PACIFIC STEEL & RECYCLING	138.04					
1	6375544	03/15/18 HR Flat 20'	138.04		31323	1000 430200	200	101000
170708		02097 FASTENAL COMPANY	221.58					
1	190425	03/19/18 Safety Gloves/Safety Glasses	27.65		31320	1000 430200	260	101000
2	190425	03/19/18 Safety Gloves/Safety Glasses	27.66		31320	5210 430500	260	101000
3	190425	03/19/18 Safety Gloves/Safety Glasses	27.66		31320	5310 430600	260	101000
4	190425	03/19/18 Safety Gloves/Safety Glasses	27.66		31320	5410 430830	260	101000
5	190426	03/19/18 Crimp Rings/Connectors/Cap Scr	27.73		31320	1000 430200	200	101000
6	190426	03/19/18 Crimp Rings/Connectors/Cap Scr	27.74		31320	5210 430500	200	101000
7	190426	03/19/18 Crimp Rings/Connectors/Cap Scr	27.74		31320	5310 430600	200	101000
8	190426	03/19/18 Crimp Rings/Connectors/Cap Scr	27.74		31320	5410 430840	200	101000
170709		00525 CARROT-TOP INDUSTRIES INC	274.30					
1	37819400	03/22/18 US/Montana/Canada Flags	274.30		31318	1000 460439	200	101000
170710	-98801E	02428 STROBEL'S RENTAL INC	200.00					
1	332790	03/26/18 Manlift Rental	200.00		31317	1000 460442	369	101000
170711		00485 BIG SKY FIRE EQUIPMENT	29.40					
1	125175	03/27/18 Restock 1st Aid Cabinet-Shop	7.35		31316	1000 430200	260	101000
2	125175	03/27/18 Restock 1st Aid Cabinet-Shop	7.35		31316	5210 430500	260	101000
3	125175	03/27/18 Restock 1st Aid Cabinet-Shop	7.35		31316	5310 430600	260	101000
4	125175	03/27/18 Restock 1st Aid Cabinet-Shop	7.35		31316	5410 430830	260	101000

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170712			01866 SHELBY PAINT AND HARDWARE	293.76					
1	62455	03/21/18 Light Fixture/Bulbs		184.93		31315	1000 411200	200	101000
2	62471	03/01/18 Straps		31.41		31315	1000 430200	200	101000
3	62494	03/06/18 Batteries		25.98		31315	5210 430500	200	101000
4	62586	03/13/18 Drill Bits		41.97		31315	5210 430500	200	101000
5	62629	03/20/18 Sharpies		9.47		31315	5210 430500	200	101000
170713			00034 NORMONT EQUIPMENT CO	5,595.45					
1	16813	03/14/18 Ratchet Tie Downs		27.75		31313	1000 430200	200	101000
2	16893	03/26/18 Road Signs/Strips&Gutter Broom		1,317.70		31313	1000 430200	200	101000
3	16812	03/14/18 Traffic Cones/Road Signs		4,250.00		31312	1000 430200	200	101000
170714			01321 GLACIER MOTOR SALES & SERVICE	88.50					
1	106808	03/12/18 Tie Rod End Rh & Lh		88.50		31311	1000 430200	200	101000
170715			999998 CYNTHIA DEANN FLOREZ	8.75					
1	4681	03/28/18 Reimburse Shipping-Florez		8.75			1000 460442	300	101000
170716	-98800E		01545 AMAZON.COM	64.00					
1	1116343847	03/27/18 Yellow Binders		16.00		31332	1000 430200	260	101000
2	1116343847	03/27/18 Yellow Binders		16.00		31332	5210 430500	260	101000
3	1116343847	03/27/18 Yellow Binders		16.00		31332	5310 430600	260	101000
4	1116343847	03/27/18 Yellow Binders		16.00		31332	5410 430830	260	101000
170717			01780 MONTANA BROOM & BRUSH	56.00					
1	1272153	03/07/18 Roll Towel		28.00		30936	1000 411202	200	101000
2	1272153	03/07/18 Roll Towel		28.00		30936	2936 460463	200	101000
170718			00041 SHELBY PROMOTER	556.80					
1	JT 24086	02/15/18 Purchase Order Books		139.20		30935	1000 410550	200	101000
2	JT 24086	02/15/18 Purchase Order Books		139.20		30935	5210 430570	200	101000
3	JT 24086	02/15/18 Purchase Order Books		139.20		30935	5310 430670	200	101000
4	JT 24086	02/15/18 Purchase Order Books		139.20		30935	5410 430870	200	101000
170719			02045 NAPA AUTO PARTS	617.24					
1	90910	03/28/18 Gloves/Disp Gloves		20.29		31333	1000 460445	200	101000
2	90842	03/27/18 Imp/Sens		194.00		31333	5210 430500	200	101000
3	89536	02/28/18 Filters		13.94		31333	1000 430200	200	101000
4	89536	02/28/18 Filters		13.94		31333	5210 430500	200	101000
5	89536	02/28/18 Filters		13.94		31333	5310 430600	200	101000
6	89536	02/28/18 Filters		13.94		31333	5410 430840	200	101000
7	89604	03/01/18 Headlight Wiring		9.33		31333	5210 430500	200	101000
8	89993	03/09/18 Impact Socket		19.73		31333	5210 430500	200	101000
9	89776	03/05/18 Gryprim/Flourescent Orange		3.87		31333	1000 430200	200	101000

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10	89776 03/05/18 Gryprim/Flourescent Orange	3.87		31333	5210 430500	200	101000		
11	89776 03/05/18 Gryprim/Flourescent Orange	3.87		31333	5310 430600	200	101000		
12	89776 03/05/18 Gryprim/Flourescent Orange	3.87		31333	5410 430840	200	101000		
13	89839 03/07/18 Filters/Hose Clamp	36.70		31333	5410 430840	200	101000		
14	90455 03/19/18 Washer Fluid	0.63		31333	1000 430200	200	101000		
15	90455 03/19/18 Washer Fluid	0.62		31333	5210 430500	200	101000		
16	90455 03/19/18 Washer Fluid	0.62		31333	5310 430600	200	101000		
17	90455 03/19/18 Washer Fluid	0.62		31333	5410 430840	200	101000		
18	90611 03/22/18 Solenoid	30.07		31333	1000 460442	200	101000		
19	89630 03/01/18 Air Freshener	2.99		31333	1000 430200	200	101000		
20	90861 03/27/18 Shocks	220.68		31333	5210 430500	200	101000		
21	90190 03/13/18 Hubcap Vent Plug	3.43*		31333	5410 430830	200	101000		
22	90002 03/09/18 Tie Rod Puller/Freeze-Off	46.33		31333	1000 430200	200	101000		
23	90102 03/12/18 CREDIT	-290.20		31333	1000 430200	200	101000		
24	89970 03/08/18 Tie Rods	250.16		31333	1000 430200	200	101000		
170720	00047 BEN TAYLOR INC	5,340.87							
1	39305 02/17/18 UV Plant Propane	629.00			5210 430500	230	101000		
2	11069 02/26/18 2/18 Fuel	108.30		31330	1000 430200	230	101000		
3	11069 02/26/18 2/18 Fuel	325.24		31330	1000 430200	230	101000		
4	11069 02/26/18 2/18 Fuel	694.40		31330	5410 430830	230	101000		
5	11069 02/26/18 2/18 Fuel	348.15		31330	5210 430500	230	101000		
6	11069 02/26/18 2/18 Fuel	180.41		31330	5310 430600	230	101000		
7	11069 02/26/18 2/18 Fuel	282.43		31330	5310 430600	230	101000		
8	11069 02/26/18 2/18 Fuel	591.91		31330	5410 430840	230	101000		
9	11069 02/26/18 2/18 Fuel	149.35		31330	5210 430500	230	101000		
10	11069 02/26/18 2/18 Fuel	344.17		31330	1000 460430	230	101000		
11	11069 02/26/18 2/18 Fuel	149.41		31330	1000 460430	230	101000		
12	11069 02/26/18 2/18 Fuel	47.56		31330	1000 430200	230	101000		
13	11069 02/26/18 2/18 Fuel	85.66		31330	1000 430200	230	101000		
14	11069 02/26/18 2/18 Fuel	189.73		31330	5310 430600	230	101000		
15	11069 02/26/18 2/18 Fuel	83.49		31330	1000 420500	230	101000		
16	11069 02/26/18 2/18 Fuel	81.57		31330	5410 430830	230	101000		
17	11069 02/26/18 2/18 Fuel	150.23		31330	5210 430500	230	101000		
18	11069 02/26/18 2/18 Fuel	107.35		31330	1000 440600	230	101000		
19	11069 02/26/18 2/18 Fuel	177.38		31330	5410 430840	230	101000		
20	11069 02/26/18 2/18 Fuel	64.04		31330	5210 430500	230	101000		
21	162212 02/01/18 Bolts/Quick Link/Hook & Eye	12.22		31307	1000 460442	200	101000		
22	163102 02/14/18 Gasket Seal	10.98		31307	5210 430500	200	101000		
23	163726 02/22/18 Eye Bolt	5.25*		31307	5410 430830	200	101000		
24	162958 02/12/18 Exp Foam Seal	13.98		31307	1000 460465	369	101000		
25	162587 02/05/18 Drain Cock/Comp Tnk	3.19		31307	2936 460463	200	101000		
26	163630 02/21/18 Screws	4.02		31307	1000 411202	200	101000		
27	162263 02/01/18 Drop Cloth	9.78		31307	1000 460430	200	101000		
28	163093 02/14/18 Hammer/Screwdriver/T&G	63.96		31307	5410 430840	200	101000		

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13:07:12

CITY OF SHELBY  
Claim Details  
For the Accounting Period: 3/18

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\* ... Over spent expenditure

Claim Line #	Check	Invoice #/Inv Date/Description	Vendor #/Name/	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account	
29	163603	03/21/18	Screws/Bracket/Batteries	43.69		31307	1000 420500	200	101000	
30	162770	02/08/18	Bell Wire/Elec Sold	14.49		31307	5210 430500	200	101000	
31	162663	02/07/18	Keys	4.50		31307	5210 430500	200	101000	
32	667261	02/01/18	Service Valve	51.23		31307	1000 430200	200	101000	
33	646379	02/13/18	Gloves/Gasket Maker	42.97		31307	5310 430600	200	101000	
34	162790	02/08/18	Seal Clamp/Screwdriver	8.37		31307	5310 430600	200	101000	
35	163055	02/13/18	Sump Pump/Form a Gsk	159.97		31308	5310 430600	200	101000	
36	163683	02/22/18	Form a Gsk	26.97		31308	5310 430600	200	101000	
37	163977	02/26/18	Cable/Snp/Hook/Clamp	48.55		31308	5310 430600	200	101000	
38	162686	02/07/18	Form a Gsk	26.97		31308	5310 430600	200	101000	
170721	-98799E	01545	AMAZON.COM	52.72						
1	1135319516	03/28/18	Pool Signs	52.72		31332	1000 460445	200	101000	
170722	-98798E	01545	AMAZON.COM	39.96						
1	1133297084	03/28/18	(4)Pentair WhsiperFlo Bask	39.96		31332	1000 460445	200	101000	
170723	-98797E	01545	AMAZON.COM	36.47						
1	1130466174	03/28/18	Color Coding Arrow Labels	36.47		31332	1000 460445	200	101000	
170724		00070	HO MOTOR SUPPLY	189.99						
1	510256127	03/12/18	2/3 Jaw Puller 13 Ton	47.49		31334	1000 430200	200	101000	
2	510256127	03/12/18	2/3 Jaw Puller 13 Ton	47.50		31334	5210 430500	200	101000	
3	510256127	03/12/18	2/3 Jaw Puller 13 Ton	47.50		31334	5310 430600	200	101000	
4	510256127	03/12/18	2/3 Jaw Puller 13 Ton	47.50		31334	5410 430840	200	101000	
170725		00049	TRACTOR & EQUIPMENT CO	136.76						
1	357503	03/02/18	Lamp Gp	136.76		31331	1000 430200	200	101000	
170726		00312	HELENA SAND & GRAVEL INC	81,638.94						
1	2	03/28/18	Storm Water App #2	81,638.94			5720 430246	950 2283	101000	
170727		00001	DEPARTMENT OF REVENUE	824.64						
1	2	03/28/18	App #2 Helena Sand & Gravel	824.64			5720 430246	950 2283	101000	
170728		00039	PETTY CASHIER	89.00						
1	2778	03/06/18	TC Treasurer Specialty Plate	40.00			7427 411850	800	101000	
2	2779	06/20/18	TC C&R 3/18 Legal Filings	12.25			1000 410550	300	101000	
3	2779	06/20/18	TC C&R 3/18 Legal Filings	12.25			5210 430570	300	101000	
4	2779	06/20/18	TC C&R 3/18 Legal Filings	12.25			5310 430670	300	101000	
5	2779	06/20/18	TC C&R 3/18 Legal Filings	12.25			5410 430870	300	101000	
# of Claims				91	Total:	251,775.12				
Total Electronic Claims				3,456.10	Total Non-Electronic Claims	248319.02				

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13:07:27

CITY OF SHELBY  
Claims on Hold  
For the Accounting Period: 3/18

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\* ... Over spent expenditure

Claim Line #	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
*** Claim from another period ( 5/16) ****								
150956		01620 KADRMAS, LEE & JACKSON INC.	18,700.25					
1	10068069	04/20/16 Humic Water Main Extension	18,700.25			5210 430500	950 2284	101000
*** Claim from another period ( 5/16) ****								
150957		01620 KADRMAS, LEE & JACKSON INC.	6,058.57					
1	10068070	04/20/16 Humic Water Main Extension	6,058.57			5210 430500	950 2284	101000
*** Claim from another period ( 5/16) ****								
150958		01620 KADRMAS, LEE & JACKSON INC.	7,935.90					
1	10068071	04/20/16 Humic Water Main Extension	7,935.90			5210 430500	950 2284	101000
*** Claim from another period ( 5/16) ****								
150965		01620 KADRMAS, LEE & JACKSON INC.	540.33					
1	10069189	05/13/16 Humic Water Main Extension	540.33			5210 430500	950 2284	101000
*** Claim from another period ( 5/16) ****								
150966		01620 KADRMAS, LEE & JACKSON INC.	3,294.50					
1	10069190	05/13/16 Humic Water Main Extension	3,294.50			5210 430500	950 2284	101000
*** Claim from another period ( 5/16) ****								
150967		01620 KADRMAS, LEE & JACKSON INC.	1,555.29					
1	10069191	05/13/16 Humic Water Main Extension	1,555.29			5210 430500	950 2284	101000
*** Claim from another period ( 6/16) ****								
151055		01620 KADRMAS, LEE & JACKSON INC.	4,561.75					
1	10071000	06/27/16 Humic Water Main Extension	4,561.75			5210 430500	950 2284	101000
*** Claim from another period ( 1/17) ****								
160514		01620 KADRMAS, LEE & JACKSON INC.	1,987.13					
1	10079542	01/10/17 Humic Water Main Extension	1,987.13			5210 430501	950 2284	101000
*** Claim from another period ( 7/17) ****								
170043		01620 KADRMAS, LEE & JACKSON INC.	3,583.68					
1	10087058	07/10/17 Humic Water Main Extension	3,583.68			5210 430501	950 2284	101000
*** Claim from another period ( 7/17) ****								
170044		01620 KADRMAS, LEE & JACKSON INC.	322.31					
1	10087059	07/10/17 Humic Water Main Extension	322.31			5210 430501	950 2284	101000
*** Claim from another period ( 9/17) ****								
170200		01620 KADRMAS, LEE & JACKSON INC.	6,100.00					
1	10089697	09/07/17 Humic Water Main Extension	6,100.00			5210 430501	950 2284	101000
*** Claim from another period (10/17) ****								
170285		01620 KADRMAS, LEE & JACKSON INC.	2,372.72					
1	10090703	10/04/17 WW Treatment Design	2,372.72			5310 430601	950 2282	101000
*** Claim from another period (11/17) ****								
170372		01620 KADRMAS, LEE & JACKSON INC.	200.02					
1	10092604	11/08/17 WW Treatment Design	200.02			5310 430601	950 2282	101000

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13:07:28

CITY OF SHELBY  
Claims on Hold  
For the Accounting Period: 3/18

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\* ... Over spent expenditure

Claim Line #	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
*** Claim from another period ( 1/18) ****								
170557		01620 KADRMAS, LEE & JACKSON INC.	192.03					
1	10095261	01/15/18 WW Treatment Design	192.03			5310 430601	950 2282	101000
*** Claim from another period ( 2/18) ****								
170591		01620 KADRMAS, LEE & JACKSON INC.	5,072.97					
1	10096469	02/08/18 WW Treatment Design	5,072.97			5310 430601	950 2282	101000
170674		01620 KADRMAS, LEE & JACKSON INC.	7,589.06					
1	10097450	03/06/18 WW Treatment Design	7,589.06			5310 430601	950 2282	101000
170676		01620 KADRMAS, LEE & JACKSON INC.	21,061.71					
1	10097598	03/09/18 Rail Safety-Project Initiati	17,385.64			1000 470120	790	101000
2	10097598	03/09/18 Rail Safety-Prelim/FinalDesi	3,676.07			1000 470120	790	101000
		# of Claims	91	Total:	91,128.22			

## SAFETY COMMITTEE MEETING

March 21, 2018

8:30 a.m.

Present: City Hall–Jade Goroski, Tammy Pederson; Council Member–Bill Moritz; Public Works–Loren Skartved

The minutes from the last meeting were reviewed.

Civic Center – New LED lights have been purchased and will be installed in the gym and racquetball rooms.

Snow Removal – The individuals who remove snow with 4 wheelers need to be reminded that they cannot push the snow into the city streets.

Swimming Pool – need to follow up if bids have been received for the replacement of 6 windows and proceed with project.

The next meeting will be held Wednesday, April 18, 2018 @ 8:30 a.m. at City Hall.

Meeting adjourned at 9:10 a.m.

Reported by:

\_\_\_\_\_  
Tammy Pederson

**MINUTES OF THE PARK & RECREATION COMMITTEE**

**Held at Shelby City Hall**

**March 26, 2018**

In attendance: Gary McDermott, Loren Skartved, Cindy Florez, Trent Tustian, Lyle Kimmet, Eric Tokerud, Matt Clark, Lorette Carter and guests Angela Lamb and Jessica Buck.

**Recreation Director Report**

1. The civic center summer hours will start Monday April 30<sup>th</sup>. We will be open Monday through Thursday from 9am to 6pm and Friday from 9am to 1pm. We are closed Saturdays and Sundays. I am currently working on the new class schedule for the summer, which will start on Monday June 4<sup>th</sup>.
2. The blood draw will be at the civic center on Thursday April 12<sup>th</sup> from noon through 6pm.
3. The chamber banquet will be at the civic center on Friday April 20<sup>th</sup>.
4. The Marias Medical Center will have their bingo fundraiser at the civic center on Friday April 27<sup>th</sup> from 6pm to 9pm.

*The committee discussed rental/non-profit use of the facility. Mayor McDermott will visit with Finance Officer Jade Goroski and the City Council on policies regarding rental use of the facility.*

5. The pool will open on Friday June 1<sup>st</sup>. I have a schedule for the pool attached. I have a flyer that will go out this week for lifeguard jobs. I am waiting on a date for the Red Cross lifeguard instructor course in Whitefish. Tiffany Gould aquatics manager at The Wave in Whitefish is my contact. Jennifer Biegler from Cut Bank will charge us \$150.00 per kid to come here 3 to 4 days, which includes lifeguard training for two years, AED, CPR, First aid, and backboard skills. I am in contact with Amanda Munn a fitness instructor who will be moving here in June. I would like to hire her as a water aerobics instructor.
6. I have attached my budget for the civic center.
7. The new LED lights will be put in the gym tomorrow.
8. Is it a benefit to our civic center to charge businesses only \$100 per month for their employees to use the facility for half price? That is \$700 per month that is not on our monthly totals.

Marias Healthcare Services	50 families
Marias River Electric	34 families
Toole County	213 families
Shelby Public Schools	124 families
First Baptist Church	67 families
Crossroads Correctional Center	141 families
MCR-LLC	26 families

*The committee discussed the potential for creating business levels according to number of employees for the monthly business charge. Lorette stressed the need to remind businesses of the insurance cost benefit in taking part in this program as we ask businesses to contribute more. The committee also discussed the need for businesses to encourage employee use of the facility.*

*Cindy also noted the difficulty the Civic Center is facing with young people allowing others to enter the facility after hours without paying. It was suggested Cindy contact the Promoter and KSEN to do an informational story on this to encourage parents to monitor their kid's activities. Loren suggested the Civic Center review the tapes and charge the person who is letting non-paying kids in. Lorette will send something to Lori to put on Facebook as well.*

#### **City Superintendent Report:**

Loren reported 2 bids were received for window replacement at the pool. Shelby Glass bid \$24,000 for the 6 windows and Anderson Glass of Great Falls bid \$24,500.00. Eric moved and Lyle seconded to recommend Shelby Glass to the City Council for contract approval. Motion carried.

Loren is waiting to hear on cost estimates for the chlorinator, UV system and gutter system for the pool. The City will be applying for Land Water Conservation Fund grant dollars to replace the gutter system.

Lastly, Loren noted the man-lift, which is shared by the City and School District #14 had to be repaired. The City had to rent a man-lift to complete the light replacement at the Civic Center.

#### **City/Tree Board Report:**

Lorette reported 3 trees have been ordered from Transa Tree for Arbor Day planting in the Lake Sheloole Campground area. She encouraged businesses, organizations, families and individuals to pick a section of Shelby to clean as part of Arbor Day activities on Friday, April 27<sup>th</sup>. To date, Lorette has the following groups committed:

- Shelby Junior High ~ School campus, school baseball fields; football field, Aronow Park, Prairie & Valley Street; Oilfield Avenue along trail and around the trail.
- Marias Medical Center ~ Around the medical facilities and up the Landfill Road
- Marias Heritage Center ~ Around the Heritage Center
- Shelby Swim Team ~ Around the pool complex and Johnson Park

Trent suggested we also contact area churches to encourage youth groups to take part in cleanup and tree planting activities.

#### **Open Forum:**

Shelby Swim Team representatives, Angela Lamb and Jessica Buck requested use of the pool for the swim team beginning Monday June 4<sup>th</sup>. Practices will run from 7:30am to 10:30am and 12:00pm to 1:00pm. The Shelby swim meet is scheduled for Saturday, June 9<sup>th</sup> with set up the evening before. The team will practice Tuesday through Friday at these hours until Friday August 3<sup>rd</sup>. Cindy will attend swim team signups to collect pool fees from swimmers for the 2 months. The swim team declined running lessons at the pool for liability reasons as well as age of swim team members available to assist. The team also offered to conduct Arbor Day cleanup activities around the pool complex and Johnson Park at the end of April.



# **SUMMER JOB LIFEGUARD**



**APPLY AT SHELBY'S  
CITY HALL  
112 1<sup>ST</sup> STREET  
SOUTH**

## **BUDGET 2018**

### **CARIO EQUIPMENT**

NUSTEP	<u>2@\$6,195.00</u>	\$12,390.00
LIFEFITNESS RECUMBENT BIKE	<u>1@\$4,499.00</u>	\$4,499.00
LIFEFITNESS ROW HX TRAINER	<u>2@\$1,699.00</u>	\$3398.00

**TOTAL NUSTEP & RECUMBENT BIKE** **\$20,287.00**

**(PLUS SHIPPING)**

### **GOPHER**

INTERVAL TIMER	<u>1@\$199.00</u>	\$199.00
ULTRAFIT PRO STABILITY BALLS		
RED 75cm	<u>2@37.95</u>	\$75.90
MATTS w/ WALL MOUNT	PACK OF 12	\$309.00
RESISTANCE LOOPS BANDS		
12" LIGHT	<u>4@3.95</u>	\$15.80
12" MEDIUM	<u>7@4.25</u>	\$29.75
12" HEAVY	<u>5@4.50</u>	\$22.50
ULTRAFIT FIGURE-8 TUBING		
LIGHT	<u>6@8.95</u>	\$53.70
MEDIUM	<u>6@9.95</u>	\$59.70

HEAVY	<u>4@10.95</u>	\$43.80
JUMP ROPES		
8'YELLOW	SET OF 6	\$29.95
9'GREEN	SET OF 6	\$30.95
PLUS SHIPPING		UNKNOWN
<b><u>GOPHER TOTAL</u></b>		<b><u>\$870.05</u></b>

**BSN SPORTS**

REACTOR BULK FITNESS BANDS

PURPLE		\$83.99/ROLL
GREY		\$87.99/ROLL
GREEN		\$61.99/ROLL
SLIDEZ	<u>10@29.99</u>	\$149.95
CHROME SPRING COLLAR	<u>2@12.99</u>	\$25.98
OLYMPIC STYLE BAR 1500lbs		\$279.99
REACTOR WORKOUT BAR		
9lbs	<u>4@35.99</u>	\$143.96
12lbs	<u>3@40.99</u>	\$122.97
15lbs	<u>2@45.99</u>	\$91.98
24" BALANCE DISK		\$54.99
<b><u>BSN SPORTS TOTAL</u></b>		<b><u>\$1,103.79</u></b>

**SAM'S CLUB**

COSCO ALL STEEL FOLDING CHAIR, ANTIQUE LINE (4CT)

(52 CHAIRS) \$963.00

(FREE SHIPPING)

**SAM'S CLUB TOTAL** \$963.00

**REFINISH GYM FLOOR**

**GYM FLOOR ESTIMATE TOTAL** \$4000.00

**GRAND TOTAL** \$27,223.84

(WITHOUT SHIPPING)

RESOLUTION NO. 1974

RESOLUTION OF INTENTION OF THE CITY OF SHELBY TO  
INCREASE RATES AND CHARGES FOR THE USERS OF WATER

RECITALS

WHEREAS, the City of Shelby, Montana (the "City") owns water system (the "System") that requires repairs and needs improvements; and

WHEREAS, it is necessary to increase the rates and charges for the services provided by the System in order to collect sufficient revenues to pay costs associated with the maintenance of the System; and

WHEREAS, the City is required to provide notice and a public hearing prior to the passage or enactment of an ordinance or resolution imposing, establishing, changing or increasing rates, fees, or charges for water services or facilities.

NOW, THEREFORE, BE IT RESOLVED by the City Council (the "Council") of the City as follows:

- Section 1.* Reasons for Proposed Increase in Water User Charges. It is the intent of the City to implement a rate increase for users of the System as set forth herein. The reason for the proposed increase in rates is that the City will need to increase rates in order to pay for cost of service, recent repairs, current and future maintenance, inflation, debt service, and required Water Fund reserves.
- Section 2.* Existing Monthly Rate Charge. The City currently imposes a monthly rate charge on all connections to the System (the "Monthly Rate Charge"). The costs of the System covered by the Monthly Rate Charge are not sufficient to the amount necessary to pay the costs of maintaining the system, cost of service, debt service and required Water Fund Reserves. The current Monthly Rate Charge for customers is:

Base Charge

<u>Meter Size</u>	<u>Current Rate</u>
¾" to 5/8"	\$43/month (includes up to 2,000 gallons)
1" to 1-1/4"	\$50/month (includes up to 3,000 gallons)
1-1/2"	\$62/month (includes up to 6,974 gallons)
2"	\$92.05/month (includes up to 18,675 gallons)
3"	\$112.55/month (includes up to 29,670 gallons)
4"	\$182.10/month (includes up to 79,240 gallons)

First 2,000 gallons = \$21.50 per 1,000 gallons  
 Next 1,000 gallons = \$7.00 per 1,000 gallons  
 Next 7,000 gallons = \$3.02 per 1,000 gallons  
 Next 10,000 gallons = \$2.41 per 1,000 gallons  
 Next 25,000 gallons = \$1.79 per 1,000 gallons  
 Next 45,000 gallons = \$1.23 per 1,000 gallons

Irrigation rates \$.73 per 1,000 gallons.

Minimum monthly charge for up to 2,550,000 gallons used by a 500 bed correctional facility \$5,668.60.

Minimum monthly charge for up to 5,100,000 gallons used by a 1,000 bed correctional facility \$8,055.83.

Minimum monthly charge for up to 7,650,000 gallons used by a 1,500 bed correctional facility \$11,500.07.

*Section 3.* Proposed New Rates. The new Monthly Rate Charge for all customers will be:

Base Charge

<u>Meter Size</u>	<u>Current Rate</u>
¾" to 5/8"	\$60/month (includes up to 3,000 gallons)
1" to 1-1/4"	\$70/month (includes up to 3,500 gallons)
1-1/2"	\$100/month (includes up to 5,000 gallons)
2"	\$200/month (includes up to 10,000 gallons)
3"	\$400/month (includes up to 20,000 gallons)
4"	\$1,000/month (includes up to 50,000 gallons)
6"	\$1,000/month (includes up to 50,000 gallons)

\$3.23 per each additional 1,000 gallons above base charge

Irrigation rates \$.73 per 1,000 gallons.

Minimum monthly charge for up to 2,550,000 gallons used by a 500 bed correctional facility \$6,802.32.

Minimum monthly charge for up to 5,100,000 gallons used by a 1,000 bed correctional facility \$9,667.16

Minimum monthly charge for up to 7,650,000 gallons used by a 1,500 bed correctional facility \$13,800.08.

All customers receiving water from the water main located south of Shelby and owned by North Central Montana Regional Water Authority will pay an additional \$300 annually for increased operation, maintenance, and pumping costs.

*Example:* The current Shelby household average water use is 3,500 gallons per month. Under the current rate, the household pays \$51.51. Under the proposed new rates, the household would pay \$61.62.

*Section 4.* Public Hearing. A public hearing on the rate increase will be held on April 16, 2018, commencing at 6:30 pm at the Shelby City Hall, 112 1<sup>st</sup> Street South, Shelby Montana 59474. For further information, contact Jade Goroski, City Finance Officer, at 406-434-5222, Shelby City Hall, 112 1<sup>st</sup> Street South, Shelby Montana 59474. If approved, the Proposed New Rates will be effective May 20, 2018 and appear on the June 20, 2018 utility bill.

*Section 5.* Notice. The Clerk is hereby authorized and directed to provide notice of this proposed rate increase and public hearing pursuant Mont. Code Ann. Section 69-7-111 by publication in the approved newspaper 3 times with at least 6 days separating each publication between no more than 28 days prior to the hearing and no less than 3 days prior to the hearing; and by mail to all customers at least 7 days and not more than 30 days prior to the hearing. The notice must contain the estimated amount of increase; the date, time and place of hearing; a brief statement of the proposed action; and the address and telephone number of a person who may be contacted for further information regarding the hearing.

Publish in The Shelby Promoter 3/28/18, 4/4/18, and 4/11/18.

Passed and approved this 19th day of March, 2018.

---

Gary McDermott, Mayor

Attest \_\_\_\_\_  
Jade Goroski, Finance Officer

## Lori Stratton

---

**From:** William E. Hunt, Jr. <huntlaw@3rivers.net>  
**Sent:** Thursday, March 29, 2018 11:05 AM  
**To:** garym@3rivers.net; Gary McDermott; Jade Goroski; Lori Stratton; Tammy Pederson  
**Subject:** BTI industrial park lease  
**Attachments:** 180329 current language 1 Tr11A(E2)12A-1 Ben Taylor lease 2018.doc; 1800329 Draft BTI lease with NMS language.docx

Lori-

Please print and include this email with the draft leases for the packets.

Attached are two draft leases for the BTI lease set to expire on 4/30. One is the current lease with updated legal descriptions and rent. The other draft is very similar to the recent lease we negotiated with Northern Montana Storage. I'd like the council to consider them both and give me direction on which lease they prefer.

I've highlighted areas in both leases to emphasize the differences. Even if the council prefers the current lease language, some of the boiler plate will need to be updated (remedies and attorney fees, etc.)

William E. Hunt, Jr.  
Attorney at Law  
PO Box 569  
201 Main Street  
Shelby MT 59474  
(406) 434-3900  
Fax (866) 868-8943  
huntlaw@3rivers.net

Language reflecting Northern Montana Storage's recent lease

Return to:  
Hunt Law Firm, PLLC  
PO Box 569  
Shelby MT 59474

## **GROUND LEASE**

THIS GROUND LEASE (this "Lease"), effective at Shelby, Toole County, Montana, on February 22, 2018, entered into by and between the **CITY OF SHELBY**, a municipal corporation ("Lessor") and **BEN TAYLOR, INC.**, a Montana limited liability company, 158 Main Street, P.O. Box \_\_\_\_\_, Shelby, Montana ("Lessee").

### WITNESSETH:

The Lessor and the Lessee, for and in consideration of the obligations and covenants hereinafter mentioned, agree as follows:

**1. LESSOR'S DEMISE.** Upon the terms and conditions hereinafter set forth, and in consideration of the payment from time to time by Lessee of the rents hereinafter set forth and in consideration of the prompt performance continuously by Lessee of each and every one of the covenants and agreements hereinafter contained, to be kept and performed by Lessee, the performance of each and every one of the covenants and agreements of which is to be declared an integral part of the consideration to be furnished by Lessee, Lessor does lease, let, and demise to Lessee and Lessee does hereby lease of and from Lessor, the following described premises (hereinafter "Premises") situated in Toole County, Montana:

**Shelby Industrial Park, Tracts 11A-1 and 12A-1  
of the Shelby Industrial Park according to the map or plat  
thereof on file and of record in the office of the Clerk and  
Recorder of Toole County, Montana, SUBJECT, HOWEVER  
to all prior reservations, exceptions, easements, conveyances,  
and rights-of-way appearing either visually or of record.**

**2. INITIAL LEASE TERM.** The initial term of this Lease shall be for a period of FIVE (5) YEARS commencing on May 1, 2018, and ending on April 30, 2023, both dates inclusive unless sooner terminated as hereinafter provided.

Language reflecting Northern Montana Storage's recent lease

**3. AUTOMATIC RENEWAL.** Unless Lessee provides Lessor with notice not less than 60 days prior to the end of the initial term or any renewal term, this Lease shall automatically renew for three additional terms of FIVE (5) years each, provided that Lessee is not in default under this Lease beyond the expiration of any applicable cure period. Any such renewal shall be upon the same terms and conditions as set forth in this Lease.

**4. RENT.** The rent for the first five (5) year term is Three Thousand Forty-One and 75/100 Dollars (\$3,041.75) per year (the "Rent"), payable in advance, said sum representing the figure of \$0.025 per square foot per year of leased premises (121,670 square feet). The Rent shall automatically be increased by two percent (2%) per annum.

**5. OPTION TO PURCHASE.** During the first five (5) year term of the Lease, Lessee shall have the option to purchase the Premises for \$ . During any renewal term of this Lease, Lessee shall have the option to purchase the Premises at its appraised value or an amount mutually acceptable to Lessor and Lessee. Any appraiser retained to appraise the Premises for purposes of this Paragraph 5 shall be mutually acceptable to Lessor and Lessee and the costs of appraising the Premises shall be borne by Lessor and Lessee equally.

**6. REAL ESTATE TAXES.** Lessee shall pay, before the incurrence of any fine, penalty or interest, or become due or be imposed by operation of law for the nonpayment thereof, all taxes, assessments, water and sewer rents, and other governmental charges, general and/or special, ordinary and extraordinary, unforeseen, of any kind and nature, whatsoever, which at any time during the term of the Lease may be assessed, levied, confirmed, imposed upon, or grown and become due and payable out of or in respect of, or become a lien on, the Premises, or any improvements thereon, or any part thereof or any appurtenance thereof.

**7. NO LIEN.** Lessee shall not have the power to subject the interest of Lessor in the Premises to any mechanic's or material men's liens or lien or any kind, without Lessor's prior written consent except as provided in Paragraph 9 of this Agreement.

**8. RELEASE OF LIEN.** Except as provided in Paragraph 9 of this Agreement, Lessee covenants and agrees with Lessor that Lessee will not permit or suffer to be filed or claimed against the interest of Lessor in the Premises during the continuance of this Lease, any lien or claim of any kind and if such lien be claimed or filed, it shall be the duty of Lessee, within thirty (30) days after Lessor shall have been given written notice of such a claim having been filed among the public records of Toole County, Montana, or within thirty (30) days after Lessor shall have been given written notice of such claim and shall have transmitted a written notice of the receipt of such claim unto Lessee (whichever thirty (30) day period expires earlier) to cause the Premises to be released from such claim, either by payment or by the posting of bond or by the payment unto the Court of the amount necessary to relieve and release the Premises from such claim, or in any other manner which, as a matter of law, will result within such period of thirty (30) days, in releasing Lessor and the title of Lessor from such claim; and Lessee covenants and agrees, within such period of thirty (30) days, so as to cause the Premises and Lessor's interest therein to be released of the legal effect of such claim.

Language reflecting Northern Montana Storage's recent lease

**9. RIGHT TO MORTGAGE.** Notwithstanding anything to the contrary contained herein, Lessee may, in its sole and absolute discretion, mortgage its interest in the buildings and improvements located on the Premises for purposes of securing loans.

**10. INDEMNIFICATION BY LESSEE.** Lessee covenants and agrees with Lessor that during the entire term of the Lease and any renewal term, Lessee will indemnify and save harmless Lessor against any and all claims, debts, demands, or obligation which may be made against Lessor or against Lessor's title in the Premises, arising by reason of, or in connection with, any alleged act or admission of Lessee or any person claiming under, by, or through Lessee; and if it becomes necessary for Lessor to defend any action seeking to impose any such liability, Lessee will pay Lessor all costs of court and attorney's fees incurred by Lessor in effecting such defense in addition to any other sums which Lessor may be called upon to pay by reason of the entry of a judgment against Lessor in the litigation in which such claim is asserted.

**11. INSURANCE.** From the time of the execution of this Lease Lessee will cause to be written a policy or policies of insurance in the form generally known as a Public Liability and/or owners' landlord and tenant policies, insuring Lessor against any and all claims and demands by any person or persons whomsoever for injuries received in connection with the operation and maintenance of the Premises, improvements, and buildings located on the Premises or for any other risk insured against by such policies, each class of which policies shall have been written within limits or not less than Five Hundred Thousand Dollars (\$500,000.00) damages incurred or claimed by an individual or individuals for bodily injury, or otherwise, plus One Hundred Thousand Dollars (\$100,000.00) damages to property. The original or duplicate original of each of such policy or policies shall be delivered by Lessee to Lessor promptly upon the writing of such policies, together with adequate evidence of the fact that the premiums are paid.

**12. INSURANCE PREMIUMS.** Lessee covenants and agrees with Lessor that Lessee will pay premiums for all of the insurance policies which Lessee is obligated to carry under the terms of this Lease, and will deliver to Lessor evidence of such payment before the payment of any such premiums become in default, and Lessee will cause renewals of expiring policies to be written and the policies or copies thereof, as the Lease may require, to be delivered to Lessor at least ten (10) days before the expiration of such expiring policies.

**13. ASSIGNMENT.** Other than as authorized under Paragraph 9 above, Lessee may not assign or transfer its rights under this Lease without the prior written consent of Lessor, which consent shall not be unreasonably withheld.

**14. DEFAULT.** In the case at any time a default shall be made by Lessee in the payment of any of the Rent for upon the day such rent becomes due and payable, or in the case of default in relation to liens, as hereinabove provided for, or if Lessee shall fail to pay any of the taxes or assessments thereof, during the lease term for nonpayment of any tax or assessment, or in case Lessee shall fail to keep insured any building, buildings or improvements which may at any time hereafter be upon the Premises, as herein provided for, or if the Lessee shall fail to perform any of the covenants of this Lease by it to be kept and performed, and if such default shall continue for a period of sixty (60) days after receipt of written notice, specifying in general terms the nature of

such default and a demand that the Lessee cure such default within said sixty (60) days from the time of receipt of such notice by Lessee, then, in any of such events, it shall be lawful for the Lessor, upon election, to declare the lease term ended and to reenter upon the Premises and the building or buildings and improvements then situated thereon, or the Lessor may have such other remedy as the law and this instrument may afford; and the Lessee covenants and agrees that upon the termination of the lease term, at such election of the Lessor, or in any other way, the Lessee will surrender and deliver up the Premises peaceably to the Lessor, or the agent or attorney of the Lessor, immediately upon the termination of the lease term; and if the Lessee, its agent, attorney, tenants shall hold the Premises, or any part thereof, one day after the same shall be surrendered, according to the terms of this Lease, it shall be deemed guilty of forcible detainer of the Premises under the statutes and shall be subject to eviction or removal, forcibly or otherwise, with or without process of law.

**15. DUTY TO REPAIR.** Lessee shall keep in good state of repair and in first class condition any and all buildings, furnishing, fixtures, and equipment which are brought or constructed or placed upon the Premises by the Lessee, nor will Lessee suffer or permit any waste, or neglect of any building or other property to be committed, and that Lessee will repair, replace, and renovate such property as often as it may be necessary in order to keep the building(s) and other property which is the subject matter of this Lease in first class repair and condition. Additionally, Lessee specifically agrees to keep the Premises free and clear of all weeds and other waste material or rubbish at all times.

**16. TERMINATION.** Upon termination of this Lease, Lessee will peaceably and quietly deliver possession of the Premises to Lessor. Upon termination of this Lease Lessee shall have a period of sixty (60) days to remove all improvements, including the building or buildings constructed thereon, and, additionally, any furnishings, fixtures, and equipment which Lessee may have brought placed or constructed upon the Premises.

**17. COVENANT OF QUIET ENJOYMENT.** Lessor covenants and agrees with Lessee that so long as Lessee keeps and performs all the covenants and conditions by Lessee to be kept and performed, Lessee shall have quiet and undisturbed and continued possession of the Premises, free from any claims against Lessor and all persons claiming under, by, or through Lessor. Lessee, upon paying the Rent and all other sums and charges to be paid by it as herein provided, and observing and keeping all covenants, warranties, agreements, and conditions of this Lease on its part to be kept, shall quietly have and enjoy the Premises during the terms of this Lease without hindrance or molestation by Lessor.

**18. FORCE MAJEURE.** In the event that Lessor or Lessee shall be delayed, hindered in, or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive government laws or regulations, riots, insurrection, war or other reason beyond their control, then performance of such act shall be excused for the period of the delay and the period for the performance of any such delay shall be extended for a period equivalent to the period of such delay.

Language reflecting Northern Montana Storage's recent lease

**19. CONSTRUCTION PLANS.** Any future buildings or improvements constructed upon the Premises shall be first approved by the body known as the Industrial Park Committee. All maps, plats, charts and blueprints relative to said construction shall be submitted to said Industrial Park Committee for its approval. No construction shall be commenced without Lessee first obtaining said approval from the aforementioned Industrial Park Committee. The Industrial Park Committee shall not unreasonably deny Lessee's request to construct additional buildings or improvements. The decision of the Industrial Park Committee shall be based upon its sound discretion and Industrial Park Zoning regulations. Plans for a building or buildings to be constructed upon the Premises shall comply and be in full accordance with the applicable laws, building codes, health codes, safety codes, zoning ordinances and all applicable statutes, rules and regulations and/or ordinances passed by the federal, state and local authorities.

**20. IMPROVEMENTS ON THE PREMISES.** Lessee covenants and agrees that all improvements on the Premises must be constructed and paid for wholly at the expense of Lessee.

**21. TIME AND PARTIES BOUND.** The time of payments and performance shall be of the essence of this Lease and all the terms, covenants and agreements herein contained shall extend and be obligatory upon the heirs, executors, administrators, personal representatives, successors, nominees and assigns of the respective parties hereto.

**22. COSTS OF SUITS.** The Parties covenant and agree that if, at any time, a Party to this Agreement is required to enforce the terms of this Lease, the prevailing party shall have the right to collect from the other party its reasonable costs, necessary disbursements, and attorneys' fees incurred.

**23. GOVERNING LAW.** All of the rights and remedies of the respective parties shall be governed by the provisions of this instrument and by the law of the State of Montana.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the day and year first above written.

LESSOR

CITY OF SHELBY, MONTANA,  
a municipal corporation

By: \_\_\_\_\_  
Gary McDermott, Mayor

ATTEST:

Jade Goroski, City Finance Officer

Language reflecting Northern Montana Storage's recent lease

LESSEE

BEN TAYLOR, INC.

By: \_\_\_\_\_  
Greg Taylor

180329 DRAFT

**INDUSTRIAL PARK  
GROUND LEASE**

This Lease is made and executed on this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the CITY OF SHELBY, 112 1<sup>st</sup> St S, Shelby, MT 59474, a municipal corporation existing under the laws of the State of Montana, herein referred to as Lessor, and BEN TAYLOR INC., a Montana corporation, PO Box 810, Shelby MT 59474, herein referred to as Lessee.

**DEMISE, DESCRIPTION, AND USE OF PREMISES**

Lessor leases to Lessee and Lessee hires from Lessor, for the purpose of conducting therein any lawful business and for no other purpose, those certain premises with the appurtenances, situated in the County of Toole, State of Montana, and more particularly described in the schedule attached hereto as **Exhibit "A"** and made a part hereof. As used herein, the term "premises" refers to the real property above described and to any improvements located thereon from time to time during the term hereof.

**TERM**

The initial term of this lease shall be for FIVE years, commencing on the 1st day of May, 2018 and ending on the 30th day of April, 2023. As used herein the expression "term hereof" refers to such initial term and to any renewal thereof as hereinafter provided.

**RENT**

**The rent for the first five (5) year term is Three Thousand Forty-One and 75/100 Dollars (\$3,041.75) per year (the "Rent"), payable in advance, said sum representing the figure of \$0.025 per square foot per year of leased premises (121,670 square feet). The Rent shall automatically be increased by two percent (2%) per annum.**

**WARRANTIES OF TITLE AND QUIET POSSESSION**

Lessor covenants that Lessor has full right to make this lease and that Lessee shall have quiet and peaceable possession of the demised premises during the term hereof.

**DELIVERY OF POSSESSION**

If Lessor, for any reason whatsoever, cannot deliver possession of the demised premises to Lessee at the commencement of the lease term, as hereinbefore specified, this lease shall not be void or voidable, nor shall Lessor be liable to Lessee for any loss or damage resulting therefrom; but in that event there shall be a prorated reduction of rent covering the period between the commencement of the lease term and the time when Lessor can deliver possession.

**USES PROHIBITED**

Lessee shall use the demised premises and all parts thereof for the purpose of transloading materials and shall not use the demised premises for any purpose detrimental to the demise premises hereby leased.

**ABANDONMENT OF PREMISES**

Lessee shall not vacate or abandon the premises at any time during the term hereof; if Lessee shall abandon or vacate the demised premises, or be dispossessed by process of law, or otherwise, any personal property belonging to Lessee and left on the premises shall be deemed to be abandoned, at the option of Lessor, except such property as may be encumbered to Lessor.

### **LESSOR'S RIGHT OF ENTRY**

Lessee shall permit Lessor and the agents and employees of Lessor to enter into and upon the demised premises at all reasonable times for the purpose of inspecting the same.

### **HAZARDOUS SUBSTANCES**

(a) Definitions. For purposes of this Lease, "Hazardous Substance" means hazardous waste, toxic substances, polychlorinated biphenyls, or asbestos or related materials, and also includes but is not limited to substances defined as "hazardous substances" or "toxic substances" in the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sec. 9061, et seq., or the Hazardous Materials Transportation Act, 49 U.S.C. Sec. 6901, et seq., as well as all substances or materials defined as hazardous under the laws of the State of Montana. The term "Hazardous Substances" as used in this Agreement also includes petroleum, including crude oil or any fraction thereof, natural gas, natural gas liquids, liquified natural gas, synthetic gas usable for fuel, or mixtures of the foregoing, PVB's, asbestos, urea formaldehyde or related substances.

(b) Warranties Pertaining to Hazardous Substances. Lessee warrants that during the entire time Lessee has possession of the Leased Property;

(i) Hazardous Substances will be lawfully used and disposed of and will not be discharged, dispersed, released, improperly stored, treated, generated, or allowed to escape in, on, under, or about the Premises by Lessee; and

(ii) Lessee's operations at the Premises will be in compliance with all applicable federal, state and local statutes, laws, ordinances, rules and regulations related to Hazardous Substances.

(c) Indemnification. Lessee hereby agrees to indemnify and hold Lessor, its directors, employees, agents and representatives harmless against and in respect of any and all losses, suits, obligations, fines, damages, judgments, injuries, administrative orders, consent agreements and orders, penalties, actions, causes of action, notices of potential responsibility or requests for response from government agencies, response costs, charges, costs, and expenses, including without limitation reasonable attorneys' fees and reasonable consultants' fees, and including costs and expenses (including reasonable attorney's fees) incurred in enforcing the Lessee's obligation under this Section, claims, including but not limited to claims arising out of the release or threat of release of hazardous substances, loss of life, injury to persons, property, or business, environmental contamination or damages to natural resources or to water supplies, whether based on tort, contract, implied or express warranty, statute, regulations, common law, or otherwise which:

(i) arises out of or is related to the presence on, remediation of, or the actual, alleged or threatened release to or from any of the Premises of any hazardous substances or which resulted from occurrences during Lessee's possession of the Premises; or

(ii) arises out of noncompliance by Lessee with the warranties set forth in subsection(b)(ii) above.

### **SUBLETTING AND ASSIGNMENT**

Lessee may not sublet the premises in whole or in part without Lessor's consent, which may be withheld by Lessor in its sole discretion but the making of any such sublease shall not release Lessee from, or otherwise affect in any manner, any of Lessee's obligations hereunder. Lessee shall not assign or transfer this lease, or any interest herein, without the prior written

### Current Lease Language

consent of Lessor, which may be withheld by Lessor in its sole discretion, and a consent to an assignment shall not be deemed to be a consent to any subsequent assignment. Any such assignment without such consent shall be void, and shall, at the option of Lessor, terminate this lease. Neither this lease nor the leasehold estate of Lessee nor any interest of Lessee hereunder in the demised premises or any improvements thereon shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner whatsoever, and any such attempted involuntary assignment, transfer, or sale shall be void and of no effect and shall, at the option of Lessor, terminate this lease.

### NOTICES

All notices, demands, or other writings in this lease provided to be given or made or sent, or which may be given or made or sent, by either party hereto to the other, shall be deemed to have been fully given or made or sent when made in writing and deposited in the United States mail, registered and postage prepaid, and addressed as follows:

TO Lessor: City of Shelby  
112 1<sup>st</sup> St S  
Shelby MT 59474

TO Lessee: Ben Taylor Inc.  
PO Box 910  
Shelby MT 59474

The address to which any notice, demand, or other writing may be given or made or sent to any party as above provided may be changed by written notice given by such party as above provided.

### IMPROVEMENTS

*Plans and specifications.* On or before the start of any site or facility modifications or improvements, Lessee shall, at Lessee's sole expense, prepare plans and specifications for trackage and/or facility improvements to be constructed on the premises. Such plans and specifications shall be submitted to Lessor for Lessor's written approval or any revisions as requested by Lessor. Lessor shall not unreasonably withhold such approval.

### REPAIRS, DESTRUCTION OF IMPROVEMENTS AND TAXES

(a) *Maintenance of improvements.* Lessee shall, throughout the term of this lease, at its own cost, and without any expense to Lessor, keep and maintain the premises, including all improvements of every kind which may be a part thereof, and all appurtenances thereto, in good, sanitary, and neat order, condition and repair, and, except as specifically provided herein, restore and rehabilitate any improvements of any kind which may be destroyed or damaged by casualty, or any other cause whatsoever. Lessor shall not be obligated to make any improvements, repairs, replacements, or renewals of any kind, nature, or description, whatsoever to the demised premises or any buildings or improvements thereon. Lessee shall also comply with and abide by all federal, state, county, municipal, and other governmental statutes, ordinances, laws, and regulations affecting the demised premises, the improvements thereon or any activity or condition on or in such premises. Lessee shall maintain weed and vegetation control on the leased premises. Lessee shall be responsible for all utility payments for operations on each premise leased.

(b) *Damage to and destruction of improvements.* The damage, destruction, or partial destruction of any improvement which is a part of the premises shall not release Lessee from any obligation hereunder, except as hereinafter expressly provided, and in case of damage to or destruction of any such improvement, Lessee shall at its own expense promptly repair and restore the same to a condition as good or better than that which existed prior to such damage or destruction.

## Current Lease Language

(c) *Taxes.* Lessee shall be responsible for the payment of all real or personal property taxes if levied by any governmental bodies on site improvements, office trailers, rolling stock or other portable items or fixtures owned by the lessee.

### **INDEMNIFICATION OF LESSOR**

Lessor shall not be liable for any loss, injury, death, or damage to persons or property which at any time may be suffered or sustained by Lessee or by any person whosoever may at any time be using or occupying or visiting the demised premises or be in, on, or about the same, whether such loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of Lessee or of any occupant, subtenant, visitor, or user of any portion of the premises, or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind than the matters or things above set forth, and Lessee shall indemnify Lessor against all claims, liability, loss, or damage whatsoever on account of any such loss, injury, death, or damage. Lessee hereby waives all claims against Lessor for damages to the building and improvements that are now on or hereafter placed or built on the premises and to the property of Lessee in, on, or about the premises, and for injuries to persons or property in or about the premises, from any cause arising at any time. The two preceding sentences shall not apply to loss, injury, death, or damage arising by reason of the negligence or misconduct of lessor, its agents, or employees.

### **ATTORNEYS' FEES**

If any action at law or in equity shall be brought to recover any rent under this lease, or for or on account of any breach of, or to enforce or interpret any of the covenants, terms, or conditions of this lease, or for the recovery of the possession of the demised premises, the prevailing party shall be entitled to recover from the other party as part of the prevailing party's costs reasonable attorneys' fee, the amount of which shall be fixed by the court and shall be made a part of any judgment or decree rendered. It is agreed that the court of jurisdiction for any legal actions concerning this lease shall be the Montana 9<sup>th</sup> Judicial District Court located in Shelby, Toole County, Montana.

### **OPTION TO RENEW AND LEASE**

(a) This lease may be renewed by Lessee for 3 successive renewal terms ("Renewal Terms") of five years each so long as this Agreement is in full force and effect and Lessee is not in default in respect of the performance of any obligation it undertakes under the terms of this Agreement both at the time that Lessee exercises that option and at the time the Renewal Terms commences. Lessee will exercise that renewal option, if at all, by delivering written notice (the "Option Notice") to Lessor **not less than 6 months prior to the Expiration Date** of the then-existing term of the Lease.

### **REMEDIES CUMULATIVE**

All remedies hereinbefore and hereafter conferred on Lessor shall be deemed cumulative and no one exclusive of the other, or of any other remedy conferred by law.

### **INSURANCE**

(a) *Insurance coverage of premises.* Lessee shall provide for throughout the term of the lease insurance for loss or damage by fire and the extended coverage hazards for one hundred per cent (100%) of the full replacement value of such improvements and all improvements which are now or hereafter a part of the premise. The Lessor will be named as a primary additional

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insured on the above policy, and the policy will provide that it cannot be canceled without a 30 day written notice of cancellation to Lessor.

(b) *Personal injury liability insurance.* Lessee shall provide for throughout the term of this lease comprehensive general liability insurance covering the premises and its appurtenances in the amount of Two Million Dollars (\$2,000,000) for injury to or death of any one person, and Two Million Dollars (\$2,000,000) for injury to or death of any number of persons in one occurrence, and property damage liability insurance in an amount equal to the replacement cost of the trackage improvements. The Lessor will be named as a primary additional insured on the above policy specific to Lessor's interest in or on the above premises and its appurtenances, and the policy will provide that it cannot be canceled without a 30 day written notice of cancellation to Lessor. Lessee must have railroad protective insurance and shall provide evidence of such insurance in form and substance satisfactory to Lessor upon commencement of this Lease. Lessor will be provided with copies of all required insurance policies on an annual basis.

**PROHIBITION OF INVOLUNTARY ASSIGNMENT;  
EFFECT OF BANKRUPTCY OR INSOLVENCY**

(a) *Prohibition of involuntary assignment.* Neither this lease nor the leasehold estate of Lessee nor any interest of Lessee hereunder in the demised premises or improvements thereon shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner whatsoever (except through statutory merger or consolidation, or devise, or interstate succession) and any such attempt at involuntary assignment, transfer, or sale shall be void and of no effect. Lessee shall not assign, transfer, sell or sublet this lease or the leasehold estate of Lessee or any interest of Lessee hereunder in the demised premises or in the building or improvements thereon without the prior, written consent of Lessor.

(b) *Effect of bankruptcy.* Without limiting the generality of the provisions of the preceding Paragraph (a) of this section, Lessee agrees that in the event any proceedings under the Bankruptcy Act or any amendment thereto be commenced by or against Lessee, and, if against Lessee, such proceedings shall not be dismissed before either an adjudication in bankruptcy or the confirmation of a composition, arrangement, or plan or reorganization, or in the event Lessee is adjudged insolvent or makes an assignment for the benefit of its creditors, or if a receiver is appointed in any proceeding or action to which Lessee is a party, with authority to take possession or control of the demised premises or the business conducted thereon by Lessee, and such receiver is not discharged within a period of 365 days after his appointment, any such event or any involuntary assignment prohibited by the provisions of the preceding Paragraph (a) of this section shall be deemed to constitute a breach of this lease by Lessee and shall, at the election of Lessor, but not otherwise, without notice or entry or other action of Lessor terminate this lease and also all rights of Lessee under this lease and in and to the demised premises and also all rights of any and all persons claiming under Lessee.

**NOTICE OF DEFAULT**

Lessee shall not be deemed to be in default hereunder in the payment of rent or the payment of any other moneys as herein required or in the furnishing of any bond or insurance policy when required herein unless Lessor shall first give to lessee 10 days' written notice of such default and Lessee fails to cure such default within such 10 days.

Except as to the provisions or events referred to in the preceding sentence of this section, Lessee shall not be deemed to be in default hereunder unless Lessor shall first give to Lessee 30 days' written notice of such default, and Lessee fails to cure such default within such 30-day

### Current Lease Language

period, or, if the default is of such a nature that it cannot be cured within 60 days, Lessee fails to commence to cure such default within such period of 30 days or fails thereafter to proceed to the curing of such default with all possible diligence.

### **DEFAULT**

In the event of any breach of this lease by Lessee, Lessor, in addition to the other rights or remedies it may have, shall have the immediate right to re-enter and remove all persons and property from the premises. Should Lessor elect to re-enter, as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, Lessor may either terminate this lease or it may from time to time, without terminating this lease, re-let the demised premises or any part thereof for such term or terms (which may be for a term extending beyond the term of this lease) and at such rental or rentals and on such other terms and conditions as Lessor in the sole discretion of Lessor may deem advisable. On each such re-letting (a) Lessee shall be immediately liable to pay Lessor, in addition to any indebtedness other than rent due hereunder, the expenses of such re-letting and of such alterations and repairs, incurred by Lessor, and the amount, if any, by which the rent reserved in this lease for the period of such re-letting (up to but not beyond the term of this lease) exceeds the amount agreed to be paid as rent for the demised premises for such period on such re-letting; or (b) at the option of Lessor, rents received by such Lessor from such re-letting shall be applied, first, to the payment of any indebtedness, other than rent due hereunder from Lessee to Lessor; second, to the payment of any expenses of such re-letting and of such alterations and repairs; third, to the payment of rent due and unpaid hereunder, and the residue, if any, shall be held by Lessor and applied in payment of future rent as the same may become due and payable hereunder. If Lessee has been credited with any rent to be received by such re-letting under option (a) hereof, and such rent shall not be promptly paid to Lessor by the new tenant, or if such rentals received from such re-letting under option (b) hereof during any month is less than that to be paid during that month by Lessee hereunder, Lessee shall pay any such deficiency to Lessor. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of the demised premises by Lessor shall be construed as an election on the part of Lessor to terminate this lease unless a written notice of such intention is given to Lessee or unless the termination thereof is decreed by a court of competent jurisdiction. Notwithstanding any such re-letting without termination, Lessor may at any time thereafter elect to terminate this lease for such previous breach. Should Lessor at any time terminate this lease for any breach, in addition to any other remedy it may have, Lessor may recover from Lessee all damages incurred by reason of such breach, including the cost of recovering the premises, and including the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this lease for the remainder of the stated term over the then reasonable rental value of the premises for the remainder of the stated term, all of which amounts shall be immediately due and payable from Lessee to Lessor. Notwithstanding the foregoing, Lessor reserves all rights and remedies it has under law and in equity.

### **LESSOR'S RIGHT TO PERFORM**

In the event that Lessee by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, shall be in default hereunder and such failure shall continue for a period of thirty (30) days after written notice from Lessor specifying the nature of the act or thing to be done or performed, then Lessor may, but shall not be required to, do or perform or cause to be done or performed such act or thing (entering on the demised premises for such purposes, if Lessor shall so elect), and Lessor shall not be or be held liable or in any way responsible for any loss, inconvenience, annoyance, or damage resulting to Lessee on account

#### Current Lease Language

thereof, and Lessee shall repay to Lessor on demand the entire expense thereof, including compensation to the agents and employees of Lessor. Any act or thing done by Lessor pursuant to the provisions of this section shall not be or be construed as a waiver of any such default by Lessee, or as a waiver of any covenant, term, or condition herein contained or the performance thereof, or of any other right or remedy of Lessor, hereunder or otherwise. All amounts payable by Lessee to Lessor under any of the provisions of this lease, if not paid when the same become due as in this lease provided, shall bear interest from the date they become due until paid at the rate of ten per cent (10%) per annum, compounded annually.

#### **LESSEE'S OPTION TO TERMINATE**

Lessee shall have the right, by written notice to Lessor given at least sixty (60) days prior to (a) the expiration of the first five-year period of the term hereof, or (b) the expiration of any renewal five year term, hereunder, to terminate this lease, and on such effective date Lessee shall be relieved from all further liability hereunder, and shall deliver possession of the demised premises to Lessor. In any event, this lease shall terminate automatically if Lessee does not exercise its renewal option.

#### **SURRENDER OF LEASE**

The voluntary or other surrender of this lease by Lessee, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Lessor, terminate all or any existing subleases or subtenancies, or may, at the option of lessor, operate as an assignment to it of any or all such subleases or subtenancies. Lessee shall surrender the Premises in good condition, reasonable wear and tear excepted.

#### **DISPOSITION OF IMPROVEMENTS ON TERMINATION OF LEASE**

On termination of this lease for any cause, all permanently affixed improvements shall revert to the Lessor. All office trailers, rolling stock, inventory or other portable items or fixtures shall remain the property of the Lessee and shall be removed by Lessee at or prior to the end of the Lease.

#### **WAIVER**

The waiver by Lessor of, or the failure of Lessor to take action with respect to any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, or condition, or subsequent breach of the same, or any other term, covenant, or condition therein contained. The subsequent acceptance of rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant, or condition of this lease, other than the failure of Lessee to pay the particular rental so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such rent.

#### **EFFECT OF LESSEE'S HOLDING OVER**

Any holding over after the expiration of the term of this Lease, with consent of Lessor, shall be construed to be a tenancy from month to month, at the same monthly rental as required to be paid by Lessee for the period immediately prior to the expiration of the term hereof, and shall otherwise be on the terms and conditions herein specified, so far as applicable.

**PARTIES BOUND**

The covenants and conditions herein contained shall, subject to the provisions as to assignment, transfer, and subletting, apply to and bind the heirs, successors, executors, administrators, and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.

**TIME OF THE ESSENCE**

Time is of the essence of this lease, and of each and every covenant, term, condition, and provision hereof.

**CAPTIONS**

The captions appearing in this lease are for convenience only and are not a part of this lease and do not in any way limit or amplify the terms and provisions of this lease.

In witness whereof, the parties have executed this lease at Shelby, Montana on the day and year first above written.

“Lessor”  
**CITY OF SHELBY**

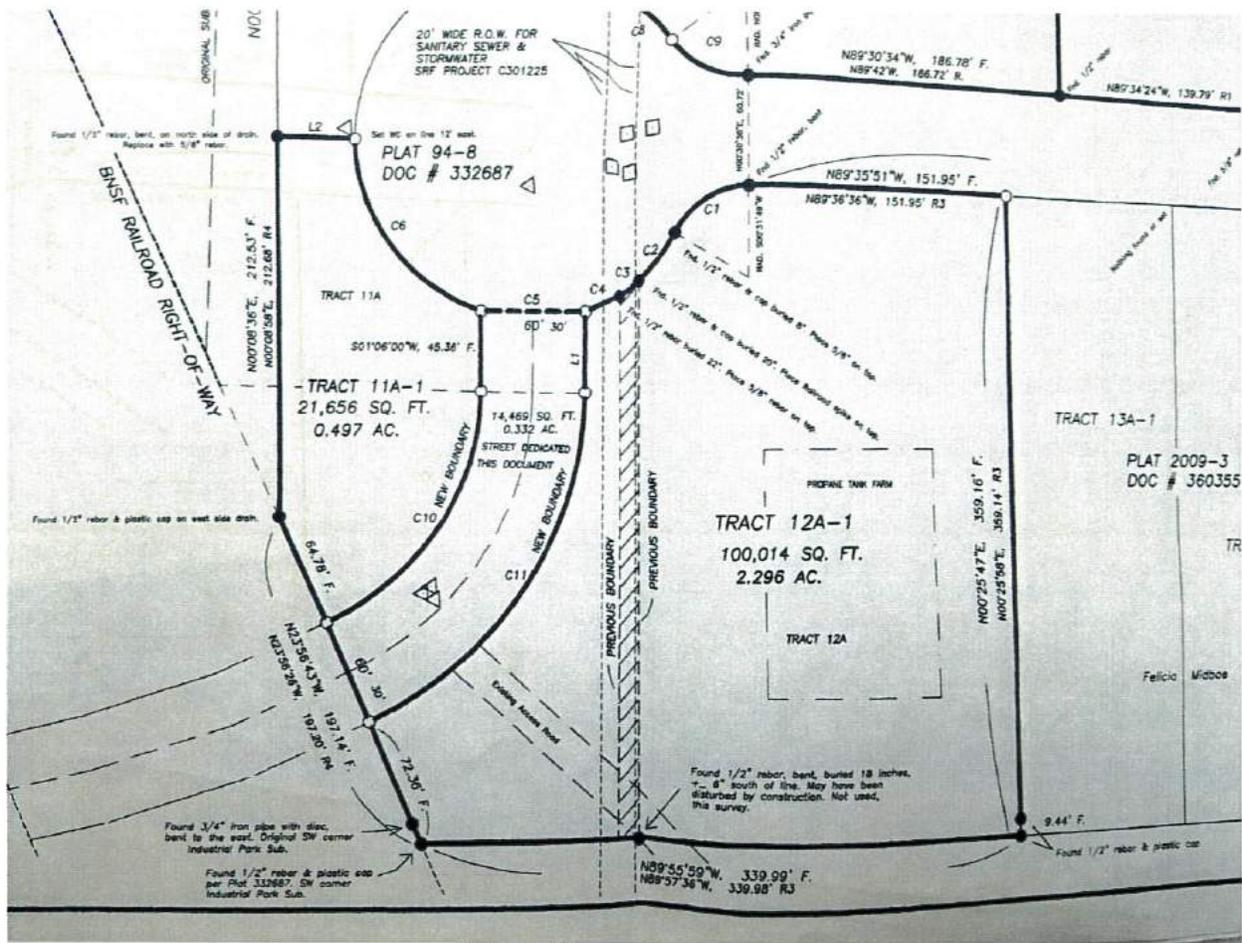
\_\_\_\_\_  
Gary McDermott, Mayor

“Lessee”  
**BEN TAYLOR INC.**

\_\_\_\_\_  
Greg Taylor

180329 DRAFT

EXHIBIT A



**Industrial Park**

Tr 11A-1	21,656sq.ft. @ .025	\$ 541.40
Tr 12A-1	100,014sq.ft. @ .025	2,500.35
	<b>Annual Rent</b>	<b>\$3,041.75</b>

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