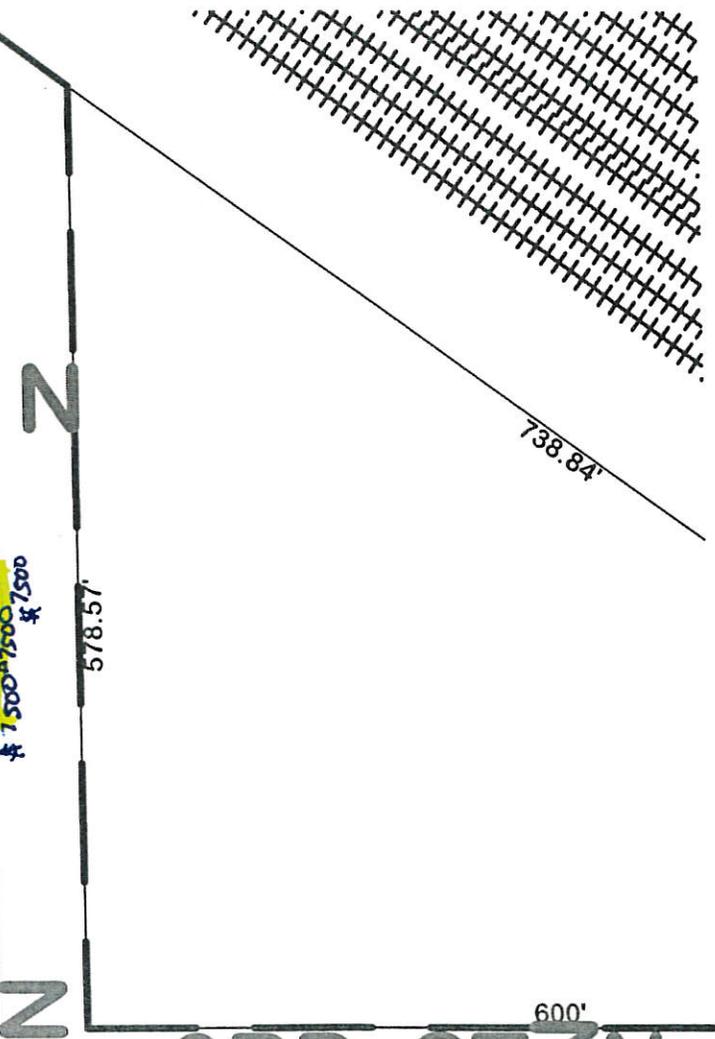


2  
 20  
**LOT D**  
**CHAMPIONS**  
**PARK LOTE**  
**4TH SE**

20'		
35'	35'	20
35'	35'	19
35'	35'	18
35'	35'	17
35'	35'	16
35'	35'	15
35'	35'	14
35'	35'	13
35'	35'	12
35'	35'	11

20'			
1	35'	35'	20
2	35'	35'	19
3	35'	35'	18
4	35'	35'	17
5	35'	35'	16
6	35'	35'	15
7	35'	35'	14
8	35'	35'	13
9	35'	35'	12
10	120'	35'	11



# 7500-7500  
 # 7500-7500

**3RD ST N**

4

3

**MINUTES OF A SPECIAL MEETING OF THE SHELBY CITY COUNCIL  
HELD IN COUNCIL CHAMBERS  
AUGUST 14, 2017**

Mayor Bonderud called the meeting to order at 6:30 p.m. Present were: Debra Clark, Gary McDermott, Trent Tustian, Bill Moritz and Chip Miller, Council Members; Jade Goroski, Finance Officer; and Loren Skartved. Absent and Excused: Kimmet.

Other citizens present: Jennifer Van Heel.

**BUDGET FY 2017-2018**

**5 YEAR PROJECTIONS**

**BUDGET REQUESTS**

**UV REPAIRS INVOICE**

MORITZ MADE A MOTION TO APPROVE THE PURCHASE. SECONDED BY CLARK. VOTE AYES - MORITZ, MILLER, CLARK, TUSTIAN, MCDERMOTT. NOES - NONE. ABSENT - KIMMET. ABSTAIN - NONE.

**ADJOURN**

MORITZ MADE A MOTION TO ADJOURN THE MEETING AT 9:00 PM. SECONDED BY TUSTIAN. VOTE AYES - MORITZ, MILLER, CLARK, TUSTIAN, MCDERMOTT. NOES - NONE. ABSENT - KIMMET. ABSTAIN - NONE.

\_\_\_\_\_  
LARRY J. BONDERUD, MAYOR

ATTEST:

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



**DC FROST ASSOCIATES, INC.**  
 a wholly owned subsidiary of Coombs-Hookers Company  
 2855 Mitchell Drive, Suite 215 • Walnut Creek, CA 94598 • (925) 947-6733 • Fax (925) 947-6784

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**RECEIVED**

SEP 01 2017

**CITY OF SHELBY**  
**Montana**

PLEASE REMIT TO THE ABOVE ADDRESS

DATE	INVOICE NO.
August 24, 2017	11596

**SOLD TO:**

City of Shelby, MT  
 Accounts Payable  
 112 1st Str. S  
 Shelby, MT 59474

**SHIP TO:**

Shelby, MT Public Works  
 50 City Shop Road  
 Shelby, MT 59474

P.O. NO.	TERMS	DUE DATE	SHIP DATE	SHIP VIA	FOB
30888	Net 30 Days	9/23/2017	8/21/2017	UPS	F.O.B. Factory, Prepay and Add
ITEM	DESCRIPTION	QTY	RATE	AMOUNT	
Trojan	820777 Lamp Assy	4	573.00	2,292.00	
Trojan	820820-876 Quartz Sleeves	4	1,297.00	5,188.00	
Trojan	820317 Gland Plate Washer	4	12.45	49.80	
Trojan	820445 Gld Plate Washer /sleeve cushionwasher; teflon	12	11.75	141.00	
Trojan	002161P o-ring, 4-1/8 ID x 1/8 W EPDM (4 per pack)	6	3.05	18.30	
Trojan	002197P o-ring, 1-5/8ID x 3/16W (4 per pack)	14	1.89	26.46	
Trojan	820615 U-cup 42mm SLV UVS Viton Seal	16	29.00	464.00	
Trojan	820618 Bearing, 42mm Wiper Housing	14	30.50	427.00	
Trojan	820617 7/8" Expansion Diaphragm	7	22.25	155.75	
Trojan	820195 Swift24 Gen 1 Quartz Sleeve	4	288.00	1,152.00	
Trojan	820256 Wiper, Sensor Sleeve 18-24 UVS	4	129.00	516.00	
Trojan	820108 ActiClean (1L) NSF	4	21.90	87.60	
Trojan	820026 39mm wiper sleeve seal	8	11.45	91.60	
Trojan	820027 39mm Wiper bushing Housing	8	9.60	76.80	
Trojan	820028 Diaphragm, 39mm PHYS/CHEM WPR	4	87.25	349.00	
	Sub Total Taxable			\$11,035.31	
	Exempt Sales Tax			\$0.00	
	Prepaid Freight			\$74.69	
MT					
When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.				<b>TOTAL</b>	<b>\$11,110.00</b>

**CITY OF SHELBY COMMITTEES**

	<u>Telephone Number</u>		<u>Term</u>	<u>Yr</u>
	<u>Work</u>	<u>Home</u>	<u>Expires</u>	
<b><u>AUDIT</u></b> (meets at 7:00 p.m. prior to first council meeting each month)				
<u>Mayor</u>				
1. Larry J. Bonderud	434-5196	434-5029		
<u>City Council Members</u>				
2. Debra Clark	434-5196	450-3853	open term	
3. Bill Moritz		424-2183	open term	
4. Gary McDermott	434-5186	450-1173	open term	
<u>City Employee</u>				
5. Finance Officer	434-5222	NA		

**BOARD OF ADJUSTMENTS** (meets as needed)

- 5 members appointed by mayor, subject to council approval, for 3-year terms

<u>Mayor</u>				
Larry J. Bonderud	434-5196	434-5029	open term	
<u>City Council Members</u>				
1. John A. "Chip" Miller, Jr.	434-2911	434-2844	1/1/2018	3
2. Bill Moritz		424-2183	1/1/2018	3
3. Lyle Kimmet		434-2521	1/1/2019	3
<u>Non City Council Members</u>				
4. Sue Smith PO Box 202, Shelby	434-2535	434-5319	1/1/2019	3
5. Robert Longcake 301 Valley St, Shelby	434-5567	434-5230	1/1/2020	3
6. Brice Kluth PO Box 670	434-5567	434-5170	1/1/2020	3

**BUILDING** (meets as needed)

<u>Mayor</u>				
1. Larry J. Bonderud	434-5196	434-5029	open term	
<u>City Council Members</u>				
2. Bill Moritz		424-2183	open term	
3. John A. "Chip" Miller, Jr.	434-2911	434-2844	open term	
<u>City Employees</u>				
4. Building Inspector	434-5222	NA		
5. City Superintendent	434-5564	NA		

**CITY OF SHELBY COMMITTEES**

	<u>Telephone Number</u>		<u>Term</u>	
	<u>Work</u>	<u>Home</u>	<u>Expires</u>	<u>Yr</u>

**COMMUNITY DEVELOPMENT/HOUSING TASK FORCE ADVISORY COMM**

- 7 members who are residents of the city for 3-year terms

<u>Mayor</u> - Larry J. Bonderud	434-5196	434-5029	open term	
<u>City Council Members</u>				
Bill Moritz		424-2183	open term	
Debra Clark		434-5496	open term	
<u>Community Development Director</u>				
Lorette Carter	424-8799	434-5433	Ad Hoc	
560 5th Ave S, Shelby				
<u>Non City Council Members</u>				
1. Jeanne McDonough	434-5156		Ad Hoc	
140 Main St, Shelby				

**CROSSROADS CORRECTIONAL CENTER ADVISORY BOARD**City of Shelby Appointments

1. Sandy Syvertson	434-5161			
202 Main St, Shelby				
2. Gary Mercer	434-5567	434-5876		
PO Box 563, Shelby				
3. Terry Moench		434-5889		
248 Plum St, Shelby				
4. Paul Steiner	434-5112	434-7127		
159 Main St, Shelby				
5. Mark Wilson		434-2367		
133 5th Ave S, Shelby				
6. Larry Bonderud	434-5222			
112 1st St S, Shelby				

Toole County Appointments

1. Steve Ahrens		339-2030		
PO Box 151, Shelby				
2. LeAnne Kavanagh	873-2201	873-4139		
405 8th Ave S, Cut Bank MT 59427				
3. Helen Suta	434-5567	434-2135		
PO Box 495, Shelby				
4. Donna Whitt	434-5585	434-2584		
PO Box 243, Shelby				
5. Shannon McAllister	434-5118	424-2237		
1007 1st St S, Shelby				
6. Allan Underdal	434-5121	434-5913		
425 O'Haire Blvd, Shelby				

**CITY OF SHELBY COMMITTEES**

	<u>Telephone Number</u>		<u>Term</u>	
	<u>Work</u>	<u>Home</u>	<u>Expires</u>	<u>Yr</u>
<b><u>FIRE COMMITTEE</u></b> (meets as needed)				
<u>Mayor</u> - Larry J. Bonderud	434-5196	434-5029	open term	
<u>City Council Members</u>				
2. John A. "Chip" Miller, Jr.	434-2911	434-2844	open term	
3. Debra Clark	0	4234-5496	open term	
<u>Non City Council Members</u>				
4. Todd Howell, Fire Chief			open term	
<b><u>INDUSTRIAL PARK</u></b> (meets as needed)				
<i>(Port of Northern Montana/NETA Board serves as the Industrial Park Board)</i>				
<u>Appointed</u> - Larry Bonderud, director			open term	
Dwaine Iverson, treasurer			open term	
Deven Merritt, secretary			open term	
<u>Board Members</u>				
1. Deb Brandon, Commissioner TC Courthouse, 226 1st St S	434-5121	434-5913	open term (county appointment)	
2. Dan Whitted, Vice Chairman PO Box 721, Shelby	434-2172	434-2158	open term (city appointment)	
3. Dick Beatty 153 Main St, Shelby	434-5518	434-2165	12/31/2018	5
4. Joe Freitheim 658 Telstad Rd, Shelby	434-2370		12/31/2019	5
5. Jay Lanius 940 Eagle Dr, Shelby	335-2211	434-7179	12/31/2019	5
6. Gary Iverson PO Box 99, Sunburst MT 59482		937-7050	12/31/2020	5
7. Byron Kluth, Chairman 260 Main St, Shelby	434-5567	434-2559	12/31/2021	5
8. Mark Cole PO Box 950, Shelby	434-5583	434-5724	12/31/2021	5
9. Pat Simons PO Box 644, Shelby		434-7139	12/31/2017	5
<b><u>MARIAS HERITAGE CENTER BOARD</u></b>				
1. Lorette Carter (city rep) 112 1st St S, Shelby	424-8799		12/31/2018	3
3. Jade Goroski (city rep) 112 1st St S, Shelby	434-5222		12/31/2017	3
4. Heidi Alford (county rep)			12/31/2017	3
5. Vickie Sulenes (county rep)			12/31/2018	3
6. Allan Underdal (county rep/comm) 425 O'Haire Blvd, Shelby	434-5121	434-5913	open term	

**CITY OF SHELBY COMMITTEES**

	<u>Telephone Number</u>		<u>Term</u>	
	<u>Work</u>	<u>Home</u>	<u>Expires</u>	<u>Yr</u>
<b><u>NORTH CENTRAL MONTANA RESOURCE CONSERVATION &amp; DEVELOPMENT (RC&amp;D)</u></b>				
<u>City Representative - _____</u>			6/30/2007	1

**CITY OF SHELBY COMMITTEES**

	<u>Telephone Number</u>		<u>Term</u>	
	<u>Work</u>	<u>Home</u>	<u>Expires</u>	<u>Yr</u>
<b><u>PARK &amp; RECREATION</u></b> (meets last Monday of each month, 6:30 p.m.(effective 10/26/09))				
<u>Mayor</u>				
1. Larry J. Bonderud	434-5196	434-5029	open term	<a href="mailto:larry@shelbymt.com">larry@shelbymt.com</a>
<u>Council Members</u>				
2. John A. "Chip" Miller, Jr.	434-2911	424-2844	open term	<a href="mailto:pega@3rivers.net">pega@3rivers.net</a>
3. Lyle Kimmet		434-2521	open term	
4. Debra Clark		434-5496	open term	
<u>Non City Council Members</u>				
5. Elisha Dempsey 324 6th Ave S, Shelby		460-1131	open term	<a href="mailto:elishadempsey@yahoo.com">elishadempsey@yahoo.com</a>
6. Eric Tokerud 231 9th Ave N, Shelby		424-5726	open term	<a href="mailto:tokeklan@yahoo.com">tokeklan@yahoo.com</a>
7. Jayson Gray PO Box 876 , Shelby		460-1199	open term	<a href="mailto:jaysongray@live.com">jaysongray@live.com</a>
8. City Superintendent	434-5564		NA	
9. Recreation Director	434-5114		NA	

**CITY OF SHELBY COMMITTEES**

	<u>Telephone Number</u>		<u>Term</u>	<u>Yr</u>
	<u>Work</u>	<u>Home</u>	<u>Expires</u>	
<b><u>PERSONNEL POLICY</u></b> (meets as needed)				
<u>Mayor</u>				
1. Larry J. Bonderud	434-5196	434-5029	open term	
<u>City Council Members</u>				
2. Trent Tustian			open term	
3. Bill Moritz		424-2183	open term	
4. Debra Clark		434-5496	open term	
<u>City Employees</u>				
5. Finance Officer	434-5222		NA	
6. Superintendent	434-5564		NA	

**CITY OF SHELBY COMMITTEES**

	<u>Telephone Number</u>		<u>Term</u>	
	<u>Work</u>	<u>Home</u>	<u>Expires</u>	<u>Yr</u>
<b><u>PLANNING BOARD (CITY-COUNTY)</u></b>				
<i>Membership MCA 76-1-201, 202</i>				
<u>Mayor</u> (not a member but attends the meetings)				
Larry J. Bonderud	434-5196	434-5029	open term	<a href="mailto:larry@shelbymt.com">larry@shelbymt.com</a>
<u>City Planner (advisor)</u>				
Jim Yeagley		453-8702	open term	<a href="mailto:bicyclinginmt@yahoo.com">bicyclinginmt@yahoo.com</a>
1817 4th Ave N, Great Falls MT 59401				
<u>County Commissioners' Appointment</u> (2 members reside outside the city limits but within jurisdictional area of planning board and may be employed by or hold office in the county)				
1. Mallory Riphenburg		450-0851	4/1/2019	2 <a href="mailto:mkfurr@gmail.com">mkfurr@gmail.com</a>
PO Box 586, Shelby				
2.				2 .
<u>City Council Appointment</u> (two official members reside within city limits and may be employed by or hold public office in the city)				
3. Gary McDermott, Council Member	434-5186		open term	<a href="mailto:garym@3rivers.net">garym@3rivers.net</a>
227 8th Ave S, Shelby				
4. Debra Clark, Council Member		424-5496	open term	<a href="mailto:debclark2007@yahoo.com">debclark2007@yahoo.com</a>
PO Box 762, Shelby				
<u>Mayor Appointment</u> (two citizen members who reside within city limits)				
5. Gary Sulenes (chairman)		450-2643	4/1/2018	2 <a href="mailto:vsulenes@hotmail.com">vsulenes@hotmail.com</a>
PO Box 233, Shelby				
6. Scott O'Brien		434-2578	4/1/2019	2 <a href="mailto:scottobrien41@hotmail.com">scottobrien41@hotmail.com</a>
961 Turner Ave, Shelby				
<u>County Commissioners' Appointment</u> (2 members who reside in the jurisdictional area of the city-county planning brd)				
7. Jason Kline		450-8478	4/1/2019	2 <a href="mailto:jkline@mt.gov">jkline@mt.gov</a>
111 Sheridan St, Shelby				
8. Guy Dubois	424-8370	434-9367	4/1/2018	2 <a href="mailto:gdubois@mt.gov">gdubois@mt.gov</a>
115 Plum St, Shelby				
<u>Selected by the 8 officers and citizen members above from the board of supervisors of a conservation district provided for in MCA 76-15-311. If there is no member of the board of supervisors of a conservation district who is able or willing to serve on the planning board, the 9th member of the city-county planning board shall be selected by the 8 officers and citizen members above with the approval of the board of county commissioners and the city council</u>				
9. Roger Smedsrud		434-2090	6/13/2018	2 <a href="mailto:rsmedsrud@yahoo.com">rsmedsrud@yahoo.com</a>
126 12th Ave N, Shelby				

**CITY OF SHELBY COMMITTEES**

	<u>Telephone Number</u>		<u>Term</u>	<u>Yr</u>
	<u>Work</u>	<u>Home</u>	<u>Expires</u>	
<b><u>PUBLIC SAFETY COMMISSION (CITY-COUNTY)</u></b> (meets as needed)				
<u>Non Council Members (city representatives)</u>				
1. Norman Seymour 117 W Central Ave, Shelby		434-7228	12/31/2019	4
2. Dan Whitted PO Box 721, Shelby	434-2172	434-2158	12/31/2020	4
<u>Non Council Members (joint city-county representatives)</u>				
3. Wally Howery 734 Benton Ave, Shelby	434-2871	434-2273	12/31/2020	4
<u>Non Council Members (county representatives)</u>				
4. Donna Whitt (sheriff) PO Box 550, Shelby	434-5585		open	
5. George Nickol HC74, Box 76, Ledger MT 59456			12/31/2018	4
6. Steve Osgood	450-1688		12/31/2018	4
7. Allan Underdal (commissioner)			open	
<b><u>PUBLIC WORKS COMMITTEE</u></b> (meets as needed)				
<u>Mayor</u>				
1. Larry J. Bonderud	434-5196	434-5026	open term	
<u>City Council Members</u>				
2. Trent Tustian			open term	
3. John A. "Chip" Miller, Jr.	434-2911	434-2844	open term	
<u>City Employee</u>				
4. Superintendent	434-5564		NA	
<b><u>SAFETY COMMITTEE</u></b> (meets monthly on 3rd Thursday at 8:30 a.m.)				
<i>Members shall be appointed by the Mayor from each of the following: Safety Coordinator (current Superintendent), At-Large Member-1, City Council-1, City Hall-1, Fire Dept-1, Civic Center or Pool-1, Public Works Dept-2</i>				
<u>Safety Coordinator (city superintendent)</u>				
1. Loren Skartved	434-5564		open term	
<u>At-Large Member</u>				
2. Larry Bonderud	434-5222		open term	
<u>City Council Member</u>				
3. Bill Moritz		424-2183	open term	
<u>City Hall representative</u>				
4. Jade Goroski	434-5222		open term	
<u>Civic Center/Pool representative</u>				
5. Cindy Florez	434-5114		open term	
<u>Fire Department representative</u>				
6. Todd Howell, Fire Chief		434-5034	open term	
<u>Public Works representatives</u>				
7. Brian Roark	434-5564		open term	
8. Terry Bentley	434-5564		open term	

**CITY OF SHELBY COMMITTEES**

<u>Telephone Number</u>		<u>Term</u>
<u>Work</u>	<u>Home</u>	<u>Expires</u> <u>Yr</u>

**TRI-CITY EQUIPMENT INTERLOCAL***(meets quarterly on the 3rd Thursday of the month, 7:30 p.m. Rotate meeting place - Conrad, Shelby, Cut Bank).*

<b><i>City of Shelby, 112 1st St S, Shelby MT 59474</i></b>			<b><i>434-5222 phone</i></b>
Larry J. Bonderud, Mayor 112 1st St S, Shelby MT 59474	434-5196 <a href="mailto:larry@shelbymt.com">larry@shelbymt.com</a>	434-5029	open term
Chip Miller, Council Member 330 Ohaire Blvd, Shelby MT 59474	434-2911 <a href="mailto:pega@3rivers.net">pega@3rivers.net</a>	424-2844	open term
Bill Moritz, Council Member 807 7th St S, Shelby MT 59474	<a href="mailto:bjmoritz@3rivers.net">bjmoritz@3rivers.net</a>	424-2183	open term
Loren Skartved, Superintendent 810 6th St S, Shelby MT 59474	434-5564 <a href="mailto:loren@3rivers.net">loren@3rivers.net</a>	424-2256	NA cell 450-4319
<b><i>City of Conrad, 413 S Main St, Conrad MT 59425</i></b>			<b><i>271-3623 phone</i></b>
Wendy Judish, Mayor 616 S Maryland, Conrad MT 59425	271-3623 <a href="mailto:mayor@cityofconrad.com">mayor@cityofconrad.com</a>	278-5910	open term cell 289-0496
Ron Widhalm, Council Member 509 S Iowa, Conrad MT 59425	278-3422 <a href="mailto:ron@cityofconrad.com">ron@cityofconrad.com</a>	278-5698	open term
Cory Riley, Council Member 15 N Wisconsin, Conrad MT 59425	<a href="mailto:cory@cityofconrad.com">cory@cityofconrad.com</a>		open term
Richard Anderson, Superintendent 707 S Iowa, Conrad MT 59425	271-5821 <a href="mailto:pwd@3rivers.net">pwd@3rivers.net</a>	278-5475	NA cell 576-7129
<b><i>City of Cut Bank, 221 W Main St, Cut Bank MT 59427</i></b>			<b><i>873-5526 phone</i></b>
Mayor	873-5526 <a href="mailto:mayor@cityofcutbank.org">mayor@cityofcutbank.org</a>		open term
Kevin Quinlan, Council Member <i>Interlocal Vice Chairman (1/2016)</i> 1020 1st St E, Cut Bank MT 59427	<a href="mailto:quey421@hotmail.com">quey421@hotmail.com</a>	cell 951-0835	open term
Timothy Curtis, Council Member <i>Interlocal Chairman (1/2016)</i>	<a href="mailto:curtiscitycouncil@bresnan.net">curtiscitycouncil@bresnan.net</a>	873-2433	open term cell 391-2433
Jim Suta, City Superintendent 215 2nd Ave SW, Cut Bank MT 59427	873-3363 <a href="mailto:cbstpt@cityofcutbank.org">cbstpt@cityofcutbank.org</a>	391-2719	NA
Linda Burley <i>Interlocal Treasurer</i>	873-5526 <a href="mailto:cbclerk@cityofcutbank.org">cbclerk@cityofcutbank.org</a>		open term

**CITY OF SHELBY COMMITTEES**

	<u>Telephone Number</u>		<u>Term</u>
	<u>Work</u>	<u>Home</u>	<u>Expires</u> <u>Yr</u>
<b><u>WATER AUTHORITY</u></b> (meets as needed)			
<u>Mayor</u>			
1. Larry J. Bonderud	434-5196	434-5029	open term
<u>City Council Members</u>			
2. John A. "Chip" Miller, Jr.	434-2911	434-2844	open term
3. Bill Moritz		424-2183	open term
<u>City Employee (Ex-Officio)</u>			
4. City Superintendent	434-5564		NA

**ZONING COMMISSION** (meets as needed)Mayor

Larry J. Bonderud	434-5196	434-5029	open term
All city council members			

MAYOR IS NON-VOTING MEMBER OF ALL COMMITTEES EXCEPT FOR TRI-CITY EQUIPMENT INTERLOCAL. CITY EMPLOYEES ARE NON-VOTING MEMBERS ON ALL COMMITTEES

## Jade Goroski

---

**From:** Jade Goroski  
**Sent:** Monday, September 25, 2017 3:32 PM  
**To:** Sarah Clary  
**Subject:** FW: MVGCC  
**Attachments:** image001.jpg

**From:** Larry Bonderud  
**Sent:** Monday, September 25, 2017 2:40 PM  
**To:** Jade Goroski <jade@shelbymt.com>  
**Subject:** Fwd: MVGCC

Sent from my iPhone

Mayor Lar

Begin forwarded message:

**From:** Brice Kluth <[Brice@fsbshelby.com](mailto:Brice@fsbshelby.com)>  
**Date:** September 25, 2017 at 2:28:50 PM MDT  
**To:** Larry Bonderud <[larry@shelbymt.com](mailto:larry@shelbymt.com)>  
**Cc:** Rod <[rockrod@3rivers.net](mailto:rockrod@3rivers.net)>, Michael Martin <[michael.martin@eaglebevt.com](mailto:michael.martin@eaglebevt.com)>, Justin Whitted <[jsbr\\_whitted@yahoo.com](mailto:jsbr_whitted@yahoo.com)>  
**Subject:** MVGCC

Larry-

MVGCC is terminating our contract with NSK effective October 15<sup>th</sup>. MVGCC will assume full responsibility as lessee in the contract with the City of Shelby dated July 6<sup>th</sup>, 1998. Any and all correspondence or invoices for the flood insurance etc. should be directed to our address of PO Box 784, Shelby, MT 59474.

If you have any questions or need a letter for the council please let me know...

Brice C Kluth, VP  
C 406 450 1454  
P 406 434 5567  
F 406 434 2831



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addressee, you should not disseminate, distribute or copy the email. If you are not the intended recipient, please contact the sender and destroy all copies. Thank you for your cooperation.

## Lease

THIS INDENTURE, made and entered into this 6th of July, 1998, by and between CITY OF SHELBY, a municipal corporation of the State of Montana, Shelby, Montana, hereinafter referred to as "LESSOR", and MARIAS VALLEY GOLF AND COUNTRY CLUB, Box 784, Shelby, Montana, hereinafter referred to as "LESSEE";

### WITNESSETH:

That for and in consideration of the payments herein agreed to be made, and the covenants and conditions on its part agreed to be kept by the Lessee, the Lessor has leased and let and by these presents does hereby lease and let unto the Lessee, and the Lessee hereby agrees to lease from the Lessor, the following described real property located in the County of Toole, State of Montana, to-wit:

Township 31 North, Range 2 West, MPM  
Section 19: Lots 7, 8, 10, 11, 22, 23  
Section 20: Lots 3 and 4  
West ½ NE ¼, NE ¼ NE ¼  
A parcel of land containing approximately 264 acres

TO HAVE AND TO HOLD unto the said Lessee for and during the full term of twenty five years commencing on the 1<sup>st</sup> day January, 1998, and ending on the 31<sup>st</sup> day of December, 2023, at the total annual rent of One Thousand Two Hundred and no/100ths Dollars, (\$1,200.00) payable on or before the 9<sup>th</sup> day of January each and every year.

IT IS FURTHER AGREED between Lessor and Lessee that this Lease will be automatically renewed at the conclusion of the initial term, for two successive ten (10) year periods, the terms and conditions of said Agreement to be re-negotiated at that time.

FURTHER, it is hereby agreed that the yearly lease payment derived by Lessor from the leasing of said property to Lessee shall be dedicated solely to the continued development and improvement of said property as a recreational facility.

IT IS FURTHER AGREED that any funds derived from said property by Lessor in any other manner or that may be contributed to Lessor for and on behalf of said property, shall also be dedicated solely to the continued development and improvement of said property as a recreational facility.

In consideration hereof, the Lessee agrees as follows:

To pay the lease payments provided herein at the times and in the amounts herein provided.

To keep and maintain the above described premises in as good a condition as the same are in at this time or as they may be put during the term hereof, and at the expiration of said term to deliver up and surrender said premises to Lessor in good condition, reasonable wear, tear and damage by the elements excepted. Lessee agrees that it will use its best efforts to expand and improve the facilities hereby leased and to operate the same in a good and businesslike manner.

To operate and maintain said premises as a municipal golf course and to permit and encourage members of the general public to utilize said premises for such purposes at any and all times, subject however, to reasonable golfing rules and regulations promulgated by the Lessee including scheduling of league and tournament play, and further subject to the payment of reasonable green fees charged by the Lessee for such use.

It is understood and agreed that the Lessee may charge a reasonable daily green fee to those persons of the general public desiring to use said golfing facility. In addition, it is understood and agreed that the Lessee may allow its members usage of said golfing facility upon compliance with the terms of Lessee's membership requirements. However, Lessee agrees that its membership requirements shall contain no provisions discriminating against any person by reason of age, race, sex, or religion.

It is further understood and agreed that the Lessee shall have the exclusive use and supervision of all the buildings on said premises. It is further understood and agreed that Lessee shall promptly notify the Lessor of any material structural improvements made to any buildings on the premises. This provision in no way requires Lessee obtain the prior approval of the Lessor for such improvements.

The Lessee promises and agrees to pay all charges for electricity, fuel and other utilities used upon said premises. Lessee further agrees to maintain fire and extended coverage insurance covering the Club House, the north cart barn, the south cart barn, the shop the restroom adjacent to hole #5, and the restroom adjacent to hole #11, in an amount that represents at least ninety percent (90%) of the replacement value of each respective building. Lessee further promises to carry liability insurance naming both Lessor and Lessee as insured in the amount of \$1,000,000.00 for any one occurrence for commercial general liability coverage, said insurance to include coverage for bodily injury and property damage, products and completed operations, and personal injury and advertising injury and liquor liability arising from usage of the leased facilities by persons of the general public or Lessee's members. Lessee shall furnish Lessor in February of each year proof that said fire, extended coverage, and liability insurance is in fact in place.

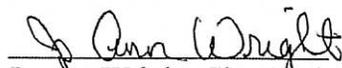
In the event that Lessee shall default on any of its obligations required to be performed under this Lease Agreement, then Lessor shall give Lessee thirty (30) days notice in writing stating what provision is in default and demanding that said default is timely cured, then this Lease shall continue in effect as if no default had taken place. If said default is not timely cured, then Lessor shall take whatever appropriate measures it feels fit, including, but not limited to, taking possession of said leased property. Lessor is entitled to take all measures available to it under the laws of the State of Montana.

It is understood and agreed that Lessee will not assign this Lease or any part hereof not let or sublet the said premises nor any part thereof without first obtaining written consent from the Lessor therefor.

All of the aforesaid agreements, covenants, and conditions shall apply to and be binding upon the parties thereto, and their successors and assigns.

IN WITNESS THEREOF, the parties hereto have caused these presents to be executed the day and year first above written.

ATTEST:

  
Joanne Wright, City Clerk

CITY OF SHELBY

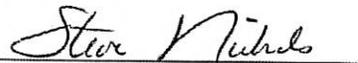
By   
Larry Bonderud, Mayor

LESSOR

ATTEST:

  
Loretta J. Schoendaller, Secretary

MARIAS VALLEY GOLF AND  
COUNTRY CLUB

By   
Steve Nichols - President

LESSEE

State of Montana )  
 :ss  
County of Toole )

On this July 6, 1998, before me, the undersigned, a Notary Public, in and for the State of Montana, personally appeared LARRY BONDERUD, Mayor of the City of Shelby, known to me to be the person whose name is subscribed to the foregoing document, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal that day and year first hereinabove written.

(Notary Seal)

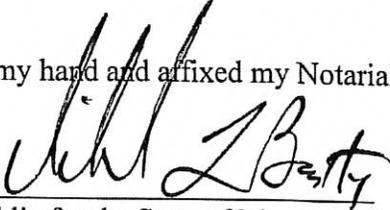
  
Notary Public for the State of Montana  
Residing at Shelby, Montana  
My Commission expires 3-10-00

State of Montana )  
 :ss  
County of Toole )

On this 20<sup>th</sup> of July, before me, the undersigned, a Notary Public, in and for the State of Montana, personally appeared STEVE NICHOLS and LORETTA J. SCHOENDALLER, known to me to be the President and Secretary respectively, of MARIAS VALLEY GOLF AND COUNTRY CLUB, a Montana corporation, and acknowledged to me that executed the foregoing document for and on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first hereinabove written.

(Notary Seal)

  
Notary Public for the State of Montana  
Residing at Shelby, Montana  
My Commission expires 11/15/98

SUBLEASE

THIS SUBLEASE made and entered into on the \_\_\_\_\_ day of \_\_\_\_\_, 2000, by and between the MARIAS VALLEY GOLF & COUNTRY CLUB, whose address is P.O. Box 784, Shelby, MT 59474, hereinafter referred to as SUBLESSOR, and \_\_\_\_\_, whose address is \_\_\_\_\_, hereinafter referred to as SUBLESSEE.

WITNESSETH:

In consideration of their mutual covenants hereinafter contained, the parties agree as follows:

1. Demise, Use & Description of Premises: SUBLESSOR hereby demises, leases and lets unto SUBLESSEE and SUBLESSEE hires from SUBLESSOR, that certain tract of land more particularly described as found in Exhibit A, attached hereto and made a part hereof for all purposes, for the purpose of SUBLESSEE residing in a modular home owned by SUBLESSEE upon said demised premises.

2. Term: This Sublease shall be a Tenancy at Will. The term of this Sublease shall be month to month, commencing the \_\_\_\_\_ day of \_\_\_\_\_, 2000. Either party, or the City of Shelby, may terminate this Sublease by providing 30-day notice to the non-terminating party or parties and the City of Shelby.

3. Rentals: In consideration of being permitted to use the demised premises as herein described, SUBLESSEE shall perform the following duties:

A. SUBLESSEE shall report to the Golf Course Superintendent, the Golf House General Manager or to the Toole County Sheriff Department any unusual activity upon and/or damage to the Marias Valley Golf & Country Club. SUBLESSEE SHALL NOT, IN ANY EVENT, RESORT TO SELF-HELP, OR TO TAKE OR INITIATE ANY AFFIRMATIVE ACTION, WHICH MAY HARM HIMSELF OR HIS FAMILY, OR ANY OTHER PERSON ON THE DEMISED PREMISES.

B. SUBLESSEE shall be responsible for closing the entrance gate to the Marias Valley Golf & Country Club after the culmination of his personal use each day. In the event the golf course is still open at the culmination of SUB Lessee's personal

use on any given day, an employee of the golf course shall close the gate at the end of the workday.

C. SUBLESSEE shall maintain the exterior of his modular home on the demised premises; shall maintain the yard surrounding his modular home on the demised premises by watering, mowing, trimming shrubs and trees, and removing weeds; shall remove all trash so as to keep the demised premises free of trash, abandoned autos, or any other conditions dangerous to health and safety or offensive to the senses.

D. At the termination of this Sublease, SUBLESSEE agrees to surrender the demised premises in the same condition as when received, reasonable wear and tear excepted.

SUBLESSEE shall not be required to pay any amount in monthly rental, or to pay a deposit.

4. Purpose & Restrictions on Use: SUBLESSEE shall use the demised premises for the purpose of residing in his single family modular home and shall in no event conduct any activity that is unlawful, ultra hazardous or that would increase the premiums for any fire, casualty or liability insurance carried by LESSOR. The parties further agree SUBLESSEE shall restrict his use of the demised premises to that of a private single-family dwelling. SUBLESSEE shall not use any other property of the City of Shelby or of SUBLESSOR without written permission of either the City of Shelby or SUBLESSOR, such as, but not limited to, SUBLESSEE maintaining a current Marias Valley Golf & Country Club golf membership, in which case SUBLESSEE shall have the same rights and privileges as any other member of said golf membership. SUBLESSEE shall not create or maintain any public nuisance or violate any law or ordinance of the City of Shelby or the State of Montana.

No pets shall be permitted on the demised premises except with the prior written consent of SUBLESSOR.

5. Utilities and Taxes: All utilities with respect to the demised premises, including, without limitation, all gas, water, sewer and garbage shall be provided to SUBLESSEE by SUBLESSOR. All utilities with respect to the demised premises, including, without limitation, electricity, television and telephone service shall be contracted for and paid by SUBLESSEE in his own name and SUBLESSEE does hereby agree to indemnify and hold

harmless SUBLESSOR and the City of Shelby from any default or delinquency in the payment of these utilities. If gas and/or water become unavailable to subject premises it will be the responsibility of the SUBLESSEE to obtain and pay for an alternate source of gas and/or water.

6. Indemnification: SUBLESSEE agrees to indemnify and hold harmless the SUBLESSOR and the City of Shelby from any and all claims, suits, judgments or liabilities for any property damage, personal injury or death, including costs, expenses and attorney's fees which may arise from or out of SUBLESSEE'S occupation of the demised premises or from any act or omission by him, his family members, agents, employees, successors, assigns, licensees and invitees.

SUBLESSEE shall carry and pay for public liability insurance in the amount of \$1,000,000.00 (one million dollars and no cents) with the City of Shelby and the Marias Valley Golf & County Club named as co-insureds.

SUBLESSEE shall, if he desires, carry on all of his personal property, furniture and fixtures located on the demised premises, adequate insurance as selected and determined by him, against fire, and the hazards covered by the standard extended coverage endorsement, including vandalism, malicious mischief and theft in an insurance company or companies licensed to do business in the State of Montana, and will hold harmless SUBLESSOR from any and all claims for property damage for any reason to SUBLESSEE'S personal property, furniture and fixtures.

SUBLESSEE agrees to repair all damage to the demised premises caused by his use and upon surrendering the demised premises, agrees to leave same in as good a condition and repair as it was when he took possession, allowance being made for Acts of God or resulting from acts of SUBLESSOR or its agents or employees. SUBLESSEE shall care for and use in a conservative manner the demised premises.

SUBLESSEE shall not make any alterations, additions or improvements to the demised premises without the written consent of SUBLESSOR.

SUBLESSEE shall at no time suffer any mechanic's lien, construction lien or other lien or encumbrances to attach to the

demised premises that may be superior to SUBLESSOR'S title and should any such lien or encumbrance attach to the demised premises, same, at the option of SUBLESSOR, may be paid by it for the benefit of SUBLESSEES and any such amount so paid by SUBLESSOR for the benefit of SUBLESSEE shall become immediately due and payable and bear interest at the rate of 10% per annum from and after the date of payment.

7. Destruction or Damage to the Demised Premises: In no case shall SUBLESSOR or the City of Shelby be liable to SUBLESSEE for any costs, fees, damages, or consequential damages for property loss, personal injury or death resulting from fire, damage, casualty, the elements, or from termination of this lease.

8. Reasonable Access: SUBLESSOR shall have reasonable access to the demised premises during business hours for the purpose of examining or inspecting the same, making the required alterations or repairs, or maintaining the demised premises in accordance with the terms of this agreement.

9. Quiet and Peaceful Possession: SUBLESSOR covenants with SUBLESSEE that upon SUBLESSEE shall quietly have hold and peacefully enjoy the demised premises during the term hereof.

10. Assignment and Subletting: SUBLESSEE shall not assign this lease or any portion thereof or sublet the demised premises or any portion thereof without the express written approval and consent of SUBLESSOR and the City of Shelby.

11. Notices: All notices given by either party to this agreement shall be as follows: To the City of Shelby at P.O. Box 743, Shelby, MT 59474; to SUBLESSOR at P.O. Box 784, Shelby, MT 59474; to SUBLESSEE at \_\_\_\_\_.

Such notices shall be by certified mail, postage prepaid, return receipt requested, and the time of giving such notice shall be the time that such notices are mailed as evidenced by the post office cancellation thereon. At the option of the party giving the notice, same may be served by personal service by the Sheriff's Department in the county in which the party receiving the said notice resides at the time same is served, and the time of giving said notice shall, in that case, be

evidenced by the return of the Sheriff as to the day and hour same was served.

12. **Default:** The following events shall be deemed to be events of default by SUBLESSEE under this lease:

(A) The vacation or abandonment of the premises by SUBLESSEE.

(B) If SUBLESSEE shall fail to comply with any term, provision or covenant of this Sublease.

(C) If SUBLESSEE shall make an assignment for the benefit of creditors, or a trustee or receiver shall be appointed for LESSEES under the laws of any state wherein possession is not restored to LESSEES within thirty (30) days.

13. **Remedies:** Upon the occurrence of any event or default by SUBLESSEE, SUBLESSOR shall have the option to pursue any right or remedy available to it under the laws of the State of Montana and SUBLESSOR shall have the right to enter the demised premises and take full and absolute possession of same.

In case of a suit by SUBLESSOR or by SUBLESSEE hereunder to enforce or interpret the provisions hereof, the party ultimately prevailing shall be awarded reasonable attorneys fees, costs and expenses of such suit.

14. **Examination of Premises:** SUBLESSEE acknowledges that he has examined the demised premises prior to execution of this Sublease and that the demised premises is in satisfactory condition and suitable for occupation and the uses intended.

Further, SUBLESSEE acknowledges that SUBLESSOR has made no representations to it relating to the condition of the demised premises and personal property except as provided in this agreement. SUBLESSOR is subleasing the demised premises "AS IS" and "WHERE IS" and SUBLESSEE accepts the demised premises in that condition.

15. **Waiver & Severability:** No waiver by SUBLESSOR of any provision of this agreement shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by SUBLESSEE of the same or any other provision. Each of the

provisions of this agreement shall be severable, one from the other, and if any part or portion thereof shall be held invalid by any court of competent jurisdiction, the other part and portions hereof shall, nevertheless, for all purposes, remain in full force and effect.

16. Time Is Of Essence: Time is of the essence with respect to the performance of every provision of this agreement in which time of performance is a factor.

17. Binding Upon Successors and Assigns: All of the covenants and agreements herein contained shall be binding upon and shall inure to the benefit of the parties, their legal representatives, successors and assigns.

18. Prior Agreement: This agreement supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof and there are no agreements or representations between the parties relating to the subject matter hereof other than those expressly contained herein. This agreement may not be modified orally and no attempt at modification or amendment shall be binding unless it is in writing and signed by the parties hereto.

19. Headings: Paragraph captions contained in this agreement are for convenience only and shall not be considered in the construction or interpretation of any provisions hereof.

20. Gender and Tense: For purposes of interpretation, in this Sublease the singular shall include the plural; the plural shall include the singular; the masculine shall include the feminine, the feminine shall include the masculine; and the neuter shall include the masculine and the feminine.

21. Governing Law and Jurisdiction: This sublease shall be interpreted and enforced in accordance with the laws of the State of Montana, and the Ninth Judicial District Court of the State of Montana in and for the County of Toole shall have exclusive jurisdiction over the subject matter of this Sublease and personal jurisdiction over the parties hereto.

22. Prior Approval: The parties expressly agree this Sublease is subject to the prior approval of the City of Shelby.

The parties further understand and agree that this sublease does not bind the City of Shelby, or otherwise obligate the City of Shelby, to perform any act pursuant to the parties' agreement.

IN WITNESS WHEREOF, the parties hereto have executed this lease on the day and year first above written.

\_\_\_\_\_  
Agent for SUBLESSOR

\_\_\_\_\_  
\_\_\_\_\_, LESSEE

APPROVAL OF CITY OF SHELBY

By \_\_\_\_\_

Title: