

Building Inspector Report October 2016

11/1/2016

Permit	Date	Zone	Name	Addition	Block	Lot	Address	Permit For	Evaluation	FEE
4336	10/19/2016	LDR	Jacob Robison	Johnsons 1st	31	21-23	225 5th Ave S	chain link fence	NA	36.00
4337	10/31/2016	LDR	Bill Smith	Shelby 1st	6	1	400 Sheridan St	demo East bldg	NA	-
									\$ -	\$ 36.00
2 Permits issued this Month									Job Evaluation Totals	TOTALS

FISCAL YTD TOTALS	
Number of Permits	6
Permit Fees	\$ 727.00
Total Job Values	\$ 32,900.00

**SAFETY COMMITTEE MEETING
& EMPLOYEE QUARTERLY MEETING**

October 20, 2016

Present: City Hall–Sarah Clary, Jade Goroski, Tammy Pederson, Lori Stratton; Community Development–Lorette Carter; Park & Rec–Cindy Florez, Judy Norenberg; Public Works–Tim Duve, Locke Mellott, Loren Skartved.

Guests present: Aflac representative Rob Cook

Main Street Sidewalk Improvements – Mayor Bonderud asked Superintendent Skartved if he would paint the curb gray on the corner of Rainbow Complex like it was before to allow for more parking.

Headphones – Mayor Bonderud stated they are a great idea for many public works situations and maybe could be reviewed at budget time to purchase more.

Civic Center – The front building rain gutter still drains to front door and freezes. We will look at some ideas to fix the problem such as diverting overhead or under the sidewalk.

Marias Heritage Center – At the condo meeting it was discussed to grind the sidewalk lips around the complex. Mayor Bonderud asked that the Superintendent take a look and see if we can do this to avoid an accident.

City Hall – The commissioners asked that we order a new outdoor mat and then send them a bill. The county mower caught the mat and ripped it up.

City Shop – They had a safety inspection by the Worker Comp division of the sewer lagoons and lifts, water well houses etc. and found and fixed some potential violations.

Aflac – Rob Cook presented an information booklet and reviewed the current plans they have.

The next meeting for department heads only will be held Thursday, December 15, 2016 @ 8:30 a.m. at City Hall.

Meeting adjourned at 9:25 a.m.

Reported by:

Tammy Pederson

ORDINANCE NO. 828

AN ORDINANCE AMENDING TITLE 13- ZONING REGULATIONS, CHAPTER 4- GENERAL REQUIREMENTS, SECTION 5- FENCES AND BARRIERS, TO INCREASE THE MAXIMUM ALLOWABLE HEIGHT OF FENCES AND BARRIERS IN THE FRONT YARD OF LOW OR MEDIUM DENSITY RESIDENTIAL DISTRICTS

WHEREAS, the City Council wishes to increase the height restriction of fences and barriers in front yards within the Low or Medium Density Residential Districts.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SHELBY, MONTANA that the following sections of the Shelby Municipal Code shall be amended as follows and in full force and effect in the City of Shelby, Montana.

13-4-5 FENCES AND BARRIERS

A. Low or Medium Density Residential Districts: No fence or barrier exceeding five feet (5') in height shall be constructed in Low Density or Medium Density Residential Districts except in the rear or side yard, where the fence may be six feet (6') in height.

FIRST, passed and approved by the Council of the City of Shelby, Montana this 7th day of November, 2016.

Larry J. Bonderud, Mayor

Attest:

Jade Goroski, Finance Officer

FINALLY, passed and approved by the Council of the City of Shelby, Montana this
___ day of _____, 2016.

Larry J. Bonderud, Mayor

Attest:

Jade Goroski, Finance Officer

RESOLUTION NO. 1947

A RESOLUTION AUTHORIZING THE CITY OF SHELBY TO ACCEPT AN ECONOMIC DEVELOPMENT ASSISTANCE GRANT FROM THE MONTANA DEPARTMENT OF COMMERCE TO ASSIST HUMIC GROWTH TO ACQUIRE EQUIPMENT AND DEVELOP JOBS.

WHEREAS, the City of Shelby, Montana ("City") has applied for an Economic Development Assistant ("EDA") grant from the Montana Department of Commerce Big Sky Trust Fund (BSTF) in order to assist Humic Growth Solutions with the purchase of equipment and the creation of jobs.

WHEREAS the BSFT has awarded an EDA award in the amount of \$118,800 to the City, contingent on the execution of Contract # MT-BSTF-1-17-02 between the BSTF and the City (attached as Exhibit A) as well as execution of the agreement between the City of Shelby and Humic Growth Solutions (attached as Exhibit B).

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Shelby, Montana as follows:

1. The City's acceptance of the \$118,800 BSTF EDA, subject to all conditions set forth in Contract # MT-BSTF-1-17-02 (Exhibit A), is hereby approved by this Council;
2. The City's acceptance of the agreement between the City of Shelby and Humic Growth Solutions (Exhibit B), is hereby approved by this Council;
3. The Mayor of the City is hereby authorized to accept said BSTF EDA award by entering into Contract # MT-BSTF-1-17-02 (Exhibit A) and the Agreement (Exhibit B).
4. The Mayor of the City is hereby authorized to execute such further documents as are necessary to carry out the terms of the award and binding the City of Shelby, Montana thereto.

Passed and adopted by the City Council of the City of Shelby Montana this 7th day of November, 2016.

LARRY J. BONDERUD, MAYOR

ATTEST:

JADE GOROSKI, FINANCE OFFICER

**MONTANA DEPARTMENT OF COMMERCE
BIG SKY ECONOMIC DEVELOPMENT TRUST FUND PROGRAM
CONTRACT # MT-BSTF-1-17-02**

This Contract is entered into by **City of Shelby, 112 – 1st Street South**, Shelby Montana 59474-1954 (the "Contractor"), and the Montana Department of Commerce, Helena, Montana (the "Department").

The Contractor and the Department hereby agree to the following terms:

Section 1. PURPOSE

The purpose of this Contract is to provide funding for Big Sky Economic Development Trust Fund (BSTF) Program (the Program) **Economic Development Job Creation** Project activities approved by the Department which the Contractor has applied for project funds pursuant to Sections 90-1-201 et seq., Montana Code Annotated (MCA).

Program funds have been awarded to assist the Contractor and **Humic Growth Solutions, Inc., 28186 US Highway 2, Shelby, MT 59474-9208**, (the "Assisted Business") with **purchase of equipment** and the creation of jobs in Montana.

The Assisted Business has agreed to create **18** eligible net new jobs at the project site located at **28186 US Highway 2, Shelby, MT 59474-9208** (the "Project Site") in the Contractor's jurisdictional area within the Contract time period. An eligible net new job is defined as one that is new to the company and has not been filled before **July 27, 2016**. Eligible new job criteria is a full-time job, meaning a predominantly year-round position requiring an average of 35 hours of work each week, and pays wages that meet or exceed **\$14.00** per hour, **before the value of benefits is added**.

In addition, the Contractor and the Assisted Business have agreed to a total new investment at the Project Site, which is equal to or greater than **\$1 for every \$2** of BSTF financial assistance received, within this Contract time period.

Section 2. SCOPE OF WORK

The Contractor hereby agrees to engage in Project activities as set forth in the Contractor's application, including any written modifications resulting from the review of the application by the Department for Project assistance, all of which, by this reference are made a part hereof.

The major components of the Project include the **purchase of equipment**, and documentation that the matching requirement has been met and documentation of eligible job creation in **Shelby**, Montana, and the administration of this Contract.

Section 3. AUTHORITY

This Contract is issued under authority of Title 90, Chapter 1, Part 2, Montana Code Annotated, and the Administrative Rules of Montana, Title 8, Chapter 99.

Section 4. APPLICATION INCORPORATED BY REFERENCE

The Contractor's application for Program assistance and all appendices thereto, including any written modifications resulting from the review of the application by the Department (collectively, the "Project"), is incorporated into this Contract by this reference and the representations made therein are binding on the Contractor.

Section 5. ACCEPTANCE OF PROGRAM REQUIREMENTS

- (a) The Contractor shall comply with all applicable local, state, tribal, and federal laws, regulations, ordinances, and resolutions, and all administrative directives and procedures established by the Department, including all the provisions, guidelines and requirements set forth on the Program's website: <http://bstf.mt.gov>.
- (b) The Contractor expressly agrees to repay to the Department any funds advanced under this Contract that the Contractor, or its contractors, subcontractors, or sub recipient entities, or any public or private agent or agency to which it delegates authority to carry out portions of this Contract, expends in violation of the terms of this Contract, the statutes and regulations governing the Program, or any applicable local, state, tribal, or federal requirements.

Section 6. EFFECTIVE DATE AND TIME OF PERFORMANCE

- (a) This Contract shall take effect on **July 27, 2016** and will terminate upon completion of the final closeout by the Department, or by **July 27, 2017**, whichever comes first, unless otherwise terminated in accordance with the terms of this Contract.
- (b) All Program award monies must be expended by the Contractor within the timeline specified in the Contractor's application, which by reference is made a part of this Contract. The Contractor may modify the implementation schedule set forth in the Contractor's application only upon obtaining prior approval of the Department.
- (c) Each party, after termination of this Contract, remains subject to and obligated to comply with all legal and continuing contractual obligations arising in relation to its duties and responsibilities that may arise under the contract including, but not limited to, record retention, audits, and indemnification.

- d) The Department reserves the right to extend this Contract based on, but not limited to, the Contractor's performance of the contracted activities, and the Contractor's compliance with program requirements.

Section 7. BUDGET

- (a) The total amount to be awarded to the Contractor under this Contract will not exceed **\$118,800.00** to be used as follows:
- Up to **\$109,296.00** to assist the Assisted Business with the purchase of equipment; and
 - Up to **\$9,504.00** for eligible administrative expenses.
- (b) The Project budget is set forth in the application, as submitted by the Contractor and approved by the Department, and as specifically incorporated by this reference. The Department must approve budget adjustments to the Project in advance. To obtain approval of a budget adjustment, the Contractor shall describe the rationale for a budget adjustment in writing to the Department.
- (c) Any Project expenses the Contractor fails to incur on or before **July 27, 2017** will revert to the Big Sky Economic Development Trust Fund.

Section 8. CONDITIONS ON METHOD OF REIMBURSEMENT

- (a) The total amount to be awarded to the Contractor under the Contract shall be up to **\$6,600.00** per eligible net new job created by the Assisted Business for documented costs with reimbursement not to exceed a total of **\$118,800.00** for the entire Contract. The Department will not reimburse the Contractor for any costs incurred prior to July 27, 2016, nor for any expenses not included in the approved budget or not clearly and accurately supported by the Contractor's records.
- (b) The Contractor and the Assisted Business shall satisfy the matching funds requirements consistent with the purposes expressed in the application during the period of the Contract and shall meet or exceed the **1:2** required match ratio.
- (c) Unless otherwise authorized by the Department, the Contractor may receive award funds periodically over the Contract period only upon documenting the expenditure of the required matching funds and the creation of the eligible net new jobs by the Assisted Business, and after incurring eligible expenses.

- (d) The Department will use funds appropriated for the Program to fund awards to those entities that have received a Notice of Award letter. The Contractor acknowledges that its access to Program funds is subject to their availability.
- (e) The Department agrees that, if and when the funds described in paragraph (a) of this Section are available, the Department will authorize the Contractor to request payment from Program funding awarded for the Contractor's Project. In requesting reimbursement, the Contractor will follow the instructions supplied by the Department.
- (f) The Contractor shall satisfy the matching funds requirements consistent with the purposes expressed in the Contractor's application during the period of the Contract.
- (g) The Department will only release funds to reimburse eligible and documented costs. Funds can be requested by sending a Request for Payment, in the format prescribed by the Department, signed by duly authorized representatives of the Contractor.
- (h) As further set forth in Section 5 ACCEPTANCE OF PROGRAM REQUIREMENTS, and Section 24 TERMINATION OF CONTRACT, if the Contractor fails to or is unable to comply with any of the terms and conditions of this Contract, any costs incurred will be the Contractor's sole responsibility and the Contractor agrees to repay to the Department any funds advanced under the Contract.
- (i) The Project funds may not be used to cover any costs incurred by the Contractor prior to **July 27, 2016**, for any expenses not included in the Contractor's application or an approved adjustment thereto, or for any expenses not clearly and adequately supported by the Contractor's records.
- (j) Once the Department has determined a Request for Payment to be complete, the Department is allowed thirty (30) working days to process a Request for Payment. The Contractor shall provide signatory and banking information at the time of Contract execution in order to facilitate electronic funds transfer payments. The Department may withhold payments to the Contractor if the Contractor has breached the terms of this Contract.
- (k) If actual Project expenses are less than projected in the budget, the Department, at its discretion, may reduce the amount of BSTF funds to be provided to the Contractor accordingly.

- (l) If the Department determines that the Contractor has failed to satisfactorily carry out its responsibilities under this Contract, the Department may withhold payment to the Contractor until such time as the parties agree on a plan to remedy the deficiency.
- (m) The Department reserves the right to withdraw a commitment of any Program funds for projects not ready to proceed within three (3) months after the date of tentative award.
- (n) If the Assisted Business creates an eligible new job but fails to sustain that job for the requisite duration, then the Contractor shall reimburse the Department all funds received for that job. If the Assisted Business fails to create the required number of jobs, then the Contractor shall reimburse the Department the difference between the total amount advanced and the amount attributable to actual jobs created. If the Assisted Business ceases operation at the Project Site, then the Contractor shall reimburse the Department all funds received under this Contract.
- (o) At the request of the Department, Requests for Payment for contracted or subcontracted services must attach appropriate documentation demonstrating compliance with contract requirements.
- (p) The Contractor may not use monies provided through this Contract as payment for Project costs that are reimbursed from other sources.
- (q) The Department will withhold ten percent (10%) of the total amount awarded to the Contractor until the Department approves the complete job creation and all tasks outlined in Section 2 SCOPE OF WORK are completed by the Contractor and approved by the Department.

Section 9. REPORTING REQUIREMENTS

- (a) Quarterly Project Progress Reports. Unless otherwise specified by the Department, the Contractor will also submit Project Progress Reports quarterly to the Department until the Contractor receives Contract closeout approval from the Department. The Project Progress Report must be provided on or before **April 30th** to cover the January 1-March 31 reporting period, **July 31st** to cover the April 1-June 30 reporting period, **October 31st** to cover the July 1-September 30 reporting period, and **January 31st** to cover the October 1-December 31 reporting period, for each year of the Contract period and at closeout of the Contract. These reports will describe the status of the activities set forth in Section 2 SCOPE OF WORK, including, at a minimum:
- Certified employment documentation from the Assisted Business that includes the breakdown of jobs created, using the Job Status Spreadsheet

and accompanying Job Certification Form; Written Progress Report that should include the following items:

- detailing progress towards achieving the hiring objectives and project goals that were described in the application;
 - projected completion date;
 - any difficulties encountered in working towards these goals;
 - any changes within the assisted business structure, business name or changes to its registration with the Montana Secretary of State's office;
 - any other pertinent information
- (b) The employment level of **Humic Growth Solutions, Inc.** one day prior to the contract effective date of **July 27, 2017** is **ZERO (0)**, full-time employees onsite, per the certified baseline job report.
- (c) The report must also describe any significant problems encountered in carrying out the Project and the scope of any necessary modifications the Contractor is requesting in the SCOPE OF WORK, BUDGET, or Project implementation schedule. The State, at its discretion, may decline to honor the final ten percent (10%) Request for Payment if any required project progress reports have not been submitted.
- (d) Request for Payment with Report. Request for Payment with reports must include all items listed in Section 9(a), plus the following:
- The Request for Payment Form signed by two authorized representatives,
 - Project Progress Report detailing progress towards achieving the hiring objectives and project goals that were described in the application as well as describing any difficulties encountered in working towards these goals,
 - Approved documentation verifying eligible costs were incurred,
 - Documentation of matching funds expended to date.
- (e) Project Closeout. Upon completion of the final Project, the Contractor will submit a signed final Project Completion Report. The Project Completion report should include all items in Section 9(a) and (c), with a request for payment for the final 10% of the award.
- Once the Department accepts the final Project Completion Report and the final payment is processed, the Contractor will complete a Closeout Certification Form.
 - Once the Department approves the Closeout Certification Form from the Contractor, the Department will officially closeout the project and send a letter of closeout to the Contractor.

The Department may request additional documentation, when in the exercise of its judgment such documentation is needed to confirm performance.

To assist the Department with program performance reporting, the BSTF award recipient may be required to provide annual project updates for 3 years after the close of the contract.

Section 10. LIAISONS

The contact persons for this Contract are:

For the Department:

Annmarie Robinson (or successor)
Section Manager, Big Sky Economic Development Trust Fund Program, MDOC
P.O. Box 200505
Helena, MT 59620-0505
406-841-2250

For the Contractor:

Larry Bonderud
Mayor, City of Shelby
112 – 1st Street South
Shelby, MT 59474-1954
406-434-5222

Section 11. PROJECT MEETINGS

- (a) Progress Meetings. During the term of the Contract, the Department may plan and schedule progress meetings with the Contractor to discuss the progress made by the Contractor and the Department in the performance of their respective obligations. These progress meetings may include the parties' liaisons and any other additional personnel involved in the performance of the contract as required. At each such meeting, the Contractor may be requested to provide the Department with a written status report that identifies any problem or circumstance encountered by the Contractor, or of which the Contractor gained knowledge during the period since the last such status report, which may prevent the Contractor from completing any of its obligations or may generate charges in excess of those previously agreed to by the parties. Contractor may be requested to identify the amount of excess charges, if any, and the cause of any identified problem or circumstance and the steps taken to remedy the same.
- (b) Technical or Contractual Problems. The Contractor is required to meet with the Department's liaison to resolve technical or contractual problems that may occur during the term of the Contract, at no additional cost to the Department. Meetings will occur as problems arise and will be coordinated by the Department. Failure to participate in problem resolution meetings or failure to make a good faith effort to resolve problems may result in termination of the Contract.

Section 12. ACCESS TO AND RETENTION OF RECORDS

The Contractor shall create and maintain records of the services covered by this Contract, including but not limited to financial records, supporting documents, and such other records as are required by law or other authority, and to provide the Department, Montana Legislative Auditor, or their authorized agent's access to any records necessary to determine contract compliance. (Mont. Code Ann. § 18-1-118.) The Contractor agrees to create and retain records supporting the services rendered or supplies delivered for a period of three (3) years after either the completion date of the Contract or the conclusion of any claim, litigation, or exception relating to the Contract taken by the State of Montana or third party, whichever is later. These records will be kept in the Contractor's offices in Shelby, Montana.

Section 13. PROJECT MONITORING

- (a) The Department or any of its authorized agents may monitor and inspect all phases and aspects of the Contractor's performance to determine compliance with the SCOPE OF WORK, the proper use of Program funds, and other technical and administrative requirements of this Contract, including the adequacy of the Contractor's records and accounts. The Department will advise the Contractor of any specific areas of concern and provide the Contractor opportunity to propose corrective actions acceptable to the Department.
- (b) Failure by the Contractor to proceed with reasonable promptness to take necessary corrective actions shall be a default. If the Contractor's corrective actions remain unacceptable, the Department may terminate this Contract in whole or in part, or reduce the contract price or award to reflect the reduced value of services received.

Section 14. COMPLIANCE WITH APPLICABLE LAWS

The Contractor must, in performance of work under the Contract, fully comply with all applicable federal, state, or local laws, rules and regulations, including Executive Order No. 12-2015 Amending and Providing For Implementation of the Montana Sage Grouse Conservation Strategy, the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973 and the Patient Protection and Affordable Care Act ("Affordable Care Act"). Any subletting or subcontracting by the Contractor subjects subcontractors to the same provisions. In accordance with Mont. Code Ann. § 49-3-207, Executive Order No. 04-2016, the Grantee agrees that the hiring of persons to perform the Contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, sex, pregnancy, childbirth or medical conditions related to childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or

expression, national origin, ancestry, age, disability, military service or veteran status, or marital status.

The Affordable Care Act requires a Contractor, if Contractor is an applicable large employer under the ACA, to provide healthcare coverage for its employees, who provide services for the State and work for 30 or more hours per week. This coverage must also cover the eligible employee's dependents under the age of 26.

The coverage must (a) meet the minimum essential coverage, minimum value, and affordability requirements of the employer responsibility provisions under Section 4980H of the Code (ACA), and (b) otherwise satisfy the requirements of the Code § 4980 H (ACA) if provided by the State.

Section 15. AVOIDANCE OF CONFLICT OF INTEREST

The Contractor will comply with all applicable laws regarding the avoidance of conflict of interest. In addition, the Contractor agrees that none of its officers, employees, or agents will solicit or accept gratuities, favors, or anything of monetary value from contractors, subcontractors, or potential contractors and subcontractors, who provide or propose to provide services relating to the project funded under this Contract.

Section 16. ACCOUNTING, COST PRINCIPLES, AND AUDITING

- (a) The Contractor, in accordance with Section 18-4-311, MCA; 5 U.S.C. App. 3 §§ 1 *et seq.*; OMB Circular A-133; and other authorities, must maintain for the purposes of this Contract an accounting system of procedures and practices that conforms to Generally Accepted Accounting Principles (GAAP).
- (b) The Department, Montana Legislative Auditor, Inspector General of the U.S. Department of Commerce, or any other legally authorized governmental entity or their authorized agents may, at any time during or after the term of this Contract, conduct, in accordance with Sections 5-13-204 and 18-1-118, MCA; 5 U.S.C. App. 3 §§ 1 *et seq.*; OMB Circular A-133; and other authorities, audits for the purposes of ensuring the appropriate administration and expenditure of the monies provided through this Contract and to ensure the appropriate administration and delivery of services provided through this Contract.
- (c) The Contractor, for purposes of audit and other administrative activities, in accordance with 18-1-118, MCA; 5 U.S.C. App. 3 §§ 1 *et seq.*; OMB Circular A-133; and other authorities, must provide the Department, Montana Legislative Auditor, Inspector General of the U.S. Department of Commerce, or any other legally authorized governmental entity or their authorized agents access at any time to all of their respective records, materials and information, including any and all audit reports with supporting materials and work documents, pertinent to the services provided under this Contract until the expiration of three (3) years from the completion date of this Contract. The Department and any other legally authorized governmental entity or their authorized agents may record any

information and make copies of any materials necessary for the conduct of an audit or other necessary administrative activity.

Section 17. OWNERSHIP AND PUBLICATION OF MATERIALS

All reports, information, data, and other materials prepared by the Contractor, or any of its contractors or subcontractors, in furtherance of this Contract are the property of the Contractor and the Department, which both have the royalty-free, nonexclusive, and irrevocable right to reproduce, publish or otherwise use, and to authorize others to use, in whole or part, such property and any information relating thereto. No material produced in whole or part under this Contract may be copyrighted or patented in the United States or in any other country without the prior written approval of the Department and the Contractor.

Section 18. ASSIGNMENT, TRANSFER, AND SUBCONTRACTING

- (a) The Contractor may not assign, transfer, delegate, or subcontract, in whole or part, this Contract or any right or duty arising under this Contract, unless the Department in writing approves the assignment, transfer, delegation, or subcontract.
- (b) Any assignment, transfer, delegation, or subcontract entered into by the Contractor must be in writing, must be subject to the terms and conditions of this Contract, and must contain any further conditions as may be required by the Department.
- (c) The Department's approval of any assignment, transfer, delegation, or subcontract neither makes the Department a party to that contract nor creates any right, claim, or interest in favor of any party to that contract against the Department.
- (d) The Contractor must immediately notify the Department of any litigation concerning any assignment, transfer, delegation, or subcontract.

Section 19. HOLD HARMLESS AND INDEMNIFICATION

The Contractor agrees to protect, defend, and save the Department, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, to the extent arising in favor of the Contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of Contractor's negligence in connection with services performed or omissions of services or in any way resulting from the negligent acts or omissions of the Contractor and/or its agents, employees, representatives, assigns, contractors, subcontractors, except the negligence of the Department under this agreement.

Section 20. INSURANCE

- (a) General Requirements. Contractor shall maintain and shall assure that its representatives, assigns, and subcontractors maintain for the duration of the Contract, at their own cost and expense, liability insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the duties and obligations in the Contract by Contractor, its agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission. The Department, its officers, officials, and employees are to be covered as additional insured's for all claims arising out of the use of award proceeds provided by the State of Montana.
- (b) General Liability Insurance. At its sole cost and expense, the Contractor shall purchase occurrence coverage with minimum combined single limits of \$1 million per occurrence and \$2 million aggregate per year, or as established by statutory Tort limits of \$750,000 per claim and \$1,500,000 per occurrence as provided by a self-insurance pool insuring counties, cities, or towns, as authorized under Section 2-9-211, MCA.
- (c) Professional Liability Insurance. Contractor shall assure that any representatives, assigns, and subcontractors performing professional services under this Contract purchase occurrence coverage with combined single limits for each wrongful act of \$1,000,000 per occurrence and \$2,000,000 aggregate per year. Note: if "occurrence" coverage is unavailable or cost prohibitive, the Contractor may provide "claims made" coverage provided the following conditions are met: (1) the commencement date of the contract must not fall outside the effective date of insurance coverage and it will be the retroactive date for insurance coverage in future years; and (2) the claims made policy must have a three (3) year tail for claims that are made (filed) after the cancellation or expiration date of the policy.
- (d) Property Insurance. At its sole cost and expense, the Contractor shall maintain property and hazard insurance, including course of construction coverage, and earthquake insurance in areas where there is a shaking level above 10g (see map at <http://www.rmtd.mt.gov/content/aboutus/publications/files/NEHRP.pdf>) for loss or damage for any building and all related improvements and contents therein on the premises on a replacement cost basis throughout the term of the contract.

- (e) General Provisions. All insurance coverage shall be placed with a carrier licensed to do business in the State of Montana or by a domiciliary state and with a Best's rating of at least A-, or by a public entity self-insured program either individually or on a pool basis as provided by Title 2, MCA. All certificates and endorsements are to be received by the Department prior to beginning any activity provided for under the Contract. Contractor shall notify the Department immediately of any material change in insurance coverage, such as changes in limits, coverage, change in status of policy, etc. The Department reserves the right to request complete copies of Contractor's insurance policy including endorsements at any time.

Section 21. INDEPENDENT CONTRACTOR

The Contractor and its employees or agents performing under this Contract are not employees or agents of the Department. The Contractor will not claim to be an officer or employee of the Department by reason of this Contract, nor will it make any claim of right, privilege or benefit which would accrue to a civil service employee of the State of Montana.

Section 22. DEBARMENT

The Contractor certifies and agrees to ensure during the term of this Contract that neither it nor its principals, contractors, or subcontractors are debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Contract by any governmental department or agency. If the Contractor cannot certify this statement, it has attached a written explanation for review by the Department.

Section 23. CONTRACT AMENDMENT

Except as otherwise set forth herein, this Contract may not be enlarged, modified, or altered except upon written agreement by all parties to the Contract.

Section 24. TERMINATION OF CONTRACT

This Contract may only be terminated in whole or in part as follows:

- (a) Termination Due to Loss or Reduction of Funding. The Department, at its sole discretion, may terminate or reduce the scope of this Contract if available funding sources are eliminated or reduced for any reason. If a termination or modification is so required, the Department may, if sufficient program funds are available, compensate the Contractor for eligible services rendered and actual, necessary, and eligible expenses incurred as of the revised termination date. The Department will notify the Contractor of the effective date of the termination

or modification of this Contract and, if a reduction in funding is required, will provide the Contractor with a modified Project budget.

- (b) Termination for Cause with Notice to Cure Requirement. The Department may terminate this Contract for failure of the Contractor, its contractors, or subcontractors to perform or comply with any of the services, duties, terms or conditions contained in this Contract after giving the Contractor written notice of the stated failure. The written notice will demand performance of the stated failure within a specified period of time of not less than thirty (30) days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.
- (c) Effect of Termination. In the event of termination due to the Contractor's, its contractors', or subcontractors' failure to perform or comply with any of the services, duties, terms, or conditions of this Contract, the Contractor shall return all funds received under this Contract. Any costs incurred will be the responsibility of the Contractor. However, at its sole discretion, the Department may approve requests by the Contractor for reimbursement of expenses incurred. The Department's decision to authorize payment of any costs incurred or to recover expended Program funds will be based on a consideration of the extent to which the expenditure of those funds represented a good faith effort of the Contractor to comply with the any of those services, duties, terms, or conditions of this Contract, and on whether the failure to comply with any of those services, duties, terms, or conditions resulted from circumstances beyond the Contractor's control.

Section 25. DEFAULT

Failure on the part of either party to perform the provisions of the Contract constitutes default. Default may result in the pursuit of remedies for breach of contract as set forth herein or as otherwise legally available, including but not limited to damages and specific performance.

Section 26. NO WAIVER OF BREACH

No failure by the Department to enforce any provisions hereof after any event of breach shall be deemed a waiver of its rights with regard to that event, or any subsequent event. No express failure of any event of breach shall be deemed a waiver of any provision hereof. No such failure or waiver shall be deemed a waiver of the right of the Department to enforce each and all of the provisions hereof upon any further or other breach on the part of the Contractor.

Section 27. COMPLIANCE WITH WORKERS' COMPENSATION ACT

The Contractor accepts responsibility for supplying, and requiring all subcontractors to supply, the Department with proof of compliance with the Montana Workers' Compensation Act while performing work for the State of Montana. (Mont. Code Ann. §§ 39-71-401, 39-71-405, and 39-71-417.) Neither the Contractor nor its employees are employees of the State. The proof of insurance/exemption must be in the form of workers' compensation insurance, an independent contractor exemption, or documentation of corporate officer status and must be received by the Department within 10 working days of the execution of this Contract, and must be kept current for the entire term of the contract.

CONTRACTS WILL BE TERMINATED PURSUANT TO THE PROVISIONS OF SECTION 24 TERMINATION OF CONTRACT IF THE CONTRACTOR FAILS TO PROVIDE THE REQUIRED DOCUMENTATION WITHIN THE ALLOTTED TIME FRAME.

Coverage may be provided through a private carrier or through the State Compensation Insurance Fund (406) 444-6500. An exemption can be requested through the Department of Labor and Industry, Employment Relations Division (406) 444-1446. Corporate officers must provide documentation of their exempt status.

Section 28. FORCE MAJEURE

Neither party shall be responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the non-performing party, so long as such party is using its best efforts to remedy such failure or delays.

Section 29. SEPARABILITY

A declaration by any court, or any other binding legal forum, that any provision of the Contract is illegal and void shall not affect the legality and enforceability of any other provision of the Contract, unless the provisions are mutually dependent.

Section 30. NOTICE

All notices required under the provisions of the Contract must be in writing and delivered to the parties' liaisons identified herein either by first class mail or personal service.

MONTANA DEPARTMENT OF COMMERCE
BIG SKY ECONOMIC DEVELOPMENT TRUST FUND

BUSINESS ASSISTANCE AGREEMENT

The Business Assistance Agreement is between the local or tribal government and the assisted business. The Department recommends that the Agreement address the following items:

- a. A commitment to create the agreed upon new eligible jobs and the lengths of time those jobs must be sustained to receive funds or to avoid an obligation to reimburse the Department.
- b. Requirements that the assisted business maintain existing jobs in Montana.
- c. A commitment by the assisted business to make the required matching investments, at the agreed upon Montana location, within the required Contract time period.
- d. An obligation to provide proof of any new jobs created, existing jobs retained, and/or new investment made.
- e. The conditions with which the assisted business must comply to receive the benefits of the BSTF program award made to the local or tribal government.
- f. The terms under which an assisted business will be deemed to have met or failed to meet the terms of the agreement.
- g. The terms and procedure by which any previously disbursed funds may be recaptured by the local or tribal government or the Department under circumstances in which the assisted business has failed to meet its commitments.
- h. Permit the Department, Legislative Auditors, or the local or tribal government access to all records necessary to evaluate the compliance with Department policies and the program's administrative rules and all agreements executed under them.
- i. A certification that the assisted business will not discriminate against any employee or against any person seeking employment based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin.
- j. The Assisted Business must comply with the Montana Workers' Compensation Act (Montana Code Annotate 39-71-120, 39-71-401 and 39-71.405)
- k. The Assisted Business must be registered with the Secretary of State.

**MONTANA DEPARTMENT OF COMMERCE
BIG SKY ECONOMIC DEVELOPMENT TRUST FUND**

A. PARTIES: The parties to this contract (the Contract) are the **City of Shelby, 112 1st St. So. Shelby, MT**, (the "City, Town, County, or Tribal Government"), and the **Humic Growth Solutions Inc. 28282 US Highway 2**, (the "Assisted Business"); Tax identification number: **46-435306**.

B. PURPOSE: The purpose of this Contract is for the Assisted Business to use up to \$118,800.00 in Big Sky Economic Development Trust Fund (BSTF) grant funds, to be used as follows:

- Up to **\$6,600.00 per job** to assist with **18 net new jobs**.
 - a. **The Assisted Business has agreed to create 18 eligible net new jobs at the project site located at 28282 US Highway @ (the "Project Site") in the City of Shelby's jurisdictional area within the Contract time period.** An eligible net new job is defined as one that is new to the company and has not been filled on or before **July 27, 2016**. Eligible new job criteria is a full-time job, meaning a predominantly year-round position requiring an average of 35 hours of work each week; and
 - b. Pays wages that meet or exceed \$14.00/per hour, **[excluding benefits] *OR* [including employee benefits that meet the requirements of the Employee Retirement Income Security Act of 1974, 29 U.S.C. 1001, et seq.]**. In addition, the assisted business, Humic Growth Solutions, Inc. have agreed to a total new investment at the Project Site, which is equal to or greater than \$1 for every \$2, of BSTF financial assistance received, within this Contract time period.
- See the BSTF benefit certification provided in the attached Exhibit, which by this reference is made a part of this contract.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein, the parties hereto agree as follows:

1. SCOPE AND DUTIES: The City of Shelby and the Assisted Business shall engage in activities as set forth in the City of Shelby's Montana Department of Commerce (Department) BSTF application, including any written modifications resulting from the review of the application by the Department for grant assistance, all of which, by this reference are made a part hereof. The City of Shelby shall enter into this Assistance Agreement with the Assisted Business that shall be approved in writing by the Department before the release of funds.

The City of Shelby will only release funds to reimburse eligible and documented costs. **Project Progress Reports shall be submitted with each request for funds.**

2. REPORTING: Unless otherwise specified by the City of Shelby, the Assisted Business will also submit Project Progress Reports quarterly to the City of Shelby and the Department until the Assisted Business receives Contract closeout approval from the City of Shelby and Department. The Project Progress Report must be provided on or before **March 31, June 30, September 30 and December 31** for each year of the Contract time period and at closeout of the Contract. The Project Progress Reports shall include, but are not limited to, the following information:

- a) Certified employment documentation from the Assisted Business that includes the identification of all employees in Montana, corresponding employee name, number, title, current hourly wage, date of hire, termination date if applicable, hourly wage at time of hire, average working hours per week and the physical location where the employee is principally employed;
- b) Total cost and breakdown for the activities that funds are being requested;
- c) Amount of matching funds expended to date;
- d) Total amount requested and total remaining under the Contract; and
- e) Written Progress Report that should include the following items:
 - detailing progress towards achieving the hiring objectives and project goals that were described in the application;
 - projected completion date;
 - any difficulties encountered in working towards these goals;
 - any changes within the assisted business structure, business name or changes to its registration with the Montana Secretary of State's office;
 - any other pertinent information related to the grant and progress of the project.

3. COMPENSATION AND CONSIDERATION: The total amount to be reimbursed to the Assisted Business under the Contract shall be up to \$6,600 **per eligible net new job created** by the Assisted Business for documented costs with reimbursement not to exceed a total of \$118,800.00 dollars for the entire Contract.

An eligible net new job is defined as the following:

- A new job to the company was created or filled on or after July 27, 2016;
- Have at a minimum, a full-time job, meaning a predominantly year-round position requiring an average of 35 hours of work each week; and
- The job pays wages that meet or exceed \$14.00 per hour, **[excluding benefits] *OR* [including employee benefits that meet the requirements of the Employee Retirement Income Security Act of 1974, 29 U.S.C. 1001, et seq.]**.

The City of Shelby will not reimburse the Assisted Business for any costs incurred prior to July 27, 2016, nor for any expenses not included in the approved budget or not clearly and accurately supported by the Assisted Business's records. The Assisted Business shall satisfy the matching funds requirements consistent with the purposes expressed in the City of Shelby's application during the period of the Contract and shall meet or exceed the **1:2 required match ratio**.

- a) The City of Shelby will authorize the Assisted Business to draw up to \$118,800.00 against the funding reserved for the Assisted Business by the Department. In drawing against the reserved amount, the Assisted Business shall follow the instructions supplied by the City of Shelby. Unless otherwise authorized by the City of Shelby, the Assisted Business may receive grant funds periodically over the Contract period only upon documenting the expenditure of the required matching funds and the creation of the eligible net new jobs by the Assisted Business, and after incurring eligible expenses. Upon reasonable request, the Assisted Business shall provide substantiation of its investment in capital in excess of the required \$237,600 new investment at the project site.

- b) If the City of Shelby determines that the Assisted Business has failed to satisfactorily carry out the duties and responsibilities under the Contract, the Department may revoke the Assisted Business's ability to access additional funds until such time as the City of Shelby and the Assisted Business agree on a plan to remedy the deficiency.
- c) The Assisted Business agrees that if the local government or tribal government request the funds before the jobs are created, and the Department agrees to that request, the local or tribal government and the assisted business receiving BSTF financial assistance are liable for the full amount of the award that is advanced by the Department, if the assisted business:
 - a. Fails to create or maintain the number of net new eligible jobs as specified in the executed contract and assistance agreement, or
 - b. Fails to inject the required amount of match into the project as specified in the executed contract and assistance agreement.

Additionally the Department may recapture funds if:

- a. At the end of the contract period the Department has overpaid based on the number of net new jobs at the end of the contract period.
 - b. The business ceases operations at the Project Site within the contract period.
- d) The City of Shelby reserves the right to withdraw a commitment for any BSTF funds which remain un-disbursed at Contract closeout or at the end of the Contract period.
 - e) The Assisted Business certifies that no request for reimbursement submitted for eligible expenses under this Contract shall duplicate any expense submitted to the Department for reimbursement under any other program administered by the Department.

4. PERIOD OF CONTRACT: The Contract will be in effect for the period commencing **July 27, 2016** and ending **July 26, 2018** unless otherwise terminated by law or in compliance with the terms of the Contract. The Department reserves the right to extend this Contract based on, but not limited to, the Contractor's performance of the contracted activities, and the Contractor's compliance with program requirements. This would include but not limited to:

- a. assisted business has created the net new jobs paying the BSTF wage rate per the original application.
- b. the submission of:
 - a new Job Creation Report;
 - current Financial Statements including Balance Sheet, Profit & Loss Statement, Cash Flow Statement;
 - a detailed narrative from the assisted business that provides the Department with a clear picture of the current business activities which clearly outlines why a contract extension is being requested.

5. LIAISON: The contact person for the City of Shelby is **Lorette Carter, Community Development Director, (406) 424-8799**, or successor, and **John Jakowitz, Chief Operations Manager, (904) 874-9910**, or successor for the Assisted Business.

6. SIGNATORY JOB CREATION REPORTING: The person responsible for approving and signing the Job Creation Certification for **Humic Growth Solutions, Inc.** is **John Jakowitz, Chief Operations Manager, (904) 874-9910**, or successor.

7. INSURANCE: **It is advised that you consult your insurer or attorney for more specific advice on provisions that you may want to include under this section, or any other section of this agreement.**

8. COMPLIANCE WITH WORKERS' COMPENSATION ACT The Assisted Business accepts responsibility for supplying, and requiring all subcontractors to supply, the City of Shelby with proof of compliance with the Montana Workers' Compensation Act while performing work for the State of Montana. (Mont. Code Ann. §§ 39-71-401, 39-71-405, and 39-71-417.) Neither the Assisted Business nor its employees are employees of the City of Shelby. The proof of insurance/exemption must be in the form of workers' compensation insurance, an independent contractor exemption, or documentation of corporate officer status and must be received by the City of Shelby within 10 working days of the execution of this Contract, and must be kept current for the entire term of the contract.

CONTRACTS WILL BE TERMINATED PURSUANT TO THE PROVISIONS OF SECTION 11 TERMINATION OF CONTRACT IF THE ASSISTED BUSINESS FAILS TO PROVIDE THE REQUIRED DOCUMENTATION WITHIN THE ALLOTTED TIME FRAME.

Coverage may be provided through a private carrier or through the State Compensation Insurance Fund (406) 444-6500. An exemption can be requested through the Department of Labor and Industry, Employment Relations Division (406) 444-1446. Corporate officers must provide documentation of their exempt status.

9. FAILURE TO HONOR CONTRACT: If the Assisted Business refuses or fails to deliver in accordance with the Contract terms and conditions, the State Procurement Bureau may, in its discretion, suspend the Assisted Business for a period of time from entering into any contracts with the State of Montana.

10. ACCESS AND RETENTION OF RECORDS: Upon receipt of reasonable advance notice, the Assisted Business agrees to provide the City of Shelby, Montana Department of Commerce, Legislative Auditor or their authorized agents, access to any records necessary to determine contract compliance. The Assisted Business agrees to create and retain records supporting the BSTF project activities for a period of three years after either the completion date of the Contract or the conclusion of any claim, litigation, or exception relating to the Contract taken by the State of Montana or third party.

11. TERMINATION OF CONTRACT: This Contract may only be terminated in whole or in part as follows:

(a) Termination Due to Loss or Reduction of Funding. The City of Shelby, at its sole discretion, may terminate or reduce the scope of this Contract if available funding sources are eliminated or reduced for any reason. If a termination or modification is so required, the City of Shelby may, if sufficient program funds are available, compensate the Assisted Business for eligible services rendered and actual, necessary, and eligible expenses incurred as of the revised termination date. The City of Shelby will notify the Assisted Business of the effective date of the termination or

modification of this Contract and, if a reduction in funding is required, will provide the Assisted Business with a modified Project budget.

(b) **Termination for Cause with Notice to Cure Requirement.** The City of Shelby may terminate this Contract for failure of the Assisted Business, its contractors, or subcontractors to perform or comply with any of the services, duties, terms or conditions contained in this Contract after giving the Assisted Business written notice of the stated failure. The written notice will demand performance of the stated failure within a specified period of time of not less than thirty (30) days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

(c) **Effect of Termination.** In the event of termination due to the Assisted Business's, its contractors', or subcontractors' failure to perform or comply with any of the services, duties, terms, or conditions of this Contract, any costs incurred will be the responsibility of the Assisted Business. However, at its sole discretion, the City of Shelby may approve requests by the Assisted Business for reimbursement of expenses incurred. The City of Shelby's decision to authorize payment of any costs incurred or to recover expended Program funds will be based on a consideration of the extent to which the expenditure of those funds represented a good faith effort of the Assisted Business to comply with the any of those services, duties, terms, or conditions of this Contract, and on whether the failure to comply with any of those services, duties, terms, or conditions resulted from circumstances beyond the Assisted Business's control.

12. UNAVAILABILITY OF FUNDING: The City of Shelby may, at its sole discretion, terminate or reduce the scope of the Contract if available funding is eliminated or reduced for any reason.

13. U.S. FUNDS: All prices and payments must be in U.S. dollars.

14. DEFAULT: Failure on the part of either party to perform the provisions of the Contract constitutes default. Default may result in the pursuit of remedies for breach of contract, including but not limited to damages and specific performance.

15. CONFORMANCE WITH CONTRACT: No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the Contract shall be granted without prior written consent of the Department. Supplies delivered which do not conform to the Contract terms, conditions, and specifications may be rejected and returned at the Assisted Business's expense.

16. VENUE: The Contract is governed by the laws of Montana. The parties agree that any litigation concerning the Contract must be brought in the Ninth Judicial District in and for the County of Toole, State of Montana, and each party shall pay its own costs and attorney fees. (Mont. Code Ann. § 18-1-401.)

17. COMPLIANCE WITH LAWS: The Assisted Business must, in performance of work under this Contract, fully comply with all applicable federal, state, and tribal laws, rules, policies, and regulations, concerning, but not limited to, human rights, civil rights, employment law, Affordable Care Act and labor law.

The Assisted Business shall promptly refer to the **City of Shelby** any credible evidence that a principal, employee, agent, contractor, subcontractor, or other person has submitted any false

claim or has committed any criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving funds provided under this Contract.

18. DISABILITY ACCOMMODATIONS: The City of Shelby does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals, who need aids, alternative document formats, or services for effective communications or other disability-related accommodations in the programs and services offered, are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

19. ASSIGNMENT, TRANSFER AND SUBCONTRACTING: The Assisted Business shall not assign, transfer or subcontract any portion of the Contract without the express written consent of the City of Shelby and the Montana Department of Commerce. (Mont. Code Ann. § 18-4-141.) This provision would include any changes to the Assisted Business' business structure, business name and registration with the Montana Secretary of State.

20. MODIFICATION: The Contract may not be enlarged, modified, amended or altered except upon written agreement signed by all parties to the Contract.

21. NOTICE: All notices required under the provisions of the Contract must be in writing and delivered to the parties' liaisons either by regular mail or personal service.

22. SEPARABILITY: A declaration by any court, or any other binding legal source, that any provision of the Contract is illegal and void shall not affect the legality and enforceability of any other provision of the Contract, unless the provisions are mutually dependent.

23. HOLD HARMLESS AND INDEMNIFICATION: The Assisted Business agrees to protect, defend, and save the State of Montana and the City of Shelby, their elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of the Assisted Business's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of the Assisted Business and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of the State or City of Shelby, under the Contract.

24. REGISTRATION WITH SECRETARY OF STATE: Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are incorporated in another state or country, but which are conducting activity in Montana, must determine whether they are transacting business in Montana in accordance with Mont. Code Ann. §§ 35-1-1026 and 35-8-1001. Such businesses may want to obtain the guidance of their attorney or accountant to determine whether their activity is considered transacting business.

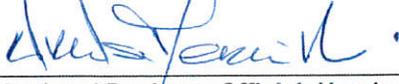
If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain registration materials, contact the Office of the Secretary of State at (406) 444-3665, or visit their website at <http://sos.mt.gov>.

25. TECHNOLOGY ACCESS FOR BLIND OR VISUALLY IMPAIRED: Assisted Business acknowledges that no State funds may be expended for the purchase of information technology

equipment and software for use by employees, program participants, or members of the public unless it provides blind or visually impaired individuals with access, including interactive use of the equipment and services, that is equivalent to that provided to individuals who are not blind or visually impaired. (Mont. Code Ann. § 18-5-603.) Contact the State of Montana, Department of Administration, Procurement Bureau at (406) 444-2575 for more information concerning non-visual access standards.

26. REFERENCE TO CONTRACT: The Contract number **MUST** appear on all invoices, packing lists, packages and correspondence pertaining to the Contract.

27. INTEGRATION: The Contract contains the entire agreement between the parties, and no statements, promises, or inducements of any kind made by either party, or the agents of either party, not contained herein are valid or binding.



(Assisted Business Official: Ursula J Merritt - President)
(Name of Assisted Business: Humic Growth Solutions, Inc.)

(Local or Tribal Government Official: Typed Name and Title)
(Name of Local or Tribal Government)

ATTEST:

Legal Review

Violations
 ↓

Monitoring Requirements ⁽¹⁾				
Parameter	Units	Sample Location	Sample Frequency ⁽²⁾	Sample Type
Flow	mgd	4 Influent	(3,4)	Continuous
	mgd	Effluent	3/Week	Instantaneous
Flow duration	days	Effluent	NA	Calculated
Biochemical Oxygen Demand (BOD ₅)	mg/L	Influent	Monthly ⁽⁴⁾	Composite
	mg/L	1 Effluent	Weekly	Grab
	5 % removal ⁽⁵⁾	NA	Monthly	Calculated
Total Suspended Solids (TSS)	lb/day	6 Effluent	Monthly	Calculated
	mg/L	Influent	Monthly ⁽⁴⁾	Composite
	mg/L	7 Effluent	Weekly	Grab
Total Suspended Solids (TSS)	% removal ⁽⁵⁾	NA	Monthly	Calculated
	lb/day	8 Effluent	Monthly	Calculated
	pH	s.u.	9 Effluent	Weekly
Temperature	°C	Effluent	Weekly	Instantaneous
<i>E. coli</i> bacteria	cfu/100mL	3 Effluent	Weekly	Grab
Oil and Grease ⁽⁶⁾	mg/L	10 Effluent	Quarterly	Grab
Total Ammonia, as N	mg/L	11 Effluent	Quarterly	Grab
Nitrate + Nitrite, as N	mg/L	12 Effluent	Monthly ⁽⁷⁾	Grab
Total Kjeldahl Nitrogen, as N	mg/L	13 Effluent	Monthly ⁽⁷⁾	Grab
Total Nitrogen ⁽⁸⁾	mg/L	14 Effluent	Monthly ⁽⁷⁾	Calculated
	lb/day	15 Effluent	Monthly ⁽⁷⁾	Calculated
Total Phosphorus	mg/L	16 Effluent	Monthly ⁽⁷⁾	Grab
	lb/day	17 Effluent	Monthly ⁽⁷⁾	Calculated
Dissolved Oxygen	mg/L	18 Effluent	Quarterly	Grab

- daily violation
 - weekly
 - monthly
 - monthly
 - weekly
 - monthly
 - monthly
 - weekly
 - weekly
 - weekly
 - quarterly
 - quarterly
 - monthly
 - monthly
 - monthly
 - monthly
 - monthly
 - quarterly

Footnotes: NA – Not Applicable

- See Definition section at end of permit for explanation of terms.
- Sample frequency only during periods with discharge; influent monitoring parameters required all periods.
- Permittee shall report on a monthly basis the highest average weekly flow and the average monthly flow from the influent electronic flow meter.
- Sampling parameter required at specified frequency even if no effluent discharge occurs in the monitoring period.
- See narrative discussion in Part I, Section B of permit for additional details.
- Use EPA Method 1664, Revision A: N-Hexane Extractable Material (HEM), or equivalent.
- Monthly monitoring for nutrients required only June 1 – September 30, annually.
- Calculated as the sum of Nitrate + Nitrite (as N) and Total Kjeldahl Nitrogen (as N) concentrations.



LABORATORY ANALYTICAL REPORT

Prepared by Billings, MT Branch

Client: Shelby City of
Project: MT0031488
Lab ID: B16100123-001
Client Sample ID: Lagoon Effl

Report Date: 10/13/16
Collection Date: 10/03/16 15:00
Date Received: 10/04/16
Matrix: Waste Water

Analyses	Result	Units	Qualifiers	RL	MCL/ QCL	Method	Analysis Date / By
MICROBIOLOGICAL (1)							
Bacteria, E coli	8.0	CFU/100ml		1.0		E1603	10/04/16 10:08 / fap
PHYSICAL PROPERTIES (2)							
Solids, Total Suspended TSS @ 105 C	10	mg/L		10		A2540 D	10/04/16 11:07 / jef
INORGANICS							
Oxygen, Dissolved	8.2	mg/L	H	0.1		A4500-O G	10/04/16 11:07 / fap
AGGREGATE ORGANICS (3)							
Oxygen Demand, Biochemical (BOD)	10	mg/L		4		A5210 B	10/05/16 09:04 / fap
NUTRIENTS							
Nitrogen, Ammonia as N	0.34	mg/L		0.05		E350.1	10/06/16 15:30 / ajm
Nitrogen, Nitrate+Nitrite as N	0.83	mg/L		0.01		E353.2	10/06/16 15:08 / ajm
Nitrogen, Kjeldahl, Total as N	3.3	mg/L		0.5		E351.2	10/05/16 17:03 / bas
Nitrogen, Total	4.1	mg/L		0.5		Calculation	10/10/16 08:45 / jbm
Phosphorus, Total as P	2.18	mg/L	D	0.02		E365.1	10/05/16 16:29 / ks
ORGANIC CHARACTERISTICS							
Oil & Grease (HEM)	ND	mg/L		1		E1664A	10/10/16 09:23 / eli-g

1, 2, 3 weekly

Report
Definitions:

RL - Analyte reporting limit.
QCL - Quality control limit.
D - RL increased due to sample matrix.

MCL - Maximum contaminant level.
ND - Not detected at the reporting limit.
H - Analysis performed past recommended holding time.



ANALYTICAL SUMMARY REPORT

October 13, 2016

Shelby City of
112 1st St S
Shelby, MT 59474

Work Order: B16100123

Project Name: MT0031488

Energy Laboratories Inc Billings MT received the following 2 samples for Shelby City of on 10/4/2016 for analysis.

Lab ID	Client Sample ID	Collect Date	Receive Date	Matrix	Test
B16100123-001	Lagoon Effl	10/03/16 15:00	10/04/16	Waste Water	Bacteria, Ecoli-water Biochemical Oxygen Demand, 5 Day Oxygen, Dissolved Oil & Grease, Gravimetric Nitrogen, Ammonia Nitrogen, Nitrate + Nitrite Nitrogen, Total Kjeldahl Nitrogen, Total (TKN+NO3+NO2) Digestion, Total P TKN preparation Preparation for TSS Phosphorus, Total Solids, Total Suspended
B16100123-002	Lagoon Infl	10/03/16 15:00	10/04/16	Waste Water	Biochemical Oxygen Demand, 5 Day Preparation for TSS Solids, Total Suspended

All these Test

The analyses presented in this report were performed by Energy Laboratories, Inc., 1120 S 27th St., Billings, MT 59101, unless otherwise noted. Any exceptions or problems with the analyses are noted in the Laboratory Analytical Report, the QA/QC Summary Report, or the Case Narrative.

The results as reported relate only to the item(s) submitted for testing.

If you have any questions regarding these test results, please call.

Report Approved By:

Technical Data Reviewer

Digitally signed by
Jillian B. Miller
Date: 2016.10.13 12:03:34 -06:00

Downtown Conference

Butte, MT

Thank you again for the opportunity to attend these state-wide conferences that bring people with great energy and ideas together for the common good of our State. The Downtown Conference was held at the Finlen Hotel in uptown Butte. We were able to tour the beautiful new \$27 million NorthWestern Energy building recently completed. The financing of the facility was a tremendous partnership with Butte-Silverbow City/County government and the use of New Market Tax Credits. As part of the overall project, Butte is now building a parking garage in the NorthWestern Energy block that will benefit all of uptown Butte.

The first afternoon was a group discussion on the events, projects and programs going on in the attending communities. One of the reoccurring themes was the benefit of breweries in communities. These breweries are becoming community gathering spots that partner with local charities and groups for community events that bring tremendous economic impact. One example was the huge impact the Red Ants Festival has had in White Sulfur Springs and the new brewery that has partnered to create a summer weekend festival that brings 16,000 people to the community over one weekend.

Another reoccurring theme with downtown community development organizations is façade rehab programs that create a revolving loan fund to help business owners upgrade their store fronts through low-to-no interest financing from the fund. The Montana Main Street organization can help fund the initiation of a RLF fund, but the match is 1:1 meaning we would need to match the grant award amount with our own dollars.

Here are other ideas and opportunities that I thought of throughout the conference:

1. Apply for grant funding to improve signage coming into Shelby to direct travelers to our Main Street business district.
2. Consider offering the Williamson Building empty store front as a pop-up store to home-based businesses during the holiday season or offer the space for home businesses on a temporary basis.
3. Redo the Roadrunner Recreation Trail map to be more user-friendly.
4. Create a poster that can be displayed at hotels as well as print publications which features our golf course, tennis courts, pool, splash park, trail, parks & Main Street which says..."Swing ~ Splash~ Relax & Play in Shelby!"
5. Make our Main Street/hotels more bike-friendly. Bicyclers spend a large amount of tourism dollars in communities they have researched prior to their trips. Things such as bike racks on Main Street as well as at hotels are an amenity they look for. They are interested in history and culture and look for communities that are welcoming. Twin Bridges is a great example of capturing biking dollars. They have created a bike camp in their community park where bicyclists can shower and camp. Thousands of bicyclists stop in Twin Bridges every summer.

6. In coordination with our Safe Routes to School bi-annual Bike Rodeo, coordinate a family bike ride on the Roadrunner Recreation Trail to encourage use of the trail.
7. Build on a community's signature event, such as the Marias Fair & Shelby Street Fair. This events(s) bring valuable outside tourism dollars into your community.
8. Ask BNSF if they have any artifacts, retired cars/locomotives that could be permanently displayed in Shelby.
9. Apply for Office of Tourism to build additional public restrooms in our Main Street business corridor – City Park.
10. Create a theme for Shelby which we can build on. My idea is “**Champion Shelby!**” Drawing on our historic past and the innovation to bring the world heavyweight championship fight to Shelby and the strength & courage it took our town fathers to reopen, rebuild & reinvest after the fiasco, I believe we should build on this as we continue to “**Champion Shelby.**” We would then list our vision (such as):
 - Welcome new residents.
 - Improve our housing stock.
 - Encourage shopping locally.
 - Welcome new business opportunities and grow our Main Street business corridor.
 - Promote our essential services – hospital, schools, Amtrak, bus service, etc.
 - Promote our recreation amenities – parks, trail, pool/splash park, tennis courts, golf course, etc.
 - Strengthen our volunteer core.

Lorette Carter

Shelby Food and Craft Market

You're Invited!

Shelby Food and Craft Market

July 20th, 2017— September 28th, 2017

Shelby, MT City Park, Thursdays 4-7PM

If you are interested please contact Kim
Suta at the Toole County Extension office

at

(406)424-8350

You are invited to be a vendor for the Shelby Food and Craft Market a.k.a. Farmer's Market this coming summer. We are working to build our list of vendors and to combine our Farmer's Market with the "Shelby Under the Stars" music and vendors in the park

Each vendor is required to pay a \$15 registration fee or 10% of their sales for that day. The vendors are also required to follow the Cottage Food Act for Farmer's Markets.

We hope to see you there!



October 20, 2016

Mayor Larry Bonderud
City of Shelby
112 1st Street South
Shelby, MT 59474

Dear Mayor Bonderud,

I hereby resign as City Council Person for Ward 2, City of Shelby, effective today October 20, 2016. Please list my resignation for acceptance on the agenda for the next City Council meeting scheduled for November 7, 2016.

Sincerely,

Eugene S. Haroldson

Cc: Chip Miller, Debbie Clark, Bill Moritz, Lyle Kimmet, Don Lee, Bill Hunt



◇ October 17, 2016

Larry Bonderud
City of Shelby
112 1st Street South
Shelby, MT 59474

Re: NCMRWA Request for Interim Water Service

Dear Mayor and City Council:

We have reviewed the October 14th request from NCMRWA for interim water service from Shelby to service Oilmont, Nine Mile and Galata. NCMRWA has requested the following:

- Oilmont - 108,000 gpd
- Nine Mile - 40,000 gpd
- Galata - 20,000 gpd
- **Total - 168,000 gpd**

Following is a summary of Shelby's existing peak day water system demands including the recent contracted amounts:

- Shelby and Existing Connections - 1,630,000 gpd
- Proposed Connections -968,000 gpd
 - Humic - 60,000 gpd
 - Devon - 83,000 gpd
 - Cut Bank - 750,000 gpd (contract does not include a minimum)
 - Shelby South - 75,000 gpd
- **Total - 2,598,000 gpd**

Following is a summary of Shelby's existing water system capacity:

- Current Capacity (2016) - 2,120,000 gpd w/o well 13 (2,610,000 gpd w/ well 13 but limited to 2,520,000 gpd by UV)
- Capacity after 20" Parallel Transmission Main (2017) - 2,350,000 gpd w/o well 13 (2,840,000 gpd w/ well 13 but limited to 2,520,000 gpd by UV)
- Capacity after well #4 is brought on-line (2017) - 2,520,000 gpd w/o well 13 (3,010,000 gpd w/ well 13 but limited to 2,520,000 gpd by UV)
- Capacity after the UV system is upgraded (2018) - **2,780,000 gpd w/o well 13 (3,270,000 gpd w/ well 13)**

NCMRWA has indicated that they are in the "planning phase for additional interim water service". Assuming that NCMRWA will not be ready to accept Shelby water going north until 2018, Shelby's water system will have capacity to provide the 168,000 gpd interim water service as requested.



The City of Shelby also has a total paper water right of 3,438,252 gpd (average day). The City is currently utilizing 1,147,899 gpd (average day) including the proposed connections. The City has an excess of 2,290,353 gpd (average day).

Please call me at (406)449-7764 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jason Crawford'. The signature is fluid and cursive, with a large initial 'J' and 'C'.

Jason Crawford
PE

**NORTH CENTRAL MONTANA
REGIONAL WATER AUTHORITY**

**P.O. BOX 2456
HAVRE, MT 59501**

Office: (406) 945-4343 jody@ncmrwa.com
www.rockyboynorthcentral.com

Member Entities:

Municipalities:

Town of Big Sandy
City of Cut Bank
City of Havre
Town of Dutton
City of Shelby
Town of Sunburst
City of Conrad
Town of Chester
Town of Kevin

Water Districts

Brady County
North Havre County
Sweetgrass Community
Hill County
Loma County
Nine Mile County
Oilmont County
Sage Creek County
South Chester County
Tiber County
Galata County

Executive Committee

Larry Bonderud
President
City of Shelby

Shaud Schwarzbach
Vice-President
Town of Big Sandy

Jeff Jensen
Secretary
City of Havre

Cheryl Curry
Treasurer
City of Conrad

Jim Suta
At Large
City of Cut Bank

October 14, 2016

Larry Bonderud, Mayor
& City Council
City of Shelby
112 1st Street South
Shelby, Montana 59474

Mayor Bonderud and City Council Members:

The North Central Montana Regional Water Authority (Authority) currently has water purchase agreement with the City of Shelby that provides up to 750,000 gpd as an interim water source for the City of Cut Bank. The Authority is currently in the planning phase for additional interim water service for several water districts north of the City of Shelby. It is our understanding with the planned addition of the parallel transmission main from the Shelby well field, the addition of well #4 and upgrade to the UV system the City of Shelby would have additional water capacity. The Authority would like to propose an amendment to the current water purchase agreement that would allow for water service to the following water districts at the amounts indicated:

- Oilmont – 0.108 mgd (108,000 gpd)
- Nine Mile – 0.040 mgd (40,000 gpd)
- Galata – 0.020 mgd (20,000 gpd)
- Total – 0.168 mgd (168,000 gpd)

The Authority appreciates its partnership with the City of Shelby and hopefully we will be able to work together to assist these small rural districts.

Sincerely,



Jody Hellegaard
General Manager

CITY OF SHELBY PROPERTY FOR SALE

The City of Shelby will sell various property by sealed bid proposals due by 5:00 p.m., Wednesday, November 30, 2016, at the Shelby City Hall, 112 1st Street South, Shelby, Montana 59474. A list may be obtained at City Hall.

Each bid must be accompanied by a ten (10) percent bid bond made payable to the City of Shelby, Montana, in the form of either: (1) lawful money of the United States, (2) a cashier's check, certified check, bank money order, or bank draft, in any case drawn and issued by a national banking association located in the state of Montana or by any banking corporation under the laws of the state of Montana, (3) a bond executed by a Surety Company authorized to do business in the State of Montana.

The City of Shelby reserves the right to accept or reject any or all bids that are felt not to be in the best interest of the City of Shelby.

Interested persons who would like to view the premises may contact City Hall at (406) 434-5222 to make arrangements.

BY ORDER OF THE SHELBY CITY COUNCIL

Jade Goroski, Finance Officer

PUBLISH IN LEGAL: 10/26/2016 and 11/17/2016

FURNISH AN AFFIDAVIT OF PUBLICATION

1. Tax ID 503223 100 block of 6th Ave N (vacant lots W of Subway)

Johnsons 1st Add, Bk 38, Lots 12-16 + ½ closed alley

Total Area: 175' x 150' = 26,250 sq.ft.

Minimum Bid: \$26,250

2. Tax ID 504223 115 E Dawson Ave (vacant lots)

Sullivans 1st Add, Bk 26, Lots 1-3 (SE'LY 40')

Total Area: 40' x 85' = 3,400 sq.ft.

Minimum Bid: \$3,400

3. Tax ID 636211 622 Granite Ave (old Bitterroot school)

Shelby 1st Add, Bk 4, Lots 7-9, 13-18

Lots 7-9 Area: 150' x 120' = 18,000 sq.ft.

Lots 10-12: City retains for park area

Lots 13-18 Area: 300' x 120' = 36,000 sq.ft.

Minimum Bid: \$54,000

4. Tax ID 503979 532 Liberty Ave (vacant lots)

Shelby 1st Add, Bk 8, Tract 59'x140' in W2 of Lots 16-18

Total Area: 59' x 140' = 8,260 sq.ft.

Minimum Bid: \$8,260

5. Tax ID 503870+504870 401 Main St (Rainbow Complex + vacant lot)

Shelby 2nd Add, Bk 11, Lots 1-3 plus closed alley

Lots 1 & 2 Area: 70' x 115' = 8,050 sq.ft.

Lot 3 Area: 35' x 115' = 4,025 sq.ft.

Minimum Bid: \$75,000

6. Tax ID 503639 220-228 Main St (Williamson Complex)

Shelby Original Townsite, Bk 4, Lots 19 & 20

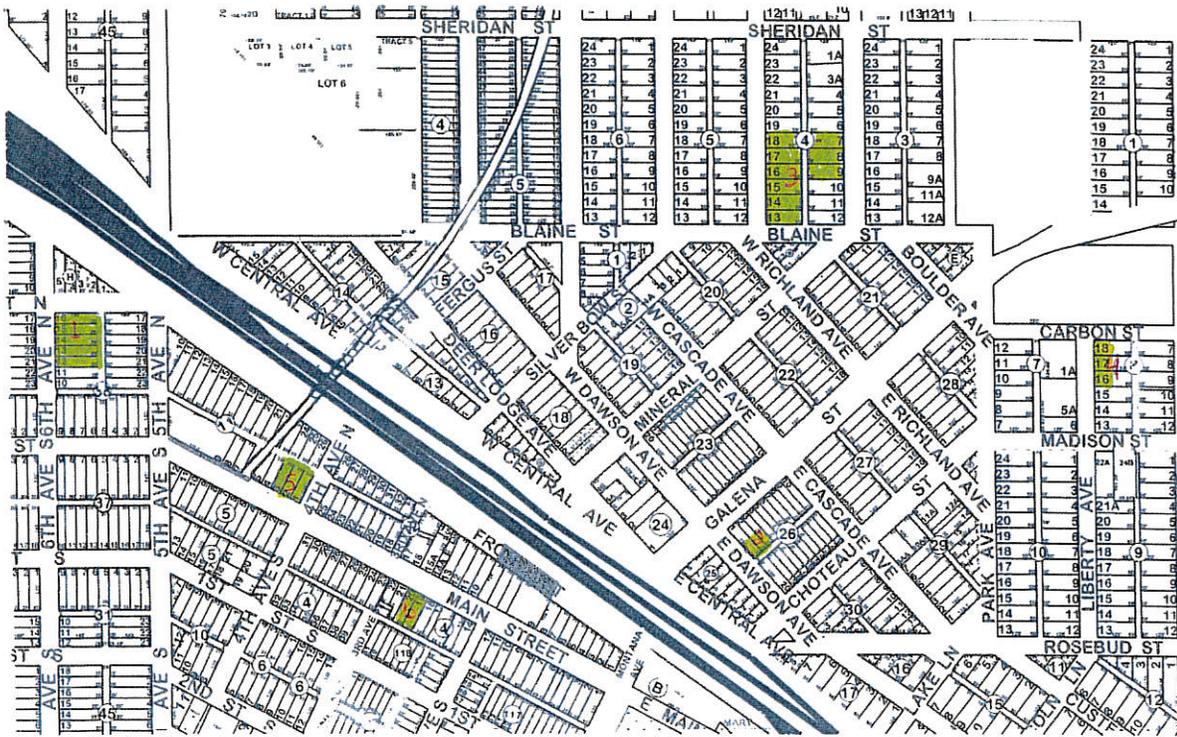
Lots 19 & 20 Area: 70' x 120' = 8,000 sq.ft.

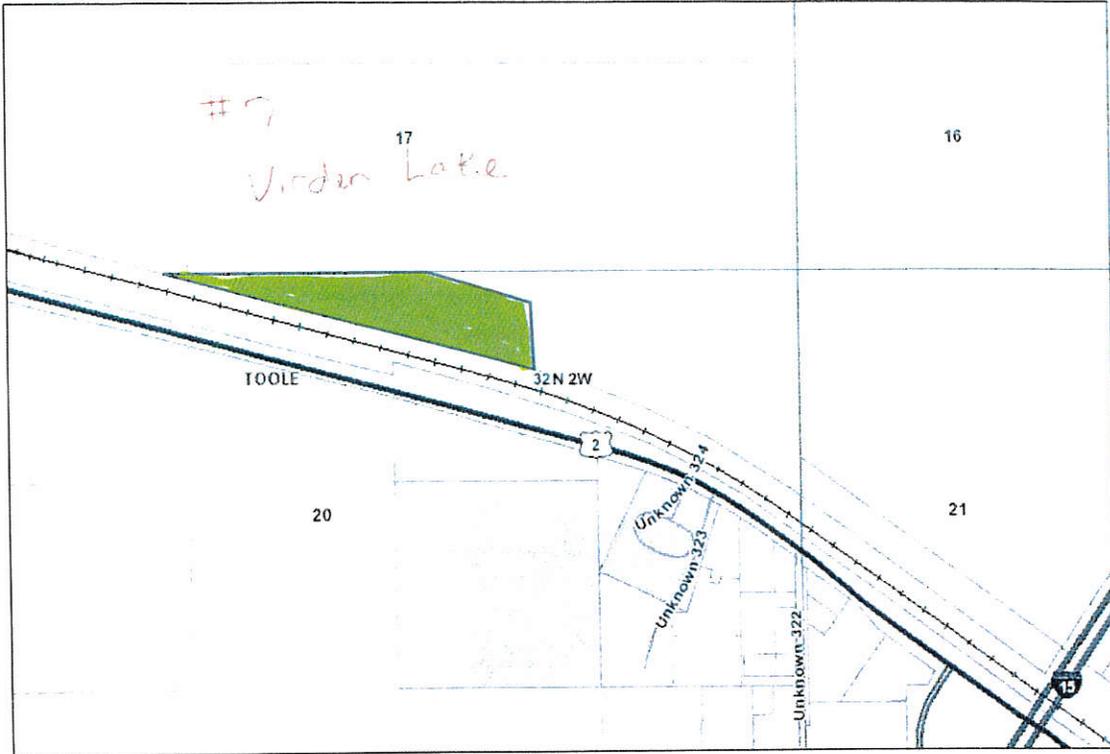
Minimum Bid: \$400,000

7. Tax ID 870086 14.12 acres W of Shelby on US2 (Virden Lake)

Section 20, T32N, R2W, part N2NW4 & West 700' of NW4NE4

Minimum Bid: \$56,480





Lori Stratton

From: Larry Bonderud
Sent: Friday, October 28, 2016 1:48 PM
To: Lori Stratton
Subject: Fwd: 4414020 - Shelby Wastewater Treatment Facility Upgrade - Revised Cost Estimate
Attachments: image002.jpg; ATT00001.htm;
4414020ShelbyWWTFExpansionCostEstimate-20161028.pdf; ATT00002.htm; Estimates
from 4413024_Shelby Wastewater PER.pdf; ATT00003.htm

Packets.

Sent from my iPhone

Mayor Lar

Begin forwarded message:

From: Andy Evensen <andy.evensen@klijeng.com>
Date: October 28, 2016 at 1:04:51 PM MDT
To: "Larry Bonderud (larry@shelbymt.com)" <larry@shelbymt.com>
Cc: Jason Crawford <Jason.Crawford@klijeng.com>, Brad Koon <brad.koon@klijeng.com>, Andy Evensen <andy.evensen@klijeng.com>
Subject: 4414020 - Shelby Wastewater Treatment Facility Upgrade - Revised Cost Estimate

Good Afternoon Mayor,

Attached is an updated cost estimate of the City's wastewater treatment facility upgrade project. The cost went up approximately 2% from the estimate we prepared after the final design was completed (04/2015). Also attached for your reference is the estimate prepared as part of the PER development (04/2014).

Please note that this project has been approved by MDEQ and the approval will expire on June 7, 2018.

Andy Evensen PE

City under the General Permit for Storm Water Discharges Associated with Construction Activity, Permit MTR100000.

7.4 Sustainability Considerations

There is no greater sustainable or “green” practice than the treatment of wastewater. Water will be conserved and ultimately reused in numerous future applications. The facultative lagoon does not require any energy and very little manpower to operate. Phase 2 energy consumption will change very little from present-day conditions due to changes in the head requirements of the prison lift station pumps. The pumps and motors required for the Phase 3 equipment will be designed to maximize efficiency and minimize the energy required to function.

7.5 Total Project Cost Estimate

Costs for each alternative were developed previously in Chapter 5. These costs have been projected to identify the costs relative to the actual construction date of each phase. These projections assume a 3% per year increase in costs and should be adjusted to match the actual time frame. Table 7-3 provides a per phase cost and a total project cost.

TABLE 7-3: PROPOSED PROJECT COST ESTIMATE

Recommended Improvement	Estimated Project Cost
Phase 1	
Alternative T1 - Expand Existing Facultative Lagoon	\$2,861,000
Alternative D3 - Construct a New Ultraviolet Disinfection Facility	\$343,000
Cost Adjustment Factor for Future Construction	1.03
Phase 1 2015 Cost (Including, Construction & Non-Construction)	\$3,300,000
Phase 2	
Alternative C3 - Reroute Prison Flows to 13 th Street Sewer	\$1,062,000
Cost Adjustment Factor for Future Construction	1.09
Phase 2 2017 Cost (Including, Construction & Non-Construction)	\$1,158,000
Phase 3	
Alternative A2 - Construct a New Spray Irrigation Facility	\$5,463,800
Cost Adjustment Factor for Future Construction	1.21
Phase 3 2021 Cost (Including, Construction & Non-Construction)	\$6,611,000
Total Project Cost	\$11,069,000

5.6.6 Potential Construction Problems

Construction problems associated with Alternative T1 are expected to be minimal. A geotechnical report will be necessary to determine soil types, shoring requirements, and the depth of groundwater in the construction areas. Since most of the construction will occur at or above the existing grade, groundwater is not anticipated to be a problem.

5.6.7 Sustainability Considerations

There are no anticipated changes to the energy requirements as a result of the proposed treatment system improvements. Facultative lagoons provide a long-term, energy-free means to treat wastewater.

5.6.8 Cost Estimate

A cost estimate for Alternative T1 is provided in Table 5-4. There is no anticipated increase in the annual O&M or special equipment replacement required for the implementation of this alternative; therefore, the total present worth of this alternative is equivalent to the capital costs.

TABLE 5-4: ALTERNATIVE T1 COST ESTIMATE

Description	Quantity	Unit	Unit Cost	Total Cost
Mobilization	1	LS	\$72,700	\$72,700
Taxes, Bonds & Insurance	1	LS	\$121,200	\$121,200
Lagoon Embankment	60,000	CY	\$10	\$600,000
Lagoon Liner	817,700	SF	\$1.25	\$1,022,100
18" Intercell Piping	1,870	LF	\$100	\$187,000
Effluent Flow Control Structure	1	EA	\$35,000	\$35,000
Interlagoon Flow Control Structure	1	EA	\$35,000	\$35,000
Influent Flow Measurement	1	LS	\$20,000	\$20,000
Seeding	1	LS	\$15,000	\$15,000
Construction Sub-Total				\$2,108,000
Contingency (15%)				\$316,200
Total Construction Cost				\$2,424,200
Technical Services (18%)				\$436,400
Total Project Cost				\$2,860,600

TABLE 5-14: ALTERNATIVE D3 COST ESTIMATE

Description	Quantity	Unit	Unit Cost	Total Cost
Mobilization	1	LS	\$9,000	\$9,000
Taxes, Bonds & Insurance	1	LS	\$15,000	\$15,000
LP-LI UV System	1	LS	\$50,000	\$50,000
Installation	1	LS	\$20,000	\$20,000
Building	1000	SF	\$120	\$120,000
Building Piping	1	LS	\$25,000	\$25,000
Electrical	1	LS	\$25,000	\$25,000
Construction Sub-Total				\$264,000
Contingency (15%)				\$26,400
Total Construction Cost				\$290,400
Technical Services (18%)				\$52,300
Total Project Cost				\$342,700
Increase in Operations & Maintenance Costs				
Additional Labor	260	hrs	\$25	\$6,500
Additional Energy	44,000	KWH	\$0.07	\$3,080
Increased O&M Subtotal				\$9,580
Present Worth @ 6% and 20 Years				\$109,800
Total Present Worth of Alternative D3				\$452,500

5.12 Alternative A1 - No Action

5.12.1 *Description*

Alternative A1 consists of taking no action with respect to constructing treatment plant improvements to address a future potential ammonia limit. This is a viable option in the short-term



Engineer's Opinion of Probable Project Cost
Shelby Wastewater Treatment Facility Expansion
Shelby, Montana

Item	Quantity	Unit	Unit Cost	Cost
Mobilization/Demobilization	1	LS	\$ 175,000	\$ 175,000
Taxes, Bonds, and Insurance	1	LS	\$ 103,000	\$ 103,000
Effluent Discharge Structure	1	LS	\$ 64,000	\$ 64,000
UV Disinfection Facility	1	LS	\$ 350,000	\$ 350,000
Concrete Outfall	1	LS	\$ 8,000	\$ 8,000
Curtain Drain	1	LS	\$ 80,000	\$ 80,000
Synthetic Liner	709,400	SF	\$ 1.30	\$ 922,000
Excavation Above Subgrade	74,700	CY	\$ 8.0	\$ 598,000
Embankment In Place	25,400	CY	\$ 12	\$ 305,000
1" Minus Crushed Base Course	2,126	CY	\$ 34	\$ 72,000
18" PS46 ASTM F679 PVC	3,670	LF	\$ 50	\$ 184,000
18" 22.5° MJ Bend	1	EA	\$ 4,050	\$ 4,000
18" 45° MJ Bend	1	EA	\$ 4,050	\$ 4,000
18" MJ Cross	1	EA	\$ 14,000	\$ 14,000
18" Mechanical Coupling	2	EA	\$ 1,500	\$ 3,000
18" MJ Plug Valve	7	EA	\$ 23,700	\$ 166,000
Basic Manhole, 5'-0"	2	EA	\$ 4,300	\$ 9,000
Additional Manhole Depth	9	LF	\$ 200	\$ 2,000
12" HDPE Culvert	160	LF	\$ 42	\$ 7,000
15" HDPE Culvert	229	LF	\$ 55	\$ 13,000
24" HDPE Culvert	50	LF	\$ 60	\$ 3,000
Fencing	2,480	LF	\$ 4.00	\$ 10,000
Signs	11	EA	\$ 250.00	\$ 3,000
Hydraulic Seeding	4.9	AC	\$ 2,000.00	\$ 10,000
Electricity to UV System	1	LS	\$ 34,700.00	\$ 35,000
			\$ -	\$ -
			\$ -	\$ -
			\$ -	\$ -
Estimated Construction Cost				\$ 3,144,000
Contingency	10	%		\$ 314,400
Total Construction Cost				\$ 3,458,400
Preliminary Engineering Report	1	LS	\$ 30,000	\$ 30,000
Engineering (Design and Bidding)	1	LS	\$ 213,400	\$ 213,400
Land Acquisition	1	LS	\$ 94,480	\$ 94,480
Wetland Mitigation	9.9	ac	\$ 30,000	\$ 298,200
Engineering (Construction)	1	LS	\$ 290,900	\$ 290,900
Estimated Total Project Cost				\$ 4,385,380

wolverine w/eps

SPECIAL ORDER POLICY

NO REFUNDS ON SPECIAL ORDER DEPOSITS. NO RETURNS ON SPECIAL ORDERED ITEMS.

STEVE'S SPORTS CENTER
4700 9TH AVENUE SOUTH
GREAT FALLS, MT 59405
406-727-8606 FAX#406-727-2179

SOME ITEMS MAY BE ILLEGAL FOR STREET USE, AND SHOULD NOT BE INSTALLED ON STREET LEGAL VEHICLES.

CHECK-OUT OUR WEBSITE AT: WWW.STEVESSPORTSCENTER.COM

Estimate #36836E

Date 10/04/2016 Time 18:08:59

CUSTOMER

CITY OF SHELBY
112 1ST ST S
SHELBY

MT 59474-

406-450-4319

Parts Department

Oper STEVE

Estimate Ticket

QTY	VR	PART NUMBER	CODE	DESCRIPTION	TYPE	PRI	EACH	AMOUNT
1		382 2017		WOLVERINE W/EPS	S		\$11,000.00	\$11,000.00
1		035 10-0102		KFI 3000LB ATV WINCH ASSY	S		\$295.95 20	\$236.76
1		035 30-1075		KFI WINCH MNT WOLVERINE	0	0	\$49.95 20	\$39.96
1		009 574601		KFI MOUNT	S		\$89.95 20	\$71.96
1		009 573960		KFI UTV PUSH TUBE	S		\$259.99 20	\$207.99
1		009 573964		KFI 66" UTV BLADE	S		\$348.95 20	\$279.16
1		010 K110101		CHROME ECONOMY HORN	S		\$12.95 20	\$10.36
1		166 465K		REFLECTIVE TAPE RED/SILVER	S		\$6.95 20	\$5.56
1		166 04822		PUSH BUTTON*	S		\$18.63 20	\$14.90
1		003 1XB F6204-V0-00		LEFT SIDE MIRROR	S		\$65.45 20	\$52.36

NO RETURNS WITHOUT ORIGINAL RECEIPT. NO RETURNS ON ELECTRICAL ITEMS, NO RETURNS AFTER 30 DAYS ON STOCKED ITEMS. A RESTOCKING FEE MAY BE APPLIED ON RETURNED ITEMS. SEE SPECIAL ORDER POLICY ABOVE.

SUB TOTAL

TAX

A - RETURN O - ORDERED 2 - ORDERED ON HOLD
B - SALE P - PICKUP Q - SPECIAL VENDOR RECEIVED BY

SPECIAL ORDER POLICY

NO REFUNDS ON SPECIAL ORDER DEPOSITS. NO RETURNS ON SPECIAL ORDERED ITEMS.

STEVE'S SPORTS CENTER
4700 9TH AVENUE SOUTH
GREAT FALLS, MT 59405
406-727-8606 FAX#406-727-2179

SOME ITEMS MAY BE ILLEGAL FOR STREET USE, AND SHOULD NOT BE INSTALLED ON STREET LEGAL VEHICLES.

CHECK-OUT OUR WEBSITE AT: WWW.STEVESSPORTSCENTER.COM

Estimate #36836E

Date 10/04/2016 Time 18:08:59

CUSTOMER

CITY OF SHELBY
112 1ST ST S
SHELBY

MT 59474-

406-450-4319

Parts Department

Oper STEVE

Estimate Ticket

QTY	VR	PART NUMBER	CODE	DESCRIPTION	TYPE	PRI	EACH	AMOUNT
1		166 60081		LICENSE LAMP	S		\$30.25 20	\$24.20

NO RETURNS WITHOUT ORIGINAL RECEIPT. NO RETURNS ON ELECTRICAL ITEMS, NO RETURNS AFTER 30 DAYS ON STOCKED ITEMS. A RESTOCKING FEE MAY BE APPLIED ON RETURNED ITEMS. SEE SPECIAL ORDER POLICY ABOVE.

SUB TOTAL

\$11,243.21

TAX

\$.00

Tungsten Properties, LLC
712 CENTRAL AVE. W.
GREAT FALLS, MT 59404
406-454-1199
Fax:406-454-5990

October 31 2016

Dear Mayor Bonderud,

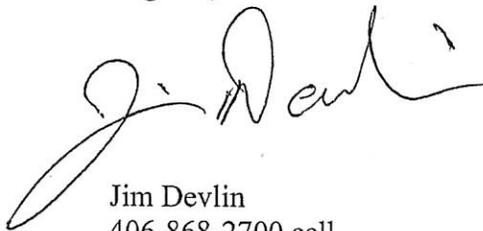
The purpose of this letter is to confirm, in my mind, the result of the cancelling of the storm drain project for the City of Shelby. I want to verify if I purchase another property, or develop my vacant lots for redevelopment in Shelby, MT, if I could hook on to the sewer?

To date I have repurposed Blazers IGA to the local Napa Store, redeveloped 405 Oilfield into a high density affordable multi-family housing project. Still working on the old Petro-Lane building, plus 4 vacant lots across the road from the Napa property that I am unable to develop due to the No New Sewer Hook-up moratorium by the D.E.Q..

I have looked at the Bitterroot School a couple of times. Recently, I read that the Bitterroot was offered at auction for \$54,000.00 in the Shelby promoter. The multi-family project appears interesting at first blush. I like the brick structure and the character of the property. In other words, it has potential. However, my dad told me to never buy or marry potential.

Can you please provide some clarity? If I purchase the Bitterroot for redevelopment, can I hook up to the existing sewer, yes or no? If the answer is no, the Bitterroot's potential for redevelopment may be reduced, at least to me. Thank you for your prompt attention to this matter.

Regards,



Jim Devlin
406-868-2700 cell