

RESOLUTION NO. 1967

A RESOLUTION ANNEXING PROPERTY INTO THE
MUNICIPAL LIMITS OF THE CITY OF SHELBY

WHEREAS, the City Council of the City of Shelby was presented with a request for annexation from **Bryan D. and Heather O. Haight** concerning certain real property and;

1. The request for annexation (attached as Exhibit A) contains the signatures of more than 50 percent of the owners of the property to be annexed.
2. The boundaries of the City of Shelby are to be extended to include the private real property (attached as Exhibit B), described as follows:
Lot 1, being a portion of SE1/4NE1/4 of Section 22 and SW1/4NW1/4 of Section 23; Township 32 North, Range 2 West, P.M.M. as contained in Jergens Minor Subdivision Plat, filed September 9, 2011 as Document No. 364913, File No. 2011-08, in the office of the Clerk and Recorder, Toole County, Montana (149 Benjamin Road)
3. These tracts shall be zoned Rural Residential and included in Ward 2 of the City of Shelby for voting purposes.

FURTHER, this resolution shall be incorporated into the minutes of the city council of the City of Shelby.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHELBY, MONTANA;

That the parcel of real property hereinabove stated, owned by Bryan D. and Heather O. Haight is hereby annexed into the municipal limits of the city of Shelby.

PASSED AND ADOPTED by the city council of the City of Shelby, Montana, this 2nd day of October, 2017.

LARRY J. BONDERUD, MAYOR

ATTEST:

JADE GOROSKI, FINANCE OFFICER

EXHIBIT A TO RESOLUTION NO. 1967

Bryan and Heather Haight
149 Benjamin Rd
PO Box 551 Shelby, MT 59474
(406)470-4215
bryanhaight46@hotmail.com

RECEIVED
AUG 30 2017
CITY OF SHELBY

August 22, 2017

To Whom It May Concern,

We are writing this letter to request annexation into the city of Shelby as a rural property so that we can gain access to hooking up to the city water supply. We currently have some cows, horses and dogs and wonder if there is a way that we can continue to keep them on our property and still get hooked up to city water. We are interested in any information that you can give us with regards to what will change for our property by being annexed into the city versus remaining in the county. Thank you for your time.

Sincerely,



Bryan and Heather Haight



EXHIBIT B TO RESOLUTION NO. 1967

BENJAMIN RD

DRIVEWAY

CITY SHOP RD

ROADRUNNER RECREATION TRL

DRIVEWAY

DRIVEWAY

PURCHASE AGREEMENT

THIS AGREEMENT is made this ____ day of _____, 2017, by and between Mark A. Cole and Barbara T. Cole, of Shelby, Montana, hereinafter collectively referred to as Seller, and The City of Shelby, Montana, hereinafter collectively referred to as Buyer.

AGREEMENT TO PURCHASE

Seller, in consideration of the mutual promises and the payments herein set forth, agrees to sell and Buyer agrees to buy the following property:

Real Property:

A TRACT OF LAND SITUATED IN THE NE1/4 OF SECTION 2, TOWNSHIP 31 NORTH, RANGE 2 WEST, P.M. MONTANA, TOOLE COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

SAID TRACT OF LAND BEING ALL OF THE SW1/4NE1/4 OF SAID SECTION 2 ACCORDING TO THE ORIGINAL SURVEY OF THE GENERAL LAND OFFICE. THE TRACT OF LAND CONTAINS 39.91 ACRES MORE OR LESS AND IS SUBJECT TO ALL EASEMENTS, EASEMENTS SHOWN ON PLAT AND DOCUMENTS OF RECORD, BOOK 98 PAGE 387, RECORDS OF TOOLE COUNTY CLERK AND RECORDER.

The final legal description shall conform to the description on the Commitment for Title Insurance.

Improvements and Fixtures Included:

This Agreement to Sell and Purchase includes all improvements, buildings and fixtures presently on the real property, including, but not limited to electrical, gas, heating, air conditioning, plumbing equipment, built-in appliances, hot water heater, screens, storm windows, doors, curtain rods and hardware, awnings, attached floor coverings, television antennas, trees, shrubs and fences.

PURCHASE PRICE

Total Purchase Price is SEVENTY NINE THOUSAND EIGHT HUNDRED TWENTY DOLLARS (\$79,820.00) due at closing.

CLOSING DATE

The date of closing shall be on or before _____, 2017.

Buyer's Initials

Seller's Initials

CLOSING

Closing shall take place at the designated closing agent to be determined between the parties. Seller and Buyer shall equally split all closing costs.

POSSESSION

Seller shall deliver possession and occupancy to the Buyer on or before closing.

MINERAL RIGHTS

Any surface or underground mineral rights appurtenant to or currently serving the above property shall be conveyed by Seller to Buyer. However, Seller does not warrant that any minerals whatever exist upon the property, nor does Seller warrant that mineral rights have not been previously conveyed.

WAIVER OF INSPECTION

Buyer has the right to inspect or obtain advice. Buyer's waiver of any inspection or advice is not based upon any assurances by the Seller, including any agents acting on behalf of the Seller, as to the condition of the Property or that if Buyer were to request such inspections or advice, it would reduce the potential that this Agreement will be finalized.

CONTINGENCIES

This Agreement is subject to the below contingencies. The contingencies listed below shall be deemed to have been released, waived, or satisfied, and the Agreement shall continue to closing, unless, by the date specified for each contingency, the party requesting that contingency has notified the other party in writing that the contingency is not released, waived, or satisfied. If a party has notified the other party prior to the release date that a contingency is not released, waived, or satisfied, this Agreement is terminated.

Title Contingency

This Agreement is contingent upon Buyer's receipt and approval (to Buyer's satisfaction) of the preliminary title commitment. Release Date: 5 business days from Buyer's receipt of preliminary title commitment.

Financing Contingency

This Agreement is contingent upon Buyer obtaining adequate financing. In the event that the Buyer is unable to obtain financing, then this Agreement shall be terminated and declared null and void. Release Date: closing.

Buyer's Initials

Seller's Initials

CONVEYANCE

The Seller shall convey the real property by Warranty Deed, free of all liens, encumbrances, mortgages, or other financial encumbrances except referenced restrictions acceptable to Buyer and set forth in the Commitment for the Title Insurance relating to the above real property, easements, reservations and restrictions of record. The property shall be subject to utility easements, rights of way or mineral conveyances of record.

TITLE INSURANCE

Seller shall furnish Buyer with title insurance evidenced by a standard form American Land Title Association title insurance commitment in an amount equal to the purchase price, committing to insure merchantable title to the real property in Buyer's name, free and clear of all liens and encumbrances except: encumbrances herein above mentioned, zoning ordinances, building and use restrictions, reservations in federal patents, beneficial utility easements apparent or of record and easements of record and the continuing lien for real property taxes for the year 2017. If the Seller's title is not merchantable and cannot be made merchantable at any time during the contract term with respect to any property, THIRTY (30) ADDITIONAL DAYS SHALL BE ALLOWED FOR THE SELLER TO MAKE SUCH TITLE MERCHANTABLE. Encumbrances to be discharged by the Seller shall otherwise be satisfied prior to closing from Seller's proceeds at time of closing.

TAXES AND ASSESSMENTS

Seller and Buyer agree to prorate taxes, special improvement assessments for the current tax year, as well as prepaid rents or insurance, if any, as of the date of the date of closing. Seller shall be entitled to all rents and income from the property through date of closing. Buyer shall be entitled to all rents and income thereafter.

NOXIOUS WEEDS DISCLOSURE

Buyers of property in the State of Montana should be aware that some properties contain noxious weeds. The laws of the State of Montana require owners of property within this state to control, and to the extent possible, eradicate noxious weeds. For information concerning noxious weeds and your obligations as an owner of property, contact either your local County extension agent or Weed Control Board.

CONSENT TO DISCLOSE INFORMATION

Buyer and Seller hereby consent to the procurement and disclosure of Buyer and Seller and their attorneys, agents and other parties having interest essential to this Agreement, of any and all information reasonably necessary to consummate the transaction described in this Agreement, specifically access to escrow(s) for review of contracts, deeds, trust indentures, or similar documents as prior transactions concerning this property of underlying obligation pertaining thereto.

Buyer's Initials

Seller's Initials

MAINTENANCE OF PROPERTY

Seller agrees to keep all buildings and other improvements on the property in good repair and upkeep and to preserve same in at least as good condition as they were at the date of this Agreement, reasonable wear and tear alone excepted, and Seller further agrees neither to permit nor cause any waste on the property, or with respect to any improvements thereon until the sale is finalized.

Improvements now located on the described real property shall not be removed or significantly altered. Any improvements of any kind placed upon the premises by Buyer or Seller while this Agreement is in force shall be deemed to be attached to the real property and must be left in their normal state and condition.

RISK OF LOSS

All loss or damage to any of the above-described real property or personal property by any cause is assumed by Seller, except such risk shall be borne by Buyer so long as in possession as Lessee and upon possession granted by Seller pursuant to this Agreement unless otherwise specified in writing.

TIME IS OF THE ESSENCE

Time is of the essence in this Agreement and all clauses herein.

BINDING EFFECT AND NON-ASSIGNABILITY

This Agreement is binding upon the heirs, successors and assigns of each of the parties hereto. Buyer's and Seller's rights under this Agreement may not be assigned without the written authorization of both parties.

OWNERSHIP

Seller shall allocate proceeds of this sale in accordance with respective ownership interests in the property prior to its sale.

REAL ESTATE AGENTS/REPRESENTATION OF PARTIES:

There is no real estate agent involved in this transaction. Each party shall be responsible for their respective attorney fees or other professional advice.

ATTORNEY FEES

If any action is brought by the Buyer or the Seller to enforce any of the terms of this Agreement, the prevailing party in such action shall be entitled to such reasonable attorney fees as the court shall determine just.

/_____
Buyer's Initials

/_____
Seller's Initials

ENFORCEABILITY

In event of breach of this Agreement, either party may enforce the remedy of specific performance against the party in breach of the Agreement or demand monetary damages.

FACSIMILE

The parties agree that a facsimile copy of the Agreement to Sell and Purchase which contains the parties' signatures may be used as the original.

WORDS AND PHRASES

Words in the singular, plural, masculine, feminine and neuter, as used herein, shall have the meaning and be construed as required by the context of this instrument.

ENTIRE AGREEMENT

This Agreement, together with any attached exhibits and any addenda or amendments signed by the parties, shall constitute the entire agreement between Seller and Buyer, and supersedes any other written or oral agreements between Seller and Buyer. This Agreement can be modified only in writing, signed by the Seller and Buyer.

BUYER'S ACKNOWLEDGEMENT

Buyer acknowledges that they have examined the real property. The Buyer enters into this Agreement in full reliance upon his/her independent investigation and judgment, that prior verbal representations by the Seller or Seller's agents or representatives do not modify or affect this Agreement, and that by signing this Agreement, Buyer acknowledges having read and understood this entire Agreement, including the Additional Terms above.

DATED this ____ day of _____, 2017.

CITY OF SHELBY, Buyer

Larry J. Bonderud, Mayor

Jade Goroski, Finance Officer

Buyer's Initials

Seller's Initials

SELLER'S ACKNOWLEDGEMENT

Seller agrees to sell and convey to Buyer the above described property on the terms and conditions herein above stated. I acknowledge receipt of a copy of this Agreement bearing my signature and upon the Buyer named above signing this Agreement. I agree to perform as stated.

By signing this Agreement Seller acknowledges having read and understood this entire Agreement.

DATED this ____ day of _____, 2017.

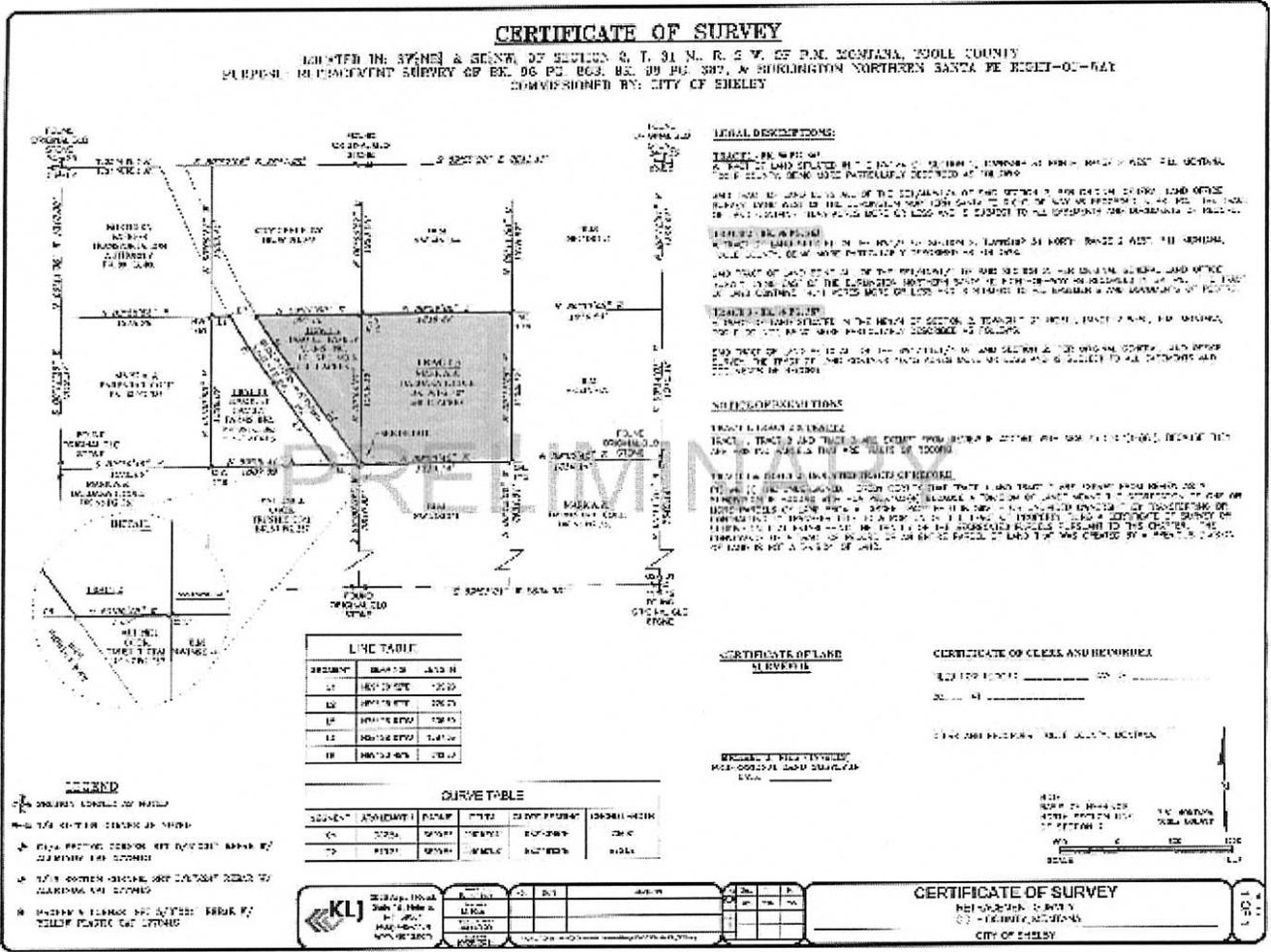
MARK A. AND BARBARA T. COLE, Seller

Mark A. Cole, Seller

Barbara T. Cole

Buyer's Initials

Seller's Initials



Seller's Initials

Page 7 of 7

Buyer's Initials

PURCHASE AGREEMENT

THIS AGREEMENT is made this ____ day of _____, 2017, by and between Hasquet Family Farms, Inc. of Shelby, Montana, hereinafter collectively referred to as Seller, and The City of Shelby, of Shelby, Montana, hereinafter collectively referred to as Buyer.

AGREEMENT TO PURCHASE

Seller, in consideration of the mutual promises and the payments herein set forth, agrees to sell and Buyer agrees to buy the following property:

Real Property:

TRACT 2 (Book 96, Page 863)

A TRACT OF LAND SITUATED IN THE NW1/4 OF SECTION 2, TOWNSHIP 31 NORTH, RANGE 2 WEST, P.M. MONTANA, TOOLE COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

SAID TRACT OF LAND BEING ALL OF THE SE1/4NW1/4 OF SAID SECTION 2, PER ORIGINAL GENERAL LAND OFFICE SURVEY, LYING EAST OF THE BURLINGTON NORTHERN SANTA FE RIGHT-OF-WAY AS RECORDED. THE TRACT OF LAND CONTAINS 14.41 ACRES MORE OR LESS AND IS SUBJECT TO ALL EASEMENTS AND DOCUMENTS OF RECORD.

The final legal description shall conform to the description on the Commitment for Title Insurance.

Improvements and Fixtures Included:

This Agreement to Sell and Purchase includes all improvements, buildings and fixtures presently on the real property, including, but not limited to electrical, gas, heating, air conditioning, plumbing equipment, built-in appliances, hot water heater, screens, storm windows, doors, curtain rods and hardware, awnings, attached floor coverings, television antennas, trees, shrubs and fences.

PURCHASE PRICE

Total Purchase Price is TWENTY EIGHT THOUSAND EIGHT HUNDRED TWENTY DOLLARS (\$28,820.00) due at closing.

CLOSING DATE

The date of closing shall be on or before _____, 2017.

CLOSING

Closing shall take place at the designated closing agent to be determined between the parties. Seller and Buyer shall equally split all closing costs.

_____/_____
Buyer's Initials

_____/_____
Seller's Initials

POSSESSION

Seller shall deliver possession and occupancy to the Buyer on or before closing.

MINERAL RIGHTS

Any surface or underground mineral rights appurtenant to or currently serving the above property shall be conveyed by Seller to Buyer. However, Seller does not warrant that any minerals whatever exist upon the property, nor does Seller warrant that mineral rights have not been previously conveyed.

WATER

All water, including surface water or ground water, any legal entitlement to water, including statements of claim, certificates of water rights, permits to appropriate water, exempt existing rights, decreed basins or any ditches, ditch rights, or ditch easements appurtenant to and/or used in connection with the Property are included with the Property. Filing or transfer fee will be paid by the Buyer.

Under Montana law, failure of the parties to pay the required fee to the Montana Department of Natural Resources and Conservation for updating water right ownership may result in the transferee of the property being subject to a penalty. In the case of water rights being exempted, severed, or divided, the failure of the parties to comply with § 85-2-424, MCA, could result in a penalty against the transferee and rejection of the deed for recording.

WAIVER OF INSPECTION

Buyer has the right to inspect or obtain advice. Buyer's waiver of any inspection or advice is not based upon any assurances by the Seller, including any agents acting on behalf of the Seller, as to the condition of the Property or that if Buyer were to request such inspections or advice, it would reduce the potential that this Agreement will be finalized.

CONTINGENCIES

This Agreement is subject to the below contingencies. The contingencies listed below shall be deemed to have been released, waived, or satisfied, and the Agreement shall continue to closing, unless, by the date specified for each contingency, the party requesting that contingency has notified the other party in writing that the contingency is not released, waived, or satisfied. If a party has notified the other party prior to the release date that a contingency is not released, waived, or satisfied, this Agreement is terminated.

Title Contingency

This Agreement is contingent upon Buyer's receipt and approval (to Buyer's satisfaction) of the preliminary title commitment. Release Date: 5 business days from Buyer's receipt of preliminary title commitment.

Buyer's Initials

Seller's Initials

Financing Contingency

This Agreement is contingent upon Buyer obtaining adequate financing. In the event that the Buyer is unable to obtain financing, then this Agreement shall be terminated and declared null and void. Release Date: closing.

Appraisal Contingency

The Property must appraise for at least the Purchase Price. If the Property does not appraise for at least the Purchase Price, this Agreement is terminated unless the Buyer elects to proceed with closing this Agreement without regard to appraised value. Written notice of Buyer's election to proceed shall be given to Seller within 5 days of Buyer receiving notice of appraised value.

CONVEYANCE

The Seller shall convey the real property by Warranty Deed, free of all liens, encumbrances, mortgages, or other financial encumbrances except referenced restrictions acceptable to Buyer and set forth in the Commitment for the Title Insurance relating to the above real property, easements, reservations and restrictions of record. The property shall be subject to utility easements, rights of way or mineral conveyances of record.

TITLE INSURANCE

Seller shall furnish Buyer with title insurance evidenced by a standard form American Land Title Association title insurance commitment in an amount equal to the purchase price, committing to insure merchantable title to the real property in Buyer's name, free and clear of all liens and encumbrances except: encumbrances herein above mentioned, zoning ordinances, building and use restrictions, reservations in federal patents, beneficial utility easements apparent or of record and easements of record and the continuing lien for real property taxes for the year 2017. If the Seller's title is not merchantable and cannot be made merchantable at any time during the contract term with respect to any property, THIRTY (30) ADDITIONAL DAYS SHALL BE ALLOWED FOR THE SELLER TO MAKE SUCH TITLE MERCHANTABLE. Encumbrances to be discharged by the Seller shall otherwise be satisfied prior to closing from Seller's proceeds at time of closing.

TAXES AND ASSESSMENTS

Seller and Buyer agree to prorate taxes, special improvement assessments for the current tax year, as well as prepaid rents or insurance, if any, as of the date of the date of closing. Seller shall be entitled to all rents and income from the property through date of closing. Buyer shall be entitled to all rents and income thereafter.

TOXIC SUBSTANCE/CHEMICALS/HAZARDOUS WASTES

Seller warrants to the Buyer that Seller is unaware of any presence of any underground fuel storage tanks or accumulation of toxic/hazardous waste, chemical or other substance which requires cleanup under any of the above mentioned acts of other laws in existence at the time. Seller shall

Buyer's Initials

Seller's Initials

defend and hold Buyer harmless, against any and all claims arising or accruing from any conduct or application by the Seller of any chemicals, hazardous wastes, or other substance which may give rise to a cause of action or claim for damages or other action that may be instituted by any third parties relating to activities of the Seller prior to date of closing.

Seller shall indemnify and hold harmless, the Buyer for any attorney's fees, costs of cleanup, claims, penalties, or other damages relating to any judgment, claim, or assessment relating to conduct of the Seller or his agents or predecessors prior to date of closing. Buyer shall be responsible for any and all claims, assessments, or damages arising from the same above-mentioned acts occurring thereafter.

In event such inspection should indicate a hazardous waste problem which could be in violation of any federal or state law, Seller warrants that he shall do all things necessary to clean up such hazardous waste/toxic chemicals and pay all costs relating thereto so as to meet the required standards of approval for any inspecting federal or state agency.

NOXIOUS WEEDS DISCLOSURE

Buyers of property in the State of Montana should be aware that some properties contain noxious weeds. The laws of the State of Montana require owners of property within this state to control, and to the extent possible, eradicate noxious weeds. For information concerning noxious weeds and your obligations as an owner of property, contact either your local County extension agent or Weed Control Board.

CONSENT TO DISCLOSE INFORMATION

Buyer and Seller hereby consent to the procurement and disclosure of Buyer and Seller and their attorneys, agents and other parties having interest essential to this Agreement, of any and all information reasonably necessary to consummate the transaction described in this Agreement, specifically access to escrow(s) for review of contracts, deeds, trust indentures, or similar documents as prior transactions concerning this property of underlying obligation pertaining thereto.

MAINTENANCE OF PROPERTY

Seller agrees to keep all buildings and other improvements on the property in good repair and upkeep and to preserve same in at least as good condition as they were at the date of this Agreement, reasonable wear and tear alone excepted, and Seller further agrees neither to permit nor cause any waste on the property, or with respect to any improvements thereon until the sale is finalized.

Improvements now located on the described real property shall not be removed or significantly altered. Any improvements of any kind placed upon the premises by Buyer or Seller while this Agreement is in force shall be deemed to be attached to the real property and must be left in their normal state and condition.

Buyer's Initials

Seller's Initials

RISK OF LOSS

All loss or damage to any of the above-described real property or personal property by any cause is assumed by Seller, except such risk shall be borne by Buyer so long as in possession as Lessee and upon possession granted by Seller pursuant to this Agreement unless otherwise specified in writing.

TIME IS OF THE ESSENCE

Time is of the essence in this Agreement and all clauses herein.

BINDING EFFECT AND NON-ASSIGNABILITY

This Agreement is binding upon the heirs, successors and assigns of each of the parties hereto. Buyer's and Seller's rights under this Agreement may not be assigned without the written authorization of both parties.

OWNERSHIP

Seller shall allocate proceeds of this sale in accordance with respective ownership interests in the property prior to its sale.

REAL ESTATE AGENTS/REPRESENTATION OF PARTIES:

There is no real estate agent involved in this transaction. Each party shall be responsible for their respective attorney fees or other professional advice.

ATTORNEY FEES

If any action is brought by the Buyer or the Seller to enforce any of the terms of this Agreement, the prevailing party in such action shall be entitled to such reasonable attorney fees as the court shall determine just.

ENFORCEABILITY

In event of breach of this Agreement, either party may enforce the remedy of specific performance against the party in breach of the Agreement or demand monetary damages.

FACSIMILE

The parties agree that a facsimile copy of the Agreement to Sell and Purchase which contains the parties' signatures may be used as the original.

WORDS AND PHRASES

Words in the singular, plural, masculine, feminine and neuter, as used herein, shall have the meaning and be construed as required by the context of this instrument.

Buyer's Initials

Seller's Initials

ENTIRE AGREEMENT

This Agreement, together with any attached exhibits and any addenda or amendments signed by the parties, shall constitute the entire agreement between Seller and Buyer, and supersedes any other written or oral agreements between Seller and Buyer. This Agreement can be modified only in writing, signed by the Seller and Buyer.

BUYER'S ACKNOWLEDGEMENT

Buyer acknowledges that they have examined the real property. The Buyer enters into this Agreement in full reliance upon his/her independent investigation and judgment, that prior verbal representations by the Seller or Seller's agents or representatives do not modify or affect this Agreement, and that by signing this Agreement, Buyer acknowledges having read and understood this entire Agreement, including the Additional Terms above.

DATED this ____ day of _____, 2017.

CITY OF SHELBY, Buyer

Larry J. Bonderud, Mayor

Jade Goroski, Finance Officer

SELLER'S ACKNOWLEDGEMENT

Seller agrees to sell and convey to Buyer the above described property on the terms and conditions herein above stated. I acknowledge receipt of a copy of this Agreement bearing my signature and upon the Buyer named above signing this Agreement. I agree to perform as stated.

By signing this Agreement Seller acknowledges having read and understood this entire Agreement.

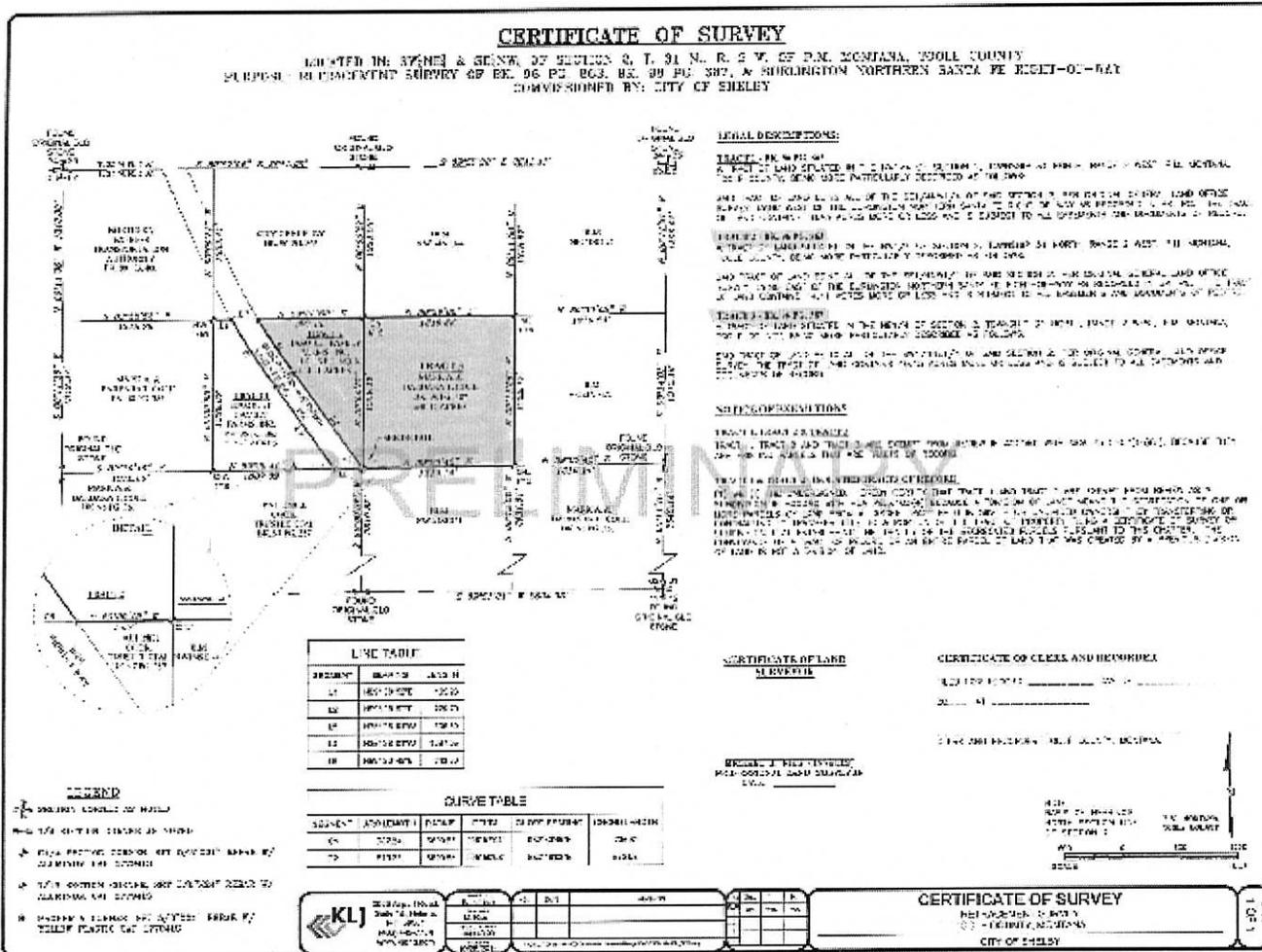
DATED this ____ day of _____, 2017.

HASQUET FAMILY FARMS, INC., Seller

Pat Simons, President

Buyer's Initials

Seller's Initials



Seller's Initials

Page 7 of 7

Buyer's Initials