



**City Commission Meeting Agenda
2 Park Drive South, Great Falls, MT
Commission Chambers, Civic Center
May 17, 2022
7:00 PM**

The agenda packet material is available on the City's website: <https://greatfallsmt.net/meetings>. The Public may view and listen to the meeting on government access channel City-190, cable channel 190; or online at <https://greatfallsmt.net/livestream>.

Public participation is welcome in the following ways:

- Attend in person.
- Provide public comments in writing by 12:00 PM the day of the meeting: Mail to City Clerk, PO Box 5021, Great Falls, MT 59403, or via email to: commission@greatfallsmt.net. Include the agenda item or agenda item number in the subject line, and include the name of the commenter and either an address or whether the commenter is a city resident. Written communication received by that time will be shared with the City Commission and appropriate City staff for consideration during the agenda item and before final vote on the matter; and, will be so noted in the official record of the meeting.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL / STAFF INTRODUCTIONS

AGENDA APPROVAL

CONFLICT DISCLOSURE / EX PARTE COMMUNICATIONS

PROCLAMATIONS

Men's Health Month

COMMUNITY INITIATIVES

1. Community Health Update - Update from City County Health.

PETITIONS AND COMMUNICATIONS

2. Miscellaneous reports and announcements.

(Public comment on any matter that is not on the agenda of the meeting and that is within the jurisdiction of the City Commission. Please keep your remarks to a maximum of 3 minutes. When at the podium, state your name and either your address or whether you are a city resident for the record.)

NEIGHBORHOOD COUNCILS

3. Miscellaneous reports and announcements from Neighborhood Councils.

BOARDS AND COMMISSIONS

4. Appointment to the Audit Committee.
5. Miscellaneous reports and announcements from Boards and Commissions.

CITY MANAGER

6. Miscellaneous reports and announcements from City Manager.

CONSENT AGENDA

The Consent Agenda is made up of routine day-to-day items that require Commission action. Items may be pulled from the Consent Agenda for separate discussion/vote by any Commissioner.

7. Minutes, May 3, 2022, City Commission Meeting.
8. Total Expenditures of \$1,345,000 for the period of April 14, 2022 through May 4, 2022, to include claims over \$25,000, in the amount of \$744,915.
9. Contracts List.
10. Grants List.
11. Approve the annual bid award for asphaltic concrete material to Great Falls Sand & Gravel, Inc. of Great Falls for \$923,400.

Action: Approve Consent Agenda as presented or remove items for separate discussion and/or vote by any Commission member.

PUBLIC HEARINGS

12. Resolution 10457, Vacating a portion of 10th Alley South between 19th and 20th Street South.
Action: Conduct a public hearing and adopt or deny Res. 10457. (Presented by Craig Raymond)

OLD BUSINESS

NEW BUSINESS

ORDINANCES / RESOLUTIONS

13. Ordinance 3244, Repealing Title 2, Chapter 12, Sections 010-050 of the OCCGF, Dissolving the Golf Advisory Board. *Action: Accept or not accept Ord. 3244 on first reading and set or not set the second reading for June 7, 2022. (Presented by Steve Herrig)*

CITY COMMISSION

14. Miscellaneous reports and announcements from the City Commission.
15. Commission Initiatives.

ADJOURNMENT

(Please exit the chambers as quickly as possible. Chamber doors will be closed 5 minutes after adjournment of the meeting.)

Assistive listening devices are available for the hard of hearing, please arrive a few minutes early for set up, or contact the City Clerk's Office in advance at 455-8451. Wi-Fi is available during the meetings for viewing of the online meeting documents.

Commission meetings are televised on cable channel 190 and streamed live at <https://greatfallsmt.net>. City Commission meetings are re-aired on cable channel 190 the following Wednesday morning at 10 am, and the following Tuesday evening at 7 pm.



Commission Meeting Date: May 17, 2022

**CITY OF GREAT FALLS
COMMISSION AGENDA REPORT**

Item: Appointment to the Audit Committee

From: City Manager's Office

Initiated By: City Commission

Presented By: City Commission

Action Requested: Appoint one member to the Audit Committee to fill a private citizen position for the remainder of a three-year term through June 30, 2023.

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission (appoint/not appoint) Shanna Christopherson to the Audit Committee to fill a private citizen position for a three-year term through June 30, 2023.”

2. Mayor requests a second to the motion, public comment, Commission discussion, and calls for the vote.

Summary:

John Dutzer was appointed to the Audit Committee on March 16, 2021, to fill a three-year term through June 30, 2023. Mr. Dutzer resigned in February 2022. The advertisement for this vacancy was done through the City's Website and the local media.

The City received one application from Shanna Christopherson. The Audit Committee met and interviewed Ms. Christopherson on May 3, 2022. The consensus of the Committee was to recommend appointment.

Background:

Purpose

The Audit Committee was established by the City Commission in October of 1992 and currently consists of six members to include the Mayor, a Commissioner, the City Manager, the Finance Department Director and two private citizens.

The Audit Committee provides assurance that the financial disclosures made by management reasonably portray the City's financial condition, results of operations and plans and long-term commitments. The Committee oversees the external audit coverage, reviews accounting policies and reviews financial statements.

Members of the Audit Committee should collectively possess technical expertise in accounting, auditing, and financial reporting to fulfill its duties.

Evaluation and Selection Process

Advertising was done through the local media and posted on the City of Great Falls website. Three applications were received.

Continuing members of this board are:

- Mayor Kelly
- Commissioner McKenney
- City Manager Doyon
- Finance Director Kinzler
- Private Citizen Stephanie Berg

Citizen interested in serving on this board include:

- Shanna Christopherson

Alternatives: The Commission could choose to not appoint at this time and direct staff to continue to seek additional applicants.

Attachments/Exhibits:


- Application



**BOARDS AND COMMISSIONS
CITIZEN INTEREST FORM
(PLEASE PRINT OR TYPE)**

Thank you for your interest. Citizen volunteers are regularly appointed to the various boards and commissions. This application subject to Montana Right to Know laws.

Board/Commission Applying For:		Date of Application:
Audit Committee		03/28/2022
Name:		
Shanna Christopherson		
Home Address:		Email address:
3709 12th St NE, Great Falls, MT 59404		sha09nna@yahoo.com
Home Phone:	Work Phone:	Cell Phone:
	406-315-2400 Ext: 111	406-590-8488
Occupation:		Employer:
Housing Director		Little ShellTribe of Chippewa Indians of Montana
Would your work schedule conflict with meeting dates? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (If yes, please explain)		
Related experiences or background: HR, data analysis, strategic planning, project management, reporting, overseeing and implementing budget and controls, grant writing and reporting, complaine, policy/procedure, procurement.		
Educational Background: Associate: MSU - Great Falls, Bachelor: MSU-Northern, Post Baccalaureate: University of Montana		
IF NECESSARY, ATTACH A SEPARATE SHEET FOR YOUR ANSWERS TO THE FOLLOWING:		
Previous and current service activities: See attached resume		
Previous and current public experience (elective or appointive): ~ n/a		
Membership in other community organizations: NAIHC and UNAHA		

Have you ever worked for or are you currently working for the City of Great Falls? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, where and when?	
Do you have any relatives working or serving in any official capacity for the City of Great Falls? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, who, which department, and relationship?	
Have you ever served on a City or County board? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, what board and when did you serve?	
Are you currently serving on a Board? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, which board?	
Please describe your interest in serving on this board/commission? I am interested in serving on the board as I have a great understanding of audit procedures and policy in the private and public sector. Disclosing finances and keeping accountability is needed.	
Please describe your experience and/or background which you believe qualifies you for service on this board/commission? My experience in the public, private, and now tribal makes me a candidate as I can bring in diversity and rationalize accountability confirming the City is striving to meet all financial duties set forth.	
Additional comments:	
Signature 	Date: 03/28/2022

If you are not selected for the current opening, your application may be kept active for up to one year by contacting the City Manager's office. Should a board/commission vacancy occur within 30 days from the last City Commission appointment, a replacement member may be selected from citizen interest forms submitted from the last advertisement. For more information, contact the City Manager's office at 455-8450.

Return this form to:
City Manager's Office
P.O. Box 5021
Great Falls, MT 59403

Fax:
(406) 727-0005

Email:
kartis@greatfallsmt.net

SHANNA CHRISTOPHERSON

PROFESSIONAL PROFILE

Motivated, professional with over 15 years of experience in office administration, budget management, business development, leadership, Human Resources, and account management. Implement policies and procedures, analyze and develop budgetary measures, and balance workload to promote effective program management.

EXPERIENCE

DIRECTOR OF HOUSING

Little Shell Tribe of Chippewa Indians| 04/2021 – Present

- Develop, maintain, and manage housing programs, policies, and procedures.
- Introduce and supervise resolutions pertaining to official records and actions.
- Administer all department activities and develop & monitor in accordance with policies and procedures.
- Collaborate with government programs to capture funding and use.
- Maintain multiple fund accounts for financial (425, APR, Audit) reports.
- Approve housing disbursements and submit requests for funding to/from agencies (grant writing, acceptance, and allowing funds).
- Develop and submit monthly, quarterly, and yearly financial reports (BIA, HUD, Department of Treasury, and other funding agencies).
- Review and monitor department operating & development budgets.
- Supervise department staff, evaluate performance, and identify training needs.
- Evaluate and analyze accounting data and financial reporting.
- Assist and carry out program's mission through strategic planning.

EXECUTIVE ASSISTANT

United Materials of Great Falls| 09/2019 – 03/2021

- Work collaboratively with Executive staff on daily operations.
- Maintain employee records for compliance across multiple agencies.
- Prepare Subcontracts at the local, County, State, and Federal level.
- Produce quarterlies reflective of gathered data including: MSHA, OSHA 300, VETS 4212, and job specific information.
- Assist in coordinating staff training including present safety procedures.
- Continue knowledge of program changes, requirements, and implementation.
- Oversee Drug and Alcohol compliance company wide.
- Coordinate customer orders and run office scale.

OFFICE MANAGER

Nitro-Green Professional | 04/2008 – 09/2019

- Provide employee support by generating sales aligning with current workload and employee availability.
- Significant data input through multiple computer programs.
- Prepare AP/AR documents, statements, disclosures, discrepancies, and reconciles.
- Interpret and analyze data to project financials through yearly production reports.
- Full charge HR including: onboarding, retention, discharge, and supervision.
- Coordinate staff training, present safety procedures, and point-of-contact for all employees.
- Oversee and maintain all office equipment and supply needs.
- Develop and implement of new procedures and filing systems.

PROJECT MANAGER/ADMINISTRATIVE

Big Sky Sign Service | 03/2007 – 04/2008

- Established and maintained professional organized relationships with vendors, customers, and employees.
- Implemented MSDS Safety program and held Safety position.
- Bid and closed contract at multiple locations.

406.590.8488



Sha09nna@yahoo.com



Shanna-christopherson



3709 12th St NE
Great Falls, MT 59404



EDUCATION

POST BACCALAUREATE

University of Montana | *Montana*
2016-2017

BACHELOR DEGREE

MSU-Northern | *Montana*
2012 - 2014

ASSOCIATE DEGREE

MSU-Great Falls | *Montana*
2010 - 2012

EXPERTISE

Record Management

Scheduling

Data Analysis

Project Management

Business Development

Budget Management

Administration

Sales & Marketing

JOURNAL OF COMMISSION PROCEEDINGS
May 3, 2022

Regular City Commission Meeting

Mayor Kelly presiding

CALL TO ORDER: 7:00 PM

Commission Chambers Room 206

PLEDGE OF ALLEGIANCE

ROLL CALL/STAFF INTRODUCTIONS: City Commission members present: Bob Kelly, Eric Hinebauch, Joe McKenney, Rick Tryon and Susan Wolff. Also present were City Manager Greg Doyon and Deputy City Manager Chuck Anderson; Public Works Director Paul Skubinna; Planning and Community Development Director Craig Raymond; Finance Director Melissa Kinzler; City Attorney Jeff Hindoien and Deputy City Attorney David Dennis; Fire Chief Jeremy Jones; Police Chief Jeff Newton; and, City Clerk Lisa Kunz.

AGENDA APPROVAL: There were no proposed changes to the agenda by the City Manager or City Commission. The agenda was approved as presented.

CONFLICT DISCLOSURE/EX PARTE COMMUNICATIONS: None.

PROCLAMATIONS: Police Week (May 11-17, 2022)/Peace Officers' Memorial Day (May 15, 2022) and National Preservation Month (May 2022).

MILITARY UPDATES

1. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS FROM MALMSTROM AIR FORCE BASE (MAFB).

Colonel Anita Fuegate Opperman, Malmstrom Air Force Base, provided the following updates:

- Admiral Richard, US Strategic Command Commander, will present the Omaha Trophy for the Best Missile Squadron in the United States Air Force (USAF) to the 12th Missile Squadron on May 6, 2022.
- MAFB received additional awards for the best environmental program, small fire department, ICBM organization, Airmen Leadership School (ALS) and legal office. A MAFB non-commissioned officer, civilian, and a company grade officer were also identified as winners of the Nuclear Deterrence Operations Award.
- Events are scheduled for Military Spouse Appreciation Day on Friday, May 6, 2022.
- MAFB will be recognizing National Police Week May 15-21, 2022, with a series of activities.
- A local response exercise is scheduled for May 12, 2022.
- The YWCA recently recognized a MAFB staff sergeant for her outstanding leadership.

PETITIONS AND COMMUNICATIONS

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2. **Daniel Hartzell**, City resident, commented that he has contributed to downtown by cleaning windows and painting fire hydrants. He suggested the lighting globes be replaced on Central Avenue.

Kevin Crawford, City resident, commented that he runs a church on 6th Street South. In the past year, he has helped six homeless people get off the streets and obtain jobs. The church has been helping them learn how to read, how to fill out applications, and to understand how society works. He suggested a small classroom with volunteers to teach mechanics and painting for contractors. Their biggest fear is they do not know how to address employment when they cannot read or write. Mr. Crawford fears the wave of people, as seen in other bigger cities, that use the “homeless” word to get what they want and that will make Great Falls look bad.

Kevin Westie, 602 35th Street North, suggested the use of mutual aid agreements if the Fire Department is unable to meet the four-minute response time in certain areas of the City.

Ruth Wardell, City resident, commented she is against any funding to build homeless shelters. Money would be better allocated to training and treatment programs to help the homeless become stable, earn a paycheck, and get on their own feet again. She recommended that the Commission look into the Honor Guardianship program in New Mexico. Ms. Wardell also commented she is totally against establishment of a National Heritage Area.

Jane Weber, City resident, Chair of Big Sky Country National Heritage Area, Inc., commented that the non-profit’s mission is to honor the stories of our past and the people who have had a hand in making Central Montana the special place under the Big Sky. Ms. Weber commented that Ruth Wardell misrepresented to the Commission at the April 19th meeting her comments made at the Historic Preservation Advisory Commission meeting the previous week, and reiterated the comments she made for clarification. Ms. Weber concluded that National Heritage Areas cannot impact private property rights, nor can they influence local, tribal, state or federal laws or regulations.

Karl Spitzmacher, 100 Central Avenue, suggested the City should host a homeless summit to listen to the homeless and the community, discuss options and address the big picture.

Marci Marceau, City resident, discussed concerns about the homelessness topic. She learned about the homeless environment when she found her homeless son in Phoenix. There is a lot of violent anarchy and a lot of the homeless like that lifestyle. She is all for giving a hand up. If the City funds their lifestyle, they will network and many homeless people will come here. She referred to the Baatz building project across from the Rescue Mission and commented that providing services without accountability is a bad idea and downtown will be decimated.

Michael Yeagerlehner, 313 2nd Avenue North, commented that he had dinner with the homeless people downtown and it was quite pleasant. There are some “hot mess” people downtown. There are also horrible human beings all over this city and a lot of things happening behind closed doors. His job security as a counselor is made by the stuff that is happening behind the closed doors and not the homeless. As a counselor and volunteer, he refers people to programs such as

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Opportunities, Inc. and Center for Mental Health. It is hard to engage in those services if you do not have a home.

Written comments were submitted by **Benjamin Thompson**, City resident, opposing the City's ordinance prohibiting use of land within the City of Great Falls that is in violation of federal, state or local law, that he opines is contrary to the state marijuana laws and the vote of the people.

NEIGHBORHOOD COUNCILS

3. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

BOARDS AND COMMISSIONS

4. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

CITY MANAGER

5. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

City Manager Greg Doyon reported that staff continues to work on developing the FY 23 budget. Initial budget work sessions will be held May 9 and 10, 2022, in the Civic Center and are open to the public. Staff is also continuing to gather costs for the Tier 1 ARPA projects that the Commission agreed to allow staff to explore further. A detailed update will be provided to the Commission during an upcoming work session.

Manager Doyon announced that the Great Falls Public Library would be honoring the memory of longtime staff member Kathy Wight by renaming the Kids' Place play area Kathy's Corner. The Kathy's Corner ribbon cutting ceremony will be held on May 10, 2022, at 10:00. Comfortable new furniture and improvements have been made possible by generous donations in Kathy's honor, as well as by support from the Great Falls Public Library Foundation.

CONSENT AGENDA.

6. Minutes, April 19, 2022, Special City Commission Meeting.
7. Minutes, April 19, 2022, City Commission Meeting.
8. Total Expenditures of \$2,440,622 for the period of March 29, 2022 through April 20, 2022, to include claims over \$25,000, in the amount of \$1,807,816.
9. Contracts List.
10. Declare Refuse Unit #924, a 2012 Mack LEU613 sanitation truck, as Surplus Property and approve the purchase of one new 2023 Heil Autocar ACX64 tandem axle truck with a Heil Durapack Rapid Rail 28 yard automated sideloader from Kois Brothers Equipment Company Inc. of Great Falls for a total of \$362,310, including shipping.

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Commissioner Wolff moved, seconded by Commissioner Hinebauch, that the City Commission approve the Consent Agenda as presented.

Mayor Kelly asked if there were any comments from the public. Hearing none, Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner Tryon received clarification that Item 10 was on the consent agenda because the item was scheduled on the Equipment Revolving Schedule and was talked about during the budget.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

PUBLIC HEARINGS

11. CABLE SYSTEM FRANCHISE AGREEMENT BETWEEN TDS METROCOM, LLC AND THE CITY OF GREAT FALLS (OF 1784.0.)

Mayor Kelly declared the public hearing open and asked for presentation of the staff report.

Deputy City Manager Chuck Anderson reported that TDS Metrocom, LLC (“TDS”) is a Madison, WI-based cable television service provider (“cable operator”) that has requested a non-exclusive franchise agreement for the provision of cable television services. TDS plans to build and provide broadband (Internet), video and digital voice services in the City of Great Falls.

Under the Federal Communications Act, as amended, cable operators are required to secure a franchise agreement with local governments granting it permission to use the public right-of-way to provide cable services. The Federal Communications Act also authorizes local governments to receive payment in the form of a “franchise fee” of up to five percent (5%) of gross revenues from said cable service providers.

City staff has utilized the services of a consultant to assist in negotiating the terms and structure of the proposed *Franchise Agreement*, which is modeled closely to the terms and structure of the *Franchise Agreement* approved by the City Commission in February of 2020 with the City’s only other cable system franchise holder, Spectrum Pacific West, LLC (“Spectrum”).

TDS will be the first new wireline cable operator to enter the Great Falls area and provide a cable television market since Spectrum’s predecessors first arrived in Great Falls in the 1970’s.

Approval of the proposed Franchise Agreement and a subsequent deployment of its proposed cable system by TDS will eventually yield annual franchise fee revenues for the City. For comparison purposes, the incumbent cable operator (Spectrum) or its predecessors have been in the market since the 1970’s and its five percent (5%) annual franchise fee is generally in the neighborhood of \$600,000, which is allocated to the General Fund.

Staff recommends that the City Commission conduct a public hearing and approve the proposed Franchise Agreement with TDS Metrocom.

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Mayor Kelly asked if the Commission members had any questions.

Deputy City Manager Anderson responded to a series of Commissioner McKenney's inquiries that:

- Telephone and gas companies do not pay franchise fees. Those entities would submit applications pertaining to when they would be providing services in the right-of-way. Those applications would be reviewed by City staff before permits would be granted.
- Cable system operators are required to pay franchise fees pursuant to the Cable Act. For said fee, cable system operators get to use the City's right-of-way in order to install aerial or underground cable television services.
- TDS is having a kick-off meeting for the community on May 24, 2022 at 9:00 AM at the Hilton Garden Inn. A part of that presentation will be their proposed rollout, types of services to the community, and possibly monetary information about what the services could cost.

Public Works Director Paul Skubinna added that he is expecting a two to three year roll-out and construction period based upon their start up work in other communities such as Billings.

Commissioner Tryon commented that it is exciting TDS will also be offering cable television and high speed broadband.

Deputy City Manager Anderson clarified that under the Federal Communications Act the only franchise fee that can be recouped by the City has to do with cable television services that are provided. The broadband internet service is not subject to the gross 5% franchise fee.

Commissioner Tryon discussed programs of the former Cable 7 operation that received funding from the cable franchise fees.

Deputy City Manager Anderson clarified that Cable 7 is now City 190, a government access channel. He reported that TDS would provide money for startup costs for equipment to be used to broadcast a City channel on the TDS fiber optic network for cable services. He will get back to the Commission on when the equipment money will be expected.

Mayor Kelly commented that TDS will be a competitor to Spectrum in the community and competition is usually good for the consumer.

Mayor Kelly asked if there were any comments from the public in favor of or in opposition to the granting of a Franchise Agreement to TDS Metrocom, LLC.

Hearing none, Mayor Kelly closed the public hearing and asked the will of the Commission.

Commissioner Hinebauch moved, seconded by Commissioner Tryon, that the City Commission approve the proposed Cable System Franchise Agreement between TDS Metrocom, LLC and the City of Great Falls.

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Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner McKenney appreciates competition that usually leads to better services and better prices.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

12. RESOLUTION 10456, NEW OR EXPANDING INDUSTRY TAX BENEFIT FOR CALUMET REFINING, LLC. LOCATED AT 1900 10TH STREET NE.

Mayor Kelly declared the public hearing open and asked for presentation of the staff report.

Planning and Community Development Director Craig Raymond reported that Calumet Refining, LLC has launched a project to convert a portion of its Great Falls plant to allow for the production of renewable fuels. When the investments in the project are completed, the renewable fuel production output is anticipated to be between 10,000 to 15,000 barrels per day while its conventional fuel production will be reduced by an equivalent output.

The applicant estimates that the totality of the investment needed to fully implement the renewable fuel conversion project will be approximately \$300 million. The applicant is working with the State of Montana Department of Revenue to obtain a permanent Montana State Air or Water Pollution Control and Carbon Capture Equipment Abatement on approximately \$250 million of this investment. The decision on that request is strictly the purview of the State of Montana and is anticipated to occur at the end of the 2022 calendar year. The applicant is basing its New or Expanding Industry Tax Abatement request on approximately \$50 million of investment that is not captured by the State's abatement. The new and expanding industry abatement is a distinct abatement program that comes with its own unique qualification rules and performance standards. The abatement is also unique in that it extends the total abatement period from five years to 10 years. In the first five years, the new investment is taxed at 50% of its taxable value. In years five through 10, the tax gradually increases until it reaches 100% of the normal taxes owed.

Staff's procedure for processing this abatement is essentially the same as other abatement types. However, this process will be longer due to the timeframe it takes to get accurate data from the State Department of Revenue for industrial type projects. The appraisal and estimate is far more complicated.

The total cost to the City general fund for this request is estimated to be about \$2.8 million over a 10-year period.

Staff finds that the project meets State statutory requirements and appears to be an approvable request considering the criteria in Resolution 10119. The total cost of nearly \$2.8 million dollars should be weighed carefully against increasing needs and pressures of the general fund.

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Ron Colwell, Applicant and General Manager of Calumet Montana Refining and Montana Renewables, commented that the project is exciting and interesting and puts Great Falls on the map in regards to renewable energy. This project is continuing the legacy that Calumet has brought to this refinery and to this community. To make room for renewable feedstock barrels that will come from farms and ranches, Calumet will scale back but continue to make conventional fuels and asphalt for the roads in Montana. Calumet will be able to process oil seeds to rendered animal fats.

Applicant Colwell reported that Calumet is also working with the Great Falls Development Authority to identify other companies that will come in and build oil seed crushing facilities that will open this up to an add on economy for the ag communities in the Golden Triangle. He also noted that the Environmental Protection Agency (EPA) has started its ruling process for canola as a pathway to renewable diesel.

Calumet's application is based on the desire to be a part of the Great Falls community and the Great Falls community to be a part of this renewable project. Depending on how the Montana Department of Revenue and Department of Environmental Quality (DEQ) rule, it may affect the tax base of the City in the approximate amount of \$2.8 million dollars. He pointed out that the project has already impacted employment at the refinery. Calumet hired 30 new hourly operators that make a great wage, and intend to hire more hourly employees as well as professionals. He expects Calumet's employment numbers to grow to 40 – 50 new employees. Additional spinoff from this renewable effort includes employment opportunities for the ag community to be able to open up a new stable market for ag products that are grown locally.

Applicant Colwell commented that this project fits in with the City's growth policy. It will help strengthen and diversify the City's economic base, ensuring growth and quality development and employment opportunities. It strengthens and expands the City's existing economic base and attracts new businesses and supports the expansion of existing businesses. Calumet wants to grow environmentally by incentivizing this additional renewable fuels projects. Calumet employees are learning this process and see the potential for future projects. One of those projects being a strong local demand for sustainable aviation fuel.

Applicant Colwell urged the Commission's adoption of Resolution 10456.

Mayor Kelly asked if the Commission members had any questions.

Commissioner Wolff requested that Applicant Colwell address when Calumet expects to receive Montana products rather than crops coming in from the Dakotas or the Midwest.

Applicant Colwell explained that as this project develops the initial feedstock will be what is called clean feedstock. Clean feedstock means that it has been cleaned, bleached, deodorized, and made very pure for Calumet's process. That clean feedstock will be sourced out of state. Calumet is in the process of building a feedstock pre-treatment unit, which will be able to bring in raw feedstock and perform the purification process. When that process is in play, it will open the door for Montana producers and crops, such as camelina and canola, to participate when the EPA approves that pathway for their renewable fuels standard. The target date for Calumet's pre-treatment process is by the end of 2022.

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Commissioner Hinebauch inquired the expected timeline for the EPA ruling on the pathway for canola.

Applicant Colwell responded that he knows the EPA has started the process and that there is a public comment period. He does not know the EPA's exact timeframe.

Commissioner Hinebauch inquired if canola was the best fit for this region.

Applicant Colwell responded that camelina is actually preferred. The best feedstock for Calumet's process is the feedstock that does not compete with food, but canola will be one of the primary starter feedstocks.

Commissioner Tryon inquired the percentage of the 400 contractors over the 14-month construction period that would be local contractors.

Applicant Colwell responded that the majority of the contractors for this project are from out of state that specialize in this type of construction at this magnitude. Calumet's Engineering, Procurement and Construction contractor is Burns and McDonnell. Their construction arm, Ref-Chem, hire local contractors when it makes sense.

Commissioner Tryon inquired if there was a way to quantify the annual emergency services the City provides to Calumet.

Applicant Colwell responded that Calumet has its own fire brigade, as well as emergency response personnel that are very well trained. They conduct a lot of training exercises with Great Falls Fire Rescue. Great Falls Fire Rescue does respond to emergency events and the fire brigade assists as trained to do pursuant to the Emergency Response Plan.

City Manager Doyon added that it would be very difficult to specifically quantify what Commissioner Tryon is asking. There is an impact in the community for an industry this size for those types of services.

Fire Chief Jeremy Jones also added that Calumet is part of GFFR's service delivery area. Calumet's fire brigade are seasoned experts on that type of facility. GFFR is Calumet's backup and they work together to establish a unified command. He would not be able to provide a cost associated with it. Calumet is inspected just like every other business.

Director Raymond responded in the affirmative to Commissioner McKenney's comment that Calumet's current property taxes will go forward as always, and the abatement is 50% on the increase of the newly taxable value.

Applicant Colwell responded to a series of Commissioner McKenney's inquiries that:

- Other than North Dakota, there has not been a refinery built in the United States since mid-1970.

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- Calumet's expansion in 2016 was \$450 million dollars; and, including this project, three-quarters of a billion dollars in investments in the past six years.
- After the expansion is completed, Calumet expects to employ about 220 people.
- The average starting salary is \$60,000-\$70,000/yr.
- The abatement is being requested now due to the language set forth in Resolution 10119, wherein the application to the City has to occur prior to the commencement of major construction.

In response to Mayor Kelly's inquiry, Applicant Colwell reported that when Calumet started this project they advertised for workers starting at about \$29/hour.

Mayor Kelly asked if there were any comments from the public in support of Resolution 10456.

Jolene Schalper, Great Falls Development Authority (GFDA), commented that Calumet and this project was the talk amongst attendees at the Advanced Bioeconomy Leadership Conference in Washington, DC. GFDA understands the strong agriculture base in our region, and also understands that it is not good enough to ship our commodities out raw and non-value added. More advanced bioeconomy is needed here in the Golden Triangle of Montana.

With regard to the merits of this request, Ms. Schalper commented that putting together capital stocks for a \$450 million dollar project like this is tricky. Many other communities are competing for these assets. We need to make sure we are helping support Calumet as they move forward. The tax abatement tool was created to do just that – support economic development and diversification projects.

She further commented that GFDA put one of its team members full-time on working with Calumet to attract a crushing plant. A crushing plant would add additional tax base to the local economy, add additional high wage jobs when they build, and will give local farmers a place to drop off camelina. There are groups helping farmers increase camelina production as a feedstock. She pointed out that Calumet's cost for this conversion is higher than it would be if they had made this conversion in another community that had feedstock readily available. The tax abatement will help Calumet with those margins as they get off the ground the first few years.

Wayne Leiker, Calumet Montana Refining Co, commented that this year the refinery is 100 years old. The decision that was made by the company to move to the direction they are is different from others that are moving this way for renewable fuels in the oil industry. Others are shutting down a large part of their refineries and then only scalping out the piece that makes renewable fuels. Calumet has made the choice to keep the company running and keep over half of their people employed. Calumet has put over 100 people to work in Great Falls between these two projects. Other tax money not being talked about is the 600 people in town for 18 months, living and spending their per diem accounts, going to restaurants, grocery stores, etc.

Mayor Kelly asked if there were any comments from the public in opposition to Resolution 10456.

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Karl Spitzmacher, 100 Central Avenue, suggested the Commission look into TIF funds. When money is invested into a company, the company pays it back to the TIF fund to invest with other companies to come into the community.

Michael Yeagerlehner, 313 2nd Avenue North, opposed his tax dollars going to a private, for profit company and the tax burden going to the people of Great Falls.

There being no one further to address the Commission, Mayor Kelly asked if the Applicant wished to respond to public comment.

Applicant Colwell responded that approximately 20% of the City's revenue comes from property taxes, and about 38% comes from charges for services. He pointed out that the lack of potential increase in property tax revenues of \$2.8 million dollars will be largely offset by the revenue that the City gets from City services that are provided to the individuals that are supported by the refinery. The economic impact of this refinery is on the order of \$1 billion dollars per year and over 1000 individuals employed as a direct result of the existence of the refinery.

Mayor Kelly closed the public hearing and asked the will of the Commission.

Commissioner Tryon moved, seconded by Commissioner Wolff, that the City Commission adopt Resolution 10456.

Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner Tryon discussed Calumet's previous tax abatement request that was not granted and Calumet's objection to the valuation of its property resulting in the City's general fund lacking money. He hopes that does not occur again.

Commissioner McKenney referred to the Westgate property and inquired about Calumet's plans for future expansion.

Applicant Colwell explained that everything that they are doing today is within their industrial fence line, zoned for heavy industrial. The Westgate area is not zoned for heavy industrial, which means if Calumet did want to expand into that area, Calumet would have to come to the City for approval to rezone the property. Calumet does not see any benefit to doing that. They would have to cross a public road to access that piece of property. He does not see a future where Calumet is building anything heavy industrial on that piece of property.

Commissioner Wolff commented that she intends to vote in favor based on the investment that Calumet has and is bringing to the community, and future growth in our ag community. She noted that the military is moving towards renewable fuels. She concluded that Calumet is already investing in the community in a variety of ways, but also encouraged Calumet to look at other ways to benefit the community.

Commissioner Hinebauch stepped out of the meeting at 8:40 PM and returned at 8:41 PM.

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Mayor Kelly commented that Calumet is the largest taxpayer in the City. The expanding industry tax benefits are an incentive for people to do business here. It is one of the few tools the Commission has to offer to industry. It is a high profile project and he appreciates that it is happening in our community.

Mayor Kelly concluded that the reason these applications come before an elected body is to strike that balance between the benefit to the community and the employer, and the cost to the community. When any entity protests its taxes and has evaluations redone, it causes great consternation in a revenue source for the City. Calumet is a good employer with high paying jobs.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

OLD BUSINESS

NEW BUSINESS

13. ANNUAL AUDIT CONTRACT FOR FISCAL YEARS 2022 THROUGH 2024.

Finance Director Melissa Kinzler reported that the City of Great Falls issued a request for proposals (RFP) for audit services for fiscal years 2022, 2023 and 2024. The City received two responses to the RFP from Junkermier, Clark, Campanella and Stevens, PC (JCCS), and Anderson ZurMuehlen & Co., PC (AZ).

The Audit Selection Committee met on April 4, 2022, to review and evaluate the audit proposals. The Audit Committee met on April 19, 2022 to review the recommendations of the Audit Selection Committee.

The Selection Committee and the Audit Committee recommend AZ be awarded the audit contract for several reasons: AZ had more municipal auditing experience than JCCS based on the references provided, and AZ's cost proposal was more attractive than the other proposal.

The audit contract is between the City of Great Falls, AZ, and the State of Montana. The total cost of the three-year contact will be \$159,000.

Commissioner Wolff moved, seconded by Commissioner Tryon, that the City Commission award a three-year contract for audit services with Anderson ZurMuehlen & Co., P.C. (AZ) at a cost of \$52,000 for Fiscal Year 2022, \$53,000 for Fiscal Year 2023, and \$54,000 for Fiscal Year 2024.

Mayor Kelly asked if there were any comments from the public.

Hearing none, Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner McKenney commented that he served on the Audit Selection Committee and the Audit Committee. Both companies were qualified to provide the services. AZ scored slightly

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higher on qualifications and experience, and there was a bigger cost savings on the proposal amount.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

14. CONSTRUCTION CONTRACT FOR 33RD STREET SOUTH ADA UPDRADES (OF 1788.0.)

Public Works Director Paul Skubinna reported that this project would provide an Americans with Disabilities Act (ADA) compliant route of travel to connect citizens to each other and larger arterial routes for travel to various public and private amenities. The area has been prioritized by the Public Right of Way ADA Transition Plan due to a mill and overlay project scheduled for 33rd Street South. These routes improve the functional and aesthetic properties of the area and will provide ADA compliant routes by installing curb ramps and alley aprons from the intersection at 33rd Street South and 11th Avenue South to the north side of the intersection at 33rd Street South and 15th Avenue South.

The ADA improvements will also serve to support the connectivity of the pedestrian route system in the area by providing an accessible route to a State maintained ADA compliant pedestrian corridor along 10th Avenue South. The location's priority has also been established as well above average by public stakeholders and ADA federally mandated characteristics using metrics established and monitored in the Public Works ADA Transition Plan.

The construction activity will require temporary lane closures of 33rd Street South from the intersections of 11th through 15th Avenues. Access to residences and businesses adjacent to the construction zones will be maintained.

The project consists of installing approximately 1,200 Lineal Feet of integral concrete curb and gutter; 1,300 Square Feet of four (4)-inch concrete sidewalk; 4,200 Square Feet of six (6)-inch reinforced concrete; 18 truncated domes, 1,100 Square Feet of sod placement, 2 type 1 curb inlets, and installing/removing and replacing 3 areas of retaining wall.

The project has been selected and prioritized, and executed in accordance with the Public Works Capital Improvement Program, the City of Great Falls ADA Transition Plan, and budgeted in the Street enterprise fund. The project will result in an Americans with Disabilities Act (ADA) compliant route of travel to connect citizens to each other and larger arterial routes for travel to various public and private amenities.

For the larger pavement preservation project the Street Department will be doing the mill and overlay and the Engineering Division the design bidding, construction management and inspection for the ADA project. By providing these services in-house he estimates the entire project, including the ADA upgrades, will cost the City approximately half of what it would be if hired out.

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The specifications were advertised two times in the Great Falls Tribune. One bid was received on April 20, 2022, by MRTE Inc., in the amount of \$217,845.00, which was less than the engineer's estimate for construction of the ADA portion of the project.

Commissioner Tryon moved, seconded by Commissioner Wolff, that the City Commission award a contract in the amount of \$217,845 to MRTE Inc., for the 33rd Street South ADA Upgrades, and authorize the City Manager to execute the necessary documents.

Mayor Kelly asked if there were any comments from the public.

Karl Spitzmacher, 100 Central Avenue, was informed the location of the project is in the area of Super 1 Foods.

Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner Wolff expressed support and quoted Shyla Patera as always looking at mobility access where it is needed.

Mayor Kelly called for the vote.

Motion carried 5-0.

15. REFURBISH THREE 2004 PIERCE ENFORCER ENGINES UTILIZING ARPA FUNDING.

Fire Chief Jeremy Jones reported that this item is consideration of a contract for the refurbishment of three fire engines and the use of ARPA funds in the amount of \$1,299,337. At the April 5, 2022 work session, the City Commission approved the collection of proposals and bids for certain ARPA qualifying projects.

In 2004, the City of Great Falls purchased three 2004 Pierce Enforcer Engines from Hughes Fire Equipment in the approximate amount of \$330,000 each. The engines are still in use today. Pursuant to NFPA 17.10, the engines are well outside their service life of frontline service.

GFFR researched an agreement with Hughes to have the engines refurbished. Refurbishment will take the engines down to the frame and rebuild the engines using existing parts that are good and replacing parts that are bad. This process will have no impact on GFFR service delivery while the engines are in the refurbishment stage, as GFFR will only be sending one engine at a time back to the factory.

The purpose of refurbishing these trucks is to extend their service life. When the refurbishment process is complete, it is estimated to add 10-15 years of service life to each engine. By performing a refurbishment of these three (3) engines, the City will save approximately \$1,000,000 versus having to buy new. Purchase of the same engine today would be \$750,000 each.

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Commissioner Hinebauch moved, seconded by Commissioner Wolff, that the City Commission approve the contract with Hughes Fire Equipment and the related use of \$1,299,337 of ARPA funds for the coordination of repairs and refurbishment of three (3) Pierce Enforcer fire engines to be provided at the Pierce Manufacturing Service Center.

Mayor Kelly asked if there were any comments from the public.

Hearing none, Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner Tryon noted the entire cost of refurbishing the fire trucks would be covered through the ARPA funds. No local match is required for the project. This alleviates a significant future capital equipment expense for GFFR. He thinks this is the kind of expenditure that ARPA funds will go a long way in helping the City and the various departments that are eligible for these funds. He hopes to see a lot more of these agreements coming up with the use of ARPA funds.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

ORDINANCES/RESOLUTIONS

16. **ORDINANCE 3243, TO ASSIGN C-2 GENERAL COMMERCIAL ZONING TO THE PROPERTY LEGALLY DESCRIBED AS TRACT A OF CERTIFICATE OF SURVEY 2248 AS WELL AS THE EASTERN HALF OF THE ADJOINING DIVISION ROAD RIGHT OF WAY; AND ASSIGNE R-6 MULTI-FAMILY HIGH DENSITY ZONING TO THE WESTERN HALF OF THE ADJOINING DIVISION ROAD RIGHT OF WAY.**

Planning and Community Development Director Craig Raymond reported that Ordinance 3243 is a staff initiated annexation request. Some time ago, when the adjacent property to the east was annexed, a portion of the property was improperly left out of the annexation and the rights-of-way of Division Road were not included in the annexation of property to the east of Division Road, resulting in unincorporated enclave. The developed use of properties to the east and west both currently receive City water and sewer service.

Staff recommends that C-2 zoning be applied to the Montana Department of Transportation (MDT) property to the east of the centerline of Division Road. MDT has no immediate plans to change the current use of the property. No other special land use determinations or processes need to be considered as part of this annexation and zoning request. The property to the west of Division Road is already zoned R-6. That designation would be appropriate for those areas west of the centerline of Division Road.

Commissioner Hinebauch moved, seconded by Commissioner Wolff, that the City Commission accept Ordinance 3243 on first reading and set the public hearing for June 7, 2022.

Mayor Kelly asked if there were any comments from the public or discussion amongst the Commissioners.

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Hearing none, Mayor Kelly called for the vote.

Motion carried 5-0.

CITY COMMISSION

17. APPOINTMENTS, GREAT FALLS CITIZEN'S COUNCIL.

Mayor Kelly moved, seconded by Commissioner Hinebauch, that the City Commission appoint Commissioner McKenney and Commissioner Tryon to serve on the Great Falls Citizen's Council also known as Council of Councils for the May 24, 2022 meeting.

Mayor Kelly asked if there were any comments from the public or discussion amongst the Commissioners. Commissioner Wolff noted that she was available if a conflict comes up with another commissioner.

Motion carried 5-0.

18. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Commissioner Wolff congratulated Susie McIntyre for her recognition at the YWCA Salute to Women gala.

She also expressed appreciation to the City and all of the people downtown for the wayfinding signage.

19. COMMISSION INITIATIVES.

None.

ADJOURNMENT

There being no further business to come before the Commission, **Commissioner Tryon moved, seconded by Mayor Kelly, to adjourn the regular meeting of May 3, 2022, at 9:07 p.m.**

Motion carried 5-0.

Mayor Bob Kelly

City Clerk Lisa Kunz

Minutes Approved: May 17, 2022



Commission Meeting Date: May 17, 2022
CITY OF GREAT FALLS
COMMISSION AGENDA REPORT

ITEM: \$25,000 Report
 Invoices and Claims in Excess of \$25,000

PRESENTED BY: Finance Director

ACTION REQUESTED: Approval with Consent Agenda

LISTING OF ALL ACCOUNTS PAYABLE CHECKS ISSUED AVAILABLE ONLINE AT
<http://greatfallsmt.net/finance/checkregister>

TOTAL CHECKS ISSUED AND WIRE TRANSFERS MADE ARE NOTED BELOW WITH AN ITEMIZED LISTING OF ALL TRANSACTIONS GREATER THAN \$25,000:

ACCOUNTS PAYABLE CHECK RUNS FROM NEW WORLD	APR 14, 2022 - APR 27, 2022	649,368.49
ACCOUNTS PAYABLE CHECK RUNS FROM MUNIS	APR 21, 2022 - MAY 4, 2022	614,184.24
MUNICIPAL COURT ACCOUNT CHECK RUN FOR	APR 16, 2022 - APR 29, 2022	81,447.32
TOTAL: \$		<u><u>1,345,000.05</u></u>

ENTERPRISE FUNDS

SEWER

TD&H ENGINEERING	OF 1758.1 LIFT STATION 1 REP& SUP PMT3	27,980.31
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INTERNAL SERVICES FUND

CENTRAL GARAGE

NORTHWEST FUEL SYSTEMS	PARKS & RECREATION FUEL STATION	41,424.28
MOUNTAIN VIEW CO-OP	DIESEL / GASOLINE	32,101.50

TRUST AND AGENCY

COURT TRUST MUNICIPAL COURT

CITY OF GREAT FALLS	FINES & FORFEITURES COLLECTIONS	62,926.68
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PAYROLL CLEARING

STATE TREASURER	MONTANA TAXES	46,158.00
FIREFIGHTER RETIREMENT	FIREFIGHTER RETIREMENT EMPLOYEE & EMPLOYER CONTRIBUTIONS	51,764.05
STATEWIDE POLICE RESERVE FUND	POLICE RETIREMENT EMPLOYEE & EMPLOYER CONTRIBUTIONS	68,584.45
PUBLIC EMPLOYEE RETIREMENT	PUBLIC EMPLOYEE RETIREMENT EMPLOYEE & EMPLOYER CONTRIBUTIONS	129,705.51
US BANK	FEDERAL TAXES, FICA & MEDICARE	197,233.83
LABORERS INTERNATIONAL UNION	EMPLOYEE CONTRIBUTIONS	26,327.08

UTILITY BILLS

NORTHWESTERN ENERGY	05614938 CHARGES FOR APR 2022	60,708.99
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CLAIMS OVER \$25000 TOTAL: \$ 744,914.68

CITY OF GREAT FALLS, MONTANA

COMMUNICATION TO THE CITY COMMISSION

DATE: May 17, 2022

ITEM: CONTRACTS LIST
 Itemized listing of administratively approved contracts.
 (Listed contracts are available for inspection in the City Clerk’s Office.)

PRESENTED BY: Lisa Kunz, City Clerk

ACTION REQUESTED: Ratification of Contracts through the Consent Agenda

MAYOR’ S SIGNATURE: _____

CONTRACTS LIST

	DEPARTMENT	OTHER PARTY (PERSON OR ENTITY)	PERIOD	AMOUNT	PURPOSE
A	Great Falls Police Department (GFPD)	Ox & Son Towing and Recovery LLC	06/05/2022 – 06/04/2027	\$7,200 paid annually to the City of Great Falls	City of Great Falls Towing & Recovery Services Contract for towing services involving GFPD vehicles and/or vehicles requested by GFPD to be removed, towed or transported to a specific location for impound or other reasons

B	Planning and Community Development	Great Falls Public Library	05/2022 – 06/30/2023	\$10,065	2021/2022 Community Development Block Grant Agreement for installation of 35 permanent Story Walk frames in Gibson Park for children and families to enjoy year round and encourage physical and educational activity
C	Great Falls Fire Rescue (GFFR)	David F. Simpson, D.O.	07/01/2022	\$2,900/mo.	Professional Services Agreement for GFFR Offline Medical Director services and EMS System Medical Director services
D	Public Works – Engineering	M&D Construction, Inc.	04/05/2022 – 12/31/2024	Original Agreement \$66,209.00 Amendment No. 1 + 2,348.20	Amendment No. 1 to Public Works Construction Agreement for 2022 Sanitary Sewer Repairs and emergency repairs that added installation of 4 ½ feet of 10-inch PVC sanitary sewer pipe and additional wye connections greater than 4 inches and associated costs OF 1675.7 (CR: 040522.9J)
E	Public Works – Engineering	Terracon	2022 – 2026	\$37,500	Professional Services Agreement to provide a phased approach for the Giant Springs Road landslide mitigation project OF 1789

CITY OF GREAT FALLS, MONTANA

COMMUNICATION TO THE CITY COMMISSION

DATE: May 17, 2022

ITEM: GRANTS LIST
 Itemizing grants not otherwise approved or ratified by City Commission Action
 (Listed grants are available for inspection in the City Clerk’s Office.)

PRESENTED BY: Lisa Kunz, City Clerk

ACTION REQUESTED: Ratification of Grants through the Consent Agenda

MAYOR’S SIGNATURE: _____

GRANTS

	DEPARTMENT	OTHER PARTY (PERSON OR ENTITY)	PERIOD	GRANT AMOUNT REQUESTED	MATCH	PURPOSE
A	Planning and Community Development	National Trust for Historic Preservation	08/2022- 08/2023	\$5,000	\$20,000 Project -\$5,000 (Historic Preservation Discretionary Fund) -\$10,000 (BSCNHA, Inc. if grant awarded)	Grant Application for funds to perform a structural assessment of the Boston and Montana Barn as a first step in developing a plan to save the last remnant of smelter operations in Black Eagle



Commission Meeting Date: May 17, 2022
CITY OF GREAT FALLS
COMMISSION AGENDA REPORT

Item: Asphaltic Concrete Material
From: Kenny Jorgensen, Street Division Manager
Initiated By: Public Works Department
Presented By: Paul Skubinna, Public Works Director
Action Requested: Award Bid

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission (approve/not approve) the bid award for asphaltic concrete material to Great Falls Sand & Gravel, Inc. of Great Falls for \$923,400.”
2. Mayor requests a second to the motion, public comment, Commission discussion, and calls for the vote.

Staff Recommendation: Staff recommends that the City Commission approve the bid award for asphaltic concrete material to Great Falls Sand & Gravel, Inc., of Great Falls for \$923,400.

Background:

Purpose

The asphaltic concrete material requested will be used by the Street Division to conduct street repair and maintenance projects, including overlays and street opening patches.

Evaluation and Selection Process

The specifications were advertised two times in the Great Falls Tribune; mailed to three prospective bidders and advertised on the City of Great Falls website. The bids were opened on May 4, 2022. There were three responsive bids.

Along with price per ton numbers staff calculates a mileage factor: calculations are figured using the miles from the City Shop to the manufacturer source. MRTE is 1.8 miles, Great Falls Sand & Gravel is 3.3 miles, and United Materials is 7.3 miles. Great Falls Sand & Gravel submitted the low bid.

See table:

Mileage Factor: 14,000 tons \$.21 per ton = \$2,940 x ____ miles

Bidder	Type B	Type C	Mileage Factor	Total Bid
Great Falls Sand & Gravel	\$ 724,350	\$ 199,050	\$ 9,702	\$ 933,102
United Materials	\$ 836,000	\$ 246,000	\$ 21,462	\$1,103,462
MRTE, Inc.	\$ 759,000	\$ 216,000	\$ 5,292	\$ 980,292

Conclusion

The materials bid by Great Falls Sand & Gravel, Inc., meets specifications for the asphaltic concrete material.

Fiscal Impact: The current bid price from Great Falls Sand & Gravel is \$65.85 per ton for MPWSS Type B and \$66.35 per ton for MPWSS Type C. The contracted price for asphaltic concrete in FY 2022 was \$56.20 per ton for MPWSS Type B and \$56.45 per ton for MPWSS Type C. The total bid price difference from last year is an increase of \$135,850 or +17.25%. Funding for this year’s purchase of asphaltic concrete is in the proposed FY 2023 Street Maintenance Budget.

Alternatives: The City Commission could vote not to approve the bid award for asphaltic concrete material. Without the asphaltic concrete material the Street Division would not be able to perform contractor or other city department hot mix patches; or continue the pavement preservation program which provides up to 60 blocks of mill and overlay on city streets.

Attachments/Exhibits: Bid List, Bid Tab

ASPHALTIC CONCRETE MATERIAL BID LIST

1. GREAT FALLS SAND & GRAVEL
P.O. BOX 1989
GREAT FALLS, MT 59403

2. UNITED MATERIALS
P.O. BOX 1690
GREAT FALLS, MT 59403

3. MRTE, INC
3115 RAINBOW DAM RD
GREAT FALLS, MT 59405

CITY OF GREAT FALLS
 PO BOX 5021
 GREAT FALLS MT 59403

ASPHALTIC CONCRETE MATERIAL

Project Number
 Bids Taken at Civic Center
 Date: May 4, 2022
 Tabulated By: Debbie Kimball
 Page 1 of 1

NAME & ADDRESS OF BIDDER	Bid Security	Affidavit of Non- Collusion	MPWSS Type B Cost per Ton	MPWSS Type C Cost per Ton	Total Bid	Site of Manuf. Source	Miles to City Shop
			Total-11,000 Tons	Total-3,000 Tons			
Great Falls Sand & Gravel, Inc.	Bid Bond 10%	√	\$65.85 \$724,350	\$66.35 \$199,050	\$923,400	GF Sand & Gravel	3.3 miles
United Materials of Great Falls, Inc.	Bid Bond 10%	√	\$76.00 \$836,000	\$82.00 \$246,000	\$1,082,000	McIver Ranch Pit	7.3 miles
MRTE, Inc.	Bid Bond 10%	√	\$69.00 \$759,000	\$72.00 \$216,000	\$975,000	MRTE, Inc.	1.8 miles



Commission Meeting Date: May 17, 2022

**CITY OF GREAT FALLS
COMMISSION AGENDA REPORT**

Item: Resolution 10457 – A Resolution to vacate a portion of 10th Alley South abutting Lots 1-2, 9-10, Block 1, Fairview Addition

From: Alaina Mattimiro, Planner I, Planning and Community Development

Initiated By: Talcott Properties, LLC, Representing Mountain West Bank

Presented By: Craig Raymond, Director, Planning and Community Development

Action Requested: City Commission adopt Resolution 10457

Public Hearing:

1. Mayor conducts public hearing, pursuant to OCCGF 1.2.050 and Title 17, Chapter 16, Article 6.
2. Mayor closes public hearing and asks the will of the Commission.

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission (adopt/deny) Resolution 10457, subject to the Conditions of Approval being fulfilled by the applicant.”
2. Mayor requests a second to the motion, Commission discussion, and calls for the vote.

Staff Recommendation: Staff recommends that the City Commission adopt Resolution 10457 to vacate right of way for a portion of 10th Alley South, with the following conditions of approval:

Conditions of Approval:

1. **Amended Plat.** Provide an Amended Plat of the subject properties, showing the proposed vacation and aggregation, which notes all easements required by the City of Great Falls, including the access easement for the relocated alley as well as storm drain and sewer relocation easements. The revised plat shall incorporate corrections of any errors or omissions noted by Staff. A deed will also be required to ensure that all the properties are under one ownership in order to aggregate the parcels.
2. **Relocation and Easement Documents for the Alley and Utilities.** The designs for the proposed relocation of the alley and utilities shall meet all City standards and be approved by staff in conjunction with the issuance of permits. Easement documents for the relocated alley and utilities are additionally required.

- 3. Delay in Effective Date of Resolution and Plat.** Resolution 10257 and the required amended plat shall not be recorded and filed until the submittal of construction drawings that comply with code requirements have been approved by staff in conjunction with the issuance of permits.

Summary: Talcott Properties LLC, representing Mountain West Bank as the property owner, is requesting the vacation of 10th Alley South to make it feasible for a new restaurant building to be constructed on the site located at 1900 10th Avenue South. Currently the northern half of the property north of the alley is occupied by the former Cartwheel Casino. The southern half of the property is vacant. The site has many unique challenges that make new construction of a commercial building and sufficient parking difficult, particularly the steep grades of the northern portion of the site as well as the alley itself. The applicant is proposing the vacation of the alley, and to reroute the alleyway traffic and existing utilities to accommodate more buildable area on the site.

The attached proposed site plan shows that the alleyway will be curved and directed south to an access point on 11th Avenue South. The access point of the relocated alley is proposed to be the same access point as one of the two access points for the potential restaurant. This path for alley traffic has been designed to preserve the ability to continue sanitation, business deliveries, and emergency services for the owners of properties along the alley between 19th Street South and 20th Street South, as well as improve the grade for vehicles. Currently, the alley splitting the site has a slope of approximately 10 percent. The proposed relocated alley would have a slope of just over 3 percent. The proposed alley plan includes gradual turning radii for to show that large vehicles will still be able to navigate the curved alley through the site. If the alley is vacated, the City will retain an access easement that incorporates the new alley pathway. Maintenance responsibility for the relocated alley would be transferred to the owner.

The applicant is also proposing to realign the sewer main that currently runs down the alley. There is a preliminary proposal to route the sanitary sewer to a manhole east of the site in 19th Street South. The utility relocation will be reviewed and approved by City staff if the vacation of the alley is approved by the Commission. Additionally, storm water running from east to west along the alley travels at a higher rate due to the alley's steep slope. The applicant has provided the City with preliminary plans to capture this storm water and pipe it off the property. This proposal is also subject to further City review after a more detailed submission of information.

Intent to Vacate

At the April 19 City Commission meeting, the Commission approved Resolution 10445, which expressed the Commission's intent to vacate 10th Alley South adjoining the applicant's properties. The Commission also took action to set a public hearing for May 17 to determine whether the alley should be vacated. The Resolution of Intent for the applicant's request to vacate 10th Alley South is required in conjunction with the request to aggregate all the lots with an administrative plat. Staff has spoken with the applicant about existing city utilities that will be affected by the vacation. The sewer main that currently runs in the alley will be rerouted, at the applicant's expense, to accommodate the proposed future development. Additionally, easements will be created for any remaining utilities and needed alley access.

Staff Analysis: After extensive discussions with the applicant, City staff has concluded that the applicant's request, while unusual, is a reasonable way to handle development of a uniquely difficult property. The four lots divided by 10th Alley South have significant slope running from north to south and from west to east. The grade of the alley itself is extremely steep in comparison to most alleys in the city. Because of the difficult terrain, creating a relatively flat area to provide reasonable parking for a new building cannot be achieved while maintaining the existing alley. The existing building has been

vacant for some time, and the access and parking for the building are not ideal to attract a new commercial user. Relocating the alley and related utilities will lead to new construction on all four lots and continue recent activity to bring new commercial uses to the 10th Avenue South corridor.

Fiscal Impact: The maintenance of the right of way proposed to be vacated and relocated will be shifted from the City to the property owner. Additionally, all of the costs to reroute the utility mains and alleyway will be borne by the owner. It is important that the storm water catchment and piping plan be well designed to address any financial concerns about flooding impacts.

Alternatives: The City Commission could deny Resolution 10457. If this occurs, the most likely future development scenario is eventual re-use of the existing, vacant building on the northern two lots and a separate development of the lots south of 10th Alley South.

Concurrences: Staff has coordinated its review of the applicant's request with the Public Works Department. If the City Commission approves the vacation of 10th Alley South, City staff will review more civil engineering plans to ensure all code requirements are met.

Attachments/Exhibits:

Resolution 10457

Resolution 10457 Exhibit A

Aerial Map

Proposed Site Plan

Narrative

RESOLUTION 10457

A RESOLUTION BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA, VACATING THE PORTION OF 10TH ALLEY SOUTH ABUTTING LOTS 1-2, 9-10, BLOCK 1, FAIRVIEW ADDITION, AS SHOWN IN EXHIBIT "A", AND IN ACCORDANCE WITH THE PROVISIONS OF MONT. CODE ANN. § 7-3-4448

* * * * *

WHEREAS, the Plat of the Fairview Addition dedicated a twenty (20) foot wide right-of-way for 10th Alley South between 19th Street South and 20th Street South; and

WHEREAS, Mountain West Bank, represented by Talcott Properties, LLC, owns the properties on both sides of said right-of-way and has submitted a petition to have said portions of 10th Alley South vacated; and

WHEREAS, it has been determined that the subject portion of 10th Alley South can be relocated while still fulfilling its purpose to provide traffic access for the public; and

WHEREAS, it is determined that utility easements will be created to accommodate public utilities; and

WHEREAS, Mont. Code Ann. § 7-3-4448 sets forth, in pertinent part: (1)...Before vacating any street or part thereof or narrowing any street, the commission shall first pass a resolution declaring its intention to do so; and

WHEREAS, the right-of-way and easement therein of any owner is not impaired by the requested vacation; and

WHEREAS, at its regular meeting held on April 19, 2022, the City Commission of the City of Great Falls, Montana, passed and adopted Resolution 10455, titled:

A RESOLUTION OF INTENTION BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA, TO VACATE THE PORTION OF 10TH ALLEY SOUTH ABUTTING LOTS 1-2,9-10, BLOCK 1, FAIRVIEW ADDITION TO GREAT FALLS TOWNSITE, IN ACCORDANCE WITH THE PROVISIONS OF MONT. CODE ANN. § 7-3-4448, AND DIRECTING NOTICE TO BE GIVEN AS PROVIDED BY LAW

WHEREAS, notice was provided pursuant to Mont. Code Ann. § 7-3-4448(2); and

WHEREAS, a public hearing was held by the City Commission of the City of Great Falls, Montana, on the 17th day of May, 2022, at 7:00 o'clock p.m. in the Commission Chambers of the Civic Center, 2 Park Drive South, Great Falls, Montana, where said Commission heard all persons relative to the proposed vacation of the portion of 10th Alley South adjacent to Lots 1-2, 9-10, Block 1, Fairview Addition.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA, that the portion of 10th Alley South adjacent to Lots 1-2, 9-10, Block 1, Fairview Addition is hereby vacated and abandoned subject to the following conditions.

- 1. **Amended Plat.** Provide an Amended Plat of the subject properties, showing the proposed vacation and aggregation, which notes all easements required by the City of Great Falls, including the access easement for the relocated alley as well as storm drain and sewer relocation easements. The revised plat shall incorporate corrections of any errors or omissions noted by Staff. A deed will also be required to ensure that all the properties are under one ownership in order to aggregate the parcels.
- 2. **Relocation and Easement Documents for the Alley and Utilities.** The designs for the proposed relocation of the alley and utilities shall meet all City standards and be approved by staff in conjunction with the issuance of permits. Easement documents for the relocated alley and utilities are additionally required.
- 3. **Delay in Effective Date of Resolution and Plat.** Resolution 10457 and the required amended plat shall not be recorded and filed until the submittal of construction drawings that comply with code requirements have been approved by staff in conjunction with the issuance of permits.

BE IT FURTHER RESOLVED BY SAID CITY COMMISSION that this Resolution shall become effective from and after the date of the filing of said document in the office of the Cascade County Clerk and Recorder.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, on this 17th day of May, 2022.

Bob Kelly, Mayor

ATTEST:

Lisa Kunz, City Clerk

(CITY SEAL)

APPROVED FOR LEGAL CONTENT:

Jeffrey M. Hindoiem, City Attorney

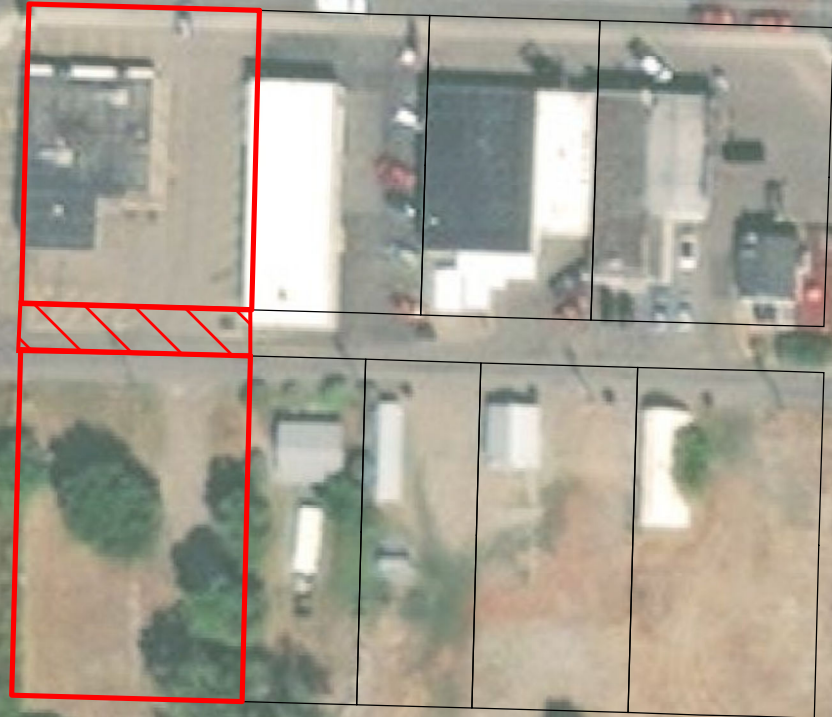
10TH AVE S

19TH ST S

20TH ST S

18TH ST S

11TH AVE S



10TH AVE S

19TH ST S

20TH ST S

18TH ST S

11TH AVE S

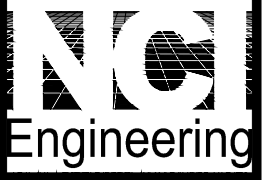


Revisions		

File No.	Job No.
FILE NO.	21Q 21Q-AlleyAlign
Date	Scale
3/21/22	AS SHOWN

Professional Seal

Engineers
Environmental Specialists
Planners
Designers
Surveyors



4509 North Star Boulevard
Great Falls, MT 59405
Phone 406-453-5478

Owner

**BRAD
TALCOTT**

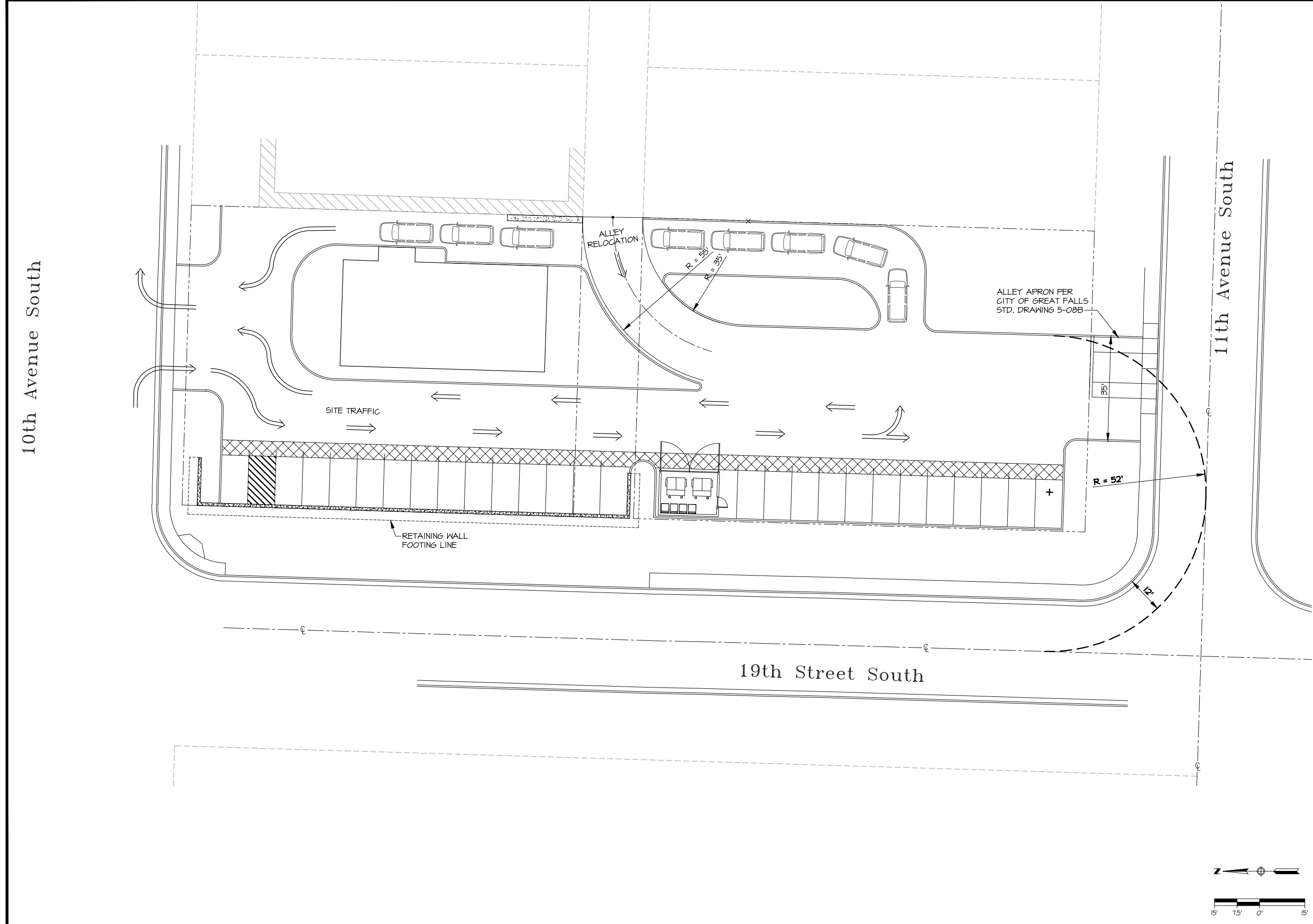
Project Title

**CARTWHEEL
CASINO
PROPERTY**

Sheet Title

**TURNING
RADIUS
EXHIBIT**

Sheet	Of
1	1
Copyright © 2021 NCI, All Rights Reserved	
File # FILE #	



10th Avenue South

11th Avenue South

19th Street South

SITE TRAFFIC

ALLEY RELOCATION

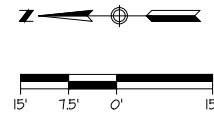
ALLEY APRON PER CITY OF GREAT FALLS STD. DRAWING 5-08B

RETAINING WALL FOOTING LINE

R = 35'

R = 35'

R = 52'



February 18, 2022

City of Great Falls Planning and Public Works Departments

RE: Redevelopment of Cartwheel Casino Site

All,

Thank you all for participating in last Thursday's planning meeting to discuss the planned redevelopment of the Cartwheel Casino site, and for your valuable insight and input. In response to City staff questions and concerns expressed prior to and at Thursday's meeting, we offer the following:

Proposed Alley Realignment

The proposed alignment, grades, dimensions and turning radii are shown on the attached drawing titled Grading Plan. At the alignment shown, the proposed overall longitudinal grade from the east property line downward is reduced from approximately 10% as it currently exists to 3% along the proposed alignment. The alley width increases from 20 feet to 25 feet through the 90° turn. The 25 foot width is maintained between the south end of the radius and the alley termination at 11th Avenue South. Cross grades throughout are less than 3%. The turning radii as the alignment turns to the south are 40 feet along the inside of the route and 60 feet along the outside. This exceeds the minimum turning radius dimensions required by the Fire Department for the proposed development.

In regard to dedication of the alleyway, the developer proposes to grant access easement to the City with a maintenance agreement wherein the developer will assume responsibility for all maintenance within the developer's property.

Off-Site Stormwater

The attached drawings titled Utility Layout depict three potential alignments for piping the accumulated off-site stormwater to existing City storm sewers and include a conceptual detail drawing of the proposed catch basin. Two of the potential routes would discharge into an existing 24 inch storm sewer line in 11th Avenue South. The third route would discharge to an existing 24 inch line in 10th Alley South. Both of these lines eventually discharge to a 66 inch trunk main near the intersection of 11th Avenue South and 18th Street. It should be noted that discharge to the 10th Alley South storm sewer would not substantially affect existing hydraulics of that portion of the system, as the flow that has historically originated in from the existing development between 10th Avenue South and the alley to the east of the Cartwheel site is collected in curb inlets on 19th and discharged to that same 24 inch line.

Either of the two lines discharging to the existing storm sewer in 11th Avenue South would require an additional manhole and considerably more piping than the 10th Alley South option, and would require major construction and traffic disruption on 11th. Assuming the planned re-route of the sanitary sewer, all major construction and disruption associated with the project could be limited to 19th Street by routing the off-site stormwater to the alley line. In addition, routing the off-site stormwater to the alley line could be accomplished within a single utility easement for both storm and sanitary sewer.

Drive-thru Stacking Lane

The attached grading plan drawing shows a “maximized” stacking lane which will accommodate approximately 11 cars. We propose to use signage and possibly speed bumps to discourage blockages in the alley. In discussions with the Design Manager for the franchise, he indicated that at other similar franchise facilities, five is the typical maximum number of vehicles waiting in line. We would like to discuss this issue further before proceeding to final site design.

Retaining Wall

The attached drawings show the outline of the wall footing extending into the 19th Street right-of-way by 3 feet. The depth of the footing and the height of the wall will be determined by the developer’s structural engineer during final design. The drawings have been revised to show the wall terminating on the north end such that the footing will not encroach in the MDT right-of way. A perimeter drain behind the wall with discharge to the on-site stormwater retention facility is planned.

Sanitary Sewer Realignment

The attached Utility Layout drawings show a revised alignment for the sanitary sewer that eliminates the 90° bend in the center manhole, and provides a straighter overall alignment without any right or acute angles in the flow line. A new manhole in 19th Street may be necessary in order to remove the existing line entering from the east and to accommodate installation of the proposed new line.

Utility Service Lines

The approximate locations of utility service lines are shown on the attached Utility Layout drawings. The current plan is to reuse the existing 2” copper water service line between the main in 10th Avenue South and the curb stop near the northwest corner of the site, and to install either a new 1-1/2” or new 2” copper service line between the existing curb stop and the new building. That portion of the existing line that is not planned for re-use will be removed as the existing building is being demolished. The International Building Code does not require fire suppression sprinklers for the proposed building. As such, no fire service line is being proposed for this project.

A single 4” Schedule 40 PVC sewer service line at the approximate location shown on the drawings will incorporate a separate line from the grease interceptor. The location/alignment of the sewer service line from the existing building is unknown, but is assumed to connect to the section of the existing sewer is proposed to be abandoned, such that no unused connection to the sewer will remain.

Roof drains are shown on the utility drawings along the east side of the building. The roof drains will discharge to the on-site stormwater retention facilities.

It is our desire to work with City staff to address any remaining issues in order to get this proposed development to the finish line. However please understand that we cannot provide a detailed final design prior to knowing if the alley abandonment will be allowed. Please let us know as soon as possible of any additional questions or concerns you may have regarding this project or the proposed alley abandonment so we can keep moving forward.

Respectfully,



David Carlsen, Talcott Properties LLC.
Idaho Trenberth, NCI Engineering Co.



Commission Meeting Date: May 17, 2022

**CITY OF GREAT FALLS
COMMISSION AGENDA REPORT**

Item: Ordinance 3244, Repealing Title 2, Chapter 12, Sections 010-050 of the OCCGF, Dissolving the Golf Advisory Board

From: Park and Recreation

Initiated By: Park and Recreation

Presented By: Steve Herrig, Park and Recreation Director

Action Requested: Accept Ordinance 3244 on first reading and set second reading for June 7, 2022.

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission (accept/not accept) Ordinance 3244 on first reading and (set/not set) the second reading for June 7, 2022.

2. Mayor requests a second to the motion, public comment, Commission discussion, and calls for the vote.

Staff Recommendation:

Staff recommends that the City Commission accept Ordinance 3244 on first reading and set the second reading for June 7, 2022.

Summary:

Ordinance 3244 will dissolve the Golf Advisory Board. Staff has determined that, due to the management contract with CourseCo, it is no longer beneficial to have a Golf Advisory Board.

Background:

The Golf Advisory Board was established on February 2, 1993 with the intention that the City would realize a direct benefit from an advisory board, providing input and feedback directly related to the operation and management of the municipal golf courses. The board consisted of five members serving three year terms.

From 2004 through 2018, Anaconda Hills and Eagle Falls Golf Courses operated at a deficit. It was suggested that the City may not be able to support two public courses, and may not have the expertise, depth of experience, and general wherewithal to operate two courses. Several scenarios were vetted, including closing Anaconda Hills Golf Course.

On August 24, 2018, the City issued Request for Proposals for management of the municipal golf courses. The City received two proposals on September 28, 2018. The two proposals were reviewed, and subsequently, both proposers were interviewed by City staff. The Commission awarded an Anaconda Hills Golf Course and Eagle Falls Golf Club Management Agreement to CourseCo, Inc. d/b/a Great Falls Golf, LLC, on December 18, 2018.

Since that time, CourseCo, Inc. has provided numerous opportunities for cost savings, generated new revenues in many areas, made several improvements to the courses, and has returned significant revenue to the City annually. The City Commission approved extensions to the management agreement with CourseCo, Inc, through January 31, 2025.

Because the City is no longer operating and managing the municipal courses, the original intent, purpose and need for the Golf Advisory Board has been eliminated. The City Commission is still required to adopt fees and CourseCo provides an annual update to the Commission through a Work Session.

Alternatives: The alternative would be to not dissolve the Golf Advisory Board but staff recommends against that option as there is no longer a purpose for the Board.

Concurrences: The future of the Golf Board was discussed during the board's February Meeting and at their meeting on March 28, 2022, the Golf Advisory Board voted unanimously to dissolve the Golf Advisory Board. In addition, management for CourseCo supports the dissolution of the Golf Board.

Attachments/Exhibits:

Ordinance 3244

Ordinance 3244 – Exhibit “A”

Original Management Agreement with CourseCo.

Extension to Management Agreement

ORDINANCE 3244

AN ORDINANCE BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA REPEALING TITLE 2, CHAPTER 12, SECTIONS 010 - 050 OF THE OFFICIAL CODE OF THE CITY OF GREAT FALLS (OCCGF) AND THEREBY DISSOLVING THE GOLF ADVISORY BOARD

* * * * *

WHEREAS, on February 2, 1993, the City Commission adopted Ordinance 2648 that created the Golf Advisory Board, with the intention that the City would realize a direct benefit from the formation of an advisory board, directly involved in the operation and management of the municipal golf courses; and

WHEREAS, the two municipal golf courses operated at a deficit from 2004 through 2018. The “at-risk” golf fund required significant taxpayer subsidies to operate. It was suggested that the City may not be able to support two public courses, and may not have the expertise, depth of experience, and general wherewithal to operate two courses; and

WHEREAS, after several scenarios were vetted, including closing Anaconda Hills Golf Course, a Request for Proposals was issued on August 24, 2018. The Commission awarded an Anaconda Hills Golf Course and Eagle Falls Golf Club Management Agreement to CourseCo, Inc. d/b/a Great Falls Golf, LLC, on December 18, 2018; and

WHEREAS, since that time, CourseCo, Inc. has provided numerous opportunities for cost savings, generated new revenues in many areas, made several improvements to the courses, and has returned significant revenue to the City annually. The City Commission approved extensions to the management agreement with CourseCo, Inc, through January 31, 2025; and

WHEREAS, the City no longer operating and managing the municipal courses has eliminated the original intent, purpose and need for a Golf Advisory Board; and

WHEREAS, at its March 28, 2022, meeting, the Golf Advisory Board voted unanimously to dissolve the Golf Advisory Board.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA:

Section 1. The Golf Advisory Board is hereby dissolved, and OCCGF Title 2, Chapter 12, Sections 010 – 050 are hereby repealed as depicted by Exhibit “A” attached hereto and by reference incorporated herein, with deleted language identified by ~~strikeout~~; and

Section 2. This ordinance shall be in full force and effect thirty (30) days after second reading and final adoption by the City Commission.

ACCEPTED by the City Commission of the City of Great Falls, Montana on first reading May 17, 2022.

ADOPTED by the City Commission of the City of Great Falls, Montana on second reading June 7, 2022.

Bob Kelly, Mayor

ATTEST:

(CITY SEAL)

Lisa Kunz, City Clerk

APPROVED FOR LEGAL CONTENT:

Jeffrey M. Hindoiem, City Attorney

State of Montana)
County of Cascade : ss
City of Great Falls)

I, Lisa Kunz, City Clerk of the City of Great Falls, Montana, do certify that I did post as required by law and as prescribed and directed by the Commission, Ordinance 3244 on the Great Falls Civic Center posting board and the Great Falls City website.

Lisa Kunz, City Clerk

(CITY SEAL)

ORDINANCE 3244 – EXHIBIT “A”
 Title 2 - ADMINISTRATION AND PERSONNEL
 Chapter 12 GOLF ADVISORY BOARD

~~Chapter 12 GOLF ADVISORY BOARD~~

Sections:

~~2.12.010 Creation.~~

~~A Golf Advisory Board is hereby created which shall hereafter be referred to in this Chapter as "Board."
 (Ord. 3169, 2017).~~

~~2.12.020 Purpose.~~

~~The purpose of the Board shall be to consult with and advise the City Commission, City Manager, and Parks and Recreation Department staff on all matters related to the operation of the municipal golf courses.
 (Ord. 3169, 2017).~~

~~2.12.030 Memberships.~~

~~The Board shall consist of five (5) members who shall be appointed by the City Commission. Membership will consist of one (1) member representing the City's Men's Golf Associations, one (1) member representing the City's Women's Golf Association, one (1) member representing Malmstrom Air Force Base, and two (2) members representing non-league golfers. The Chairman of the Park and Recreation Board or a designated representative from the Board will be an ex officio member of the Board. All members must be qualified electors.
 (Ord. 3169, 2017).~~

~~2.12.040 Terms.~~

~~The term of office of each member of the Board shall be three (3) years from and after March 1, of the year in which the member is appointed, except two (2) members of the first Board who shall hold office for a period of two (2) years from and after the first day of March 1, 1993.
 (Ord. 3169, 2017).~~

~~2.12.050 Duties.~~

~~The Board shall serve in an advisory capacity regarding the operation of the municipal golf courses, specifically regarding:~~

- ~~A. Fees and charges, tournament requests policies, procedures, and rules;~~
- ~~B. Capital improvements or projects;~~
- ~~C. Promotion of usage at the golf courses; and~~
- ~~D. All other matters relating to the golf courses which may be assigned or requested by the City Commission or the City Manager.~~

~~(Ord. 3244, 2022; Ord. 3169, 2017).~~

ANACONDA HILLS GOLF COURSE AND EAGLE FALLS GOLF CLUB MANAGEMENT AGREEMENT

THIS CONTRACT ("Agreement") is made and entered into this December 18, 2018, by the City of Great Falls, hereinafter referred to as the "City," acting by and through its City Manager, and CourseCo, Inc., d/b/a Great Falls Golf, LLC, hereinafter referred to as the "Operator."

WHEREAS, the City owns certain real property located in the City of Great Falls, and more particularly described in Exhibit "A" attached hereto ("Land"); and

WHEREAS, the City is the owner of the Anaconda Hills Golf Course and Eagle Falls Golf Club, which includes a golf course, clubhouse, restaurant, cart storage facility, maintenance facility, and other buildings, structures, and improvements at both locations related thereto ("Premises"), and the Premises are located on the Land; and

WHEREAS, the City desires to maintain the value of the Premises as a City asset; and

WHEREAS, the City desires to utilize the services and expertise of the Operator to manage, operate, and maintain both Premises as Golf Courses and community amenities.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. DEFINITIONS

The following terms shall be defined as follows for the purposes of this Agreement:

- 1.1 Annual Report - shall have the meaning set forth in Section 6.2 of the Agreement.
- 1.2 Capital Expenditure - shall have the meaning set forth in Section 8.4 of the Agreement.
- 1.3 City - shall mean the City of Great Falls, acting through its agents.
- 1.4 City Manager - shall mean the City Manager of Great Falls or his/her appointed designee.
- 1.5 City Manager's Office - shall mean the City of Great Falls City Manager's office
- 1.6 Bank Account - shall have the meaning set forth in Section 10.1 of the Agreement.
- 1.7 Days - shall mean business days versus calendar days.
- 1.8 Effective Date - shall mean the date that this agreement takes effect.
- 1.9 Financial Plan - shall have the meaning set forth in Section 6.1 of the Agreement.
- 1.10 Golf Course - shall mean all of the buildings, grounds, fixtures, structures, restrooms, equipment, computers, irrigation and controls, ponds, tools, vehicles, fencing and all appurtenances thereto involving the Anaconda Hills Golf Course and Eagle Falls Golf Club.

- 1.11 Golf Lessons - shall mean the professional golf instruction given at the Golf Course by either the Class "A" PGA Golf Professional or qualified golf instructors employed or subcontracted by the Operator.
- 1.12 Initial 2019 Financial Plan - shall have the meaning set forth in Section 6.1 of the Agreement.
- 1.13 Land - shall mean the real property upon which the Premises are located. The Land is described in Exhibit A hereto.
- 1.14 Operating Cost - shall have the meaning set forth in Section 8.1 of the Agreement.
- 1.15 Operating Income - shall mean all revenue except investment earnings, less all expenses except City cost allocations and Capital Expenditures, as set forth in the Financial Plan.
- 1.16 Operating Year - shall comprise the period of twelve (12) full calendar months commencing on July 1 and ending on June 30.
- 1.17 Operator - shall mean Great Falls Golf, LLC.
- 1.18 Premises - shall mean the Golf Courses, Pro Shops, clubhouses with attached patios and all paved walkways adjacent to the clubhouses, Restaurants, banquet facilities, cart storage facilities, maintenance facilities, and all other buildings, structures, and improvements related thereto.
- 1.19 Pro Shop - shall mean the golf professional and merchandise facilities located at the Premises and shown on the diagram attached hereto in Exhibit A.
- 1.20 Restaurant - shall mean the food and beverage dining facilities located at the Premises and shown on the diagram attached hereto in Exhibit A.
- 1.21 Restaurant Services - shall mean the Restaurant and banquet operation, as well as all other food and beverage operations related to the Premises and as described further in Section 5.3.
- 1.22 Term - shall have the meaning set forth in Article 4.

2. RETENTION OF OPERATOR

The City hereby retains the Operator for the management, staffing, operation, and maintenance of the Premises, including, but not limited to, the Golf Course, Pro Shop, clubhouse, restaurant, banquet facility, storage spaces, restrooms, and golf cart rental located at the Premises.

3. ACCEPTANCE

Prior to the Effective Date of this Agreement, the Operator has made an inspection of the Premises and hereby accepts the condition of it for purposes of this Agreement on an "as is" basis.

4. TERM

- 4.1 Term of Agreement - The initial Term of this Agreement shall begin at 12:00 a.m. on the effective date, February 1, 2019 which is, and terminate at January 31, 2022.
- 4.2 Option to Renew - This Agreement may be renewed for a three year term, beginning February 1, 2022 and ending at January 31, 2025, if the parties agree upon an extension and/or amendment to this Agreement which is executed by both parties at least one hundred twenty days prior to the expiration of the initial Term. The option is conditioned upon full and faithful performance by the Operator of all the terms contained herein.
- 4.3 Effect of Termination - Upon termination of the Agreement, all employees and agents of the Operator shall vacate the Premises and shall have no further rights or duties thereon, except to ensure and organize a proper transfer of the Premises, property, and records of the Premises. The Operator shall remove all goods, wares, and merchandise from the Premises that are owned by the Operator within thirty (30) days after the termination date. The City may, but need not, treat any of the Operator's property remaining upon the Premises after thirty (30) days have elapsed following the termination of this Agreement as abandoned by the Operator, and may make any disposition of such property as the City deems fitting.
- 4.4 The Operator and City will annually conduct a property inventory on such dates and terms as are mutually agreed by the parties.

5. OPERATOR'S BASIC SERVICE OBLIGATIONS

5.1 Golf Professional Services - The Operator shall deliver high-quality golf course services and conduct business in a manner accepted and established by industry standards and operate the Golf Course, Pro Shop, and golf cart rentals as set forth in this Agreement and in a manner acceptable to the City. The Operator shall sell, rent, store, and repair golf equipment, sell golf-related clothing and supplies, provide instructional services in the playing of golf, and maintain the golf course and related facilities in good and neat order, condition and repair in accordance with accepted industry standards. Relevant service standards include, but are not limited to, the following:

- A. Staffing - The Operator shall employ, on a full-time basis, a licensed Class A member or Apprentice of the PGA (the "Golf Professional"). The Operator shall also provide staff to provide the services listed within this Agreement. Staff shall be clearly identifiable and present neat and clean appearance.
- B. Pro Shop - The Operator shall provide high-quality customer service including register operations, merchandise sales, tee-time bookings, starter services and course marshaling and the day-to-day custodial services, maintenance and repairs of the equipment. Prices for all green fees, golf cart fees, pull cart fees, trail fees, etc. shall be prominently displayed at all times and receipts shall be provided for paid fees. Policies regarding course rules, tee-times, rain-checks, refunds, and dress code shall be prominently displayed at all times. Information on passes, leagues, lessons, and

other services shall be readily available. Score cards and pencils shall be readily available.

- C. Merchandise - The Operator shall provide and maintain in the Pro Sboop such inventory of golf merchandise as is deemed necessary by the City to adequately meet the demand of the public. Existing inventory is owned by the City.
 - D. Golf Cart Rentals - The Operator shall provide golf cart rentals by offering a clean and well-maintained fleet. Carts shall be available on a daily basis. The carts must be a positive extension of the overall operation of the course and should therefore be clean, undamaged, fueled/charged, be in good operating condition, and perform well at speed and direction.
 - E. Golf Instruction - The Operator shall grow the game of golf in the City of Great Falls through lessons and clinic instruction in a manner acceptable to the City by employing or contracting with qualified instructors accredited by the PGA and the PGA apprentice program or other qualified instructors. Such instruction may include but is not limited to group and/or individual instruction, camps, clinics; utilizing the Golf Course as the home course for the High School teams; promote a junior golf program through lessons, conducting junior tournaments; and by other activities as mutually agreed upon by the Operator and the City.
 - F. Existing Gift Cards, Storage Agreements, and Special Event Bookings - The Operator shall honor existing gift cards with respect to the Golf Course, Golf Cart Storage Agreements which expire March 14, 2019, and Special Event Bookings (including but not limited to the currently scheduled Montana High School Association State Cross Country meet),
 - G. Programming - The Operator shall be responsible for managing, promoting, and scheduling special events, tournament, league play, club play, and high school events such as cross country meets. The City welcomes the Operator to be creative with providing community-type events at the Golf Course as approved by the City.
 - H. Advertising - The Operator shall market and promote the course and amenities, including strategy, budget, media types, frequencies, promotions, and any other relevant information.
 - I. Additional Services - The City will identify any additional areas it believes are necessary or that would be a benefit to the operation, which will reasonably be considered for implementation by Operator.
- 5.2 Golf Course Starter Services - The Operator shall render and provide Golf Course starter services, including but not limited to, opening and closing of the Golf Course at the appropriate times; collecting of green fees and tournament fees; providing tee time scheduling that is easy for the patron (via computer, phone, walk-in, or other); recording of reservations on starter sheets; placing of golfers' names on a call sheet (i.e., waiting list) as necessary; sending of golfers to the tee and starting them off at proper intervals as applicable; receiving of requests from groups for tournaments; booking of tournaments; satisfying of tournament food and beverage needs through the Restaurant; monitoring and maintaining pace of play by all necessary actions; entering of golfers' names on the

starter's sheet; issuing of a receipt to each golfer as the green fee is paid; and totaling of starter sheets at the end of each day's play and reconciling them with fee category totals on the cash register detail tape or other computerized equivalent reconciliation process.

- 5.3 Restaurant Services - The Operator shall provide quality food and beverage services, in a manner acceptable to the City, including all aspects of the food and beverage operations, banquet and event rentals, and on-course concessions, including recommended menus, all permits, codes and other regulations of the City, Cascade County, and the State of Montana. Whenever possible, practical, and cost-effective, the food and beverage services should give consideration to local vendors and/or products.
- 5.4 Maintenance Services - The maintenance operations of the Golf Course shall be the responsibility of the Operator. The Operator shall keep and maintain the Premises in good, operable, usable, and sanitary order and repair and in a good, safe condition throughout the Term of this Agreement, providing for such repair, replacement, rebuilding, and restoration as may be required in compliance with this Agreement, in a manner acceptable to the City, and consistent with industry standards. This maintenance obligation includes but is not limited to Golf Courses and grounds maintenance, the clubhouses, Pro Shops, Restaurants and banquet facilities, golf cart rental areas, storage spaces, and all buildings, structures, improvements, fixtures, equipment, and utility systems which may now or hereafter exist on or in the Premises. All such replacement, rebuilding, and restoration, but not including repairs of single items under \$5,000, shall be approved by the City prior to implementation of same. Minimum standards include, but are not limited to Clubhouses, pro shops, restaurants, and restrooms are clean, swept, and maintained; Grounds are nicely landscaped and free of trash; Irrigation systems (including main lines, valves, lateral lines, sprinkler heads, controllers and all other parts of the system) are maintained in good repair, function properly, and conform to all relevant codes and regulations at all times, and all preventive maintenance work performed in a timely manner.
- 5.5 Improvements - Any improvements, additions, alterations, or changes (collectively, "improvements") to the Premises made by the Operator shall be subject to, prior to the commencement of any work on such improvements, written approval by the City, the securing of applicable permits, and compliance with such terms and conditions as may be imposed by the City and as required by City of Great Falls policies and procedures.
- 5.6 Equipment - All equipment, furnishings, signs and advertising shall be in keeping with the appropriate standards of decor at the golf courses. Hole signs with yardage and par must be well placed. The contractor agrees that all equipment, furnishings and improvements provided shall meet the requirements of all applicable building, fire, pollution, and other related codes.
- 5.7 City Ownership - The City shall retain ownership of all structures, buildings, and/or improvements thereto or thereon the Premises, merchandise, golf carts, hand carts, and maintenance equipment constructed or acquired by the City, or the Operator on behalf of the City, and all alterations, additions, or betterments thereto.
- 5.8 Failure to Perform - Should the Operator fail, after thirty (30) days' written notice from the City of the need therefore, to perform its obligations under this Article 5, the City may enter upon the Premises and perform the Operator's obligations. The cost of such

repairs and restoration that are incurred shall be considered an Operating Cost unless they constitute a Capital Expenditure. Notwithstanding the preceding two sentences, in the event of an emergency as determined by the City, the City may immediately enter upon the Premises without notice to the Operator to perform emergency repairs and restoration.

6. OPERATING RESPONSIBILITIES

- 6.1 Financial Plan - The Operator shall submit to the City for review and approval a Financial Plan for each Operating Year. The Initial 2018/19 Financial Plan is set forth in **EXHIBIT X**. The terms and categorization of accounts that lead to the calculation of Operating Income are as set forth in the Financial Plan. The Operator may propose a revision to the Initial 2019 Financial Plan within ninety (90) days of the Effective Date. The City shall approve, disapprove, or conditionally approve, the proposed revisions to the Initial 2019 Financial Plan within thirty (30) days of its receipt thereof, and the City's approval shall not be unreasonably withheld.

For all subsequent Operating Years, the Operator shall submit to the City a Financial Plan on or before May 1st or by other mutually agreeable date immediately preceding the Operating Year at issue in the Financial Plan. The City shall approve, disapprove, or conditionally approve each Financial Plan before June 1st of the Operating Year at issue in the Financial Plan, and the City's approval shall not be unreasonably withheld.

Each Financial Plan shall be in a format acceptable to the City and shall include, but not be limited to, the prices as set forth in Section 6.14, the projected number of employees, details of employee incentive compensation and employee benefits, and the projected number of rounds of golf played and of merchandise purchased. The Financial Plan shall also include the terms and categorization of accounts that lead to the calculation of Operating Income, as well as the projected amount of Operating Costs, Capital Expenditures, maintenance expenditures, a marketing plan, and any proposed plans for any improvements, upgrading, or alterations to the Premises. After written notice to and consultation with the Operator, the City shall have the authority to make reasonable changes to the Financial Plan including, but not limited to, the method of allocation for costs, expenditures, and revenues.

- 6.2 Monthly/Annual Reports - The Operator shall submit to the City on or before the fifteenth day of each subsequent month, a Report for the previous Operating Month that reports for the month period as well as year to date. Each Annual Report shall include, but is not limited to, the following information:
- A. Summary of the financial condition of the Premises with respect to the terms and categorization of accounts that lead to the calculation of Operating Income as set forth in the Financial Plan.
 - B. Total amount of Operating Costs and Revenues (broken down by cost center)
 - C. Total amount of Capital Expenditures
 - D. Total amount of maintenance expenditures
 - E. Rounds played, lessons offered, events scheduled, weather patterns, etc.

Each Monthly Report shall include, but is not limited to, the following information:

- A. Bank Reconciliations
- B. Profit and Loss Statements
- C. Depreciation Schedule
- D. Balance Sheets
- E. Trial Balance

- 6.3 CIP Report – The Operator shall provide the City with a CIP report within 6 months of the commencement of this agreement.
- 6.4 Contracts and Leases - The Operator shall provide to the City copies of any and all leases and contracts entered into by the Operator with respect to any vendor, contractor, or subcontractor for services or goods provided to the Operator at the Premises. In the event this Agreement is terminated prior to the end of the Term, the City shall assume all leases and contracts entered into for its benefit and retain any goods or services associated with these leases and contracts, unless the City and Operator mutually agree otherwise.
- 6.5 Compliance with Laws - The parties shall comply with all municipal ordinances and all state and federal laws and regulations applicable to the terms and conditions of this Agreement. The parties shall not knowingly permit any illegal activities to be conducted on or at the Premises. If any permits or licenses are required, the Operator shall obtain all such required permits or licenses from the appropriate regulatory agency before undertaking the regulated activity. The cost of obtaining such licenses and permits shall be Operating Costs.
- 6.6 Compliance with Rules and Regulations - The Operator shall develop rules and regulations for the Premises subject to the approval of the City. The Operator shall comply with and enforce all such rules and regulations.
- 6.7 Discrimination Prohibited - The Operator shall not discriminate against any employee or applicant for employment, or any person seeking the services of the Operator under this Agreement, because of sex, age, race, color, religion, creed, national origin, marital status, sexual orientation, or the presence of any sensory, mental, or physical disability, unless based upon a bona fide occupational qualification.
- 6.8 Signs - The Operator shall not post any signs, other than customary day-to-day operating prices and activity signs, at the Premises without the prior approval of the City. The Operator shall also develop and implement, with City approval, a signage strategy to ensure the City's name and official logo are included appropriately in the signage regarding the Premises. Operator will complete, execute, and comply with the City's Logo License Agreement.
- 6.9 Advertising - The City retains the right to approve or disapprove all advertising of the Premises, all marketing plans and opportunities, and/or all partnership agreements.

The City shall not unreasonably withhold approval of such advertising plans, opportunities, or agreements. If the Operator believes and/or determines that the retention of such rights is unreasonably withheld, the City and Operator agree to reexamine or renegotiate the impacted areas of revenue and responsibilities.

The Operator shall also develop and implement, with City approval, a branding strategy to ensure the City's name and official logo are included appropriately in the advertising and marketing of the Premises.

- 6.10 Public Use Marketing - The Operator shall use its best efforts to maximize the public use of the Premises. The Operator shall use its best efforts to effectively market and promote the Premises to ensure its financial and operating success. For each Operating Year, the Operator shall submit to the City a report along with the Annual Report concerning all activities undertaken by the Operator with respect to the approved marketing and promotion plan for the applicable Operating Year.
- 6.11 Utilities - Upon effective date of this Agreement, the Operator shall be responsible for ensuring that all utility services required by the Premises are operating properly, including, but not limited to, water, gas, electricity, sewer service, telephone service, and trash removal. The Operator acknowledges that if during the Term of this Agreement there exists a defect, deficiency, or impairment of any utility system, water system, water supply system, drainage system, waste system, heating or gas system, or electrical apparatus or wires serving the Premises, any expenses incurred by the Operator to correct any such defect, deficiency, or impairment shall be an Operating Cost, subject to the prior approval provisions otherwise set forth in this Agreement.
- 6.12 Safety - The Operator shall immediately correct any unsafe conditions to the Premises, as well as any unsafe practices occurring thereon, that are known by the Operator or should have been known by the Operator. The Operator shall obtain emergency medical care as soon as reasonably possible for any persons or members of the public on or at the Premises who is in need thereof because of illness or injury. The Operator shall cooperate fully with the City in the investigation of any accidental injury or death occurring at the Premises and shall submit to the City promptly an incident report, in a form acceptable to the City, and any other necessary forms required by the City describing any injuries or deaths at the Premises. An incident log shall be maintained at the Premises.
- 6.13 Use of Facilities Restrictions - The Operator shall obtain from the City prior written approval of: (1) any events or activities not otherwise specifically provided for or authorized under the Agreement; or (2) any extraordinary events or activities requiring the exclusive use of the Premises or any portion thereof.
- 6.14 Meetings - Representatives of the Operator and the City shall meet on a regular basis and at such other times as may be required by either party to review the performance under this Agreement, review the monthly financial reports submitted by the Operator, and discuss any problems or matters.
- 6.15 Fee Structure - The following fees shall be set by the Operator, which shall be reasonable and related to the cost of providing the service: (1) green fees; (2) golf cart rental/trail fees; (3) equipment rental fees; (4) building rental and all other pro shop, lesson, and restaurant food & beverage fees. Operator will provide fee schedules to City thirty days prior to implementation.
- A. Green Fees - The Operator shall set forth in each Financial Plan the reasonable green fees, golf cart rental/trail fees, and other equipment rental fees for the Operating Year at issue.

- B. Goods and Services - The Operator shall at all times maintain a complete list or schedule of the prices charged for all goods and services supplied to the public by or at the Premises. Such list or schedule of prices shall be included in each Financial Plan and provided to the City upon request. Such prices shall be fair and reasonable based on the following considerations: that the Premises are intended to serve the needs of the public with the goods and services supplied at a fair and reasonable cost; that the prices charged should be comparable to prices charged for similar goods and services in the general area; and that the profit margin should be reasonable considering the cost of providing the goods or services in compliance with the obligations of this Agreement. If the City notifies the Operator that a fee or price being charged is not fair and reasonable, the Operator shall have the right to confer with the City and justify such a fee or price. Following reasonable conference and consultation thereon, the Operator shall make such fee/price adjustments as may be ordered by the City.
- C. Restaurant and Related Fees - The Operator shall set forth in each Financial Plan the Restaurant fees, other food and beverage fees, and meeting, banquet, wedding, and other reservation fees for the Operating Year at issue.
- 6.16 Business Licenses and Permits - The Operator shall obtain and maintain all necessary permits, certifications, and licenses (federal, state, and local) necessary to conduct business at the Premises. The costs, fees, and charges incurred in obtaining and maintaining these licenses and permits shall constitute Operating Costs.
- 6.17 Taxes – Any taxes, such as beneficial use taxes, income taxes or leasehold excise taxes that are associated with the management fee or accounting fee shall be the Operator’s responsibility. Any taxes or fees, if any, associated with the revenues, expenses or general operations of the property shall be an Operating Cost.

7. CITY'S RESPONSIBILITIES

- 7.1 City's Responsibilities - During the Term of this Agreement, the City's responsibilities shall include but not be limited to the following:
 - A. To monitor and evaluate the Operator's performance for compliance with the terms of the Agreement.
 - B. To provide forms as specified in this Agreement.
 - C. To inspect the Premises on a regular basis on a schedule acceptable to the City Manager to determine if all functions are adequate.
 - E. Any capital or operating cost which totals over \$5,000 for any single item (except personnel costs) shall be subject to the City procurement policies and procedures.

8. COSTS & EXPENDITURES

- 8.1 Operating Cost. The customary and ordinary costs of operating and maintaining the Premises ("Operating Costs") shall be paid by the Operator from the Operator's bank account in accordance with Articles 9 and 10. An Operating Cost shall be any cost which is directly related to the customary and ordinary staffing, operations, or maintenance of the Premises, including, but not limited to, the following:
- A. Employee salaries.
 - B. Employee incentive compensation programs.
 - C. Employee benefits, including vacation, sick leave, health insurance, disability insurance, and workers' compensation insurance.
 - D. Lease and/or rental of equipment.
 - E. Repair and maintenance of maintenance equipment, golf carts, hand carts, and capital equipment.
 - F. Uniforms, laundry, and linens.
 - G. Operating supplies, office supplies, cleaning supplies, and other miscellaneous supplies.
 - H. Audits.
 - I. Advertising and marketing expenses.
 - J. Travel
 - K. Telephone, postage, and freight.
 - L. Fees, permits, and licenses.
 - M. Custodial services.
 - N. Insurance premiums, and, in the event of a claim on the Premises or if liability insurance is required by Article 12, the amount paid up to the deductible.
 - O. Inventory, merchandise, food, and beverages
 - P. Business and Occupation taxes on the Operating Costs or reimbursement of same.
 - Q. Furniture, fixtures, and equipment.
 - R. Maintenance expenses, including maintenance of the Golf Course and the remainder of the Premises.
 - S. Utilities, including water, gas, electricity, sewer service, telephone service, and trash removal, which costs shall be paid directly by the City but shown as Operating Costs on the Financial Plan.
 - T. Management fees and incentive management fees, which costs shall be paid directly by the City but shown as Operating Costs on the Financial Plan.
 - U. Property insurance costs, as such costs are incurred by the City through its insurance provider.

- 8.2 Operating Cost Budget - The Operating Cost Budget shall set forth all projected Operating Costs and shall be part of the Financial Plan. The Operating Cost Budget may be amended or modified from time to time, in accordance with City policies and procedures, to reflect actual operating circumstances, after written notice to and consultation with the Operator.
- 8.3 City (Revenue) Expenditures - City (Revenue) Expenditures, as identified in the Financial Plan, are those costs that are paid by the City and not included in the Operating Cost Budget. Such costs include but are not limited to the following:
- A. Necessary start-up costs as identified in **EXHIBIT X**
 - B. Capital Expenditures, as set forth in Section 8.4.
 - C. Those maintenance and/or Operating Costs that are due to any reason beyond the Operator's reasonable control (an "occurrence of force majeure") including, without limitation, acts of God, riots, strikes, and fires; provided, however, that such expense shall continue only during the pendency of the particular occurrence of force majeure. Such costs must exceed \$5,000 per incident, and are subject to the prior approval of the City, which approval shall not be unreasonably withheld. If such costs do not exceed \$5,000 per incident, they shall be treated as Operating Costs.
 - D. City cost allocations and other charges determined by the City not to be an Operating Cost.
- 8.4 Capital Expenditures – A Capital Expenditure is any expenditure for new or replacement capital equipment or improvements to the Premises that have a life expectancy greater than or equal to one year and a cost of \$5,000 or over for a single item, and are subject to the City's procurement policies
- A. Capital Expenditure shall be approved by the City before it may be undertaken. A list of capital equipment owned or possessed by the City relating to this Agreement as of the Effective Date is attached hereto in **Exhibit Y**. The City may have the Operator contract for and make capital improvements and reimburse the Operator for these improvements, subject to applicable law.
 - B. Provided, however, that in an emergency situation, the Operator is authorized to expend up to \$5,000 on Capital Expenditures, subject to prior approval by the City Manager. An emergency situation shall be one for which the expenditure is critical to all or a portion of the customary ongoing operation of the Premises. In an emergency situation, the Operator shall contact the City via a pre-designated emergency contact telephone number(s) regarding prior approval. However, if the City is unavailable via the designated telephone number(s), the Operator may proceed with the emergency expenditure in an amount not to exceed \$5,000.
 - C. The Operator shall submit complete and detailed construction drawings with respect to any proposed improvement or alteration for review and approval by the City prior to the start of any construction and shall submit as-built drawings and a detailed summary of construction costs within thirty (30) days after completion of construction.

- D. The City agrees to promptly review plans for proposed improvements or alterations, and if the improvements are acceptable to the City, to promptly approve the same, which plans as approved shall be attached to an executed copy of this Agreement and incorporated herein.
 - 1. All alterations, improvements, or fixtures shall be such that they do not impair the foundation, exterior walls, roof, or structural bearing parts of structures on the Premises, or cause any deterioration to any such structure.
 - 2. All work performed in providing alterations and/or improvements shall be done to the satisfaction of the City.
- E. Any alterations or improvements approved by the City shall become the property of the City upon fixation.
- F. The Operator shall obtain all necessary governmental permits needed to accomplish the approved alterations or improvements and shall submit copies of same to the City prior to commencing any construction on the Premises. The Operator shall further report to the City in writing on the first day of each month on a month-to-month basis regarding the status of all necessary permit applications and approvals.
- G. The Operator shall, over the Term of the Agreement, make all alterations and improvements as specified above.
- H. The Operator shall maintain records on the costs of alterations and improvements and shall make such records available to the City for audit.

9. OPERATOR COMPENSATION

- 9.1 Base Management Fee - During Year 1 of the Agreement, the City shall pay the Operator a base management fee of \$80,000 dollars in 12 equal payments on a monthly basis (\$6,666.67) per month; provided, however, that the monthly payment for the month of the Effective Date shall be made pro rata based upon the number of days remaining in the month including and after the Effective Date. In accordance with Section 10.3, the City shall pay the prior month's Monthly Fee on the Tuesday following the 2nd Monday. Beginning in year 2, the fee shall be adjusted annually by the CPI-U West Region for August reporting.
- 9.2 Accounting Service Fee – During Year 1 of the Agreement, the City shall pay the Operator, a fee of \$2,000 per month for accounting services performed at the Operator's corporate offices, to include, but not be limited to financial reporting, budgeting, accounts payable process, preparation of financial statements, etc. Beginning in year 2, the fee shall be adjusted annually by the CPI-U West Region for August reporting.

10. FINANCIAL & ACCOUNTING PROCEDURES

- 10.1 **Bank Account** - The Operator shall establish and maintain a bank account at a bank designated by the City ("Operating Bank Account") for the purposes of accepting deposits and paying Operating Cost under this Agreement. The funds in this account are the property of the City.
- A. All revenues from the Premises are the property of the City and not part of the fees or consideration paid to the Operator and shall be deposited into the Operator's Bank Account daily. No deposits of revenues may be made into any other bank account for any purpose or under any circumstances.
 - B. The Operator shall deposit daily all cash, check, and debit and credit card receipts into the Bank Account.
 - C. The Operator shall establish a budget approved by the City. The budget shall provide a level of detail that shall allow the City to summarize the data to provide its own financial analysis. The budget shall provide an Operating Income amount (see 10.3). Among other detail, the budget shall segregate Operating and Capital Expenditures by cost centers.
 - D. The Operator shall make disbursements from the Operator's operating bank account consistent with the approved budget and submit documented receipt information to the City for reimbursement.
- 10.2 **Revenue Reporting** - The Operator shall provide to the City reports of the deposits made to the Bank Account. Information shall be from the point of sale system with sufficient detail to allow the City to forecast and track revenue and deposits. After review, the City may request additional reports that detail previous transactions.
- 10.3 **Operating Bank Account** – The operating account shall be prefunded in an amount equal to highest month of total budgeted expenditures in advance of the beginning of the contract. On January 1st and July 1st of each year, any cumulative Operating Income in excess of what is needed to operate the course shall be distributed to the City.

11. BUSINESS RECORDS

- 11.1 **Types of Records** - The Operator shall maintain a method of accounting for all the revenues and expenses in connection with the operation of the Premises, which method shall be acceptable to the City and which shall correctly and accurately reflect the gross receipts and disbursements received or made by the Operator from the operation of the Premises. The Operator shall establish and implement adequate internal controls for this operation as required by the City and/or the State Auditor's Office. The method of accounting, including bank accounts, established for the operation shall be separate from the accounting system used for any other business operated by the Operator. Such method shall include the keeping of the following records and documents:
- A. Regular books of account such as general ledgers;
 - B. Journals, including any supporting and underlying documents, such as vouchers, checks, tickets, and bank statements;

- C. Checks and other documents proving payment of sums shown;
 - D. Cash register tapes or computerized records for the identification of day-to-day sales;
 - E. Logs showing the dates and times of greens usage, Golf Lessons, and other activities at the Golf Course and on the Premises, as mutually agreed by the City and the Operator; and
 - F. Any other accounting records that the City, in its sole discretion, deems necessary for proper reporting of receipts.
- 11.2 Audit of Records - All documents, books, and accounting records kept by the Operator pursuant to this Article shall be open for inspection by the City at any reasonable time during the Term of this Agreement and for at least three (3) years thereafter, unless a longer period of time is required under state law. All books and records shall be turned over to the City after three (3) years for retention in the City's archives, unless a shorter period of time is required under state law. In addition, the City or its authorized representative may, from time to time, conduct an audit of the books of the operation of the Premises and observe the operation of the business. The City shall use its best efforts to minimize interruption of the normal operation of the Premises during any inspection or audit performed pursuant to the provisions of this Section. The City and the Operator shall independently conduct and jointly conduct "surprise" cash and inventory audits as each deems appropriate. The results of the audits shall be documented in a written report, a copy of which shall be given to both parties.
- 11.3 Annual Financial Statements - The City may require the Operator to submit to the City audited financial statements for the operation of the Premises, including a copy of the applicable audited statement of gross receipts and the audit management letter, within one hundred twenty (120) days of the close of any or all Operating Years during the Term of this Agreement. If requested, the audit shall be performed by an independent certified public accountant designated by the City and the cost of the audit shall be included as an Operating Cost.
- 11.4 Public Records - All information obtained in connection with the City's inspections of the records or audits may be or become subject to public inspection and/or reproduction as public records.

12. INSURANCE & INDEMNITY

- 12.1 Operator shall provide insurance coverage as follows:
- A. The Operator shall provide the following minimum insurance:
 - 1) Commercial General Liability Insurance - The Operator shall obtain and file with the City a certified copy of a valid Commercial General Liability Insurance Policy which shall be approved by the City as to form and coverage, and which policy shall fully protect the City from any and all claims and risks in connection with the Operator's activity upon or use or occupation of the Premises, as well as any and all claims and risks in connection with any

activity performed by the Operator by virtue of the rights granted pursuant to this Agreement. Such policy shall specifically name the City as an additional insured party thereunder and be primary and non-contributory coverage over any and all insurance coverage the City may carry.

The policy shall provide the following minimum coverage:

- Minimum Coverage: Commercial General Liability
- Minimum Limits: \$2,000,000 per occurrence

Said coverage shall include or shall be endorsed to include personal injury, contractual liability, products and completed operations, and liquor liability; said policy shall cover any injury, death, damage, and/or loss of any sort sustained by any person, organization, or corporation (including the Operator and any of the Operator's employees and/or agents) in connection with any activity upon or use or occupation of the Premises, and for any activity performed by the Operator by virtue of the rights granted pursuant to this Agreement; provided that the City may raise said minimum limits declaring such increase necessary to adequately protect the City.

- 2) Commercial Crime Insurance - The Operator shall obtain and keep in full force and effect, during the Term of this Agreement, a commercial crime insurance policy in the amount of \$250,000 per occurrence for employee dishonesty and coverage for theft, disappearance, and destruction of or to monies or funds of, in, or at the Premises and shall name the City on said policy as a Loss Payee or Third Party Beneficiary.
 - 3) Business Automobile Liability coverage with limits not less than \$1,000,000 per accident for any auto.
 - 4) Stop Gap/Employers Liability coverage with limits not less than \$1,000,000 per accident/disease.
 - 5) Workers' Compensation coverage as required by the Industrial Insurance Laws of the State of Montana.
 - 6) Umbrella or Excess Liability coverage with a limit of not less than \$5,000,000.
- B. Self-Insured Retentions - Self-insured retentions shall be declared to and approved by the City.
- C. Other Provisions
- 1) Said insurance policies shall be maintained in full force and effect throughout the entire Term of this Agreement and such policies or endorsements thereto shall contain the following provisions:
 - a. The City, its officials, employees, and volunteers shall be named as an additional insured on the Operator's Commercial General Liability policy

and as a Loss Payee or Third Party Beneficiary on the Operator's Commercial Crime Insurance policy.

- b. The coverage provided by these policies to the City or any other named insured shall not be terminated, reduced, or otherwise changed in any respect without providing at least sixty (60) days written notice to the City.
- 2) Said liability insurance is to be reviewed annually by the City to determine the adequacy of liability limits, which may be increased upon demand.
- D. Acceptability of Insurers - Insurance shall be placed with insurers with a rating acceptable to the City.
- E. Verification of Coverage - The Operator shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Operator. The certificates and endorsements are to be received and approved by the City before any work commences. The City reserves the right to require complete, certified copies of all required insurance policies at any time.
- F. Subcontractors - The Operator shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the same insurance requirements as stated herein for the Operator.

Notwithstanding any other provisions of this Agreement, the failure of the Operator to comply with the above provisions of this Section shall subject this Agreement to immediate termination without notice to any party in order to protect the public interest.

12.2 Indemnification.

- A. The Operator shall protect, defend, indemnify, and save harmless the City, its officers, employees, and agents from any and all costs, claims, judgments, or awards of damages, arising out of or in any way resulting from the negligent or intentional acts or omissions of the Operator. The Operator agrees that its obligations under this subparagraph extend to any claim, demand, and/or cause of action brought by, or on behalf of, any of its employees or agents. In the event the City incurs any judgment, award, and/or cost arising therefrom including attorneys' fees to enforce the provisions of this Article, all such fees, expenses, and costs shall be recoverable from the Operator.
- B. Subject to the limitations set forth in Mont. Code Ann. §2-9-108, the City shall protect, defend, indemnify, and save harmless the Operator, its officers, employees, and agents from any and all costs, claims, judgments, or awards of damages, arising out of or in any way resulting from the negligent or intentional acts or omissions of the City. The City agrees that its obligations under this subparagraph extend to any

claim, demand, and/or cause of action brought by, or on behalf of, any of its employees or agents. In the event the Operator incurs any judgment, award, and/or cost arising therefrom including attorneys' fees to enforce the provisions of this Article, all such fees, expenses, and costs shall be recoverable from the City.

- C. Except as described above, the City, its employees, and agents shall not be liable for any injury or death to any person(s) or for damage to any property, regardless of how such injury, death, or damage be caused, sustained, or alleged to have been sustained by the Operator or others as a result of any of the following:
- 1) Any condition including existing or future defects in the Premises, excluding latent defects in the Premises;
 - 2) Any occurrence whatsoever arising from or related in any way to the Premises, the Operator's use and occupancy of the Premises, or the Operator's use of property adjacent thereto.
- D. The indemnification set forth in this Article shall survive the termination of this Agreement.

- 12.3 Unusability - In the event that the Premises or a substantial portion thereof are rendered unusable by fire, earthquake, act of war, or other extraordinary casualty destroying or damaging the Premises, either party may terminate this Agreement by giving notice to the other party within thirty (30) days after such conditions are discovered. Neither party shall be required to restore or reconstruct the Premises.

13. REPRESENTATIONS & WARRANTIES

- 13.1 Organization and Authority - As of the date of this Agreement and thereafter, the Operator hereby represents and warrants that: (a) it is a Limited Liability Company duly organized, validly existing and in good standing under the laws of the State of California and is qualified to do business in all other states where necessary in light of its business or properties and has all requisite power and authority to conduct its business and own its properties; (b) it has all necessary power and authority to execute, deliver, and perform its obligations under this Agreement; (c) the execution, delivery, and performance by the Operator under this Agreement has been duly authorized by all necessary action and this Agreement has been duly and validly executed and delivered by the Operator; and (d) this Agreement constitutes the legal, valid, and binding obligation of the Operator and is enforceable against the Operator in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, or moratorium or other similar laws relating to the rights of creditors generally.
- 13.2 No Conflict - As of the Effective Date and thereafter for the Term of this Agreement, the Operator hereby represents and warrants that the execution, delivery, and performance by the Operator of this Agreement does not and shall not: (a) conflict with or violate any provision of its articles of incorporation or bylaws; (b) result in a material breach or violation of any term or provision of, or constitute a material default under, any material agreement or instrument to which the Operator is a party or by which the Operator or any

of its assets are bound; or (c) contravene or constitute a material default under any provision of applicable law or regulation.

- 13.3 Survival of Representations and Warranties - The representations and warranties set forth by the Operator in this Article 13 shall survive the date of this Agreement and shall terminate only upon the fifth anniversary of the date of termination of this Agreement.

14. NOTICE

- 14.1 Notice. All notices, requests, demands, consents, and other communications required or permitted to be given by this Agreement shall be in writing and personally delivered or placed in the United States mail, properly addressed and with full postage prepaid, certified and return receipt requested. Such notices shall be deemed received at the earlier of (a) the date actually received, or (b) 5 business days after such mailing. Such notices shall be sent to the parties at the following addresses, unless other addresses are furnished by appropriate notice:

If to the City, to:

City of Great Falls
 City Manager Greg Doyon
 P.O. Box 5021
 Great Falls, Montana 59403

If to the Operator, to:

Great Falls Golf, LLC
 Michael Sharp
 1039B North McDowell Blvd.
 Petaluma, Ca 94954

15. MISCELLANEOUS

- 15.1 Entire Agreement - This Agreement and the documents expressly referred to herein constitute the entire agreement among the parties with respect to the subject matter hereof and supersede any prior agreement or understanding among the parties with respect to such subject matter.
- 15.2 Severability - If any provision of this Agreement or the application of such provision to any party or circumstance shall be invalid, the remainder of this Agreement or the application of such provision to other parties or circumstances shall not be affected thereby.
- 15.3 Liens and Encumbrances - The Operator shall keep the Premises free and clear of any liens and encumbrances arising or growing out of its use and occupancy of the Premises. At the City's request, the Operator shall furnish the City written proof of payment of any item which would or might constitute the basis for such a lien on the Premises, if not paid.

15.4 Termination for Public Convenience - Notwithstanding any other provision of this Agreement, but in no event before June 30, 2020, the City, may terminate this Agreement in whole or in part whenever the City determines, in its sole discretion, that such termination is in the interests of the City. Whenever this Agreement is terminated in accordance with this paragraph, the Operator shall be entitled to payment for actual work performed at unit contract prices for completed items of work. An equitable adjustment in the contract price for partially completed items of work shall be made, but such adjustment shall not include provision for loss of anticipated profit on deleted or uncompleted work. The City shall assume any leases entered into for its benefit and shall retain the goods and services associated with these leases. Termination of this Agreement by the City at any time during the Term, whether for default or convenience, shall not constitute a breach of contract by the City.

15.5 Termination for Default - If the Operator defaults by failing to perform any of the obligations of this Agreement or becomes insolvent or is declared bankrupt or commits any act of bankruptcy or insolvency or makes an assignment for the benefit of creditors, and said default, insolvency, bankruptcy or assignment is not cured within ten (10) days after written notice is provided to the Operator, the City, may, by depositing written notice to the Operator in the U.S. mail, postage prepaid, terminate this Agreement, and at the City's option, obtain performance of the work elsewhere. If this Agreement is terminated for default, the Operator shall not be entitled to receive any further payments under this Agreement until all work called for has been fully performed. Any extra cost or damage to the City resulting from such default(s) shall be deducted from any money due or coming due to the Operator. The Operator shall bear any extra expenses incurred by the City in completing the work, including all increased costs for completing the work, and all damage sustained, or which may be sustained by the City by reason of such default.

If a notice of termination for default has been issued and it is later determined for any reason that the Operator was not in default, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to the Termination for Public Convenience paragraph hereof.

15.6 Waiver - No action other than a written document from the City Manager so stating shall constitute a waiver by the City of any breach or default by the Operator nor shall such a document waive the Operator's full compliance with the terms and conditions of the Agreement, irrespective of any knowledge the City may have of such breach, default, or noncompliance. The City's failure to insist upon full performance of any provision of this Agreement shall not be deemed consent to or acceptance of such incomplete performance in the future.

No waiver of any breach or default shall constitute or be construed as a waiver of any subsequent like breach or default.

15.7 Mediation Clause - Whenever the City and the Operator have a dispute as to any of the terms of this Agreement, and whenever the City or Operator has a dispute as to whether the requirements of the Agreement are being reasonably performed, the City or Operator may demand that the issue be mediated with both entities equally sharing the mediator's fees and costs.

In that event, the City shall select the mediator. Nothing in this paragraph shall be deemed to limit or impair any legal remedies otherwise available to the parties.

- 15.8 Time - If the last day for performance of any of the provisions of this Agreement, during a stated period of days, shall fall upon a Saturday, Sunday, or holiday observed by either party, the final day for performance shall be the following weekday on which both parties would customarily be open for the conduct of business.
- 15.9 Assignment of Agreement - The Operator shall not assign or transfer this Agreement nor otherwise convey any right or privilege granted hereunder regarding any part of the Premises unless the Operator first obtains the written consent of the City. Neither this Agreement nor any right, privilege, or interest therein or thereunder shall be transferable by operation of law or by any process or proceeding of any court.
- 15.10 Counterparts - This Agreement may be executed in one or more counterparts, all of which shall constitute one in the same instrument.
- 15.11 Headings - The article and section headings in this Agreement are for convenience of reference only, and shall not be deemed to alter or affect the meaning or interpretation of any provisions hereof.
- 15.12 Applicable Law; Venue; Attorneys' Fees - This Agreement shall be governed by and construed in accordance with the laws of the State of Montana. In the event any suit, mediation, or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be exclusively in Cascade County, Montana. Unless otherwise stated in this Agreement, the prevailing party in any such action shall be entitled to its attorneys' (including but not limited to City Attorney) fees and costs of suit, which shall be fixed by the judge hearing the case, and such fees shall be included in the judgment.
- 15.13 Amendment - This Agreement shall not be modified or amended except by a written agreement executed by both of the parties.
- 15.14 Further Actions - Each party shall execute and deliver such other certificates, agreements, and documents, and take such other actions as may reasonably be required to carry out the provisions or the intent of this Agreement.
- 15.15 Ownership and Use of Documents - Any records, files, documents, drawings, specifications, data, or information, regardless of form or format, and all other products or materials produced by the Operator in connection with the services provided to the City, shall be the property of the City whether the project for which they are made is executed or not. All such documents, products, and materials shall be forwarded to the City at its request and may be used by the City as it sees fit. The City agrees that if the documents, products, and materials prepared by the Operator are used for purposes other than those intended by the Agreement, the City does so at its sole risk and agrees to hold the Operator harmless for such use, subject to the limitations set forth in Mont. Code Ann. §2-9-108.

All services performed under this Agreement shall be conducted solely for the benefit of the City and shall not be used for any other purpose without written consent of the City.

Any information relating to the services shall not be released to the news media or any other source without the written permission of the City.

The Operator shall preserve the confidentiality of all confidential City documents and data accessed for use in the Operator's work product. Breach of confidentiality by the Operator shall be grounds for immediate termination.

The Operator recognizes that this Agreement involves interaction with a public entity. Any oral or written information provided to the City by Operator may be subject to public inspection under Montana or other applicable law and may be subject to records retention laws. If a request for Operator's information is made, City will notify Operator of such request. If Operator intends to claim that any such requested documentation is "Confidential Information" or confidential, proprietary, or trade secret information as identified in Mont. Code Ann. §30-14-402, or otherwise under applicable law, it will be required to take any and all steps necessary, including court action, to establish that the information is not subject to public disclosure.

- 15.16 Independent Operator - The Operator and the City agree that the Operator is an independent operator with respect to the services provided pursuant to this Agreement. The Operator shall be solely responsible for its acts and for the acts of its agents, employees, subcontractors, or representatives during the performance of this Agreement. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the parties hereto.

The City shall not be responsible for withholding or otherwise deducting federal income tax or Social Security or contributing to the State Industrial Insurance Program, or otherwise assuming the duties of an employer with respect to the Operator or any employee of the Operator.

- 15.17 Policies and Procedures to be Provided by the Operator - Prior to the Effective Date, the Operator shall provide to the City for City comment and approval written and detailed policies and procedures regarding management, operation, and maintenance of the Premises. Such materials shall include but not be limited to a Pro Shop manual, maintenance specifications, custodial responsibilities, and an employee handbook. The Operator agrees that such policies and procedures shall contain a drug testing policy allowed under applicable law with respect to the Operator's employees, and that said drug testing policy shall be subject to City approval.

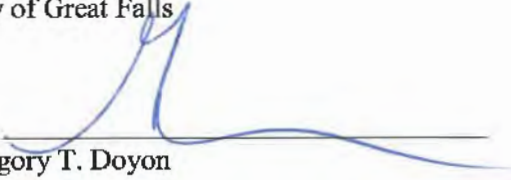
DATED this 10th day of January 2019

Great Falls Golf, LLC

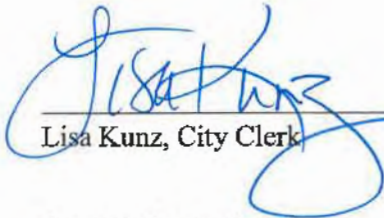
By:

Title: C.E.O. President
Michael Sharp

City of Great Falls

By: 
Gregory T. Doyon
Title: City Manager

ATTEST



Lisa Kunz, City Clerk



Approved as to form*:

By: 

Sara R. Sexe, City Attorney

***By law, the City Attorney may only advise or approve contract or legal document language on behalf of the City of Great Falls, and not on behalf of other parties. Review and approval of this document was conducted solely from the legal perspective, and for the benefit, of the City of Great Falls. Other parties should not rely on this approval and should seek review and approval by their own respective counsel.**




Anaconda Hills Golf Course

EXHIBIT A 1 of 2




Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, IGN, and the GIS User Community

 Anaconda Hills Golf Course

0 175 350 700 Feet

12/16/2018






Eagle Falls Golf Course


EXHIBIT A 2 of 2



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNR, and the GIS User Community

 Eagle Falls Golf Course

0 155 310 620 1240 Feet



12/18/2018

**Great Falls Pro Forma
Year 1 Pro Forma
Updated 10.22.18**

	<u>Eagle Falls</u>	<u>Anaconda</u>	<u>Combined</u>
Public	11,485	7,657	19,142
Pass Holders	16,681	11,121	27,802
Total	28,166	18,778	46,944
REVENUE			
Green Fee	\$ 239,796	\$ 201,226	\$ 441,022
<i>Average per Round - Total</i>	<i>\$20.88</i>	<i>\$26.28</i>	<i>\$23.04</i>
Cart Fee	\$ 157,425	\$ 151,600	\$ 309,025
<i>Average per Round - Total</i>	<i>\$5.59</i>	<i>\$8.07</i>	<i>\$6.58</i>
Membership	\$ 238,896	\$ 132,138	\$ 371,034
<i>Average per Round - Total</i>	<i>\$14.32</i>	<i>\$11.88</i>	<i>\$13.35</i>
Merchandise Sales	\$ 32,954	\$ 16,712	\$ 49,666
<i>Average per Round - Total</i>	<i>\$ 1.17</i>	<i>\$ 0.89</i>	<i>\$ 1.06</i>
Food & Beverage	\$ 183,079	\$ 51,640	\$ 234,719
<i>Average per Round - Total</i>	<i>\$6.50</i>	<i>\$2.75</i>	<i>\$5.00</i>
Driving Range	\$ 19,716	\$ 18,966	\$ 38,682
<i>Average per Round - Total</i>	<i>\$0.70</i>	<i>\$1.01</i>	<i>\$0.82</i>
Lessons	\$ 14,000	\$ 10,000	\$ 24,000
<i>Average per Round - Total</i>			
Other Miscellaneous Rev	\$ 23,941	\$ 1,690	\$ 25,631
GROSS OPERATING REVENUE	\$ 909,807	\$ 583,972	\$ 1,493,779
<i>Average per Round - Total</i>			
COST OF GOODS SOLD			
Merchandise	\$ 23,068	\$ 11,698	\$ 34,766
Lessons	\$ 9,800	\$ 7,000	\$ 16,800
Food & Beverage	\$ 64,078	\$ 18,074	\$ 82,152
Total Cost of Goods Sold	\$ 96,945	\$ 36,772	\$ 133,718
NET OPERATING REVENUE	\$ 812,862	\$ 547,200	\$ 1,360,061
OPERATING EXPENSES			
General & Administrative			
Labor Wages/Salaries	\$ 33,102	\$ 33,102	\$ 66,204
Personnel Expenses - Taxes, Benefit	\$ 14,386	\$ 14,386	\$ 28,772
Non Labor Costs	\$ 64,797	\$ 46,386	\$ 111,183
Equipment Lease	\$ 1,800	\$ 1,800	\$ 3,600
Subtotal	\$ 114,085	\$ 95,674	\$ 209,759

Golf Operations

Labor Wages/Salaries	\$ 72,820	\$ 63,620	\$ 136,440
Personnel Expenses - Taxes, Benefi	\$ 14,320	\$ 12,318	\$ 26,638
Non Labor Costs	\$ 18,338	\$ 18,338	\$ 36,676
Equipment Lease	\$ -	\$ -	\$ -
Subtotal	\$105,478	\$ 94,276	\$ 199,754

Course Maintenance

Labor Wages/Salaries	\$ 169,892	\$ 153,172	\$ 323,064
Personnel Expenses - Taxes, Benefi	\$ 43,550	\$ 40,541	\$ 84,091
Non Labor Costs	\$ 104,950	\$ 85,150	\$ 190,100
Water	\$ -	\$ -	\$ -
Equipment Lease	\$ -	\$ -	\$ -
Subtotal	\$318,392	\$ 278,863	\$ 597,255

Food & Beverage

Labor Wages/Salaries	\$ 55,280	\$ 16,150	\$ 71,430
Personnel Expenses - Taxes, Benefi	\$ 9,950	\$ 2,907	\$ 12,857
Non Labor Costs	\$ 31,600	\$ 10,100	\$ 41,700
Equipment Lease	\$ -	\$ -	\$ -
Subtotal	\$ 96,830	\$ 29,157	\$ 125,987

Total Operating Expense \$634,785 \$497,970 \$1,132,755

NOI Before Mgmt. Fee \$178,077 \$ 49,230 \$ 227,306

Management Fees/Rents

Fixed			\$ 80,000
Accounting			\$ 24,000
Total Management Fees/Rents	\$ -	\$ -	\$ 104,000

NOI After Mgmt. Fee \$178,077 \$ 49,230 \$ 123,306

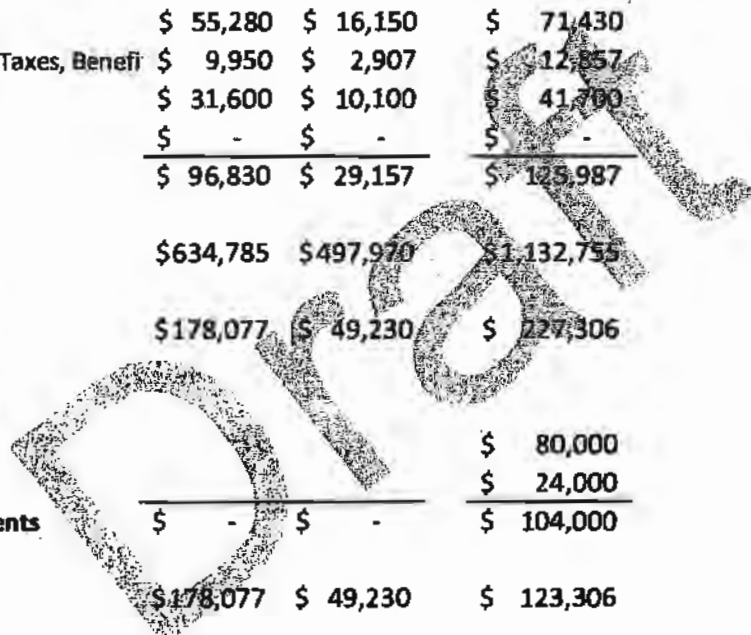


EXHIBIT Y

Golf Inventory of Assets and Golf Carts

Unit	Serial Number	Make	Model	Asset Number
15	SL1745-831193	Club Car	Golf Cart	N/A
12	SL1745-831092	Club Car	Golf Cart	N/A
69	PR1337-318100	Club Car	Golf Cart	N/A
13	SL1745-831093	Club Car	Golf Cart	N/A
34	PR1337-397986	Club Car	Golf Cart	N/A
68	PR1337-398096	Club Car	Golf Cart	N/A
20	SL1745-831168	Club Car	Golf Cart	N/A
70	PR1337-368103	Club Car	Golf Cart	N/A
9	SL1745-831088	Club Car	Golf Cart	N/A
11	SL1745-831091	Club Car	Golf Cart	N/A
40	PR1337-398090	Club Car	Golf Cart	N/A
3	SL1745-831081	Club Car	Golf Cart	N/A
26	PR1337-397968	Club Car	Golf Cart	N/A
30	SL1807-850842	Club Car	Golf Cart	N/A
33	PR1337-397983	Club Car	Golf Cart	N/A
6	SL1745-831084	Club Car	Golf Cart	N/A
21	SL1745-831169	Club Car	Golf Cart	N/A
26	SL1807-850801	Club Car	Golf Cart	N/A
28	PR1337-397974	Club Car	Golf Cart	N/A
10	SL1745-831090	Club Car	Golf Cart	N/A
27	PR1337-397970	Club Car	Golf Cart	N/A
17	SL1745-831108	Club Car	Golf Cart	N/A
22	PR1337-397966	Club Car	Golf Cart	N/A
19	SL1745-831166	Club Car	Golf Cart	N/A
39	PR1337-368089	Club Car	Golf Cart	N/A
5	SL1745-831083	Club Car	Golf Cart	N/A
2	SL1745-831080	Club Car	Golf Cart	N/A
31	PR1337-397978	Club Car	Golf Cart	N/A
1	SL1745-831078	Club Car	Golf Cart	N/A
39	SL1807-850899	Club Car	Golf Cart	N/A
4	SL1745-831082	Club Car	Golf Cart	N/A
37	PR1337-398087	Club Car	Golf Cart	N/A
43	SL1807-850908	Club Car	Golf Cart	N/A
8	SL1745-831087	Club Car	Golf Cart	N/A
16	SL1745-831105	Club Car	Golf Cart	N/A

7	SL1745-831086	Club Car	Golf Cart	N/A
67	PR1337-398094	Club Car	Golf Cart	N/A
18	SL1745-831110	Club Car	Golf Cart	N/A
14	SL1745-831094	Club Car	Golf Cart	N/A
41	SL1807-850904	Club Car	Golf Cart	N/A
40	SL1807-850902	Club Car	Golf Cart	N/A
42	SL1807-850907	Club Car	Golf Cart	N/A
24	SL1745-831172	Club Car	Golf Cart	N/A
34	SL1807-850858	Club Car	Golf Cart	N/A
37	SL1807-850865	Club Car	Golf Cart	N/A
47	SL1807-850929	Club Car	Golf Cart	N/A
44	SL1807-850926	Club Car	Golf Cart	N/A
22	SL1745-831170	Club Car	Golf Cart	N/A
23	SL1745-831171	Club Car	Golf Cart	N/A
52	SL1807-850944	Club Car	Golf Cart	N/A
32	SL1807-850854	Club Car	Golf Cart	N/A
27	SL1807-850803	Club Car	Golf Cart	N/A
46	SL1807-850928	Club Car	Golf Cart	N/A
50	SL1807-850942	Club Car	Golf Cart	N/A
45	SL1807-850927	Club Car	Golf Cart	N/A
36	SL1807-850884	Club Car	Golf Cart	N/A
38	SL1807-850887	Club Car	Golf Cart	N/A
25	SL1745-831174	Club Car	Golf Cart	N/A
28	SL1807-850805	Club Car	Golf Cart	N/A
31	SL1807-850852	Club Car	Golf Cart	N/A
29	SL1807-850808	Club Car	Golf Cart	N/A
33	SL1807-850856	Club Car	Golf Cart	N/A
48	SL1807-850930	Club Car	Golf Cart	N/A
49	SL1807-850931	Club Car	Golf Cart	N/A
35	SL1807-850861	Club Car	Golf Cart	N/A
51	SL1807-850943	Club Car	Golf Cart	N/A
21	JW8-108959	Yamaha	Golf Cart	N/A
18	JW8-108978	Yamaha	Golf Cart	N/A
17	JW8-108973	Yamaha	Golf Cart	N/A
14	JW8-108964	Yamaha	Golf Cart	N/A
30	JW8-108974	Yamaha	Golf Cart	N/A
23	JW8-108977	Yamaha	Golf Cart	N/A

19	JW8-108968	Yamaha	Golf Cart		N/A
65	JW8-108958	Yamaha	Golf Cart		N/A
51	JW8-108863	Yamaha	Golf Cart		N/A
53	JW8-108966	Yamaha	Golf Cart		N/A
305	1FTNF205X8EB95390	Ford	F250		3672
313	1GCFC14H5REL175900	Chevrolet	F150		1760
316	1FTRF12WX7NA79753	Ford	EXPRESS DUAL ANGLE MASTER BED KNIF GRINDER		3674
	AM2000-10961		EXPRESS DUAL 2000 REEL GRINDER		2475-0000
	ED2000-10958		SOIL RELIEVER-SOUTHERN GREEN W/HYDRAULIC SYSTEM		2478-0000
	4980709		TV-CROP VEHICLE MOUNTED PROPASS 180 TOP DRESSER		2517-0000
AC-19					3677-0000
SC-3	735465	John Deere	UNIT SC 3 1991 JOHN DEERE 3-WHEEL TRACTOR 2155 EQ# 369		0768-0000
SC-6		Cushman	UNIT SC 6 1993 CUSHMAN WORK CART 530 EQ# 478		1714-0000
AC-13	94004268	Cushman	UNIT AC 13 1994 CUSHMAN AERATOR-GA60 TRILER EQ# 566		1975-0000
SC-11	07200-40741	Toro	UNIT SC 11 WORKCART 1995 TORO 3200		1984-0000
AC-14	311001131	Toro	UNIT AC 14 2011 TORO GREENS MOWER 3150		4039-0000
AC-9	07200-40291	Toro	UNIT AC 9 1994 TORO WORKCART WORKMASTER 3200		3980-0001
SC-4	M00425A043221	John Deere	UNIT SC 4 1996 JOHN DEERE 425 LAWN & GARDEN W/60"		2260-0000
AC-12	898630A-86007644	Cushman	UNIT AC 12 1996 CUSHMAN TURF-TRUCKSTER EQ# 656		2322-0000
AC-21	TC3235A050019	John Deere	UNIT AC 21 98 JOHN DEERE TWGT FAIRWAY MOWER 3235A EQ# 710		2446-0000
SC-20	69116-4252	Jacobsen	UNIT SC 20 98 JACOBSEN ROTARY ROUGH MOWER EQ#713		2451-0000
SC-17	898716	Turco	UNIT SC 17 98 TURCO F120 TOP DRESSER 85423 EQ#715		2462-0000
SC-18		Jacobsen	UNIT SC 18 98 JACOBSEN VA2487560 GRN AERAT EQ#716		2464-0000
SC-16	90811	Toro	UNIT SC 16 1999 TORO 2 WHEEL DRIVE FRONT DECK MOWER		2664-0000
AC-1	30795-200000112	Toro	UNIT AC 1 1999 TORO GROUNDMASTER 4 WHEEL DRIVE FRONT DECK MOWER		2665-0000
AC-8	04354-200000604	Toro	UNIT AC 8 2000 TORO MOWERS EQ# 770		2666-0000
SC-26	03550-200000156	Toro	UNIT SC 26 2000 TORO DRIVE LIGHT FAIRWAY MOWER EQ# 789		2700-0000
PM-36	654112	Ditch Witch	UNIT PM 36 1983 DITCH WITCH MODEL 6510 EQ#821		2810-0000
SC-12	898658-3188823	Cushman	UNIT SC 12 2001 CUSHMAN TURF TRUCKSTER WORKCART EQ# 824		2826-0000
AC-15	LM4278	Cushman	UNIT AC 15 2001 CUSHMAN TURF TRUCKSTER WORKCART EQ#825		2827-0000
AC-4	1418564	EZ GO	UNIT AC 4 2002 EZ GO WORKHORSE 1200 G EQ# 856		2956-0000
SC-30	62288-00002986	Jacobsen	UNIT SC 30 2003 JACOBSEN GREENSKING IV		3164-0000
SC-31	62288-00003316	Jacobsen	UNIT SC 31 2003 JACOBSEN GREENSKING IV		3165-0000
AC-18	62288-00003403	Jacobsen	UNIT AC 18 2003 JABOBSEN GREENSKING IV		3177-0000
AC-17	62288-00003400	Jacobsen	UNIT AC 17 2003 JACOBSEN GREENSKING IV		3178-0000
SC-5	2139290	Cushman	UNIT SC 5 2004 CUSHMAN PTO CART		3343-0000
AC-19	2227538	Cushman	UNIT AC 19 2004 CUSHMAN PTO CART		3344-0000

MSC-1	JU5000751	Yamaha	UNIT MSC 1 2005 YAMAHA UMAX WORKCARTS	3414-0000		5079
SC-19	4845	Smithco	UNIT SC 19 2004 SMITHCO SUPER STAR BUNKER RAKE	3430-0000		
AC-22	TC3225C020046	John Deere	UNIT AC 22 2005 JOHN DEERE FAIRWAY MOWER	3441-0000		
AC-23	TC3225C020070	John Deere	UNIT AC 23 2005 JOHN DEERE FAIRWAY MOWER	3442-0000		
SC-2	03660-280000368	Toro	UNIT SC 2 2008 TORO REELMASTER 5210 FAIRWAY MOWER	3768-0000		
AC-5	30412-290000310	Toro	UNIT AC 5 2009 TORO 4000D ROTARY ROUGH MOWER	3864-0000		
SC-1	30448-310000428	Toro	UNIT SC 1 2010 TORO GROUNDMASTER 4000 LAWN MOWER EQ# 1103	3955-0000		
SC-11	41196-310000366	Toro	UNIT SC 11 TORO 2010 1250 SPRAYER WORKCART	3971-0000		
SC-9	04357-311001151	Toro	UNIT SC 9 2011 TORO GREENS MOWER 3150Q	4038-0000		
AC-10	311001155	Toro	UNIT AC 10 2010 TORO GREEN MOWER 3150Q EQ# 1149	4040-0000		
SC-25	04357-311001299	Toro	UNIT SC 25 2011 TORO GREEN MOWER 3150 EQ# 1152	4041-0000		
SC-24	298742	Turfco	UNIT SC 24 1992 TURFCO SOD MASTER EQ# 511	1752-0000		5077
SC-8	03670N-313000155	Toro	UNIT SC 8 2013 TORO REELMASTER 5410 EQ# 1188			5078
SC-28	07273-313000185	Toro	UNIT SC 28 2013 TORO WORKMAN MDX EQ# 1190			
AC-7	04510-312000502	Toro	UNIT AC 7 2013 TORO GREENSMaster 3300 TRIPLEX EQ# 781			

Draft

EXTENSION OF ANACONDA HILLS GOLF COURSE AND EAGLE FALLS GOLF CLUB MANAGEMENT AGREEMENT

THIS AGREEMENT is entered into as of this 21 day of September, 2021, by and between the City of Great Falls, a Municipal Corporation, hereinafter referred to as "CITY," CourseCo, Inc. d/b/a Great Falls Golf, LLC, hereinafter referred to as "OPERATOR," and agree as follows:

1. The CITY and OPERATOR entered into a Management Agreement, approved by the City Commission at its December 18, 2018 meeting, regarding management of the Eagle Falls and Anaconda Hills Golf Courses, hereafter referred to as the "Management Agreement", and Management Agreement Addendum No. 1, approved by the Commission at its August 20, 2019 meeting; and
2. The Management Agreement, at Section 4.2, contained an Option to Renew the Management Agreement for a three year term, beginning February 1, 2022 and ending at January 31, 2025, upon agreement of the parties at least one hundred twenty day prior to the expiration of the initial Term; and
3. The CITY and OPERATOR desire to extend the Management Agreement under the same terms and conditions upon expiration of the initial Term ending January 31, 2022; and
4. All other conditions and provisions of the Management Agreement and Addendum No. 1 remain in full force and effect, and are hereby ratified and affirmed by the parties.

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

COURSECO, INC. D/B/A GREAT FALLS GOLF, LLC



By: Michael Sharp

Its: President and CEO

CITY OF GREAT FALLS, MONTANA



Greg Doyon, City Manager

ATTEST



Lisa Kunz, City Clerk
By: _____
Sara R. Sexe, City Attorney*

*By law, the City Attorney may only advise or approve contract or legal document language on behalf of the City of Great Falls, and not on behalf of other parties. Review and approval of this document was conducted solely from the legal perspective, and for the benefit, of the City of Great Falls. Other parties should not rely on this approval and should seek review and approval by their own respective counsel.