



**AGENDA
CITY OF LAUREL
CITY COUNCIL MEETING
TUESDAY, JANUARY 26, 2021
6:30 PM
ONLINE**

NEXT RES. NO.
R21-02

NEXT ORD. NO.
O21-01

WELCOME . . . By your presence in the City Council Chambers, you are participating in the process of representative government. To encourage that participation, the City Council has specified times for citizen comments on its agenda -- once following the Consent Agenda, at which time citizens may address the Council concerning any brief community announcement not to exceed one minute in duration for any speaker; and again following Items Removed from the Consent Agenda, at which time citizens may address the Council on any matter of City business that is not on tonight's agenda. Each speaker will be limited to three minutes, unless the time limit is extended by the Mayor with the consent of the Council. Citizens may also comment on any item removed from the consent agenda prior to council action, with each speaker limited to three minutes, unless the time limit is extended by the Mayor with the consent of the Council. If a citizen would like to comment on an agenda item, we ask that you wait until the agenda item is presented to the Council by the Mayor and the public is asked to comment by the Mayor. Once again, each speaker is limited to three minutes.

Any person who has any question concerning any agenda item may call the City Clerk-Treasurer's office to make an inquiry concerning the nature of the item described on the agenda. Your City government welcomes your interest and hopes you will attend the Laurel City Council meetings often.

Pledge of Allegiance

Roll Call of the Council

Approval of Minutes

1. Approval of Minutes of January 12, 2021.

Correspondence

2. Beartooth RC&D Correspondence
3. Laurel Chamber of Commerce Correspondence

Council Disclosure of Ex Parte Communications

Public Hearing

4. Public Hearing - Budget Amendment
5. Public Hearing - Title 13

Consent Items

NOTICE TO THE PUBLIC

*The Consent Calendar adopting the printed Recommended Council Action will be enacted with one vote. **The Mayor will first ask the Council members if any Council member wishes to remove any item from the Consent Calendar for discussion and consideration.** The matters removed from the Consent Calendar will be considered individually at the end of this Agenda under "Items Removed from the Consent Calendar." (See Section 12.) The entire Consent Calendar, with the exception of items removed to be discussed under "Items Removed from the Consent Calendar," is then voted upon by roll call under one motion.*

6. Claims entered through January 22, 2021.
7. Approval of Payroll Register for PPE 1/10/2021 totaling \$201,515.07.

Ceremonial Calendar

Reports of Boards and Commissions

8. Budget/Finance Committee Minutes of December 22, 2020
9. Budget/Finance Committee Minutes of January 12, 2021.
10. Library Board Minutes of September 8, 2020.
11. Library Board Minutes of October 13, 2020.

- [12.](#) Library Board Minutes of November 8, 2020.
- [13.](#) Library Board Minutes of December 8, 2020.
- [14.](#) Tree Board Minutes of February 20, 2020.
- [15.](#) Tree Board Minutes of December 17, 2020.

Audience Participation (Three-Minute Limit)

Citizens may address the Council regarding any item of City business that is not on tonight's agenda. Comments regarding tonight's agenda items will be accepted under Scheduled Matters. The duration for an individual speaking under Audience Participation is limited to three minutes. While all comments are welcome, the Council will not take action on any item not on the agenda.

Scheduled Matters

- [16.](#) Resolution No R21-02: A Resolution Of The City Council Authorizing The Mayor To Sign A Contract With Shallow Creek Kennels Inc. For The Provision Of K-9 Training Services For The City Of Laurel's Police Department.
- [17.](#) Resolution No. R21-03: A Resolution Of The City Council Approving A Task Order Between The City Of Laurel And Klj Engineering Inc. To Authorize Work For The Project Known At The 5th Avenue Water Main Re-Route.
- [18.](#) Resolution No. R21-04: A Resolution Of The City Council Approving A Task Order Between The City Of Laurel And KLJ Engineering Inc. To Authorize The Reconstruction And Rehabilitation Of Screw Pump "B" At The City's Wastewater Treatment Plant.
- [19.](#) Resolution No. R21-05: A Resolution Of The City Council Approving A Task Order Between The City Of Laurel And KLJ Engineering Inc. To Authorize Work For The Water Treatment Plant Lift Well Replacement Project.
- [20.](#) Resolution No. R21-06: A Resolution Of The City Council Approving A Task Order Between The City Of Laurel And KLJ Engineering Inc. To Authorize A Southside Storm Water Study For The City Of Laurel.
- [21.](#) Resolution No. R21-07: Budget Amendment Resolution Amending Revenues And Appropriations For The Library And Permissive Medical Levy Funds For Fiscal Year 2019-2020
- [22.](#) Ordinance O21-01: An Ordinance Creating A New Title 13 Entitled "Fire Prevention And Protection" And Amending And Renumbering Certain Sections Of Title 15 And 8 Of The Laurel Municipal Code Updating The City's Fire Prevention And Protection Codes.

Items Removed From the Consent Agenda

Community Announcements (One-Minute Limit)

This portion of the meeting is to provide an opportunity for citizens to address the Council regarding community announcements. The duration for an individual speaking under Community Announcements is limited to one minute. While all comments are welcome, the Council will not take action on any item not on the agenda.

Council Discussion

Council members may give the City Council a brief report regarding committees or groups in which they are involved.

Mayor Updates

Unscheduled Matters

Adjournment

The City makes reasonable accommodations for any known disability that may interfere with a person's ability to participate in this meeting. Persons needing accommodation must notify the City Clerk's Office to make needed arrangements. To make your request known, please call 406-628-7431, Ext. 2, or write to City Clerk, PO Box 10, Laurel, MT 59044, or present your request at City Hall, 115 West First Street, Laurel, Montana.

DATES TO REMEMBER

File Attachments for Item:

1. Approval of Minutes of January 12, 2021.

MINUTES OF THE CITY COUNCIL OF LAUREL

JANUARY 12, 2021

A regular meeting of the City Council of the City of Laurel, Montana, was held in the Council Chambers and called to order by Council President Eaton at 6:30 p.m. on January 12, 2021.

COUNCIL MEMBERS PRESENT: Emelie Eaton Heidi Sparks
 Bruce McGee Richard Herr
 Richard Klose Irv Wilke
 Don Nelson

COUNCIL MEMBERS ABSENT: Scot Stokes

OTHER STAFF PRESENT: None

Council President Eaton led the Pledge of Allegiance to the American flag.

Council President Eaton asked the council to observe a moment of silence.

MINUTES:

Motion by Council Member McGee to approve the minutes of the regular meeting of December 22, 2020, as presented, seconded by Council Member Sparks. There was no public comment or council discussion. A roll call vote was taken on the motion. Council Members Sparks, Herr, Wilke, Klose, Nelson, McGee, and Eaton voted aye. Motion carried 7-0.

CORRESPONDENCE: None.

COUNCIL DISCLOSURE OF EX PARTE COMMUNICATIONS: None.

PUBLIC HEARING: None.

CONSENT ITEMS:

- **Claims entered through December 4, 2020.**
A complete listing of the claims and their amounts is on file in the Clerk/Treasurer's Office.
- **Claims entered through December 18, 2020.**
A complete listing of the claims and their amounts is on file in the Clerk/Treasurer's Office.
- **Claims entered through January 8, 2021.**
A complete listing of the claims and their amounts is on file in the Clerk/Treasurer's Office.
- **Approval of Payroll Register for PPE 12/27/2020 totaling \$164,132.16.**

The Council President asked if there was any separation of consent items. There was none.

Motion by Council Member Klose to approve the consent items as presented, seconded by Council Member Wilke. There was no public comment or council discussion. A roll call vote was taken on the motion. Council Members Sparks, Herr, Wilke, Klose, Nelson, McGee, and Eaton voted aye. Motion carried 7-0.

CEREMONIAL CALENDAR: None.

REPORTS OF BOARDS AND COMMISSIONS:

- Budget/Finance Committee Minutes of November 24, 2020.

AUDIENCE PARTICIPATION (THREE-MINUTE LIMIT): None.

SCHEDULED MATTERS:

DRAFT

- **Appointment of Wallace Hall to the Police Commission for a three-year term ending April 30, 2023.**

Motion by Council Member Herr to approve the Mayor's appointment of Wallace Hall to the Police Commission for a three-year term ending April 30, 2023, seconded by Council Member Klose. There was no public comment or council discussion. A roll call vote was taken on the motion. Council Members Sparks, Herr, Wilke, Klose, Nelson, McGee, and Eaton voted aye. Motion carried 7-0.

- **Appointment of Don Smarsh to the Laurel Urban Renewal Agency for the remainder of a four-year term ending December 31, 2023.**

Motion by Council Member Sparks to approve the Mayor's appointment of Don Smarsh to the Laurel Urban Renewal Agency for the remainder of a four-year term ending December 31, 2023, seconded by Council Member Wilke. There was no public comment or council discussion. A roll call vote was taken on the motion. Council Members Sparks, Herr, Wilke, Klose, Nelson, McGee, and Eaton voted aye. Motion carried 7-0.

- **Resolution No. R21-01: Resolution Of The City Council To Adopt The 2020 City Of Laurel Growth Policy.**

Motion by Council Member Sparks to approve Resolution No. R21-01, seconded by Council Member Wilke. There was no public comment or council discussion. A roll call vote was taken on the motion. Council Members Sparks, Herr, Wilke, Klose, Nelson, McGee, and Eaton voted aye. Motion carried 7-0.

- **Ordinance No. O21-01: An Ordinance Creating A New Title 13 Entitled "Fire Prevention And Protection" And Amending And Renumbering Certain Sections Of Title 15 And 8 Of The Laurel Municipal Code Updating The City's Fire Prevention And Protection Codes. (First Reading)**

Motion by Council Member Nelson to adopt Ordinance No. O21-01, seconded by Council Member McGee. There was no public comment or council discussion. A roll call vote was taken on the motion. Council Members Sparks, Herr, Wilke, Klose, Nelson, McGee, and Eaton voted aye. Motion carried 7-0.

ITEMS REMOVED FROM THE CONSENT AGENDA: None.

COMMUNITY ANNOUNCEMENTS (ONE-MINUTE LIMIT): None.

COUNCIL DISCUSSION: None.

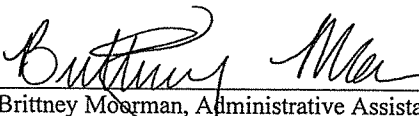
MAYOR UPDATE: None.

UNSCHEDULED MATTERS: None.

ADJOURNMENT:

Motion by Council Member McGee to adjourn the council meeting, seconded by Council Member Sparks. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

There being no further business to come before the council at this time, the meeting was adjourned at 6:42 p.m.


Brittney Moorman, Administrative Assistant

Approved by the Mayor and passed by the City Council of the City of Laurel, Montana, this 26th day of January 2021.

DRAFT

Thomas C. Nelson, Mayor

Attest:

Bethany Langve, Clerk/Treasurer

File Attachments for Item:

2. Beartooth RC&D Correspondence

2020 Annual Comprehensive Economic Development Strategy (CEDS) And Progress Report

Grantee: Beartooth RC&D Area, Inc.

Project Number: ED18DEN3020030

Period covered by the report: Jan. 1, 2020 – Dec. 31, 2020

Adjustments: No significant adjustments were made to the strategy, program delivery or service area during this reporting period. Myrna Lastusky has been hired as administrative support staff under the EDA CARES ACT funding.

Beartooth staff updated the website (www.beartooth.org) during 2020 and feel those changes will serve the region more effectively in the future. Beartooth staff are working to post regular updates to the Facebook page and we continue efforts to be more proactive in marketing the organization and program areas. The Board of Directors approved additional funding from the State of Montana to the Food and Ag, EDA CARES ACT funding, and Certified Regional Development Corporation programs. As reported last year, we continue to seek opportunities to further increase and diversify revenue sources in order to ensure a sustainable future and have the ability to expand staffing levels as new programs that will benefit the service area are identified.

We feel that our overall strategy is sound and aligned with the needs of the region, but some significant adjustments to the strategy have been implemented at this time. The recent additional funding from the EDA CARES Act will help to bolster the resiliency piece of the CEDS that became apparent during the COVID-19 pandemic. Some counties are recovering faster than others across the region. Resources to assist with the economic recovery efforts are fully underway. Beartooth RC&D will continue to explore additional trends such as the increase of online sales vs. brick and mortar stores. Other emerging trends, such as online shopping and telemedicine, have increased the need for leaders across the State to deliver better internet access and speed for all residents. Opportunities for continued improvement to the CEDS strategies are emerging as a direct result of the pandemic. The following paragraphs contain a summary of the CEDS Goals and Objectives, problems and opportunities, along with comments regarding areas for improvement, where appropriate.

Infrastructure – This continues to be an area of high need throughout our region, the state and the nation, and the costs to replace or upgrade are staggering. As Montana's infrastructure continues to age, our smaller communities struggle to fund basic infrastructure needs. As a result of many conversations at the state and local levels, the Montana Infrastructure Coalition <http://mtinfrastructure.org/> was established to provide an inclusive, non-partisan forum to research and develop funding solutions for Montana's most pressing infrastructure needs. Beartooth monitors the activity and receives regular updates through our Montana Economic Developers Association membership and continues our efforts since joining the Infrastructure Coalition in 2019.

- Water/Waste Water – All of our communities in the region are facing water and/or waste water needs. Absarokee Water & Sewer Districts are seeking grants to complete improvements to their waste water system. Through the efforts of Beartooth RC&D, a Big Sky Trust Fund planning grant was submitted December 2020 to assist the City of Laurel to extend services to the new west-end interchange. Beartooth staff members are also assisting the Town of Joliet on improvements to their municipal water system.
- Housing – Meetings were held in each county regarding matters related to workforce housing. We continue to make a concerted effort to address the housing needs of households in the 80-120% of median household income throughout the region to ensure that our communities are in a better position to attract and retain those workers in that income demographic. During 2019-2020, the Red Lodge Area Community Foundation’s Workforce Housing Committee made a housing unit available for low-to-moderate income workers. Work began on the land placed in the ownership of Trust Montana, and the home was made available for purchase in 2020. Ongoing discussions with Big Horn County elected officials on the need for workforce housing are underway with our help and the Montana Department of Commerce.
- Detention Center - Beartooth staff is assisting the discussion for a three-county regional detention center being proposed for Carbon, Stillwater and Sweet Grass Counties. The Carbon County commissioners stopped the process during the beginning of the pandemic, and have recently restarted the process to obtain funding through a bonding initiative to the voters in Carbon County scheduled for voter approval in March 2021.
- Solid Waste – In early October 2019, Beartooth RC&D wrote a Delivering Local Assistance grant to reestablish solid waste service in Lodge Grass after a three-year absence. The Town was notified in early 2020 that the grant application wasn’t successful and no further activity has occurred.
- Transportation – The City of Billings is continuing work on its transportation plan, including a bypass in the Heights west of the airport. A BUILD grant was secured to allow partial funding for the bypass. A new interchange was completed on the west side of Laurel. Additional funding was secured and work was mostly completed on an 11-mile stretch of Highway 212 between Laurel and Rockvale. All four lanes were finished in 2020. Roads were severely damaged in Stillwater County due to spring flooding in 2019 and a disaster declaration was made. An application for funding assistance from EDA was submitted in spring 2020 and funded for \$2.3 million dollars to assist with road rebuilding efforts. The Red Lodge Area Community Foundation was successful with a grant application to the Montana Department of Transportation to establish a bus/van service across Carbon County. Service will begin in early 2021.
- Communication Infrastructure – Our region continues to improve connectivity to businesses and residents. However, this is an expensive undertaking by the telecommunication companies to install fiber internet lines, and financial resources are limited. All broadband and telecommunication companies in our region were once again contacted about the USDA Reconnect grant program. Pioneer Telephone in Yellowstone County was successful with a grant application to assist homes in a three-county region in Stillwater, Yellowstone, and Carbon at a cost of \$4950/home or business. In contrast, the new Starlink low earth orbit internet system is being launched in the region. Beartooth has successfully installed two systems, including our office in Joliet as a demonstration site. The cost is \$500/home or business and setup occurred in less than 10 minutes, making this another viable option for delivering internet

and VOIP services in rural areas. Beartooth RC&D continues to work with the communities and counties in our region to identify specific communication infrastructure needs and offer affordable alternatives. Wireless Internet Service Providers (WISP) are also offering cost-effective solutions that don't require hard wiring and "middle or last mile" connection costs to deliver high-speed connectivity.

Economy – This CEDS goal remains at the core of our activities, and we continue to improve the delivery and effectiveness of the technical assistance delivered by staff members. The additional CARES Act funding of \$400,000 that Beartooth RC&D received will be used to build resiliency in the region. A housing study, targeted industry assistance program, and regional economic recovery were the three areas identified as highest need. A Churma study showed that two of the counties in the region, Yellowstone and Carbon, were in the top 10% of most economically impacted counties nationwide. As usual, the greatest challenge associated with this goal is related to limited staff time for outreach and additional technical assistance. Overall, we experienced an increase in requests from the business sector and from all other sectors seeking TA and funding. Beartooth RC&D also submitted an EDA SPRINT grant application to support remote worker training, build additional capacity at the area data centers, and look towards expansion across the region.

Summary of highlights:

- NRCS/RCPP project is a multi-year collaborative research project involving irrigated barley and sugar beet producers to define production practices that will conserve water and soil and create more efficient agricultural operations. Miller/Coors is using the results from the water conservation study in their marketing efforts to be good stewards of resources and conserve water usage. Beartooth is working with the Conservation Districts in Carbon, Big Horn and Yellowstone Counties on this water project. Additional projects include discussion of replacing most of the irrigation headgates in Stillwater County. A canal project with the Bench Water Association was also discussed as homeowners living below the canal in Billings Heights were impacted by the leaking canal.
- The Food and Ag Center has seen steady activity with value-added Ag projects topping the list. Smaller meat processing facilities continue to be an area of interest. A tour of regional meat processing facilities was conducted pre-pandemic. Processing plants in Stillwater, Sweet Grass, and Cody, Wyoming were toured. This tour of facilities was critical as the pandemic unfolded and gave us additional insight to help local meat processors expand and also to assist producers when the supply chain for traditional meat processing backed up at the national meat packer level. Beartooth was successful in assisting three processing plants in our region, as well as supporting the Cody, Wyoming packing plant with State and EDA funding. Cattle from our region are also being processed in the Cody, Wyoming plant. A trend is developing – and we anticipate continuing – to have more local meat processing done in the region. We are also supporting a recently launched meat cutter program at Miles Community College that will help with the shortage of trained meat cutters in the State.
 - Beartooth staff saw a significant increase in the number of producers pursuing Growth Through Ag grant funding. The program underwent changes in 2017 to a single application cycle, along with a geographic shift in the location of Food and Ag Centers. In the past, this change in the grant funding cycle resulted in fewer applications to the program. However, this year due to the pandemic, 9 of the 40 applications submitted to

the GTA program originated from the region and technical assistance was provided to area value-added ag businesses.

- Additional funding for the Beartooth Food and Ag Center was awarded in 2020.
- Bridger Senior Center was awarded \$57,500 for repair of the 100-year-old building foundation as a result of a grant submitted by Beartooth on behalf of Carbon County. Work will begin in 2021 as funding just became available in December 2020 due to the reduction of coal severance tax collections that are used to fund the program.
- Coulson Park Master Plan in Billings involved a state planning grant, matched by city funds, to determine a logical redevelopment plan for a thirty-acre park located on the northern shore of the Yellowstone River. Beartooth RC&D supported regional efforts of Big Sky EDA staff in Yellowstone County that worked diligently on this project. Funding for half of the \$500,000 stage one buildout has been secured. Other projects supported by Beartooth RC&D this year were the successful BUILD grant that will assist traffic flow in the Billings Heights area to the west end of town. Various parks and trail systems were also supported across the region.
- Yellowstone Valley Food Hub's low-cost launch, market study, and feasibility is a project initiated by the Yellowstone Valley Citizens Council aimed at developing a regional food hub benefiting area producers, institutions, and residents. The group has been working toward this goal for several years and has built a broad base of support. Changes were made to enhance delivery and pickup options due to the pandemic. Expansion of the program occurred in Red Lodge, located in Carbon County in the region.
- Bighorn Valley Health Center (BVHC) completed expansion of their rapidly growing facility by building a new facility to meet the needs of the area. Beartooth supported a successful CDBG application in 2019. The Health Center is located in Hardin, a medically underserved area. Beartooth RC&D also supported an addition to the ambulance barn used to transport area residents to the local medical center.
- Old Roosevelt School project in Red Lodge continues to seek funding for a fire suppression system and an elevator needed to utilize the third floor of the business incubator space located at the school. Currently, all available rental space in the business incubator is occupied. The lack of events due to the pandemic has negatively impacted both event planning and the revenue from these events that assists with ongoing operational costs of the building.

Communication – “We’re all in it together!” has been adopted by the Montana Economic Developers Association as our theme.

- As a whole, communication throughout the region continues to improve and Beartooth continues to promote collaboration, communication, and partnerships at every opportunity.
- Beartooth serves as the facilitator for a multi-county Custer-Gallatin Working Group that strives to improve collaboration and communication with entities impacted by the two state forests and to assist in the update of the Forest Plan. Sweet Grass County is currently protesting the revised forest plan.
- The Coal Country Coalition between the four development agencies and the core group continues to work towards solutions for our coal-impacted communities in the region and beyond. Staff attended the Coal Country tour and meeting in Colstrip this summer. Coal mining not only supports good paying jobs in the region, but many of the suppliers for the mines are located within the region.

- Beartooth has increased our visibility and opportunity to communicate to the governing bodies, businesses, and organizations in our service region.
- We continue to provide presentations to targeted groups in the region in order to promote our programs and services.
- Beartooth continues to participate in six city or countywide Chambers of Commerce to increase visibility and tell our story more effectively.
- Beartooth staff activity contributed and participated in the Carbon and Yellowstone County economic recovery groups formed during the pandemic to provide information and updates to both groups. In addition, regular emails and meetings, both in-person and virtual, were held with county commissioners and city leaders across the Beartooth RC&D region.

Services – The Beartooth region includes many opportunities to improve the standard of living by upgrading community services and their facilities. We are fortunate to be working closely with many local organizations that provide these services. We will continue to collaborate with these local public and private sector agencies to leverage available resources to improve standards of living throughout the region.

- Parks, playgrounds, and open space development continue to be important to our communities and we were able to assist the PTA in Red Lodge with a “Kaboom!” playground grant. Billings NW Homeowners Association also approached Beartooth RC&D staff and were offered Technical Assistance for the neighborhood playground regarding funding sources.
- Local food systems are another area of 2020 activity and included the Billings South Side Grocery Store feasibility study. A summer youth food project continues as a result of the connectivity of people and resources in Pryor and supporting the marketplace for food vendors in Crow Agency. Limited services were offered as areas of the Crow Reservation were on lockdown and non-residents weren’t allowed into the reservation.
- The Red Lodge Area Community Foundation (RLACF) continues to work toward workforce housing solutions, with Beartooth serving on the steering committee for this activity. RLACF is also working on an upgraded transportation plan for Carbon County. RLACF is assisting on a transportation committee to establish a bus route across Carbon County. Two vans are being delivered to allow residents in Carbon County transportation to medical facilities in Billings, which serves as the region’s medical hub.

Natural Resources

- As noted above, we continue to work with issues affecting the coal industry. Losses in State tax collections are estimated to be \$30 million. Additional loss of revenue is being incurred at the local level as the recent bankruptcy announcement by Spring Creek Mine in southern Big Horn County has resulted in the non-payment of \$10 million to the County. Additional impacts are being felt by school districts in the County. Workers that support multi-generational family units are now unemployed.
- After 11 years in development, a wind farm is under construction by PacifiCorp in southern Carbon County. This 230-megawatt operation will be completed in mid-2021. 12 full-time jobs paying above the Carbon County median household income will be in place once the wind farm becomes fully operational. 4 additional wind farms are under review or exploration in Stillwater County. The pandemic has pushed back the timeline for other wind farms in the region. Access to materials and labor continues to be an issue for the wind farms. Beartooth has been in

discussion with area colleges and training centers to reestablish a wind turbine operator program in the region. The closest training program for Vestas is located near Denver, Colorado. Vestas is the supplier for the wind turbines in southern Carbon County.

- All five counties have representation by the Conservation Districts on the Board of Directors, and we offer assistance to their work plans as needed, including the NRCS/RCPP project in Carbon, Big Horn, and Yellowstone Counties.

Human Capital

Within this goal, we most often partner with local economic development agencies as needed to improve the overall condition and opportunities for existing and potential employees, including access to training and education.

Board/CEDS Committee List: EDD BOARD MEMBERSHIP ROSTER

Updated 12/20/2020

1. GOVERNMENT REPRESENTATIVES (51-65%)

Elected officials and/or employees of a general purpose unit of state, local or Indian tribal government who have been appointed to represent the government.

Name	Government	Position
Page Dringman	City of Big Timber	City Planner/Appointed by Big Timber City Council
Melanie Roe	Sweet Grass County	County Commissioner
Chris Mehus	Sweet Grass Cons. Dist.	District Appointee
Frank Ewalt	City of Billings	City Council member
Dan Lowe	Big Horn Cons. Dist.	Board Member-elected county position
Don Jones	Yellowstone County	County Commissioner
Ty Hamilton	Stillwater County	County Commissioner
Tiffany White Clay	Crow (Apsaalooke) Nation	Director of Economic Development
Stephanie Ray	Stillwater County	Economic Dev. Coord.-employee of Stillwater County
Barb Wagner	Yellowstone Conservation District	Board Member-elected County position
Clinton Giesick	Carbon Conservation District	Board Member-elected County position
Scott Miller	Carbon County	County Commissioner
Bill Foisy	City of Red Lodge	City Council member
Clayton Greer	City of Hardin	City Council member
Sidney Fitzpatrick	Bighorn County	County Commissioner

2. NON-GOVERNMENT REPRESENTATIVES (35-49%)

A. Private Sector Representatives: *Any senior management official or executive, holding a key decision-making position, with respect to any for-profit enterprise. (At least one required)*

Name	Company / Enterprise	Position
Liz Ching	MT Dept. of Labor	POWER grant administrator
Randy Weimer	Sibanye-Stillwater Mine	Public Affairs Manager/Appointed by CEO
Holly Higgins	First Interstate Bank of Hardin	Branch Manager
Marissa Hauge	Stillwater IGA	Manager of pharmaceutical sales

B. Stakeholder Organization Representatives: *Executive directors of chambers of commerce, or representatives of institutions of post-secondary education, workforce development groups or labor groups. (At least one required)*

Name	Organization	Position
(open position) Ryan Van Ballegooyen Jeffery McDowell	MSU-Billings College of Tech. Billings Job Service Hardin Chamber of Commerce /Two Rivers Authority	Project Manager – College of Technology Region 4 Director Past President / Executive Director

3. AT LARGE REPRESENTATIVES: *Interested individuals qualified to provide input on behalf of their respective communities.*

Name	Company / Enterprise	Position
Patty Sundberg Marvin Carter Lorene Hintz Emily Ringer	City of Columbus City of Laurel Big Sky EDA Town of Joliet	Appointed Representative for City of Columbus Appointed Representative for City of Laurel Small Business Development Center Appointed by the Town of Joliet

CALCULATIONS

	<u>Number</u>	<u>Percent</u>
1. Government Representatives (51-65%)	<u>15</u>	<u>52%</u>
2. Non- Government Representatives (35-49%)	<u>9</u>	<u>33%</u>
A. Private Sector Representatives (at least 1)	<u>6</u>	
B. Stakeholder Organization Representatives (at least 1)	<u>3</u>	
3. At Large Representatives	<u>4</u>	<u>15%</u>
Total Board Membership	27	100%

EDD STRATEGY COMMITTEE ROSTER

Updated 12/20/19

NOTE: This committee structure has been utilized by the organization since 1997 as a subset of the Board of Directors to discuss important issues and provide a representative perspective of the regional economy.

1. PRIVATE SECTOR REPRESENTATIVES *(At least 51%)*

Any senior management official or executive holding a key decision-making position, with respect to any for-profit enterprise.

Name	Company	Position
Randy Weimer Monte Koch Charli Smith Holly Higgins Royce Njos Charlene Johnson	Sibanye/Stillwater Mine Opportunity Bank Sweet Grass Chamber First Interstate Bank Bank of Red Lodge Plenty Doors CDC	Community Engagement Director Branch President Executive Director Branch Manager Assistant Vice President Executive Director

2. REPRESENTATIVES OF OTHER ECONOMIC INTERESTS *(No more than 49%)*

Persons who provide additional representation of the main economic interests of the region. These may include, but are not limited to: public officials, community leaders, and representatives of workforce development boards, institutions of higher education, minority and labor groups, and private individuals.

Name	Area of Interest	Position
Dianne Lehm	BSEDA-Yellowstone County ED	Community Outreach Director
Stephanie Ray	Stillwater County ED	Economic Development Director
Liz Ching	Power Grant/Job Training	MT Dept. of Labor
Jeffrey McDowell	Economic Development	Executive Director
Lorene Hintz	Business Development	Director Small Business Dev. Center

CALCULATIONS

	<u>Number</u>	<u>Percent</u>
Private Sector Representatives (at least 51%)	<u>6</u>	<u>55%</u>
Representatives of Other Economic Interests (no more than 49%)	<u>5</u>	<u>45%</u>
Total Committee Membership	<u>11</u>	<u>100%</u>

Staff:

Beartooth RC&D / Economic Development District is a 51-year-old organization professionally staffed through funding provided by our local communities, counties, Conservation Districts, Montana Department of Agriculture, Montana Department of Commerce, and the US Dept. of Commerce EDA. By virtue of our time in business we provide excellent stability, continuity and capacity to the communities we serve. Our current staff includes three full-time positions.

Joel Bertolino serves as Executive Director and was hired in October 2007. He is the full-time Food and Ag Center Director. Prior to his time at Beartooth, he spent 7 years with USDA Farm Services Agency administering a variety of price support and emergency disaster programs, as well as 6 years with Carbon County Historical Society as a Historic Preservation Officer. Joel holds a B.A. in Political Science/Public Administration from Montana State University – Bozeman and has spent his life assisting with the family cattle ranch north of Red Lodge, MT that he now operates.

Jillann Knutson serves the organization as the full-time Finance Director providing organizational finance support, financial assistance to small businesses, and staff support to our Revolving Loan Fund Committee. She began working for Beartooth RC&D in June 2006 as the administrative assistant and was promoted to her current position in September 2009. Jillann has several years of administrative experience. She is a graduate from Rocky Mountain College with a B.S. in Business Administration.

Steve Simonson serves as the full-time Economic Development Director and began employment with Beartooth in February 2019. Steve has 13 years of experience in community and economic development through positions held in Colorado and previous work in Montana. Steve brings experience in providing small business support, including owning three businesses and also has nonprofit management, serving as executive director for two economic and community development organizations. Steve is the lead staff person for both the EDA program

and Montana's Certified Regional Development program. Steve holds a B.S. from Montana State University-Bozeman and is an Economic Development Finance Professional.

Myrna Lastusky was hired in August 2020 as the part-time Administrative Assistant. As an English teacher for 25 years and an Executive Assistant for 2, she brings experience in grant writing, communications, and editing skills. Myrna assists the staff in organization, communication, and writing tasks. She holds a B.S. from Concordia University-Nebraska in Education and an M.S. from Concordia University-Wisconsin in Curriculum and Instruction.

Report:

In the section below, we outline our specific scope of work items for 2020 derived from our CEDS Goals and Objectives, as well as the level to which each objective was achieved. The Scope of Work and Implementation FY 2020 listed below provide a summary of our project activity and are intended to be used as a reference to this report.

Scope of Work and Implementation Methodology FY 2020 from CEDS 2019-2023

Goal: Maintain Eligibility with EDA. Supply the EDA with timely information on plant and large business closures and the number of employees affected.

- a. Submit semi-annual and year-end financial reports as required.

ACCOMPLISHMENTS ACHIEVED: We submitted a timely semi-annual SF-425 document and anticipate submitting a timely year-end SF-425 document.

QUANTIFY DELIVERABLES: We anticipate a timely submission of the GPRA report on or before January 30, 2021.

DIFFICULTIES ENCOUNTERED: None

- b. Monitor and report positive or negative economic trends impacting growth and development, grant writing, and public meeting facilitation, as appropriate.

ACCOMPLISHMENTS ACHIEVED: COVID-19 pandemic issues have severely impacted the arts, entertainment and hospitality industry sectors in the region. Several areas, including the Crow Reservation, were on lockdown throughout most of the year to reduce the spread of COVID to tribal members. Virtual meetings replaced many of the in-person events previously scheduled. Beartooth ED staff facilitated business development works in Big Timber and Red Lodge. Beartooth staff facilitated workforce housing meetings across the region. Beartooth is also facilitating regional discussions related to a three-county detention center. Staff monitored and reported out on economic trends.

QUANTIFY DELIVERABLES: Final annual CEDS and progress report was submitted on January 10, 2019. Annual updates have been submitted for 2020 and 2021.

DIFFICULTIES ENCOUNTERED: The vast amount of reporting time required by grant funders reduces our effective time in the field to conduct our work. Our limited staff of 3 FTEs and one part-time assistant also creates issues for project completion.

Goal Area: Policy – Leadership – Capacity Building

Goal 1: Support the creation and timely revision of public policy planning.

Strategy: Understand and be able to communicate to value and overall goals of public policy documents including, but not limited to the following:

- Growth Policy Plans
- Downtown Master Plans
- Capital Improvement Plans
- Overall Economic Development Plan
- Zoning Ordinances
- Annexation Policies
- Housing Assessments

Strategy: Promote assistance with citizen education and public meeting facilitation for the purpose of creation and/or revision of public policy documents, as appropriate.

Strategy: Promote the integration of economic development activities with all appropriate local and regional plans, including sustainability, transportation, land use, housing, trails, etc.

Strategy: Provide assistance to local governments in order to secure funding for the creation and/or revision of public policy documents, including grant writing as appropriate.

ACCOMPLISHMENTS ACHIEVED: Beartooth ED staff participated in meetings with the Laurel Urban Renewal Area (LURA) and Town of Joliet CIP. Staff is currently assisting Carbon County with detention center planning. Growth policy updates for Cities of Red Lodge and Laurel were completed with assistance from Beartooth RC&D staff.

QUALIFY DELIVERABLES: ED staff attended two meetings to assist in the urban renewal planning in Laurel. BSTF applications were submitted for planning purposes for the City of Laurel and for reuse of a former school building in Absarokee. Beartooth staff assisted an engineering firm in Joliet with a Capital Improvement Plan. Staff attended ten meetings and helped facilitate detention center planning committee meetings.

DIFFICULTIES ENCOUNTERED: Some of these activities are outside staff areas of expertise and will require additional training and expertise related to Tax Increment Financing Districts, Urban Renewal Districts, and jail standards. Getting cost-effective natural gas service to the proposed detention center was also an issue for growth and rural economic development of 30 new jobs above the Carbon County average income level.

Goal 2: Encourage the development and delivery of leadership initiatives, including volunteer-based programs.

Strategy: Support local and regional initiatives that nurture future community leaders in business, government, education, and nonprofit organizations.

Strategy: Encourage and support community participation in MEDA's community review program.

ACCOMPLISHMENTS ACHIEVED: Beartooth staff joined the Chambers of Commerce in all counties served. Beartooth staff promotes Leadership Montana and other local capacity-building programs such as Leadership Billings.

QUALIFY DELIVERABLES: Beartooth joined six Chambers of Commerce in the region. Ten applicants were selected into the Leadership Montana program in 2020 from the region.

DIFFICULTIES ENCOUNTERED: None

Goal 3: Develop and promote programs that lead to capacity-building activities throughout the service region.

Strategy: Strengthen and enhance our ability to provide programs and services on a regional basis which augment local community efforts through coordination, facilitation and education in the following areas:

- Revolving Loan Fund
- Montana Certified Regional Development Corporation
- Montana Food and Ag Center / Montana Cooperative Development Program
- Montana Main Street Program
- Business Expansion and Retention (BEAR) Program
- Business Planning/Technical Assistance (with SBA and SBDC)

ACCOMPLISHMENTS ACHIEVED: These programs and funding sources provide our organization with operating expenses and funding resources for clients. We utilize these programs on an ongoing basis and we rely on these areas to accomplish our work plan and carry out our CEDS activities. The Billings BEAR program (rebranded as Rock 31) experienced new activity during 2020 and the Rural BEAR Program continues to serve clients in the region. Beartooth staff continue to be actively engaged throughout the region, and we have been able to leverage each of these programs for the benefit of our clients, communities, and counties. We have enjoyed another successful year in all program areas as evidenced by the number of projects listed in our individual scope of work items below as well as the attached spreadsheet. We are actively serving on committees and assisting with projects of our partner organizations including: Big Sky EDA, Stillwater County Economic Development Committee, Crow Tribal Economic Development, Red Lodge Area Community Foundation, Beartooth Rural BEAR Team, Montana Economic Developers Working Groups (Resource Assessment, Renewable Energy, and Broadband) and the Coal Country Coalition.

QUANTIFY DELIVERABLES: As in previous reports, this scope of work item is listed to reflect the various state and federal programs, as well as committees and boards, that we successfully participate on during the course of any given year. Thus, the results in this section are brief and refer to our continued eligibility, while the actual projects are referenced below in individual scope of work items.

DIFFICULTIES ENCOUNTERED: COVID-19 pandemic issues caused many of the programs to be delivered remotely online instead of in person.

Strategy: Continue to promote regional communication and awareness of economic development-related issues through bi-monthly Board of Directors meetings, press releases, regular updates of our website and Facebook page, Board/community reports, success stories, etc.

ACCOMPLISHMENTS ACHIEVED: Beartooth RC&D regularly updates its website (www.beartooth.org). We continue to utilize a variety of ways to deliver information throughout the district. Board of Directors meetings are held bi-monthly and each staff member provides project updates and each board member provides an update from their

respective organization and community. Regular postings are made to the Beartooth Facebook page.

QUANTIFY DELIVERABLES: Beartooth staff made annual presentations in December to 5 service counties and 3 larger cities. These presentations included written and verbal updates for projects in their respective jurisdictions as well as organizational funding requests.

DIFFICULTIES ENCOUNTERED: None

Strategy: Provide facilitation assistance to community projects through services offered such as project coordination, community organizing, and working as a liaison between stakeholder groups.

Strategy: Assist economic development partners, as appropriate, with the completion of their projects through collaboration and leveraging resources.

ACCOMPLISHMENTS ACHIEVED: Increased assistance to Stillwater and Sweet Grass Counties in 2020. Additional CARES Act EDA funding was directed at impacted industries in the region most affected by the pandemic. Those industries are related to tourism, food service, and entertainment.

QUALIFY DEVELERABLES: Both economic developers in Stillwater and Sweet Grass Counties resigned in 2019. Beartooth staff picked up additional training responsibilities for the new economic developers and this is ongoing. A tour of the region occurred in October 2020 with Deb Brown of *SaveYour.Town*, who is assisting with the CARES Act funding. A monthly newsletter and webinars focusing upon economic recovery and diversification are currently underway.

DIFFICULTIES ENCOUNTERED: Beartooth staff picked up additional responsibilities without adding staff. Stillwater ED continues to be trained. Big Horn County has requested assistance with establishment of a new countywide economic development office and affordable housing staff.

Goal Area: Infrastructure Development

Goal 1: Support public and private sector entities in the completion of infrastructure projects, including broadband.

Strategy: Provide assistance with citizen education, communication and public meeting facilitation for the purpose of the completion of infrastructure projects.

Strategy: Provide assistance to public and private sector entities in order to help them secure funding for the completion of infrastructure projects.

ACCOMPLISHMENTS ACHIEVED: Presented to all five counties in our service area, plus Billings, Laurel, and Hardin City Councils. Big Sky Trust Fund (BSTF) applications were submitted in December 2020 for the City of Laurel west interchange business and industrial park, and a feasibility study for the potential reuse of a school in Absarokee, which is located in Stillwater County. A Starlink demonstration broadband internet system was installed at the Beartooth RC&D office, resulting in cost-effective solutions to delivering high-speed service in rural areas of the region.

QUALIFY DELIVERABLES: During MOU presentations in December, all counties and communities were informed of projects and funding available to help them with infrastructure development. Additional meetings were held throughout the year as needed.

DIFFICULTIES ENCOUNTERED: None

Goal 2: Support public and private sector entities in the development of commercial infrastructure.

Strategy: Assist in the assessment of commercial infrastructure needs, including industrial parks, downtown revitalization, commercial district revitalization, and shovel-ready sites.

Strategy: Assist with the development, including feasibility, and potential implementation funding for identified commercial infrastructure needs.

Strategy: When requested, assist in the identification, evaluation, and potential cleanup of Brownfields sites for the purpose of appropriate reuse.

ACCOMPLISHMENTS ACHIEVED: A Big Sky Trust Fund application was submitted on behalf of the City of Laurel to study the feasibility of a business or industrial park off of the new I-90 west exit. A joint public-private partnership may be the preferred outcome if the study is funded. Other projects initiated in 2020: Lockwood industrial park water expansion and the completion of the Columbus Brownfields cleanup of the old hospital site. A TBA was completed for the Red Lodge pea cannery, Bee Hive School near Fishtail, and Sports Hut in Columbus. A TBA was used to assess the transitional needs of an ownership change of an existing low-income senior living facility in Joliet.

QUALIFY DELIVERABLES: Joliet submitted an application for the Montana Main Street program, which is ongoing. Opportunity Zone meetings were held to explain the program to interested business and city/county officials.

DIFFICULTIES ENCOUNTERED: Billings city officials agreed to the proposed water expansion to Lockwood pending approval of the majority of property owners in the TEDD.

Goal 3: Support public and private sector entities in the assessment and development of workforce housing.

Strategy: Continue to work with the Red Lodge Housing Committee to develop appropriate workforce housing solutions.

Strategy: Provide technical assistance and facilitate planning efforts for other areas of the region who are exploring workforce housing options to assess needs, identify gaps, and develop a plan of action that encourages private investment in the development of new housing or redevelopment of existing housing stock to fill gaps in workforce housing.

Strategy: Continue to build relationships with housing resource partners and stay informed as to workforce housing activities taking place in Montana and other rural areas, including potential sources of funding for planning and project implementation.

Strategy: Remain aware of the Montana Cooperative Development Center's activities involving housing cooperatives as a potential option.

Strategy: Monitor information from NaCo regarding affordable housing options being leveraged in other parts of the country, including "Housing as Part of a County's ED Strategy" report.

ACCOMPLISHMENTS ACHIEVED: Attended MT Dept. of Commerce Housing meeting. Steve kept informed of MCDC and NaCo efforts in housing.

QUALIFY DELIVERABLES: Beartooth ED staff attended housing meetings on affordable housing/workforce housing and MCDC efforts using cooperative models for assisting with housing needs. Letters of support were written for affordable housing

projects in Laurel and Billings that received approval in 2020 from various Montana Department of Commerce programs, including HOME and CDBG.

DIFFICULTIES ENCOUNTERED: None. Many of the meetings were held out of doors or remotely.

Goal Area: Workforce Development

Goal 1: Learn, understand, and address the needs of area employers and employees, including attraction and retention.

Strategy: Learn and stay informed as to the activities, priorities, and tools available from BillingsWorks, DOL, and assist employers throughout the region, especially Yellowstone County.

Strategy: Determine the capacity for rural areas to support the creation of local workforce council, committee or program with local leadership, utilizing BillingsWorks as a model.

Strategy: Continue to work with Sweet Grass County Chamber of Commerce's volunteer-based economic development committee to develop their capacity and knowledge, especially in the area of workforce development.

Strategy: Understand and incorporate underlying factors influencing workforce development, such as housing options and shortage of reliable, affordable childcare into planning and implementation activities.

ACCOMPLISHMENTS ACHIEVED: Attended BillingsWorks, Sweet Grass County Economic Development, and workforce housing meetings.

QUALIFY DELIVERABLES: In April, Beartooth ED staff attended BillingsWorks meeting known as "Better Off in Billings." Beartooth ED staff held a meeting with MSU-Billings College of Technology on establishment of a wind turbine operator program. PacifiCorp, who owns the wind farm in southern Carbon County, was approached about assisting with reestablishing the wind turbine technician program at MSU Billings. Beartooth ED staff discussed affordable housing and childcare at various meetings in the region. This included cooperative development models that have been successfully implemented elsewhere. Beartooth ED staff facilitated workforce housing meetings in Big Timber, Crow Reservation, and Hardin by bringing in USDA Rural Development and Montana Department of Commerce housing experts to meet with community members and county elected officials.

DIFFICULTIES ENCOUNTERED: MSU Billings wants the wind farm owners to pay for the training program to be established on their campus.

Goal 2: Collaborate with regional stakeholders to increase the alignment of education, industry, and workforce development.

Strategy: Participate in working groups, meetings, and training opportunities to increase this alignment throughout the region, as appropriate.

Strategy: Assist in identifying resources, including funding resources and existing programs that would allow for implementation of partnering agency's work in this area.

ACCOMPLISHMENTS ACHIEVED: Beartooth ED staff continued discussions with Billings Job Service staff and resource providers.

QUALIFY DELIVERABLES: Beartooth ED staff held meetings with Sibanye/Stillwater Mine staff, POWER Grant Administrator Liz Ching, and Coal Country Coalition members on cooperative efforts ongoing across the region. Beartooth ED staff also attended DOL state training on workforce development.

DIFFICULTIES ENCOUNTERED: None

Goal 3: Support training and retraining programs to further develop and retain the existing and future regional workforce.

Strategy: Assist Crow Tribe Housing Authority in the development of workforce training programs that would provide skilled trades' workers to build, update and rehabilitate housing within their jurisdiction.

Strategy: Understand and educate local stakeholders as to the benefits of internship programs and work-based learning options to increase workforce development options.

Strategy: Continue to participate in the Business Expansion and Retention Initiatives, including the current BEAR program.

Strategy: Continue to collaborate with the Department of Labor's POWER grant to assist in the retraining and retention of coal-impacted workers, especially in Big Horn County and the Crow Reservation.

ACCOMPLISHMENTS ACHIEVED: Participated in the Northern Cheyenne efforts to leverage resources to assist with job creation. Beartooth RC&D supported the establishment of a meat cutting program at Miles Community College.

QUALIFY DELIVERABLES: In June, Beartooth staff participated in the Main Street meeting and offered ongoing assistance. Beartooth supported Plenty Doors CDC's application to the Big Sky Trust Fund for developing a training program at Little Big Horn College on the Crow Reservation. Beartooth also participated in the NorthWestern Energy meeting at the listening session held by the PSC.

DIFFICULTIES ENCOUNTERED: The Crow Tribe layoffs continued for nearly 1000 workers, including housing authority personnel, in an attempt to balance the tribal budget. In addition, coal layoffs continue as Colstrip Units 1 & 2 were shut down. The operators of the Spring Creek Mine declared bankruptcy, and a new operator is working through permitting and bonding issues with the state. \$10M of taxes weren't given to Big Horn County or the school district, causing property taxes to be raised. Trained electricians, carpenters, and pipefitters have declined to offer assistance / mentorship to fellow tribal members to build capacity and assist with expansion and rehabilitation of tribal housing. DOL requires a one-to-one match for apprentices, which is difficult to come by with respect to trained and willing skilled laborers.

Goal Area: Quality of Life

Goal 1: Assist public and private sector entities in the planning and completion of strategic placemaking projects.

Strategy: Assist communities and organizations in understanding the importance of placemaking, including generational priority factors, and facilitate planning meetings, as appropriate.

Strategy: Assist communities and organizations with the identification of resources to complete placemaking projects.

Goal 2: Assist public and private sector entities to achieve mutually beneficial natural resource development.

Strategy: Continue to support the development of renewable energy projects and monitor activity and progress in the region.

Strategy: Continue to learn and understand concerns by units of government regarding development of renewable energy projects, especially view-shed concerns.

Strategy: Continue to provide technical assistance and support to fuels mitigation initiatives, as appropriate.

Strategy: Continue to collaborate on projects involving natural resource development and provide facilitation and liaison services, as appropriate.

ACCOMPLISHMENTS ACHIEVED: Beartooth ED staff worked with wind farm projects across the region. Beartooth staff discussed viewshed objections with all county commissioners in Sweet Grass County. Bridger Senior Center Coal Grant award was funded in December 2020 and preliminary work on the project is underway.

QUALIFY DELIVERABLES: Four wind farms are either operating or in some phase of development in the region. A tour of the Pryor Mountain Wind Farm in southern Carbon County and project update occurred. A wind working group that was established for the Montana Economic Developers Association (MEDA) with direction and input from Beartooth ED staff held two meetings in 2020.

DIFFICULTIES ENCOUNTERED: None.

Goal Area: Business Development

Goal 1: Provide technical assistance and mentorship to new and existing businesses.

Strategy: Continue partnerships with local SBDC, MT Dept. of Commerce, MMEC, local economic development specialists, the BEAR program, Job Service personnel, and local institutions of higher education.

Strategy: Continue to support and enhance existing industry clusters through technical assistance, research, and leveraging available resources.

Strategy: Continue to support and enhance existing primary industries, including tourism through technical assistance, research, and leveraging available resources.

Strategy: Continue to serve agricultural-related businesses, and value-added processing opportunities for locally grown crops, as one of the Montana Food and Ag Centers.

Strategy: Continue to support cooperative business development in the region, including housing cooperative development.

ACCOMPLISHMENTS ACHIEVED: Attended meetings with SBDC, Montana Dept. of Commerce, MMEC, Big Sky EDA, College of Technology, and MSU-Billings.

QUALIFY DELIVERABLES: Beartooth ED staff assisted 35 new and existing businesses. All non-agricultural related businesses were referred to the SBDC. Some of the agricultural-related businesses were also referred based upon their need for technical assistance. Four businesses were referred to MMEC for manufacturing and engineering assistance. Four BEAR (now rebranded as ROCK 31) visits were completed, including three rural visits. Four cooperative development projects were explored in 2020. Other businesses were also referred to the Veteran Business Outreach Center (VBOC).

Affordable housing meetings have taken place in all counties in the service region, which have included information on housing cooperatives, workforce and essential workers. Two meetings with the Sibanye/Stillwater Mine took place, including a meeting to expand local sources of procurement of supplies and materials. This \$3B business is currently purchasing \$200M of products from our region.

Another industry cluster evolving is the wind farm sector. Four new wind farms are under some phase of development in the region, mostly in Stillwater County. One is up and running, and two more are in the ground-breaking stage. Others are being reviewed by the Montana Public Service Commission or county permitting review process. MSU-Billings College of Technology was approached about reestablishing a wind turbine operator program for new jobs emerging in the region.

Tourism resources have been shared on the Crow Reservation via Plenty Doors CDC, who identified tourism as an economic driver that they want to enhance. Other priorities include renewable energy, business development, and Ag-related industry development. Six value-added agricultural businesses are being developed and expanded.

DIFFICULTIES ENCOUNTERED: The amount of work in the renewable energy sector wasn't anticipated by Beartooth. Early closures of coal-fired power plants at Colstrip and the rapid reduction of coal mining and related jobs are also negatively impacting the region. Employees are being offered other energy-related jobs at this time. Local governments that were heavily dependent upon coal revenues are being impacted.

Goal 2: Provide access to capital and funding mechanisms, including a regional RLF, to qualified existing and new businesses.

Strategy: Continue to provide assistance that would lead to funding from the Beartooth RLF.

Strategy: Continue to promote and market the RLF while making technical assistance visits and providing planning assistance to business clients.

Strategy: Continue to expand the RLF by marketing its services to and cooperating with commercial bankers and chambers of commerce throughout the region.

Strategy: Support partner initiatives, including the Rock 31 program, which would provide access to capital and funding mechanisms, including venture capital and angel network funding.

ACCOMPLISHMENTS ACHIEVED: Attended partner meetings, Chamber of Commerce meetings, and met with potential loan clients and Rock 31 presenters at \$1 Million Cups presentations.

QUALIFY DELIVERABLES: Beartooth ED staff attended 5 Chamber of Commerce meetings in 2020. Met with all 35 new and existing business clients to explain RLF and "gap" financing. Beartooth ED staff supported partner organizations in all five counties in the region.

DIFFICULTIES ENCOUNTERED None

Goal 3: Support local and regional business recruitment and outreach activities.

Strategy: Collaborate and assist local economic development partners to recruit and develop businesses that want to locate in our region, as requested.

Strategy: Assist partners in the development and distribution of recruitment materials, as appropriate.

ACCOMPLISHMENTS ACHIEVED: Opportunity Zones (OZ) meetings attended, facilitated, and marketing materials developed. Beartooth ED staff partnered with local economic developers on business recruitment.

QUALIFY DELIVERABLES: Beartooth staff met with 15 new business prospects and startups. All non-agricultural businesses were referred to the SBDC in Billings.

DIFFICULTIES ENCOUNTERED: None

Goal Area: Innovation & Entrepreneurship

Goal 1: Support local and regional activities that elevate entrepreneurship and innovation.

Strategy: Participate in and leverage resources available to Big Sky Economic Development's Rock 31 program operated by the SBDC that provides concept to commercialization services for new and existing businesses in the region.

Strategy: Support and promote activities that lead to economic diversification.

Strategy: Support and participate in local and regional activities that enhance the Innovate Montana initiative during Innovate Week.

Goal 2: Support local and regional activities, including incentives that increase growth rate and revenue of area businesses.

Strategy: Continue to provide technical assistance that would lead to funding for clients engaging in planning activities such as feasibility studies, building expansion, and industrial growth.

Strategy: Support local incentives designed to increase the growth rate and revenue of local and regional businesses, as appropriate.

Strategy: Support industry focused on education and training developed by Beartooth or partner entities, including institutes of higher education and Rock 31.

Goal 3: Support job creation, private investment attraction, and advances in technology that strengthen existing trade sectors.

Strategy: Support the Billings Library in the possible formation of a patent and trademark center to assist innovators and entrepreneurs in researching potential opportunities.

ACCOMPLISHMENTS ACHIEVED: Beartooth ED staff participated in Rock 31 programs such as 1 Million Cups. Meetings with regional businesses to help diversify the economy were held. Beartooth ED staff attended Innovate Montana presentations. Beartooth ED staff held meetings with potential clients on feasibility studies, industrial growth, and training. Assisted entrepreneurs with resources at U of M and MSU.

QUALIFY DELIVERABLES: Beartooth staff attended and participated in 18 Rock 31 programs that led to providing technical assistance for energy efficiency improvements and feasibility studies for business expansion. Local and State Innovate Montana presentations were attended by Beartooth ED staff. One business with innovative technology was assisted, 406 Bovine.

DIFFICULTIES ENCOUNTERED: COVID-19 pandemic forced the stop to the 1 Million Cups events when outside events were no longer viable due to weather-related issues and limitations on public gatherings.

Goal Area: Economic Growth & Resiliency

Goal 1: Support and generate activities that will lead to an increase in the capacity and diversity of the regional economy to produce goods and services.

Strategy: Assist communities with the assessment, facilitation and planning efforts that would lead to the development of an economic diversification plan, especially in those areas with heavy reliance on a single industry. See below.

Strategy: Assist communities in the implementation of an economic diversification plan, including the identification and securing of resources.

Goal 2: Engage the region in Steady-State incentives to bolster long-term economic durability.

Strategy: Encourage and participate in comprehensive planning efforts that include extensive community participation to define and embrace a collective vision for resilience.

Strategy: Assist communities and partners with business planning initiatives that address resiliency and post-disruption recovery.

Strategy: Assist communities with planning efforts to employ safe development practices in business districts, including awareness and mitigation strategies for floodplain-designated areas.

Goal 3: Engage the region's networks in Responsive initiatives to collaborate on existing and potential future challenges.

Strategy: Support and assist communities and counties in their adoption or update of hazard mitigation plans, utilizing tools such as those found at <http://readyandsafe.mt.gov/Emergency>

Strategy: Assist in establishing a process for regular communication and updating of business and community needs as they relate to disaster recovery, as appropriate.

Strategy: Communicate with elected officials as to their disaster response plans and potential gaps that should be addressed as part of their overall recovery plan.

ACCOMPLISHMENTS ACHIEVED: Beartooth ED staff discussed disaster declarations with each county in the region. A successful CARES ACT application for additional EDA funding has allowed for additional response to COVID-related issues and building resiliency into the region.

QUALIFY DELIVERABLES: An EDA disaster recovery grant for Stillwater County was successful for \$2.3 million. Beartooth RC&D has accepted bids for a targeted industry study, a regional economic recovery specialist, and a housing study, which are all currently underway. . . WUI was handed off to other service providers including US Forest Service, BLM, and Carbon County Fire, as Beartooth staff retired and funding was no longer available to support the program.

DIFFICULTIES ENCOUNTERED: None

Beartooth RC&D Area, Inc.
Board of Director's Meeting Agenda
January 21st 2021 1:00 P.M. – Zoom Meeting



Join Zoom Meeting

<https://us02web.zoom.us/j/6579752514>

Meeting ID: 657 975 2514

One tap mobile

+12532158782,,6579752514# US (Tacoma)

+13462487799,,6579752514# US (Houston)

1:00 pm	<u>Meeting Called to Order</u>	Chair	
	Pledge of Allegiance, Introduction of Members and Guests	Chair, All	
	Review November Board Minutes	Chair, All	Action
	<u>Congressional Updates</u>		
	Molly Bell (Sen. Tester)		
	Dan Stusek (Sen. Daines)		Information
	Casey Collins (Rep. Gianforte)		
	<u>Treasurer/Financial Reports</u>		
	1. Treasurer Update	Knutson	Information
	2. RC&D Financials	Knutson	Action
2:30 PM	3. RLF Financials	Knutson	Action
	4. Audit		
	<u>New Board Members</u>	Van Ballegooyen	Action
	<u>Executive Committee</u>		
	1. Executive Committee Activity Report	Van Ballegooyen	Information
	2. Staff Compensation		Action
	3. Executive Committee Nomination		Action
	<u>CEDS</u>		
	<u>Staff Reports – Program/Project updates</u>		
	1. Food/Ag Program – Joel Bertolino	Bertolino	Information
	2. Revolving Loan Fund – Jillann Knutson	Knutson	Information
	3. Economic Development/ CRDC – Steve Simonson	Simonson	Information
	4. Operations Support- Myrna Lastusky		
	<u>Regional Roundup</u> – <i>News and updates from regional members on projects and activities in key CEDS categories.... (see topics on next page)</i>	Carter et al	Information
	<u>Next Beartooth RC&D Area, Inc. Board of Directors Meeting</u>		
	<i>March 18th, 2021 - Potential Zoom</i>		Information
	Adjourn		

Regional Roundup

Our goals for the Roundup are to find out what's happening in the area, keep the conversations focused, inform the others attending the meeting, and to tie it all back to and reinforce the importance of the CEDS. Please help us identify the projects in their area that fit into our CEDS categories:

- Infrastructure
 - Housing
 - Transportation
 - Broadband
- Economy
 - Upturns or downturns in industry sectors
 - New business openings (or closures)
- Communication
 - Marketing and outreach
- Services
 - Health care
- Natural Resources
 - Agriculture
 - Energy
- Human Capital
 - Workforce
 - Education

NOTES:

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Beartooth RC&D Area, Inc. Board of Director's Meeting MINUTES November 19, 2020

Agenda

<div>1:00 pm</div> <div>2:30 PM</div>	<p><u>Meeting Called to Order</u></p> <p>Pledge of Allegiance, Introduction of Members and Guests</p> <p>Welcome- Discussion and presentation on Bridger Wind Farm</p> <p>Review September Board Minutes</p> <p><u>Congressional Updates</u> Molly Bell (Sen. Tester) Dan Stusek (Sen. Daines) Casey Collins (Rep. Gianforte)</p> <p><u>Treasurer/Financial Reports</u> 5. Treasurer Update 6. RC&D Financials 7. RLF Financials</p> <p><u>Executive Committee</u> 4. Executive Committee Activity Report</p> <p><u>EDA CARES ACT</u></p> <p><u>Staff Reports – Program/Project updates</u> 5. Food/Ag Program – Joel Bertolino 6. Revolving Loan Fund – Jillann Knutson 7. Economic Development/ CRDC – Steve Simonson</p> <p><u>Regional Roundup</u> – <i>News and updates from regional members on projects and activities in key CEDS categories.... (see topics on next page)</i></p> <p><u>Next Beartooth RC&D Area, Inc. Board of Directors Meeting</u></p> <p><i>January 21st, 2021 - Potential Zoom</i></p> <p>Adjourn</p>	<p>Chair</p> <p>Chair, All</p> <p>Chair, All</p> <p>Chair, All</p> <p></p> <p>Knutson Knutson Knutson</p> <p>Van Ballegooyen</p> <p>Simonson</p> <p>Bertolino Knutson Simonson</p> <p>Carter et al</p> <p></p>	<p></p> <p>Action</p> <p>Information</p> <p>Information Action Action</p> <p>Information</p> <p>Action</p> <p>Information Information Information</p> <p>Information</p> <p>Information</p>
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ATTENDANCE

<p>Board Members Present</p> <p>Ryan VanBallegooyen, Billings Job Service , Chair Jeffrey McDowell, Two Rivers Authority Melanie Roe, Sweet Grass County Don Jones-Yellowstone County Commission Marvin Carter, City of Laurel, Vice Chair Lorene Hintz, Big Sky EDA, SBDC Stephanie Ray –Stillwater County Economic Development Bill Foisy- City of Red Lodge Barb Wagner, Yellowstone County Cons. Dist Dan Stusek, Sen. Daines’ Office Emily Ringer- Joliet City Council</p> <p>Ex-Officio/Staff/Additional Attendees:</p> <p>JV Moody- Sweet Grass County Commission Joel Bertolino- FADC/ED Jillann Knutson-RLF Steve Simonson- Beartooth EDD Myrna Lastusky- Operations Support Specialist</p>	<p>Board Members Not Present</p> <p>Clinton Giesick, Carbon Cons. District Page Dringman, City of Big Timber Sidney (Chip) Fitzpatrick, Big Horn Co. Commissioners Chris Mehus, Sweet Grass Co. Conservation District Patty Sundberg, City of Columbus Clayton Greer, Hardin City Council Emily Ringer, Town of Joliet Patrick Hill-Crow Tribe Mike Waters- Greg Gianforte’s Office Frank Ewalt, Billings City Council Ty Hamilton, Stillwater County Holly Higgins- Hardin First Interstate Bank Dan Lowe, Big Horn Conservation District Maddie Alpert, Sen Jon Tester’s Office (By Phone) Randy Weimer, Sibanye-Stillwater Mining Bob VanOosten, Stillwater Conservation District Scott Miller- Carbon County Commissioner Liz Ching- MT Dept of Labor and Industry (by phone) Casey Collins, US Rep Greg Gianforte’s Office</p>
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Meeting called to order by Chairman Ryan Van Ballegooyen at 1:00 pm .

Introductions/Welcome: Ryan gave a welcome and began introductions followed by the pledge of allegiance.

Review of Minutes: Minutes from the September Board Meeting were available for review (and had already been acted on by the Executive Committee).

Emily Ringer – Mentioned that the next meeting says “2020.”

Jeff moved to pass. Melanie seconded. Motion carried.

Congressional Updates:

- Dan Stusek (Sen. Daines): Not many updates. Senate out of session until Nov 30th. Call with leaders in Yellowstone County. Members of Senate on both sides trying to get COVID relief package and spending package through by end of year. Trying to bridge the gap between Republicans & Democrats in terms of what the package involves. Want to extend deadlines for fund spending – PPT, Unemployment insurance, testing/health supplies. Contact Dan with any questions or concerns. They know hospitality businesses are suffering - Christmas Stroll in Red Lodge cancelled, etc. Working hard & calling people around state to finalize this by end of year.
- Dan mentioned that Molly is on maternity leave. Maddie is in Sen. Tester’s office but not on the call.

Treasurer/Financial Reports: Jillann Knutson presented the updated financials and discussed the current figures.

- P. 13: Beartooth books – 3 quarters in. Some differences between budgeted vs what we have. Travel/training & vehicle expenses are not what we had expected. Should end up great by end of the year. Audit for 2019 is almost complete. Jillann has a draft and has a few questions for auditors. Hoping to finalize very soon. Will have final by Jan. for sure.
 - Non—profit “tax return”/proof of what’s happened: Already filed
- Pg.14: RLF Info. RLF committee met recently via conference call. Approved construction loan in Yellowstone County – will be funded in April most likely.
- Impressed with how well loan clients have weathered this storm.
- Many requests for help. 70% of our clients got some form of assistance grant. One changed business location to help with expenses – got out of commercial rent.
- 5 applications – hoping to get a couple of those across the line.
 - Site visits to commissioners: If Jillann could have a pool of money for non-collateral loans, she could have gotten rid of millions. People are relying on credit cards and high-interest loans right now. People are also refinancing homes and business debts.
 - Ryan: Interesting to see what kind of continued education we could provide clients – what to do in hard times. Sometimes it’s better to go out of business than get further in debt.
 - Jillann: Downtime, loss of revenue due to people being quarantined has been a huge struggle.
- Pg. 15: Draft budget of 2021 (very rough!). Tough year to budget for because of 2020. CRDC number will likely change, along with some other items. Just don’t know how long COVID will impact expenses. Likely a rise in insurance premiums.
 - Ryan: Good discussion for Exec committee meeting in December. County commissioners / city councils are having the same problem. Educated guesses is all we can do.
- Motion to approve. Melanie motioned. Jeff seconded. All in favor. Motion passed.

Executive Committee Report: Ryan

- Steve will share some info from this.
- Back in September we were feeling optimistic, then October/Nov came along & lots of COVID cases – now things have changed.
- Annual visits to commissioners for November/Dec.

Food and Ag Director Report: Joel Bertolino presented.

- Been busy lately.
- Upcoming deadline for GTA program is Dec. 7th. Record interest with small businesses. Up to 14 that have shown interest in the program. Hard to know given the requirements how many will go through.
 - One man wants to get out construction biz and build meat plant in Joliet.
 - Hardin – Apiary
 - Black Brew Coffee/Meat Processing
 - Vineyards in Laurel
 - Catering/meat processing
 - Greenhouse in Roberts
 - Bud's Catering & Meat Processing in Hardin
 - Yellowstone Valley Farms in Laurel
 - Miller's Meat Processing
 - Miller's Beef in Absarokee
 - Toew's Grain Corn in Hardin
 - Distillery in Columbus
 - Potential potato project in Huntley
- Lots of different businesses & localities!
- Continuing to work on MT Meat Processing grants – must expend funds by Dec. 30th. No extensions at this point.
- Ag Adaptability and some others still out there – need to get money spent.
- Took a tour of the wind farm as a staff. Over 100 turbines up. Might want to have a meeting out there for Board to visit.
- Joel thanked the Staff – with working from home and all the challenges, everyone has done a great job.
- Jeff M: Asked about Hardin apiary – a couple. Joel gave them some templates to work on to get registered with Sec. of State. Could be a tough one to get through.
- Joel also passed on some names to Lorene, who is working with them.
- Started our annual MOU/project updates with the counties and city councils. Did three already with Stillwater coming this week. Will be pretty well finished by holidays.

Started recording right here.

Economic Development Director Report: Steve Simonson reported:

- Marvin Carter was on speaker phone listening in with Steve.

- Pg. 21: Additional \$25 million for business stabilization approved by Gov. Bullock. We've been asking for this with CRDC, so good timing.
- CDBG (Community Development Block Grant) – met with them today, made sure our region was well represented.
 - Broadband: I have a couple requests. Will talk to Ryan after meeting.
 - Request for demonstration of StarLink program
 - Two Big Sky Trust fund grants to approve
 - Laurel west end interchange
 - Sandstone School – historic Absarokee school
 - EDA SPRINT grant application to help our data centers
 - Counties/Cities that have a high-tech sector have not seen the downturn that others have during COVID. Important to build resiliency.
 - Dan Stusek said it is something they are working on. He will follow up with Steve after meeting.
 - Cushing Terrell awarded contract for affordable housing study.
 - Stephanie, Myrna & I were on call with them yesterday.
 - Deb Brown – weekly phone calls to see what she can do to help the communities to strengthen local businesses.
 - Brownfields Study: Steve told Bill Foisy he got permission to share the Brownfields study from the owners. Steve can provide a copy of that now.
 - Steve will forward it to both Bill & James
 - Detention Center – back on the radar. Carbon County Commissioners pulled plug on project last summer, but it's back on track. First meeting was last night. Myrna & Steve attended.
 - Any questions?

Regional Roundup: Ryan said he will go through Regional Roundup with CEDS category – our master document every five years.

Infrastructure: Housing, Transportation & Broadband:

- Bill Foisy:
 - Carbon County Transit System: RLACF support plus a couple of grants. Hired Transportation Coordinator (David Kallenbach). This will help get people to doctor appointments, etc. in Carbon County.

Economy:

- Jeff McDowell:
 - First Interstate will be opening new branch soon.
 - Shiptons Big R bought Shopko Hometown building & are getting it fixed up. Also installing a 1000 gallon propane tank for propane sales.
 - Things are plugging along. Houses are selling.
- Bill: State Dept of Commerce report:
 - Through June 30 (last 12 months): Resort tax collections down only 3.5% compared to previous years. Surprising that it wasn't worse.
 - 4 new businesses opened

- Roosevelt Center has 2 new tenants – one is a famous artist, one massage therapy.
- Moose outside the Roosevelt Center – big artistic wood moose that Rocky Fork Juniper designed.
- Not too many have closed permanently. Some have closed seasonally.
- Lorene:
 - We have to track the businesses. We have 15 new businesses this year.
 - Through COVID, many people have come in interested in starting a business.
 - There are many struggling, but also much good. Mom & Pops are the ones being hurt the most.
- Ryan:
 - Doing a survey of biz – what are you struggling with/concerned about? When we get results, we can hopefully help them better.
 - Help be informed to help guide legislature.

Communication/Marketing/Outreach:

- Steve asked Myrna to talk about IEDC (International Economic Development Corporation) Marketing course she is taking.
 - Myrna: Had first of several sessions this week. Lots of notes regarding how to approach the economic downturns if anyone is interested.

Healthcare:

- Steve: Been a big push to telemedicine. Biggest challenge is patients who don't have internet/computers.
 - Ryan: Often you can go to library or coffee shop to use their internet, but many of those are closed now, making the problem worse. Influx for need of healthcare workers because one person tested positive & then others need to quarantine. Governor announced they are contracting for another 100 nurses to come to MT. Hospitals part of bigger network are bringing in workers from other states. Statewide 63% of ICU beds are full (last number Ryan saw). It's a real challenge right now.
- Lorene: Last Friday Big Sky EDA celebrated healthcare workers & gave out \$80,000 in gift cards to them last week. Got some great thank yous for recognizing how tough it is for healthcare workers right now. Very uplifting.
- Ryan: Aunt checks in everyone at Iowa hospital and finally got Covid even with all her precautions. Hi wife had a patient who got it. These healthcare workers also worry about bringing it home to families.

Natural Resources / AG:

- Joel: in general, it was better than last year's sugar beet harvest. Grain prices up, cattle prices down - but it looks like next year might be better. Cause for optimism in ag economy.
- RCPP Program (last 5 years' grant) is coming to a close. Doing final reporting on that.
- Ryan: Stock market – hopeful news from Pfizer & another big pharma company is coming close to vaccine. Things are headed in the right direction. Any commissioners comment on distribution of vaccine?
 - Steve: Some super coolers required for Pfizer vaccine were distributed in Billings. Vaccination state-wide plan drafted by St. Vincent's. Steve sent it to Carbon County

commissioners. Can send it on to Sweet Grass commissioners, too. Melanie said they saw some info on it come through.

- Ryan: Lots of questions to figure out with distribution.

Human Capital: Workforce/Education:

- Schools closing down for a week here and there due to COVID cases. Elder Grove 6-8 grade. Principal said only 6 identified cases since start of school (out of about 200). When people take the right precautions, it really helps.
 - Laurel shut down several grade levels last week.
 - Not so much kids getting it, but staff has & they can't find substitutes.
 - If you have a day to give, please substitute to help keep kids in school
 - Myrna commented that many subs are retired teachers & in the higher-risk category.
- Lorene: Robust training schedule coming for 2021. All virtual trainings provided by COVID dollars. Let Joel know or type name in chat if you want to be on the email list for these trainings. Marty Butts, Small Potatoes Business coming in December– ways to fund business & survive.
 - Joel will forward the list of trainings to the Board.
- Bill: State tourism grants are due Nov. 30th. Got rink grant last year, wayfinding signs year before. National Cross Country Ski Association says outdoor activities, especially CC skiing, will be off the charts this year. Shout out to Steve & BRCD for the work we do, CEDS docs, growth policies, etc. When applying for grants, those are so important to have. Thank you! The Nordic Shoppe is only one in 150 mile radius. Red Lodge Mountain is opening the day after Thanksgiving.

Ryan: Ready to wrap up. Marvin & Marissa stay on to go over Steve's requests.

Probably will do Zoom in January, maybe in person in March or May. Once we're through this, the economy is going to roar!

- Marissa had 2:00 meeting, so she couldn't stay on.
- Ryan & Marvin approved Steve's projects.
- Forward emails for documentation on expenses for Executive Committee approval.

Next Meeting: January 21, 2021 – Potential Zoom

Meeting adjourned at 2:03

APPROVED:

Beartooth Books- Reporting Ending September 2020

	<u>Budgeted</u>	<u>Actual</u>	<u>% of budgeted</u>
Income			
AG-FOOD AND AG CENTER	85,007	62,311	73%
AG-MCDC	1,000	0	0%
BOARD - EDA SPONSOR DUES	51,072	42,768	84%
BOARD-INTEREST INCOME	400	204	51%
BOARD-FOUNDATION MONEY	3,700	3,390	92%
RLF-STAFF REIMBURSE	18,000	0	0%
RLF-ORIG FEES	5,000	0	0%
CRDC	71,907	46,795	65%
FUELS-TOTAL	-	0	#DIV/0!
EDA - GRANT	70,000	35,000	50%
NOT BUDGED INCOME	-	6,900	0%
TOTAL INCOME	306,086	197,367	64%

Expense			
TOTAL STAFF EXPENSE	233,104	156,201	67%
COMMUNICATIONS	6,000	4,375	73%
EQUIPMENT & VEHICLE	8,520	6,299	74%
CONTRACTUAL	20,000	9,325	47%
SUPPLIES	12,900	14,665	114%
TRAVEL	11,080	3,793	34%
OTHER	10,420	14,752	142%
RESERVE		-12,043	#DIV/0!
EXPENSE TOTAL	302,024	197,367	65%

Account Balances

Bank of Joliet-Building Account	\$4,471.87
Bank of Joliet- Savings Account	\$75,300.66
Bank of Joliet- Checking Account	\$74,820.63

Revolving Loan Fund Books- October 2020

Loan Client Review

<u>County</u>	<u># of loans</u>	<u>\$ Loaned out</u>
Big Horn	2	\$173,049
Stillwater	3	\$436,746
Yellowstone	8	\$396,603
Carbon	3	\$142,100
Sweet Grass	2	\$180,935

- A \$200K loan has been approved for Yellowstone County. This will not be funded until spring.
- Our loan clients (so far) are weathering the COVID storm.
- I have 3 applications in various forms that will hopefully head to the RLF meeting.

<u>Bank Balances as of October 31, 2020</u>		<u>Total available for lending</u>
Bank of Joliet- EDA	\$29,783	29,783
Bank of Joliet-CDBG	\$189,481	189,481
Bank of Joliet- IRP	\$388,787	152,413
Bank of Joliet-Fromberg	\$29,783	<u>29,783</u>
		\$401,46

Beartooth Books- Reporting Ending December 2020

	<u>Budgeted</u>	<u>Actual</u>	<u>% of budgeted</u>
Income			
AG-FOOD AND AG CENTER	85,007	83,070	98%
AG-MCDC	1,000	270	27%
BOARD - EDA SPONSOR DUES	51,072	49,812	98%
BOARD-INTEREST INCOME	400	204	51%
BOARD-FOUNDATION MONEY	3,700	3,390	92%
RLF-STAFF REIMBURSE	18,000	0	0%
RLF-ORIG FEES	5,000	0	0%
CRDC	71,907	69,751	97%
FUELS-TOTAL	-	1,875	#DIV/0!
EDA - GRANT	70,000	70,000	100%
NOT BUDGED INCOME	-	104,807	0%
TOTAL INCOME	306,086	383,179	125%

Expense			
TOTAL STAFF EXPENSE	233,104	214,386	92%
COMMUNICATIONS	6,000	6,711	112%
EQUIPMENT & VEHICLE	8,520	9,937	117%
CONTRACTUAL	20,000	106,640	533%
SUPPLIES	12,900	19,335	150%
TRAVEL	11,080	2,001	18%
OTHER	10,420	15,912	153%
RESERVE			#DIV/0!
EXPENSE TOTAL	302,024	374,921	124%

Account Balances

Bank of Joliet-Building Account	\$4,473.00
Bank of Joliet- Savings Account	\$75,365.55
Bank of Joliet- Checking Account	\$94,213.62

Revolving Loan Fund Books- December 2020

Loan Client Review

<u>County</u>	<u># of loans</u>	<u>\$ Loaned out</u>
Big Horn	2	\$172,709
Stillwater	3	\$429,198
Yellowstone	8	\$392,146
Carbon	4	\$144,281
Sweet Grass	2	\$178,645

- A \$200K loan was approved for Yellowstone County. This will not be funded until spring.
- I have 7 applications in various forms that will hopefully head to the RLF meeting.

Bank Balances as of December 31, 2020 Total available for lending

Bank of Joliet- EDA	\$36,912	36,912
Bank of Joliet-CDBG	\$197,463	197,463
Bank of Joliet- IRP	\$361,024	113,018
Bank of Joliet-Fromberg	\$29,811	<u>29,811</u>
		\$377,204

****DRAFT****2021 Beartooth Resource Conservation and Development Budget**

Income

ITEM	Income
AG-FOOD AND AG CENTER	85,007
AG-MCDC	1,000
BOARD - EDA SPONSOR DUES	55,907
BOARD-INTEREST INCOME	400
BOARD-FOUNDATION MONEY	3,700
RLF-STAFF REIMBURSE	18,000
RLF-ORIG FEES	5,000
CRDC	71,907
FUELS AND CGWG	-
MISC GRANT ADMIN \$	10,750
EDA - GRANT	70,000
TOTAL INCOME	321,671

Expense

TOTAL STAFF EXPENSE	256,044
COMMUNICATIONS	6,000
EQUIPMENT & VEHICLE	8,520
CONTRACTUAL	21,220
SUPPLIES	9,800
TRAVEL	10,140
OTHER	8,430
RESERVE	
EXPENSE TOTAL	320,154

1,517

PROJECTED NET INCOME 12/31/2021

FOOD AND AG CENTER MANAGER PROJECTS

FOOD AND AG CENTER MANAGER PROJECTS

Beartooth FADC

Beartooth FADC Staff has been working to assist businesses with the development of Montana Department of Growth Through Ag Grants, this round has seen a record number of applicants and will be very competitive. Beartooth FADC has also been in contact with the Montana Ag Marketing staff on FADC conference calls discussing their activities through the Made in Montana and other marketing programs. A new round of assistance for agriculture producers appears to be included in the new round of stimulus funding through the USDA Farm Services Agency to assist Farmers and Ranchers with emergency programs. The FADC network has our bi-annual reporting due in February and we have been notified the Ag Development Council will be issuing a new request for proposal for all centers that will be sent out in February so we will be working on that in February and March.

Growth Through Ag Projects

Beartooth FADC has responded to five inquiries about the upcoming Growth Through Ag deadline, the registration information and applications guidelines have been provided and we are working with applicants to navigate the application process.

Yellowstone Valley Food Hub-Billings
County-Yellowstone
Contact-Michele Schahczenski

Black Brew Coffee/ Meat Processing Business- Columbus and Joliet
County- Carbon
Contact-Joel DeBruycker

Hardin Apiary- Hardin, MT
County-Big Horn
Contact- Karen Reins

Buds Catering and Meat Processing- Hardin
County- Big Horn
Contact-Steven Hardt

Millers Beef- Absarokee, MT
County- Stillwater
Contact- Celeste Miller

Green House- Roberts, MT
County- Carbon

Toews Grain Corn- Hardin, MT
County- Big Horn
Contact- Aron Toews

Yellowstone Valley Farms- Laurel, MT
County- Yellowstone
Contact- Reuben Stahl

Columbus Micro Brewery- Columbus, MT
County- Stillwater
Contact- Joe Morse

Park City Distillery- Park City, MT
County- Stillwater
Contact- Justin and Ty Hamilton

Trembling Prairie- Huntley Project, MT
County- Yellowstone
Contact- Jill Herold

Millers Custom Processing – Roberts, MT
County- Carbon
Contact- Tom Miller

Joliet Meat Processing Plant- Joliet, MT
County- Carbon
Contact- Jeremy Sweeny

Laurel Vineyard- Laurel, MT
County- Yellowstone
Contact-Kasey Krum Felder

Charter Ranch- Sheperd, MT
County-Yellowstone, MT
Contact-Susan Elder
Vermicast Soil Amendments

On Going Projects

Carbon County Pryor Mountain Wind Farm

Location- Warren, MT

Contact- Pacificorp

The wind development South of Bridger, MT is nearing completion, the construction of all the wind towers is completed and they are finishing the final phase of the project.



Business/ Project Name: **406 Bovine LLC**

Contact- Bryan Elliott

Location-Laurel, MT

406 Bovine LLC has worked with Beartooth staff and is nearing the commercialization and launch of his product.

Stillwater Packing Co/ Emmett's Meats

Location- Columbus, MT

Contact- Jason Emmett

Stillwater Packing has been working through an increase in business due to the COVID 19 having shut down some large national meat plants shifting some buyer interest to smaller plants like theirs. Beartooth FADC staff assisted them with a proposal for funding to expand their business through the Montana Meat Processing Infrastructure grant their proposal was funded late in August.



Pioneer Meats

Location- Big Timber, MT

Contact- Brian Engle

Pioneer Meats received a Montana Meat Processors Infrastructure grant of over \$100,000.00 which will allow them to expand their meat processing business, they have purchased another meat processing location in Big Timber that will allow them to process wild meat at one location while expanding their beef, pork, bison and lamb processing at their main facility.



Millers Custom Processing

Location- Roberts, MT

Contact- Tom Miller

Tom Miller became a custom exempt meat processor approximately three years ago and has experienced an increase in demand every year and a dramatic increase in demand lately for processing Beef and Pork. We assisted him with a GTA grant two years ago that was not funded, since then he invested \$30,000.00 to expand his cooler and freezers and is now looking to build even more cooler space and processing space as well as upgrade equipment which would allow him to more than triple the number of animals he can process in a week. Beartooth FADC staff has assisted him with the development of a Montana Meat Processing Infrastructure Grant for business expansion that would help him upgrade and potentially apply for full state inspection. The Montana Meat Processing Grant application been approved for \$104,000.00 and the equipment has been installed and the plant expansion is nearly complete.

Controlled Environments Construction

Contact- Gary Guesman

Gary Guesman is working with Big Sky EDA the Department of Ag and Beartooth FADC on their potential 300-500 head a day meat processing project they are interested in developing in the Yellowstone County area. Beartooth FADC staff met August 21st to discuss the project and initial steps and potential barriers to the project with Allison Corbin, Ty Thompson, Joe Goggins, Weston Merrill from Montana Department of Ag as well as Gary Guesman. They are working with Big Sky EDA on a potential location for this project.

Yellowstone Region Ag Sustainability Project- RCPP

Location- Huntley,

Contact- Dave Dougherty

The group had their last meeting in September, to discuss the final reporting for the project and the success of the funded projects. The final reporting completed by NRCS shows the positive impacts this project has had on value added agriculture. The final summary of the economic impacts of this project was submitted to us by NRCS and is on our website for review.



Becky's Berries- Absarokee, MT

Location-Absarokee

Becky Stahl has been a client of Beartooth for several years and we last assisted her with development of an expansion plan for her Jams, Jellies and Barbeque sauce business. She has completed construction of the facility. Beartooth staff assisted Becky with the development of a successful Ag Adaptability Grant for \$9,000.00 for a makeup air system in her new processing facility and a commercial food processor. She has installed the commercial food processor and is on schedule to have the new makeup air system installed.



Beartooth Economic Development Director Report January 21, 2021

SEE ATTACHED CEDS REPORT

Frequently Used Acronyms

BEAR – Business Expansion and Retention
BIA – Bureau of Indian Affairs
BLM – Bureau of Land Management
BRCD – Beartooth RC&D
BSEDA – Big Sky Economic Development Association
BSTF – Big Sky Trust Fund
CDBG – Community Development Block Grant
CRDC – Certified Regional Development Corporation
CEDS – Comprehensive Economic Development Strategy
CTEP – Community Transportation Endowment Program
EDA – Economic Development Administration
EDD – Economic Development District
ESRI – Environmental Systems Research Institute, Inc.
GIS – Geographic Information Systems
GPS – Global Positioning System
HOME – Montana Home Investment Partnerships Program
HUD – US Department of Housing and Urban Development
IRP – Intermediary Relending Program
LESA – Land Evaluation Site Assessment
MBI – Montana Board of Investments
MDOC – Montana Department of Commerce
MDOL – Montana Dept. of Labor
MDOT – Montana Dept. of Transportation
MDFWP – Montana Dept. of Fish, Wildlife and Parks
MEDA – Montana Economic Developers Association
NADO – National Association of Development Organizations
NCOC – National Carbon Offset Coalition
NHS – Neighborhood Housing Services
NRCS – Natural Resource Conservation Service
RBEG – Rural Business Enterprise Grant
RBOG – Rural Business Opportunity Grant
RC&D – Resource Conservation & Development Area, Inc.
RCDI – Rural Community Development Initiative
RD – Rural Development (a division of USDA)
RCPP- Regional Conservation Partnership Program
RLF – Revolving Loan Fund
RTA – Resource Team Assessment
SBA – Small Business Administration
SBDC – Small business Development Center
TIFD – Tax Increment Finance District
TSEP - Treasure State Endowment Program
USDA – United States Department of Agriculture
USFS – United States Forest Service

2021 Beartooth Resource Conservation and Development Budget

Income

ITEM	Income
AG-FOOD AND AG CENTER	85,007
AG-MCDC	1,000
BOARD - EDA SPONSOR DUES	55,907
BOARD-INTEREST INCOME	400
BOARD-FOUNDATION MONEY	3,700
RLF-STAFF REIMBURSE	18,000
RLF-ORIG FEES	5,000
CRDC	71,907
FUELS AND CGWG	-
MISC GRANT ADMIN \$	10,750
EDA - GRANT	70,000
TOTAL INCOME	321,671

Expense

TOTAL STAFF EXPENSE	256,044
COMMUNICATIONS	6,000
EQUIPMENT & VEHICLE	8,520
CONTRACTUAL	21,220
SUPPLIES	9,800
TRAVEL	10,140
OTHER	8,430
RESERVE	
EXPENSE TOTAL	320,154

1,517

PROJECTED NET INCOME 12/31/2021

Beartooth Resource Conservation and Development Area, Inc.

Financial Statements and
Independent Auditor's Report

Year Ended December 31, 2019



Beartooth Resource Conservation and Development Area, Inc.

Year Ended December 31, 2019

Table of Contents

Independent Auditor's Report.....	1
Financial Statements	
Statement of Financial Position.....	3
Statement of Activities.....	4
Statement of Functional Expenses.....	5
Statement of Cash Flows.....	6
Notes to Financial Statements.....	7

Independent Auditor's Report

Board of Directors
Beartooth Resource Conservation and Development Area, Inc.
Joliet, Montana

Report on the Financial Statements

We have audited the accompanying financial statements of Beartooth Resource Conservation and Development Area, Inc. (the "Organization"), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Beartooth Resource Conservation and Development Area, Inc. as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

Wipfli LLP

Wipfli LLP

Billings, Montana
December 23, 2020

Beartooth Resource Conservation and Development Area, Inc.

Statement of Financial Position

As of December 31, 2019

ASSETS

Current Assets

Cash	\$ 152,925
Accounts receivable	31,641
Accrued interest receivable	83,065
Loans receivable - current portion, net of allowance for doubtful accounts of \$422,170	337,391
Prepaid expenses	1,717
	<u>606,739</u>

Cash restricted to revolving loan fund	<u>469,341</u>
--	----------------

Fixed Assets

Property and equipment	25,179
Accumulated depreciation	<u>(16,179)</u>
	<u>9,000</u>

Other Assets

Loans receivable - long-term portion	<u>693,813</u>
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TOTAL ASSETS	<u><u>\$ 1,778,893</u></u>
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LIABILITIES AND NET ASSETS

Current Liabilities

Accrued expenses	\$ 30,262
Notes payable - current portion	<u>40,461</u>
	<u>70,723</u>

Long Term Liabilities

Notes payable - long-term portion	<u>558,709</u>
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Net Assets

Without donor restrictions - undesignated	164,622
With donor restrictions	<u>984,839</u>
	<u>1,149,461</u>

TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 1,778,893</u></u>
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See accompanying notes to financial statements.

Beartooth Resource Conservation and Development Area, Inc.

Statement of Activities

<i>Year Ended December 31, 2019</i>	Without Donor Restrictions	With Donor Restrictions - Revolving Loan Fund	Total
REVENUE			
Grants	\$ 214,383	\$ -	\$ 214,383
Dues	37,907	-	37,907
Program services	5,000	-	5,000
Interest	845	71,801	72,646
Other revenue	-	(20)	(20)
Bad debt recovery	-	25,608	25,608
Net assets released from restrictions	13,539	(13,539)	-
Total Revenue	<u>271,674</u>	<u>83,850</u>	<u>355,524</u>
EXPENSES			
Loan and economic development programs	209,700	-	209,700
Management and general	66,573	-	66,573
Total Expenses	<u>276,273</u>	<u>-</u>	<u>276,273</u>
CHANGES IN NET ASSETS	(4,599)	83,850	79,251
NET ASSETS - Beginning	<u>169,221</u>	<u>900,989</u>	<u>1,070,210</u>
NET ASSETS - Ending	<u>\$ 164,622</u>	<u>\$ 984,839</u>	<u>\$ 1,149,461</u>

See accompanying notes to financial statements.

Beartooth Resource Conservation and Development Area, Inc.

Statement of Functional Expenses

	Loan and Economic Development Programs		Management and General	Total
<i>Year Ended December 31, 2019</i>				
FUNCTIONAL EXPENSES - WITHOUT DONOR RESTRICTIONS				
Contractual	\$	11,093	\$ 15,600	\$ 26,693
Depreciation		-	4,002	4,002
Interest		8,192	-	8,192
Miscellaneous		5,290	5,290	10,580
Rent		2,821	498	3,319
Repairs and maintenance		1,418	946	2,364
Salaries and benefits		171,589	25,646	197,235
Supplies		4,901	8,345	13,246
Telephone		616	2,466	3,082
Travel		3,780	3,780	7,560
	\$	209,700	\$ 66,573	\$ 276,273

See accompanying notes to financial statements.

Beartooth Resource Conservation and Development Area, Inc.

Statement of Cash Flows

Year Ended December 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in net assets	\$ 79,251
Adjustments to reconcile increase in net assets to net cash from operations:	
Noncash recoveries of bad debts	(2,608)
Depreciation	4,002
(Increase) decrease in:	
Accounts receivable	(4,545)
Accrued interest receivable	(4,355)
Increase (decrease) in:	
Accrued expenses	6,345
Net cash flow from operating activities	<u>78,090</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Disbursements of loans receivable	(240,127)
Payments on loans receivable	140,030
Net cash flow from investing activities	<u>(100,097)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Principal payments on notes payable	(40,259)
Net cash flow from financing activities	<u>(40,259)</u>

DECREASE IN CASH	(62,266)
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CASH - Beginning of year	<u>684,532</u>
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CASH - End of year	<u>\$ 622,266</u>
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Cash	\$ 152,925
Cash restricted to revolving loan fund	469,341
Total cash	<u>\$ 622,266</u>

SUPPLEMENTAL CASH FLOW INFORMATION:

Cash paid during the year for:	
Interest	\$ 8,192
Income taxes	\$ -

See accompanying notes to financial statements.

Beartooth Resource Conservation and Development Area, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Operations

Beartooth Resource Conservation and Development Area, Inc. (BRCDA) is a governmental nonprofit corporation organized to improve the quality of life in the counties of Big Horn, Carbon, Stillwater, Sweet Grass, and Yellowstone. BRCDA accomplishes this objective through a comprehensive and coordinated effort of local citizens, and by providing local decision makers with technical information and the necessary access to resources to better manage, protect and utilize the area's natural and human resources. Since BRCDA's board of directors is appointed by the conservation districts, board of county commissioners and town and city councils of the aforementioned counties, it is defined as a governmental not-for-profit.

In 1996, the Economic Development Administration of the US Department of Commerce designated BRCDA the Economic Development District for the region. BRCDA operates a Community Development Block Grant (CDBG), a Revolving Loan Fund (RLF) and an Intermediary Relending Program and Montana Board of Housing (IRP/MBOH) to assist companies with their financing needs.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States.

Change in Accounting Policy

On June 21, 2018, the FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this ASU assist in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) subject to Subtopic 958-605 or as exchange (reciprocal) transactions subject to Accounting Standards Codification 606 and (2) determining whether a transaction is conditional, which affects the timing of revenue recognized. The Organization has applied the amendments in this ASU on a modified prospective basis. There was no change on opening balances of net assets and no prior period results were restated. The amendments in this ASU also apply to both resources received by a recipient and resources given by a resource provider. Note that for transactions in which the Organization serves as a resource provider, the effective date for the amendments in ASU 2018-08 are effective for fiscal years beginning after December 15, 2019.

New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU, as amended, provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures. The new standard supersedes current revenue recognition requirements in FASB Accounting Standards Codification (ASC) Topic 605, *Revenue Recognition*, and most industry-specific guidance. When adopted, the amendments in the ASU must be applied using one of two retrospective methods. ASU No. 2014-09 is effective for nonpublic entities for annual periods beginning after December 15, 2019. The Organization is currently evaluating the impact of the provisions of ASC 606.

Beartooth Resource Conservation and Development Area, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements (Continued)

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This ASU provides guidance on the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under previous accounting standards and new disclosures on key information about leasing arrangements. The new standard supersedes current leases accounting in FASB Accounting Standards Codification (ASC) Topic 840, *Leases*. When adopted, the amendments in the ASU must be applied using a modified retrospective approach. ASU No. 2016-02 is effective for nonpublic companies for annual periods beginning after December 15, 2020. The Organization is currently evaluating the impact of the provisions of ASC 842.

Accounts Receivable

Accounts receivable consist primarily of grants and membership dues receivable. The Organization has elected to record bad debts using the direct write-off method. Generally accepted accounting principles require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method. There were no credit losses relating to accounts receivable in 2018.

Loans Receivable

Loans receivable are stated at the amount reasonably expected to be collected. The Organization maintains allowances for doubtful accounts for estimated losses resulting from the inability of its customers to make required payments. Management considers the following factors when determining the collectability of specific loan receivables: payment history, status of loan, borrower ability to pay, historical losses, current economic conditions and collateral. Based on management's assessment, the Organization provides for estimated uncollectible amounts through a charge to earnings and a credit to the valuation allowance. Balances that remain outstanding after the Organization has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to loan accounts receivable.

Property and Equipment

All acquisitions and improvements of property and equipment of \$1,000 or more are capitalized while all expenditures for repairs and maintenance that do not materially prolong the useful lives of assets are expensed. Purchased property and equipment is carried at cost. Donated property and equipment is carried at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated lives of the assets.

Beartooth Resource Conservation and Development Area, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Net Assets

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions: Net assets subject to donor- or grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires; that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Grant and Contribution Revenue

Grants and contributions are considered available for general use unless specifically restricted by the donor. Grants and contributions received are recorded as support with donor restrictions or support without donor restrictions, depending on the existence and nature of the stipulated restrictions.

Grants and contributions that are with donor restrictions are reported as increased in net assets with donor restrictions, which are reclassified to net assets without donor restrictions at the point when a stipulated time restriction ends or a purpose restriction is accomplished.

Advertising and Promotion

Advertising and promotion costs are charged to operations when incurred. There were no advertising and promotion expenses incurred during the year ended December 31, 2019.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation on unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and have been classified as organizations that are not private foundations. The Organization is also exempt from Montana income taxes.

Beartooth Resource Conservation and Development Area, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)

Penalties and interest assessed by income taxing authorities are included in management and general expenses, if applicable. The Organization has no interest and penalties related to income taxes for the year ended December 31, 2019. The Organization's federal returns are subject to examination generally for three years after they are filed.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. When expenses cannot be directly assigned to a function, management uses informal time studies and allocations of similar expenses when determining the functional allocation.

Estimates

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from those estimates. The most significant estimate in the financial statements relates to the allowance for loan losses account. This estimate may be adjusted as more current information becomes available and any adjustment could be significant.

Subsequent Events

The Organization's management has evaluated events and transactions for potential recognition or disclosure in the financial statements through December 23, 2020, which is the date the financial statements were available to be issued. There was one subsequent type events identified by management that is required to be disclosed.

Beginning in March 2020, the United States economy began suffering adverse effects from the COVID 19 Virus Crisis ("CV19 Crisis"). As of the date of issuance of the financial statements, the Organization had not yet suffered material adverse impact from the CV19 Crisis. The future impact of the CV19 Crisis on the Organization cannot be reasonably estimated at this time.

Beartooth Resource Conservation and Development Area, Inc.

Notes to Financial Statements

Note 2: Liquidity and Availability of Financial Resources

The Beartooth Resource Conservation and Development Area, Inc. has \$184,566 of financial assets available within one year of the statement of financial position date consisting of cash of \$152,925 and trade accounts receivable of \$31,641. None of the above-listed financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The trade accounts receivable and short-term loans receivable (net of allowance for doubtful accounts) are subject to time restrictions, but will be collected within one year. The Organization has a goal to maintain financial assets, which consist of cash and short-term receivables, on hand to meet 90 days of normal operating expenses (total expenses, less depreciation and bad debts), which are, on average, approximately \$95,000. As part of its liquidity management, the Organization monitors and maintains excess cash in a separate savings account.

Note 3: Loans Receivable

The Organization was approved by the Economic Development Administration of the US Department of Commerce to establish a revolving loan fund. In addition, the Organization administers CDBG and IRP/MBOH loans. Outstanding loans receivable as of December 31, 2019, are as follows:

LOAN FUND	
EDA	\$ 100,429
CDBG	834,514
Fromberg CDBG	12,766
IRP	<u>505,665</u>
	1,453,374
Less: Allowance for loan losses	<u>(422,170)</u>
	1,031,204
Less: Current portion	<u>(337,391)</u>
Long-term portion	<u>\$ 693,813</u>

Loans receivable mature as follows:

Year:	
2019	\$ 759,561
2020	55,423
2021	44,808
2022	47,020
2023	46,968
Thereafter	<u>499,594</u>
	<u>\$ 1,453,374</u>

Beartooth Resource Conservation and Development Area, Inc.

Notes to Financial Statements

Note 3: Loans Receivable (Continued)

The terms of the loans receivable indicate that if any payments are past due (or not current on payments), the entire balance of the loan becomes payable in full immediately. Management defines delinquent or impaired as any loan with past due payments. Therefore, all delinquent loans are included in the current portion of the loans receivable. The Organization's total investment in loans with delinquent status is \$618,830.

The Organization recognizes interest income on the loans when it is earned in accordance with the accrual basis of accounting. Interest rates on the loans range from 0.00% to 9.72% and total interest income on loans receivable for the year ended December 31, 2019, was \$68,223. It is the Organization's policy to accrue interest on current loans and loans which are delinquent by less than one year. Interest accrual ceases after loans become delinquent by over one year.

The allowance is determined by evaluating delinquent loans and the collectability of loans based on the collateral. Activity in the allowance for loan losses account for the year ended December 31, 2019, is as follows:

Balance, January 1, 2019	\$ 424,778
Collections	<u>(2,608)</u>
Balance, December 31, 2019	<u>\$ 422,170</u>

Note 4: Property and Equipment

A summary of property and equipment is as follows as of December 31, 2019:

	December 31, 2018	Additions	Disposals	December 31, 2019
PROPERTY AND EQUIPMENT				
Vehicles	\$ 20,000	\$ -	\$ -	\$ 20,000
Machinery and equipment	<u>14,718</u>	<u>-</u>	<u>(9,539)</u>	<u>5,179</u>
	<u>34,718</u>	<u>-</u>	<u>(9,539)</u>	<u>25,179</u>
LESS ACCUMULATED DEPRECIATION FOR:				
Vehicles	6,998	4,002	-	11,000
Machinery and equipment	<u>14,718</u>	<u>-</u>	<u>(9,539)</u>	<u>5,179</u>
	<u>21,716</u>	<u>4,002</u>	<u>(9,539)</u>	<u>16,179</u>
Total	<u><u>\$ 13,002</u></u>			<u><u>\$ 9,000</u></u>

Beartooth Resource Conservation and Development Area, Inc.

Notes to Financial Statements

Note 5: Notes Payable

The Organization has the following notes payable as of December 31, 2019:

Note payable to the U.S. Department of Agriculture (USDA), bears interest at a rate of 1% per year, 30-year note with principal and interest payments due annually, matures November 2034.	\$ 441,333
Note payable to the Board of Investments of the State of Montana, bears interest at a rate of 2% per year, 30-year note with principal and interest payments due quarterly, matures November 2034.	153,514
Note payable to Bank of Joliet, bears interest at a rate of 4% per year, four-year note with principal and interest payments due monthly, matures June 2021, secured by Chevrolet Equinox.	4,323
	<u>599,170</u>
Less: Current portion	<u>(40,461)</u>
Long-term portion	<u>\$ 558,709</u>

Scheduled principal payments on long-term debt at December 31, 2019, including current maturities, are summarized as follows:

2019	\$ 40,461
2020	37,450
2021	37,310
2022	37,778
2023	38,246
Thereafter	407,925
	<u>\$ 599,170</u>

Note 6: Retirement Plan

The Organization maintains an IRA retirement plan for its employees. Employees become eligible for the retirement plan if they are a full-time employee and have completed a 90 day probation period. For 2019, the Organization matched up to 3% of eligible employee contributions. Retirement plan expense for the year ended December 31, 2019, was \$5,111.

Beartooth Resource Conservation and Development Area, Inc.

Notes to Financial Statements

Note 7: Concentration of Credit Risk

The Organization maintains cash balances at financial institutions where the accounts are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. At certain times during the year, cash balances were in excess of FDIC coverage. The Organization has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

Two loans receivable had balances at December 31, 2019, that exceeded 10% of total loans receivable. These loans receivable comprised 18.9% and 10.2% of total loans receivable. One of these loan receivables that comprises 18.9% of the total loans receivable is in a delinquent status as regular monthly payments were not being made as of year-end.

File Attachments for Item:

3. Laurel Chamber of Commerce Correspondence

Agenda
Laurel Chamber of Commerce
January 14, 2021
Chamber

Moment of Silence

Presentation of minutes:

Guest Speaker –

Financial Report -

Yellowstone Checking -	\$ 70,297.67
Altana CD	\$ 8,658.95
Altana Saving	\$ 748.91
Christmas Repair Fund	\$ 2,937.59
TOTAL	\$ 82,637.12

Bills to be presented for payment: - none outside the approved budget

OLD BUSINESS

- **New Board-** Contact info, and signatures
- **Bank Signature Cards-** Appointment
- **Christmas Decorations-** Decorations are down. Zero fell down this year

NEW BUSINESS –

- **New Members –** Miller's Horse Palace
- **Dropped Membership-** Subway, 360 Office Solutions, T&C Farms,
- **Committees-** Signup sheet passed around
- **Out Here We Care-** 35 businesses or individuals have signed the pledge, program was extended and we were given an extra \$500 from Visit Southeast Montana
- **Out of the Office-** January 18th and January 22nd
- **Desk-** Used desk for \$250 on Facebook

Open Forum

Business After Hours – If you would like to host an event, please contact the Chamber.

Next Meeting – February 11, 2021 Chamber/Zoom

Laurel Chamber of Commerce

Board Meeting Minutes

The Meeting was held on **December 10, 2020, Chamber & Zoom**. In attendance were: Executive Board Members: VP- Beth Hoferer, Treasurer- Patsy Woody, Executive secretary- Cami Nelson. Directors: Becky Watson, Kelcie Lohof, Dallas Contreras, Tricia Johnson, Billie Lehman and Evan Bruce. Chamber member: Matt Heinz, Brent Renier, and Abby Johnson.

Beth called the meeting to order.

The minutes were approved. Moved to approve- Becky, Billie 2nd-approved

The financial report was approved and bills were presented for payment.

Bills to be presented for payment outside of budget: None outside of approved budget

Old Business

- **Board Members-** Ballots were passed around for voting for the 4 open spots on the board.
 - Beth Hoferer- The Crossings
 - Patsy Woody- Laurel Ace Hardware
 - Matt Heinz-IGA
 - Abby Johnson- Statewide Liquor
- **Executive Board Nominations-** ballots were passed around for voting of Executive Board.
 - President-
 - Beth Hoferer
 - Vice President
 - Becky Watson
 - Treasurer
 - Dallas Contreras
- **Christmas Stroll-** An update was given. We had a few negative comments made about the event due to COVID. Businesses had a great day
- **Shop Local Raffle-** Thoughts on extending the raffle? Karen motioned moving the deadline to Dec 19th, Evan 2nd- approved.
- **Christmas Decorations-** Taking down Jan 3rd 7am @ boxcar, Volunteer list to be passed around
- **Chamber Open House-** We discussed postponing the Chamber Holiday Open House, it was suggested to wait until summer and do a big BBQ outside. Billie motioned to do the BBQ in the summer, Evan 2nd – approved
- **Annual Meeting-** Postponed until spring
- **Business of the Year-** Announce now or wait until Annual Meeting? We will announce the winner and present the award at the Annual Meeting.

NEW BUSINESS –

- **Out Here We Care-**10 businesses or individuals have signed the pledge
- **School District Public Virtual Meeting-** Dec 17th @ 6pm

Please join us for a meeting to discuss infrastructure needs and development of the 23-acre parcel the school has purchased (north of the Big Ditch, northwest of the intersection of 8th Avenue and W. 12th Street). The District has recently contracted with KLJ to assist in assessing infrastructure needs and high-level costs for the site to include water/sewer and drainage needs, traffic and access needs, and offsite improvements that may be necessary to include power, gas, and fiber communications.

Business After Hours – If you would like to host an event, please contact the Chamber.

Next Meeting – January 14, 2021 Chamber/Zoom

2021 Committees

Budget: March 25th

1. _____

2. _____

3. _____

Bylaws: Executive Board

Audit: March 18th

1. _____

2. _____

3. _____

July 4th: April 1st

1. _____

2. _____

3. _____

4. _____

Halloween: July 29th

1. _____

2. _____

3. _____

Christmas Stroll: Aug 5th

1. _____

2. _____

3. _____

4. _____

Farmers Market: Feb 16th

1. _____

2. _____

3. _____

4. _____

Movie in the Park: Feb 18th

1. _____

2. _____

3. _____

4. _____

Beautification:

1. _____

2. _____

3. _____

4. _____

File Attachments for Item:

8. Budget/Finance Committee Minutes of December 22, 2020

**Minutes of City of Laurel
Budget/Finance Committee
Tuesday, December 22, 2020**

Members Present:	Emelie Eaton	Bruce McGee (arrived late)
	Richard Klose	Scot Stokes
Others Present:	Mayor Nelson	Bethany Langve

The meeting was called to order by the Committee chair at 5:20pm.

Public Input: *Citizens may address the committee regarding any item of business that is not on the agenda. The duration for an individual speaking under Public Input is limited to three minutes. While all comments are welcome, the committee will not take action on any item not on the agenda.*

There was no public input.

General Items –

1. Review and approve the November 24, 2020 Budget and Finance Committee meeting minutes. The Clerk/Treasurer stated she did make an error on the agenda when she posted the minutes were from June 23, 2020. Scot Stokes moved to approve the minutes as presented. Richard Klose seconded the motion, all in favor, motion passed.
2. Review and Approve purchase requisition from the Ambulance Department for additional costs associated with a previously approved purchase requisition. The Committee had previously pre-approved the purchase of several pieces of equipment to be reimbursed through the CARES Act reimbursement program. The two Cots that were approved under that purchase requisition require installation fees that were not included with the initial purchase requisition. The Committee verified the total cost of \$3,600 for the installation of the cots (\$1,800 per cot), and the Clerk/Treasurer confirmed this was the total amount of the increase to the purchase requisition. The Committee asked if the Ambulance department had received their cots. The Clerk/Treasurer stated all the equipment had been approved for reimbursement by the State, paid for and should be arriving within the next 10 days. Richard Klose made a motion to approve the \$3,600 increase, for cot installation costs, to the previously approve Ambulance equipment purchase requisition. Scot Stokes seconded the motion, all in favor, motion passed.
3. Review and approve the November 2020 Utility Billing Adjustments. Scot Stokes made a motion to approve the November 2020 Utility Billing Adjustments. Richard Klose seconded the motion, all in favor, motion passed. The Committee asked the Clerk/Treasurer about signing the paper documents. The Clerk/Treasurer stated the Committee members could sign the paper documents when they are in City Hall or the documents can be signed once in-person meetings resume.
4. Review and recommend approval to Council, Claims entered through 12/04/2020 and 12/18/2020. The Committee members were not notified regarding who had the claims review duties so neither of these were reviewed. Both sets of claims will be removed from the City Council Consent Agenda and moved to the 01/12/2021 meeting. The Clerk/Treasurer stated she would ask the Accounts Payable Clerk to being sending out an email to the Committee member responsible for the claims review.
5. Review and approve Payroll Register for pay period ending 11/29/2020 totaling \$226,160.99. Bruce McGee made a motion to recommend approval of the payroll register for pay period ending 11/29/2020 totaling \$226,160.99. Scot Stokes seconded the motion, all in favor, motion passed.
6. Review and approve Payroll Register for pay period ending 12/13/2020 totaling \$213,987.08. Richard Klose made a motion to recommend approval of the payroll register for pay period

ending 12/13/2020 totaling \$213,987.08. Bruce McGee seconded the motion, all in favor, motion passed. The Committee asked why this payroll was \$13,000 less than the previous payroll. The Clerk/Treasurer stated there was an employee that retired.

New Business –

7. One of the Committee members explained the issues regarding the transit bus and the repairs needed. The Committee discussed either replacing the transit bus or selling the bus. The bus needs its engine rebuilt. The Clerk/Treasurer stated the transit fund does have the money to replace/repair the engine. The Committee asked how much the repairs would cost, and the Committee member stated \$18,000. The Committee asked about the new transit bus status. The Clerk/Treasurer stated everything for the new bus had been picked out and it is being built, but an exact date of arrival has not been given yet. The Committee asked how many buses the City owns. The Clerk/Treasurer stated the City owns one bus and when that bus is down, like it is now, the Senior Center allows the City to use their bus.
8. One of the Committee members asked the Mayor for an update on the status of the State share of the intake. The Mayor stated he was working on getting this money still and would keep the Council updated on his efforts. He stated it would have to go through the legislative process again. The City would retire the SRF loan that was taken out due to the State not paying their share.
9. One of the Committee members asked for a definition of what was an emergency purchase. If an item is budgeted, why would a purchase be considered an emergency? The Mayor stated an emergency purchase would be, for instance, a pump failing, and would follow the purchasing policy. The Mayor can authorize emergency purchases per the purchasing policy.

Old Business –

10. The Committee asked for an update from the Mayor regarding the two draft resolutions. There was no update currently.
11. The Clerk/Treasurer stated she wanted to give the Committee a quick update regarding the leasing of enterprise equipment. She stated the purchases were still being discussed and this was still in the works. She did not want it to be forgotten about.

Other Items –

12. One of the Committee members stated Billings was getting a railroad overpass and wanted to know why Laurel was not getting one. The Committee member reached out to the Laurel Representative, Vince Ricci, and was told that he would be sitting on the House Appropriations Committee.
13. Clerk/Treasurer Update – The Clerk/Treasurer stated the City had been approved by the State to receive an additional \$350,558.00 in CARES funding. She stated the Ambulance equipment reimbursement was also pre-approved by the State. The Clerk/Treasurer stated there will be a final submission due in January.
14. Mayor Update – The Mayor stated he is working on developing the area around the new exchange and repairing West Railroad. He is watching what the School is doing regarding the property on W 12th, as there will be a need for egress and ingress. He is working on increasing the water storage and wants to get water to the Airport.
15. The new claims schedule is:

01/12/2021 – Richard Klose	01/26/2021 – Scot Stokes
02/09/2021 – Bruce McGee	02/23/2021 – Emelie Eaton

Announcements –

16. The next Budget and Finance Committee meeting will be held on January 12, 2021. The meeting will be held at 5:15pm via ZOOM.
17. Richard Klose will be reviewing the claims for the next meeting.

Respectfully submitted,

Bethany Langve
Clerk/Treasurer

NOTE: This meeting is open to the public. This meeting is for information and discussion of the Council for the listed workshop agenda items.

DRAFT

File Attachments for Item:

9. Budget/Finance Committee Minutes of January 12, 2021.

**Minutes of City of Laurel
Budget/Finance Committee
Tuesday, January 12, 2021**

Members Present:	Emelie Eaton	Bruce McGee
	Richard Klose	Scot Stokes (Late)
Others Present:	Nathan Herman	Justin Baker

The meeting was called to order by the Committee chair at 5:20pm.

Public Input: *Citizens may address the committee regarding any item of business that is not on the agenda. The duration for an individual speaking under Public Input is limited to three minutes. While all comments are welcome, the committee will not take action on any item not on the agenda.*

There was no public input.

General Items –

1. Review and approve the December 22, 2020 Budget and Finance Committee meeting minutes. Richard Klose moved to approve the minutes of the December 22, 2020 Budget and Finance Committee meeting. Bruce McGee seconded the motion, all in favor, motion passed.
2. Review and Approve purchase requisition from the Water Department for the purchase of a replacement lift pump for Elm Street Lift Station. Nathan and Justin presented the purchase requisition to the Committee. They explained there is currently 1 pump working in the lift station. The elbow needs to be repaired and all the guide rails need to be replaced. When the lift pump went down, it was discovered that Russel Industries no longer has a technician in the Billings area. They must send a technician out from Wyoming. It took a week to get a technician out here to diagnose the issue with the pump, and it was discovered there was a bad breaker. The repair part was ordered by Russel Industries. A week later Russel Industries returned with the breaker but not all the parts to complete the repair. It was also discovered during this time the breaker was not the issue. It was decided at that time to pull the pump out. During that process, the cable that is used to pull the pump broke and the pump fell and busted the elbow at the bottom of the lift station. Russell determined the pump was not working and they would need to take the pump with them, back to Wyoming, for repairs. Russell stated there was a broken part on the pump and a new pump was 10-12 weeks out. Justin did some research to try to find a local company who works on these types of pumps, and he did find one. He contacted Advanced Pump and Equipment. They came out and met with City Staff to look at the Lift Station. The City Staff presented two quotes to the Committee for the repairs to the Elm Lift Station. The Advanced Pump quote is lower, and it can be done quicker. City Staff recommended going with the Advanced Pump quote, and also getting the original pump repaired by Russel Industries to keep as a backup. The Committee asked how we were using Russell Industries if they did not have a local technician. City Staff stated they used to have a great local technician, but he is no longer local anymore. The Committee agreed that switching to a local company is a great idea and having a backup pump makes sense as well. The Committee asked how long Advanced Pump had been in business. City Staff stated they have been in business for a long time and had branches in Idaho, Butte, and Belgrade. Bruce McGee made a motion to approve the purchase requisition from the Water Department for the repairs to the Elm Lift Station. Richard Klose seconded the motion, all in favor, motion passed.
3. Review and approve purchase requisition from the Police Department for the purchase of two toughbooks. The Chief of Police purchased the toughbooks from his Federal Equitable Sharing funds. The requisition was not brought to the Committee as the purchased happened at the same time as COVID, and the Clerk/Treasurer forgot about the requisition. Bruce McGee made a

motion to approve the purchase requisition from the Police Department for the purchase of two toughbooks. Richard Klose seconded the motion, all in favor, motion passed.

4. Review and approve additional items purchased on already approved purchase requisition from the Ambulance Department. The Committee had already approved the CPR training module but they needed to approve the Stethoscope and the other additional item needed for the Ambulance CPR training purchase. Bruce McGee made a motion to approve the increase to the original purchase requisition from the Ambulance Department for the CPR Module. Richard Klose seconded the motion, all in favor, motion passed.
5. Review and recommend approval to Council, Claims entered through 12/04/2020. The claims and check register had previously been reviewed by the Committee. There were no questions or comments. Bruce McGee made a motion to approve the claims entered through 12/04/2020. Scot Stokes seconded the motion, all in favor, motion passed.
6. Review and recommend approval to Council, Claims entered through 12/18/2020. The claims and check register had previously been reviewed by the Committee. There was one question regarding the claims, and it was regarding a refund to Askin Construction. They had made a water deposit and it was refunded to them. There were no other questions or comments. Emelie Eaton made a motion to approve the claims entered through 12/18/2020. Scot Stokes seconded the motion, all in favor, motion passed.
7. Review and recommend approval to Council, Claims entered through 01/08/2021. The claims and check register had previously been reviewed by the Committee. There was one question regarding the COVID 19 noted claims. There were no other questions or comments. Richard Klose made a motion to approve the claims entered through 01/08/2021. Scot Stokes seconded the motion, all in favor, motion passed.
8. Review and approve Payroll Register for pay period ending 12/27/2020 totaling \$164,132.16. Scot Stokes made a motion to recommend approval of the payroll register for pay period ending 12/27/2020 totaling \$164,132.16. Bruce McGee seconded the motion, all in favor, motion passed.

New Business – None

Old Business –

9. The Committee asked for an update from the Mayor regarding the two draft resolutions. The Mayor was not in attendance so there was no update on this item.
10. The Transit Bus Repairs update. The Mayor and Clerk/Treasurer were not in attendance so there was no update on this item.
11. Cemetery Parking Lot update. The Committee stated the Mayor stated in late December the City Attorney was looking into this topic.

Other Items –

12. Clerk/Treasurer Update – The Clerk/Treasurer sent an update via the Council Secretary. She stated the auditors were present last week doing year end close and another CARES Act submission would be done this month.
13. Mayor Update – The Mayor was not in attendance, so no update was given.

Announcements –

14. The next Budget and Finance Committee meeting will be held on January 26, 2021. The meeting will be held at 5:15pm via ZOOM.
15. Scot Stokes will be reviewing the claims for the next meeting.

Respectfully submitted,

Bethany Langve
Clerk/Treasurer

NOTE: This meeting is open to the public. This meeting is for information and discussion of the Council for the listed workshop agenda items.

DRAFT

File Attachments for Item:

10. Library Board Minutes of September 8, 2020.

MINUTES
CITY OF LAUREL
Library Board

09/08/2020

06:05 PM

Laurel Public Library

COMMITTEE MEMBERS PRESENT:

X Dixie Feller, Federation Representative	X Arthur Vogeles, Board Chair
X Bill Hanson, Vice-Chairman	Samantha Barnhart – via phone
X Nancy Schmidt, Secretary	X Clair Killebrew – Foundation Liaison
Vacant	

OTHERS PRESENT:

1. Public Input

Citizens may address the committee regarding any item of city business not on the agenda. The duration for an individual speaking under Public Comment is limited to three minutes. While all comments are welcome, the committee will not take action on any item not on the agenda.

a. Addressing the Board

2. General Items

- a. Dixie motioned the Library Board minutes for August 2020 be accepted as presented, Bill seconded the motion; motion passed.
- b. Ray Wells made another donation to the library in the amount of \$50.00 and Ila Perhus donated in memory of Della Hallen. Clair Killebrew turned in a letter of interest for the open position of the library board. Dixie motioned that the Board accept Clair's letter of interest, Sam seconded the motion. Motion passed. Nancy will forward the letter to Mayor Nelson via Brittney for appointment.
- c. Circulation Report - Traffic: down 9%; circulation: all items circulated totaled 3,876 (including 546 eBooks), book circulation was down 14%, media circulation was down 31%, eBook checkouts for this month was 13.6% of total book circulation, we circulated 750 items to partners and 128 items from other libraries; computers: internet use was down 17 %, children's use was down 55%, wi-fi use : down 20%; patron cards: city registrations made up 64.9% of library users, county patrons 31.9% and non-resident registered patrons 2.8%. There were 67 tech assists in August.

3. New Business

- a. There was discussion concerning the possibility of reducing the amount that the library is requesting for its budget. We can comfortably decrease our budget to 33.87 mills without cutting wages or major areas of expense. This will be presented at the next Council meeting, if time is allowed. The question concerning staff wages was brought forward by the Director as to whether the wages should be cut back to last year's amount or keep them at the projected increase. There were also a few suggestions that wages of the Assistant Director and Tech Services Librarian should be reset but the rest of the staff left at the higher amount until those two staff members are accepted into the Union. Board members declined this option and stated that "staff need to be paid a decent wage no matter what anyone else thinks". It was decided that the library would do its best to find funding to pay for new books, etc., but keep staff wages at the current levels.
- b. It is time to review and update the Library Use Policy. The only change suggested was to add the cost of 3D printed items. Currently most items are \$1 per item depending upon the size of the item. Very large items could cost up to \$5 each.
- c. Mike applied for a grant to receive a NASA STEM Facilitation kit from Starnet and NASA@MyLibrary. The kit contains activities for make-and-take kits using infrared thermometers, Code-a-Pillar Twist, Code Hopper, and space rocks.
- d. A book sale is being scheduled for late October. After some discussion it was decided that the book sale would be held for two weeks rather than one. Items bought at the sale would be on a donation amount basis.

4. Old Business

- a. The Fall Federation meeting will be held Saturday, September 12, 2020 online at 10:00 am. The meeting is expected to last only a couple hours and will be hosted through Laurel for anyone that would like to attend.
- b. There were 11,915 meals served from the library to local families from March 20, 2020 through August 17, 2020. We have let the school district know that we are available for serving lunches and breakfasts should the need arise in the future.
- c. We had 45 patrons register for the Summer Reading program this summer. There was a total of 76,842 minutes read during the program with 165 prizes (reading brag tags) given away. Sam suggested that we partner with Barnes & Noble next year to have book fair to help raise funds for programming.
- d. Invoice reviews will be done separately from the rest of the Board meetings. If there is an item that needs to be brought to the attention of the entire Board, i.e. needs a vote, the Chair will bring it forward.
- e. Under Foundation Business there were some items that needed to be reimbursed. The account is able to pay these items and budget for a few others. We are hoping for a successful book sale so we can purchase more books.

5. Other Items

- a. Upcoming Items:
None

6. Announcements

- a. Next regular meeting is Tuesday, October 13, 2020 at 6:00 pm in the Community Room of the Laurel Public Library.

Dixie motioned to adjourn the meeting at 6:51 pm, Bill seconded the motion; motion passed.

Respectfully submitted,



Nancy L Schmidt
Secretary for the Board

NOTE: This meeting is open to the public. This meeting is for information and discussion of listed agenda items.

File Attachments for Item:

11. Library Board Minutes of October 13, 2020.

MINUTES
CITY OF LAUREL
Library Board
10/13/2020 06:00 PM
Laurel Public Library

Meeting Cancelled – No Quorum

COMMITTEE MEMBERS PRESENT:

X Dixie Feller, Federation Representative	X Arthur Voge, Board Chair
Bill Hanson, Vice-Chairman	Samantha Barnhart – COVID-19
X Nancy Schmidt, Secretary	X Clair Killebrew – Foundation Liaison

OTHERS PRESENT:

1. Public Input

Citizens may address the committee regarding any item of city business not on the agenda. The duration for an individual speaking under Public Comment is limited to three minutes. While all comments are welcome, the committee will not take action on any item not on the agenda.

a. Addressing the Board:

2. General Items

- a. Circulation Report - Traffic: down 38.4%; circulation: all items circulated totaled 3,383 (including 529 eBooks), book circulation was down 25.5%, media circulation was down 38.3%, eBook checkouts for this month was 18.1% of total book circulation, we circulated 621 items to partners and 150 items from other libraries; computers: internet use was up 4.7%, children's use was down 94.1%, wi-fi use : down 26.3%; patron cards: city registrations made up 61.7% of library users, county patrons 33.9% and non-resident registered patrons 4.4%. There were 58 tech assists in September.

3. New Business

a.

4. Old Business

a.

5. Other Items

a. Upcoming Items:

6. Announcements

- a. Next regular meeting is Tuesday, November 10, 2020 at 6:00 pm in the Community Room of the Laurel Public Library.

Respectfully submitted,

A handwritten signature in cursive script that reads "Nancy L Schmidt".

Nancy L Schmidt
Secretary for the Board

NOTE: This meeting is open to the public. This meeting is for information and discussion of listed agenda items.

File Attachments for Item:

12. Library Board Minutes of November 8, 2020.

MINUTES
CITY OF LAUREL
Library Board

11/08/2020

06:00 PM

Laurel Public Library

COMMITTEE MEMBERS PRESENT:

X Dixie Feller, Federation Representative	X Arthur Vogeles, Board Chair
X Bill Hanson, Vice-Chairman	Samantha Barnhart
X Nancy Schmidt, Secretary	X Clair Killebrew – Foundation Liaison

OTHERS PRESENT:

1. Public Input

Citizens may address the committee regarding any item of city business not on the agenda. The duration for an individual speaking under Public Comment is limited to three minutes. While all comments are welcome, the committee will not take action on any item not on the agenda.

- a. Addressing the Board: None

2. General Items

- a. The minutes for October 2020 were presented for approval. Dixie motioned the minutes for October 2020 be approved, Bill seconded the motion; motion passed.
- b. The library received two items of correspondence this month: a donation from the Schmitt family in honor of Leo Schmitt that passed away on December 18, 2019 and a donation of \$50 from Ray Wells. The Schmitt family donated \$1,000 to the library in Leo's name.
- c. Circulation Report - Traffic: down 24.8%; circulation: all items circulated totaled 3,865 (including 488 eBooks), book circulation was down 7.7%, media circulation was down 37.1%, eBook checkouts for this month was 14.3% of total book circulation, we circulated 844 items to partners and 163 items from other libraries; computers: internet use was down 7.2%, children's use was down 85%, wi-fi use : up 1%; patron cards: city registrations made up 55.1% of library users, county patrons 41.3% and non-resident registered patrons 3.1%. There were 44 tech assists in October.

3. New Business

- a. Library standards have been completed with the exception of adopting the personnel policy. The State Library now requires a formal adoption of a personnel policy for library staff. We can either adopt the City policy or create one specifically for library personnel. Dixie motioned that we table the adoption

of a personnel policy until library staff are officially part of the Union Local 316 and we adopt their policy. Bill seconded the motion; motion passed.

- b. The Library Use Policy was revise to include the cost of printing 3D items. Dixie motioned the revised policy be adopted by the Board of Trustees. Bill seconded the motion; motion passed.
- c. It is time for the annual statistics required by the State Library. We will add the costs of items spent out-of-pocket by staff and trustees, amounts spent from the Foundation, and costs of donated items from patrons such as books or other materials.
- d. The Montana State Library has put funds toward providing technology supplies to public libraries. We have been provided with 8 hotspots (3 Verizon & 5 T-Mobile) with data plans included, 4 iPads, and 2 HP Pros. All of these items will be cataloged and allowed to circulate to patrons just like our regular materials.
- e. Bethany has reached out to Nancy about having the Board Chair approve the Director's timesheets. Arthur has agreed to the timesheets with the understanding that technology needed to approve the timesheets needs to come out of the City funding since they are requiring the Chair's approval. Arthur has stated that the library does not have the funds to pay for any new technology for him to use.

4. Old Business

- a. The library was closed for deep cleaning after the book sale November 2nd – 7th, 2020. Library staff spend much of their time disinfecting all surfaces in the library, shampooing the carpeting, cleaning and hanging historic pictures, and cleaning returned books. We used an extension ladder to clean the tops of the cross beams, remove the quilts, and hand the pictures. The library not only looks cleaner, but also brighter and smells better.
- b. The book sale was very successful for us. The final amount received was \$4,162.36. We had generous donations provided by Mary Kasner, Ray Wells, Mary Kay Kimmet, the Miranda Fenner Foundation, and Kate Morton. Thank you letters will be sent out to each of them for their donations.
- c. Under Foundation business, we have over \$8,000 in the account. We used some of these funds to pay for the community table that was requested by Mary Freund. It was suggested that a plaque be put on the table to express that it is a memorial in Margaret Freund's honor. Dixie suggested something that could be placed upon the table but moved if the full surface area was needed.
- d. The Board vacancy hasn't been filled yet. When I asked about the status of the letter of interest from Clair Killebrew, I was told that I turned in the paperwork but there hasn't been any response. It sent an email to the Mayor asking about

the status with all Council members cc'd but there is still no response. The Board feels that since there hasn't been any action of filling this vacancy, non-action has determined that Mrs. Killebrew has become the new Board member.

5. Other Items

a. Upcoming Items:

Do we close for Thanksgiving weekend or stay open? Library staff can decide what they want to do.

b. Christmas and New Year's fall on Friday this year so library staff will have the option to stay open on Saturday if they choose to work. If they want a long weekend, we can close for a three-day weekend.

c. We would like to plan a staff/Board pizza party for Tuesday, December 22nd, 2020. We will schedule it for the hours of 4:00 pm to 6:00 pm so all staff and Board members can attend at their convenience. Dixie suggested that we do individual sub sandwiches so we aren't allowing for possible cross-contamination. We will of course, make sure COVID precautions are in place.

6. Announcements

a. Next regular meeting is Tuesday, December 8, 2020 at 6:00 pm in the Community Room of the Laurel Public Library.

Dixie motioned the meeting be adjourned at 7:02 pm. Bill seconded the motion, meeting adjourned.

Respectfully submitted,



Nancy L Schmidt
Secretary for the Board

NOTE: This meeting is open to the public. This meeting is for information and discussion of listed agenda items.

File Attachments for Item:

13. Library Board Minutes of December 8, 2020.

MINUTES
CITY OF LAUREL
Library Board

12/08/2020

06:00 PM

Laurel Public Library

Meeting Cancelled – COVID

COMMITTEE MEMBERS PRESENT:

Dixie Feller, Federation Representative
Bill Hanson, Vice-Chairman
Nancy Schmidt, Secretary
Vacant Seat

Arthur Vogeles, Board Chair
Samantha Barnhart – COVID-19
Clair Killebrew – Foundation Liaison

OTHERS PRESENT:

1. Public Input

Citizens may address the committee regarding any item of city business not on the agenda. The duration for an individual speaking under Public Comment is limited to three minutes. While all comments are welcome, the committee will not take action on any item not on the agenda.

a. Addressing the Board:

2. General Items

- a. Circulation Report - Traffic: down 43.8%; circulation: all items circulated totaled 3,284 (including 490 eBooks), book circulation was down 18.7%, media circulation was down 34.1%, eBook checkouts for this month was 17.3% of total book circulation, we circulated 750 items to partners and 245 items from other libraries; computers: internet use was down 50.7%, children's use was even, wi-fi use : up 4.6%; patron cards: city registrations made up 58.9% of library users, county patrons 37% and non-resident registered patrons 4.1%. There were 32 tech assists in November.

3. New Business

a.

4. Old Business

a.

5. Other Items

a. Upcoming Items:

6. Announcements

- a. Next regular meeting is Tuesday, November 10, 2020 at 6:00 pm in the Community Room of the Laurel Public Library.

Respectfully submitted,

A handwritten signature in cursive script that reads "Nancy L Schmidt".

Nancy L Schmidt
Secretary for the Board

NOTE: This meeting is open to the public. This meeting is for information and discussion of listed agenda items.

File Attachments for Item:

14. Tree Board Minutes of February 20, 2020.

MINUTES
CITY OF LAUREL
Tree Board
2/20/2020 09:30 AM
Public Works Conference Room

A Tree Board was held in the Public Works Conference Room and called to order by Dale Ahrens at 9:35 AM on 2/20/2020.

COMMITTEE MEMBERS PRESENT:

- ✓ LuAne Engh, Chairman (conference call)
- ✓ Aaron Christiansen, Vice-Chairman
- ✓ Walter Widdis, Secretary
- ✓ Dale Ahrens
- ✓ Richard Herr
- ✓ Matt Wheeler
- ✓ Kurt Markegard
- ✓ Phyllis Bromgard

OTHERS PRESENT:

- ✓ NONE

1. Public Input
 - a. None
2. General Items
 - a. January 2019 minutes approved
 - b. Arbor Day – May 5, 2020 @ South Pond – 11:30 AM approximately
 - c. Grants and Donors
 1. DNRC - Completed by Kurt awaiting confirmation.
 2. Dale confirmed participation by the SOW Ministry trailer
 3. Meadow Gold dairy confirmed for ice cream by Pastor Widdis
 3. WalMart – Dale will complete by next meeting
 4. NWE – need of the tax ID for the city, Dale will complete
 - d. T-shirt designs - Cherry-Red shirt was previously approved.
 1. Awaiting numbers to order
 - e. Vendor Update
 1. Approximately 12 presenters expected
 3. Dale will follow up with Wal-Mart for volunteer participation
 - f. Tree donations
 1. Lions to be donating funds for 2-3 trees, dependent upon funds
 2. These trees in honor of specific members
 - g. Donation letter – Aaron will be completing in the next week.
 - h. Students
 1. Number of students remains at about 182
 2. Potential for older students to be used as volunteers

3. New Business
 - a. Downtown Tree District
 1. Matt will be coordinating with Nick A. & LAURA for tree trimming on Main street.
 - b. Recommendation for trees for Thomson Park replanting
 1. Submitted by Aaron.
 2. Under consideration by Matt for action.
 - c. Discussion concerning current complaint of trees restricting snow removal.
 - d. Phyllis informed the board that the grant for the Dock at Lion's park approved and that project will be going forward.
4. Old Business
 - a. Karen Courtney & code enforcement – report delayed until April
5. Other Items
 - a. Porta-potty's are scheduled for Arbor Day.
 - b. Aaron will recruit volunteers for dog dodo clean up preparations
 - c. Pastor Widdis will follow up with plaques for this year's trees.
6. Announcements
 - a. Next meeting – March 19 @ 9:30 AM

File Attachments for Item:

15. Tree Board Minutes of December 17, 2020.

Minutes
City of Laurel
Tree Board
12/17/20 9:30 AM

Zoom meeting

Attending: LuAnne Engh, Aaron Christensen, Matt Wheeler, Nick Altogona, City Planner, Richard Herr, Walter Widdis

1. Public Input
 - a. No public attending
2. General Items
 - a. Nov. minutes approved
 - b. Arbor Day May 4, 2021 decided to use Thomson Park
 - c. Design will come from the Graff students – Lynn Peterson is leading that
 - d. Grants – Dale will continue to ask for the Walmart and NW Energy grants – we currently have \$700 in the school account \$2300 in the city
3. New Business
 - a. Several dead trees in the downtown area – many businesses have cut them down others are too large and expensive to remove.
 - b. Nick is looking into developing a grant to help business replace the trees through the TIFF money.
 - c. The tree board should recommend tree varieties that fit the space and do well without much water – as we don't want those trees to remain vacant.
 - d. Burger King lot owner, Rimrock Chevrolet has removed all vegetation on the interstate ramp to Laurel. Nick is looking at idea for that green

space and how we can replace trees on the outside of the property owner's fence.

4. Old Business

- a. Business on 8th Ave – Cenex station is not in the TIFF district so they would need to replace trees on their own

5. Other Items

- a.

6. Announcements

- a. Next meeting – Jan 20th – 9:30

LuAnne Engh

File Attachments for Item:

16. Resolution No R21-02: A Resolution Of The City Council Authorizing The Mayor To Sign A Contract With Shallow Creek Kennels Inc. For The Provision Of K-9 Training Services For The City Of Laurel's Police Department.

RESOLUTION NO. R21-02

**A RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE MAYOR TO
SIGN A CONTRACT WITH SHALLOW CREEK KENNELS INC. FOR THE
PROVISION OF K-9 TRAINING SERVICES FOR THE CITY OF LAUREL'S
POLICE DEPARTMENT.**

BE IT RESOLVED by the City Council of the City of Laurel, Montana,

Section 1: Approval. The contract between the City of Laurel and Shallow Creek Kennels, Inc. relation to K-9 Training Services, a copy attached hereto and incorporated herein, is hereby approved.

Section 2: Execution. The Mayor and the City Clerk of the City of Laurel are hereby given authority to execute the contract on behalf of the City.

Introduced at a regular meeting of the City Council on January 26, 2021, by Council Member _____.

PASSED and APPROVED by the City Council of the City of Laurel this 26th day of January 2021.

APPROVED by the Mayor this 26th day of January 2021.

CITY OF LAUREL

Thomas C. Nelson, Mayor

ATTEST:

Bethany Langve, Clerk-Treasurer

Approved as to form:

Sam S. Painter, Civil City Attorney

SHALLOW CREEK KENNELS INC.
CONTRACT FOR SERVICES

And now this 15th day of December 2020, this agreement is entered into between Shallow Creek Kennels, Inc. hereinafter referred to as "Contractor" and Laurel Police Department hereinafter referred to as "Department" and in consideration thereof agree as follows:

ARTICLE I

This agreement will become effective on the date of execution of same and will remain in full force and effect for a period of Four weeks which is agreed to be Four weeks from the commencement of training, or unless earlier terminated as provided in Article IV of this agreement. Training shall commence no later than March 15th, 2020 and is estimated to conclude on or April 9th, 2020. Contract must be signed and returned as soon as possible to assure a position in class.

ARTICLE II

The contractor will perform the services specified in the description of services attached to this agreement and incorporated herein by reference. The Contractor shall provide the pre-training of One (1) canines supplied by the Contractor and the training of One (1) handler (s) chosen by the Department. It is specifically agreed that the Contractor shall have sole and exclusive discretion to determine the methods, details and means of performing the services more fully described in Article IV.

ARTICLE III

In consideration for the services to be performed by the Contractor, the Department agrees to pay the Contractor the sum of \$11,500.00 said to be paid as follows: \$8,000.00 deposit to be paid no later than February 1st, 2021 and \$3,500.00 to be paid at the conclusion of the training session, no later than April 9th, 2021. In the event that the Department desires to terminate the Agreement prior to the conclusion of the four week training session, the Department shall forfeit any and all sums of money paid to the Contractor.

ARTICLE IV

The Contractor agrees to devote his time, expertise and effort to the performance of his services to the Department as contracted to under the terms of the Agreement; however, it is specifically understood by the parties that the Contractor may at his discretion engage in and provide other services for additional clients, departments and individuals who may not be a party to this Agreement during the length of this Agreement.

The contractor will supply all of the food and board for the canines who are participating in pre-training under the terms of this Agreement. Further, the Contractor will supply all tools and instruments required to perform the services as contracted to under the terms of the Agreement.

It is specifically agreed to that the Department shall indemnify and hold the Contractor harmless from any and all injuries that may be sustained by either the canines or handlers which may occur during the training sessions or after the conclusion of the training sessions. The Department assumes sole and complete responsibility and liability for any and all injuries that may be sustained by either the canines or handlers which may occur during the training sessions or after the conclusions of the training sessions.

It is specifically understood and agreed that the Contractor will not be providing worker's compensation insurance to the handler's who may be participating in the training sessions. It is specifically understood and agreed upon by the parties that the Department shall at all times maintain a liability insurance policy on behalf of their canines. The Department further agrees to hold the Contractor harmless from any and all claims which may arise from any act or omission of the Departments canines or handlers.

The Contractor will not be liable to the Department or any other individuals who may claim any right due to a relationship with the Department for any act or omission in the performance of the services contracted for under the terms of this Agreement. The Department shall indemnify the Contractor free and harmless from any obligations, cost, claims, judgments, attorney fees and attachment arising from, growing out of or in any ways connected with the services rendered to the Department under this Agreement.

Neither this Agreement nor any of the duties or obligations provided for under the terms of the same may be assigned by the Contractor without the prior written consent of the Department.

ARTICLE V

Contractor agrees to train the respective canines possessing the proper drives and characteristics, in the following areas:

Narcotics Detection with respect to marijuana YES OR NO, cocaine, methamphetamines, heroin and all of their derivatives.

Tracking with Article Search.

Provided that the canine team meets the standards and requirements of the North American Police Work Dog Association at the conclusion of the training sessions contracted for under the terms of this Agreement, the Contractor agrees to certify said canine and handler.

Representation on Authority of Parties/Signatories. Each person signing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligations hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officer, intending to be legally bound hereby.

WITNESS:

PARTIES OF THE FIRST PART:

C. John Brannon II

Shallow Creek Kennels, Inc. Agent

ATTEST:

PARTY OF THE SECOND PART:

Department

File Attachments for Item:

17. Resolution No. R21-03: A Resolution Of The City Council Approving A Task Order Between The City Of Laurel And Klj Engineering Inc. To Authorize Work For The Project Known At The 5th Avenue Water Main Re-Route.

RESOLUTION NO. R21-03

A RESOLUTION OF THE CITY COUNCIL APPROVING A TASK ORDER BETWEEN THE CITY OF LAUREL AND KLJ ENGINEERING INC. TO AUTHORIZE WORK FOR THE PROJECT KNOWN AT THE 5TH AVENUE WATER MAIN RE-ROUTE.

BE IT RESOLVED by the City Council of the City of Laurel, Montana:

Section 1: Approval. The Task Order between the Parties is attached hereto and incorporated herein as part of this resolution, and is accepted and hereby approved by the City Council.

Section 2: Execution. The Mayor and City Clerk/Treasurer of the City of Laurel are hereby given authority to accept and execute the attached Task Order on behalf of the City.

Section 3: Effective date. The effective date for the Task Order is upon adoption and approval of this resolution.

Introduced at a regular meeting of the City Council on January 26, 2021, by Council Member _____.

PASSED and APPROVED by the City Council of the City of Laurel this 26th day of January 2021.

APPROVED by the Mayor this 26th day of January 2021.

CITY OF LAUREL

Thomas C. Nelson, Mayor

ATTEST:

Bethany Langve, Clerk-Treasurer

APPROVED AS TO FORM:

Sam Painter, Civil City Attorney

Task Order: 5th Avenue Water Main Reroute

In accordance with Paragraph 1.01 of the Agreement Between Owner and Engineer for Professional Services – Task Order Edition, dated December 5, 2017 ("Agreement"), as amended by Amendment No. 1 dated October 13, 2020, Owner and Engineer agree as follows:

1. Background Data

- A. Effective Date of Task Order: January 26, 2021
- B. Owner: City of Laurel
- C. Engineer: KLJ Engineering, Inc
- D. Specific Project (title): 5th Avenue Water Main Reroute
- E. Project Description: As shown on the attached Sheet ST-1, this project consists of the abandonment of a 12" waterline that connects 11th Street to 12th Street north of 5th Avenue in Laurel, Montana. The 12" waterline is to be routed from the intersection of 5th Avenue and 11th Street, east to 4th Avenue and then north to 12th Street where it will turn back west and run back to the original connection point along 12th Street where 5th Avenue would connect if it continued north of 11th Street. Also included with this project will be the abandonment of an existing 8" water main along 12th Street between 4th Avenue and what would be 5th Avenue if it extended north of 11th Street. The new 12" waterline in 12th Street will also extend east to connect into a 10" watermain that is approximately 750-ft away. An 8" sewer main will be included that will connect onto an existing sewer manhole at the alley way between 12th Street and Laurmac Lane on 4th Avenue and extend east for approximately 100-ft. This project will include approximately 2,125 lf of 12" water main, 100 lf of 8" sewer main, 5 water service connection, and 1,552 sy of asphalt surface replacement.

2. Services of Engineer

- A. The specific services to be provided or furnished by Engineer under this Task Order are:
Set forth in Part 1—Basic Services of Exhibit A, "Engineer's Services for Task Order," modified for this specific Task Order, and attached to and incorporated as part of this Task Order.
- B. Resident Project Representative (RPR) Services – Owner and Engineer anticipate a Task Order amendment to incorporate RPR services following completion of Final Design Phase services.
- C. Designing to a Construction Cost Limit – Not Used
- D. Other Services – Not Used
- E. All of the services included above comprise Basic Services for purposes of Engineer's compensation under this Task Order.

3. Additional Services that may be authorized or necessary under this Task Order are:

Set forth as Additional Services in Part 2—Additional Services, of Exhibit A, “Engineer’s Services for Task Order,” modified for this specific Task Order, and attached to and incorporated as part of this Task Order.

4. Owner's Responsibilities

- A. Owner shall have those responsibilities set forth in Article 2 of the Agreement and in Exhibit B, subject to the following:
- Pay the cost of any review fees imposed by agencies having jurisdiction over the project.
 - Coordinate with Laurel Public Schools and other stakeholders to evaluate access and traffic control considerations.
 - Perform all duties (including legal and bond counsel) related to creating a special improvement district not identified in Engineer’s Basic Services below.

5. Task Order Schedule

- A. In addition to any schedule provisions provided in Exhibit A or elsewhere, the parties shall meet the following schedule:
- Owner desires to have construction occur between June 1, 2021 and November 15, 2021. Engineer will plan the project to accommodate these dates, barring delays from SID creation, weather or other unexpected circumstances.
 - Owner will provide review comments, in writing, to Engineer for any draft deliverables submitted by Engineer. Owner will provide comments within 10-days of receipt from Engineer. Owner acknowledges delays in review/response may extend the final schedule.
 - Engineer shall provide periodic updates to Owner on the anticipated completion schedule, throughout the duration of the project.

6. Payments to Engineer

- A. Owner shall pay Engineer for services rendered under this Task Order as follows:

Description of Service	Amount	Basis of Compensation
1. Basic Services:, Design and Bidding Phases (A1.01-A1.05)	\$ 53,000	Lump Sum
2. Basic Services: Construction and Post-Construction Phase (A1.06-A1.07)*	\$ 53,000	Direct Labor
TOTAL COMPENSATION	\$ 106,000	
3. Additional Services (Part 2 of Exhibit A)	(N/A)	Direct Labor

*Based on a 1.5 -month continuous construction period.

Compensation items and totals based in whole or in part on Hourly Rates or Direct Labor are estimates only. Lump sum amounts and estimated totals included in the breakdown by phases incorporate Engineer’s labor, overhead, profit, reimbursable expenses (if any), and Consultants’ charges, if any. For lump sum items, Engineer may alter the distribution of compensation between individual phases (line

items) to be consistent with services actually rendered, but shall not exceed the total lump sum compensation amount unless approved in writing by the Owner.

- B. The terms of payment are set forth in Article 4 of the Agreement and in the applicable governing provisions of Exhibit C.

7. Consultants retained as of the Effective Date of the Task Order: None

8. Other Modifications to Agreement and Exhibits: None

9. Attachments: Exhibit A – Engineer’s Services for Task Order

10. Other Documents Incorporated by Reference:

December 5, 2017 Agreement between Owner and Engineer for Professional Services, Task Order Edition
October 13, 2020 Amendment to Engineer-Owner Agreement, Amendment No. 1.

11. Terms and Conditions

Execution of this Task Order by Owner and Engineer shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this Task Order signed by Owner.

The Effective Date of this Task Order is January 26, 2021.

OWNER: City of Laurel

ENGINEER: KLJ Engineering, Inc

By: _____

By: _____

Print Name: Thomas C. Nelson

Print Name: Mark Anderson

Title: Mayor

Title: Vice-President

Engineer License or Firm’s
Certificate No. (if required): PEL-EF-LIC-37

State of: Montana

DESIGNATED REPRESENTATIVE FOR TASK ORDER:

DESIGNATED REPRESENTATIVE FOR TASK ORDER:

Name: Kurt Markegard

Name: Matt Smith

Title: Director of Public Works

Title: Project Manager

PO Box 10

PO Box 80303

Address: Laurel, MT 59044

Address: Billings, MT 59108

E-Mail

E-Mail

Address: kmarkegard@laurel.mt.gov

Address: matt.smith@kljeng.com

Phone: 406-628-4796

Phone: 406-245-5499

Task Order Form – 5th Avenue Reroute

EJCDC® E-505, Agreement Between Owner and Engineer for Professional Services – Task Order Edition.
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Engineer's Services for Task Order: 5th Avenue Reroute

PART 1—BASIC SERVICES

A1.01 *Project Management*

- A. Tasks below apply to the entire Task Order.
 - 1. Organize and facilitate kick-off meetings (one each) with Owner and Engineer's project teams to confirm roles, responsibilities and expectations for completing the project.
 - 2. Provide project management services consisting of creating a work breakdown structure and detailed project schedule, creating and implementing a project management plan, facilitating weekly progress meetings and team coordination, reviewing time and expenses and generating monthly invoices, providing bi-weekly status updates to Owner, and provide oversight of the day-to-day Project activities.
 - 3. Attend up to three (3) unscheduled meetings as needed to coordinate with Owner or other stakeholders.
 - 4. Public Informational Meeting – It is expected that one (1) public informational meeting will be held prior to construction. Engineer will prepare necessary exhibits and attend to represent the project.

A1.02 *Topography and Boundary Survey:*

- A. Provide right-of-way and parcel ownership research and mapping. Research property boundaries based on plats and certificates of survey obtained from public records. The right-of-way survey is projected to include ties only to readily identifiable property corners in order to allow survey maps on each side to be computed and attached to the base drawing. This procedure is anticipated to be sufficiently accurate to reasonably determine the existing right-of-way and decide if right-of-way acquisition should be evaluated in greater detail. If acquisition is necessary, subject properties likely will require individual surveys and lot lines verified, the work associated with which is not included in this scope of work and will be addressed as Additional Services.
- B. Topographic and Design Surveys – Complete and furnish preliminary ground survey of project limits to include site contours, existing surface features, and above- and below-ground utilities. Topographic survey will generally be bounded within right-of-way limits, and occasionally beyond as needed to verify grades, adjacent features, and structures. The topographic survey will be accomplished by conventional survey methods. Primary control points will be established as Montana NAD83 (2002) OPUS corrected State Plane Coordinates. Prior to beginning topographic data collection, a level network will be run through all control points and tied to the vertical datum. As topographic data is collected an ongoing QC-QA process will verify all data and make sure pertinent features are included on the map.

- C. Base Drawing Preparation – Create a base drawing depicting calculated parcel boundaries, topographic survey data, and record drawings provided by Owner and other utility owners.
- D. Engineer's fee assumes that the above work will occur during a period when snow is not present at the Site.

Deliverable: Topographic Base Map

Owner provides: known utility locations.

A1.03 Preliminary Engineering

- A. Consult with Owner to define and clarify Owner's requirements for the Specific Project, including design objectives and constraints, space, capacity and performance requirements, flexibility, and expandability, and any budgetary limitations, and identify available data, information, reports, facilities plans, and site evaluations.
- B. Advise Owner of any need for Owner to obtain, furnish, or otherwise make available to Engineer additional Specific Project-related data and information, for Engineer's use in the study and evaluation of potential solution(s) to Owner's Specific Project requirements, and preparation of a related report.
- C. Identify, consult with, and analyze requirements of governmental authorities having jurisdiction to approve the portions of the Specific Project to be designed or specified by Engineer.
- D. Prepare Preliminary Design Phase documents consisting of final design criteria, preliminary drawings, outline specifications, and written descriptions of the Specific Project. The extent of Engineer's design tasks that will be reflected in Drawings and Specifications, will include the following components:
 - 1. Water and Sewer Main Design
 - a. Design the abandonment of the watermain that runs underneath property between 11th Street and 12th Street along 5th Ave.
 - b. Design the routing of a new 12" PVC water main from the intersection of 5th Ave. and 11th Street to a connection point in 12th Street utilizing the 4th Ave. Right of Way.
 - c. Design a new 12" PVC water main from Fairview Lane to Valley Drive along 12th Street and connection to the existing waterlines at those locations.
 - d. Design sewer extension to serve lots not currently within the City of Laurel on the South side of 12th Street between 4th Ave. and Valley Drive.
 - e. Detail Drawings – Provide detail drawings of water and sewer main and other supplemental design information required for construction.
 - 2. The project will be confined to existing right-of-way limits. However, existing fences, landscaping, retaining walls and similar features may be disturbed by construction. Since the extent of potential impacts is undetermined, the scope of work does not include design of repairing or replacing adjacent private property features. If required, Engineer would provide related work as Additional Services upon Owner's authorization.
 - 3. The following tasks are also included in Engineer's scope of services as part of the Preliminary Design Phase.

- a. Coordinate with affected private utility owners (power, gas, phone, etc.), and evaluate if existing or potential conflicts necessitate utility relocation. If required, facilitate one (1) preliminary utility coordination meeting with Owner and other utility owners. Provide a written summation of utility owners comments. Completing a Subsurface Utility Engineering (SUE) survey is not included in this scope of work.
 4. Based on the information contained in the Preliminary Design Phase documents, prepare an opinion of probable construction cost, and assist Owner in tabulating the various cost categories which comprise Total Project Costs.
 5. Obtain and review Owner's instructions regarding Owner's procurement of construction services (including instructions regarding advertisements for bids, instructions to bidders, and requests for proposals, as applicable), Owner's construction contract practices and requirements, insurance and bonding requirements, electronic transmittals during construction, and other information necessary for the finalization of Owner's bidding-related documents (or requests for proposals or other construction procurement documents), and Construction Contract Documents. Also obtain and review copies of Owner's design and construction standards, Owner's standard forms, general conditions (if other than EJCDC® C-700), supplementary conditions, text, and related documents or content for Engineer to include in the draft bidding-related documents (or requests for proposals or other construction procurement documents), and in the draft Construction Contract Documents, when applicable.
 6. Furnish two (2) review copies of the Preliminary Design Phase documents, opinion of probable construction cost, and any other Preliminary Design Phase deliverables to Owner, and review them with Owner.
 7. Visit the Site as needed to assist in preparing the Preliminary Design Phase documents and to review with Owner. Up to two (2) combined Site visits or Owner meetings are included in the Preliminary Design Phase tasks.
- E. Engineer's services under the Preliminary Design Phase will be considered complete on the date when Engineer has delivered to Owner the Preliminary Design Phase documents, opinion of probable Construction Cost, and any other Preliminary Design Phase deliverables. Engineer's fee is based on completing the Preliminary Design Phase services above one time; multiple iterations will be provided as Additional Services. Engineer will not proceed with Final Design Phase without Owner's acceptance of Preliminary Design Phase documents, opinion of probable construction cost, and any other Preliminary Design Phase deliverables that may affect the scope of the Project.
- F. Preliminary Engineering Deliverables:
1. Utility Coordination Meeting Comments
 2. Preliminary Water and Sewer Plan and Profile Drawings
 3. Preliminary Detail Sheets for water and sewer
 4. Opinion of probable construction cost
 5. Preliminary Construction Agreement Documents Based on the EJCDC C-700 Contract.

A1.04 *Final Design Phase*

A. As Basic Services, Engineer shall:

1. On the basis of the above acceptance, direction, and authorization, and after receiving Owner's written review comments, prepare final Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor.
2. Engineer's fee is based on completing the Final Design Phase services described below one time; multiple iterations will be provided as Additional Services.
3. Visit the Site as needed to assist in preparing the final Drawings and Specifications and to review with Owner. Up to two (2) combined Site visits or Owner meetings are included in the Final Design Phase tasks.
4. Provide technical criteria, written descriptions, and design data for Owner's use in filing applications for permits from the Montana Department of Environmental Quality. Additional permitting is not anticipated.
5. Advise Owner of any recommended adjustments to the opinion of probable construction cost.
6. In addition to preparing the final Drawings and Specifications, assemble drafts of other Construction Contract Documents based on specific instructions and contract forms, text, or content received from Owner.
7. Prepare or assemble draft bidding-related documents (or requests for proposals or other construction procurement documents), based on the specific bidding or procurement-related instructions and forms, text, or content received from Owner.
8. Furnish for review by Owner, its legal counsel, and other advisors, three (3) copies of the final Drawings and Specifications, assembled drafts of other Construction Contract Documents, the draft bidding-related documents (or requests for proposals or other construction procurement documents), and any other Final Design Phase deliverables, and review them with Owner.
9. Revise the final Drawings and Specifications, assembled drafts of other Construction Contract Documents, the draft bidding-related documents (or requests for proposals or other construction procurement documents), and any other Final Design Phase deliverables in accordance with comments and instructions from the Owner, as appropriate, and submit the required number of final copies of such documents to Owner after receipt of Owner's comments and instructions.

B. Engineer's services under the Final Design Phase will be considered complete on the date when Engineer has delivered to Owner the final Drawings and Specifications, other assembled Construction Contract Documents, bidding-related documents (or requests for proposals or other construction procurement documents), and any other Final Design Phase deliverables.

C. The number of prime contracts for Work designed or specified by Engineer upon which the Engineer's compensation has been established under this Task Order is one. If more prime contracts are awarded, Engineer shall be entitled to an equitable increase in its compensation under this Task Order.

D. Final Engineering Deliverables:

1. Final plans for Bidding

2. Final construction Contract Documents for Bidding
3. Completed MDEQ application

A1.05 *Bidding or Negotiating Phase*

A. As Basic Services, Engineer shall:

1. Assist Owner in advertising for and obtaining bids or proposals for the Work, assist Owner in issuing assembled design, contract, and bidding-related documents (or requests for proposals or other construction procurement documents) to prospective contractors, and, where applicable, maintain a record of prospective contractors to which documents have been issued, attend pre-bid conferences, if any, and receive and process contractor deposits or charges for the issued documents.
2. Prepare and issue Addenda as appropriate to clarify, correct, or change the issued documents.
3. Consult with Owner as to the qualifications of prospective contractors.
4. If the issued documents require, the Engineer shall evaluate and determine the acceptability of "or equals" and substitute materials and equipment proposed by prospective contractors, provided that such proposals are allowed by the bidding-related documents (or requests for proposals or other construction procurement documents) prior to award of contracts for the Work. Services under this paragraph are subject to the provisions of Paragraph A2.01.B.2 of this Exhibit A.
5. Attend the bid opening, prepare bid tabulation sheets to meet Owner's schedule, evaluate bids and provide a recommendation of award (if applicable), and assist Owner in assembling final contracts for the Work for execution by Owner and Contractor and in issuing notices of award of such contracts.
6. If Owner engages in negotiations with bidders or proposers, assisting Owner with respect to technical and engineering issues that arise during the negotiations will be provided subject to the provisions of Paragraph A2.01.B.2 of this Exhibit A.

B. The Bidding or Negotiating Phase will be considered complete upon commencement of the Construction Phase or upon cessation of negotiations with prospective contractors.

C. Deliverables:

1. Bid Tab
2. Conformed Contract Documents
3. Addenda, If required.
4. Notice of Award Recommendation Letter

A1.06 *Construction Phase*

A. As Basic Services, Engineer shall:

1. *General Administration of Construction Contract:* Consult with Owner and act as Owner's representative as provided in the Construction Contract. The extent and limitations of the duties, responsibilities, and authority of Engineer shall be as assigned in EJCDC® C-700, Standard General

Conditions of the Construction Contract (the Edition of which is to coincide with the current Montana Public Works Standard Specifications in effect at the time of a specific Task Order), prepared by the Engineers Joint Contract Documents Committee, or other construction general conditions specified in the Agreement. If Owner, or Owner and Contractor, modify the duties, responsibilities, and authority of Engineer in the Construction Contract, or modify other terms of the Construction Contract having a direct bearing on Engineer, then Owner shall compensate Engineer for any related increases in the cost to provide Construction Phase services. Engineer shall not be required to furnish or perform services contrary to Engineer's responsibilities as a licensed professional. All of Owner's instructions to Contractor will be issued through Engineer, which shall have authority to act on behalf of Owner in dealings with Contractor to the extent provided in this Agreement and the Construction Contract except as otherwise provided in writing.

2. *Resident Project Representative (RPR)*: Provide the services of an RPR at the Site to assist the Engineer and to provide more extensive observation of Contractor's work. Duties, responsibilities, and authority of the RPR are as set forth in Exhibit D of the Master Services Agreement, which is hereby incorporated by reference. The furnishing of such RPR's services will not limit, extend, or modify Engineer's responsibilities or authority except as expressly set forth in Exhibit D.
3. It is anticipated that 300 hours of on-site RPR time will be sufficient to provide necessary construction observation through substantial completion, based on a recommended construction contract not to exceed 45 calendar days. RPR hours beyond this estimate are Additional Services and would require written authorization prior to proceeding. Construction observation time resulting from Contractor working outside of normal work hours, as will be defined in the contract documents will be paid by Owner to Engineer and then deducted from the Contractor's payment.
4. *Neighborhood Meeting*: Engineer will attend and assist in one (1) neighborhood meeting. The meeting will primarily be informative to the public prior to beginning construction. Engineer will provide exhibits and/or preliminary drawings to assist with the discussion as needed. Preparation of 3-D renderings or similar artistic graphical displays is not included. Owner will send notifications for meeting invitations.
5. *Selection of Independent Testing Laboratory*: Through Engineer's Subconsultant, provide Quality Assurance testing services as specified in Section 01400 of the Project Manual, at frequencies deemed necessary by the Engineer.
6. *Pre-Construction Conference*: Facilitate a pre-construction conference prior to commencement of Work at the Site.
7. *Electronic Transmittal Protocols*: If the Construction Contract Documents do not specify protocols for the transmittal of Project-related correspondence, documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, then together with Owner and Contractor jointly develop such protocols for transmittals between and among Owner, Contractor, and Engineer during the Construction Phase and Post-Construction Phase.
8. *Original Documents*: If requested by Owner to do so, maintain and safeguard during the Construction Phase at least one original printed record version of the Construction Contract Documents, including Drawings and Specifications signed and sealed by Engineer and other design professionals in accordance with applicable Laws and Regulations. Throughout the Construction

Phase, make such original printed record version of the Construction Contract Documents available to Contractor and Owner for review.

9. *Schedules*: Receive, review, and determine the acceptability of any and all schedules that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.
10. *Baselines and Benchmarks*: As appropriate, establish baselines and benchmarks for locating the Work which in Engineer's judgment are necessary to enable Contractor to proceed. Provide construction surveys and staking to enable Contractor to perform its work. The total number of Engineer's survey crew project site mobilizations included in the tasks above is two. Contractor will be responsible for all construction surveys not listed below; staking requests in addition to the specific items listed below or in excess of the budgeted number of mobilizations will be provided as Additional Services. Re-staking of previously completed work due to no fault of Engineer will be provided as Additional Services. Staking shall be provided for:
 - a. Establish horizontal and vertical control – verify and reestablish horizontal and vertical coordinates of control required for construction staking. Set new control at a frequency suitable for construction during surveyor's initial mobilization for the below.
 - b. Water main, services, valves and hydrants – stake water main, valves, hydrants and appurtenances.
 - c. Sanitary sewer main, services and manholes – stake manholes, services and appurtenances
11. *Visits to Site and Observation of Construction*: In connection with observations of Contractor's Work while it is in progress:
 - a. Make visits to the Site at intervals appropriate to the various stages of construction, as Engineer deems necessary, to observe as an experienced and qualified design professional the progress of Contractor's executed Work. It is anticipated that one (1) Site visit per week, by the Engineer, will be sufficient for the Engineer to adequately observe and gauge the progress and performance of the Work. Such visits and observations by Engineer, and the Resident Project Representative, if any, are not intended to be exhaustive or to extend to every aspect of the Work or to involve detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Agreement, this Task Order, and the Construction Contract Documents, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on Engineer's exercise of professional judgment, as assisted by the Resident Project Representative, if any. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Construction Contract Documents, and Engineer shall keep Owner informed of the progress of the Work.
 - b. The purpose of Engineer's visits to the Site, and representation by the Resident Project Representative, if any, at the Site, will be to enable Engineer to better carry out the duties and responsibilities assigned to and undertaken by Engineer during the Construction Phase, and, in addition, by the exercise of Engineer's efforts as an experienced and qualified design professional, to provide for Owner a greater degree of confidence that the completed Work will conform in general to the Construction Contract Documents and that Contractor has

implemented and maintained the integrity of the design concept of the completed Project as a functioning whole as indicated in the Construction Contract Documents. Engineer shall not, during such visits or as a result of such observations of the Work, supervise, direct, or have control over the Work, nor shall Engineer have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, for security or safety at the Site, for safety precautions and programs incident to any Constructor's work in progress, for the coordination of the Constructors' work or schedules, nor for any failure of any Constructor to comply with Laws and Regulations applicable to furnishing and performing of its work. Accordingly, Engineer neither guarantees the performance of any Constructor nor assumes responsibility for any Constructor's failure to furnish or perform the Work, or any portion of the Work, in accordance with the Construction Contract Documents.

12. *Defective Work:* Reject Work if, on the basis of Engineer's observations, Engineer believes that such Work is defective under the terms and standards set forth in the Construction Contract Documents. Provide recommendations to Owner regarding whether Contractor should correct such Work or remove and replace such Work, or whether Owner should consider accepting such Work as provided in the Construction Contract Documents.
13. *Compatibility with Design Concept:* If Engineer has express knowledge that a specific part of the Work that is not defective under the terms and standards set forth in the Construction Contract Documents is nonetheless not compatible with the design concept of the completed Project as a functioning whole, then inform Owner of such incompatibility, and provide recommendations for addressing such Work.
14. *Clarifications and Interpretations:* Accept from Contractor and Owner submittal of all matters in question concerning the requirements of the Construction Contract Documents (sometimes referred to as requests for information or interpretation—RFIs) or relating to the acceptability of the Work under the Construction Contract Documents. With reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Construction Contract Documents.
15. *Field Orders:* Subject to any limitations in the Construction Contract Documents, Engineer may prepare and issue Field Orders requiring minor changes in the Work.
16. *Change Orders and Work Change Directives:* Recommend Change Orders and Work Change Directives to Owner, as appropriate, and prepare Change Orders and Work Change Directives as required. Services related to additional design or construction review associated with Change Orders and Work Change Directives are not included and would be provided as Additional Services.
17. *Differing Site Conditions:* Respond to any notice from Contractor of differing site conditions, including conditions relating to underground facilities such as utilities, and hazardous environmental conditions. Promptly conduct reviews, obtain information, and prepare findings, conclusions, and recommendations for Owner's use, subject to the limitations and responsibilities under the Agreement and the Construction Contract.
18. *Non-reviewable matters:* If a submitted matter in question concerns the Engineer's performance of its duties and obligations, or terms and conditions of the Construction Contract Documents that do not involve (1) the performance or acceptability of the Work under the Construction Contract

Documents, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, then Engineer will promptly give written notice to Owner and Contractor that Engineer will not provide a decision or interpretation.

19. *Shop Drawings, Samples, and Other Submittals*: Review and approve or take other appropriate action with respect to Shop Drawings, Samples, and other required Contractor submittals, but only for conformance with the information given in the Construction Contract Documents and compatibility with the design concept of the completed Project as a functioning whole as indicated by the Construction Contract Documents. Such reviews and approvals or other action will not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions and programs incident thereto. Engineer shall meet any Contractor's submittal schedule that Engineer has accepted.
20. *Substitutes and "or-equal"*: Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor, but subject to the provisions of Paragraph A2.01.B of this Exhibit A.
21. *Inspections and Tests*:
 - a. Receive and review all certificates of inspections, tests, and approvals required by Laws and Regulations or the Construction Contract Documents. Engineer's review of such certificates will be for the purpose of determining that the results certified indicate compliance with the Construction Contract Documents and will not constitute an independent evaluation that the content or procedures of such inspections, tests, or approvals comply with the requirements of the Construction Contract Documents. Engineer shall be entitled to rely on the results of such inspections and tests.
 - b. As deemed reasonably necessary, request that Contractor uncover Work that is to be inspected, tested, or approved.
 - c. Pursuant to the terms of the Construction Contract, require additional inspections or testing of the Work, whether or not the Work is fabricated, installed, or completed.
22. *Change Proposals and Claims*: (a) Review and respond to Contractor's proposed changes to Work. Review each duly submitted change proposal from Contractor and, within 30 days after receipt of the Contractor's supporting data, either deny the change proposal in whole, approve it in whole, or deny it in part and approve it in part. Such actions shall be in writing, with a copy provided to Owner and Contractor. If the change proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Engineer will notify the parties that the Engineer will not resolve the change proposal. (b) Provide information or data to Owner regarding engineering or technical matters pertaining to Claims.
23. *Applications for Payment*: Based on Engineer's observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:
 - a. Determine the amounts that Engineer recommends Contractor be paid. Recommend reductions in payment (set-offs) based on the provisions for set-offs stated in the Construction Contract. Such recommendations of payment will be in writing and will constitute Engineer's

representation to Owner, based on such observations and review, that, to the best of Engineer's knowledge, information and belief, Contractor's Work has progressed to the point indicated, the Work is generally in accordance with the Construction Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Construction Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work. In the case of unit price work, Engineer's recommendations of payment will include final determinations of quantities and classifications of the Work (subject to any subsequent adjustments allowed by the Construction Contract Documents).

- b. By recommending payment, Engineer shall not thereby be deemed to have represented that observations made by Engineer to check the quality or quantity of Contractor's Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor's Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Agreement or this Task Order. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment including final payment will impose on Engineer responsibility to supervise, direct, or control the Work, or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor's compliance with Laws and Regulations applicable to Contractor's furnishing and performing the Work. It will also not impose responsibility on Engineer to make any examination to ascertain how or for what purposes Contractor has used the money paid to Contractor by Owner; to determine that title to any portion of the Work, including materials or equipment, has passed to Owner free and clear of any liens, claims, security interests, or encumbrances; or that there may not be other matters at issue between Owner and Contractor that might affect the amount that should be paid.
24. *Contractor's Completion Documents:* Receive from Contractor, review, and transmit to Owner maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance required by the Construction Contract Documents, certificates of inspection, tests and approvals, and Shop Drawings, Samples, and other data approved as provided under Paragraph A1.05.A.19. Receive from Contractor, review, and transmit to Owner the annotated record documents which are to be assembled by Contractor in accordance with the Construction Contract Documents to obtain final payment. The extent of Engineer's review of record documents shall be to check that Contractor has submitted all pages.
25. *Substantial Completion:* Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with Owner and Contractor, visit the Site to review the Work and determine the status of completion. Follow the procedures in the Construction Contract regarding the preliminary certificate of Substantial Completion, punch list of items to be completed, Owner's objections, notice to Contractor, and issuance of a final certificate of Substantial Completion. Assist Owner regarding any remaining engineering or technical matters affecting Owner's use or occupancy of the Work following Substantial Completion.

26. *Final Notice of Acceptability of the Work*: Conduct a final visit to the specific Project to determine if the Work is complete and acceptable so that Engineer may recommend, in writing, final payment to Contractor. Accompanying the recommendation for final payment, Engineer shall also provide a notice to Owner and Contractor (“Notice of Acceptability of Work”) (also available as a construction form, EJCDC® C-626 (2013)) that the Work is acceptable to the best of Engineer’s knowledge, information, and belief, and based on the extent of the services provided by Engineer under the Agreement and this Task Order.
27. *Standards for Certain Construction-Phase Decisions*: Engineer will render decisions regarding the requirements of the Construction Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth in the Construction Contract for initial interpretations, Change Proposals, and acceptance of the Work. In rendering such decisions and judgments, Engineer will not show partiality to Owner or Contractor, and will not be liable to Owner, Contractor, or others in connection with any proceedings, interpretations, decisions, or judgments conducted or rendered in good faith.
- B. *Duration of Construction Phase*: The Construction Phase will commence with the execution of the first Construction Contract for the specific Project or any part thereof and will terminate upon written recommendation by Engineer for final payment to Contractors. If the specific Project involves more than one prime contract, then Construction Phase services may be rendered at different times in respect to the separate contracts. In such cases, Engineer shall be entitled to an equitable increase in compensation if Construction Phase services (including Resident Project Representative services, if any) are required after the original date for completion and readiness for final payment of Contractor as set forth in the final Construction Contract under the Task Order.

A1.07 *Post-Construction Phase*

- A. Upon written authorization from Owner during the Post-Construction Phase, as Basic Services, Engineer shall:
1. Together with Owner, visit the Project to observe any apparent defects in the Work, make recommendations as to replacement or correction of defective Work, if any, or the need to repair of any damage to the Site or adjacent areas, and assist Owner in consultations and discussions with Contractor concerning correction of any such defective Work and any needed repairs.
 2. Together with Owner, visit the Project within one month before the end of the Construction Contract’s correction period to ascertain whether any portion of the Work or the repair of any damage to the Site or adjacent areas is defective and therefore subject to correction by Contractor.
 3. Prepare and submit to Owner and DEQ, each, one set of record drawings, showing all construction modifications to the original design.
- B. The Post-Construction Phase services may commence during the Construction Phase and, if not otherwise modified in this Exhibit A, will terminate twelve months after the commencement of the Construction Contract’s correction period.
- C. Commissioning Phase – Not Included
- D. Other Services – Not Included

- E. The scope of this phase will be developed following Final Design and included by amendment.
- F. The scope of this phase will be developed following Final Design and included by amendment.

A1.08 *Commissioning Phase*—Not Included

A1.09 *Other Services*—Not Included

PART 2—ADDITIONAL SERVICES

A2.01 *Additional Services Requiring an Amendment to Task Order*

- A. *Advance Written Authorization Required:* During performance under a Task Order, Owner may authorize Engineer in writing to furnish or obtain from others Additional Services of the types listed below. Unless expressly indicated above or in the specific Task Order to be included Basic Services, the following services are not included as part of Basic Services and will be paid for by Owner as Additional Services, using the basis of compensation for Additional Services, as indicated in the specific Task Order.
 - 1. This Task Order contains specific information regarding tasks, number of iterations, and deliverables to be provided by Engineer. In addition to those specifically identified herein, the following list, which is not intended to be exclusive, summarizes other exclusions.
 - a. Boundary surveys or establishing survey monuments
 - b. Traffic analyses
 - c. Public or private utility analyses, modeling or design, other than water system rehabilitation identified above.
 - d. Hydrologic and Hydraulic analyses required for detailed analysis of inlet capacity, evaluating potential overflow routes or flooding, or other tasks required to determine storm drain sizes
 - e. Subsurface drainage system design
 - f. Design of drainage improvements.
 - g. Structural design
 - h. Landscape or irrigation design
 - i. Right-of-way or permanent easement acquisition services
 - j. 3-D or artistic renderings
 - 2. Preparation of applications and supporting documents (in addition to those furnished under Basic Services) for private or governmental grants, loans, or advances in connection with the Specific Project; preparation or review of environmental assessments and impact statements; review and evaluation of the effects on the design requirements for the Specific Project of any such statements and documents prepared by others; and assistance in obtaining approvals of authorities having jurisdiction over the anticipated environmental impact of the Specific Project.

3. Services to make measured drawings of existing conditions or facilities, to conduct tests or investigations of existing conditions or facilities, or to verify the accuracy of drawings or other information furnished by Owner or others.
4. Services resulting from significant changes in the scope, extent, or character of the portions of the Specific Project designed or specified by Engineer, or the Specific Project's design requirements, including, but not limited to, changes in size, complexity, Owner's schedule, character of construction, or method of financing; and revising previously accepted studies, reports, Drawings, Specifications, or Construction Contract Documents when such revisions are required by changes in Laws and Regulations enacted subsequent to the Effective Date of the Task Order, requested by Owner, or are due to any other causes beyond Engineer's control.
5. Services resulting from Owner's request to evaluate additional Study and Report Phase alternative solutions beyond those agreed to in Paragraph A1.01.
6. Services required as a result of Owner's providing incomplete or incorrect Specific Project information to Engineer.
7. Preparing for, coordinating with, participating in and responding to structured independent review processes, including, but not limited to, construction management, cost estimating, project peer review, value engineering, and constructibility review requested by Owner; and performing or furnishing services required to revise studies, reports, Drawings, Specifications, or other documents as a result of such review processes.
8. Preparing additional bidding-related documents (or requests for proposals or other construction procurement documents) or Construction Contract Documents for alternate bids or cost estimates requested by Owner for the Work or a portion thereof.
9. Assistance in connection with bid protests, rebidding, or renegotiating contracts for construction, materials, equipment, or services.
10. Preparing conformed Construction Contract Documents that incorporate and integrate the content of all Addenda and any amendments negotiated by Owner and Contractor.
11. Providing Construction Phase services beyond the original date for completion and readiness for final payment of Contractor, but only if such services increase the total quantity of services to be performed in the Construction Phase, rather than merely shifting performance of such services to a later date.
12. Conducting surveys, investigations, and field measurements to verify the accuracy of Record Drawing content obtained from Contractor, Owner, utility companies, and other sources; revise and supplement Record Drawings as needed.
13. Preparing to serve or serving as a consultant or witness for Owner in any litigation, arbitration, mediation, lien or bond claim, or other legal or administrative proceeding involving the Project.

14. Providing construction surveys and staking to enable Contractor to perform its work other than as required under Paragraph A1.05, and any type of property surveys or related engineering services needed for the transfer of interests in real property; and providing other special field surveys.
 15. Excessive services during any correction period, or with respect to guarantees called for in the Construction Contract (except as agreed to under Basic Services).
 16. Provide assistance in responding to the presence of any Constituent of Concern at any Site, in compliance with current Laws and Regulations.
 17. Other additional services performed or furnished by Engineer not otherwise provided for in this Agreement.
- B. *Advance Written Authorization Not Required:* Engineer shall advise Owner in advance that Engineer will immediately commence to perform or furnish the Additional Services of the types listed below. For such Additional Services, Engineer need not request or obtain specific advance written authorization from Owner. Engineer shall cease performing or furnishing such Additional Services upon receipt of written notice from Owner. Unless expressly indicated above or in the specific Task Order to be included Basic Services, the following services are not included as part of Basic Services and will be paid for by Owner as Additional Services, using the basis of compensation for Additional Services, as indicated in the specific Task Order.
1. Upon request of Owner, attendance at meetings and completing site visits in addition to those identified above.
 2. Services in connection with Work Change Directives and Change Orders to reflect changes requested by Owner.
 3. Services in making revisions to Drawings and Specifications occasioned by the acceptance of substitute materials or equipment other than "or equal" items; services after the award of the Construction Contract in evaluating and determining the acceptability of a proposed "or equal" or substitution which is found to be inappropriate for the Project; evaluation and determination of an excessive number of proposed "or equals" or substitutions, whether proposed before or after award of the Construction Contract.
 4. Additional or extended services arising from (a) the presence at the Site of any Constituent of Concern or items of historical or cultural significance, (b) emergencies or acts of God endangering the Work, (c) damage to the Work by fire or other causes during construction, (d) a significant amount of defective, neglected, or delayed Work, (e) acceleration of the progress schedule involving services beyond normal working hours, or (f) default by Contractor.
 5. Services (other than Basic Services during the Post-Construction Phase) in connection with any partial utilization of the Work by Owner prior to Substantial Completion.

6. Evaluating unreasonable or frivolous requests for interpretation or information (RFIs), Change Proposals, or other demands from Contractor or others in connection with the Work, or an excessive number of RFIs, Change Proposals, or demands.
7. Reviewing a Shop Drawing or other Contractor submittal more than three times, as a result of repeated inadequate submissions by Contractor.
8. While at the Site, compliance by Engineer and its staff with those terms of Owner's or Contractor's safety program provided to Engineer subsequent to the Effective Date that exceed those normally required of engineering personnel by federal, State, or local safety authorities for similar construction sites.

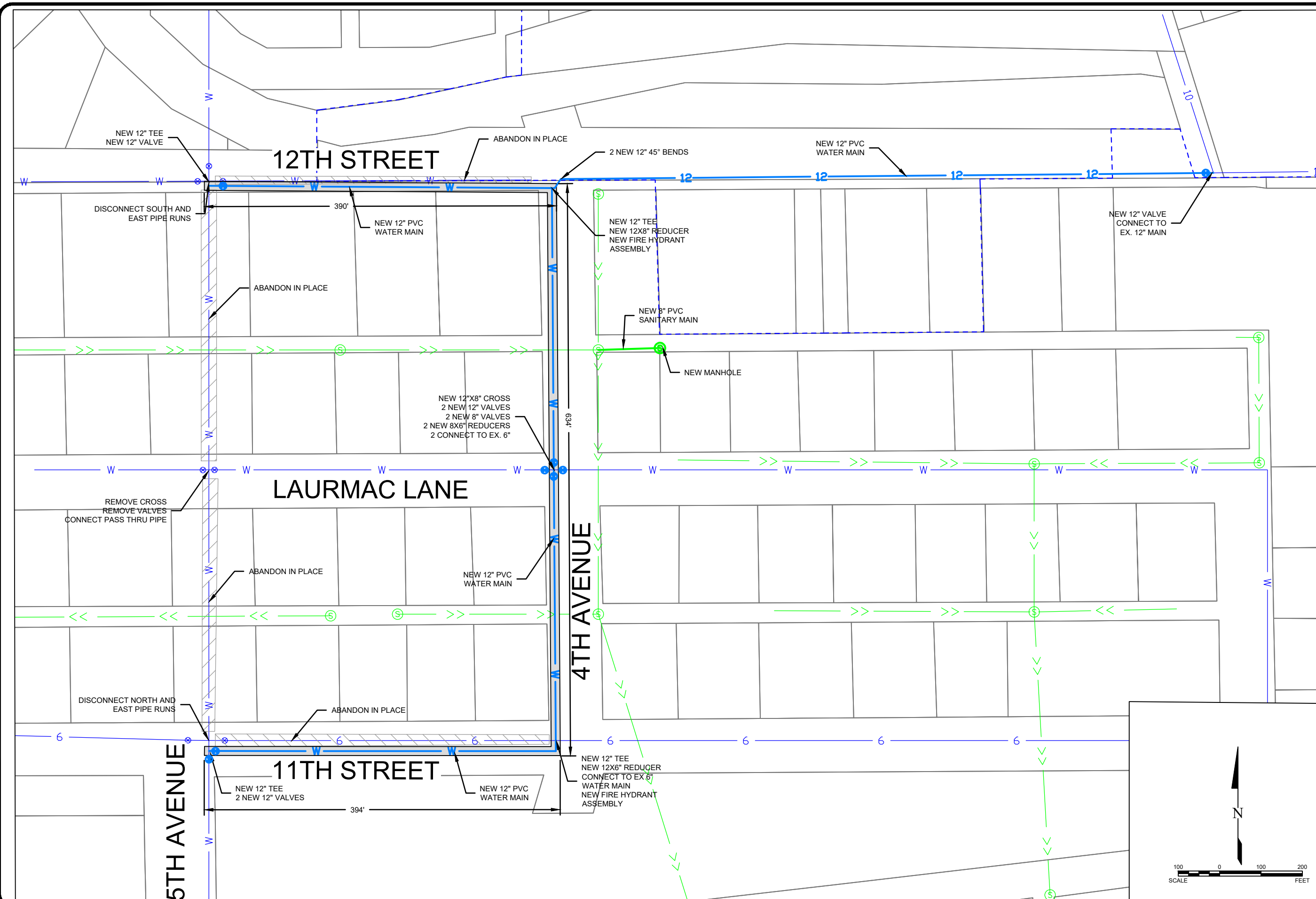


NO.	DATE	REVISION

DRAFTED	REW
REVIEWED	MS
PROJECT NUMBER	2004-01358
ISSUE DATE	01/2021

5TH AVENUE REROUTE
CITY OF LAUREL
LAUREL, MT

SHEET	182
21	20



File Attachments for Item:

18. Resolution No. R21-04: A Resolution Of The City Council Approving A Task Order Between The City Of Laurel And KLJ Engineering Inc. To Authorize The Reconstruction And Rehabilitation Of Screw Pump “B” At The City’s Wastewater Treatment Plant.

RESOLUTION NO. R21-04

A RESOLUTION OF THE CITY COUNCIL APPROVING A TASK ORDER BETWEEN THE CITY OF LAUREL AND KLJ ENGINEERING INC. TO AUTHORIZE THE RECONSTRUCTION AND REHABILITATION OF SCREW PUMP “B” AT THE CITY’S WASTEWATER TREATMENT PLANT.

BE IT RESOLVED by the City Council of the City of Laurel, Montana:

Section 1: Approval. The Task Order between the Parties is attached hereto and incorporated herein as part of this resolution, and is accepted and hereby approved by the City Council.

Section 2: Execution. The Mayor and City Clerk/Treasurer of the City of Laurel are hereby given authority to accept and execute the attached Task Order on behalf of the City.

Section 3: Effective date. The effective date for the Task Order is upon adoption and approval of this resolution.

Introduced at a regular meeting of the City Council on January 26, 2021, by Council Member _____.

PASSED and APPROVED by the City Council of the City of Laurel this 26th day of January 2021.

APPROVED by the Mayor this 26th day of January 2021.

CITY OF LAUREL

Thomas C. Nelson, Mayor

ATTEST:

Bethany Langve, Clerk-Treasurer

APPROVED AS TO FORM:

Sam Painter, Civil City Attorney

Task Order: WWTP Screw Pump B Replacement

In accordance with Paragraph 1.01 of the Agreement Between Owner and Engineer for Professional Services – Task Order Edition, dated December 5, 2017 ("Agreement"), as amended by Amendment No. 1 dated October 13, 2020, Owner and Engineer agree as follows:

1. Background Data

- A. Effective Date of Task Order: January 26, 2021
- B. Owner: City of Laurel
- C. Engineer: KLJ Engineering, Inc
- D. **Specific Project (title): WWTP Screw Pump B Replacement**
- E. Specific Project (description): Reconstruction and rehabilitation of the Archimedes Screw Pump "B" at the City of Laurel Wastewater Treatment Plant.

2. Services of Engineer

- A. The specific services to be provided or furnished by Engineer under this Task Order are:

Set forth in Part 1—Basic Services of Exhibit A, "Engineer's Services for Task Order," modified for this specific Task Order, and attached to and incorporated as part of this Task Order.
- B. Resident Project Representative (RPR) Services
- C. Designing to a Construction Cost Limit – Not Used
- D. Other Services – Not Used
- E. All of the services included above comprise Basic Services for purposes of Engineer's compensation under this Task Order.

3. Additional Services

- A. Additional Services that may be authorized or necessary under this Task Order are:

Set forth as Additional Services in Part 2—Additional Services, of Exhibit A, "Engineer's Services for Task Order," modified for this specific Task Order, and attached to and incorporated as part of this Task Order.

4. Owner's Responsibilities

- A. Owner shall have those responsibilities set forth in Article 2 of the Agreement and in Exhibit B, subject to the following:
- Provide Engineer with access to the facilities, as needed, to complete the project. Provide requested information including existing (as-built) plans.
 - Review preliminary reports and plans provided by Engineer.
 - Pay the cost of any review fees imposed by agencies having jurisdiction over the project.
 - Pay advertisement cost during the bidding process.

5. Task Order Schedule

- A. In addition to any schedule provisions provided in Exhibit A or elsewhere, the parties shall meet the following schedule:
- Owner desires to have construction begin in 2021. As such, Engineer's services will commence upon contract authorization with the intent to complete the Bidding Phase in the spring of 2021. The final schedule is dependent on funding availability and equipment lead time.

6. Payments to Engineer

- A. Owner shall pay Engineer for services rendered under this Task Order as follows:

Description of Service	Amount	Basis of Compensation
1. Basic Services (Part 1 of Exhibit A)		
a. Study and Report Phase (A1.01)	\$ 9,800.00	Lump Sum
b. Preliminary and Final Design Phase (A1.02, A1.03)	\$ 18,500.00	Lump Sum
c. Bidding or Negotiating Phase (A1.04)	\$ 8,800.00	Lump Sum
d. Construction Phase (A1.05)	\$ 27,000.00	Direct Labor
e. Post-Construction Phase (A1.06)	\$ 3,100.00	Direct Labor
TOTAL COMPENSATION (lines 1.a-e)	\$ 67,200.00	
2. Additional Services (Part 2 of Exhibit A)	(N/A)	Direct Labor

Compensation items and totals based in whole or in part on Hourly Rates or Direct Labor are estimates only. Lump sum amounts and estimated totals included in the breakdown by phases incorporate Engineer's labor, overhead, profit, reimbursable expenses (if any), and Consultants' charges, if any. For lump sum items, Engineer may alter the distribution of compensation between individual phases (line items) to be consistent with services actually rendered, but shall not exceed the total lump sum compensation amount unless approved in writing by the Owner.

- B. The terms of payment are set forth in Article 4 of the Agreement and in the applicable governing provisions of Exhibit C.

7. Consultants retained as of the Effective Date of the Task Order: None

8. Other Modifications to Agreement and Exhibits: None

9. Attachments:

Exhibit A – Engineer’s Services for Task Order

10. Other Documents Incorporated by Reference:

December 5, 2017 Agreement between Owner and Engineer for Professional Services, Task Order Edition
October 13, 2020 Amendment to Engineer-Owner Agreement, Amendment No. 1.

11. Terms and Conditions

Execution of this Task Order by Owner and Engineer shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this Task Order signed by Owner.

The Effective Date of this Task Order is January 26, 2021.

OWNER: City of Laurel

ENGINEER: KLJ Engineering, Inc .

By: _____

By: _____

Print Name: Thomas C. Nelson

Print Name: Mark Anderson

Title: Mayor

Title: Vice- President

Engineer License or Firm’s
Certificate No. (if required): PEL-EF-LIC-37
State of: Montana

DESIGNATED REPRESENTATIVE FOR TASK ORDER:

DESIGNATED REPRESENTATIVE FOR TASK ORDER:

Name: Kurt Markegard

Name: Matt Smith

Title: Director of Public Works

Title: Project Manager

Address: PO Box 10
Laurel, MT 59044

Address: PO Box 80303
Billings, MT 59108

E-Mail
Address: kmarkegard@laurel.mt.gov

E-Mail
Address: matt.smith@kljeng.com

Phone: 406-628-4796

Phone: 406-245-5499

PART 1—BASIC SERVICES

A1.01 Study and Report Phase Services

- A. Project Management—tasks below apply to the all phases.
 - 1. Organize and facilitate kick-off meetings (one each) with Owner and Engineer's project teams to confirm roles, responsibilities and expectations for completing the project.
 - 2. Provide project management services consisting of creating a work breakdown structure and detailed project schedule, creating and implementing a project management plan, facilitating weekly progress meetings and team coordination, reviewing time and expenses and generating monthly invoices, providing monthly status updates to Owner, and provide oversight of the day-to-day Project activities.
 - 3. Attend up to three (3) unscheduled meetings as needed to coordinate with Owner or other stakeholders.
- B. As Basic Services, Engineer shall:
 - 1. Consult with Owner to define and clarify Owner's requirements for the Specific Project, including design objectives and constraints, space, capacity and performance requirements, flexibility, and expandability, and any budgetary limitations, and identify available data, information, reports, facilities plans, and site evaluations.
 - 2. Identify potential solution(s) to meet Owner's Specific Project requirements, as needed. Study and evaluate the potential solution(s) to meet Owner's Specific Project requirements.
 - a. Visit the Site to review existing conditions and facilities, unless such visits are not necessary or applicable to meeting the objectives of the Study and Report Phase.
 - 3. Advise Owner of any need for Owner to obtain, furnish, or otherwise make available to Engineer additional Specific Project-related data and information, for Engineer's use in the study and evaluation of potential solution(s) to Owner's Specific Project requirements, and preparation of a related report.
 - 4. After consultation with Owner, recommend to Owner the solution which in Engineer's judgment meet Owner's requirements for the Specific Project.
 - 5. Identify, consult with, and analyze requirements of governmental authorities having jurisdiction to approve the portions of the Specific Project to be designed or specified by Engineer, including but not limited to mitigating measures identified in an environmental assessment for the Specific Project.

6. Prepare a report (the “Report”) which will, as appropriate, contain schematic layouts, sketches, and conceptual design criteria with appropriate exhibits to indicate the agreed-to requirements, considerations involved, and Engineer’s recommended solution(s). For each recommended solution Engineer will provide the following, which will be separately itemized: opinion of probable Construction Cost; proposed allowances for contingencies; the estimated total costs of design, professional, and related services to be provided by Engineer and its Consultants; and, on the basis of information furnished by Owner, a tabulation of other items and services included within the definition of Total Project Costs. For the purposes of this Task Order, the report(s) consist of a memorandum(s) summarizing the results of Engineer’s services identified above.
 7. Furnish three (3) review copies of the Study and Report Phase deliverables to Owner and review with Owner.
 8. Revise the Report and any other Study and Report Phase deliverables in response to Owner’s comments, as appropriate, and furnish two (2) copies of the revised Study and Report Phase deliverables to the Owner. Engineer’s fee is based on completing revisions one time; multiple iterations will be provided as Additional Services.
- C. Engineer’s services under the Study and Report Phase will be considered complete on the date when Engineer has delivered to Owner the revised Report and any other Study and Report Phase deliverables.

A1.02 *Preliminary Design Phase*

- A. As Basic Services, Engineer shall:
1. Prepare Preliminary Design Phase documents consisting of preliminary drawings, outline specifications, and written descriptions of the Specific Project.
 2. Provide the Owner with three copies of the 50% design, drawings and specifications for their review.
 3. Meet with the Owner to review the 50% drawings and specifications and solicit the Owner’s input prior to advancing on to the final design phase.
- B. Engineer’s services under the Preliminary Design Phase will be considered complete on the date when Engineer has meet with and review the 50% drawings and specifications.

A1.03 *Final Design Phase*

- A. As Basic Services, Engineer shall:
1. Prepare 95% Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor.
 2. Provide the Owner with a 95% design, drawings and specifications for their review.
 3. Meet with the Owner to review the 95% drawings and specifications and solicit the Owner’s input prior to advancing on to 100% drawings and specifications.

4. Develop the 100% drawings and specifications. Provide the Owner with three copies of the of the 100% drawings and specifications.
 5. Develop and deliver to the Owner an opinion of probable Construction Cost.
- B. Engineer's services under the Final Design Phase will be considered complete on the date when Engineer has delivered to Owner the final Drawings and Specifications, other assembled Construction Contract Documents, bidding-related documents (or requests for proposals or other construction procurement documents), and any other Final Design Phase deliverables.

A1.04 *Bidding or Negotiating Phase*

- A. As Basic Services, Engineer shall:
1. Assist Owner during the bidding process by developing an advertisement, printing of bid documents (Drawings and Specifications), distribution of bid documents, and maintaining a Plan Holders list.
 2. Coordinate and facilitate a pre-bid conference.
 3. Prepare and issue Addenda, as appropriate to clarify, correct, or change the issued documents.
 4. Attend the bid opening, conduct a bid evaluation and prepare a recommendation of award to the Owner.
- B. The Bidding or Negotiating Phase will be considered complete upon the delivery of the recommendation of award. More than one iteration of this Phase is not included.

A1.05 *Construction Phase*

- A. As Basic Services, Engineer shall:
1. Coordinate the execution of the Contract Documents between the Owner and Contractor.
 2. *General Administration of Construction Contract:* Consult with Owner and act as Owner's representative as provided in the Construction Contract. The extent and limitations of the duties, responsibilities, and authority of Engineer shall be as assigned in EJCDC® C-700, Standard General Conditions of the Construction Contract (the Edition of which is to coincide with the current Montana Public Works Standard Specifications in effect at the time of a specific Task Order), prepared by the Engineers Joint Contract Documents Committee, or other construction general conditions specified in the Agreement. If Owner, or Owner and Contractor, modify the duties, responsibilities, and authority of Engineer in the Construction Contract, or modify other terms of the Construction Contract having a direct bearing on Engineer, then Owner shall compensate Engineer for any related increases in the cost to provide Construction Phase services. Engineer shall not be required to furnish or perform services contrary to Engineer's responsibilities as a licensed professional. All of Owner's instructions to Contractor will be issued through Engineer, which shall have authority to act on behalf of Owner in dealings with Contractor to the extent provided in this Agreement and the Construction Contract except as otherwise provided in writing.

3. *Pre-Construction Conference:* Coordinate and participate in a pre-construction conference prior to commencement of Work at the Site.
4. *Original Documents:* If requested by Owner to do so, maintain and safeguard during the Construction Phase at least one original printed record version of the Construction Contract Documents, including Drawings and Specifications signed and sealed by Engineer and other design professionals in accordance with applicable Laws and Regulations. Throughout the Construction Phase, make such original printed record version of the Construction Contract Documents available to Contractor and Owner for review. Original Contract Documents shall be issued with a separate color spine or similar method of differentiation, as coordinated with Owner.
5. *Schedules:* Receive, review, and determine the acceptability of any and all schedules that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.
6. *Visits to Site and Observation of Construction:* In connection with observations of Contractor's Work while it is in progress:
 - a. Make up to six (6) visits to the Site at intervals appropriate to the various stages of construction, as Engineer deems necessary, to observe the progress of Contractor's executed Work. Such visits and observations by Engineer, are not intended to be exhaustive or to extend to every aspect of the Work or to involve detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Agreement, this Task Order, and the Construction Contract Documents, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on Engineer's exercise of professional judgment. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Construction Contract Documents, and Engineer shall keep Owner informed of the progress of the Work.
 - b. The purpose of Engineer's visits to the Site, will be to enable Engineer to better carry out the duties and responsibilities assigned to and undertaken by Engineer during the Construction Phase, and, in addition, by the exercise of Engineer's efforts as an experienced and qualified design professional, to provide for Owner a greater degree of confidence that the completed Work will conform in general to the Construction Contract Documents and that Contractor has implemented and maintained the integrity of the design concept of the completed Project as a functioning whole as indicated in the Construction Contract Documents. Engineer shall not, during such visits or as a result of such observations of the Work, supervise, direct, or have control over the Work, nor shall Engineer have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, for security or safety at the Site, for safety precautions and programs incident to any Constructor's work in progress, for the coordination of the Constructors' work or schedules, nor for any failure of any Constructor to comply with Laws and Regulations applicable to furnishing and performing of its work. Accordingly, Engineer neither guarantees the performance of any Constructor nor assumes responsibility for any Constructor's failure to furnish or perform the Work, or any portion of the Work, in accordance with the Construction Contract Documents.

7. *Defective Work:* Reject Work if, on the basis of Engineer's observations, Engineer believes that such Work is defective under the terms and standards set forth in the Construction Contract Documents. Provide recommendations to Owner regarding whether Contractor should correct such Work or remove and replace such Work, or whether Owner should consider accepting such Work as provided in the Construction Contract Documents.
8. *Compatibility with Design Concept:* If Engineer has express knowledge that a specific part of the Work that is not defective under the terms and standards set forth in the Construction Contract Documents is nonetheless not compatible with the design concept of the completed Project as a functioning whole, then inform Owner of such incompatibility, and provide recommendations for addressing such Work.
9. *Clarifications and Interpretations:* Accept from Contractor and Owner submittal of all matters in question concerning the requirements of the Construction Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Construction Contract Documents. With reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Construction Contract Documents.
10. *Field Orders:* Subject to any limitations in the Construction Contract Documents, Engineer may prepare and issue Field Orders requiring minor changes in the Work.
11. *Change Orders and Work Change Directives:* Recommend Change Orders and Work Change Directives to Owner, as appropriate, and prepare Change Orders and Work Change Directives as required.
12. *Differing Site Conditions:* Respond to any notice from Contractor of differing site conditions, including conditions relating to underground facilities such as utilities, and hazardous environmental conditions. Promptly conduct reviews, obtain information, and prepare findings, conclusions, and recommendations for Owner's use, subject to the limitations and responsibilities under the Agreement and the Construction Contract.
13. *Non-reviewable matters:* If a submitted matter in question concerns the Engineer's performance of its duties and obligations, or terms and conditions of the Construction Contract Documents that do not involve (1) the performance or acceptability of the Work under the Construction Contract Documents, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, then Engineer will promptly give written notice to Owner and Contractor that Engineer will not provide a decision or interpretation.
14. *Shop Drawings, Samples, and Other Submittals:* Review and take appropriate action with respect to Shop Drawings, Samples, and other required Contractor submittals, but only for conformance with the information given in the Construction Contract Documents and compatibility with the design concept of the completed Project as a functioning whole as indicated by the Construction Contract Documents. Such reviews will not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions and programs incident thereto.

15. *Substitutes and "or-equal"*: Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor, but subject to the provisions of Paragraph A2.01.B.2 of this Exhibit A.
16. *Inspections and Tests*:
- a. Receive and review all certificates of inspections, tests, and approvals required by Laws and Regulations or the Construction Contract Documents. Engineer's review of such certificates will be for the purpose of determining that the results certified indicate compliance with the Construction Contract Documents and will not constitute an independent evaluation that the content or procedures of such inspections, tests, or approvals comply with the requirements of the Construction Contract Documents. Engineer shall be entitled to rely on the results of such inspections and tests.
 - b. As deemed reasonably necessary, request that Contractor uncover Work that is to be inspected, tested, or approved.
 - c. Pursuant to the terms of the Construction Contract, require additional inspections or testing of the Work, whether or not the Work is fabricated, installed, or completed.
17. *Change Proposals and Claims*: (a) Review and respond to Change Proposals. Review each duly submitted Change Proposal from Contractor and, within 30 days after receipt of the Contractor's supporting data, either deny the Change Proposal in whole, approve it in whole, or deny it in part and approve it in part. Such actions shall be in writing, with a copy provided to Owner and Contractor. If the Change Proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Engineer will notify the parties that the Engineer will not resolve the Change Proposal. (b) Provide information or data to Owner regarding engineering or technical matters pertaining to Claims.
18. *Applications for Payment*: Based on Engineer's observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:
- a. Determine the amounts that Engineer recommends Contractor be paid. Recommend reductions in payment (set-offs) based on the provisions for set-offs stated in the Construction Contract. Such recommendations of payment will be in writing and will constitute Engineer's representation to Owner, based on such observations and review, that, to the best of Engineer's knowledge, information and belief, Contractor's Work has progressed to the point indicated, the Work is generally in accordance with the Construction Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Construction Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work. In the case of unit price work, Engineer's recommendations of payment will include final determinations of quantities and classifications

of the Work (subject to any subsequent adjustments allowed by the Construction Contract Documents).

- b. By recommending payment, Engineer shall not thereby be deemed to have represented that observations made by Engineer to check the quality or quantity of Contractor's Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor's Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Agreement or this Task Order. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment including final payment will impose on Engineer responsibility to supervise, direct, or control the Work, or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor's compliance with Laws and Regulations applicable to Contractor's furnishing and performing the Work. It will also not impose responsibility on Engineer to make any examination to ascertain how or for what purposes Contractor has used the money paid to Contractor by Owner; to determine that title to any portion of the Work, including materials or equipment, has passed to Owner free and clear of any liens, claims, security interests, or encumbrances; or that there may not be other matters at issue between Owner and Contractor that might affect the amount that should be paid.
19. *Contractor's Completion Documents:* Receive from Contractor, review, and transmit to Owner maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance required by the Construction Contract Documents, certificates of inspection, tests and approvals, and Shop Drawings, Samples, and other data reviewed as provided under Paragraph A1.05.A.17. Receive from Contractor, review, and transmit to Owner the annotated record documents which are to be assembled by Contractor in accordance with the Construction Contract Documents to obtain final payment. The extent of Engineer's review of record documents shall be to check that Contractor has submitted all pages.
 20. *Substantial Completion:* Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with Owner and Contractor, visit the Site to review the Work and determine the status of completion. Follow the procedures in the Construction Contract regarding the preliminary certificate of Substantial Completion, punch list of items to be completed, Owner's objections, notice to Contractor, and issuance of a final certificate of Substantial Completion. Assist Owner regarding any remaining engineering or technical matters affecting Owner's use or occupancy of the Work following Substantial Completion.
 21. *Final Notice of Acceptability of the Work:* Conduct a final visit to the specific Project to determine if the Work is complete and acceptable so that Engineer may recommend, in writing, final payment to Contractor.
 22. *Standards for Certain Construction-Phase Decisions:* Engineer will render decisions regarding the requirements of the Construction Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth in the Construction Contract for initial interpretations, Change Proposals, and acceptance of the Work. In rendering such decisions and judgments, Engineer will not show partiality to Owner or Contractor, and will not be liable to Owner, Contractor,

or others in connection with any proceedings, interpretations, decisions, or judgments conducted or rendered in good faith.

23. *Start-up*: Engineer will review operation and maintenance manuals submitted by the Contractor and will be on site during the equipment start-up and operator training.

24. *Record Drawings*: Engineer will develop Record Drawing for the project and submit to the MT-DEQ and two paper copies to the Owner along with one digital copy in PDF format.

B. *Duration of Construction Phase*: The Construction Phase will commence with the execution of the first Construction Contract for the specific Project or any part thereof and will terminate upon written recommendation by Engineer for final payment to Contractors. If the specific Project involves more than one prime contract as indicated in Paragraph A1.03.C, then Construction Phase services may be rendered at different times in respect to the separate contracts. Subject to the provisions of Article 3, Engineer shall be entitled to an equitable increase in compensation if Construction Phase services (including Resident Project Representative services, if any) are required after the original date for completion and readiness for final payment of Contractor as set forth in the final Construction Contract under the Task Order.

A1.06 *Post-Construction Phase*

A. Upon written authorization from Owner during the Post-Construction Phase, as Basic Services, Engineer shall:

1. Together with Owner, visit the Project to observe any apparent defects in the Work, make recommendations as to replacement or correction of defective Work, if any, or the need to repair of any damage to the Site or adjacent areas, and assist Owner in consultations and discussions with Contractor concerning correction of any such defective Work and any needed repairs.
2. Together with Owner, visit the Project within one month before the end of the Construction Contract's correction period to ascertain whether any portion of the Work or the repair of any damage to the Site or adjacent areas is defective and therefore subject to correction by Contractor.

B. The Post-Construction Phase services may commence during the Construction Phase and, if not otherwise modified in this Exhibit A, will terminate twelve months after the commencement of the Construction Contract's correction period.

A1.07 *Commissioning Phase—Not Included*

A1.08 *Other Services—Not Included*

PART 2—ADDITIONAL SERVICES

A2.01 *Additional Services Requiring an Amendment to Task Order*

A. *Advance Written Authorization Required*: During performance under a Task Order, Owner may authorize Engineer in writing to furnish or obtain from others Additional Services of the types listed below. Unless expressly indicated above or in the specific Task Order to be included Basic Services, the

following services are not included as part of Basic Services and will be paid for by Owner as Additional Services, using the basis of compensation for Additional Services, as indicated in the specific Task Order.

1. Full-time RPR Services.
2. Preparation of applications and supporting documents (in addition to those furnished under Basic Services) for private or governmental grants, loans, or advances in connection with the Specific Project; preparation or review of environmental assessments and impact statements; review and evaluation of the effects on the design requirements for the Specific Project of any such statements and documents prepared by others; and assistance in obtaining approvals of authorities having jurisdiction over the anticipated environmental impact of the Specific Project.
3. Revisions or additions when such revisions or additions are inconsistent with approvals or instructions previously given.
4. Services resulting from significant changes in the scope, extent, or character of the portions of the Specific Project designed or specified by Engineer, or the Specific Project's design requirements, including, but not limited to, changes in size, complexity, Owner's schedule, character of construction, or method of financing; and revising previously accepted studies, reports, Drawings, Specifications, or Construction Contract Documents when such revisions are required by changes in Laws and Regulations enacted subsequent to the Effective Date of the Task Order or are due to any other causes beyond Engineer's control.
5. Services resulting from Owner's request to evaluate additional Study and Report Phase alternative solutions beyond those agreed to herein.
6. Services required as a result of Owner's providing incomplete or incorrect Specific Project information to Engineer.
7. Providing renderings or models for Owner's use, including services in support of building information modeling or civil integrated management.
8. Furnishing services of Consultants for other than Basic Services.
9. Providing data or services of the types described in Exhibit B, when Owner retains Engineer to provide such data or services instead of Owner furnishing the same.
10. Providing the following services:
 - a. Services attributable to more prime construction contracts than specified in Paragraph A1.03.C or the specific Task Order.
 - b. Services to arrange for performance of construction services for Owner by contractors other than the principal prime Contractor, and administering Owner's contract for such services.
11. Assistance in connection with bid protests, rebidding, or renegotiating contracts for construction, materials, equipment, or services, except when such assistance is required to complete services required by Paragraph 5.02.A and Exhibit F.

Exhibit A – Engineer's Services – WWTP Screw Pump B Replacement

EJCDC® E-505, Agreement Between Owner and Engineer for Professional Services – Task Order Edition.

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12. Providing Construction Phase services beyond the original date for completion and readiness for final payment of Contractor, but only if such services increase the total quantity of services to be performed in the Construction Phase, rather than merely shifting performance of such services to a later date.
 13. Supplementing Record Drawings with information regarding the completed Project, Site, and immediately adjacent areas obtained from field observations, Owner, utility companies, and other reliable sources.
 14. Preparation of operation, maintenance, and staffing manuals.
 15. Protracted or extensive assistance in refining and adjusting of Project equipment and systems (such as initial startup, testing, and balancing).
 16. Providing more extensive services required to enable Engineer to issue notices or certifications requested by Owner.
 17. Provide assistance in responding to the presence of any Constituent of Concern at any Site, in compliance with current Laws and Regulations.
- B. Other additional services performed or furnished by Engineer not otherwise provided for in this Agreement. *Advance Written Authorization Not Required:* Engineer shall advise Owner in advance that Engineer will immediately commence to perform or furnish the Additional Services of the types listed below. For such Additional Services, Engineer need not request or obtain specific advance written authorization from Owner. Engineer shall cease performing or furnishing such Additional Services upon receipt of written notice from Owner. Unless expressly indicated above or in the specific Task Order to be included Basic Services, the following services are not included as part of Basic Services and will be paid for by Owner as Additional Services, using the basis of compensation for Additional Services, as indicated in the specific Task Order.
1. Upon request of Owner, attendance at meetings and completing site visits in addition to those identified above.

File Attachments for Item:

19. Resolution No. R21-05: A Resolution Of The City Council Approving A Task Order Between The City Of Laurel And KLJ Engineering Inc. To Authorize Work For The Water Treatment Plant Lift Well Replacement Project.

RESOLUTION NO. R21-__

A RESOLUTION OF THE CITY COUNCIL APPROVING A TASK ORDER BETWEEN THE CITY OF LAUREL AND KLJ ENGINEERING INC. TO AUTHORIZE WORK FOR THE WATER TREATMENT PLANT LIFT WELL REPLACEMENT PROJECT.

BE IT RESOLVED by the City Council of the City of Laurel, Montana:

Section 1: Approval. The Task Order between the Parties is attached hereto and incorporated herein as part of this resolution, and is accepted and hereby approved by the City Council.

Section 2: Execution. The Mayor and City Clerk/Treasurer of the City of Laurel are hereby given authority to accept and execute the attached Task Order on behalf of the City.

Section 3: Effective date. The effective date for the Task Order is upon adoption and approval of this resolution.

Introduced at a regular meeting of the City Council on _____2021, by Council Member ____.

PASSED and APPROVED by the City Council of the City of Laurel this ____th day of _____2021.

APPROVED by the Mayor this ____day of _____2021.

CITY OF LAUREL

Thomas C. Nelson, Mayor

ATTEST:

Bethany Langve, Clerk-Treasurer

APPROVED AS TO FORM:

Sam Painter, Civil City Attorney

Task Order: WTP Lift Well Replacement

In accordance with Paragraph 1.01 of the Agreement Between Owner and Engineer for Professional Services – Task Order Edition, dated December 5, 2017 ("Agreement"), as amended by Amendment No. 1 dated October 13, 2020, Owner and Engineer agree as follows:

1. Background Data

- A. Effective Date of Task Order: January 26, 2021
- B. Owner: City of Laurel
- C. Engineer: KLJ Engineering LLC
- D. Specific Project (title): Water Treatment Plant Lift Well Replacement Project
- E. Specific Project (description): This project consists of the replacement of the Lift Well at the Laurel Water Treatment Plant.

2. Services of Engineer

- A. The specific services to be provided or furnished by Engineer under this Task Order are:

Set forth in Part 1—Basic Services of Exhibit A, "Engineer's Services for Task Order," modified for this specific Task Order, and attached to and incorporated as part of this Task Order.
- B. Resident Project Representative (RPR) Services
- C. Designing to a Construction Cost Limit – Not Used
- D. Other Services - None
- E. All of the services included above comprise Basic Services for purposes of Engineer's compensation under this Task Order.

3. Additional Services

- A. Additional Services that may be authorized or necessary under this Task Order are:

Set forth as Additional Services in Part 2—Additional Services, of Exhibit A, "Engineer's Services for Task Order," modified for this specific Task Order, and attached to and incorporated as part of this Task Order.

4. Owner's Responsibilities

Owner shall have those responsibilities set forth in Article 2 of the Agreement and in Exhibit B, subject to the following:

- Provide Engineer with access to the facilities, as needed to complete the project.
- Provide requested information included existing (as-built) plans, flow data and pumping records, and any prior studies, reports, etc. related to a proposed lift well replacement.
- Review preliminary reports and plans provided by the Engineer.
- Pay the cost of any review fees imposed by agencies having jurisdiction over the project.
- Pay advertisement cost during the bidding process.

5. Task Order Schedule

In addition to any schedule provisions provided in Exhibit A or elsewhere, the parties shall meet the following schedule:

- Based on the anticipated two-month MT-DEQ review and three-month pump delivery,
 - Executed Task Order by: January 29, 2021
 - Study and Report Phase completed by: February 26, 2021
 - Preliminary and Final Design Phase completed by: April 30, 2021
 - Bidding Phase completed by: July 30, 2021
 - Construction Phase completed by: November 30, 2021
- Owner will provide review comments, in writing, to Engineer for any draft deliverables submitted by Engineer. Owner will provide comments within 7-days of submission by Engineer. Owner acknowledges delays in review/response may extend the final schedule.
- Engineer shall provide periodic updates to Owner on the anticipated completion schedule, throughout the duration of the project.

6. Payments to Engineer

A. Owner shall pay Engineer for services rendered under this Task Order as follows:

Description of Service	Amount	Basis of Compensation
1. Basic Services (Part 1 of Exhibit A)		
a. Study and Report Phase (A1.01)	\$13,206.00	Lump Sum
b. Preliminary and Final Design Phase (A1.02, A1.03)	\$65,200.00	Lump Sum
c. Bidding or Negotiating Phase (A1.04)	\$12,228.00	Lump Sum
d. Construction Phase (A1.05)	\$45,810.00	Direct Labor
e. Post-Construction Phase (A1.06)	\$3,210.00	Direct Labor
TOTAL COMPENSATION (lines 1.a-e)	\$139,654.00	
2. Additional Services (Part 2 of Exhibit A)	(N/A)	Direct Labor

Compensation items and totals based in whole or in part on Hourly Rates or Direct Labor are estimates only. Lump sum amounts and estimated totals included in the breakdown by phases incorporate Engineer's labor, overhead, profit, reimbursable expenses (if any), and Consultants' charges, if any. For lump sum items, Engineer may alter the distribution of compensation between individual phases (line items) to be consistent with services actually rendered, but shall not exceed the total lump sum compensation amount unless approved in writing by the Owner.

- B. The terms of payment are set forth in Article 4 of the Agreement and in the applicable governing provisions of Exhibit C.

7. Consultants retained as of the Effective Date of the Task Order:

None

8. Other Modifications to Agreement and Exhibits:

None

9. Attachments:

Exhibit A – Engineer's Services for Task Order

10. Other Documents Incorporated by Reference:

December 5, 2017 Agreement between Owner and Engineer for Professional Services, Task Order Edition October 13, 2020 Amendment to Engineer-Owner Agreement, Amendment No. 1.

11. Terms and Conditions

Execution of this Task Order by Owner and Engineer shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this Task Order signed by Owner.

The Effective Date of this Task Order is January 26, 2021.

OWNER: City of Laurel, Montana

ENGINEER: KLJ Engineering LLC

By: _____

By: _____

Print Name: Thomas C. Nelson

Print Name: Mark Anderson

Title: Mayor

Title: Vice President

Engineer License or Firm's
Certificate No. (if required): PEL-EF-LIC-37
State of: Montana

DESIGNATED REPRESENTATIVE FOR TASK ORDER:

DESIGNATED REPRESENTATIVE FOR TASK ORDER:

Name: Kurt Markegard

Name: Doug Whitney

Title: Director of Public Works

Title: Project Manager

Address: PO Box 10, Laurel, MT 59044

Address: PO Box 80303 Billings, MT 59108-0303

E-Mail kmarkegard@laurel.mt.gov
Address: _____

E-Mail Doug.whitney@kljeng.com
Address: _____

Phone: 406-628-4796

Phone: 406-247-2913

This is **EXHIBIT A**, consisting of 13 pages, referred to in and part of the **Task Order** dated January 26, 2021.

Engineer's Services for Task Order: Water Treatment Plant Lift Well Replacement Project

PART 1—BASIC SERVICES

A1.01 Study and Report Phase Services

A. As Basic Services, Engineer shall:

1. Consult with Owner to define and clarify Owner's requirements for the Specific Project, including design objectives and constraints, space, capacity and performance requirements, flexibility, and expandability, and any budgetary limitations, and identify available data, information, reports, facilities plans, and site evaluations.
 - a. If Owner has already identified one or more potential solutions to meet its Specific Project requirements, then proceed with the study and evaluation of such potential solutions: During discussions between the Owner and Engineer, prior to the Task Order, three possible solutions were identified including;
 - 1) the replacement of the existing Lift Well with a duplex lift well serving the same purposes (blow-down, roof drain and floor drain);
 - 2) the installation of a dedicated inline duplex blow-down pump station and re-building the existing Lift Well; and
 - 3) the installation of a dedicated duplex blow-down lift well and re-building the existing Lift Well.
 - b. The services provided under this Exhibit are based on Solution 1, the replacement of the Lift Well to serve the blow-down, roof drain and floor drain functions.
2. Visit the Site to review existing conditions and facilities.
3. Collect operating data related to the existing Lift Well system.
4. Develop preliminary layout of the replacement Lift Well.
5. Prepare a Technical Memorandum (TM), presenting the preliminary layout and preliminary option-of-cost of Solution 1.
6. Meet with the Owner to discuss the findings of the Draft TM and incorporate input from the Owner into the Final TM. The Final TM will be the basis of final design of the project.

7. Provide the Owner with an electronic copy of the Final TM, which will be the basis for the design.
- B. Engineer's services under the Study and Report Phase will be considered complete on the date when Engineer has delivered to Owner the Final TM.

A1.02 *Preliminary Design Phase*

- A. As Basic Services, Engineer shall:
1. Conduct a site survey and develop a site plan to serve as the base drawings for the project.
 2. Provide a Geotechnical Investigation suitable for the selected alternative.
 3. Prepare Preliminary Design Phase documents consisting of preliminary drawings, outline of the specifications, and written descriptions of the selected alternative.
 4. Provide the Owner with three copies of the 50% design, drawings and specifications for their review.
 5. Meet with the Owner to review the 50% drawings and specifications and solicit the Owner's input prior to advancing on to the final design phase.
- B. Engineer's services under the Preliminary Design Phase will be considered complete on the date when Engineer has meet with and reviewed the 50% drawings and specifications.

A1.03 *Final Design Phase*

- A. As Basic Services, Engineer shall:
1. Prepare 95% Drawings and Specifications indicating the scope and character of the Work to be performed and furnished by the Contractor.
 2. Provide the Owner with a 95% design, drawings and specifications for their review.
 3. Meet with the Owner to review the 95% drawings and specifications and solicit the Owner's input prior to advancing on to 100% drawings and specifications.
 4. Develop the 100% drawings and specifications. Provide the Owner with three copies of the 100% drawings and specifications.
 5. Develop a Design Report including the technical criteria, written descriptions, and design data for the permitting submittal to the MT-DEQ.
 6. Other than the MT-DEQ submittal, no other permitting is anticipated or included under Basic Services.

7. Submit the Design Report along with the drawings and specifications to the MT-DEQ. The Owner shall be responsible for any review fees.
 8. Develop and deliver to the Owner an Opinion of Probable Construction Cost.
- B. Engineer's services under the Final Design Phase will be considered complete on the date when Engineer has delivered to Owner the final Drawings and Specifications, including contracting and bidding-related documents, and the submittal to the MT-DEQ.
- C. The number of prime contracts for Work designed or specified by Engineer upon which the Engineer's compensation has been established under this Task Order is one. If more prime contracts are awarded, Engineer shall be entitled to an equitable increase in its compensation under this Task Order.

A1.04 *Bidding or Negotiating Phase*

- A. As Basic Services, Engineer shall:
1. Assist Owner during the bidding process by developing an advertisement, printing of bid documents (Drawings and Specifications), distribution of bid documents, and maintaining a Plan Holders list.
 2. Coordinate and facilitate a pre-bid conference.
 3. Prepare and issue Addenda as appropriate to clarify, correct, or change the issued documents.
 4. Attend the bid opening, conduct a bid evaluation and prepare a recommendation of award to the Owner.
- B. The Bidding or Negotiating Phase will be considered complete upon the delivery of the recommendation of award. Any re-bidding, beyond the initial letting, will be considered an additional service, unless agreed upon by both parties.

A1.05 *Construction Phase*

- A. As Basic Services, Engineer shall:
1. *Coordinate the execution of the Contract Documents between the Owner and Contractor.*
 2. *General Administration of Construction Contract:* Consult with Owner and act as Owner's representative as provided in the Construction Contract. The extent and limitations of the duties, responsibilities, and authority of Engineer shall be as assigned in EJCDC® C-700, Standard General Conditions of the Construction Contract (the Edition of which is to coincide with the current Montana Public Works Standard Specifications in effect at the time of a specific Task Order), prepared by the Engineers Joint Contract Documents

Committee, or other construction general conditions specified in the Agreement. If Owner, or Owner and Contractor, modify the duties, responsibilities, and authority of Engineer in the Construction Contract, or modify other terms of the Construction Contract having a direct bearing on Engineer, then Owner shall compensate Engineer for any related increases in the cost to provide Construction Phase services. Engineer shall not be required to furnish or perform services contrary to Engineer's responsibilities as a licensed professional. All of Owner's instructions to Contractor will be issued through Engineer, which shall have authority to act on behalf of Owner in dealings with Contractor to the extent provided in this Agreement and the Construction Contract except as otherwise provided in writing.

3. *Pre-Construction Conference:* Coordinate and participate in a pre-construction conference prior to commencement of Work at the Site.
4. *Electronic Transmittal Protocols:* If the Construction Contract Documents do not specify protocols for the transmittal of Project-related correspondence, documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, then together with Owner and Contractor jointly develop such protocols for transmittals between and among Owner, Contractor, and Engineer during the Construction Phase and Post-Construction Phase.
5. *Original Documents:* If requested by Owner to do so, maintain and safeguard during the Construction Phase at least one original printed record version of the Construction Contract Documents, including Drawings and Specifications signed and sealed by Engineer and other design professionals in accordance with applicable Laws and Regulations. Throughout the Construction Phase, make such original printed record version of the Construction Contract Documents available to Contractor and Owner for review.
6. *Schedules:* Receive, review, and determine the acceptability of any and all schedules that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.
7. *Visits to Site and Observation of Construction:* In connection with observations of Contractor's Work while it is in progress:
 - a. Make up to six (6) visits to the Site at intervals appropriate to the various stages of construction, as Engineer deems necessary, to observe the progress of Contractor's executed Work. Such visits and observations by Engineer, are not intended to be exhaustive or to extend to every aspect of the Work or to involve detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Agreement, this Task Order, and the Construction Contract Documents, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on Engineer's exercise of professional judgment. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Construction

Contract Documents, and Engineer shall keep Owner informed of the progress of the Work.

- b. The purpose of Engineer's visits to the Site, will be to enable Engineer to better carry out the duties and responsibilities assigned to and undertaken by Engineer during the Construction Phase, and, in addition, by the exercise of Engineer's efforts as an experienced and qualified design professional, to provide for Owner a greater degree of confidence that the completed Work will conform in general to the Construction Contract Documents and that Contractor has implemented and maintained the integrity of the design concept of the completed Project as a functioning whole as indicated in the Construction Contract Documents. Engineer shall not, during such visits or as a result of such observations of the Work, supervise, direct, or have control over the Work, nor shall Engineer have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, for security or safety at the Site, for safety precautions and programs incident to any Constructor's work in progress, for the coordination of the Constructors' work or schedules, nor for any failure of any Constructor to comply with Laws and Regulations applicable to furnishing and performing of its work. Accordingly, Engineer neither guarantees the performance of any Constructor nor assumes responsibility for any Constructor's failure to furnish or perform the Work, or any portion of the Work, in accordance with the Construction Contract Documents.
 - c. In addition to the site visits, the Engineer will provide up to sixty (60) hours of full time Resident Project Representative (RPR) services while underground work is underway and an additional forty (40) hours of part time RPR services. If additional time is needed to complete the construction observation, additional hours will be considered as Additional Services.
- 8. *Defective Work:* Reject Work if, on the basis of Engineer's observations, Engineer believes that such Work is defective under the terms and standards set forth in the Construction Contract Documents. Provide recommendations to Owner regarding whether Contractor should correct such Work or remove and replace such Work, or whether Owner should consider accepting such Work as provided in the Construction Contract Documents.
 - 9. *Compatibility with Design Concept:* If Engineer has express knowledge that a specific part of the Work that is not defective under the terms and standards set forth in the Construction Contract Documents is nonetheless not compatible with the design concept of the completed Project as a functioning whole, then inform Owner of such incompatibility, and provide recommendations for addressing such Work.
 - 10. *Clarifications and Interpretations:* Accept from Contractor and Owner submittal of all matters in question concerning the requirements of the Construction Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Construction Contract Documents.

With reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Construction Contract Documents.

11. *Field Orders*: Subject to any limitations in the Construction Contract Documents, Engineer may prepare and issue Field Orders requiring minor changes in the Work.
12. *Change Orders and Work Change Directives*: Recommend Change Orders and Work Change Directives to Owner, as appropriate, and prepare Change Orders and Work Change Directives as required.
13. *Differing Site Conditions*: Respond to any notice from Contractor of differing site conditions, including conditions relating to underground facilities such as utilities, and hazardous environmental conditions. Promptly conduct reviews, obtain information, and prepare findings, conclusions, and recommendations for Owner's use, subject to the limitations and responsibilities under the Agreement and the Construction Contract.
14. *Non-reviewable matters*: If a submitted matter in question concerns the Engineer's performance of its duties and obligations, or terms and conditions of the Construction Contract Documents that do not involve (1) the performance or acceptability of the Work under the Construction Contract Documents, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, then Engineer will promptly give written notice to Owner and Contractor that Engineer will not provide a decision or interpretation.
15. *Shop Drawings, Samples, and Other Submittals*: Review take appropriate action with respect to Shop Drawings, Samples, and other required Contractor submittals, but only for conformance with the information given in the Construction Contract Documents and compatibility with the design concept of the completed Project as a functioning whole as indicated by the Construction Contract Documents. Such reviews will not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions and programs incident thereto.
16. *Substitutes and "or-equal"*: Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor, but subject to the provisions of Paragraph A2.01.B.2 of this Exhibit A.
17. *Inspections and Tests*:
 - a. Receive and review all certificates of inspections, tests, and approvals required by Laws and Regulations or the Construction Contract Documents. Engineer's review of such certificates will be for the purpose of determining that the results certified indicate compliance with the Construction Contract Documents and will not constitute an independent evaluation that the content or procedures of such inspections, tests, or approvals comply with the requirements of the Construction

Contract Documents. Engineer shall be entitled to rely on the results of such inspections and tests.

- b. As deemed reasonably necessary, request that Contractor uncover Work that is to be inspected, tested, or approved.
 - c. Pursuant to the terms of the Construction Contract, require additional inspections or testing of the Work, whether or not the Work is fabricated, installed, or completed.
18. *Change Proposals and Claims:* (a) Review and respond to Change Proposals. Review each duly submitted Change Proposal from Contractor and, within 30 days after receipt of the Contractor's supporting data, either deny the Change Proposal in whole, approve it in whole, or deny it in part and approve it in part. Such actions shall be in writing, with a copy provided to Owner and Contractor. If the Change Proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Engineer will notify the parties that the Engineer will not resolve the Change Proposal. (b) Provide information or data to Owner regarding engineering or technical matters pertaining to Claims.
19. *Applications for Payment:* Based on Engineer's observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:
- a. Determine the amounts that Engineer recommends Contractor be paid. Recommend reductions in payment (set-offs) based on the provisions for set-offs stated in the Construction Contract. Such recommendations of payment will be in writing and will constitute Engineer's representation to Owner, based on such observations and review, that, to the best of Engineer's knowledge, information and belief, Contractor's Work has progressed to the point indicated, the Work is generally in accordance with the Construction Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Construction Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work. In the case of unit price work, Engineer's recommendations of payment will include final determinations of quantities and classifications of the Work (subject to any subsequent adjustments allowed by the Construction Contract Documents).
 - b. By recommending payment, Engineer shall not thereby be deemed to have represented that observations made by Engineer to check the quality or quantity of Contractor's Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor's Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Agreement or this Task Order. Neither Engineer's review of Contractor's Work for

the purposes of recommending payments nor Engineer's recommendation of any payment including final payment will impose on Engineer responsibility to supervise, direct, or control the Work, or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor's compliance with Laws and Regulations applicable to Contractor's furnishing and performing the Work. It will also not impose responsibility on Engineer to make any examination to ascertain how or for what purposes Contractor has used the money paid to Contractor by Owner; to determine that title to any portion of the Work, including materials or equipment, has passed to Owner free and clear of any liens, claims, security interests, or encumbrances; or that there may not be other matters at issue between Owner and Contractor that might affect the amount that should be paid.

20. *Contractor's Completion Documents:* Receive from Contractor, review, and transmit to Owner maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance required by the Construction Contract Documents, certificates of inspection, tests and approvals, and Shop Drawings, Samples, and other data reviewed as provided under Paragraph A1.05.A.17. Receive from Contractor, review, and transmit to Owner the annotated record documents which are to be assembled by Contractor in accordance with the Construction Contract Documents to obtain final payment. The extent of Engineer's review of record documents shall be to check that Contractor has submitted all pages.
21. *Substantial Completion:* Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with Owner and Contractor, visit the Site to review the Work and determine the status of completion. Follow the procedures in the Construction Contract regarding the preliminary certificate of Substantial Completion, punch list of items to be completed, Owner's objections, notice to Contractor, and issuance of a final certificate of Substantial Completion. Assist Owner regarding any remaining engineering or technical matters affecting Owner's use or occupancy of the Work following Substantial Completion.
22. *Final Notice of Acceptability of the Work:* Conduct a final visit to the specific Project to determine if the Work is complete and acceptable so that Engineer may recommend, in writing, final payment to Contractor.
23. *Standards for Certain Construction-Phase Decisions:* Engineer will render decisions regarding the requirements of the Construction Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth in the Construction Contract for initial interpretations, Change Proposals, and acceptance of the Work. In rendering such decisions and judgments, Engineer will not show partiality to Owner or Contractor, and will not be liable to Owner, Contractor, or others in connection with any proceedings, interpretations, decisions, or judgments conducted or rendered in good faith.

24. *Start-up*: Engineer will review operation and maintenance manuals submitted by the Contractor and will be on site during the equipment start-up and operator training.
 25. *Record Drawings*: Engineer will develop Record Drawing for the project and submit to the MT-DEQ and two paper copies to the Owner along with one digital copy in PDF format.
- B. *Duration of Construction Phase*: The Construction Phase will commence with the execution of the first Construction Contract for the specific Project or any part thereof and will terminate upon written recommendation by Engineer for final payment to Contractors. If the specific Project involves more than one prime contract as indicated in Paragraph A1.03.C, then Construction Phase services may be rendered at different times in respect to the separate contracts. Subject to the provisions of Article 3, Engineer shall be entitled to an equitable increase in compensation if Construction Phase services (including Resident Project Representative services, if any) are required after the original date for completion and readiness for final payment of Contractor as set forth in the final Construction Contract under the Task Order.

A1.06 *Post-Construction Phase*

- A. Upon written authorization from Owner during the Post-Construction Phase, as Basic Services, Engineer shall:
1. Together with Owner, visit the Project to observe any apparent defects in the Work, make recommendations as to replacement or correction of defective Work, if any, or the need to repair of any damage to the Site or adjacent areas, and assist Owner in consultations and discussions with Contractor concerning correction of any such defective Work and any needed repairs.
 2. Together with Owner, visit the Project within one month before the end of the Construction Contract's correction period to ascertain whether any portion of the Work or the repair of any damage to the Site or adjacent areas is defective and therefore subject to correction by Contractor.
- B. The Post-Construction Phase services may commence during the Construction Phase and, if not otherwise modified in this Exhibit A, will terminate twelve months after the commencement of the Construction Contract's correction period.

PART 2—ADDITIONAL SERVICES

A2.01 *Additional Services Requiring an Amendment to Task Order*

- A. *Advance Written Authorization Required*: During performance under a Task Order, Owner may authorize Engineer in writing to furnish or obtain from others Additional Services of the types listed below. Unless expressly indicated above or in the specific Task Order to be included Basic Services, the following services are not included as part of Basic Services and will be paid for by

Owner as Additional Services, using the basis of compensation for Additional Services, as indicated in the specific Task Order.

1. Preparation of applications and supporting documents (in addition to those furnished under Basic Services) for private or governmental grants, loans, or advances in connection with the Specific Project; preparation or review of environmental assessments and impact statements; review and evaluation of the effects on the design requirements for the Specific Project of any such statements and documents prepared by others; and assistance in obtaining approvals of authorities having jurisdiction over the anticipated environmental impact of the Specific Project.
2. Resident Project Representative Services beyond 100 hours.
3. Services to make measured drawings of existing conditions or facilities, to conduct tests or investigations of existing conditions or facilities, or to verify the accuracy of drawings or other information furnished by Owner or others. This shall include any survey services not explicitly stated within the scope of services.
4. Services resulting from significant changes in the scope, extent, or character of the portions of the Specific Project designed or specified by Engineer, or the Specific Project's design requirements, including, but not limited to, changes in size, complexity, Owner's schedule, character of construction, or method of financing; and revising previously accepted studies, reports, Drawings, Specifications, or Construction Contract Documents when such revisions are required by changes in Laws and Regulations enacted subsequent to the Effective Date of the Task Order or are due to any other causes beyond Engineer's control.
5. Services resulting from Owner's request to evaluate additional Study and Report Phase alternative solutions beyond those agreed to herein.
6. Services required as a result of Owner's providing incomplete or incorrect Specific Project information to Engineer.
7. Providing renderings or models for Owner's use, including services in support of building information modeling or civil integrated management.
8. Undertaking investigations and studies including, but not limited to:
 - a. evaluation of additional alternatives;
 - b. detailed consideration of operations, maintenance, and overhead expenses;
 - c. based on the engineering and technical aspects of the Project, the preparation of feasibility studies (such as those that include projections of output capacity, utility project rates, project market demand, or project revenues) and cash flow analyses,

provided that such services do not include rendering advice regarding municipal financial products or the issuance of municipal securities;

- d. preparation of appraisals;
 - e. evaluating processes available for licensing, and assisting Owner in obtaining process licensing;
 - f. detailed quantity surveys of materials, equipment, and labor; and
 - g. audits or inventories required in connection with construction performed or furnished by Owner.
- 9. Furnishing services of Consultants for other than Basic Services.
 - 10. Providing data or services of the types described in Exhibit B, when Owner retains Engineer to provide such data or services instead of Owner furnishing the same.
 - 11. Providing the following services:
 - a. Services attributable to more prime construction contracts than specified in Paragraph A1.03.C or the specific Task Order.
 - b. Services to arrange for performance of construction services for Owner by contractors other than the principal prime Contractor and administering Owner's contract for such services.
 - 12. Services during out-of-town travel required of Engineer, other than for visits to the Site or Owner's office as required in Basic Services.
 - 13. Preparing for, coordinating with, participating in and responding to structured independent review processes, including, but not limited to, construction management, cost estimating, project peer review, value engineering, and constructability review requested by Owner; and performing or furnishing services required to revise studies, reports, Drawings, Specifications, or other documents as a result of such review processes.
 - 14. Preparing additional bidding-related documents (or requests for proposals or other construction procurement documents) or Construction Contract Documents for alternate bids or cost estimates requested by Owner for the Work or a portion thereof.
 - 15. Assistance in connection with bid protests, rebidding, or renegotiating contracts for construction, materials, equipment, or services, except when such assistance is required to complete services required by Paragraph 5.02.A and Exhibit F.
 - 16. Preparing conformed Construction Contract Documents that incorporate and integrate the content of all Addenda and any amendments negotiated by Owner and Contractor.

17. Providing Construction Phase services beyond the original date for completion and readiness for final payment of Contractor, but only if such services increase the total quantity of services to be performed in the Construction Phase, rather than merely shifting performance of such services to a later date.
18. Supplementing Record Drawings with information regarding the completed Project, Site, and immediately adjacent areas obtained from field observations, Owner, utility companies, and other reliable sources.
19. Conducting surveys, investigations, and field measurements to verify the accuracy of Record Drawing content obtained from Contractor, Owner, utility companies, and other sources; revise and supplement Record Drawings as needed.
20. Preparation of operation, maintenance, and staffing manuals.
21. Protracted or extensive assistance in refining and adjusting of Project equipment and systems (such as initial startup, testing, and balancing).
22. Assistance to Owner in training Owner's staff to operate and maintain Specific Project equipment and systems.
23. Assistance to Owner in developing systems and procedures for (a) control of the operation and maintenance of Project equipment and systems, and (b) related recordkeeping.
24. Preparing to serve or serving as a consultant or witness for Owner in any litigation, arbitration, mediation, lien or bond claim, or other legal or administrative proceeding involving the Project.
25. Providing construction surveys and staking to enable Contractor to perform its work other than as required under Paragraph A1.05.A.8, and any type of property surveys or related engineering services needed for the transfer of interests in real property; and providing other special field surveys.
26. Providing more extensive services required to enable Engineer to issue notices or certifications requested by Owner.
27. Excessive services during any correction period, or with respect to guarantees called for in the Construction Contract (except as agreed to under Basic Services).
28. Provide assistance in responding to the presence of any Constituent of Concern at any Site, in compliance with current Laws and Regulations.
29. Other additional services performed or furnished by Engineer not otherwise provided for in this Agreement.

- B. *Advance Written Authorization Not Required:* Engineer shall advise Owner in advance that Engineer will immediately commence to perform or furnish the Additional Services of the types listed below. For such Additional Services, Engineer need not request or obtain specific advance written authorization from Owner. Engineer shall cease performing or furnishing such Additional Services upon receipt of written notice from Owner. Unless expressly indicated above or in the specific Task Order to be included Basic Services, the following services are not included as part of Basic Services and will be paid for by Owner as Additional Services, using the basis of compensation for Additional Services, as indicated in the specific Task Order.
1. Services in connection with Work Change Directives and Change Orders to reflect changes requested by Owner.
 2. Services in making revisions to Drawings and Specifications occasioned by the acceptance of substitute materials or equipment other than "or equal" items; services after the award of the Construction Contract in evaluating and determining the acceptability of a proposed "or equal" or substitution which is found to be inappropriate for the Project; evaluation and determination of an excessive number of proposed "or equals" or substitutions, whether proposed before or after award of the Construction Contract.
 3. Services resulting from significant delays, changes, or price increases occurring as a direct or indirect result of materials, equipment, or energy shortages.
 4. Additional or extended services arising from (a) the presence at the Site of any Constituent of Concern or items of historical or cultural significance, (b) emergencies or acts of God endangering the Work, (c) damage to the Work by fire or other causes during construction, (d) a significant amount of defective, neglected, or delayed Work, (e) acceleration of the progress schedule involving services beyond normal working hours, or (f) default by Contractor.
 5. Services (other than Basic Services during the Post-Construction Phase) in connection with any partial utilization of the Work by Owner prior to Substantial Completion.
 6. Evaluating unreasonable or frivolous requests for interpretation or information (RFIs), Change Proposals, or other demands from Contractor or others in connection with the Work, or an excessive number of RFIs, Change Proposals, or demands.
 7. Reviewing a Shop Drawing or other Contractor submittal more than three times, as a result of repeated inadequate submissions by Contractor.
 8. While at the Site, compliance by Engineer and its staff with those terms of Owner's or Contractor's safety program provided to Engineer subsequent to the Effective Date that exceed those normally required of engineering personnel by Federal, State, or local safety authorities for similar construction sites.

File Attachments for Item:

20. Resolution No. R21-06: A Resolution Of The City Council Approving A Task Order Between The City Of Laurel And KLJ Engineering Inc. To Authorize A Southside Storm Water Study For The City Of Laurel.

RESOLUTION NO. R21-06

A RESOLUTION OF THE CITY COUNCIL APPROVING A TASK ORDER BETWEEN THE CITY OF LAUREL AND KLJ ENGINEERING INC. TO AUTHORIZE A SOUTHSIDE STORM WATER STUDY FOR THE CITY OF LAUREL.

BE IT RESOLVED by the City Council of the City of Laurel, Montana:

Section 1: Approval. The Task Order between the Parties is attached hereto and incorporated herein as part of this resolution, and is accepted and hereby approved by the City Council.

Section 2: Execution. The Mayor and City Clerk/Treasurer of the City of Laurel are hereby given authority to accept and execute the attached Task Order on behalf of the City.

Section 3: Effective date. The effective date for the Task Order is upon adoption and approval of this resolution.

Introduced at a regular meeting of the City Council on January 26, 2021, by Council Member ____.

PASSED and APPROVED by the City Council of the City of Laurel this 26th day of January 2021.

APPROVED by the Mayor this 26th day of January 2021.

CITY OF LAUREL

Thomas C. Nelson, Mayor

ATTEST:

Bethany Langve, Clerk-Treasurer

APPROVED AS TO FORM:

Sam Painter, Civil City Attorney

Task Order: South Side Stormwater Study

In accordance with Paragraph 1.01 of the Agreement Between Owner and Engineer for Professional Services – Task Order Edition, dated December 5, 2017 ("Agreement"), as amended by Amendment No. 1 dated October 13, 2020, Owner and Engineer agree as follows:

1. Background Data

- A. Effective Date of Task Order: January 26, 2021
- B. Owner: City of Laurel
- C. Engineer: KLJ Engineering, Inc
- D. Specific Project (title): South Side Stormwater Study**
- E. Specific Project (description): Complete a stormwater master plan for the area shown on the attached ST-1

2. Services of Engineer

- A. The specific services to be provided or furnished by Engineer under this Task Order are:
Set forth in Part 1—Basic Services of Exhibit A, "Engineer's Services for Task Order," modified for this specific Task Order, and attached to and incorporated as part of this Task Order.
- B. Resident Project Representative (RPR) Services
- C. Designing to a Construction Cost Limit – Not Used
- D. Other Services – Not Used
- E. All of the services included above comprise Basic Services for purposes of Engineer's compensation under this Task Order.

3. Additional Services

- A. Additional Services that may be authorized or necessary under this Task Order are:
Set forth as Additional Services in Part 2—Additional Services, of Exhibit A, "Engineer's Services for Task Order," modified for this specific Task Order, and attached to and incorporated as part of this Task Order.

4. Owner's Responsibilities

- A. Owner shall have those responsibilities set forth in Article 2 of the Agreement and in Exhibit B, subject to the following:
 - Provide Engineer with access to the facilities, as needed, to complete the project. Provide requested information including existing (as-built) plans.
 - Review preliminary reports and plans provided by Engineer.

5. Task Order Schedule

- A. In addition to any schedule provisions provided in Exhibit A or elsewhere, the parties shall meet the following schedule:
- Owner desires to have the study complete by the end of 2021.

6. Payments to Engineer

- A. Owner shall pay Engineer for services rendered under this Task Order as follows:

Description of Service	Amount	Basis of Compensation
1. Basic Services (Part 1 of Exhibit A)		
a. Study and Report Phase (A1.01)	\$ 46,400	Lump Sum
TOTAL COMPENSATION (lines 1.a-e)	\$ 46,400	
2. Additional Services (Part 2 of Exhibit A)	(N/A)	Direct Labor

Compensation items and totals based in whole or in part on Hourly Rates or Direct Labor are estimates only. Lump sum amounts and estimated totals included in the breakdown by phases incorporate Engineer's labor, overhead, profit, reimbursable expenses (if any), and Consultants' charges, if any. For lump sum items, Engineer may alter the distribution of compensation between individual phases (line items) to be consistent with services actually rendered, but shall not exceed the total lump sum compensation amount unless approved in writing by the Owner.

- B. The terms of payment are set forth in Article 4 of the Agreement and in the applicable governing provisions of Exhibit C.

7. Consultants retained as of the Effective Date of the Task Order: None

8. Other Modifications to Agreement and Exhibits: None

9. Attachments:

Exhibit A – Engineer's Services for Task Order
ST-1 Scope of Work Diagram

10. Other Documents Incorporated by Reference:

December 5, 2017 Agreement between Owner and Engineer for Professional Services, Task Order Edition

October 13, 2020 Amendment to Engineer-Owner Agreement, Amendment No. 1.

Terms and Conditions

Execution of this Task Order by Owner and Engineer shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this Task Order signed by Owner.

The Effective Date of this Task Order is January 26, 2021.

OWNER: City of Laurel

ENGINEER: KLJ Engineering, Inc .

By: _____

By: _____

Print Name: Thomas C. Nelson

Print Name: Mark Anderson

Title: Mayor

Title: Vice- President

Engineer License or Firm's
Certificate No. (if required): PEL-EF-LIC-37
State of: Montana

DESIGNATED REPRESENTATIVE FOR TASK ORDER:

DESIGNATED REPRESENTATIVE FOR TASK ORDER:

Name: Kurt Markegard

Name: Matt Smith

Title: Director of Public Works

Title: Project Manager

Address: PO Box 10
Laurel, MT 59044

Address: PO Box 80303
Billings, MT 59108

E-Mail
Address: kmarkegard@laurel.mt.gov

E-Mail
Address: matt.smith@kljeng.com

Phone: 406-628-4796

Phone: 406-245-5499

Engineer's Services- South Side Stormwater Study

Article 1 of the Agreement is supplemented to include the following agreement of the parties.

Engineer shall provide Basic and Additional Services as set forth below.

PART 1 – BASIC SERVICES

A1.01 Study and Report Phase

A. Engineer shall:

1. Kickoff Meetings – Attend on kickoff meeting with City staff to clarify any questions regarding the scope of the project prior to commencing with work; facilitate one meeting with the Italian Ditch Company to develop a better understanding of their ditch use practices as they pertain to the portion of the Laurel Drain that passes through the northeast corner of the Study Area.
2. Survey and Mapping – Conduct a drone survey of the study area. Prepare a map from drone imagery and existing ground contours at 1-foot intervals. Map existing property lines and right-of-ways within Study Area, from plats of record and right-of-way maps from MDT. Property line and right-of-way mapping will be planning level accuracy and will not be based on a boundary survey.
3. Stormwater Delineation – Identify stormwater drainage patterns from the drone survey and map drainage areas within Study Area.
4. Field Evaluation – Evaluate streets, curb & gutter and other drainage infrastructure within the Study Area to identify deficiencies and confirm stormwater drainage patterns as needed. Evaluation will include a general field review of downstream drainage routes receiving water from the Study Area. The off-site drainage route evaluation will be limited to reaches from the Study Area to the nearest receiving stormdrain facility, irrigation ditch or established drain.
5. Stormwater Analysis – Complete a stormwater model to determine flow rates along all primary drainage routes within the study area and points of discharge from the Study Area. Use the model to identify deficiencies in capacity and to determine sizing requirements for recommended improvements. Hydrological and hydraulic analysis of the Italian Drain and Laurel Drain are beyond the scope of this study.
6. Evaluate Potential Impacts – Identify potential impacts that could result on downstream infrastructure due to concentrating or re-directing flow from the Study Area due to recommended street and stormwater system improvements.
7. Development of Alternatives – Develop alternatives to address identified deficiencies and potential impacts. This may include storm drain extensions, curb and gutter improvements, stormwater detention within the Study Area or improvements to convey water to downstream facilities. If flowrates to the Laurel drain are anticipated to increase due to improvements completed within the Study Area, alternatives may include further investigating alternative to divert water from the Italian Drain as previously identified in the 2007 Stormwater Preliminary Engineering Report. Analyzing

flow rates and capacity of downstream ditches and other infrastructure receiving stormwater from outside of the Study Area is not included.

8. Stake Holder Coordination – Meet one time with each of the following stake holders to receive input regarding alternatives that may affect their facilities:
 - a. Montana Department of Transportation
 - b. Schessler Ready Mix
 - c. Italian Ditch Company
 - d. Cenex Refinery
 9. Alternative Analysis – Develop Life Cycle Opinion of costs for each alternative being considered, include capital costs and operation costs if applicable. Where multiple reasonable alternatives are feasible to address a given deficiency, compare alternatives in a decision matrix to objectively weigh various cost/benefit factors and select alternatives for recommendation. Prepare map exhibits illustrating each recommended alternative as applicable.
 10. City Staff Review - Submit draft recommendations to City Public Works staff for review and comment. Meet with City staff to review recommendations and receive feedback. Revise recommendations, alternative concept exhibits, and Opinion of Cost based on City review comments one time.
 11. Master Stormwater Plan Report – Prepare a draft report summarizing complete study, including mapping, hydraulic analysis, alternative analysis, Opinion of Costs and other deliverables described in this scope as applicable; submit report to City Staff for final review; revise report one time based on City staff review comments; deliver two copies of final report to City.
 12. City Council Review – Present findings of report and recommendations to City Council.
- B. Engineer's services under the Study and Report Phase will be considered complete on the date when Engineer has delivered to Owner two copies of final reports and presented findings and recommendation to City Council.

A1.02 *Preliminary Design Phase – Not Included*

A1.03 *Final Design Phase – Not Included*

A1.04 *Bidding or Negotiating Phase – Not Included*

A1.05 *Construction Phase – Not Included*

A1.06 *Post-Construction Phase – Not Included*

PART 2 – ADDITIONAL SERVICES

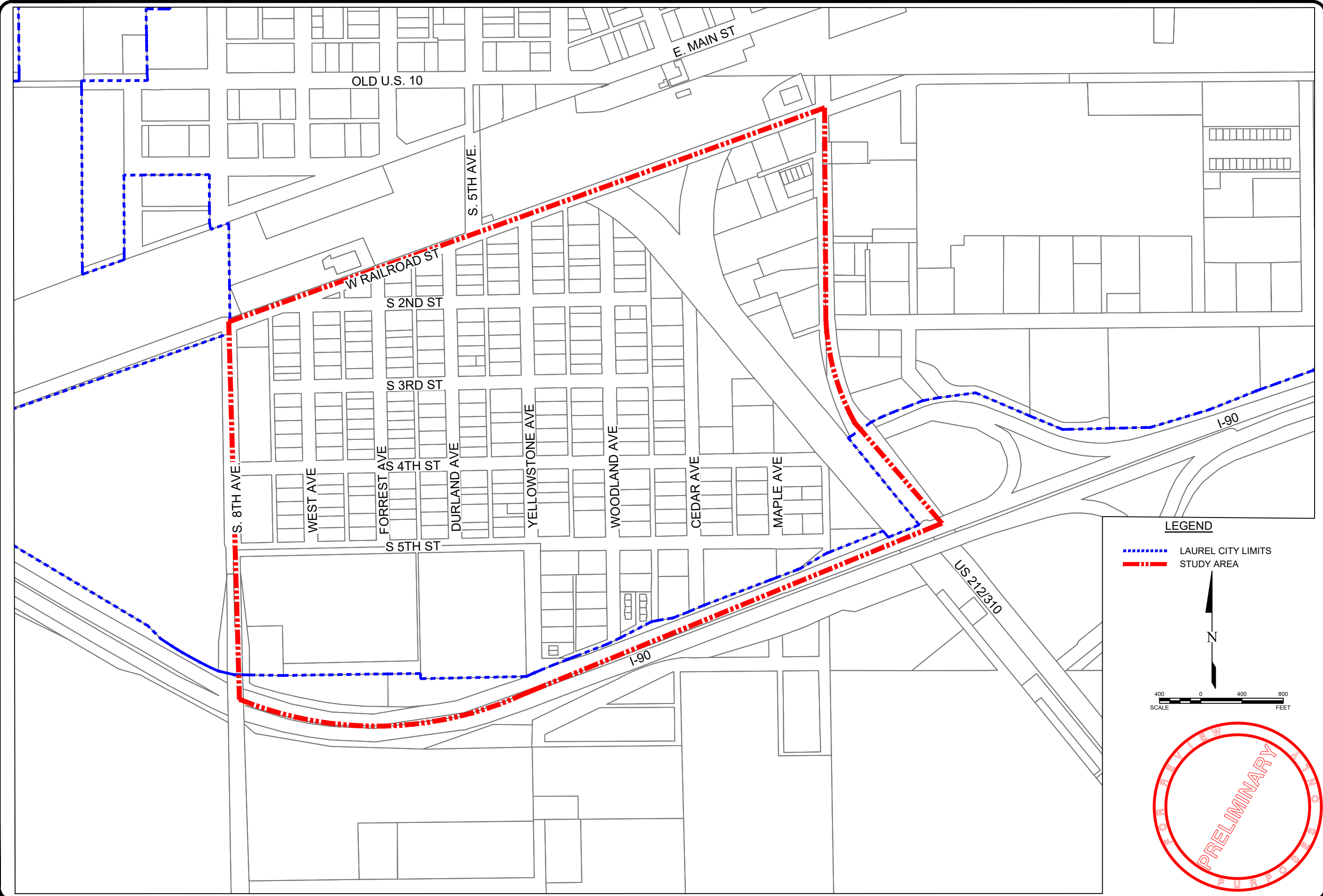
A2.01 *Additional Services Requiring Owner's Written Authorization*

- A. If authorized in writing by Owner, Engineer shall provide Additional Services of the types listed below. These services are not included as part of Basic Services and will be paid for by Owner as indicated in Exhibit C.
1. Preparation of applications and supporting documents for grants or any other funding assistance.
 2. Preparation or review of environmental assessments and impact statements.

3. Any surveying or as-built measurement of existing facilities other than that specified as Basic Services.
4. Services resulting from significant changes in the scope, extent, or character of the Project.
5. Services resulting from Owner's request to evaluate additional Study and Report Phase alternative solutions beyond those specified as Basic Services.
6. Services required as a result of Owner's providing incomplete or incorrect Project information to Engineer.
7. Furnishing services of Consultants for other than Basic Services.
8. Preparing to serve or serving as a consultant or witness for Owner in any litigation, arbitration, lien or bond claim, or other legal or administrative proceeding involving the Project.
9. Analyzing the capacity or flow rates in the Italian Drain, Italian Ditch or other drains and Ditches outside of the study area.
10. Surveying or mapping of utilities
11. Geotechnical exploration or evaluation
12. Other additional services performed or furnished by Engineer not otherwise provided for in this Agreement.

A2.02 *Additional Services Not Requiring Owner's Written Authorization*

- A. For Additional Services listed below, Engineer need not request or obtain specific advance written authorization from Owner. Engineer shall cease performing or furnishing such Additional Services upon receipt of written notice to cease from Owner.
 1. Preparation for and attending meetings in addition to those specified as Basic Services.
 2. Modifying deliverables per Owner's requests other than those modifications specified as Basic Services.



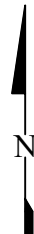
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DRAFTED REW
PROJECT NUMBER 2004-01470
ISSUE DATE 10/27/2020

SOUTH SIDE STORMWATER STUDY AREA
CITY OF LAUREL
LAUREL, MT
SCOPE OF WORK

LEGEND

- LAUREL CITY LIMITS
- STUDY AREA



File Attachments for Item:

21. Resolution No. R21-07: Budget Amendment Resolution Amending Revenues And Appropriations For The Library And Permissive Medical Levy Funds For Fiscal Year 2019-2020

RESOLUTION NO. R21-07

**BUDGET AMENDMENT RESOLUTION AMENDING REVENUES AND
APPROPRIATIONS FOR THE LIBRARY AND PERMISSIVE MEDICAL LEVY
FUNDS FOR FISCAL YEAR 2019-2020**

WHEREAS, the City of Laurel adopted all funds revenues and appropriations for fiscal year 2019-2020 on September 3rd, 2019; and

WHEREAS, it is necessary to amend certain budgets as required by MCA 7-6-4006 (3) and (4); and

WHEREAS, the increase in revenues and appropriations, in the Library fund, is due to increased utility costs, book costs, and increased personal property tax revenues received. The increase in appropriations for the Permissive Medical Levy is due to transferring all funds at the end of the fiscal year to the General Fund:

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Laurel, Montana:

That the City Council hereby directs the Clerk/Treasurer to amend the budget as per the attached Exhibit "A" in order to comply with MCA 7-6-4006 (3) and (4);

BE IT FURTHER RESOLVED that the above amendments are retroactive to June 30, 2020.

Introduced at a regular meeting of the City Council on January 26, 2021 by Council Member _____.

PASSED and APPROVED by the City Council of the City of Laurel this 26th day of January 2021

APPROVED by the Mayor this 26th day of January 2021

CITY OF LAUREL

Thomas C Nelson, Mayor

ATTEST:

Bethany Langve, Clerk/Treasurer

Approved as to form:

Sam S. Painter, Civil City Attorney

EXHIBIT A
Budget Amendment
Library
Fiscal Year 2019-2020

Fund 2220 – Library Fund

Original Revenues	\$ 233,418.00
Amended Revenues	<u>\$ 239,648.97</u>
Increase in Revenues:	\$ 6,230.57
Original Appropriation	\$ 233,443.00
Amended Appropriation	<u>\$ 239,608.01</u>
Increase in Appropriation:	\$ 6,165.01

As this was the first year budgeting the library in fund 2220, there were some items budgeted less than actual. Electrical Utilities were greater than budgeted by \$1,142.06, and other areas of overage can be seen on the attached print out. Revenues were greater by \$6,230.57 due to increased property tax revenues.

Budget Amendment
Permissive Medical Levy
Fiscal Year 2019-2020

Fund 2372 – Permissive Medical Levy

Original Revenues	\$ 200,560.00
Amended Revenues	<u>\$ 200,975.82</u>
Increase in Revenues:	\$ 415.82
Original Appropriation	\$ 200,560.00
Amended Appropriation	<u>\$ 205,563.66</u>
Increase in Appropriation:	\$ 5,003.66

\$5,003.66 was going to be left as reserves for the Permissive Medical Levy fund, however, at the end of the fiscal year all funds were moved to the General Fund. Revenues were greater by \$415.82 due to increased taxes received.

2220 LIBRARY

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% (100) Committed
460000 Culture and Recreation							
460100 Library Services							
110 Salaries and Wages		10,812.38	139,973.24	140,000.00	140,000.00	26.76	100 %
138 Vision Insurance		14.28	279.60	337.00	337.00	57.40	83 %
139 Dental Insurance		119.04	1,695.12	1,750.00	1,750.00	54.88	97 %
141 Unemployment Insurance		16.22	209.97	210.00	210.00	0.03	100 %
142 Workers' Compensation		103.32	1,336.38	590.00	590.00	-746.38	227 %
143 Health Insurance		2,603.67	29,243.25	29,062.00	29,062.00	-181.25	101 %
144 Life Insurance		16.00	192.00	432.00	432.00	240.00	44 %
145 FICA		824.23	10,702.01	10,776.00	10,776.00	73.99	99 %
146 PERS		845.71	10,937.40	12,100.00	12,100.00	1,162.60	90 %
194 Flex Medical		1,000.00	1,000.00	1,975.00	1,975.00	975.00	51 %
210 Office Supplies & Materials		321.35	2,882.02	500.00	500.00	-2,382.02	576 %
216 Computer/Printer Supplies		269.45	2,050.96	500.00	500.00	-1,550.96	410 %
311 Postage		0.00	99.32	175.00	175.00	75.68	57 %
312 Networking Fees		0.00	851.50	250.00	250.00	-601.50	341 %
322 Books/Catalogs, etc.		376.64	12,024.23	9,000.00	9,000.00	-3,024.23	134 %
328 Data Base Subscriptions		0.00	1,340.77	2,100.00	2,100.00	759.23	64 %
332 Internet Access Fees		309.92	2,025.60	1,400.00	1,400.00	-625.60	145 %
333 Subscriptions-Newspapers & Periodicals		0.00	796.09	400.00	400.00	-396.09	199 %
335 Memberships & Dues		0.00	269.00	400.00	400.00	131.00	67 %
337 Advertising		0.00	174.50	150.00	150.00	-24.50	116 %
370 Travel		0.00	2,045.18	2,118.00	2,118.00	72.82	97 %
397 Contracted Services		20.00	201.40	550.00	550.00	348.60	37 %
511 Insurance on Bldgs/Imprvmnts		0.00	1,132.92	1,133.00	1,133.00	0.08	100 %
513 Liability		0.00	5,009.52	4,985.00	4,985.00	-24.52	100 %
Account Total:		17,652.21	226,471.98	220,893.00	220,893.00	-5,578.98	103 %
460120 Facilities							
220 Operating Supplies		188.27	1,024.04	500.00	500.00	-524.04	205 %
341 Electric Utility Services		447.68	3,142.06	2,000.00	2,000.00	-1,142.06	157 %
344 Gas Utility Service		22.99	982.66	800.00	800.00	-182.66	123 %
345 Telephone		0.00	1,349.20	1,700.00	1,700.00	350.80	79 %
365 Tree Pruning/Grounds Maintenance		0.00	0.00	300.00	300.00	300.00	0 %
366 Building Maintenance		0.00	803.93	500.00	500.00	-303.93	161 %
398 Janitorial Service		0.00	281.14	250.00	250.00	-31.14	112 %
399 Other Contracted Services		487.50	5,553.00	6,500.00	6,500.00	947.00	85 %
Account Total:		1,146.44	13,136.03	12,550.00	12,550.00	-586.03	105 %
Account Group Total:		18,798.65	239,608.01	233,443.00	233,443.00	-6,165.01	103 %
Fund Total:		18,798.65	239,608.01	233,443.00	233,443.00	-6,165.01	103 %
Grand Total:		18,798.65	239,608.01	233,443.00	233,443.00	-6,165.01	103 %
		0.00					
			239,608.01	233,443.00	233,443.00	-6,165.01	103 %

File Attachments for Item:

22. Ordinance O21-01: An Ordinance Creating A New Title 13 Entitled “Fire Prevention And Protection” And Amending And Renumbering Certain Sections Of Title 15 And 8 Of The Laurel Municipal Code Updating The City’s Fire Prevention And Protection Codes.

ORDINANCE NO 021-01

AN ORDINANCE CREATING A NEW TITLE 13 ENTITLED “FIRE PREVENTION AND PROTECTION” AND AMENDING AND RENUMBERING CERTAIN SECTIONS OF TITLE 15 AND 8 OF THE LAUREL MUNICIPAL CODE UPDATING THE CITY’S FIRE PREVENTION AND PROTECTION CODES.

WHEREAS, the City Council desires to keep the Laurel Municipal Code current by modifying and updating chapters, sections and subsections to address situations and problems within the City and to remain in accordance with Montana law; and

WHEREAS, the City Staff prepared the amendments below to the Laurel Municipal Code to remain consistent and in accordance with the laws of the State of Montana, and to provide a consistent searchable ordinance for citizens and members of the public; and

WHEREAS, the City Staff and the Mayor are recommending the following amendments for adoption into the existing Laurel Municipal Code as noted herein.

NEW TITLE: Title 13 – Fire Prevention and Protection

Chapters:

Chapter 13.01 – Fire Code

Sections:

13.01.010 - Adoption.

The City of Laurel hereby adopts by reference per MCA 7-5-4202(1) and 7-33-4208, The International Fire Code, 2012 edition as modified by the Administrative Rules of Montana (ARM) 23.12.601 (1) through (5), and 23.12.603, 23.12.605 published by the International Code Council, is adopted by reference as the Fire Code of the City of Laurel. It regulates and governs the safeguarding of life and property from fire and explosion hazards arising from the storage, handling and use of hazardous substances, materials and devices, and from conditions hazardous to life and property in the occupancy of buildings and premises as herein provided; provides for the issuance of permits and collection of fees therefor; and each and all regulations, provisions, penalties, conditions, and terms of said fire code on file in the office of the Laurel City Clerk are hereby referred to, adopted, and made a part hereof, as if fully set out, with the additions, insertions, deletion and changes, if any, set by ordinance.

(Ord. No. 008-07, 7-15-08; Admin. Order AO-15-01 § 5, 2-24-2015)

13.01.020 - Updated references.

The International Fire Code, 2012 edition, as published by the International Code Council as referenced in section 13.01.010 of this chapter, may be amended by resolution or administrative order of the mayor.

(Ord. No. 008-07, 7-15-08; Admin. Order AO-15-01, § 5, 2-24-2015)

13.01.030 - Modifications to International Fire Code

The City of Laurel hereby adopts the following revisions to the International Fire Code manual as follows:

Section 101.1. Insert [City of Laurel, Montana]

Section 109.43. shall read:

Violations penalties. Persons who shall violate a provision of the code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under provisions of this code, shall be guilty of a misdemeanor, punishable by a fine of not more than \$500.00 or by imprisonment not exceeding 6 months, or both such fine and imprisonment. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

Section 111.4 Insert: [not less than \$100.00 or more than \$500.00]

Section 906.1. Delete Exception to Section 906.1, #1.

Section 906.1 shall read:

906.1. Where required. Portable fire extinguishers shall be installed in the following locations.

1. In new and existing Group A, B, E, F, H, I, M, R-1, R-2, R-4, and S occupancies.
2. Within 30 feet (9144 mm) of commercial cooking equipment.
3. In areas where flammable or combustible liquids are stored, used or dispensed.
4. On each floor of structures under construction, except Group R-3 occupancies, in accordance with Section 4415.4.3315.1
5. When required by the sections indicated in Table 906.1.
6. Special-hazard areas, including but not limited to laboratories, computer rooms and generator rooms, where required by the fire code official.

Add Section 907.6.545.4. When required by the Fire Code Official, non-required fire alarm systems shall be monitored by an approved supervising station in accordance with NFPA 72.

The City of Laurel hereby establishes the following geographic limits ~~are~~ referred to in the 2006 International Fire Code as follows:

Section ~~3204.3.1.1-5504.3.1.1.3~~ Location. Stationary containers shall be located in accordance with section 3206.6. Containers of cryogenic fluids shall not be located within diked areas containing other hazardous materials.

Section ~~3404.2.9.5-45704.2.9.6.1~~. Locations where above-ground tanks are prohibited. Storage of Class I and II liquids in above-ground tanks outside of buildings is prohibited within the limits established by the City of Laurel.

Section ~~3406.2.4.4-5706.2.4.4~~. Locations where above-ground tanks are prohibited. Storage of Class I and II liquids in above-ground tanks outside buildings is prohibited within the limits established by the City of Laurel.

Section 5806.2 Limitations. Storage of flammable cryogenic fluids in stationary containers outside of buildings is prohibited within the limits established by the City of Laurel.

Section ~~3804.2.6-104.2~~. Locations where the storage of liquefied petroleum gas is restricted for the protection of heavily populated or congested areas. Storage of liquefied petroleum gas in above-ground tanks outside buildings is prohibited within the limits established by the City of Laurel.

(Ord. No. O08-07, 7-15-08)

Editor's note— Administrative Order, AO15-01, § 5 adopted the 2012 edition of the International Fire Code. The provisions set out in § 15.50.030 above refer to the 2006 edition of the International Fire Code.

CHAPTER 8.16 is renumbered and amended as follows:

Chapter ~~8-16~~13.02 - FIREWORKS^[1]

Sections:

Footnotes:

--- (1) ---

Editor's note— Ord. No. O11-06, adopted May 17, 2011, amended Ch. 8.16 in its entirety and enacted similar provisions as set out herein. The former Ch. 8.16 derived from prior Code §§ 9.08.050 and 9.08.060; and Ord. 1006, adopted in 1991.

~~8-16~~13.02.010 - Prohibited except in certain areas.

The discharge, firing or use of firecrackers, rockets, torpedoes, Roman candles, or other fireworks or substances designed or intended for pyrotechnic display or demonstration within the city is prohibited; except as provided in this chapter. The mayor may at any time permit a public display or fireworks under such conditions as he/she may prescribe.

(Prior code § 9.08.050)

(Ord. No. O11-06, 5-17-2011)

~~8-16~~13.02.020 - Sale prohibited in city limits.

It is unlawful for any person to offer for sale, expose for sale, or sell at retail or wholesale, within the corporate limits of the city, any fireworks of any nature whatsoever.

(Ord. 1006, 1991: prior code § 9.08.060)

(Ord. No. O11-06, 5-17-2011)

~~8-16~~13.02.030 - Discharging dates and times.

1. The discharge of fireworks within the city limits of Laurel is prohibited except as follows:
 - A. July 2 from 8:00 a.m. until 11:59 p.m.;
 - B. July 3 from 8:00 a.m. until 11:59 p.m.;
 - C. July 4 from 8:00 a.m. to 12:30 a.m. on July 5; and
 - D. December 31 from 10 p.m. until 12:30 a.m. on January 1.
2. The mayor, or designee, shall determine if there are special circumstances that warrant the discharge of fireworks not provided for in this section, and authorize such use if the circumstance is community wide and of national, state and local significance.

3. Professional Fireworks Displays Using Display Fireworks. Public displays of fireworks by a licensed, bonded pyrotechnic operator are exempt from this section. Permits for any public display by a licensed bonded pyrotechnic operator from the mayor are required to conduct a public fireworks display. "Display fireworks" means an aerial shell, salute, flash shell, comet, sky battle, mine, and any similar 1.3g (display fireworks) and 1.4g (consumer fireworks) explosive as defined by ~~the U.S. Department of Transportation in Part 173, Title 49, Code of Federal Regulations.~~ CFR 49 Part 173 Subpart C.

(Ord. No. O11-06, 5-17-2011)

~~8.16~~13.02.040 - Possession illegal.

1. Possession of fireworks not allowed to be sold or discharged by the ~~state~~ State of Montana is illegal.
2. It shall be unlawful for any parent, guardian, or custodian of any child, the child being age twelve or younger, to permit or consent to the possession or discharge by the child of any fireworks as defined herein, unless that parent, guardian or custodian be in direct supervision of the child at the time of discharge. For purposes of this section "direct supervision" means the overall direction and control of an individual and requires the individual furnishing direct supervision to be present and immediately available to furnish assistance while he or she is in possession of or is discharging any and all fireworks. Direct supervision also requires the individual directly supervising to control the application of flame or other means of discharge of the firework and must be no greater than 10 feet away from the individual being directly supervised at time of the firework's discharge.

(Ord. No. O11-06, 5-17-2011)

~~8.16~~13.02.050 - Permissible fireworks.

Shall be the same as those authorized by the State of Montana.

(Ord. No. O11-06, 5-17-2011)

~~8.16~~13.02.060 - Littering illegal.

It shall be illegal for anyone to leave debris from discharged fireworks on any public place including, but not limited to, parks, sidewalks, streets, and alleys, or on private property not owned by the individual discharging the fireworks.

(Ord. No. O11-06, 5-17-2011)

~~8.16~~13.02.070 - Enforcement.

1. City police officers shall enforce this chapter.
2. Any police officer charged with enforcing this chapter may;
 - A. Issue a notice to appear to Laurel City Court for violations of this chapter; and/or
 - B. Seize fireworks that are offered for sale, sold, or in the possession of any individual in violation of this chapter.
3. Any person who violates these rules and regulations shall be guilty of a misdemeanor and subject to the following fines:
 - 1st offense—Two hundred fifty dollars;

- 2nd offense—Three hundred fifty dollars;
- 3rd offense and higher—Five hundred dollars.

(Ord. No. O11-06, 5-17-2011)

~~8.16~~13.02.080 - Fireworks prohibited on all city or public property.

Fireworks may not be discharged in or on any park, city, or public property.

(Ord. No. O11-06, 5-17-2011)

CHAPTER 8.20 is renumbered and amended as follows:

Chapter ~~8.20~~13.03 - MISCELLANEOUS FIRE PROTECTION REGULATIONS^[2]

Sections:

Footnotes:

--- (2) ---

Editor's note— Ord. No. O10-03, adopted Aug. 17, 2010, amended Ch. 8.20 in its entirety and enacted similar provisions as set out herein. The former Ch. 8.20 derived from Ord. 926, adopted in 1987; and prior code §s 9.08.010 and 9.08.020.

~~8.20~~13.03.010 - Bonfires prohibited.

- A. Except as provided hereinbelow, no person shall build, kindle, ignite, maintain, or allow any bonfire, rubbish fire, or any other open fire on any property within the city limits of the city.
- B. The city fire chief may allow a special permit to a public agency to ignite and maintain a recreational-type bonfire only, within city limits. The agency shall first apply to the fire chief for such permit ~~pursuant to Section 105.6.30 of the International Fire Code which is adopted by the city.~~ As a condition of granting the permit, the fire chief may require that the city fire department shall stand by, at and during the recreational bonfire for which the permit is granted. The permit holder shall abide by all provisions and stipulations on the permit and obtain a Yellowstone County Open Burning Permit.
- C. The city fire chief may allow an open burning permit for agricultural purposes to any person(s) requesting such. The permit holder shall abide by all provisions and stipulations on the permit and have obtained a Yellowstone County open burning permit.
- D. Approved or purchased outdoor fireplaces may be used per manufacturers' specifications and in accordance with Section 307 of the International Fire Code as adopted by the city. No pit fires shall be allowed. Under the provision of MCA 50-63-103, you are liable for any and all fire suppression costs and damages resulting from an escaped or uncontrollable fire. ~~Items prohibited to burn can be found attached to ordinance.~~ are listed through the Yellowstone County DES.
- E. The city council may from time to time by resolution, establish or change a fee to be paid to the city by the applicant, at the time of application for a special bonfire permit.

(Ord. No. 10-03, 8-17-2010)

~~8-2013.03.020~~ - Careless conduct in smoking.

- A. Any person who, by reason of careless, willful or wanton conduct in smoking, or in the use of lighters or matches for smoking, sets fire to any bedding, carpet, curtains, drapes, furniture, household equipment or other goods or chattels or to any building, shall be fined in accordance with the penalties provided in Section 1.36 of the Laurel Municipal Code, or prosecuted under any other appropriate law.
- B. "Careless conduct in smoking" includes, as used herein, any of the following acts, commissions, or omissions: permitting a spark from a lighted cigar, cigarette or pipe to fall upon or into anything flammable; placing any lighted smoking material on or about or in close proximity to any flammable article; falling asleep with lighted smoking material of any kind at hand; throwing lighted smoking material out of a window or into an elevator pit or elsewhere other than in a proper receptacle therefor; dropping a lighted cigarette or cigar or part thereof into a mail chute in any building; failure to extinguish the fire of a match or any kind of lighter device after use of the same; failure to destroy the lighted part of a cigar or cigarette when disposing of it; failure to destroy the burning smidgen or smidgens of tobacco from a pipe when cleaning or unloading a pipe.
- C. A plainly printed notice of the provisions of this section shall be posted in a conspicuous place in every sleeping room of every hotel, rooming house, tourist home, tourist court or other place renting rooms for the accommodation of the public. Such notice shall be posted by the owner, proprietor, or managing agent of such establishment.

(Ord. No. 10-03, 8-17-2010)

This Ordinance shall become effective thirty (30) days after final passage by the City Council and approved by the Mayor.

Introduced and passed on first reading at a regular meeting of the City Council on January 12, 2021, by Council Member Nelson.

PASSED and ADOPTED by the Laurel City Council on second reading this 26th day of January 2021, upon motion of Council Member _____.

APPROVED BY THE MAYOR this 26th day of January 2021.

CITY OF LAUREL

Thomas C. Nelson, Mayor

ATTEST:

Bethany Langve, Clerk-Treasurer

APPROVED AS TO FORM:

Sam Painter, Civil City Attorney