



# CITY OF MILES CITY

## City of Miles City Work Session Agenda

June 16, 2026 at 6:00 PM

City Council Chambers and online at zoom.us

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Zoom ID: 4062343462 | Passcode: 59301

### CALL TO ORDER

### PLEDGE OF ALLEGIANCE

### STATEMENT OF RULES OF CONDUCT/DECORUM BY COUNCIL PRESIDENT OR MAYOR

### ROLL CALL

#### 1. PUBLIC COMMENT ON ITEMS ON THE AGENDA

#### 2. NEW BUSINESS

- A.** DISCUSS AND REVIEW THE 2 PROPOSALS FROM TCP (TIMECLOCK PLUS)
- B.** DISCUSS BUDGET
- C.** RULES OF DECORUM
- D.** DISCUSSION ON PORTABLE STORAGE CONTAINER ORDINANCE.
- E.** DISCUSS CHAPTER 24 - ZONING, ARTICLE IV. - ADMINISTRATION AND ENFORCEMENT, SEC. 24-63. - ACCESSORY BUILDINGS. ADDING (A) "ALL ACCESSORY BUILDINGS IN RESIDENTIAL DISTRICTS ARE PROHIBITED UNTIL THE PRIMARY/MAIN BUILDING IS CONSTRUCTED; CONCURRENT CONSTRUCTION OF ACCESSORY AND PRIMARY BUILDINGS IS ALLOWED".
- F.** DISCUSS THE PUBLIC NUISANCE VIOLATIONS PROCEDURE
- G.** APPROVE RESOLUTION NO. 4694 - A RESOLUTION RESTRICTING THE USE OF FIREWORKS AT RIVERSIDE PARK DURING THE 2026 INDEPENDENCE DAY HOLIDAY WEEKEND
- H.** APPROVE RESOLUTION NO. 4693 - A RESOLUTION APPROVING A GENERAL PROCESSING MERCHANT AGREEMENT WITH AHT SERVICES, LLC, FOR AIRPORT CREDIT CARD TRANSACTION SERVICES
- I.** DISCUSS PLANNING SERVICES WITH GREAT WEST
- J.** DISCUSSION ON BUNDY LEASE AND THE BID PROCESS

#### 3. UNFINISHED BUSINESS (OLD ITEMS NOT COMPLETED)

- A.** RESOLUTION NO. 4686 - A RESOLUTION ADOPTING A REVISED PURCHASING POLICY FOR THE CITY OF MILES CITY, MONTANA.
- B.** RESOLUTION NO. 4689 - A RESOLUTION APPROVING THE PLACEMENT OF A CITY OF MILES CITY PUBLIC SAFETY MILL LEVY ON THE NOVEMBER 2026 GENERAL ELECTION BALLOT

C. RESOLUTION NO. 4691 - A RESOLUTION APPROVING A MONTANA DEPARTMENT OF COMMERCE EMERGENCY TOURISM ASSISTANCE GRANT IN THE AMOUNT OF \$50,000.00 TOWARD A PURCHASE OF FIRE ENGINE AND ACCESSORIES.

D. ORDINANCE NO. 1404 - (*second reading*) AN ORDINANCE AMENDING SECTIONS 6-26 THROUGH 6-55, OF THE CODE OF ORDINANCES OF MILES CITY, MONTANA, RELATED TO BUSINESS LICENSES.

**4. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA**

**5. UNSCHEDULED MATTERS: An item that is NOT listed on the agenda for the current meeting may be discussed during the session at the discretion of the Council. However, the purpose of such discussion shall be to decide whether or not to schedule the item for discussion and/or vote on a subsequent agenda.**

**6. ADJOURNMENT**

Public comment on any public matter that is not on the agenda of this meeting can be presented under Request of Citizens, provided it is within the jurisdiction of the City to address. Public comment will be entered into the minutes of this meeting. The City Council cannot take any action on a matter unless notice of the matter has been made on an agenda and an opportunity for public comment has been allowed on the matter. Public matter does not include contested cases and other adjudicative proceedings



# Time & Attendance Proposal for City of Miles City



Courtney Smith, Account Executive

May 19, 2026

**Tamara Ellsworth**  
**City of Miles City**  
**7 S. 8th St**  
**Miles City, Montana 59301**

***RE: TCP Software proposal***

Thank you for the opportunity to present our proposal to City of Miles City. We appreciate your consideration and are eager to demonstrate how TCP Software's proven experience and innovative solutions can support your goals.

For more than 37 years, TCP Software has been dedicated to improving workforce management through precision, automation, and adaptability, qualities that align perfectly with City of Miles City's search for a modern time & attendance system.

Today, over 37,000 organizations trust TCP Software to simplify complex workforce processes through advanced yet intuitive solutions. This confidence reflects our ongoing commitment to delivering exceptional value and fostering lasting partnerships built on integrity and results.

Our platform integrates with over 400 Payroll and ERP systems, ensuring accurate data exchange across existing business operations. This interoperability empowers managers with the comprehensive insights they need for effective analysis and decision-making.

Central to our success, and to what we propose for City of Miles City is our well-established implementation methodology. Drawing on decades of experience and informed by best practices, our process ensures a customized, efficient, and smooth transition from planning to deployment. Throughout, our team provides dedicated guidance and responsive support to guarantee your satisfaction.

Our experience the government sector, and a wide range of clients across other industries, has equipped us with the depth of knowledge and adaptability required to deliver solutions that meet the specific challenges of your organization.

We welcome the opportunity to discuss this proposal further and answer any questions you may have. I am available at your convenience and look forward to the possibility of collaborating with you and your team.

Sincerely,

**Courtney Smith**  
**Account Executive**  
**(915) 223-6044 | [Csmith@tcpsoftware.com](mailto:Csmith@tcpsoftware.com)**

# Table of Contents

- Solution Requirements
- Implementation & Support Overview
- Pricing
- Return on Investment
- TCP Team Members

## City of Miles City's Solution Requirements

Here is a breakdown of the key solution requirements you have shared with our team, along with a description of how TCP Software addresses each challenge.

### Identified Challenges:

- Inconsistent time capture across departments
  - **Payroll and department leaders are left researching time cards, chasing approvals and manually interpreting codes, notes and exceptions instead of relying on clean, real-time data**
- Manual handling of complex pay rules
  - **Increased risk of payroll errors, inconsistent application of pay rules and added administrative burden**
- Limited controls around overtime and pay accuracy
  - **Excessive overtime and concerns around buddy-punching increase budget pressure, delayed processing and reduced accuracy of time records**

## Implementation & Support Overview

TCP Software helps organizations simplify employee time tracking and workforce management with reliable, easy-to-use solutions. Our Professional Services team follows a structured train-the-trainer implementation approach, shaped by thousands of successful projects, to ensure accurate setup and a smooth rollout tailored to your environment and goals.

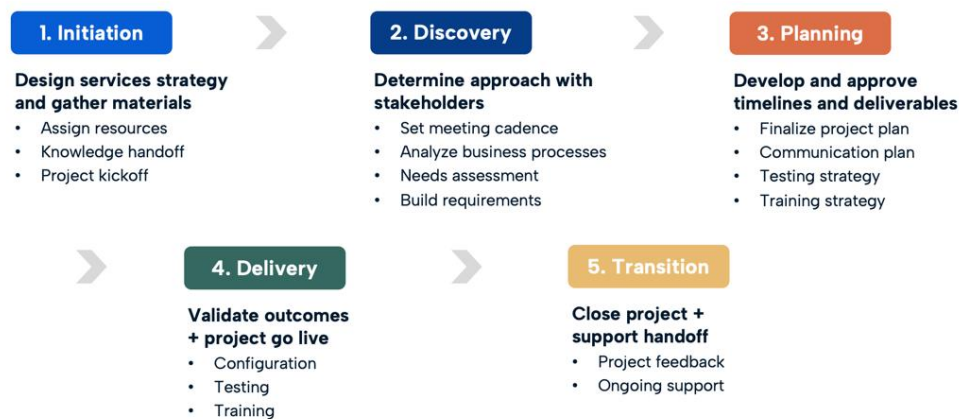
City of Miles City will work with our Services team, who will act as your primary implementation partner. They collaborate with your account team to:

- Define requirements and success criteria
- Configure and test the system
- Coordinate training and change management
- Guide your organization through go live

Their experience with large, complex deployments helps ensure your solution is configured correctly and ready to deliver value quickly.

### TCP SERVICES

## Implementation phases



After go-live, our Support team continues to help you get the most from your TCP solution. They provide fast, knowledgeable assistance for questions, troubleshooting, and best-practice guidance, so your team can stay focused on operations rather than system issues.

In 2025, our Support team delivered:

- 177,787 support cases resolved
- 97.7% Customer Satisfaction (CSAT)
- 74.2 Net Promoter Score (NPS)
- Average response times of under 45 seconds by phone and under 15 seconds by chat

These results reflect our commitment to being a dependable, long-term partner, supporting City of Miles City from implementation through ongoing daily use.

## Pricing

TCP Software is pleased to present City of Miles City with the following proposal:

Item Description	Per Unit Cost	Quantity	Charge Type	Order Total
TimeClock+ Enterprise License	\$45.00	99	Recurring	\$4,455.00
TimeClock+: Professional Services	\$210.00	32	One-Time	\$6,720.00
			Recurring Total	\$4,455.00
			One-Time Total	\$6,720.00
			Order Total	\$11,175.00






### Special Terms

- Includes: Implementation, Training, Support & Maintenance
- OMNIA Contract: R250903
- Contract Length: 60 Months

## Return on Investment

<b>7.1 Months</b> Payback Period	<b>\$110,876</b> Average Annual Savings	<b>16.4x</b> 5-Year Return	<b>\$551,122</b> 5-Year Savings
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### Annual Savings by Category

 <b>Payroll Efficiency</b> <b>\$14,625</b>	 <b>Error Prevention</b> <b>\$43,243</b>	 <b>Lost Time</b> <b>\$54,054</b>	 <b>Scheduling Efficiency</b>	 <b>Overtime Reduction</b>
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### Investment & Savings Breakdown

<b>Year 1 Investment</b> <b>\$11,175</b>	<b>Year 1 Savings</b> <b>\$111,922</b>	<b>Net Year 1 Benefit</b> <b>\$97,488</b>	<b>Year 1 Return</b> <b>7.7x</b>
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### Cost Comparison: Status Quo vs TCP Solution

Current Annual Cost		Annual Cost with TCP Software	
Manual Payroll Processing	\$19,500	Manual Payroll Processing	\$4,875
Payroll Errors	\$57,658	Payroll Errors	\$14,414
Time Theft / Lost Time	\$72,072	Time Theft / Lost Time	\$18,018
Manual Scheduling		Manual Scheduling	
Unplanned Overtime		Unplanned Overtime	
<b>Total</b>	<b>\$149,230</b>	<b>Total</b>	<b>\$37,307</b>

### Cumulative 5-Year Savings Breakdown

<u>Year 1</u> <b>\$97,488</b>	<u>Year 2</u> <b>\$207,308</b>	<u>Year 3</u> <b>\$319,505</b>	<u>Year 4</u> <b>\$434,104</b>	<u>Year 5</u> <b>\$551,122</b>
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### Assumptions

*Assumes payroll staff collectively spend 30.0 hours each pay period to calculate and finalize payroll for all employees.*

*Assumes a 1.0% payroll error rate, which falls within the commonly referenced 1–8% range reported by the American Payroll Association.*

*Assumes each employee loses an average of 6.0 minutes of paid time per day due to rounding, late punches, and other time-tracking gaps.*

## TCP Team Members

At TCP Software, we pride ourselves on assembling a team of exceptional professionals dedicated to delivering unparalleled service and support. Our diverse team brings together expertise from various departments to ensure the success of our clients. Meet a few of the individuals driving our mission forward:

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- **Dillon Dimartino**
  - Mid-Market Sales Manager
  - (325) 223-9500
  - ddimartino@tcpsoftware.com
  
- **Zackery Hoag**
  - VP of Mid-Market Sales
  - (325) 223-9500
  - zhoag@tcpsoftware.com



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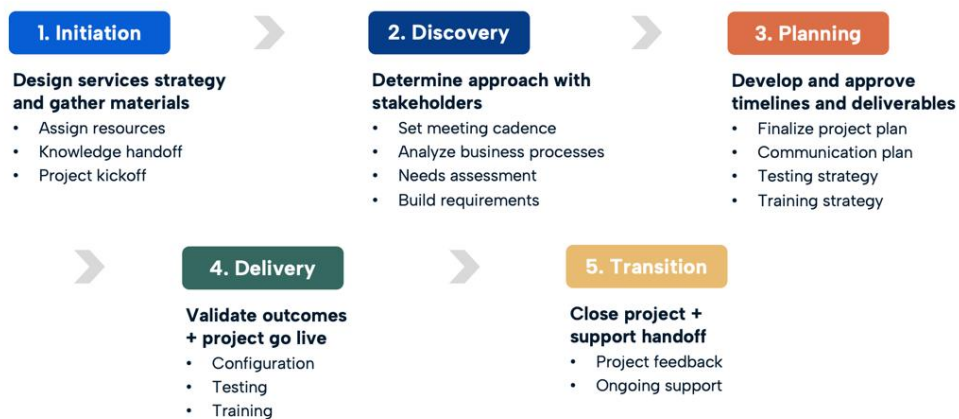
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## Pricing

TCP Software is pleased to present City of Miles City with the following proposal:

Item Description	Per Unit Cost	Quantity	Charge Type	Order Total
TimeClock+ Enterprise License	\$42.00	99	Recurring	\$4,158.00
Hardware Support & Maintenance	\$3,501.75	1	Recurring	\$3,501.75
RDT + Fingerprint	\$1,875.83	9	One-Time	\$16,882.43
Power over Ethernet (PoE) 802.3af	\$285.75	9	One-Time	\$2,571.75
Shipping & Handling	\$196.44	1	One-Time	\$196.44
TimeClock+: Professional Services	\$189.00	32	One-Time	\$6,048.00
			Recurring Total	\$7,659.75
			One-Time Total	\$25,698.62
			Order Total	\$33,358.37






### Special Terms

- Includes: Implementation, Training, Support & Maintenance
- OMNIA Contract: R250903
- Contract Length: 60 Months

## Return on Investment

<b>10.9 Months</b> Payback Period	<b>\$103,941</b> Average Annual Savings	<b>7.7x</b> 5-Year Return	<b>\$509,978</b> 5-Year Savings
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### Annual Savings by Category

 <b>Payroll Efficiency</b> <b>\$14,625</b>	 <b>Error Prevention</b> <b>\$43,243</b>	 <b>Lost Time</b> <b>\$54,054</b>	 <b>Scheduling Efficiency</b>	 <b>Overtime Reduction</b>
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### Investment & Savings Breakdown

<b>Year 1 Investment</b> <b>\$33,358</b>	<b>Year 1 Savings</b> <b>\$111,922</b>	<b>Net Year 1 Benefit</b> <b>\$68,834</b>	<b>Year 1 Return</b> <b>1.1x</b>
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### Cost Comparison: Status Quo vs TCP Solution

<u>Current Annual Cost</u>		<u>Annual Cost with TCP Software</u>	
Manual Payroll Processing	\$19,500	Manual Payroll Processing	\$4,875
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<b>Total</b>	<b>\$149,230</b>	<b>Total</b>	<b>\$37,307</b>

### Cumulative 5-Year Savings Breakdown

<u>Year 1</u> <b>\$68,834</b>	<u>Year 2</u> <b>\$175,479</b>	<u>Year 3</u> <b>\$284,534</b>	<u>Year 4</u> <b>\$396,026</b>	<u>Year 5</u> <b>\$509,978</b>
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### Assumptions

*Assumes payroll staff collectively spend 30.0 hours each pay period to calculate and finalize payroll for all employees.*

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- **Zackery Hoag**
  - VP of Mid-Market Sales
  - (325) 223-9500
  - zhoag@tcpsoftware.com

3:12

EXAMPLE ORDINANCE



ORD\_24-3\_S...  
cityofmiles.org



**ORDINANCE 24-3**

**AN ORDINANCE AMENDING TITLE VI PHYSICAL ENVIRONMENT, CHAPTER 15 PORTABLE STORAGE CONTAINERS, CITY OF MILES CODE OF ORDINANCES:**

5-15-1 Definitions

5-15-2 Residential Property

5-15-3 Commercial Property

5-15-4 Industrial Property

6-15-5 Stacking

6-16-6 Good Repair

6-15-7 Residential Use

6-16-8 Compliance

**5-15-1 DEFINITION. " Portable storage container"** is defined as a container fabricated for the purpose of transporting freight or goods on a truck, railroad, railcar, or ship, including cargo containers, steel cargo containers, shipping containers, freight containers, portable storage containers, cargo boxes, sea vans, or storage units that are placed on private property and used for storage of clothing, equipment, goods, household or office fixtures, furnishings, construction materials, and merchandise.

**5-15-2 RESIDENTIAL PROPERTY.**

1. The use of portable storage containers on a property used for residential purposes is prohibited, except for the following restrictions:
  - a. A portable storage containers may be used on a residential property when a building permit has been issued with the following restrictions: must be installed on a concrete pad, container must be a neutral color, and no longer than 20' in length.
  - b. Portable storage containers shall not impede traffic or pedestrians. No portable storage container shall be located in a fire lane, public utility easement, or on public right-of-way, including streets, sidewalks, vacant restrict residential lots, and parking strips.

**5-15-3 COMMERCIAL PROPERTY.**

1. Portable storage containers are prohibited on the property used for commercial purposes, except as follows:
  - a. Portable storage containers may be used for shipping and receiving merchandise and goods, provided that the storage container does not remain on the property for more than five (5) business days.
  - b. Portable storage containers may be used for storing merchandise or goods sold or used at the commercial property on which it is located, but it must be

EXAMPLE ORDINANCE

ORDINANCE NO. 984

AN ORDINANCE AMENDING CHAPTER 26 OF THE OFFICIAL CODE OF THE CITY OF GLASGOW (OCCG) TO PROHIBIT THE PLACEMENT AND USE OF SHIPPING CONTAINERS WITHIN CITY LIMITS

\*\*\*\*\*

WHEREAS, The City of Glasgow (the "City") is authorized by Montana law to promote the public health, safety, aesthetic appearance, and welfare of the City. Mont. Code Ann. § 7-1-4123; and

WHEREAS, the City Council has in the exercise of those powers previously established Chapter 26 of the OCCG pertaining to offenses and miscellaneous provisions; and

WHEREAS, the Council has determined that the placement of shipping containers should be regulated and the Council adopted such an ordinance in Section 26-7; and

WHEREAS, the Council believes that the existing ordinance should be amended to clearly state that that shipping containers are prohibited except as provided for in the ordinance; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GLASGOW, MONTANA:

Section 1. The provisions of OCCG Chapters 26-7 hereby amended as depicted by Exhibit "A" attached hereto and by reference incorporated herein with deleted language identified by ~~strikeout~~ and inserted language **bolded**; and

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

ACCEPTED by the City Council of the City of Glasgow, Montana on first reading May 6th, 2024.

ADOPTED as amended after continuation and conclusion of second reading by the City Council of the City of Glasgow, Montana on May 20, 2024.

\_\_\_\_\_  
Rod Karst, Mayor

ATTEST:

(CITY SEAL)

Stacey A. Amundson  
Stacey Amundson, City Clerk

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Lee Pekovitch, City Attorney

State of Montana )  
County of Valley : ss  
City of Glasgow )

I, Stacey Amundson, City Clerk of the City of Glasgow, Montana, do certify that I did post as required by law and as prescribed and directed by the Council, Ordinance NO. 984 on the Glasgow Civic Center posting board and the Glasgow City website.

Stacey A. Amundson  
Stacey Amundson, City Clerk

(CITY SEAL)

## Exhibit "A"

## Sec. 26-7. Shipping containers.

- (a) ~~Purpose.~~ **Prohibition.** The placement and use of any shipping container within the city as an accessory building, storage building, or living unit is prohibited, except as provided herein. This limitation is designed to enhance the aesthetic appearance of the community, preserve property values and to protect the public health and safety and the aesthetic quality of the city.
- (b) *Definitions.* The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this subsection, except where the context clearly indicates a different meaning:

*Aesthetic requirements* means the minimum design standard required for the placement and use of shipping containers, other than the uses provided for under subsections (d) and (f) of this section. Metal shipping containers shall be painted a neutral earth-tone color or a color consistent with the principal building or dwelling unit. Placement shall be to the rear of the principal building or dwelling unit on the rear half of the lot. Shipping containers must be kept in good repair, be secured against unauthorized entry, comply with health regulations, be free from vermin or other pests, and be stored on a hard surface.

*Commercial use* means the carriage of property in connection with a business or corporation which provides or manufactures tangible products, such as a retail store, merchandising business, manufacturing business, or grocery company.

*Shipping container* means a unit originally used for the transport, shipping, or hauling of materials or goods by land, sea, or air; capable of being moved or mounted by rail, truck, or boat. The term "shipping container" includes steel sea or oceangoing containers marked with the American Bureau of Shipping's emblem or meeting the International Standard Organization's standards which can be detached from a trailer, chassis or frame, and which were formerly used for transporting sea or oceangoing cargo. The term "shipping container" includes the terms "portable moving/storage unit/container/pod" and "cargo/oceangoing/transport container." In addition, the term "shipping container" applies to any structure designed to imitate the look of a shipping container.

- (c) *Temporary placement of shipping containers permitted with active building permit.* Licensed and bonded contractors may use shipping containers for the temporary housing of equipment and materials during construction as authorized by a city building permit. A temporary permit for the placement of shipping containers may be issued in conjunction with an active building permit for a construction site, excluding all residentially zoned land. Shipping containers must be removed within ten days of final building inspection.
- (d) *Temporary placement of shipping containers permitted for commercial use.* Corporate or business entities may use shipping containers for commercial use provided a temporary permit has been issued by the city subject to the discretion of the city public works director. The permit will be valid for a period of one calendar year from the date of issuance.
- (e) *Shipping containers used as permanent structures permitted in mobile home zone.* Nothing in this chapter shall prevent the use of shipping containers or a similar container from being utilized as a permanent structure in the mobile home zone, provided that such structure complies with all applicable international building codes, city regulations, aesthetic requirements, and city zoning standards. Shipping containers may be used in the construction of a mobile home or a modular home within the mobile home zone. Shipping containers must be removed within ten days of final building inspection.

- (f) *Emergency placement of shipping containers; city-wide.* In the event of a natural hazard, accident, or other emergency or disaster that has resulted in significant damage to a property or structure within city limits, a temporary permit for the placement of shipping container may be issued by the city subject to the discretion of the city public works director. The temporary permit will be valid for a period of one calendar year from the date of issuance.
- (g) *Existing violations; 90-day resolution timeframe.* All property owners within the city, who are currently in violation of the regulations set forth in this chapter may be granted an exemption from the enforcement of this section, provided the property owner submits written notification of the location of the shipping container to the public works department within 90 calendar days from the effective date of the ordinance from which this section is derived. An exemption shall be granted if the shipping container complies with all applicable International Building Codes, city regulations, aesthetic requirements, and city zoning standards. Shipping containers placed on or after November 10, 2019, will be considered in violation of this section.

(Code 1955, § 14-43; Ord. No. 962, §§ 1—6, 10-10-2019; Ord. No. 963, §§ 2—7, 1-21-2020)

Mayor Chris Grenz,

As per your request from yesterday afternoon. This section lays out two parallel enforcement tracks for public nuisance violations that are simple step by step according to the City of Miles City Codes: Criminal prosecution in city court and a civil process through the city council. Here is a clear breakdown of how it functions operationally. Please remember "Criminal prosecution" going through City Court is the best practice, this insures due process is followed according to the 14<sup>th</sup> Amendment of the United States Constitution and we have less of a chance of infringing on ones rights, therefore a lot less chance of a lawsuit.

#### **Enforcement options**

- Default path: criminal prosecution in city court (misdemeanor).
- Alternative path: civil enforcement before the city council, chosen by the investigating officer or the mayor.

#### **Criminal enforcement process (city court)**

- Emergency situations:
  - Officer may immediately issue a citation.
  - Officer can take direct action to abate the nuisance.
  - Officer may enlist city staff for assistance.
- Non-emergency situations:
  - Written notice is issued to owner and/or occupant.
  - Up to 10 days is given to correct the issue.
  - Re-inspection occurs after the deadline.
  - If not corrected:
    - Citation is issued, and/or
    - Officer may abate the nuisance, or
    - Matter may be referred to city council.
- Notice requirements:
  - Methods: personal service, certified mail, or posting on property.
  - Owners (if different from occupant) must be notified by certified mail using tax records.

- Lack of owner notice does not stop enforcement against occupant, but prevents cost assessment to property taxes.
- Penalties:
  - Misdemeanor offense.
  - Fine up to \$500 and/or up to 6 months jail.
  - Court may order abatement.
  - Abatement costs can be assessed as a special assessment against the property.

#### **Civil enforcement process (city council)**

- Follows same initial notice requirements as criminal process.
- Officer requests a council hearing after notice.
- Hearing procedure:
  - City clerk schedules and notifies parties by certified mail.
  - Council hears testimony from city staff and interested parties.
- Council authority:
  - Can declare a nuisance by resolution.
  - Orders owner to:
    - Start abatement within 10 days.
    - Complete abatement within 30 days.
- If owner fails to act:
  - City performs abatement.
  - Costs become a lien/special assessment on the property.
- Financial enforcement:
  - Council approves assessment by resolution.
  - Sent to county treasurer for collection.
- Limitations:
  - Council cannot impose fines or jail time.

#### **Practical example**

If a property has accumulated junk vehicles:

- If deemed non-emergency: the officer issues a 10-day notice.

- If ignored:
  - Criminal path: citation filed in city court; court may fine the owner and order cleanup.
  - Civil path: hearing scheduled; council orders cleanup; if ignored, city removes items from property and bills the property via special assessment.

This structure gives flexibility: criminal enforcement emphasizes penalties and deterrence, while the civil route focuses on compliance and cost recovery tied to the property.

Here is a simple step-by-step process you can use for a city court order after a nuisance citation is issued:

1. The citation is filed in city court.
2. The judge reviews the case and issues a written order.
3. The order should clearly state that the property owner must begin cleanup by a specific date and must complete cleanup by a specific deadline.
4. The order should identify exactly what must be removed, repaired, or abated.
5. The order should state who is responsible for each part of the cleanup, usually the property owner, unless the court specifically assigns another party.
6. If the owner does not meet the deadline, the order should say that the city and or contractor is authorized to enter the property and complete the cleanup.
7. The order should also state that all city costs, including labor, equipment, disposal, and administrative costs, will be assessed against the property as allowed by law.
8. The order should specify which city department or official will oversee the cleanup, commonly the public works director designated by city code.
9. The order should direct the public works director to provide notice and coordinate follow-up.
10. The order should state that failure to comply may result in additional enforcement action.

A clean way to phrase it in the order is:

- “The property owner shall commence abatement no later than [date] and shall complete abatement no later than [date].”
- “If the property owner fails to comply, the City and or designated contractor is authorized to enter the property and abate the nuisance.”
- “All costs incurred by the City in abating the nuisance shall be assessed against the property as permitted by law.”
- “The Public Works Director shall supervise or coordinate the City’s abatement efforts.”

#### **Simple step-by-step version**

1. The city court issues a written order after the citation is filed.

2. The order must clearly state what condition must be corrected and what cleanup is required.
3. The order must give the property owner a specific start date and completion deadline.
4. The order should state that the property owner is responsible for doing the cleanup.
5. The order should also state that if the owner does not comply by the deadline, the city shall perform the cleanup itself or hire a designated contractor to do the work.
6. The order should name the city official responsible for overseeing the cleanup, this is the public works director designated by city code.
7. The order should state that all cleanup costs, including labor, equipment, disposal, contractor charges, and administrative costs, will be charged to the property.
8. The order should direct that those costs be certified to the city treasurer.
9. The city treasurer should then take the proper steps to place the costs on the property tax roll as a special assessment, special fee, or other lawful charge.
10. The order should also state that the city may collect the amount in the same manner as other property taxes, if permitted by law.

#### **Formal ordinance-style version**

##### **Court Order Language:**

The Court hereby orders that the property owner shall commence abatement of the nuisance no later than [date] and shall fully complete abatement no later than [date]. The property owner shall remove, repair, demolish, dispose of, or otherwise correct the conditions found to constitute the nuisance.

If the property owner fails to commence or complete abatement within the time ordered, the City is authorized to enter upon the property and abate the nuisance by use of City employees, equipment, or a designated contractor retained by the City.

The Public Works Director, Code Enforcement Officer, or other designated City official shall supervise, coordinate, and document the abatement process, including inspection, cleanup, disposal, and completion of the work.

All costs incurred by the City in abating the nuisance, including but not limited to labor, equipment, materials, disposal fees, contractor expenses, administrative expenses, and any related costs, shall be assessed against the property as permitted by law.

Upon completion of the abatement, the Public Works Director shall submit a written certification of the total costs to the City Treasurer. The City Treasurer shall take all lawful steps necessary to place the amount on the property tax roll as a special assessment, special fee, or other authorized charge against the property, and to collect the same in the manner provided by law.

##### **Suggested court-order wording**

You could also use language like this:

- “The property owner shall begin cleanup no later than [date] and shall complete all required abatement no later than [date].”
- “If the property owner fails to comply, the City may abate the nuisance by use of City personnel or by hiring a contractor.”
- “The Public Works Director shall supervise the abatement and document all costs incurred.”
- “All costs of abatement shall be certified to the City Treasurer.”
- “The City Treasurer shall place the certified amount upon the property tax roll as a special assessment or special charge against the property, subject to collection in the same manner as other lawful property tax charges.”

**Cleaner polished version**

When a citation is filed in city court, the judge’s order should clearly tell the property owner what must be cleaned up and by what date. The order should state that if the owner does not complete the cleanup on time, the city shall perform the work itself or hire a contractor to do it. The order should also name the Public Works Director for overseeing the cleanup and require that all costs be documented.

After the cleanup is completed by the city or a contractor, the Public Works Director should certify the total cost to the city treasurer. The city treasurer should then take the proper legal steps to add the amount to the property tax rolls as a special assessment or special fee, so the cost can be collected against the property.

Again, if I can be of more assistance feel free to contact me and we can go over whatever you need.

**Mark Winkley**  
**Animal Control/Code Enforcement**  
**Reserve Police Officer**  
**Miles City, MT 59301**  
**406-234-6273**

**RESOLUTION NO. 4694**

**A RESOLUTION RESTRICTING THE USE OF FIREWORKS AT RIVERSIDE PARK DURING THE 2026 INDEPENDENCE DAY HOLIDAY WEEKEND.**

*WHEREAS*, the City of Miles City regulates the discharge of fireworks in the Code of Ordinances, Section 16-48;

*AND WHEREAS*, the City finds that the use of fireworks at Riverside Park should be restricted and prohibited during the 250th Independence Day holiday weekend, in 2026;

**NOW THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA AS FOLLOWS:**

1. The use of fireworks at Riverside Park on July 3, 4, and 5, is hereby restricted and prohibited, said power being exercised by the City Council in accordance with the authority set forth in City Code Section 16-48.

**SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, THIS 16<sup>th</sup> DAY OF JUNE, 2026.**

\_\_\_\_\_  
C.A. Grenz, Mayor

ATTEST:

\_\_\_\_\_  
Mary Rowe, City Clerk

**RESOLUTION NO. 4693**

**A RESOLUTION APPROVING A GENERAL PROCESSING MERCHANT AGREEMENT WITH AHT SERVICES, LLC, FOR AIRPORT CREDIT CARD TRANSACTION SERVICES.**

**WHEREAS**, the Miles City Airport desires to engage AHT Services, LLC, for credit card processing services;

**AND WHEREAS**, the terms of said engagement are laid out in the “AHT GENERAL PROCESSING MERCHANT AGREEMENT”;

**NOW THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA AS FOLLOWS:**

1. The “AHT GENERAL PROCESSING MERCHANT AGREEMENT” attached hereto as Exhibit “A,” is hereby approved and adopted by this Council.
2. The Mayor shall have the authority to execute the same, and to bind the City thereto.

**SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, AT A REGULAR MEETING THIS 16<sup>th</sup> DAY OF JUNE, 2026.**

\_\_\_\_\_  
C.A. Grenz, Mayor

ATTEST:

\_\_\_\_\_  
Mary Rowe, City Clerk



A World Kinect Company

**AHT GENERAL PROCESSING MERCHANT AGREEMENT**

This Card Processing Merchant Agreement made and entered into on this \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ ("Agreement") between \_\_\_\_\_, a \_\_\_\_\_ Enter State \_\_\_\_\_ company with its registered office at \_\_\_\_\_ ("Merchant"), and AHT Services, LLC, a Nevada limited liability company with its registered office at The Corporation Trust Company of Nevada, 701 S. Carson Street, Suite 200, Carson City, NV 89701, United States ("AHT") entitles Merchant to accept and submit credit/debit card transactions and receive payment, on the terms and conditions set forth herein, at the Merchant locations listed in Schedule 1 ("**Card Processing Services**") for those credit/debit cards listed in Schedule 2 (hereinafter collectively referred to as the "**Cards**", and each individually, a "**Card**"). Your signature below constitutes acceptance of the terms and conditions of this Agreement as it exists and as it may be amended from time to time in accordance with the terms hereof.

**1. Agreement**

In performing their respective obligations under this Agreement, the parties agree to comply with all Applicable Law. For the purpose of this Agreement, "**Applicable Law**" means all federal, state and local statutes, ordinances, regulations and executive, administrative and judicial orders applicable to this Agreement and Payment Security Standards Council's ("**PCI**") requirements.

**2. Card Acceptance Procedures**

- 2.1 Merchant agrees to follow and comply with any operating procedures, Card regulations or specific policies issued and as amended by the Card issuer or association for each Card listed in Schedule 2 (collectively referred to as "**Operating Procedures**"). Merchant agrees that it is solely responsible for monitoring and complying with all Operating Procedures.
- 2.2 All invoices submitted for processing must contain only those Card transactions for which a valid authorization from the Card issuer was obtained. Any disputes between the cardholder and the Merchant regarding an invoice remain the sole responsibility of the Merchant to address and resolve, before a final invoice can be submitted to AHT for processing.
- 2.3 Any amounts representing purchases not made in strict accordance with these terms or the Operating Procedures will be rejected by AHT, and if paid to Merchant and subsequently properly rejected by the cardholder, will be deducted from the next regular (or subsequent) payment due to Merchant or collected in another manner as AHT may determine. AHT may chargeback any Card transaction to a Merchant where the Merchant fails to provide requested supporting documentation within three (3) business days in the United States. If the Card association or issuer (e.g. American Express) determines there are excessive chargebacks at a location, Merchant will be solely responsible for any fees, charges or other amounts assessed by the Card association or issuer.
- 2.4 Merchant shall not receive any payments from cardholders with respect to charges made on Cards, and no cash advance shall be paid by the Merchant to the cardholder for any Card transaction. The Merchant will not submit to AHT any Card transactions that represent replacement for uncollected funds from other payment methods or that represent bad debt or potential bad debt with regard to the Merchant's own receivable.
- 2.5 Merchant is solely responsible for the quality and accuracy of all data provided to AHT.
- 2.6 Invoices must include all details needed to define the products and services purchases and must include a

signature or authorization by the cardholder as required by the Card issuer.

2.7 All invoices must be submitted to AHT within thirty (30) days of the Card transaction.

### 3. **Gateway Use, Copyright and Grant of License**

3.1 AHT has built and maintains highly confidential and proprietary point of sale software and web- based XML interfaces (the "**Gateways**") and Merchant desires to use the Gateways for Card Processing Services. Merchant and AHT will cooperate to facilitate any necessary upgrades or changes to the Gateways, provided that no upgrades or changes to the Gateways may be implemented or made without AHT's consent in its sole discretion.

3.2 Subject to Merchant's compliance with the terms and conditions of this Agreement, AHT grants to Merchant a limited, non-exclusive, non-transferable, and non-sublicensable license during the term of this Agreement to use the Gateways and any documentation provided by AHT related to processing requirements, system access or authorization (the "**Documentation**") exclusively for Card Processing Services with AHT. The Gateways and Documentation shall remain the property of AHT and no rights, including licenses, are granted with respect thereto other than as expressly set forth in this Section 3.

3.3 Merchant hereby acknowledges that AHT is the owners of all right, title and interest in the Gateways and Documentation and all intellectual property and proprietary rights therein, regardless of whether a copyright or other notice appears thereon or whether a registration thereof has been obtained with the appropriate government office. Merchant acknowledges the Gateways, Documentation and any other materials or information supplied by AHT under or in connection with this Agreement constitute the proprietary information of AHT and Merchant shall hold all such information in strict confidence, use such information solely to the extent necessary to perform its obligations under this Agreement, and in no way discuss, disclose or otherwise make available such information to any third parties, including AHT's competitors.

### 4. **IT, Data and Cardholder Information Security**

4.1 Merchant must have proper security measures in place for the protection of cardholder data (including, without limitation, any personally identifiable information or other data that, alone or in combination with other data, can be used to identify a cardholder) and comply with Applicable Law. Merchant must comply with all applicable PCI requirements including, but not limited to, using a PA DSS certified POS/software, ensuring the secure storage and limited access to all records containing cardholder data. Merchant must not retain or store magnetic strip or PIN data after a transaction has been authorized. Merchant is responsible for demonstrating to AHT Merchant's compliance with PCI programs and other Applicable Law. Merchants are required to notify AHT immediately of any incident that could potentially compromise cardholder data.

4.2 Merchant agrees to immediately notify AHT of any suspected, alleged or confirmed Compromised Data Event. Merchant agrees that upon Merchant's suspected or actual discovery of a Compromised Data Event, Merchant will not alter or destroy any related records. Merchant will share with AHT all information related to any actual or suspected Compromised Data Event, including, but not limited to, forensic reports and system audits; and allow AHT access to Merchant and its Merchant's facilities and records for the purpose of performing any inspection, examination and/or copying of books pertaining to the affected transactions. AHT may share such information with others as permitted under Applicable Law. In the event of a suspected Compromised Data Event and/or violation of Applicable Law, Merchant must promptly take appropriate corrective action, subject to AHT's approval. AHT shall be entitled to pass on to Merchant, and Merchant shall be solely responsible for paying, any costs, damages, fees and other liabilities related to any actual or potential loss, unauthorized disclosure, theft or compromise of cardholder data or card transaction information (each, a "**Compromised**

**Data Event"**), including without limitation any costs, damages, fees and other liabilities that the Card associations or issuers or government authorities may assess against AHT, and/or the costs AHT incurs for its investigation of the Compromised Data Event, including those associated with examinations and inspections, except to the extent caused by AHT's gross negligence or willful misconduct

4.3 The parties shall comply with the obligations set forth in the Data Protection Addendum (DPA) attached hereto.

**5. Payment and Fees**

5.1 Merchant agrees to the pricing and settlement terms set forth on Schedule 2.

5.2 Merchant and AHT shall enter into an Electronic Funds Transfer Authorization Agreement (annexed hereto as Schedule 3), the effectiveness shall coincide with the term of this Agreement and provide, among other things, that Merchant authorizes AHT, to initiate debit and/or credit entries with respect to a certain bank account of Merchant.

5.3 Merchant agrees to work with AHT and Card issuers to assist with marketing Card products to Merchant's customers.

5.4 AHT will have the right to offset outstanding amounts owed to Merchant on the Merchant's Cards accounts against any sums payable to the Merchant by AHT, or any affiliated companies including its or its parent company subsidiaries and parent company, under any contract, agreement or arrangement.

5.5 On or prior to the execution of this Agreement, Merchant shall complete and deliver to AHT a fully executed W-9 form (Request for Taxpayers Identification Number and Certification).

**6. Subrogation**

In recognition of the national and international nature of aviation and the necessity for legal certainty, predictability and convenience; upon reimbursement from AHT, Merchant irrevocably assigns to AHT all rights acquired by Merchant, including lien rights, such as mechanics liens, resulting from transactions for fuel, services and aircraft management for which Merchant has received payment or reimbursement, to allow AHT to pursue payment from the account holder.

**7. Merchandise Responsibility, Warranties, Limitation of Liability**

7.1 In no event shall AHT be liable to Merchant for any claims for loss of profits, loss of use, interruption of business, or indirect, special, incidental or consequential damages of any kind. Neither party shall be liable to the other for failure to perform this Agreement where such failure to perform is due to any natural disaster, fire, flood, storm, strike, terrorist event, act of war, labor unrest, acts of God, equipment or power interruption (when not due to the negligence of the non-performing party, its employees and contractors) interruptions in the telephone or Internet systems, failures in third party computer software or hardware or any cause beyond the non-performing party's reasonable control.

7.2 AHT makes no warranties or representations with respect to the Card Processing Services provided under this Agreement; however, AHT will use reasonable efforts to work with Merchant to resolve any issues that arise in connection herewith.

7.3 Merchant acknowledges that the cardholder is the purchaser of all products and services using a Card pursuant to this Agreement and neither AHT nor any of its affiliates takes title or risk on any product or service supplied. Any dispute arising under or about such a purchase is a matter between the Merchant and the cardholder.

7.4 Without limiting any other warranties made hereunder, Merchant represents warrants and covenants with AHT and with the submission of each Card transaction reaffirms that:

- (a) Each Card transaction is genuine and arises from a bona fide transactions, permissible under Applicable Law, by the cardholder directly with the Merchant for respective merchandise or services sold; and
- (b) With respect to each Card transaction, Merchant has no knowledge or notice of any fact, circumstance or defense which would indicate that such card transaction is fraudulent or not authorized by the related cardholder or which would otherwise impair the validity or collectability of that cardholder's obligation arising from that Card transaction or relieve that cardholder from liability with respect hereto.

**7.5 MERCHANT AGREES THAT NEITHER AHT, IT'S AFFILIATES, NOR ITS AND THEIR DIRECTORS, OFFICERS, SUBCONTRACTORS, AGENTS AND EMPLOYEES SHALL BE LIABLE TO MERCHANT FOR ANY CLAIMS, LIABILITIES OR EXPENSES RELATING TO THE CARD PROCESSING SERVICES PROVIDED HEREUNDER FOR AN AGGREGATE AMOUNT IN EXCESS OF THE TOTAL FEES PAID BY MERCHANT TO AHT FOR SUCH SERVICES DURING THE IMMEDIATELY PRECEDING CONTRACT YEAR.**

**8. Term and Termination**

The initial term of this Agreement shall commence on the date hereof and shall be in effect for three (3) years. This Agreement shall automatically renew for successive one (1) year periods unless terminated on sixty (60) days' prior written notice given by either party to the other, provided, that such termination shall not affect any customer transaction entered into prior to termination. In addition, this Agreement may be immediately terminated by AHT if Merchant breaches any term of this Agreement and fails to cure such breach within thirty (30) days following written notice by AHT. Sections 3.3, 4, 7, 8, 9 and 10 shall survive any termination of this Agreement. In addition, this Agreement shall automatically terminate, without any requirement for notice, upon any change in ownership of Merchant or all or substantially all of the Merchant's business.

**9. Indemnification**

Merchant agrees to indemnify and hold harmless AHT, its officers, directors, employee, agents and insurers, from and against any and all losses, damages, costs and expenses (including, without limitation, any reasonable attorneys' fees and court costs), liabilities, claims, settlements and judgments arising out (i) the negligence or misconduct of Merchant or its officers, directors, employees or agents, (ii) any breach of Applicable Law or (iii) any breach of or failure to comply with the terms of this Agreement by Merchant or its officers, directors, employees or agents.

**10. Entire Agreement**

This Agreement represents the entire agreement between the parties relating to this subject matter hereof and supersedes any inconsistent terms and conditions contained in any other agreement between the parties. This Agreement may be amended unilaterally from time to time by AHT upon notice given to the Merchant at least thirty (30) days prior to the effective date of the amendment, provided however that Merchant shall have the right to reject such amendment by terminating this Agreement, notwithstanding Section 8, prior to the effective date of such amendment. This Agreement may not be assigned by Merchant, by operation of law or otherwise, without the prior written consent of AHT. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. Each of the parties hereto agrees to the exclusive the exclusive jurisdiction and forum of the federal and/or local courts located in Miami-Dade County, FL.

[Signature Page to Follow]

Executed this  day of \_\_\_\_\_, 20  
Enter Counterparty Full Legal Name

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Accepted this  day of \_\_\_\_\_, 20.  
AHT Services, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## DATA PROTECTION ADDENDUM

This Data Protection Addendum (the "**DPA**") is intended to supplement the AHT General Processing Merchant ("**Agreement**") between AHT and Merchant. For purposes of this DPA, AHT and Merchant may be referred to individually as a "**party**" and collectively as the "**parties**." In the event of a conflict between this DPA and the Agreement, the terms and conditions set forth in this DPA shall supersede and control with respect to such conflict. Any capitalized term that is used, but not otherwise defined, herein shall be ascribed the meaning set forth in the Agreement.

### 1. Definitions

- 1.1. **California Privacy Law** means the California Consumer Privacy Act of 2018 ("**CCPA**"), as amended by the California Privacy Rights Act of 2020 ("**CPRA**") and any other applicable amendments (codified at § Cal. Civ. Code 1798.100 *et seq.*), and includes any and all implementing regulations thereto.
- 1.2. **Data Controller** means an entity that determines the purposes and means of the Processing of Personal Data. The term Data Controller shall also be ascribed the meaning of a "business" for purposes of California Privacy Law.
- 1.3. **Data Processor** means an entity that Processes Personal Data on behalf of a Data Controller. The term Data Processor shall also be ascribed the meaning of a "service provider" for purposes of California Privacy Law.
- 1.4. **Data Protection Law** means all laws, statutes, and regulations applicable to the Processing of End-User Personal Data under the Agreement, including (when applicable) California Privacy Law.
- 1.5. **Data Subject** means an identified or identifiable individual whose Personal Data is being Processed by AHT under the terms of this DPA.
- 1.6. **Documented Instructions** means the Processing terms and conditions set forth in the Agreement, this DPA, and any applicable and mutually agreed upon statement of work or similar work order issued thereunder describing Processing responsibilities.
- 1.7. **End-User Personal Data** means the Personal Data that AHT Processes on behalf of Merchant related to either (i) a natural person acting in an individual, consumer capacity, or (ii) a "consumer" (as the term "consumer" is so defined in California Privacy Law).
- 1.8. **Personal Data** means any information or data that, alone or in combination with other information or data, can be used to reasonably identify a particular individual, household, or device, and is subject to, or otherwise afforded protection under, an applicable Data Protection Law.
- 1.9. **Process, Processing, or Processes** means any action performed on End-User Personal Data, including collection, recording, organization, storage, adaptation or alteration, retrieval, consultation, use, disclosure, transfer or otherwise making available, alignment or combination, restriction, deletion, or destruction.
- 1.10. **Security Event** means any actual or reasonable degree of certainty of unauthorized access, use, loss, acquisition, exfiltration, or disclosure of unencrypted End-User Personal Data. A Security Event does not include an Unsuccessful Security Incident.
- 1.11. **Services** means the Card Processing Services and similar services described in the Agreement.
- 1.12. **Third-Party Sub-Processor** means any third-party organization engaged by AHT to Process End-User Personal Data on its behalf.

- 1.13. **Unsuccessful Security Incident** means an unsuccessful attempt or activity that does not compromise the security of End-User Personal Data, including (without limitation) pings and other broadcast attacks of firewalls or edge servers, port scans, unsuccessful log-on attempts, denial-of-service attacks, packet sniffing (or other unauthorized access to traffic data that does not result in access beyond headers) or similar incidents.

## 2. Scope and Applicability; California Privacy Disclaimers

- 2.1. The nature and scope of Processing of End-User Personal Data pursuant to this DPA is set forth in Annex I. For purposes of this DPA, (a) Merchant shall be considered an independent Data Controller, and (b) AHT shall be considered (i) a Data Processor when AHT Processes End-User Personal Data for and on behalf of Merchant for purposes of providing the Services, and (ii) an independent Data Controller when AHT determines the means and purposes of processing End-User Personal Data. In circumstances in which AHT is a Processor for purposes of this DPA, AHT shall Process End-User Personal Data only in accordance with the Documented Instructions, except to the extent otherwise required by law. In the event AHT is compelled by law to Process End-User Personal Data other than in accordance with the terms and conditions set forth in the Documented Instructions, AHT shall, when required by law, notify Merchant of that legal requirement prior to Processing, unless such notification is expressly prohibited by law. In circumstances in which AHT is a Controller, AHT shall comply with Section 6 of this Agreement.
- 2.2. Each party acknowledges and agrees that the disclosure of End-User Personal Data to the other does not constitute, and is not the intent of either party for such disclosure to constitute, a Sale or Sharing of End-User Personal Data, and if valuable consideration, monetary or otherwise, is being provided by either party, such valuable consideration, monetary or otherwise, is being provided for the rendering of Services and not for the disclosure of End-User Personal Data. In circumstances in which AHT is a Processor for purposes of this DPA, the following shall apply: (A) AHT hereby agrees that AHT (i) shall not collect, retain, use, or disclose End-User Personal Data for any purpose (including for any commercial purpose) other than for the specific purpose of performing the Services, unless otherwise required by law, (ii) shall not Sell or Share End-User Personal Data, except as necessary to satisfy its obligations under the Agreement, (iii) shall not collect, retain, use, or disclose End-User Personal Data outside the direct business relationship between AHT and Merchant, unless expressly permitted by law, (iv) shall not combine the End-User Personal Data that the AHT receives from, or on behalf of, Merchant with Personal Data that AHT receives from, or on behalf of, another party, or collects from its own interaction with a Data Subject, except to the extent reasonably necessary to provide the Services and as expressly permitted by law, and (v) shall, at Merchant's reasonable request, cease any unauthorized Processing of End-User Personal Data and grant Merchant authorization to assess and remediate any such unauthorized Processing; (B) this DPA is AHT's certification, to the extent the California Privacy Law or any other applicable Data Protection Law requires such a certification, that AHT understands and will comply with the Processing limitations with respect to End-User Personal Data that are set forth in the Documented Instructions; and (C) the parties agree that AHT shall Process End-User Personal Data only for the provision of the Services. For purposes of this Section 2.2 only, the terms "Sale" and "Sell" shall have the same meaning as set forth in California Privacy Law (Cal. Civ. Code § 1798.140). The limitations set forth in this Section 2.2 shall not be interpreted to prevent AHT from complying with an applicable law, statute, regulation, or binding order of a governmental or regulatory body.

## 3. Merchant Obligations

- 3.1. Merchant shall be responsible for complying with all requirements that apply to it under applicable Data Protection Law and the Documented Instructions it issues to AHT. Unless otherwise set forth herein, Merchant agrees that AHT is not responsible for the accuracy, quality, and legality of End-User Personal Data. Merchant shall provide Data Subjects with all necessary information (including by means of offering a transparent and easily accessible public privacy notice) and, where required by Data Protection Law, obtain all necessary consents, regarding AHT's and Merchant's Processing of End-User Personal Data for the purposes described in the Agreement, including this DPA.

- 3.2. Merchant is solely responsible for reviewing the Services, including any available security documentation and features, to determine whether they satisfy Merchant's requirements, business needs, and legal obligations. For the avoidance of doubt, Merchant is responsible for its use of the Services, including making appropriate use of the Services to ensure a level of security appropriate to the risk with respect to End-User Personal Data, securing its account authentication credentials, protecting the security of End-User Personal Data when in transit to and from the Services, taking appropriate steps to securely encrypt and/or back up any End-User Personal Data uploaded to the Services, and properly configuring the Services and using available features and functionalities to maintain appropriate security in light of the nature of the End-User Personal Data. AHT has no obligation to protect End-User Personal Data that Merchant elects to transmit, store or transfer outside of the Services (e.g., offline or on-premises storage).

#### 4. Data Processor Obligations

- 4.1. In circumstances in which AHT is a Processor for purposes of this DPA, the following shall apply:
- (a) AHT shall at all times maintain the confidentiality of all End-User Personal Data and ensure that individuals who are authorized to Process End-User Personal Data have committed themselves to confidentiality or are under an appropriate statutory obligation of confidentiality;
  - (b) AHT shall implement and maintain commercially reasonable technical and organizational security controls to protect and safeguard End-User Personal Data, which shall include written policies describing its security controls and measures and the relevant procedures and responsibilities of AHT personnel who have access to End-User Personal Data ("**Information Security Program**"). AHT shall designate a senior employee to be responsible for the overall management of AHT's Information Security Program. AHT may update, amend, or otherwise alter its Information Security Program at any time, provided that any such update, amendment, or alteration does not increase the likelihood of a Security Event or cause the Information Security Program to not meet the minimum standards set forth herein;
  - (c) AHT shall, to the extent legally permitted, promptly notify Merchant if AHT receives a request from (i) a government or regulatory authority regarding the Processing of, or seeking access to, End-User Personal Data ("**Government Data Request**") or (ii) a Data Subject seeking to exercise a data protection right or privilege, such as the right to access or deletion (a "**Data Subject Request**"), and AHT shall, to the extent practicable, seek to direct the requestor to Merchant. Taking into account the nature of the Processing, AHT shall assist Merchant by appropriate technical and organizational measures, insofar as this is possible, for the fulfilment of Merchant's obligation to respond to a Government Data Request or a Data Subject Request. In addition, to the extent Merchant, in its use of the Services, does not have the ability to address the Government Data Request or the Data Subject Request, AHT shall, upon Merchant's request, furnish commercially reasonable efforts to assist Merchant in responding to such requests, to the extent AHT is legally required to do so;
  - (d) Upon Merchant's request, AHT shall provide Merchant with commercially reasonable cooperation and assistance (i) needed to fulfil Merchant's obligation under applicable Data Protection Law to undertake a data protection impact assessment related to Merchant's use of the Services, to the extent Merchant does not otherwise have access to the relevant information and to the extent such information is available to AHT and (ii) with respect to a consultation with a government or regulatory authority;
  - (e) Upon request (but no more than annually), AHT shall provide to Merchant (on a confidential basis) a summary copy of (if available) any third-party audit report or certification applicable to the Services ("**Report**"), so that Merchant can verify AHT's compliance with this DPA. If Merchant reasonably believes that the Report provided is insufficient to demonstrate compliance with this DPA, AHT shall also provide written responses (on a confidential basis) to reasonable requests for information made by Merchant related to its Processing of End-User Personal Data, including responses to information

security and audit questionnaires that are necessary to confirm AHT's compliance with this DPA;

- (f) On termination or expiration of the Agreement or this DPA, Merchant may wish to instruct AHT to delete or return all End-User Personal Data (including copies) from AHT's systems in accordance with applicable Data Protection Law. AHT will comply with this instruction as soon as reasonably practicable, where technically feasible, and AHT shall not be required to delete or return End-User Personal Data to the extent that AHT is required by applicable law or order of a governmental or regulatory body to retain some or all of the End-User Personal Data or such End-User Personal Data is required for AHT to enforce or defend its legal rights or interests. In addition, except to the extent required by applicable law, AHT shall not be required to delete or return End-User Personal Data archived on backup systems if AHT shall securely isolate it and protect it from any further Processing and such End-User Personal Data is deleted in accordance with AHT's standard overwriting and deletion policies; and
- (g) AHT may engage Third-Party Sub-Processors to Process End-User Personal Data, provided AHT shall (i) ensure that each Third-Party Sub-Processor is subject to binding obligations that require the Third-Party Sub-Processors to protect End-User Personal Data to the same standard as AHT and (ii) remain responsible for each Third-Party Sub-Processor's compliance with the obligations of this DPA and for any failure by the Third-Party Sub-Processor to fulfil its data protection obligations.

4.2. Merchant acknowledges that AHT may be required under applicable Data Protection Law to: (i) collect and maintain records of certain information, including the name and contact details of each Data Controller on behalf of which AHT is acting and, where applicable, of such Data Controller's local representative and data protection officer and (ii) make such information available to a government or regulatory authority. Accordingly, to the extent such Data Protection Law applies to the Processing of End-User Personal Data, Merchant will, where required by law, provide such information to AHT, and will ensure that all information provided is kept accurate.

## 5. Security Event Procedures

- 5.1. AHT shall establish, implement, and maintain a written incident response plan ("IRP") to identify, remediate, respond to, and recover from an actual or a reasonably suspected Security Event. AHT shall undertake IRP-related exercises no less than annually.
- 5.2. In circumstances in which AHT is a Processor for purposes of this DPA, AHT shall, upon confirming a Security Event and where legally required, comply with the following: (i) taking into account the nature of Processing of End-User Personal Data and the information available to AHT, promptly (and in accordance with the timeframes set forth in applicable Data Protection Law) notify Merchant of a Security Event when it discovers the same, (ii) provide timely information to Merchant relating to the Security Event as it becomes known or as is reasonably requested by Merchant, and (iii) promptly take reasonable steps to contain, investigate, and mitigate any Security Event, and AHT may (in AHT's sole and reasonable judgment) retain an independent data incident response consultant to contain, investigate, and remediate the Security Event on its behalf.
- 5.3. For purposes of Section 5.2 of this DPA, AHT will cooperate with Merchant as reasonably requested by Merchant in responding to Merchant's regulators or customers with respect to a Security Event. Notwithstanding the foregoing, Merchant acknowledges and agrees (i) Merchant shall be solely responsible for notifying or disclosing a Security Event to any applicable government agency, individual, or entity, (ii) Merchant may not name AHT in consumer or regulatory notifications or press releases without AHT's consent (except as required by law), and (iii) Merchant shall coordinate with AHT on developing the content of any public statements or any required notices for the affected Data Subjects and/or notices to the relevant supervisory authorities related to the Security Event if AHT's name will be identified in such notices. Nothing in this DPA shall be interpreted to prevent AHT from complying with its own data incident notification requirements.

5.4. Any notification, assistance, or cooperation provided by AHT in accordance with this Section 5 shall not be interpreted or construed as an admission of liability, wrongdoing, or fault by AHT. To the extent AHT is responsible for the Security Event, AHT shall be liable for the costs to investigate and respond to the Security Event in accordance with the terms of the Agreement.

**6. AHT Data Controller Obligations**

In circumstances in which AHT is a Processor for purposes of this DPA, AHT shall comply with the requirements of the Data Protection Laws applicable to Controllers in respect of the Processing of End-User Personal Data under this DPA (including without limitation, by implementing and maintaining at all times all appropriate security measures in relation to the Processing of End-User Personal Data) and shall not knowingly do anything or permit anything to be done with respect to the End-User Personal Data that likely would lead to a breach by Merchant of applicable Data Protection Laws. AHT shall, where required by Data Protection Law, only transfer End-User Personal Data to third parties who execute written agreements that contain terms for the protection of End-User Personal Data which are no less protective than the terms set out in this Addendum.

**7. Miscellaneous**

7.1. The parties to this DPA hereby submit to the choice of jurisdiction stipulated in the Agreement with respect to any disputes or claims howsoever arising under this DPA, including disputes regarding its existence, validity or termination or the consequences of its nullity, and this DPA and all non-contractual or other obligations arising out of or in connection with it are governed by the laws of the country or territory stipulated for this purpose in the Agreement.

7.2. Should any provision of this DPA be invalid or unenforceable, then the remainder of this DPA shall remain valid and in force. The invalid or unenforceable provision shall be amended as necessary to ensure its validity and enforceability, while preserving the parties' intentions as closely as possible or, if such amendment is not possible, the invalid or unenforceable provision shall be construed in a manner as if it had never been contained therein.

7.3. In the event of changes to applicable Data Protection Law, including, but not limited to, the amendment, revision, or introduction of new laws, statutes, regulations, or other legally binding requirements to which either party is subject, the parties agree to reassess the terms of this DPA, and negotiate any appropriate or necessary updates thereto in good faith, including the addition, amendment, or replacement of any provision therein. In the event the parties cannot agree to such amendments or changes to this DPA, each party shall have the right, upon written notice to the other, to terminate this Agreement.

\* \* \*

## Annex I (Data Processing Activities)

<b>Data Controller</b>	Merchant	AHT
<b>Data Processor</b>	AHT	N/A
<b>Purpose of Processing</b>	<ul style="list-style-type: none"> <li>Provision of Services to Merchant by AHT.</li> </ul>	<ul style="list-style-type: none"> <li>Determine and utilize third parties (banks and payment method providers).</li> <li>Monitor the Services to prevent and detect fraudulent transactions and other fraudulent activity, and to prevent and mitigate financial loss, security risks, and other harm.</li> <li>Implement processes to provide products and other services, including relationship management, billing and invoicing.</li> <li>Comply with laws, statutes, regulations, and government requests, including (where applicable) anti-money laundering screening and KYC obligations.</li> <li>Enhance AHT products and services.</li> </ul>
<b>Categories of Data Subjects</b>	<ul style="list-style-type: none"> <li>Individuals, including certain Merchant employees, contractors, and personnel, who use the Services.</li> </ul>	<ul style="list-style-type: none"> <li>Individuals, including certain Merchant employees, contractors, and personnel, who use the Services.</li> <li>Individuals, including certain Merchant employees, contractors, and personnel, who have a professional business relationship with AHT.</li> </ul>
<b>Types of Personal Data</b>	In certain circumstances, the following End-User Personal Data may be relevant to the Services: names; contact information (telephone and/or email address); financial data (e.g., payment account details, bank account details); billing and shipping addresses; order description (including date, time, amount, product or service description); device identifier; tax ID/status, unique customer identifier, identity information including government issued documents (e.g., national IDs, driver's licenses and passports).	
<b>Nature of Processing</b>	To provide human resources benefits Services to Customer employees. The Processing may include the following actions with respect to Personal Data: collection, recording, organization, storage, retrieval, use, disclosure, transfer, deletion, or destruction	

\* \* \*

**SCHEDULE 1**

**Locations**

<b>Merchant Name</b>	<b>Airport or Address</b>	<b>ICAO</b>	<b>IATA</b>

**SCHEDULE 3**

**EFT FORM (ONE PER BANK ACCOUNT) EFT AUTHORIZATION FOR ELECTRONIC FUNDS TRANSFER**

\_\_\_\_\_ authorizes AHT to collect and deposit funds into the bank account indicated below by means of Electronic Funds Transfer for payment of goods and services processed through the AHT Gateway for the following location(s):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

It will also allow access for adjustments (debit transactions) in the event of billing errors or chargebacks. Disputes regarding deposits (credits) should be made within fifteen (15) days of issuance of the account statement. Disputes regarding charges (debits) should be made within forty-five (45) days after the account was charged. Until notification in writing of cancellation or modification, this authorization will continue to be valid.

Receiving Bank City Transit/ABA # \_\_\_\_\_  
Merchant Name \_\_\_\_\_  
Merchant Address: \_\_\_\_\_  
State \_\_\_\_\_  
Branch \_\_\_\_\_  
Acct # \_\_\_\_\_  
City \_\_\_\_\_  
Zip \_\_\_\_\_

Please send a copy of voided check with your signed agreement along with a current W-9.

**RESOLUTION NO. 4686**

**A RESOLUTION ADOPTING A REVISED PURCHASING POLICY FOR THE CITY OF MILES CITY, MONTANA.**

*WHEREAS*, the City of Miles City wishes to implement a revised policy governing the process relative to all purchases made by the City of Miles City;

*AND WHEREAS* the City of Miles City has developed an updated policy with regards to the same;

**NOW THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA AS FOLLOWS:**

1. The Purchasing Policy attached hereto as Exhibit “A” is hereby approved and adopted by the Council, effective immediately.


**SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, THIS 16<sup>TH</sup> DAY OF JUNE, 2026.**

\_\_\_\_\_  
C. A. Grenz, Mayor

ATTEST:

\_\_\_\_\_  
Mary Rowe, City Clerk

Exhibit A

 <b>CITY OF MILES CITY POLICY &amp; PROCEDURE</b>	Effective Date:	02-2003
	Last Revised:	<b>05-12-26</b>
<b>Purchasing Policy</b>		
<b>RESOLUTION # 4686</b>		

**Purpose & Scope**

This document is intended to describe the policy and process that shall be followed by the City of Miles City relative to all purchases.

**A. Authorization to Make Purchases**

1. Upon the City Council’s acceptance of budgets, all Department Directors are authorized to make purchases required for their departments in accordance with this policy.
2. The Department Director may designate other department staff to make the purchases for the Department; however, the Department Director will acknowledge ALL department purchases through signing off or initialing each transaction.

**B. Montana Law References**

1. MCA 7-5-4302 (1) requires that any automobile, truck, other vehicle, road machinery, other machinery, apparatus, appliances, equipment, materials, supplies, or any construction, repair or maintenance of any kind in excess of \$80,000, must be advertised & let to the lowest responsible bidder.
2. MCA 7-5-4302 (2) and (3) as well as MCA 7-5-4303 and MCA 7-5-4304 provide details on bidding & advertising requirements.
3. MCA 7-5-4305 explains that the bidding process cannot be circumvented by dividing a work or construction project into several contracts or separate work orders or similar device.
4. MCA 7-5-4306 & MCA 7-7-4104 explain limitations placed upon the use of installment purchase contracts.
5. MCA 7-7-4101 explains the purposes for which the City can incur indebtedness.
6. MCA 7-5-4310 explains that the city may make purchases at public auction for any vehicle, machinery, appliance, apparatus, building, or materials and supplies provided the sum is less than \$50,000.
7. MCA 15-70-101 explains that all Gas Tax funds must be disbursed to the lowest responsible bidder for projects set forth in MCA 7-5-2301 and 7-5-4302.

8. MCA 7-5-4301 (2) (a) states all necessary contracts for professional, technical, engineering, or legal services are excluded from the provisions of 7-5-4302 through 7-5-4304, 7-5-4306, and 7-5-4307. However, contracts in which the value of the majority of the services to be rendered constitute services other than professional, technical, engineering, or legal services must be awarded under the bidding procedure provided for in 7-5-4302 through 7-5-4304, 7-5-4306, and 7-5-4307.

8.

### C. City Policy

1. Department Directors will purchase from local vendors when the item is available locally. Written explanation will be provided and retained by the Director when a local vendor is not the provider.
2. All documentation on purchases will be kept in retrievable files within the appropriate Department.
3. All documentation on purchases for Section E below will be provided to the City Clerk's office for retention in a central location.
4. Minority business enterprises and labor surplus firms will be used when possible.
- 4-5. All contractors utilizing federal funds will be pre-verified through Sam.gov exclusions list prior to award.

### D. Process for Procurement by Purchase Order (PO)

1. The Department Director or designee will obtain an invoice from the vendor.
2. The Department Director or designee will prepare and sign the PO and properly code the Purchase Order.
3. The Department Director will insure delivery of signed & coded Purchase Orders to the City Clerk's office as they occur or insure that outstanding PO's are completed properly & delivered to City Clerk's office by the 25th of each month. PO's are paid **the next day after the first Council meeting** of each month.
4. The City Clerk's office will review the PO for completeness and proper coding.
  - a. Department Directors will be advised on POs that need correction or coding adjustment.
  - b. The City Clerk's office may return the PO for the Department Director to correct, or
  - c. The City Clerk's office may make any adjustments after consultation with the Department Director.
5. The City Clerk's office will make notes on any adjustments made to a PO that was not returned to the Department Director for adjustment.

### E. Process for Procurement by Credit Card.

1. Departments will restrict those persons authorized to make purchases with the credit card(s) to as few as needed to meet department needs.
2. Department Directors will sign off on each purchase and code it for budgeting purposes.
3. The Department Director will receive a monthly statement from the credit card company. The Department Director or designee will check that all transactions are theirs; that documentation (charge slips, receipt or invoice) exists for every purchase; and that each purchase is properly coded for budget purposes.

3

4. The Department Director will insure that the City Clerk's office gets the original of the card statement and the originals of all documentation (charge slips, receipts or invoices) on a timely basis.
5. All disputed items on the monthly credit card statement, or billing errors or credits due are the responsibility of the Department to rectify or verify.
6. Department Directors and/or employees who are issued a card will sign a "Cardholder Agreement".
7. Credit card(s) will be kept in a secure location(s).
8. The credit card numbers should be protected and should not be posted at a desk or in an easily seen location.
9. The card holder will be responsible for reporting the loss/theft of the credit card to the City Clerk and Department Director immediately. The City Clerk will be responsible to report the loss of the credit card to the Credit Card Company.
10. Credit cards may not be used for any personal (non-City) use, such as: cash advances; meals, per diem that exceeds city policy, or any personal health & medical services.

#### **F. Claims review and approval**

1. The City Clerk's office will prepare checks to vendors and present the itemized list of reviewed claims to the City Council for approval before payment.
2. Council approval will be obtained at the first council meeting of each month. Each month before claims are approved by the City Council, ~~the Chair of the City's Finance Committee or his/her designee, or~~ the Council member designated to review claims or the Mayor in the Council members ~~Chair's~~ absence, will:
  - a. Review & approve the journal voucher register & supporting vouchers
  - b. Sign the monthly claims list as evidence of that approval;
  - c. Review and account for the numerical sequence of checks & account for any checks paid but not approved by list and confirm voided checks; and
  - d. Compare the claims register with the claims check register;

#### **Attachments:**

- Guide on How to Write Bid Specifications
- Compliance for Audits of Local Government on Procurement, Bid Letting, Contracts
- Purchasing policy guidelines

**Purchasing Policy Guidelines for the City of Miles City  
May 2026**

Amount of Purchase	Policy/Process	Documentation Required
<p>A. Under <del>\$9,999</del><u>50,001</u></p> <p>• <b>Exception, see Below</b></p>	<p>1. Any manner deemed appropriate by department head manager.</p>	<p>1. Copy of invoice and signed purchase order or credit card receipt 2. Attach documentation to claim</p>
<p>B. <del>\$10,000 to \$14,999</del></p> <p>• <b>Exception, see Below</b></p>	<p><del>1. Secure telephone quotations from a minimum of three vendors, whenever possible.</del> <del>2. Document if unable to obtain three quotations.</del></p>	<p><del>1. Must use purchase order/claim</del> <del>2. Record of telephone quotations with name of bidder and name of person submitting quote</del> <del>3. Attach documentation to claim.</del></p>
<p>C. <del>\$15,000 to \$49,999</del></p> <p>• <b>Exception, see Below</b></p>	<p><del>1. Payment by written purchase orders only, unless authorization to use a credit card is approved by the Mayor in advance.</del> <del>2. Secure written bids/quotes from a minimum of three vendors, whenever possible.</del> <del>3. Document if unable to secure three quotations.</del> <del>4. If purchase and amount was not approved in Budget, then the purchase must be approved in advance by City Council</del></p>	<p><del>1. Copy of invoice and signed purchase order/claim</del> <del>2. List of vendors</del> <del>3. Copy of Request for Quotation (RFQ) form</del> <del>4. Copies of all memoranda and correspondence concerning the purchase</del> <del>5. Written record of any phone conversations regarding the purchase with vendors ("Sole Source" documentation)</del> <del>6. Notification to Finance Committee and the Mayor if purchase is being awarded to someone other than the lowest bidder</del> <del>7. Attach documentation to claim</del> <del>1.</del></p>

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<p><del>BD.</del> \$50,000<del>1</del> to \$79,999</p>	<ol style="list-style-type: none"> <li>1. Payment by written purchase orders only, unless authorization to use a credit card is approved by the Mayor in advance.</li> <li>2. Secure written bids/quotes from a minimum of three vendors, whenever possible.</li> <li>3. Document if unable to secure three quotations.</li> <li>4. <del>If purchase and amount was approved in Budget, it will need to go to Finance Committee for approval.</del> If the purchase was not in the budget, the purchase must be approved in advance by the Finance Committee and City Council</li> </ol>	<ol style="list-style-type: none"> <li>1. Copy of invoice and signed purchase order/claim</li> <li>2. List of vendors</li> <li>3. Copy of Request for Quotation (RFQ) form</li> <li>4. Copies of all memoranda and correspondence concerning the purchase</li> <li>5. Written record of any phone conversations regarding the purchase with vendors ("Sole Source" documentation)</li> <li><del>6. Notification to Finance Committee and the Mayor if purchase is being awarded to someone other than the lowest bidder</del></li> <li><del>7.</del>6. Attach documentation to claim</li> </ol>
<p><del>CE.</del> . Over \$80,000 in equipment, supplies or construction costs</p>	<p>Per appropriate section in Montana Codes Annotated, sealed bids with Public Opening; with legal review on the process prior to letting; followed by City Council approval. <del>Solicitation of bids, only need to go to Finance Committee.</del></p>	<ol style="list-style-type: none"> <li>1. All of the above, plus: <ul style="list-style-type: none"> <li>• Copies of all advertisements for bid.</li> <li>• Copies of bid specifications as supplied to vendors,</li> <li>• Copies of certified mail receipts,</li> <li>• Documentation of legal review of the bidding process by the City Attorney</li> </ul> </li> </ol>

~~\*Excluded from the three (3) vendor quotes, as long as it is budgeted for in that current year are curbing, ramps, cement flat work associated with ADA construction, and asphalt paving. This is for individual projects that are under \$25,000. Any one (1) project over \$25,000 will need the three (3) vendor quotes.~~

## Guide on How to Write Bid Specifications

Specifications provide a precise description of the critical features a supply or service must have to satisfy a need. A specification should be written from the general to the specific. Good procurement practice and Montana law require that specifications not be unduly restrictive (Ref. Mont. Code Ann. § 18-4-234). Restrictive specifications may limit competition and in the end, do not promote the overall economy for the purposes intended. The following outline should be used as a guideline:

1. **Common Title of Supply or Service:** Begin a specification by listing the common name of the product or service sought: "compact sedan," for example, or "photocopier maintenance." Do not list a specific brand name in the title.
2. **Purpose/Use for Supply or Service:** State the intended purpose for which the item will be used. For example, a lawn tractor specification might state: "suitable for daily use (4-6 hours) on a 7-acre complex with several 20 degree slopes." Vendors must know the intended use to assist in determining the specific **supply to bid**.
3. **Description of Supply or Service:** List all the critical features the supply must perform or have to meet your requirements. Use a specification that indicates the necessary **performance** requirements of the end supply or service, or a design specification that details how a product is engineered, if you have a specific physical requirement for the product. However, it is difficult to draft design specifications without being restrictive and limiting competition. A combination of performance and design requirements is often the most ideal specification. Identify the minimum requirements, but make sure the stated minimums will result in a product that will satisfy the needs. If there **are brand name-or-equal** products that are of the appropriate quality level, list several of the acceptable brand names and model numbers. Be careful to not imply that only a certain brand name will be acceptable, unless compatibility is an issue.
4. **List Special Requirements:** Describe any special conditions that the product or vendor must perform. Warranty, service, parts, and training requirements must be included.
5. **Unusual Conditions:** Describe any unusual conditions, such as compatibility, fiscal year funding source, etc.
6. **Delivery Date:** Indicate a specific delivery date, if required. If a delivery time is not specified, it will generally be 30 days after issuance of a purchase order.
7. **Delivery Location:** Be specific about delivery location and any special delivery requirements. Bids must state that supplies are to be shipped F.O.B. Destination – Freight Prepaid, meaning that the title of the supplies remains with the vendor until the supplies are unloaded at the final destination. When supplies are purchased F.O.B. Destination – Freight Prepaid, the vendor is responsible for damage to the supplies while they are in transit and also responsible for filing freight claims if damages are incurred.
8. **Contact Person:** List the name, address, and phone number of the person who should be contacted if questions arise.



## 1. GENERAL BIDDING REQUIREMENTS

- A contract for the purchase of any automobile, truck, other vehicle, road machinery, other machinery, apparatus, appliances, equipment, or materials or supplies or for construction, repair, or maintenance **in excess of \$80,000** must be let to the lowest responsible bidder after advertisement for bids. (MCA 7-5-4302(1)) (**See exceptions to this bidding requirement, below**)
  - √ **Public Auction:** In lieu of soliciting bids, the council may purchase at public auction any vehicle, machinery, appliances, apparatus, building, or materials or supplies for which must be paid a sum of \$50,000 or less. (MCA 7-5-4310)
  - √ **Self-Government Powers:** A local government unit with self-government powers cannot supersede by the passage of a resolution or ordinance the competitive bidding requirements set forth in MCA 7-5-4302. (AGO #175, Vol. 37))
- **Publication Requirements:** The advertisement for bids must be published as provided in 7-1-4127 (See C/T-1 – “General Topics” for discussion of these publication requirements), and the second publication must be made not less than 5 days or more than 12 days before the consideration of bids. If the advertisement is made by posting, 15 days must elapse, including the day of posting, between the time of the posting of the advertisement and the day set for considering bids. (MCA 7-5-4302(2))
- **Exceptions to Bidding Requirements:** The following are the exceptions to the bidding requirements of MCA 7-5-4302:
  1. Purchases necessitated by emergencies, as defined in MCA 7-5-4303(1);
  2. Purchases of supplies or equipment from government agencies when the purchase can result in a substantial savings to the city or town, and when there is sufficient budget for the purchase (MCA 7-5-4303(2));
  3. Alternative project delivery contracts, as provided in Title 18, chapter 2, part 5 (MCA 7-5-4302) (See discussion below)
  4. Solicitation and award of an investment grade energy audit or energy performance contract pursuant to Title 90, Chapter 4, Part 11, or to the construction or installation of conservation measures pursuant to the energy performance contract. (MCA 7-5-4315) (See discussion below)

## 1. GENERAL BIDDING REQUIREMENTS - continued

- **Exceptions to Bidding Requirements - continued:**
  5. Contracts for professional, technical, engineering, or legal services (MCA 7-5-4301(2)(a));

- √ However, contracts in which the value of the majority of the services to be rendered constitute services other than professional, technical, engineering, or legal services must be awarded under the bidding procedures. (MCA 7-5-4301(2)(a))
- √ A contract for the employment of a construction manager that calls only for the application of the contractor's technical expertise and experience in a supervisory capacity and does not involve the procurement of supplies or actual construction is a contract for professional and technical services. (AGO #175, Vol. 37))
- √ A municipality may extend, renew, or amend a contract or series of contracts for the supervision or operation of a physical plant that provides water, sewer, or power services without proceeding under the bidding procedure if:
  - a. one or more of the contracts were awarded to the entity in accordance with the competitive bidding procedures, and
  - b. the entity has provided the services to the municipality for the immediately preceding 5-year period. (**Note:** Other than these situations, supervision over or operation of a physical plant that provides water, sewer, or power services to a municipality does not constitute a service excluded under the provisions of 7-5-4301(2)(a) (above).) (MCA 7-5-4301(2)(b))

## 2. CERTAIN CONTRACTS TO BE SUBMITTED TO VOTERS

- No contract may be let pursuant to MCA 7-5-4302, pertaining to competitive bidding requirements, (see above) that extends over a period of 5 years or more without first submitting the question to a vote of the electors of the city or town. (MCA 7-5-4304)
- √ **Exceptions:** The following are the exceptions to the requirement that the contract be submitted to the voters:
  1. A contract for solid waste management system as defined in MCA 75-10-103, which may not exceed 10 years; or
  2. Obligations issued pursuant to MCA 7-7-4104, which may include bonded indebtedness, note indebtedness, a lease, a lease-purchase agreement, an installment purchase contract, or other legal forms. These obligations are general obligations of the municipality but are not secured by a pledge of the taxing power of the municipality. See 7-7-4104 for the specific terms and restrictions of this type of obligation. (MCA 7-5-4304))

## 3. BIDDING - GAS TAX FUNDS

(See TRAN-1 "Gasoline Tax Apportionment" for additional information)

- If a city or town contracts for construction, reconstruction, maintenance or repair of city or town streets or alleys costing **in excess of \$80,000** to be paid with gasoline tax

funds, the funds must be disbursed to the lowest responsible bidder according to applicable bidding procedures. (MCA 15-70-101(5))

**4. DIVISION OF CONTRACTS PROHIBITED**

- Public work or construction projects for which competitive bidding is required may not be divided into several contracts to circumvent the competitive bidding requirements. (MCA 7-5-4305)

**5. INSTALLMENT PURCHASE CONTRACTS – LENGTH OF TERM**

- When the amount to be paid under an installment purchase contract **exceeds \$4,000**, the council may provide for the payment of the amount in installments extending over a period of **not more than 10 years** if at the time of entering into the contract, there is an unexpended balance of appropriation in the budget for the then-current fiscal year available and sufficient to pay for the portion of the contract price payable during the then-current fiscal year. The budget for each following year in which any portion of the purchase price is to be paid must contain an appropriation for the purpose of paying that portion. The limitations contained in this section do not apply to installment purchase contracts entered into pursuant to 7-7-4104 (See Requirement #2, above.) (MCA 7-5-4306)

**6. LEASE/PURCHASE AGREEMENTS SUBJECT TO BIDDING REQUIREMENTS**

- A lease with an option to purchase is subject to the competitive bidding requirement of MCA 7-5-4302 (See above). (AGO #78, Vol. 41)

**7. CONFLICT OF INTEREST**

- The mayor, any member of the council, any city or town officer, or any relative or employee of an enumerated officer may not be directly or indirectly interested in the profits of any contract entered into by the council while the officer is or was in office. (MCA 7-5-4109(1))
  - √ The governing body of a city or town may waive the application of the above prohibition if in an official capacity the officer or employee does not influence the decision-making process or supervise a function regarding the contract in question. A governing body may grant a waiver under this subsection only after publicly disclosing the nature of the conflict at an advertised public hearing held for that purpose. In determining whether to grant a waiver, the governing body shall consider the following factors, where applicable:
    - (a) whether the waiver would provide to a program or project a significant benefit or an essential skill or expertise that would otherwise not be available;
    - (b) whether an opportunity was provided for open competitive bidding or negotiation;
    - (c) whether the person affected is a member of a clearly identified group of persons that is the intended beneficiary of the program or project involved in the contract; and

- (d) whether the hardship imposed on the affected person or the governmental entity by prohibiting the conflict will outweigh the public interest served by avoiding the conflict.(MCA 7-5-4109(2))
- City or town officers; or any deputies or employees of a city or town may not be interested in any contract made by them in their official capacity or by anybody, agency, or board of which they are members or employees if they are directly involved with the contract. A former employee may not, within 6 months following the termination of employment, contract or be employed by an employer who contracts with the city or town involving matters with which the former employee was directly involved during employment. (MCA 2-2-201(1))
- √ As used above:
1. The term “be interested in” does not include a minority interest in a corporation.
  2. The term “contract” does not include:
    - a. contracts awarded based on competitive procurement procedures conducted after the date of employment termination;
    - b. merchandise sold to the highest bidder at public auctions;
    - c. investments or deposits in financial institutions that are in the business of loaning or receiving money;
    - d. a contract with an interested party if, because of geographic restrictions, a local government could not otherwise reasonably afford itself of the subject of the contract. It is presumed that a local government could not otherwise reasonably afford itself of the subject of a contract if the additional cost to the local government is greater than 10% of a contract with an interested party or if the contract is for services that must be performed within a limited time period and no other contractor can provide those services within that time period.
  3. The term "directly involved" means the person directly monitors a contract, extends or amends a contract, audits a contractor, is responsible for conducting the procurement or for evaluating proposals or vendor responsibility, or renders legal advice concerning the contract.(MCA 2-2-201(2))
- √ The definitions of “be interested in” and “contract” contained in MCA 2-2-201 are incorporated into MCA 7-5-4109. (AGO #28, Vol. 40)
- A public officer or employee shall, prior to acting in a manner that may impinge on public duty, including the award of a permit, contract, or license, disclose the nature of the private interest that creates the conflict. The public officer or employee shall make the disclosure in writing to the commissioner of political practices, listing the amount of private interest, if any, the purpose and duration of the person's services rendered, if any, and the compensation received for the services or other information

that is necessary to describe the interest. If the public officer or employee then performs the official act involved, the officer or employee shall state for the record the fact and summary nature of the interest disclosed at the time of performing the act. (MCA 2-2-131) (**Note:** Even though an interest may be permissible under the exceptions listed in MCA 2-2-201 (above), an official who has a substantial interest in the affected business must comply with MCA 2-2-131. (AGO #28, Vol. 40)

## 8. AWARDING PUBLIC CONTRACTS - PREFERENCES

- Public contracts for construction, repair, or public works must be awarded to the lowest responsible bidder **without regard to residency**. However, a resident bidder must be allowed a preference on a contract against the bid of any nonresident bidder from any state or country that enforces a preference for resident bidders. The preference given to resident bidders of this state must be equal to the preference given in the other state or country. These preferences apply whether the law requires, or does not require, advertisement for bids, and they apply to contracts involving federal funds unless expressly prohibited by the laws of the United States or regulations adopted pursuant to federal laws. (MCA 18-1-102(1)(a) & (2)) [**Note:** Subsection (1)(b), related to public contracts for the purchase of goods, is not applicable to *local governments*.]

## 8. AWARDING PUBLIC CONTRACTS – PREFERENCES - continued

- *The Common Rule* (CFR §\_36(c)(2)) prohibits the use of statutorily or administratively imposed in-state or local geographical preferences in the evaluation of bids or proposals **for federally-funded contracts**, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference. (**Note:** Government-wide guidance for administering grants and cooperative agreements with States and local governments is contained in the OMB Circular A-102 *Common Rule* (a.k.a. *Grants Management Common Rule*), which was codified by each Federal funding agency in its title of the *Code of Federal Regulations*. The *Common Rule* section numbers are referred to without the Federal agency's part number (e.g., §\_.36(c) would refer to the same Procurement/Competition section in all agency regulations). This allows auditors to refer to the same section numbers when discussing administrative issues with different Federal funding agencies. The Codification of Government-wide Grants Requirements by Department can be accessed via this web site: <http://www.whitehouse.gov/omb/grants/chart.html> )

## 9. BID SECURITY

- The advertisement, request, or solicitation for bids must specify that all bidders shall expressly covenant in any bid that if the bidder is awarded the contract, the bidder will, within the time required as stated in the advertisement or solicitation, enter into a formal contract and give a good and sufficient bond to secure the performance of the terms and conditions of the contract. The advertisement or solicitation shall specify the amount of the bond, whether the amount is set by statute or set by the public authority (not less than 10% of the bid price), and shall specify that a bid bond or other form of security specified in 18-1-203 (see below) constitutes compliance with this requirement. (MCA 18-1-202) (**Note:** For a bid for the purchase of

indebtedness, the bond may not be less than 2% of the principal amount of the indebtedness.)

- Bids for public contracts must be accompanied by bid security in the form of cash; cashier's check, certified check, bank money order, or bank draft drawn and issued by a federally or state-chartered bank insured by the federal deposit insurance corporation; or a bid bond, guaranty bond, or surety bond executed by a surety corporation authorized to do business in Montana. (MCA 18-1-203)

#### 10. CONTRACT PERFORMANCE SECURITY

**(Note:** These contract performance security requirements may be waived for building or construction projects that cost less than \$50,000. (MCA 18-2-201(4)))

- Whenever a municipality contracts with a person or corporation to do work, the city/town council shall require that the person or corporation deliver a good and sufficient bond with a surety company, licensed in the state, conditioned that the person or corporation shall (1) faithfully perform all of the provisions of the contract; (2) pay all laborers, mechanics, subcontractors, and material suppliers; and (3) pay all persons who supply the person, corporation, or subcontractors with provisions, provender, material or supplies for performing the work. (MCA 18-2-201)
- The municipality may, in lieu of a surety bond, permit the deposit with the municipality of the following securities in an amount at least equal to the contract sum to guarantee the contract performance: cash; cashier's check, certified check, bank money order, certificate of deposit, money market certificate, or bank draft or irrevocable letter of credit drawn and issued by a federally or state-chartered bank or S&L association insured by the FDIC or an insured credit union. (MCA 18-2-201)

#### 11. ACCEPTANCE AND FINAL PAYMENT ON CONSTRUCTION CONTRACTS

- A government entity that enters into a contract for the construction of a building shall, unless otherwise provided by law or the contract and within 10 days after a request by the construction contractor for final acceptance, decide whether or not to make final acceptance. Within 30 days after final acceptance by the government entity, the government entity shall make the final payment of the contract price specified in the contract to the other party to the contract.(MCA 18-2-306)

#### 12. RETAINAGE FOR PUBLIC CONTRACTS

- The maximum retainage applied to construction contracts may not exceed 5% if the contractor is performing by the terms of the contract. (Retainage means the ratio, in percent, of funds retained to the total amount to be paid to the contractor by the government entity) (MCA 18-2-316)

**(Note:** In all public works contracts entered into under the provisions of Title 18, Chapter 2, Part 4, MCA, [i.e., Standard Prevailing Rate of Wages – see below] at least \$1,000 of the contract price must be withheld at all times until the termination of the public works contract. (MCA 18-2-404(2)))

### 13. STATE PREVAILING WAGE RATES (MONTANA'S "LITTLE DAVIS BACON ACT")

- Current State prevailing wage rates established by the Montana Department of Labor and Industry can be found at: <http://erd.dli.mt.gov/labor-standards/state-prevailing-wage-information/current-prevailing-wage-rates.html>
- The *State* prevailing wage rates do not apply in those instances in which the standard prevailing rate of wages is determined by *federal* law. (MCA 18-2-402(2))
- "Public works contract" is defined as a contract for **construction services** let by the state, county, municipality, school district, or political subdivision or for **nonconstruction services** let by the state, county, municipality, or political subdivision in which the total cost of the contract is in **excess of \$25,000**. (MCA 18-2-401(11)(a))
  - √ "Construction services" means work performed by an individual in building construction, heavy construction, highway construction, and remodeling work. The term does not include engineering, superintendence, management, office, or clerical work on a public works contract; or consulting contracts, contracts with commercial suppliers for goods and supplies, or contracts with professionals licensed under state law. (MCA 18-2-401(3))
  - √ Services that qualify as "nonconstruction services" are listed at MCA 18-2-401(9) and include a wide range of activities, but do not include management, office, or clerical work.
- A public contracting agency must include in the bid specifications and contracts for any public works the following:
  - (a) an unequivocal agreement by the contractor or employer to give preference to employment of bona fide Montana residents (MCA 18-2-403);
  - (b) a statement that any construction project, excluding projects involving the expenditure of federal aid funds or where residency preference laws are specifically prohibited by federal law, the bid specifications and the contract shall provide that at least 50% of the workers of each contractor working on the project will be bona fide Montana residents (MCA 18-2-409);
  - (c) an unequivocal agreement by the contractor or employer that a worker performing labor on the project will be paid the applicable standard prevailing rate of wages;
  - (d) a listing of standard prevailing wage rates including fringe benefits applicable to the public works contract; (MCA 18-2-422) and
  - (e) the contract provisions must clearly show that the contractor or employer is bound to pay wages at rates determined by the Department of Labor and Industry, and to give required preferences.(ARM 24.17.144)

### 13. STATE PREVAILING WAGE RATES (MONTANA'S "LITTLE DAVIS BACON ACT") - continued

- All public works contracts and the bid specifications for those contracts must contain:
  - (1) a provision stating for each job classification the standard prevailing wage rate, including fringe benefits, that the contractors and employers shall pay during construction of the project; (See also MCA 18-2-403)
  - (2) a provision requiring each contractor and employer to maintain payroll records in a manner readily capable of being certified for submission to the Department of Labor & Industry for not less than 3 years after the contractor's or employer's completion of work on the project; and
  - (3) a provision requiring each contractor to post a statement of all wages and fringe benefits. (MCA 18-2-422)

**(Note:** Failure to include these provisions in a public works contract relieves the contractor from the obligation to pay the standard prevailing wage rate and places the obligation on the public contracting agency. (MCA 18-2-403(9); ARM 24.17.144)

- Transportation of goods, supplies, materials, and manufactured or fabricated items to or from the project location is not subject to payment of the standard prevailing rate of wages. (MCA 18-2-403(6))
- All public works contracts under this part must be approved in writing by the legal adviser of the contracting government prior to execution. (MCA 18-2-404(1))
- At least \$1,000 of the contract price must be withheld at all times until the termination of the public works contract. (MCA 18-2-404(2))
- Any public works contract that calls for more than 30 months to fully perform must include a provision to adjust the standard prevailing rate of wages to be paid. The standard prevailing rate of wages must be adjusted 12 months after the date of the award of the contract, and the amount of the adjustment must be a 3% increase. The adjustment must be made and applied every 12 months for the term of the contract. (MCA 18-2-417) **(Note:** Any increase in the standard rate of prevailing wages for workers under this section is the sole responsibility of the contractor and any subcontractors and not the contracting agency.)
- When a public works project costing more than \$50,000 is accepted by the public contracting agency, a notice of acceptance and the completion date of the project must be sent to the Department of Labor & Industry. The Department may *request* this information for projects costing less than this amount. (MCA 18-2-421; ARM 24.17.144)

### 14. ALTERNATIVE PROJECT DELIVERY CONTRACTS

- Alternative project delivery contract means a construction management contract, a general contractor construction management contract, or a design-build contract. (MCA 18-2-501)

- A governing body that uses an alternative project delivery contract shall demonstrate that the governing body has or will have knowledgeable staff or consultants who have the capacity to manage an alternative project delivery contract. (MCA 18-2-502(1))
- Prior to awarding an alternative project delivery contract, the governing body shall make a determination, in writing, that the proposal meets at least two of the sets of criteria described in (a) through (c) below, and that the proposal meets the provisions of (d). (MCA 18-2-502(2) & (3))
  - a. The project has significant schedule ramifications and using the alternative project delivery contract is necessary to meet critical deadlines by shortening the duration of construction.
  - b. By using an alternative project delivery contract, the design process will contribute to significant cost savings.
  - c. The project presents significant technical complexities that necessitate the use of an alternative delivery project contract
  - d. Using an alternative project delivery contract will not encourage favoritism or bias in awarding the contract or substantially diminish competition for the contract.
- The governing body's decision to award an alternative project delivery contract must be based, at a minimum, on:
  - (a) the applicant's history and experience with projects similar to the project under consideration; financial health; staff or workforce that is proposed to be committed to the project; approach to the project; and project costs, and
  - (b) any additional criteria or factors that reflect the project's characteristics, complexities, or goals. (MCA 18-2-503(2))
- At the conclusion of the selection process, the governing body shall state and document in writing the reasons for selecting the contractor that was awarded the contract. The documentation must be provided to all applicants and to anyone else, upon request. The governing body may compensate unsuccessful applicants for costs incurred in developing and submitting a proposal, provided that all unsuccessful applicants are treated equitably. (MCA 18-2-503(4) & (5))

#### 15. OPTIONAL ADOPTION OF MONTANA PROCUREMENT ACT

- A city or town may adopt any or all parts of the Montana Procurement Act (Title 18, Chapter 4, MCA) and the accompanying rules promulgated by the Montana Department of Administration (ARM Chapter 2.5) (MCA 18-4-124).

#### 16. STATE PROCUREMENT CARD PROGRAM

- **Effective July 2013**, the State of Montana amended its Procurement Card contract with US Bank to allow approved local public procurement units to participate in the Program. Financial controls in place include daily and monthly spending limits. The

Program gives local governments the ability to purchase items from the State's new online eMarket Center: <http://gsd.mt.gov/ProcurementServices/emarketcenter.mcp>

- A participating entity must follow the same terms, conditions and payment terms as outlined in the State's contract with US Bank. A copy of the State contract will be provided to the participating entity upon request. Mandatory requirements for an entity to participate in the Program include blocked merchant codes, including pawn shops, liquor stores, and jewelry stores.
- Optional recommendations to set individualized parameters on procurement cards include:
  - √ \$5,000 per month spending limit per cardholder (may be changed as needed);
  - √ Limitations on the days of the week the card can be used (Monday through Friday);
  - √ Limiting the number of transactions per day; and
  - √ Limiting the dollar amount per transaction.
- Questions? Contact State Procurement Bureau of Department of Administration—406.444.2575.

#### 17. **PRINTING CONTRACTS**

- The city or town council has power to provide for the city or town printing. The contract for city or town printing must be let annually to the lowest bidder. (MCA 7-5-4108)

#### 18. **ARCHITECTURAL, ENGINEERING, AND LAND SURVEYING SERVICES**

- Governmental agencies, including cities and towns, must publicly announce requirements for architectural, engineering, and land surveying services and negotiate contracts for such professional services on the basis of demonstrated competence and qualifications for the type of professional services required and at fair and reasonable prices. (MCA 18-8-201)
- Each government shall publish in advance its requirement for professional services. The announcement must state concisely the general scope and nature of the project or work for which the services are required and the address of a representative of the government who can provide further details. A government may comply with this section by:
  - (1) publishing an announcement on each occasion when professional services provided by a licensed professional are required by the government; or
  - (2) announcing generally to the public its projected requirement for any category or type of professional services. (MCA 18-8-203)
- In the procurement of the above professional services, the government may encourage firms engaged in the lawful practice of their profession to submit annually a statement of qualifications and performance data. The government shall evaluate current

statements of qualifications and performance data on file with the government, together with those that may be submitted by other firms regarding the proposed project, and conduct discussions with one or more firms regarding anticipated concepts and the relative utility of alternative methods of approach for furnishing the required services. The government shall then select, based on criteria established under government procedures and guidelines and the law, the firm considered most qualified to provide the services required for the proposed project. The government procedures and guidelines must be available to the public and include at a minimum the criteria specified in 18-8-204(2)(b) as they relate to each firm.(MCA 18-8-204)

- The government shall negotiate a contract with the most qualified firm for the above professional services at a price which the government determines to be fair and reasonable. In making its determination, the government shall take into account the estimated value of the services to be rendered, as well as the scope, complexity, and professional nature thereof. If the government is unable to negotiate a satisfactory contract with the firm selected at a price the government determines to be fair and reasonable, negotiations with that firm must be formally terminated and the government shall select other firms in accordance with 18-8-204 and continue as directed in this section until an agreement is reached or the process is terminated. (MCA 18-8-205)
- This part need not be complied with by a government when the contracting authority makes a finding in accordance with this or any other applicable law that an emergency requires the immediate execution of the work involved. This part does not relieve the contracting authority from complying with applicable law limiting emergency expenditures.(MCA 18-8-211)
- Cities and towns securing architectural, engineering, and land surveying services for projects for which the fees are estimated not to exceed \$20,000 may contract for those professional services by direct negotiation. (MCA 18-8-212)
- No agency may separate service contracts or split or break projects for the purpose of circumventing the provisions of Title 18, Chapter 8, Part 2, MCA. (MCA 18-8-212)

## **19. LOCAL GOVERNMENT ENERGY PERFORMANCE CONTRACTS**

- Energy performance contracts are a means by which local government units can achieve energy and water conservation without an initial capital outlay. “Energy performance contract” is defined as a contract between a local government unit and a qualified provider for evaluation, recommendation, and implementation of one or more conservation measures, evaluation of conservation-related cost savings, and a guarantee of cost savings. (MCA 90-4-1101 & 1102)
- A local government may solicit requests for qualifications (RFQ) to enter into an energy performance contract and requests for proposals for investment grade energy audits, and negotiate a contract with the most qualified provider by following the process in MCA 90-4-1104. Alternatively, the local government can avoid the RFQ

process by selecting a qualified provider from a pre-qualified list provided by the Montana Department of Environmental Quality's Air, Energy and Pollution Prevention Bureau. (MCA 90-4-1104 & 1105; MACo Newsletter 2/06)

- An investment grade audit serves as a basis for the terms of an energy performance contract. If the local government determines that the energy audit doesn't provide sufficient conservation-related cost savings, it shall pay the cost of the audit and decline to enter into the energy performance contract. If it is determined that the energy audit provides sufficient cost savings, the qualified provider shall provide plans for the proposed conservation measures. The local government may then negotiate the conservation measures to be included in the energy performance contract and enter into the contract. (MCA 90-4-1106)
- The energy performance contract may include the option of payment of the costs of the energy audit and plans provided for proposed conservation measures through project financing. (MCA 90-4-1106)
- The term of an energy performance contract must be a minimum of 3 years and may be up to the useful life of the conservation measures or 20 years, whichever is less. The contract must require the qualified provider to (1) guarantee the cost savings to the extent necessary to pay for the conservation measures, including financing charges incurred over the life of the contract, (2) monitor the costs savings, and (3) prepare an annual report documenting the performance of the conservation measures. (MCA 90-4-1107)
- Payment obligations pursuant to an energy performance contract aren't general obligations of the local government and are collectible only from conservation-related costs savings provided in the energy performance contract and other revenue, if any, pledged in the energy performance contract. (MCA 90-4-1109)

## 20. FEDERAL INFORMATION RETURNS

- The entity must report on a Federal Information Return, Form 1099-MISC, all payments of \$600 or more which the entity makes during a calendar year to anyone, other than a corporation or tax-exempt organization, who is not an employee. (U.S. Internal Revenue Service Codes)

<http://www.irs.gov/uac/Form-1099-MISC,-Miscellaneous-Income->

**(Note:** The following are some examples of payments to be reported on Form 1099-MISC. For a complete list, contact the IRS:

Professional service fees, such as fees to attorneys (including corporations), accountants, architects, contractors, subcontractors, etc.

Payments by attorneys to witnesses or experts in legal adjudication.

RESOLUTION NO. 4689

**A RESOLUTION APPROVING THE PLACEMENT OF A CITY OF MILES CITY PUBLIC SAFETY MILL LEVY ON THE NOVEMBER 2026 GENERAL ELECTION BALLOT.**

WHEREAS, Section 15-10-402 of Montana Code Annotated provides that except as provided in Section 15-10-420 of MCA, the amount of taxes levied on property may not for any taxing jurisdiction, exceed the amount levied for tax year 1996; and

WHEREAS, Section 15-10-420 (2) MCA provides a governmental entity may apply the levy calculated pursuant to subsection (1) plus any additional levies authorized by the voters to all property in the governmental unit, including newly taxable property (emphasis added); and

WHEREAS, Section 15-10-425 MCA provides for a process for the voters to approve mill levies; and

*WHEREAS, the City of Miles City has determined it would be in the best interest of the public safety of the community to request an additional voter approved levy for the purpose of \_\_\_\_\_; and*

WHEREAS, persons who pay property taxes impacted by said levy are those persons who own taxable property within the incorporated city limits of Miles City, Montana; and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Miles City shall direct the Custer County Election Administrator to prepare a ballot for the November 2026 general election, presenting the question of approval of a mill levy of approximately 20.43 mills, to raise Two Hundred Thousand Dollars (\$200,000.00) per year, for one (1) year, for the purpose of \_\_\_\_\_, as follows:

“Shall the City of Miles City be authorized to impose a levy to raise Two Hundred Thousand DOLLARS (\$200,000.00) per year, for a period of one (1) year, for the purpose of \_\_\_\_\_?”

If the mill were to pass, the impact of the election on a home in the district valued at \$100,000 would result in an additional property tax of approximately \$27.58 per year; a home in the district valued at \$300,000.00 would result in additional property tax of \$82.74 per year; a home in the district valued at \$600,000 would result in additional property tax of \$165.48 per year. If the mill were to pass, an increase in property taxes may lead to an increase in rental costs.

YES on \_\_\_\_\_

NO on \_\_\_\_\_”

**SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, AT A REGULAR MEETING THIS 26 DAY OF MAY, 2026.**

\_\_\_\_\_  
C.A. Grenz, Mayor

ATTEST:

\_\_\_\_\_  
Mary Rowe, City Clerk

CALCULATING THE TAX INCREASE OF A VOTED LEVY OF _____ DOLLARS FOR THE _____			
<b>STEP 1</b>			
			Specific Dollar Amount to be Levied
			Certified Taxable Value of the taxing jurisdiction - Use the most-recent available
\$0	\$0	\$0	Revenue Generated per Mill
#DIV/0!	#DIV/0!	#DIV/0!	<b>Approximate Mills required to Generate Specific Dollar Amount</b>
<b>STEP 2</b>			
\$100,000	\$300,000	\$600,000	Assessed Market Value of Home
0.0135	0.0135	0.0135	Tax Rate - 15-6-134(3)(a)
\$1,350	\$4,050	\$8,100	Taxable Value subject to mill levy
#DIV/0!	#DIV/0!	#DIV/0!	Mills to be Levied (From Step 1)
#DIV/0!	#DIV/0!	#DIV/0!	Tax Assessed

15-6-134(3) (a) Except as provided in 15-24-1402, 15-24-1501, 15-24-1502, and, subsection (3)(b), class four residential property described in subsections (1)(a) through (1)(c) of this section is **taxed at 1.35%** of market value.

(b) The tax rate for the portion of the market value of a single-family residential dwelling in excess of \$1.5 million is the residential property tax rate in subsection (3)(a) multiplied by 1.4.

(c) The tax rate for commercial property is the residential property tax rate in subsection (3)(a) multiplied by 1.4.

## CALCULATING THE TAX INCREASE OF A VOTED LEVY OF \$260,000 DOLLARS (p. 1)

**STEP**

**1**

**Description (p. 1)**

<b>\$260,000</b>	<b>\$260,000</b>	<b>\$260,000</b>	Specific Dollar Amount to be Levied
<b>\$9,789,841</b>	<b>\$9,789,841</b>	<b>\$9,789,841</b>	Certified Taxable Value of the taxing jurisdiction (p. 1)
<b>\$9,790</b>	<b>\$9,790</b>	<b>\$9,790</b>	Revenue Generated per Mill (p. 1)
<b>26.56</b>	<b>26.56</b>	<b>26.56</b>	Approximate Mills required to Generate Specific Dollar Amount

**STEP 2**

<b>\$100,000</b>	<b>\$300,000</b>	<b>\$600,000</b>	Assessed Market Value of Home (p. 1)
<b>0.0135</b>	<b>0.0135</b>	<b>0.0135</b>	Tax Rate - 15-6-134(3)(a) (p. 1)
<b>\$1,350</b>	<b>\$4,050</b>	<b>\$8,100</b>	Taxable Value subject to mill levy (p. 1)
<b>26.56</b>	<b>26.56</b>	<b>26.56</b>	Mills to be Levied (From Step 1)
<b>\$35.85</b>	<b>\$107.56</b>	<b>\$215.12</b>	<b>Tax Assessed</b>

## Revised Budget Proposal Summary

Category	Description	Qty	Unit Cost	Total Cost
<b>Vehicles</b>	Ford Explorer Patrol Vehicles	2	\$51,300	\$102,600
	Animal Control Pickup (Includes camper shell; reusing old equipment)	1	\$43,500	\$43,500
<b>Equipment</b>	Police Vehicle Equipment (Per Explorer: cages, radar, radio, printer, etc.)	2	\$20,000	\$40,000
	New Fleet Patrol Video System	1	\$32,500	\$32,500
	New Body-Worn Cameras	1	\$10,625	\$10,625
<b>Installation</b>	Ford Explorer Upfitting & Installation	2	\$4,500	\$9,000
	Animal Control Pickup Upfitting & Installation	1	\$3,000	\$3,000
	Fleet Patrol Video System Installation	1	\$19,500	\$19,500
<b>GRAND TOTAL</b>				<b>\$260,725</b>

**MONTANA DEPARTMENT OF COMMERCE  
MONTANA EMERGENCY TOURISM ASSISTANCE PROGRAM  
CONTRACT #MT-METAP-26-006**

This agreement (“Contract”) is entered into by the Montana Department of Commerce (“Department”), and the City of Miles City (“Grantee”), (collectively, the “Parties”).

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

**Section 1. PURPOSE**

The purpose of the Contract is to provide funding to the Grantee for activities approved by the Department through the Montana Emergency Tourism Assistance Program (“METAP” or “Program”), which the 2025 Montana Legislature authorized by passing Senate Bill 409 (“SB 409”) and which later was signed into law by Governor Greg Gianforte on May 13, 2025 (Chapter 605, Laws 2025).

**Section 2. AUTHORITY**

This Contract is issued under authority of § 90-1-122 and 15-65-121(2)(g), Montana Code Annotated (“MCA”).

**Section 3. APPLICATION INCORPORATED BY REFERENCE**

Grantee's application for Program assistance, including any written modifications or reports resulting from the review of the application by the Department (collectively, the “Project”) is incorporated into this Contract by this reference and the representations made therein are binding upon the Grantee.

**Section 4. ACCEPTANCE OF PROGRAM REQUIREMENTS**

- (a) The Grantee will comply with all applicable local, state, and federal laws as well as all applicable regulations, ordinances, and resolutions now in effect or as may be amended during the term of this Contract. Grantee will comply with all administrative directives and procedures that may be established or amended by the Department for the Program, including the most current version of the *METAP Grant Application and Guidelines* maintained by the Department.
- (b) The Grantee agrees that all contracts and subcontracts it enters into for the completion of the activities described in Section 7 will require such contractors, subcontractors, and subrecipient entities to also comply with all requirements placed on the Grantee in paragraph (a) of this Section.
- (c) The Grantee agrees to repay to the Department any funds advanced under this Contract that the Grantee, its contractors, subcontractors, or subrecipient entities, or any public or private agent or agency to which it delegates authority to carry out

any portion of this Contract expends in violation of: (i) the terms of this Contract; (ii) the statutes, and regulations governing the Program; (iii) or any applicable local, state, or federal requirements.

## **Section 5. EFFECTIVE DATE AND TIME OF PERFORMANCE**

- (a) This Contract shall take effect upon execution by the Parties and will terminate on May 31, 2027 or upon approval of Grantee's Project completion report by the Department, whichever is later, unless otherwise terminated in accordance with this Contract.
- (b) All authorized expenses to be reimbursed must be incurred by the Grantee between March 31, 2026 and March 31, 2027. All requests for reimbursement must be submitted to the Department within sixty (60) days before May 31, 2027.
- (c) Project activities to be performed by the Grantee will be completed according to the implementation schedule set forth in Exhibit A. The Grantee may modify the implementation schedule set forth in Exhibit A only with prior written approval of the Department.
- (d) The Department may grant an extension to this Contract upon request by the Grantee if the Department determines, in its sole discretion, that the Grantee has demonstrated progress toward completion of the Project, has engaged in a good faith effort to comply with the duties, terms, and conditions of this Contract, and that the failure to comply with any of those services, duties, terms, or conditions resulted from circumstances beyond the Grantee's control. A written request for an extension must be submitted at least sixty (60) days prior to May 31, 2027.

## **Section 6. SCOPE OF WORK**

The Grantee agrees to engage in Project activities as set forth in the Grantee's application for Program assistance. The Grantee will use Program funds for the following major components of the Project:

- Purchase fire engine and accessories for the City of Miles City Fire and Rescue

## **Section 7. BUDGET**

- (a) The total amount to be awarded to the Grantee under this Contract shall not exceed \$50,000.
- (b) A copy of the Project budget is attached as Exhibit B and specifically incorporated herein by this reference. Any changes to the budget as proposed and incorporated within this Contract require a written request and Department approval.

- (c) Any authorized funds not expended under this Contract or otherwise accounted for in accordance with the provisions of this Section will revert to the Department and may be used to finance other Program projects.

## Section 8. LIAISONS

All project management and coordination on behalf of the Department shall be through a single point of contact designated as the Department's liaison. The Grantee shall designate a liaison that will provide the single point of contact for management and coordination of Grantee's work. All work performed pursuant to this Contract shall be coordinated between the Department's liaison and the Grantee's liaison. The liaisons for this Contract are:

### For the Department:

Paige Bowsher (or successor)  
 Program Specialist, MDOC  
 301 S. Park Ave.  
 P.O. Box 200523  
 Helena, MT 59620-0523  
 406-841-2752  
 paige.bowsher2@mt.gov

### For the Grantee:

Eddy Kanduch (or successor)  
 Fire Chief, City of Miles City  
 17 S. 8<sup>th</sup> Street  
 Miles City, MT 59301  
 406-436-2235  
 ekanduch@milescity-mt.org

## Section 9. METHOD OF REIMBURSEMENT

- (a) The Department will use Program funds to fund Project activities for Grantees that have received a notice of award from the Department. The Grantee acknowledges that its access to Program funds is subject to their availability.
- (b) The Department agrees that, if and when the funds described in paragraph (a) of this Section are available, the Department will authorize the Grantee to request reimbursement of funding awarded for the Project.
- (c) The Department agrees to reimburse the Grantee on an actual cost basis for eligible Project costs incurred on or after the date identified in Section 6(b) upon the successful completion of activities set forth in Section 7. All reimbursements must be supported by adequate documentation requested by the Department and provided by the Grantee and require Department approval of the Grantee's request for reimbursement. In requesting reimbursement, the Grantee will follow the instructions supplied by the Department.
- (d) The Department will not reimburse the Grantee for any expenses not included in Exhibit B or an approved adjustment thereto, any ineligible expenses as set forth in the most current version of the *METAP Grant Application and Guidelines*, or any expenses not adequately supported in writing by the Grantee's records.
- (e) As set forth in Section 18. Termination of Contract, if the Grantee fails to or is unable to comply with any of the terms and conditions of this Contract, any costs incurred will be the Grantee's sole responsibility.

- (f) The Department is allowed thirty (30) business days to process a request for reimbursement once adequate supporting documentation has been received by the Department. The Grantee shall provide banking information before or at the time of Contract execution in order to facilitate electronic funds transfer payments.
- (g) The Department may reduce the Grantee's amount of Project funds provided by this Contract if actual Project expenses are lower than projected by the Grantee in Exhibit B or the Grantee obtains a greater amount of grant funds from other sources than as presented in the Project application.
- (h) If the Department, in its sole discretion, determines that the Grantee has failed to satisfactorily carry out its responsibilities under this Contract or has breached the terms of this Contract, the Department may withhold reimbursement to the Grantee until such time as the Department and the Grantee agree on a plan to remedy the deficiency.
- (i) Requests for reimbursement for contracted or subcontracted services must include appropriate documentation demonstrating compliance with contract requirements.
- (j) The Grantee may not use monies provided through this Contract as payment for Project costs that are reimbursed from other sources.

## **Section 10. ACCESS TO AND RETENTION OF RECORDS**

- (a) The Grantee agrees to create and maintain records supporting the services covered by this Contract, including but not limited to, financial records, supporting documents, and such other records as are required by law or other authority, for a period of five (5) years after either the termination date of the Contract or the conclusion of any claim, litigation, or exception relating to the Contract taken by the State of Montana or third party, whichever is later. These records will be kept in the Grantee's office.
- (b) The Grantee agrees to provide the Department, Montana Legislative Auditor, or their authorized agents, information relevant to this Contract or access to any records related to the Project or otherwise necessary to determine Contract compliance at no cost to the Department, the Montana Legislative Auditor, or their authorized agents.

## **Section 11. REPORTING REQUIREMENTS**

Quarterly Progress Report: During the term of this Contract, Grantee will submit quarterly Project progress reports as described in the *METAP Grant Application and Guidelines* to the Department.

Project Completion Report: Upon completion of the Project, the Grantee will submit a final Project completion report as described in the *METAP Grant Application and Guidelines* for Department approval. Upon approval of the Project completion report the Department will issue a notice of Project close-out to the Grantee.

## **Section 12. PROJECT MONITORING**

The Department or any of its authorized agents may monitor and inspect all phases and aspects of the Grantee's performance to determine compliance with Section 7 of this Contract, including the adequacy of the Grantee's records and accounts. The Department may advise the Grantee of any specific areas of concern and provide the Grantee with an opportunity to propose corrective actions acceptable to the Department.

## **Section 13. NOTICE**

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

## **Section 14. REFERENCE TO CONTRACT**

The Contract number must appear on all invoices, reports, and correspondence pertaining to the Contract. If the number is not provided, the Department is not obligated to pay the invoice.

## **Section 15. ASSIGNMENT, TRANSFER AND SUBCONTRACTING**

The Grantee may not assign, transfer or subcontract any portion of this Contract without the Department's prior written consent. (§ 18-4-141, MCA). The Grantee is responsible to the Department for the acts and omissions of all Grantee's subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by the Grantee. No contractual relationships exist between any subcontractor and the Department under this Contract.

## **Section 16. CONTRACT AMENDMENT**

The Contract may not be enlarged, modified, amended, or altered without a written agreement signed by all Parties to the Contract.

## **Section 17. TERMINATION OF CONTRACT**

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

- (a) Termination Due to Loss or Reduction of Funding: The Department, at its sole discretion, may terminate or reduce the scope of this Contract if any funding sources are eliminated or reduced for any reason, including as permitted by § 18-4-313(4), MCA. If a termination or modification is required, the Department may, if sufficient Program funds are available, compensate the Grantee for eligible

services rendered and actual, necessary, and eligible expenses incurred as of the revised termination date. The Department will notify the Grantee of the effective date of the termination or modification of this Contract and, if a reduction in funding is required, provide the Grantee with a modified Project budget.

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

## **Section 18. COMPLIANCE WITH APPLICABLE LAWS**

Grantee shall, in performance of work under this Contract, fully comply with all applicable federal, state, or local laws, rules, regulations, and executive orders including but not limited to, 2 CFR Part 200, the Montana Human Rights Act, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. The Grantee is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119]. Any subletting or subcontracting by Grantee subjects subcontractors to the same provisions. In accordance with § 49-3-207, MCA, and Executive Order No. 04-2016, Grantee agrees that the hiring of persons to perform this Contract will be made on the basis of merit and qualifications and there will be no discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, vaccination status, or marital status by the persons performing this Contract.

**Section 19. ACCOUNTING, COST PRINCIPLES, AND AUDITING**

- (a) The Grantee must maintain for the purposes of this Contract an accounting system of procedures and practices that conforms to Generally Accepted Accounting Principles (GAAP).
- (b) The Department or any other legally authorized governmental entity or their authorized agents may, at any time during or after the term of this Contract, conduct, in accordance with Sections 2-7-503, 5-13-304, and 18-1-118, MCA and other authorities, audits for the purposes of ensuring the appropriate administration, expenditure of the monies, and delivery of services provided through this Contract, at no cost to the Department.

**Section 20. AVOIDANCE OF CONFLICT OF INTEREST**

- (a) The Grantee will comply with the applicable provisions of §§ 2-2-121, 2-2-201, 7-3-4256, 7-3-4367, 7-5-2106, and 7-5-4109, MCA, regarding the avoidance of conflict of interest.
- (b) The Grantee agrees that none of its officers, employees, or agents will solicit or accept gratuities, favors, or anything of monetary value from contractors, subcontractors, or potential contractors and subcontractors, who provide or propose to provide services relating to the Project funded under this Contract.
- (c) The Grantee shall promptly refer to the Department any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor, or other person has submitted any false claim or has committed any criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving funds provided under this Contract.

**Section 21. COMPLIANCE WITH WORKERS' COMPENSATION ACT**

Grantees shall comply with the provisions of the Montana Workers' Compensation Act while performing work for the State of Montana in accordance with §§ 39-71-401, 39-71-405, and 39-71-417, MCA. The Grantee accepts responsibility for supplying, and requiring all subcontractors to supply, the Department proof of compliance with the Montana Workers' Compensation Act while performing work for the State of Montana. The Grantee agrees that neither the Grantee nor its employees are employees of the State. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. This insurance/exemption must be valid for the entire term of the Contract. Proof of compliance and renewal documents must be sent to the Department within thirty (30) days of Contract execution.

**Section 22. OWNERSHIP AND PUBLICATION OF MATERIALS**

All reports, information, data, and other materials prepared by the Grantee or any of its contractors or subcontractors in furtherance of this Contract are the property of the

Grantee and the Department. Both the Grantee and the Department have the royalty-free, nonexclusive, and irrevocable right to reproduce, publish, authorize others to use, and to otherwise use, in whole or part, such property and any information relating thereto. No material produced in whole or part under this Contract may be copyrighted or patented in the United States or in any other country without the prior written approval of both the Department and the Grantee.

### Section 23. INSURANCE

- (a) General Requirements: Grantee must maintain and assure for the duration of this Contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the duties and obligations in the Contract by Grantee, its agents, employees, representatives, assigns, or subcontractors. This insurance must cover such claims as may be caused by any negligent act or omission. The State, its officers, officials, employees, and volunteers must be covered as additional insureds for all claims arising out of the use of grant proceeds provided by the State of Montana.
- (b) General Liability Insurance: At its sole cost and expense, the Grantee shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of the Grantee or its officers, agents, representatives, assigns, or subcontractors. The State, the Department, and their officers, officials, employees, and volunteers are to be covered and listed as additional insured's; for liability arising out of activities performed by or on behalf of the Grantee, including the insured's general supervision of the Grantee; products and completed operations; premises owned, leased, occupied, or used.
- (c) Professional Liability Insurance: Grantee shall assure that any representatives, assigns, and subcontractors performing professional services under this Contract purchase occurrence coverage with combined single limits for each wrongful act of \$1,000,000 per occurrence and \$2,000,000 aggregate per year. *Note: if "occurrence" coverage is unavailable or cost prohibitive, the contractor may provide "claims made" coverage provided the following conditions are met: (1) the commencement date of the Contract must not fall outside the effective date of insurance coverage and it will be the retroactive date for insurance coverage in future years; and (2) the claims made policy must have a three (3) year tail for claims that are filed after the cancellation or expiration date of the policy.*
- (d) General Provisions: All insurance coverage must be with a carrier licensed to do business in the State of Montana and with a Best's rating of no less than A-. The Department, P.O. Box 200523, Helena, MT 59620-0523, must receive all required certificates and endorsements within 10 days prior to the start date of the Project. The Grantee must notify the Department immediately of any material change in insurance coverage, such as changes in limits, coverage, change in status of policy, etc. The Department reserves the right to require complete copies of

insurance policies at all times.

## **Section 24. HOLD HARMLESS AND INDEMNIFICATION**

To the fullest extent permitted by law, the Grantee shall indemnify and hold harmless State, its elected and appointed officials, officers, agents, directors, and employees from and against all claims, damages, losses and expenses, including the cost of defense thereof, to the extent caused by or arising out of the Grantee's negligent acts, errors, or omissions in work or services performed under this Contract, including but not limited to, the negligent acts, errors, or omissions of any subcontractor or anyone directly or indirectly employed by any subcontractor for whose acts subcontractor may be liable.

Claims under this provision also include those arising out of or in any way connected with the Grantee's breach of this contract, including any Claims asserting that any of the Grantee's employees are actually employees or common law employees of the State or any of its agencies, including but not limited to, excise taxes or penalties imposed on the State under Internal Revenue Code ("Code") §§ 4980H, 6055 or 6056.

## **Section 25. DEFAULT**

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

## **Section 26. DEBARMENT**

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

## **Section 27. FORCE MAJEURE**

Neither party will be liable for any failure or delay in performing its duties in this agreement due to Force Majeure Events. "Force Majeure Event" means an event or circumstance beyond a party's reasonable control, such as natural catastrophes and acts of terrorism or war, and the consequences of that event or circumstance. Force Majeure Event does not include a strike or other labor unrest that affects only that party, an increase in prices or other change in general economic conditions, a change in law, or an event or circumstance that results in that Party's not having sufficient funds to comply with an obligation to pay. If a Force Majeure Event continues for thirty (30) days, the other party may terminate this agreement or suspend payments while the event continues.

## **Section 28. SEVERABILITY**

A declaration by any court, or any other binding legal forum, that any provision of the

Contract is illegal, or void shall not affect the legality and enforceability of any other provision of the Contract, unless the provisions are mutually dependent.

### **Section 29. ARBITRATION**

Unless otherwise agreed to in writing or provided for by law, arbitration is not available to the Parties as a method of resolving disputes that would arise under this Contract.

### **Section 30. NO WAIVER OF BREACH**

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

### **Section 31. JURISDICTION AND VENUE**

This Contract is governed by the laws of Montana. The Parties agree that any litigation concerning the Contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees, except as provided in Section 25, Hold Harmless and Indemnification.

Remainder of the page intentionally left blank.

**Section 32. INTEGRATION**

The Contract contains the entire agreement between the Parties. No statements, promises, or inducements of any kind made by either party, or the agents of either party, not contained herein or in a properly executed amendment hereto are valid or binding. This Contract supersedes all prior agreements, representations, and understandings. Any amendment or modification must be in a written agreement signed by all Parties.

The Parties through their authorized agents have executed this Contract on the dates set out below.

**GRANTEE:**

\_\_\_\_\_  
Eddy Kanduch, Fire Chief Date  
City of Miles City

**ATTEST:**

\_\_\_\_\_  
Taran Harbaugh, Battalion Chief Date

**DEPARTMENT:**

\_\_\_\_\_  
Mandy Rambo, Deputy Director Date  
Montana Department of Commerce

Exhibit A  
Implementation Schedule

<b>TASK</b>	<b>MONTH</b>
<b>PROJECT START UP</b>	
Preparation of MDOC Contract	<b>April 2026</b>
<b>PROCUREMENT OF PROFESSIONAL ASSISTANCE</b>	
Submit Request for Proposals to DOC for approval, if required	<b>June 2026</b>
Publish RFP	<b>June 2026</b>
Select professional	<b>July 2026</b>
Execute agreement with professional	<b>July 2026</b>
<b>PROJECT IMPLEMENTATION</b>	
Prepare draft deliverables	<b>August 2026</b>
Submit interim Request for Funds, Progress Report and draft deliverables	<b>August 2026</b>
Public review and comment	<b>November 2026</b>
Finalize deliverables	<b>January 2027</b>
<b>PROJECT CLOSE OUT</b>	
Submit final deliverables	<b>April 2027</b>
Submit final Request for Funds and Completion Report	<b>May 2027</b>

Exhibit B  
Budget

	<b>SOURCE: <i>METAP</i></b>	<b>SOURCE: <i>Local</i></b>	<b>TOTAL</b>
<b>Professional Services</b>	<b>\$50,000</b>	<b>\$150,000</b>	<b>\$200,000</b>

**RESOLUTION NO. 4691**

**A RESOLUTION APPROVING A MONTANA DEPARTMENT OF COMMERCE EMERGENCY TOURISM ASSISTANCE GRANT IN THE AMOUNT OF \$50,000 TOWARD PURCHASE OF FIRE ENGINE AND ACCESSORIES.**

**WHEREAS**, the City of Miles City has been awarded a Montana Department of Commerce – Montana Emergency Tourism Assistance Grant in the amount of \$50,000 to be used to help fund the purchase of a fire engine and accessories;

**AND WHEREAS**, a contract governing said grant has been presented to the City for approval;

**NOW THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA AS FOLLOWS:**

1. The “MONTANA DEPARTMENT OF COMMERCE MONTANA EMERGENCY TOURISM ASSISTANCE PROGRAM CONTRACT #MT-METAP-26-006” agreement, attached hereto as Exhibit “A,” is hereby approved and adopted by this Council.
2. The Mayor shall have the authority to execute the same, and to bind the City thereto.

**SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, AT A REGULAR MEETING THIS 16<sup>th</sup> DAY OF JUNE, 2026.**

\_\_\_\_\_  
C.A. Grenz, Mayor

ATTEST:

\_\_\_\_\_  
Mary Rowe, City Clerk

**ORDINANCE NO. 1404**

**AN ORDINANCE AMENDING SECTIONS 6-26 THROUGH 6-55, OF THE CODE OF ORDINANCES OF MILES CITY, MONTANA, RELATED TO BUSINESS LICENSES.**

**WHEREAS**, the City Council has determined that the existing business licensing provisions within the Code of Ordinances of Miles City, Montana, should be amended.

**NOW, THEREFORE, BE IT ORDAINED**, by the City Council of the City of Miles City, Montana, as follows:

**Section 1. Sections 6-26 through 6-55** of the Code of Ordinances of Miles City, Montana, are hereby **AMENDED** to read as follows:

- **Sec. 6-26. - Definitions.**

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Business* means any trade, profession or occupation that occupies the time, attention and labor of a person for the purpose of a livelihood or a profit, whether conducted full-time, part-time, temporary, or from a residence which has received or which requires a home occupation permit. This definition does not include fundraising activities conducted by students in connection with school or extracurricular activities, or “lemonade stand” type sales conducted by children. This definition does not include private landlords, but does include property management companies, and private landlords who maintain office space open to the public. This definition does not include governmental entities, nonprofit organizations not engaged in regular commercial activity, or casual or isolated sales not conducted as a business.

*License* means, a license issued by the city to a qualified person and under which it shall be lawful for the licensee to operate the licensed business within the limitations set forth in this article, as a business or as a vendor, and shall exclude any business where the original issuer of said license is the State of Montana, as set forth in MCA 7-1-111(27).

*Multi-Vendor Retail Establishment* means a business that rents, leases, or licenses space to independent sellers for the purpose of offering goods or services to the public.

*Vendor* means a small retail seller who rents a space or a booth from a Multi-Vendor Retail Establishment, and who does not have control over the larger retail sale location. This definition does not include true consignment arrangements where the business facilitating the consignment controls the sales transaction, and not the owner of the consigned items.

- **Sec. 6-27. - Fees cumulative.**

The license fees provided for in this chapter are exclusive of and in addition to any other license fees chargeable by the city under any other provision of this chapter.

- **Sec. 6-28. - Interpretation of article.**

The provisions of this article shall not be construed to grant permission to conduct any illegal business, trade or profession; to conduct any business, trade or profession in an unlawful manner; or to grant immunity from regulation to any business, trade or profession. The fact that a business has been issued a license in accordance with this article is not an endorsement of the business by the City of Miles City.

- **Sec. 6-29. - Payment of fees; refunds.**

All license fees are payable in advance. Nothing in this article shall be construed so as to entitle a licensee to a refund of any portion of the license fee in the event of the discontinuance of the licensed business or the suspension or revocation of the license prior to the expiration of the period for which the fee has been paid.

The business license fee for conducting business under the provisions of this article shall be \$175 per annum for businesses employing less than 50 employees within the City of Miles City, and shall be \$500 per annum for businesses employing 50 or more employees within the City of Miles City. Any Multi-Vendor Retail Establishment shall be required to have a business license, and each vendor operating from within the retail location shall obtain a separate vendor license. The fee for a vendor license shall be \$25 per annum.

- **Sec. 6-30. – Issuance, Term.**

Upon submitting a completed license application, and the payment of the required license fee to the city treasurer, the proposed licensee who has complied with the provisions of this Code relating to the business for which a license is required shall receive from the city clerk a license for such business. All business licenses shall be valid from July 1 through June 30 of each calendar year, and shall be renewed annually. The City shall prorate the fees of any new business or vendor license obtained after January 1 of any given year by 50%.

- **Sec. 6-31. - Contents.**

All city licenses shall contain the following information:

- (1) The name and residential address of the licensee.
- (2) The name and address of the licensed premises.
- (3) The ordinance number of the city ordinance under which the license is issued.
- (4) The date of issuance and expiration of the license.
- (5) The fee paid for the license.
- (6) All other information required by the provisions of this article.

- **Sec. 6-32. - Denial; revocation.**

The city council hereby reserves the right to revoke or refuse issuance of any city license when the council, by resolution or affirmative vote of two-thirds of all the members of the city council, which is approved by the mayor and attested by the city clerk, shall deem it best for the public interest to do so, or whenever the licensee violates any of the provisions of this article or any of the city ordinances which regulate the business so licensed.

- **Sec. 6-33. - Expiration.**

All licenses which are issued pursuant to this article shall expire on June 30 of each year, unless provided otherwise by the provisions of this chapter.

- **Sec. 6-34. - Renewal.**

Any person holding a license which has been issued pursuant to the provisions of this article may renew such license for the following period by paying the city treasurer, on or before the first day of the period for which the license is to be renewed, the license fee required by this article for the license.

- **Sec. 6-35. - Display.**

It shall be the duty of any person holding a license that has been issued pursuant to this article to post such license in a conspicuous place on the premises for which such license was issued, unless specified otherwise by the provisions of this chapter. Such person shall ensure that the license remains posted until expiration of the license.

- **Sec. 6-36. - Transfer.**

Any licenses issued pursuant to this article shall not be transferable. Every such license is separate and distinct, and no person except the licensee named therein shall exercise any of the privileges granted thereunder. All such licenses are applicable only to the premises for which they are issued, except that a transfer of any such license may be made pursuant to a written application to the city council, unless specified otherwise by the provisions of this chapter.

- **Sec. 6-37. - Inspections.**

The City of Miles City shall conduct inspections of licensed businesses not less than annually. These inspections may include fire, building, or other inspections, as determined by the City.

- **Sec. 6-38. - Penalty for violation of article.**

(a) Any person who violates the provisions of this article shall be deemed guilty of a municipal infraction and shall have imposed a civil penalty of not more than \$300.00 for a first infraction, and not more than \$500.00 for any repeat infraction.

(b) City licenses that are not renewed by September 1 annually shall incur a late fee of twice the license fee required in each provision of this article.

(c) Each day of failure to comply with the provisions of this division may constitute a separate offense.

(c) Each day of failure to comply with the provisions of this division may constitute a separate offense.

- **Secs. 6-39—6-55. - Reserved.**

**Section 2.** This Ordinance shall become effective thirty (30) days after its final passage.

Said Ordinance read and put on its passage this 12<sup>th</sup> day of May, 2026.

\_\_\_\_\_  
C.A. Grenz, Mayor

ATTEST:

\_\_\_\_\_  
Mary Rowe, City Clerk

**FINALLY PASSED AND ADOPTED** this 26<sup>th</sup> day of May, 2026.

\_\_\_\_\_  
C.A. Grenz, Mayor

ATTEST:

\_\_\_\_\_  
Mary Rowe, City Clerk