

**RESOLUTION NO. 3878**

**A RESOLUTION APPROVING THE SUB RECIPIENT INTERLOCAL AGREEMENT BETWEEN THE CITY OF MILES CITY AND MILES COMMUNITY COLLEGE.**

*WHEREAS*, Miles Community College intends to purchase and rehabilitate the former National Guard Armory located on Main Street in Miles City;

*AND WHEREAS* the City has been awarded a CDBG Grant to assist with said Project, and the parties desire to enter into an interlocal agreement as to the responsibilities and obligations of the parties related to Miles Community College being a sub recipient of said grant;

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

1. The Sub Recipient Interlocal Agreement between Miles Community College and the City, attached hereto as Exhibit "A", and made a part hereof, is hereby approved and adopted by the Council;
2. The Mayor of the City of Miles City is hereby empowered and authorized to execute said Agreement on behalf of the City of Miles City and to bind the City of Miles City thereto.

**SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, THIS 13th DAY OF JANUARY, 2016.**

  
\_\_\_\_\_  
John Hollowell, Mayor

ATTEST:

  
\_\_\_\_\_  
Lorrie Pearce, City Clerk

Exhibit A

**SUB RECIPIENT INTERLOCAL AGREEMENT**

**CITY OF MILES CITY  
AND MILES COMMUNITY COLLEGE**

**THIS AGREEMENT** is entered into on the 12<sup>th</sup> day of January, 2016, by and between the City of Miles City, hereinafter referred to as “the City” and Miles Community College, an institution of higher education, hereinafter referred to as “the College.”

**WITNESSETH THAT**

**WHEREAS**, the College proposes to purchase an rehabilitate property known as the “Armory”; and

**WHEREAS**, the College agrees to operate, manage, and maintain the Project in a manner so as to be available to all residents of the greater City area without regard to race, color, religion, creed, political ideas, gender, age, marital status, physical or mental disability, or national origin and with granting agencies required guidelines; and

**WHEREAS**, the City has applied for and been awarded a CDBG Grant under Montana’s Community Development Block Grant (CDBG) program to carry out the Project; and

**WHEREAS**, the parties to this Agreement understand that neither party has in any way abrogated any of its individual powers, and that this Agreement does not create any new organization or legal entity.

**NOW, THEREFORE, THE CITY AND THE COLLEGE MUTUALLY AGREE AS FOLLOWS:**

**I. Responsibilities Delegated to the College**

- A. The College agrees to carry out the responsibilities assigned to it as stated in the project Management Plan, as approved by the Montana Department of Commerce (MDOC).

**II. Duration of the Agreement**

- A. This Agreement takes effect when the following conditions are satisfied:
  - 1. The MDOC and the City have executed the CDBG Grant Contract;
  - 2. The MDOC has approved the City's "Request for Release of Funds and Certification";
  - 3. The attorney for the City and the attorney for the College have approved this Agreement as to form and content; and
  - 4. The City's Council and the College's Board of Directors have each reviewed this Agreement, agreed fully to its terms and conditions, and executed the same.
- B. This Agreement shall terminate five (5) years after MDOC final close out of the CDBG Grant.

**III. Administration**

- A. For purposes of implementing the joint undertaking established by this Agreement, the City's Council and the College's Board of Directors agree to form as a committee comprising their total membership. The committee will

meet as necessary to provide for the efficient and smooth implementation of this Agreement and the activities specified herein.

- B. The College will comply with all requirements applicable to subrecipient entities as set forth in the City's CDBG contract with the MDOC.
- C. The Center will carry out each activity under this Agreement in compliance with all federal laws and regulations described in 24 CFR Part 570.
- D. The College assumes the City's environmental responsibilities described at 24 CFR Part 58.
- E. The College does not assume the City's responsibility for initiating the review process under the provisions of 24 CFR Part 52.

**IV. Disposition of Real Property or Acquired Equipment**

- A. The College will retain title, control, and manage the Project after final closeout of the CDBG Grant in accordance with the terms set forth herein.
- B. With respect to any real property or any equipment under the College's control that was acquired or improved in whole or in part with funds from CDBG Grant in excess of \$25,000, the College will either:
  - 1. use the property to meet one of the national objectives contained in 24 CFR 570.208 for five (5) years after MDOC final closeout of CDBG Grant, or for such longer period of time as is determined to be appropriate by the City or;
  - 2. dispose of the property or equipment in a manner that reimburses the City in the amount of the current fair market value of the property or equipment, less any portion of the value attributable to expenditures of

non-CDBG funds for acquisition of, or improvements to, the property or equipment. Reimbursement is not required after the period of time specified in subparagraph (B)(1) of this section. The proceeds from such disposition will be subject to the applicable provisions of 24 CFR 570.504 (Program Income), 24 CFR sections 84.24 (Program Income), 84.32 (Real Property), 84.34 (Equipment), 85.25 (Program Income), 85.31 (Real Property), and 85.32 (Equipment).

- C. Upon the expiration of this Agreement, the College will transfer to the City any CDBG funds on hand at the time of expiration of this Agreement and any accounts receivable attributable to the use of CDBG funds.
- D. The parties agree that concurrent with the purchase of the real estate known as the Armory, as security for the performance of the obligations set forth herein, an abstract of the lien against the Property created by this Agreement will be duly recorded with the Custer County Clerk and Recorder's office.

**V. Indemnification**

The College waives any and all claims and recourse against the City, including the right of contribution for loss or damage to persons or property arising from, growing out of or in any way connected with or incident to the College's performance of this Agreement except claims arising from the concurrent or sole negligence of the City or its officers, agents, or employees. The College will indemnify, hold harmless, and defend the City against any and all claims, demands, damages, costs, expenses, or liability arising out of the College's performance of this Agreement except for liability arising out of the concurrent or sole negligence of the City or its officer, agents, or employees.

**VI. Suspension or Termination**

In accordance with 24 CFR 84.61, the City may suspend or terminate this Agreement if the College materially fails to comply with the terms and conditions of this Agreement, or if the

CDBG Grant is terminated by the MDOC in accordance with the terms of the City's CDBG contract with MDOC.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the 12<sup>th</sup> day of January, 2016.

**CITY OF MILES CITY**

BY: John Hollowell, Mayor of Miles City

DATE: 1-14-16

**ATTEST:**

  
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**APPROVED AS TO FORM:**

  
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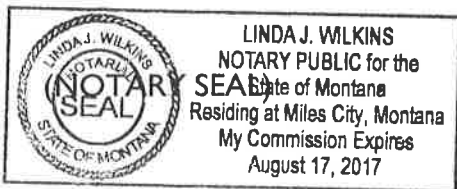
Daniel Rice, City Attorney

STATE OF MONTANA )

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County of Custer)

On this 14<sup>th</sup> day of January, 2015, before me Linda J. Wilkins, a Notary Public for the State of Montana, personally appeared John L. Hollowell, known to me to be the Mayor of the City of Miles City and Daniel Rice, known to me to be the City Attorney of the City of Miles City, a Montana municipal corporation duly organized and incorporated and existing under the laws of the State of Montana, who are personally known to me to be the same persons who executed, as such officers, the within instrument on behalf of said municipal corporation and acknowledged to me that such municipal corporation executed the same.



Linda J. Wilkins  
PRINTED NAME: Linda J. Wilkins  
Notary Public for the State of Montana  
Residing at Miles City, MT  
My Commission expires August 17, 2017

MILES COMMUNITY COLLEGE

BY: [Signature]  
Dr. Stacy Klippenstein, President

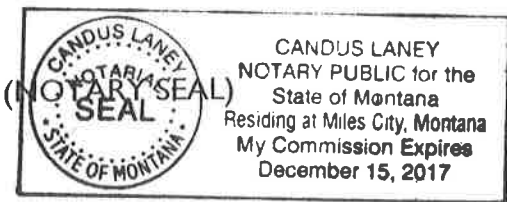
DATE: 1/18/16

STATE OF MONTANA )

:

County of Custer)

On this 18 day of January, 2015, before me Candus Laney, a Notary Public for the State of Montana, personally appeared, Dr. Stacy Klippenstein of the Miles Community College in Montana, and acknowledged to me that he/she executed the written instrument on behalf of said Business.



Candus Laney  
PRINTED NAME: Candus Laney  
Notary Public for the State of Montana  
Residing at Miles City  
My Commission expires 12-15-2017