

AGENDA

*Regular Council Meeting
City Council Chambers*

*December 11, 2012
7:00 p.m.*

**CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL**

1. **APPROVAL OF COUNCIL MINUTES/COMMITTEE MINUTES**
 - a. City Council Meeting 11/27/2012
 - b. Flood Control Meeting 11/29/2012
 - c. Human Resources Committee 12/04/2012
 - d. Finance Committee Meeting 12/5/2012
 - e. Public Safety Committee 12/5/2012
2. **SCHEDULE MEETINGS**
3. **REQUEST OF CITIZENS& PUBLIC COMMENT**
4. **APPOINTMENTS**
5. **PROCLAMATIONS**
6. **STAFF REPORTS**
7. **CITY COUNCIL COMMENTS**
8. **MAYOR COMMENTS**
9. **PUBLIC HEARINGS**
 - a. **ORDINANCE NO. 1248:** An Ordinance Amending Section 22-2(2) Of The Code Of Ordinances Of The City Of Miles City, Montana Amending The Designation Of Arterial Streets Within The City Of Miles City
10. **OLD BUSINESS**
 - a. **ORDINANCE NO. 1248:** An Ordinance Amending Section 22-2(2) Of The Code Of Ordinances Of The City Of Miles City, Montana Amending The Designation Of Arterial Streets Within The City Of Miles City

- b. **RESOLUTION 3575:** A Resolution Authorizing Amendment Of An Ambulance Billing Services Agreement Between The City Of Miles City And Montana Emergency Health Care Consultants, Inc., A Montana Corporation, Doing Business As Solestone Reimbursement Services.

11. **BID AWARD**

BID OPENING

12. **NEW BUSINESS**

- a. **RESOLUTION NO. 3563:** A Resolution Authorizing A Grant Agreement With The Montana Department Of Transportation Under The Community Transportation Enhancement Program-Safe Routes To School Project To Provide Safe And Convenient Walking To Garfield School And Authorizing The Mayor To Execute Such Agreement
- b. **JOINT RESOLUTION NO. 3565: RID #1A:** Joint Resolution Relating To A Proposed Rural Special Improvement District Which Is Intended To Include Four Parcels In The City Of Miles City Abutting The Proposed County Rural Special Improvement District Boundary, For The Purpose Of Providing For The Payment Of A Portion Of The Design And Construction Costs For Reconstruction Of An Existing Wastewater Collection System And Financing The Costs Thereof And Incidental Thereto Through The Issuance Of Custer County Rural Special Improvement District Bonds Secured By A Rural Special Improvement District Lien, A Reserve Account And The County's Rural Special Improvement District Revolving Fund
- c. **RESOLUTION NO. 3566:** A Resolution Authorizing The Placement Of Stop Signs On The Intersection Of Pleasant Street And North Center Street
- d. **RESOLUTION NO. 3567:** A Resolution Approving Tax Compliance Procedures Relating To Tax-Exempt Bonds
- e. Discussion on Revising Ordinance No. 1201 – Sending Ordinances to Committee between First and Second Reading
- f. **RESOLUTION NO. 3568:** A Resolution Authorizing The City Of Miles City, To Enter Into A State-Local Disaster Assistance Agreement With The Federal Emergency Management Agency And The Montana Disaster And Emergency Services Division For The Hazard Mitigation Grant Program
- g. **RESOLUTION NO. 3569:** A Resolution Of The City Of Miles City, Montana, Designating The City Clerk, As The City Of Miles City's Representative For The Hazard Mitigation Grant Program
- h. **RESOLUTION NO. 3570:** A Resolution Authorizing Change Order No. 1 To Dick Anderson Construction, Inc. On The Contract For The Haynes Avenue Lift Station Project
- i. **RESOLUTION NO. 3571:** A Resolution Authorizing The City Of Miles City To Enter Into An Agreement With Tumblewood Development, Inc. For Sanitation Inspection Services For Calendar Years 2013.
- j. **RESOLUTION NO. 3572:** A Resolution Authorizing The City Of Miles City To Grant An Easement To Landmark Land Company, Llc For A Road Easement For Ingress And

Egress Across Airport Land In The Southwest Quarter Of Section 29, Township 8 North, Range 47 East, M.P.M.

- k. **RESOLUTION NO. 3573:** A Resolution Authorizing Change Order No. 6 To CMG Construction, Inc. On The Contract For Water System Improvements For Phase 3 Water Main Replacement 20" Transmission Main Dated April 12, 2011
- l. **RESOLUTION NO. 3574:** A Resolution Approving A Settlement Agreement With Ahanu Construction, Inc., Cmg Construction, Inc., And North American Specialties Insurance Regarding Disputes And Claims On The Contract For Water System Improvements For Phase 3 Water Main Replacement 20" Transmission Main Dated April 12, 2011 And The Claim Upon The Bond Securing Performance Of Such Contract.
- m. Approval of Mediation Location
- n. Approval of Claims
- o. Letter of Resignation of City Attorney Effective January 4, 2013

14. **ADJOURNMENT**

Public comment on any public matter that is not on the agenda of this meeting can be presented under ARequest 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.

REGULAR COUNCIL MEETING

**November 27, 2012
7:00 p.m.**

CALL TO ORDER

The Regular Council meeting was held Tuesday, November 27, 2012, in the City Hall Conference Room at City Hall, 17 S. 8th Street, Miles City, Montana. Mayor C. A. Grenz called the meeting to order. Council Members present were Dwayne Andrews, Roxanna Brush, Mark Ahner, Jerry Partridge, John Uden, Bill Melnik and Sue Galbraith. John Hollowell was excused.

Also present were City Attorney Jerry Huss, Deputy City Attorney Erica Griffith, Fire Chief Dale Berg, City Planner Dianna Broadie, Police Chief Doug Colombik, Public Utilities Director Al Kelm, Dispatch Supervisor Heather Roos, Parks Supervisor Brady Stone and Council Recorder City Clerk Becky Stanton.

PLEDGE OF ALLEGIANCE

Mayor Grenz led the Council in the Pledge of Allegiance.

APPROVAL OF COUNCIL & COMMITTEE MINUTES

Regular Council Minutes – 11/13/2012

- **** *Councilperson Brush moved to approve the minutes of the Regular Council Meeting of November 13, 2012, seconded by Councilperson Galbraith. The motion then passed unanimously, 7-0.*

Human Resource Committee Meeting – 11/20/12

- **** *Councilperson Uden moved to approve the minutes of the Human Resources Committee Meeting of November 20, 2012, seconded by Councilperson Melnik. The motion then passed unanimously, 7-0.*

Public Safety Committee Meeting – 11/21/12

- **** *Councilperson Ahner moved to approve the minutes of the Public Safety Committee Meeting of November 21, 2012, seconded by Councilperson Andrews. The motion then passed unanimously, 7-0.*

SCHEDULE MEETINGS

Finance Committee Meeting: Wednesday, December 5, at 12:00p.m.
- Noon

Planning Committee Meeting: Tuesday, December 4, at 6:00p.m.

Human Resource Committee Meeting: Tuesday, December 4, at
12:00p.m. - Noon

REQUEST OF CITIZENS & PUBLIC COMMENT

John Menyhart, 1520 Main St, explained that the Kiwanis would like to make repairs to the Wibaux Park Shelter. The Kiwanis Board started the project out with a \$500 donation. They have many volunteers who want to help, including the Boy Scouts who will be led by Eagle Scout Candidate Chris Austin. At this time, the total costs are estimated to be \$12,181.

APPOINTMENTS

-None

PROCLAMATIONS

-None

STAFF REPORTS

-None

CITY COUNCIL COMMENTS

Councilperson Melnik – Will go to Colstrip for an Economic Development meeting and then return that evening to attend the jail facility meeting.

MAYOR COMMENTS

A citizen approached the Mayor about having taxi service on Sundays. She was wondering if the City would start a transit system for Sundays. No decision was made on this matter.

PUBLIC HEARINGS

-None

OLD BUSINESS

-None

BID AWARDS

-None

BID OPENING

1983 GMC S15 Pickup

Justin Miller bid \$10
Marvin Meidinger bid \$125
Benny Battaglia bid \$220
Murvin Brown bid \$500
Craig Dalakow bid \$317
Marc Aberg bid \$425
Justin Miller bid \$55
Dan Leidholt bid \$337

The pickup will be awarded to Murvin Brown for his bid of \$500.

NEW BUSINESS

Discussion on Tatro Street Project

Mayor Grenz said the County had asked him if the City still wanted to put in water and sewer lines while Tatro Street was being repaired. He is checking with the Council to see if there is enough money to do this.

Councilperson Brush said that most of those residents are on septic systems and, once those fail, they would need to be hooking into City water and sewer.

Councilperson Galbraith said that it would be foolish not to do it when the street is being repaired if the City has the money to do it.

Councilperson Ahner wondered how many properties would be affected and whether there is an estimate of the cost of the water and sewer lines.

Public Utilities Director Kelm explained that the \$3 increase in sewer rates was just to cover the debt payments for the \$1.8 million dollar loan of Phase One for the North Haynes lift station and the Waste Water Plant Building. The City still has to fund Phase Two for the Bio-Solids and Phase Three for the Ultraviolet Disinfection. These two projects are going to cost about \$8 million.

Public Utilities Director Kelm suggested that since most of those residents are in the County and not the City limits, the County should apply for a CDBG assessment of the area and project. Mayor Grenz will check with the County and MCEDC (Miles City Economic Development Corporation).

Discussion on CTEP Funds

Mayor Grenz referred to a document in the packet. Grant Administrator Colton had received a letter from Montana Department of Transportation (MDT), which is included in the packet. It explains that the new Transportation Bill (MAP-21) recently enacted by Congress will bring changes to the current CTEP program. A new program called Transportation Alternatives (TA) will replace CTEP. It requires that any funds allocated prior to October 1, 2009, are not committed to a project by September 30, 2013, be rolled back to MDT. The City of Miles City has been allocated \$47,915.96 for 2012 and currently has a total of \$380,503.15 available to fund CTEP eligible projects. Mayor Grenz is asking the Council for ideas for projects for the CTEP money.

Mayor Grenz said an estimate to pave the sidewalks from Milwaukee Street to North Montana Street is \$255,000 for the City's portion only.

Councilperson Uden mentioned lighting on Woodbury to Seventh Street on the Tatro Street project. Councilperson Ahner requested that Public Utilities Director Kelm research this project.

Councilperson Andrews mentioned a pedestrian crossing repair that is needed on the west side of the old Milwaukee Railroad on North Montana could be a possible project. It is in terrible shape.

ORDINANCE NO. 1248: An Ordinance Amending Section 22-2(2) Of The Code Of Ordinances Of The City Of Miles City, Montana Amending The Designation Of Arterial Streets Within The City Of Miles City.

*** Councilperson Uden moved to approve the Ordinance, seconded by Councilperson Melnik. On roll call vote, the motion passed unanimously, 7-0.*

Approval To Increase Dispatch Personnel by .62 FTE's

*** Councilperson Uden moved to approve to increase Dispatch personnel by .62 FTE's, seconded by Councilperson Brush.*

Councilperson Uden explained that during the last Public Safety meeting, Dispatch Supervisor Roos and Police Captain Reddick presented information on the turnover for part-time dispatchers and the cost to the City. They are recommending two full-time dispatchers, which would increase costs by \$30,000, mostly due to increased benefits. It is expensive to train personnel and then lose them to different full-time positions elsewhere. There has been an increase in 911 calls from out-of-state for which the City does not get reimbursed. Also, during an emergency, it would help to have two dispatchers on duty for about 10 hours a day.

*** On roll call vote, the motion passed, 6-1 with Councilperson Partridge voting nay.*

Mediation – Mayor Grenz said that at the last Human Resources meeting it was decided to ask the Council about where to hold the mediation for the grievances. Councilperson Uden said he had made the comment that as it was only mediation and not a hearing, it would be open to the Council as a whole. He said two of the grievants did not think the entire Council should be there. Councilperson Uden said the City Attorney had told him that, since it was only mediation and not a formal hearing, the entire Council could be in attendance if they chose to be and could ask questions relevant to the mediation. He asked City Attorney if that was correct. City Attorney Huss said it depends on how the mediation is set up. If the Committee was going to be there, it would be a public meeting, since a quorum would be present.

Councilperson Galbraith asked City Attorney Huss if union negotiations were public. City Attorney Huss said they were.

City Clerk Stanton wondered why mediation was being discussed, since it was not on the agenda.

City Attorney Huss said they had asked a question of legal counsel and are not taking any action on anything, so it is permitted.

APPOINTMENTS

-None

ADJOURNMENT

** *Councilperson Brush moved to adjourn the meeting, seconded by Councilperson Galbraith and passed unanimously, 7-0.*

The meeting was adjourned at 8:00 p.m.

C.A. GRENZ, Mayor

Becky Stanton, City Clerk

Flood Control Committee November 29, 2012

The **Flood Control Committee** met Thursday, November 29, 2012, at 6:00 p.m. in the City Hall Conference Room. Present were Committee Chairperson John Hollowell and Committee Members Susanne Galbraith, Jerry Partridge and Dwayne Andrews. Also present were Floodplain Administrator Sam Malenovsky, Mayor C.A. Grenz, Public Utilities Director Al Kelm and Recorder HR/Payroll Officer Billie Burkhalter.

On roll call vote all members were present.

1. Recommendations to Flood Plain Administrator for an Engineering Firm for Flood Study

Chairperson Hollowell explained that each member who had assisted with scoring the Request for Qualifications for Engineering Services (RFQ) to assist with evaluating the recently revised Digital Flood Insurance Rate Map and completing engineering services related to the City's flood control system(s) would be giving their recommendations to Administrator Malenovsky. The three engineering firms that submitted RFQ's are Allied Engineering, Interstate Engineering and Kadrmass, Lee & Jackson Engineering (KLJ).

Committee Member Andrews stated his scoring was tied between Allied Engineering and KLJ Engineering, but believed any one of the Engineering Firms could complete the job. He recommended that the Committee should average out the scores and the highest firm be chosen.

Chairperson Hollowell stated his scores were very close between Allied and KLJ, but KLJ did get the higher score. He liked that KLJ picked a local contact who is a former Public Works Director who is very knowledgeable about the City. KLJ had more flood related projects and had a well-balanced workload, as they would have enough personnel to respond. Allied's flood projects were good too; they have a certified flood plain manager and they also have a well balance workload. Allied also addressed environmental impacts, which he particularly liked.

Committee Member Andrews did not feel that any of the Engineering Firms Public Plans were good enough. He stated that whatever is decided with the Flood plain, it needs to be in the news, the public needs to be informed, as it is important to Miles City. Director Kelm stated that out of all the firms, KLJ had at least two to three meetings, and they have the public more involved than any other.

Committee Member Galbraith stated that she also came up with Allied and KLJ. She really liked Allied's approach as to see what the City has now and what they can do with it before doing other expensive projects. She really liked how KLJ had come up to meet the Committee and made an effort to inform them. Committee Member Galbraith felt that both engineering firms really understood what the Committee is trying to do.

Director Kelm stated Allied and KLJ were his top picks too. But he did not like that Allied and Interstate had other firms they were partnering up with. He questioned what would happen if those contracted firms had to pull out of Allied or Interstate. Director Kelm stated he liked KLJ, as it would be their whole firm using their own resources and not having another firm to come in to do the work. Committee Member Galbraith stated she had the same concerns.

Administrator Malenovsky stated she also had scored KLJ and Allied higher than Interstate. KLJ did score the highest. She really liked that KLJ made a section for future projects and would like the ability to use the same firm through all the flood projects. She also liked KLJ's plan for public involvement. Committee Member Partridge stressed that public involvement needs to be started early in the process.

Chairperson Hollowell questioned Administrator Malenovsky as to the new Flood Ordinance that will be submitted to Council for approval. Administrator Malenovsky responded that the new Ordinance is more of a revamp to the old one; as it will be more black and white, but it will not affect the progress the Committee is trying to make.

The Engineering Firms were scored as follows:

Allied Engineering:	443
HKM Engineering:	367
Interstate Engineering:	452

Director Kelm stated that normally the next step in this process is to take the top 2 or 3 firms and sit down and have a face-to-face interview.

Committee Member Partridge wanted the public to know that the City isn't hiring someone to do a specific job, but to do an assessment/study.

Chairperson Hollowell stated that Administrator Malenovsky and Director Kelm would need to meet and discuss how to proceed and then inform the Committee.

2. Requests of Citizens

Jerry Meidinger, 2718 Pleasant, questioned if the Committee could get an

hourly rate from the engineering firms to get an estimate on what they charge per project. Director Kelm stated this isn't an hourly project; it would be more like a "scope of work" and the firms would complete the scope of work for an agreed amount of money. He further stated this was really the best way.

Ron Butler, 1020 N. 3rd, stated he was glad to see this going forward, but questioned why FEMA will not accept Miles City's dike. He pointed out there have only been 2 floods which were man made. Administrator Malenovsky stated Miles City's dike doesn't fit FEMA's classification or requirements.

3. Adjournment

** *Councilperson Galbraith moved to adjourn the meeting, seconded by Councilperson Andrews and passed unanimously, 4-0.*

There being no further business, the Committee adjourned at 6:45 p.m.

Respectfully Submitted,

Flood Control Committee Chairperson

Billie D. Burkhalter, Recorder

John Hollowell, Chairperson

Request for Qualifications on Floodplain Study

TOTAL OF ALL SCORES

Engineering Firm	Allied Engineering	Interstate Engineering	Kadrmass, Lee & Jackson	Total Points Available for each activity
Qualifications of the professional personnel to be assigned	94	74	91	100
Consultant's capability to meet time & budget requirements	60	45	57	75
Location of firm	20	22	23	25
Firm's present and projected workloads	44	41	46	50
Related experience	71	65	71	75
Firm's recent & current work for Miles City	11	14	25	25
Project methodology & approach	87	76	94	100
Familiarity with the project	46	30	45	50
TOTAL SCORE FOR ENGINEERING FIRMS	433	367	452	500

Human Resources Committee December 5, 2012

The **Human Resources Committee** met Tuesday, December 5, 2012, at 12:00 p.m. in the Conference Room at City Hall. Present were Chairperson John Uden, Committee members Dwayne Andrews, Bill Melnik, and John Hollowell. Also present were Mayor C.A. Grenz, Councilpersons Sue Galbraith and Roxanna Brush, City Clerk Becky Stanton, Deputy City Clerk Linda Wildman, Ambulance Billing/Finance Clerk Connie Watts, Auto Cad Technician/Flood Plain Administrator/Asst. to Public Works & Public Utilities Administrator Samantha Malenovsky, Grant Administrator Dawn Colton, Engineering Secretary Dianna Larson, Police Chief Doug Colombik and Recorder HR/Payroll Officer Billie Burkhalter.

1. Roll Call:

- Noted above

2. Discussion on proposed mediation relating to requests for wage/salary enhancements:

Chairperson Uden stated they had conferred with both the City Attorney and Laborer Negotiator and they stated mediation talks are open to the public, as this is not a grievance hearing. The entire City Council can be present and ask questions. Councilperson Galbraith questioned that if this mediation is because of a grievance, then shouldn't it be closed? Chairperson Uden stated this is mediation to avoid a grievance hearing. Committee Member Andrews inquired as to the mediator. Chairperson Uden responded that the Council has agreed to Attorney Jeanette Jones, but if the grievants disagree, then the attorneys would have to figure it out.

Mayor Grenz wanted to bring to the attention of the Committee that even if mediation is completed, it doesn't mean that it has to be accepted; it would still need to be brought in front of the Council. Chairperson Uden further stated that the mediator would not make any decisions, but would be there as a referee, making sure appropriate questions are being asked and witnesses are appropriate. Committee Member Andrews questioned how this mediation would work. Chairperson Uden explained the Attorneys can present questions, as well as the grievants, Committee and Council. Based off of these questions, the responses and the evidence as presented, the Committee will determine whether or not specific raises or changes in benefits requested by the grievants are appropriate. The Committee will then make a recommendation to the Council as a whole.

HR/Payroll Officer Burkhalter stated that the Committee keeps talking about the financial impacts to the City. She pointed out that all the grievants are asking for is to be treated fairly and be recognized by the Wage/Salary Survey Study. This Committee had at one point had made a recommendation to go back to the people who did the survey and have them complete it, and now the City is paying \$200 an hour for the laborer negotiator and other numerous expenses.

Councilperson Galbraith questioned why pay information has been left out of some positions but included in other positions in the Salary Survey. She cited the City Clerk position had missing salary amounts in locations such as Whitefish and other surveyed cities. She stated she called these cities and was able to obtain the figures. Engineering Secretary Larson stated this is exactly what happened in her position, along with incorrect information. HR/Payroll Officer Burkhalter stated the Salary Survey is deeply flawed and incomplete. Councilperson Galbraith stated this needs to be addressed, as they are spending taxpayer money on a \$200 per hour attorney, and she wants to know why those amounts were not included in the study. Chairperson Uden stated this will be addressed at the mediation talks and they will have to decide if the evidence presented supports this. Councilperson Galbraith stated that since this is really a subjective study, why couldn't the Committee or Council get together and discuss this? Chairperson Uden explained it is because a grievance was filed and they have to follow procedure.

Mayor Grenz stated he took a trip to all the surveyed Cities and what he found was that no two cities have the same structure; job descriptions vary so much that there is no way to compare. Councilperson Brush noted that the study was initiated before her term and former Mayor Whalen decided how the study would be administered. HR/Payroll Officer Burkhalter pointed out that this study was adopted by this Council and not one salary survey meeting was held until after Joe Whalen's term had ended. Secretary Larson stated it is unfair that she has worked for the City for 20 years and is frozen for 6 years on incorrect information in the survey.

Deputy City Clerk Wildman clarified that the salary survey was based solely on job titles and nothing else. Chairperson Uden agreed and further explained the survey was supposed to be based on base salary with no consideration to longevity or any other benefit. When that Committee was presented with the survey, they were told that it was based on base salary.

*** Committee Member Hollowell moved to recommend to Council that the mediation be held in Miles City. Motion seconded by Chairperson Uden.*

City Clerk Stanton stated she was fine with the Council and media being present. She stated that the City was spending a tremendous amount of money on attorneys. When the taxpayers find out that all the grievants were asking for was to have their positions looked at for a possible increase and it progressed to this they will not be happy.

Chairperson Uden stated he would have liked to sit down with these individuals before the grievances were filed to see what they could work out, but once it was filed there was nothing they could do. City Clerk Stanton pointed out that this Committee had recommended going back and having MSU complete this study, and that has not been done. Chairperson Uden explained it doesn't matter if that was done or not because once a grievance is filed, they have to follow procedure. HR/Payroll Officer Burkhalter pointed out the City's personnel policy manual does have procedures. Step 1: an informal review was followed and it was denied. Mayor Grenz explained that in

the Letter of Agreement the grievants had a person representing them and he signed off on it. HR/Payroll Officer Burkhalter explained Police Chief Colombik was our representative and he did give his recommendations.

** *On roll call vote the motion passed unanimously.*

3. Review job descriptions of Deputy City Clerk and Finance Clerk and compensation recommendations:

Chairperson Uden informed the Committee they had been provided a revised job description for the Deputy City Clerk position. The words in red represent information that has been deleted and the words in blue represent the words that have been added.

Chairperson Uden explained, for informational purposes that City Clerk Stanton had requested relevant job descriptions from Local Government Commission in Bozeman. City Clerk Stanton corrected Chairperson Uden that she had not made this request and believed Mayor Grenz had. Mayor Grenz responded that it was the City Clerk who had requested this. Chairperson Uden stated the job descriptions were from the Town of Plains and Helena.

Chairperson Uden stated the City's attorneys have reviewed the original and amended job descriptions for the Deputy City Clerk and have made the following recommendations: keep the original and revised edits and combine them into one job description; eliminate, under Education and Experience: "will be preferred" and "Preference will be given to Certified Municipal Clerks".

City Clerk Stanton requested clarification as to who had recommended these changes. Chairperson Uden stated Attorney Huss had. He further explained Attorney Huss stated that having this information in a job description could potentially lead to civil litigation against the City for hiring someone who was not under the preferred designation. Committee Member Hollowell questioned why there was a need to remove certified municipal clerks? Chairperson Uden stated because the "preferred" is in that sentence. Committee Member Hollowell questioned if they could ask for it but not prefer it? He then asked City Clerk Stanton her opinion.

City Clerk Stanton explained that when she had received the packet for this meeting, she had noted the two job descriptions and contacted Betsy Webb from Local Government Center. City Clerk Stanton asked why she had sent two job descriptions that had no relevance to the position in Miles City. One is from Helena, which is a management form of government and is strictly a clerical position, and the other, from the Town of Plains, is a Clerk/Treasurer position. Betsy Webb suggested she go on List Serve and request more relevant descriptions. She reviewed what she had received and all of them had preferred or recommended the clerk training at the MMCT&FO Institute.

Chairperson Uden suggested placing in the description "within the 1st year of employment receive certification". City Clerk Stanton explained it takes 3 years to be certified. Regardless, if they have municipal clerical experience, they should be

preferred. HR/Payroll Officer Burkhalter stated that preference is commonly used in many of the City's job descriptions. If the attorney is having an issue with that phrase being used, the Committee needs to look at all the City's job descriptions. Councilperson Galbraith stated she had made several phone calls to other Government agencies and they all had "preference" in their job descriptions. Committee Member Andrews stated he has seen a lot of job descriptions with preference in it.

*** Committee Member Andrews moved to add the following language to Education and Experience: The above knowledge, skills, and abilities are typically acquired through a combination of education and experience equivalent to: "Certified Municipal Clerk qualifications" and to delete "preference will be given to Certified Municipal Clerks". The motion was seconded by Committee Member Melnik.*

Councilperson Brush questioned whether Committee Member Andrews was taking out everything from Education and Experience. Committee Member Andrews stated he was not taking out anything other than clarifying the Certified Municipal Clerk qualification. He stressed in the job description there is nothing that states a person has to have all this to be hired.

*** On roll call vote, the motion passed unanimously.*

*** Chairperson Uden moved to accept the entire revised Deputy City Clerks job description dated 12/04/12 with retaining both the red and blue subtractions and additions. The motion was seconded by Committee Member Melnik.*

*** Chairperson Uden moved to amend the original motion to eliminate under Essential Functions: "Accounts Receivable", eliminate under Payroll: "15th and last day of each month", eliminate under Job Requirements; "and use" and "pay", eliminate under Areas of Job Accountability and Performance: "the Mayor or". The motion was seconded by Committee Member Hollowell.*

Committee Member Andrews questioned if this position would prepare and distribute checks for payments. Chairperson Uden stated yes. City Clerk Stanton stated this position would not. Committee Member Andrews stated he did not feel the Committee should be putting in job requirements that the position does not do. Chairperson Uden stated as the Finance Clerk, they would do it. Committee Member Andrews clarified this is the Deputy City Clerk position. City Clerk Stanton stated this is the real issue; the City has a Finance Clerk that will do accounts payable and accounts receivable, this process is trying to eliminate that position now, even though the position is budgeted for until July 1st. Chairperson Uden explained that it doesn't hurt to add this into the job description and assured her that it could be changed at any time. City Clerk Stanton stated if and when the Finance Clerk position is cut from her budget then that would be the time to address it. Mayor Grenz stated it would be advantageous to have someone trained for the Finance Clerk position in case they lose that position. If it is in the job description, then they should be learning that position. City Clerk Stanton stated her concern for the new Deputy's work load. She pointed out there will be a lot to learn with the current job functions without adding the accounts receivable/payable responsibilities. Chairperson Uden pointed out that the Deputy Clerk's duties would be

under her direction.

Chairperson Uden stated there wasn't anything in the job description that couldn't be amended at a future meeting if necessary. City Clerk Stanton stated she felt it should be amended now. Chairperson Uden stated he would not accept any of the City Clerk's requested amendments, as the City Attorney recommended they remain. Councilperson Galbraith asked who had contacted the City Attorney, and, if it was by email, she would like to see it. Chairperson Uden stated she would see it when it goes to Council as a whole, but she does not sit on this Committee and does not have a vote. Councilperson Galbraith responded that she is a Councilperson and therefore entitled to request public records. Chairperson Uden stated he directly spoke with Attorney Huss concerning this job description and he is the one that made the recommendation that the information stays in and that the recommendations he made to Mayor Grenz stand. Committee Member Hollowell stated that if all the duties as stated are kept, then little would be left for the Finance Clerk position.

*** On amended motion and on roll call vote motion passed unanimously.*

*** Committee Member Hollowell moved to amend the original motion to eliminate under Summary of Work: "Information Systems, all Accounts Payable and all Accounts Receivable (excluding utility billing) with Financial and Administrative Services", under General Duties: eliminate "Prepare and distribute the checks for the payment of city procurement. Bill all accounts receivable (licenses, contracts, agreements, leases miscellaneous" eliminate the entire "Accounts Payable", eliminate under Job Performance Standards: "Prepares and distributes checks for payments of City Procurement", eliminate under Personnel Management: "Union Contract" seconded by Andrews and on roll call vote, motion passed unanimously.*

*** On original motion, as amended and, on roll call vote, motion passed unanimously.*

Chairperson Uden stated he did not see anything wrong with the presented Finance Clerk job description.

*** Committee Member Uden moved to approve the presented job description for the Finance Clerk, seconded by Committee Member Melnik and, on roll call vote, motion passed unanimously.*

*** Chairperson Uden moved that the compensation for the Deputy City Clerk be forwarded to the Finance Committee for its recommendation.*

City Clerk Stanton pointed out that the entry wage had already been determined from the Wage Analysis Study. Committee Member Hollowell stated the Study was passed by the Council and needs to be followed. HR/Payroll Burkhalter explained that the Committee had previously advertised the Director of Public Works position with the wage in the Study without the Finance Committee's approval. She questioned why this situation would be different, as this has also been budgeted. City Clerk Stanton stated it has been budgeted for at the Wage Analysis Study rate.

** The motion died without a second

** Committee Member Andrews moved to advertise Deputy City Clerk and Finance Clerk position at the adopted Wage and Analysis Study, seconded by Committee Member Hollowell and, on roll call vote, motion passed unanimously.

4. Request of Citizens

- None

5. Adjournment

** Committee Member Melnik moved to adjourn the meeting. The motion was seconded by Chairperson Uden and passed. The meeting was adjourned at 1:25 p.m.

Respectfully submitted,

Billie D. Burkhalter, Recorder

Chairperson John Uden

Finance Committee Meeting December 5, 2012

The **Finance Committee** met December 5, 2012, at 12:00 p.m. in the City Hall Conference Room. Present were Chairperson Mark Ahner and Committee Members Jerry Partridge, Bill Melnik and Roxanna Brush. Also present were Councilpersons Sue Galbraith, Dwayne Andrews, and John Uden, Mayor Chris Grenz, Grant Administrator Dawn Colton, Public Utilities Director Al Kelm, Park Superintendent Brady Stone and Recorder City Clerk Becky Stanton.

Review Safe Routes to School:

Chairperson Mark Ahner explained that about a year ago, the Council had agreed to utilize the City's CTEP money to pay up to 10% of the cost, but not to exceed \$25,000 for sidewalks for Safe Routes to School. City Attorney Huss was concerned about the City being responsible for the maintenance of the sidewalks. It was determined that the City would only be responsible for the maintenance of the sidewalks around the Milwaukee Park, and the homeowners would be responsible for their own sidewalks in front of their homes. The other concern was about the indemnification clause under item number 12. It was determined by Montana Municipal Insurance Agency (MMIA) and City Attorney Huss that the State and Department of Transportation would have little responsibility in regards to this entire project. They are now okay with the CTEP/SRST Project Specific Agreement.

Tara Andrews, 1211 N Custer, has been the lead on this project and the grant. The current CTEP grant will provide sidewalks from N. Montana, then down Lincoln over to Riverside. There is a second grant that will need to be completed by the end of December that will take the sidewalks to the Headstart Building. This grant will be awarded next September. The current grant funds are \$90,972 to provide sidewalks down Lincoln Street and \$23,414 for North Montana.

*** Chairperson Ahner moved to recommend that the Council approve the Safe Routes to School Agreement. The motion was seconded by Committee Member Brush, and motion carried unanimously, 4-0.*

Review Change Order Request for Dick Anderson project on Haynes Avenue Lift Station.

Public Utilities Director Kelm explained that the change order for \$69,867 is to relocate the lift station itself, provide for additional piping for the force main as well as the influent line for the wet well, and the additional digging of linear feet. The City had to move a water line. The engineering firm of Robert Peccia and Associates has reviewed and approved of the change order.

- ** Committee member Brush moved to recommend that the Council approve the change order for Dick Anderson Construction Inc. in the amount of \$69,867 dated November 5, 2012. The motion was seconded by Committee Member Melnik; the motion carried unanimously, 4-0.*

Review Ahanu/CMG Surety Final Payment for the Cenex/Dickinson project

Lonni Fleck with Interstate Engineering explained worksheets that she handed out to the committee members. The original contract amount was \$434,988. There have been six change orders on this project for total increase in costs of \$167,833.81. Change Order Six is for \$34,075.33 and needs Council approval for payment. The final contract amount to the City is \$602,821.81. She would recommend approval of Change Order Six but contingent upon signed settlement agreement which has been drafted by Interstate Engineering Inc.'s attorney. It was then reviewed by City Attorney Huss and sent to the surety for Ahanu/CMG. Once the agreement, signed by all parties, is received, Change Order Six will be paid. Ahanu/CMG will have no further claims against the City.

- ** Chairperson Ahner moved to recommend that the City Council approve Interstate Engineering Inc.'s settlement agreement proposal with Ahanu/CMG and the surety company and approve Change Order Six in the amount of \$34,075.33 to finalize the 20" project on Main Street and Dickinson. The motion was seconded by Committee Member Melnik; the motion carried unanimously, 4-0.*

Review Proposed Contract for City Sanitarian for sanitation inspections and water, sewer, and storm water systems in subdivisions

Chairperson Ahner explained that the new contract for the City Sanitarian is for \$33,000. The City currently has \$35,000 budgeted for Fiscal 2012-2013. Committee Member Brush had visited with Health Board Chair Sharon Wilcox and given her a copy of the contract. Ms. Wilcox mentioned it would be nice for the Council to get a recommendation from the Health Board. Councilperson Uden mentioned that the City brought in approximately \$10,000 in fees from the Sanitarian's inspections.

- ** Committee member Brush moved to recommend that the Council approve the contract for the City Sanitarian. The motion was seconded by Committee Member Melnik; the motion carried 3-1, with Committee Partridge voting nay.*

Review Proposed Contract for Code Enforcement Officer for Miles City

Chairperson Ahner explained that the contract is for Mike Rinaldi to perform nuisance inspections for the City for \$20,000. It is currently not in the budget. He is opposed to this contract. He believes the Police Department, in working with the different mayors, was able to do the work for nuisances. The exceptions were a few complex nuisances.

.....Committee Member Partridge said he was going to have to vote for this. He believes it is a good idea to have a Code Violation Officer and there are a number of violations throughout town. Committee Member Brush agreed with him.

Chairperson Ahner mentioned that possibly Mr. Rinaldi would work on an hourly basis or a nuisance basis for the complex nuisances, and the Mayor and the Police Department could work on the other nuisances. He made note that the contract states that the proposal is open for further discussion.

Mayor Grenz mentioned that City Attorney Huss pointed out that the City Ordinance requires explicit mention of a Code Enforcement Officer.

*** Committee member Partridge moved to recommend that the Council approve the contract for the Code Enforcement Officer. The motion was seconded by Committee Member Brush; the motion carried 2-2, with Chairperson Ahner and Committee Member Melnik voting nay.*

Request of Citizens

There being no further business, Committee Member Partridge moved to adjourn the meeting, seconded by Committee Member Melnik. The meeting was adjourned at 1:02 p.m.

Respectfully Submitted:

Chairperson Mark Ahner

City Clerk Becky Stanton

**Public Safety Committee Meeting
December 5, 2012**

The **Public Safety Committee** met Wednesday, December 5, 2012, at 6:00 pm in the City Hall Conference Room. Present were Committee Chairperson John Uden and Committee Members Sue Galbraith, Duane Andrews and Mark Ahner. Also present were Mayor C.A. Grenz, Police Chief Doug Colombik and Committee Recorder Connie Watts.

REVIEW POSSIBLE AMENDMENTS TO ARTERIAL STREETS IN ORDINANCE NO. 1231

Chairperson Uden said this item had been through this Committee before going to first reading at the last Council meeting, where no changes were proposed.

Committee Member Ahner added that it is before this Committee again because of the requirements of Ordinance 1201, which requires all ordinances must go to committee after the first reading and before the second reading and final adoption.

** Committee Member Ahner moved to recommend approval of Ordinance 1231, seconded by Committee Member Andrews and, on roll call vote, passed unanimously, 4-0.

CITIZEN REQUEST

Committee Member Ahner noted that he had been approached by a citizen about "jake brakes." He asked that individual to call Chairperson Uden so the issue could be placed on a future Safety Committee meeting agenda.

ADJOURNMENT

** *Having no more business before the Committee, Committee Member Ahner moved to adjourn, seconded by Committee Member Uden and passed unanimously. The meeting was adjourned at 6:10 p.m.*

Respectfully Submitted:

Public Safety Committee Chairperson:

Connie L. Watts, Recorder

Chairperson John Uden

ORDINANCE NO. 1248

AN ORDINANCE AMENDING SECTION 22-2(2) OF THE CODE OF ORDINANCES OF THE CITY OF MILES CITY, MONTANA AMENDING THE DESIGNATION OF ARTERIAL STREETS WITHIN THE CITY OF MILES CITY.

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

Section 1. Section 22-2(2) of the Code of Ordinances of the City of Miles City, Montana is amended to read as follows:

"(2) Streets and roadway areas.

a. Arterial Street means any of the following designated streets:

- (1) North 7th Street from its intersection with Main Street to its intersection with Truscott Street.
- (2) Tatro Street from its intersection with North 7th Street to its intersection with Woodbury Street and continuing with Milwaukee Street from its intersection with Woodbury Street to its intersection with North Montana Avenue.
- (3) Woodbury Street from its intersection with Leighton Boulevard to its intersection with Roberts Street.
- (4) North Montana Avenue from its intersection with Main Street to its intersection with Jackson Street.
- (5) Leighton Boulevard from its intersection with North Sewell Avenue to the point it merges with Washington Street and continuing with Washington Street to its intersection with North 3rd Street.
- (6) North 5th Street from its intersection with Main Street to its intersection with Marion Street.
- (7) North 9th Street from its intersection with Main Street to its intersection with Washington Street.
- (8) North 10th Street from its intersection with Main Street to its intersection with Washington Street.
- (9) Palmer Street from its intersection with North 7th Street to its intersection with North Montana Avenue.
- (10) Orr Street from its intersection with North 7th Street to its intersection with Leighton Boulevard.
- (11) Pleasant Street from its intersection with North 7th Street to its intersection with North Montana Street.
- (12) North Strevell Avenue from its intersection with Main Street to its intersection with Valley Drive East/US Highway 12.
- (13) North Stacy Avenue from its intersection with Main Street to its intersection with Leighton Boulevard.
- (14) South Winchester Avenue from its intersection with Main Street and merging with South Stacy Avenue continuing to its intersection with Wilson Street.
- (15) South Strevell Avenue from its intersection with Main Street to its intersection with Balsam Drive.
- (16) Wilson Street from its intersection with South Haynes Avenue to its intersection with South Strevell Ave.
- (17) Fort Street and Pearl Street from their intersections with South Winchester Avenue to their intersections with South Strevell Avenue.

- (18) Fort Street from its intersection with South Montana Avenue to its intersection with South Strevell Avenue.
- (19) South 10th Street from its intersection with Main Street to the point it merges with Pearl Street and continuing to Pearl Street's intersection with South Strevell Avenue.
- (20) South 8th Street from its intersection with Main Street to the point it merges with Stower Street and continuing east on Stower Street to its intersection with Michels Street. (Excluding the two block portion of Stower Street between South Sewell Avenue and Moorehead Avenue.
- (21) Tompy Street from its intersection with South Montana Avenue to its intersection with South Haynes Avenue.
- (22) Comstock Street from its intersection with South Montana Avenue to its intersection with South Haynes Avenue.
- (23) South Lake Avenue from its intersection with Main Street to its intersection with Tompy Street.
- (24) South Center Avenue from its intersection with Main Street to its intersection with Tompy Street.
- (25) South Montana Avenue from its intersection with South Center Avenue to its intersection with Tompy Street.
- (26) South 5th Street from its intersection with Main Street to its intersection with Pacific Avenue.
- (27) South 4th Street from its intersection with Main Street, inclusive of the service road through Riverside Park, to its intersection with Eagle Avenue.
- (28) Yellowstone Avenue from its intersection with South 10th Street to its intersection with Neu-Vu Avenue
- (29) Pacific Avenue from its intersection with South 10th Street to its intersection with the Tongue River Bridge.
- (30) Atlantic Avenue from its intersection with South 10th Street to its intersection with Neu-Vu Avenue.
- (31) Bridge Street from its intersection with South 5th Street to its intersection with Main Street.
- (32) Main Street from its intersection with the Tongue River Bridge to its intersection with South Haynes Avenue.
- (33) South Haynes Avenue from its intersection with Main Street to its intersection with Interstate Highway 94.
- (34) The service road between Scanlan Lake and Connor Field from its intersection with Main Street to the point it merges with Sloan Road continuing south on Sloan Road to its intersection with Pacific Avenue.
- (35) Dike Road from its intersection with Pacific Avenue to the point it merges with Wells Street and continuing on Wells Street to its intersection with US Highway 59 North.
- (36) South Sewell Avenue from its intersection with Main Street to its intersection with Boutelle Street.
- (37) Disckinson Street from its intersection with South Montana Avenue to its intersection with Moorehead Avenue.

b. Controlled access highway means every highway, street or roadway in respect to which owners or occupants of abutting lands and other persons have no legal right of access to or from the same except at such points only and in such manner as may be determined by the public authority having jurisdiction over such highway, street or roadway.

c. Crosswalk means:

- (1) That part of a roadway at an intersection included within the connections of the lateral lines of the sidewalks on opposite sides of the highway measured from the curbs or, in the absence of curbs, from the edges of the traversable roadway.
 - (2) Any portion of a roadway, at an intersection or elsewhere, distinctly indicated for pedestrian crossing by lines or other markings on the surface.
- d. *Intersection* means the area embraced within the prolongation or connection of the lateral curblines or, if none, then the lateral boundary lines of the roadways, of two streets which join one another at or approximately at right angles, or the area within which vehicles traveling upon different highways joining at any other angle may come in conflict. Where a street includes two roadways 30 feet or more apart, then every crossing of each roadway of such divided street by an intersecting street shall be regarded as a separate intersection. In the event such intersecting street also includes two roadways 30 feet or more apart, then every crossing of two roadways of such streets shall be regarded as a separate intersection.
- e. *Laned roadway* means a roadway which is divided into two or more clearly marked lanes for vehicular traffic.
- f. *Private road or driveway* means every way or place in private ownership and used for vehicular travel by the owner and those having express or implied permission from the owner, but not by other persons.
- g. *Roadway* means that portion of a street improved, designed or ordinarily used for vehicular travel, exclusive of the berm or shoulder. In the event a street includes two or more separate roadways, the term "roadway" as used in this chapter shall refer to any such roadway separately but not to all such roadways collectively.
- h. *Safety zone* means the area or space officially set apart within a roadway for the exclusive use of pedestrians, and which is protected or is so marked or indicated by adequate signs as to be plainly visible at all times while set apart as a safety zone.
- i. *Sidewalk* means that portion of a street between the curblines or the lateral line of a roadway, and the adjacent property lines, intended for the use of pedestrians.
- j. *Street or highway* means the entire width between the boundary lines of every street, highway and related structure as have been or shall be built and maintained with appropriated funds of the United States and which have been or shall be built and maintained with funds of the state or the municipality, or which have been or shall be dedicated to public use or have been acquired by eminent domain.
- k. *Through street* means every street or portion thereof at the entrances to which vehicular traffic from intersecting streets is required by law to stop before entering or crossing the same when stop signs are erected as provided in this chapter.

Section 2. This amendment shall become effective thirty (30) days after the final passage of this Ordinance.

Said ordinance read and put on its passage this 27th day of November, 2012.

C.A. Grenz, Mayor

..... ATTEST:

Rebecca Stanton, City Clerk

FINALLY PASSED AND ADOPTED this 11th day of December, 2012.

C.A. Grenz, Mayor

ATTEST:

Rebecca Stanton, City Clerk

RESOLUTION NO. 3575

A RESOLUTION AUTHORIZING AMENDMENT OF AN AMBULANCE BILLING SERVICES AGREEMENT BETWEEN THE CITY OF MILES CITY AND MONTANA EMERGENCY HEALTH CARE CONSULTANTS, INC., A MONTANA CORPORATION, DOING BUSINESS AS SOLESTONE REIMBURSEMENT SERVICES.

WHEREAS, on the 23rd day of October, 2012, the City Council of the City of Miles City adopted Resolution 3559, approving a contract with Montana Emergency Health Care Consultants, Inc., a Montana corporation, doing business as SoleStone Reimbursement Services, of PO Box 1359, Missoula, Montana 59806 ("*Solestone*") to provide ambulance billing services to the City of Miles City Fire and Rescue service;

AND WHEREAS, subsequent to the passage of Resolution 3559, Solestone declined to execute the offered contract and desired to amend the indemnification provisions of the offered contract;

AND WHEREAS the City Council is agreeable to the amendment of the indemnity provisions of the offered General Contract for Services, a copy of the amended contract which is attached hereto as Exhibit "A";

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

1. The General Contract for Services between the City of Miles City, Montana and Montana Emergency Health Care Consultants, Inc., a Montana corporation, doing business as SoleStone Reimbursement Services, of PO Box 1359, Missoula, Montana 59806, as amended and attached hereto as Exhibit "A", and made a part hereof, is hereby approved and adopted by this Council.

2. The Mayor of the City of Miles City is hereby empowered and authorized to execute said General Contract for Services, as amended, on behalf of the City of Miles City and bind the City of Miles City thereto.

3. The Mayor of the City of Miles City is hereby empowered and authorized to execute such further documents as are necessary to carry out the terms of said General Contract for Services, as amended, and 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, AT A REGULAR MEETING OF THE CITY COUNCIL CONDUCTED THIS 11TH DAY OF DECEMBER, 2012.

C.A. Grenz, Mayor

ATTEST:

Rebecca Stanton, City Clerk

GENERAL CONTRACT FOR SERVICES

This Contract for Services (this "Contract") is made effective as of January 1, 2013, by and between the City of Miles City, on behalf of its fire and ambulance service, Miles City Fire & Rescue, of 17 South 8th Street, Miles City, Montana 59301, hereinafter "*City*", and Montana Emergency Health Care Consultants, Inc., a Montana corporation, doing business as SoleStone Reimbursement Services, of PO Box 1359, Missoula, Montana 59806, hereinafter "*SSRS*".

1. DESCRIPTION OF SERVICES. Beginning on January 1, 2013, SSRS will provide to City, Ambulance Billing, and the following services (collectively, the "*Services*");

- A. Submit all insurance, Medicare or Medicaid claims for patients receiving medically necessary care, to the insurance provider listed on the billing form.
- B. Provide follow-up on all insurance claims, every 30 days.
- C. Notify the patient's responsible party if insurance has not paid claim within 60 days.
- D. Notify the provider on insurance denials and resubmit. *SSRS shall handle all inquiries regarding claim denials.*
- E. Invoice patients with all new billing.
- F. Invoice patients with co-pay balances every 30 days.
- G. Contact any and all responsible parties, (if patient is a minor) to notify of any balances remaining.
- H. Assist the provider in contracting with insurance companies.
- I. Provide future additional services, on an "as needed basis."
- J. Provide monthly financial reports to be to City within ten (10) days of month end:
 - 1) Monthly Charge Report
 - 2) Monthly Call Report
 - 3) Monthly Cash Credit Report
 - 4) Monthly Adjustment Report
 - 5) Monthly Aging Report

The staff at Miles City Fire & Rescue will provide the following services prior to sending "billings" to SSRS:

- A. Obtain prior authorization for non-emergency transports.
- B. Complete all Patient Care Reports and upload or post via electronic media on the Idaho Bridge.
- C. Submit completed patient signature form, PCS forms and hospital face sheets when applicable.
- D. Fax or mail Patient Care Reports, signature forms and hospital face sheets for each call. PCS form will be sent for non-emergent transports.

2. DEPOSIT OF RECEIPTS. Payments that are directly depositable by a third party payor (i.e. Medicare and Veterans Administration) by electronic fund transfer (EFT) shall be directly deposited into the City of Miles City accounts designated by the City. SSRS will only

deposit payments to Miles City Fire & Rescue into the City of Miles City bank accounts; SSRS shall daily provide City with a listing of all deposits to such accounts. .

3. PAYMENT FOR SERVICES. In exchange for the Services, City will pay SSRS according to the following schedule:

Each month, SSRS will bill City seven percent (7%) of the total net monthly collections. Such billings will be due and payable by City within thirty (30) days of receipt.

4. TERM; EARLY TERMINATION. This Contract is for 180 days and will be automatically renewed for City fiscal year 2013-14, commencing July 1, 2013, unless earlier terminated by either party as provided herein. The term of this Contract stated herein notwithstanding, this agreement may be terminated by either party upon 90 days prior written notice to the other party.

5. CONFIDENTIALITY; HIPAA PRIVACY REQUIREMENTS. SSRS, and its employees, agents, or representatives will not at any time or in any manner, either directly or indirectly, use for the personal benefit of SSRS, or divulge, disclose, or communicate in any manner, any information that is proprietary to City. SSRS will at all times fully and strictly comply with the patient privacy and confidentiality requirements of the Health Insurance Portability And Accountability Act (HIPAA). SSRS and its employees, agents, and representatives will protect such information and treat it as strictly confidential. This provision will continue to be effective after the termination of this Contract.

6. COMPLIANCE WITH FAIR DEBT COLLECTION PRACTICES ACT AND FAIR CREDIT REPORTING ACT. SSRS, in providing services hereunder, will, at all times, fully comply with all requirements of the Fair Debt Collection Act and Fair Credit Reporting Act and all federal and state laws and regulations as to medical billing and collection or credit reporting services.

7. PROVISION OF RECORDS. Upon termination of this Contract, SSRS will return to City, through Miles City Fire & Rescue, all records, notes, documentation and other items that were used, created, or controlled by SSRS or the City during the term of this Contract.

8. HIRING RESTRICTION. For a period of six (6) months after this agreement is terminated, City agrees not to employ any SSRS employee who provided services under this Contract.

9. NON-DISCRIMINATION. In compliance with §49-3-207 MCA, all hiring by Contractor shall be on the basis of merit and qualification, and Contractor, in the performance of this Agreement, shall not discriminate on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin.

10. INDEMNITY. SSRS agrees to indemnify, defend, and hold harmless City from any and all claims, liabilities, costs or expenses (including attorney's fees), resulting from the acts or omissions, including default or negligence, of SSRS, its officers, employees, or agents, in the

performance of services under this contract, including, but not limited to, failure to strictly comply with the requirements of Sections 4 and 5, above.

City agrees to indemnify, defend, and hold harmless SSRS from any and all claims, liabilities, costs or expenses (including attorney's fees), resulting from the acts or omissions, including default or negligence, of City, its officers, employees, or agents, in the performance of this contract, including failure of the City to comply with HIPPA privacy requirements.

11. INDEPENDENT CONTRACTOR STATUS OF SSRS. SSRS is an independent contractor in providing services hereunder and is not the agent, partner, or joint venturer of the City. Any officer, employee or agent of SSRS providing services hereunder is not the employee or shared employees of the City. Nothing herein contained shall be construed as creating a relationship other than that of an independent contractor between SSRS and the City, its officers, employees, and agents.

12. WORKER'S COMPENSATION COVERAGE. SSRS will pay for and provide all required workmen's compensation coverage, unemployment compensation insurance, and other deductions and assessments required by federal or state law upon SSRS staff who provide services pursuant to this contract. **Prior to commencement of services hereunder, SSRS shall provide to City a certificate of insurance evidencing coverage under the Montana Workers Compensation Act. Such certificate of insurance shall require at least ten (10) days written notice to City prior to any cancellation, termination, or non-renewal of coverage.**

13. LIABILITY INSURANCE. At all times during the effective period of this contract, SSRS shall maintain a policy of liability insurance coverage insuring against liability for negligent acts or omissions in the performance of the services to be provided hereunder, with policy limits of not less than Seven Hundred Fifty Thousand and no/100 Dollars (\$750,000.00) per claim and in aggregate. By endorsement the City shall be named as an additional insured on a primary, noncontributory basis. **Prior to commencement of services hereunder, SSRS shall provide to City a certificate of insurance evidencing complying coverage including all endorsements naming City as an additional insured. Such certificate of insurance shall require at least ten (10) days written notice to City prior to any cancellation, termination, or non-renewal of coverage.**

14. REMEDIES. In addition to any and all other rights a party may have available according to law, if a party defaults by failing to substantially perform any provision, term or condition of this Contract (including without limitation the failure to make a monetary payment when due), the other party may terminate the Contract by providing written notice to the defaulting party. This notice shall describe with sufficient detail the nature of the default. The party receiving such notice shall have 90 days from the effective date of such notice to cure the default(s). Unless waived by a party providing notice, the failure to cure the default(s) within such time period shall result in the automatic termination of this Contract.

15. ENTIRE AGREEMENT. This Contract contains the entire agreement of the parties, and there are no other promises or conditions in any other agreement whether oral or written

concerning the subject matter of this Contract. This Contract supersedes any prior written or oral agreements between the parties.

16. SEVERABILITY. If any provision of this Contract will be held to be invalid or unenforceable for any reason, the remaining provisions will continue to be valid and enforceable. If a court finds that any provision of this Contract is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision will be deemed to be written, construed, and enforced as so limited.

17. AMENDMENT. This Contract may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

18. GOVERNING LAW. This Contract shall be construed in accordance with the laws of the State of Montana.

19. NOTICE. Any notice or communication required or permitted under this Contract shall be sufficiently given if delivered in person or by certified mail, return receipt requested, to the address set forth in the opening paragraph or to such other address as one party may have furnished to the other in writing.

20. RESTRICTION ON ASSIGNMENT. SSRS may not assign or transfer this Contract without the prior written consent of City, which consent shall not be unreasonably withheld.

City of Miles City

By: _____

C.A. Grenz, Mayor

Date: _____

Montana Emergency Health Care Consultants, Inc.,
a Montana corporation,

By: _____

Its President

Date: _____

RESOLUTION NO. 3563

A RESOLUTION AUTHORIZING A GRANT AGREEMENT WITH THE MONTANA DEPARTMENT OF TRANSPORTATION UNDER THE COMMUNITY TRANSPORTATION ENHANCEMENT PROGRAM-SAFE ROUTES TO SCHOOL PROJECT TO PROVIDE SAFE AND CONVENIENT WALKING TO GARFIELD SCHOOL AND AUTHORIZING THE MAYOR TO EXECUTE SUCH AGREEMENT

WHEREAS, the City of Miles City has applied to the Montana Department of Transportation for grant funds under the Community Transportation Enhancement Program for the construction of Safe Routes to School, titled Garfield School Walks, designated Project No. UPN 7982;

AND WHEREAS, the Montana Department of Transportation has offered to provide grant funds for such project to the City of Miles City in the sum of \$125,825.00 subject to those terms and conditions set forth in the Agreement attached hereto as Exhibit "A";

AND WHEREAS upon review of such project agreement the City Council finds that the terms and conditions of the agreement are acceptable to the City of Miles City;

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

It does hereby authorize and approve the terms and conditions of the CTEP/SRTS Agreement No. UPN 7982 , attached hereto as Exhibit "A", and hereby authorizes the Mayor of the City of Miles City to execute and bind the City of Miles City to the terms and conditions of such project agreement and to carry out its terms.

SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, THIS 11TH DAY OF DECEMBER, 2012.

C.A. Grenz, Mayor

ATTEST:

Rebecca Stanton, City Clerk

CTEP/SRTS PROJECT SPECIFIC AGREEMENT

THIS AGREEMENT is made and entered into by and between the State of Montana, acting by and through its Department of Transportation, hereinafter called the "State," and the City of Miles City, hereinafter called the "Grantee". This Agreement is effective on the date of the final signature by the State.

WITNESSETH THAT:

WHEREAS, the Grantee proposes to develop and construct a Community Transportation Enhancement Program (CTEP)/Safe Routes To School (SRTS) project, UPN 7982, titled GARFIELD SCH WALKS-MILES CITY (hereinafter the "project"); and,

WHEREAS, the State and the Grantee recognize the need to develop and construct the project, and are willing to share in its costs in accordance with this agreement; and,

WHEREAS, in accordance with the State's agreement with the Federal Highway Administration (FHWA) of the U.S. Department of Transportation, the State must ensure that certain requirements are met in order for the State to fulfill its obligations to the FHWA and for the project to be eligible for federal funds. Accordingly, the State includes federal requirements, which are among those hereinafter set forth, for this project, and the Grantee agrees to them, and,

WHEREAS, the estimated cost of the project's development and construction is \$127,598; and,

WHEREAS, the financial participation for the project development and construction will in part be with federal-aid funds made available in federal fiscal 2012; and,

WHEREAS, the federal-aid funds provided are described in the Catalog of Federal Domestic Assistance (CFDA), number 20.205, Highway Planning and Construction under the U.S. Department of Transportation FHWA; and,

WHEREAS, it is understood that all costs associated with the project in excess of these federal-aid funds will be financed by the Grantee; and,

WHEREAS, this document must be executed and submitted to the State before the project development and construction process will be authorized to start; and,

NOW, THEREFORE, in consideration of the covenants herein contained, the parties agree that:

The Grantee will develop a CTEP/SRTS project described as: the design and construction of approximately 1,725 lineal feet of concrete sidewalk to include ADA features.

The project will be located in Miles City along the south side of Lincoln Street between North Montana and North Lake Avenues, and along the east side of North Lake Avenue between Lincoln and Riverside Streets.

The purpose of this project is to provide safe and convenient pedestrian facilities in Miles City.

The initial estimated federal-aid cost to be requested for the development and construction of this project, by federal-aid account, is as follows:

Federal-Aid Program Account by Project Phase (Maximum CTEP Share)

[9102] Preliminary Engineering (SRTS) (including environmental documentation)	\$	13,850
[9202] Right-of-Way/Easement Acquisition (86.58% CTEP)	\$	-0-
[9302] Incidental Construction (64.93% CTEP) (utility relocation involvement)	\$	-0-
[9402] Construction Engineering (SRTS) (including contract administration and inspections)	\$	7,459
[9502] Construction (86.58% CTEP)	\$	13,212
[9502] Construction (SRTS)	\$	93,077
Total	\$	127,598

Miles City	Project	CTEP Funds	Local Match	SRTS Funds
Direct Costs	\$ 127,598	\$ 11,439	\$ 1,773	\$ 114,386
TOTAL	\$ 127,598	\$ 11,439	\$ 1,773	\$ 114,386

NOTE: Above table does not include indirect costs. Indirect costs will be applied to the CTEP fund share at the rate corresponding to the time the reimbursements are made.

The Grantee will:

1. Be responsible for the \$1,773 local CTEP match. The Federal cost participation (CTEP /SRTS funds) will be \$125,825 of the estimated total project cost of \$127,598. The Grantee will be responsible for 100% of all costs exceeding the proposed \$127,598 that may be required to complete the project.
2. Attest they have read and understand the CTEP manual located at: http://www.mdt.mt.gov/publications/docs/manuals/mdt_ctep_manual.pdf, including all State and Federal laws, rules and regulations applicable to the CTEP and SRTS programs.
3. Develop and prepare all of the necessary design plans, specifications, estimates, and contract documents for the project in accordance with the CTEP Manual. The selection and retention of any individual or firm to provide or furnish any engineering or design related services will be based upon qualifications in accordance with the CTEP Manual's Consultant Services procedures.
4. Solicit for competitive bids and award a contract to construct the project. The solicitation for the construction contract may be by competitive bid or limited solicitation, so long as the cost does not exceed \$50,000; should the project's construction cost exceed \$50,000, it must be by competitive bid. The Grantee will administer any construction contract and provide the supervision, inspection and documentation required to ensure the project is completed satisfactorily. The State will perform a final project review to ensure substantial compliance with project plans, specifications and estimates.
5. Provide documentation necessary to comply with applicable environmental requirements, including the National Environmental Policy Act (NEPA), Section 106 of the National Historic Preservation Act (NHPA) and Section 4(f) of the DOT Act.

6. Complete and submit the applicable supporting documentation to the State for review and concurrence prior to beginning the next step in the project's development or construction process, as identified in the CTEP Manual.
7. Submit a claim for cost reimbursement no more than monthly and no less than quarterly detailing items and quantities of acceptable work completed that period to the CTEP Office for the project development and/or construction costs incurred. The request will be accompanied by documentation substantiating the amount requested and identifying the applicable federal share.
8. Agree to provide the State, Legislative Auditor or their authorized agents access to any records necessary to determine compliance with this Agreement. The Grantee agrees to create and retain records supporting this Agreement for a period of three years after the completion date of this Agreement or the conclusion of any claim, litigation or exception relating to this Agreement taken by the State of Montana or a third party.
9. Service, maintain, and pay the cost of operating the project described in this agreement.

General Provisions:

10. The Grantee understands and agrees this agreement is subject to the requirements of OMB Circular A-133; non-federal entities that expend \$500,000 or more in a year in federal expenditures will have a single audit conducted.
11. The parties understand and agree that this agreement is subject to the requirements of Section 17-1-106, MCA, which requires the State to fully recover indirect costs (IDC) from the Federal share of costs and any other participating parties. The current IDC rate is 11.08% and the parties further understand and agree that as of October 1, 2009 the Grantee's share of IDC will be paid by MDT per subsection (3). Note: If this project extends across more than one fiscal year, more than one annual rate will be involved, as the rate may change during the life of the project.
12. Except for any suits, claims, actions, losses, costs or damages which are solely the result of the negligent acts or omissions or misconduct of State employees, the Grantee agrees that it will protect, indemnify, and save harmless the State and Department of Transportation against and from all claims, liabilities, demands, causes of action, judgments (with any costs and fees that might be awarded), and losses to them from any cause whatever from the project, and including any suits, claims, actions, losses, costs or damages of any kind, including the State and Department's legal expenses, made against the State or Department by anyone arising out of, in connection with, or incidental to the project and its construction or use or maintenance.
13. Severability and Integration – If any single part or parts of this Agreement are determined to be void, the remaining parts will remain valid and operative. This Agreement, as written, expresses the total, final and only agreement of the parties relevant to its subject matter. No provision, expressed or implied, arising from any prior oral or written request, bid, inquiry, negotiation, contract, or any other form of communication shall be a provision of this Agreement unless specifically provided within the written terms herein.
14. This agreement shall become effective upon execution by both parties. It may be modified only by prior written agreement of both parties.

15. Assignment, Transfer and Subcontracting – The Grantee shall not assign, transfer or subcontract any portion of this Agreement without the express written consent of the State.
16. Choice of Law and Venue – In the event of litigation concerning this Agreement, venue will only be in District Court of the First Judicial District of the State of Montana in and for the County of Lewis and Clark. This Agreement will be interpreted according to Montana law.
17. Termination – The parties may mutually terminate this Agreement in writing at any time. MDT, at its sole discretion, may terminate or reduce the scope of this Agreement if available funding is reduced for any reason. MDT may terminate this Agreement in whole or in part at any time Grantee fails to perform the Agreement terms as set forth.
18. Compliance with Laws – The Grantee, in the performance of this Agreement, fully comply with all applicable federal, state or local laws, rules and regulations, including the Montana Human Rights Act, 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. Attachment A, Non-Discrimination Notice, is incorporated into this Agreement and during the performance of this Agreement, The Grantee for itself, its assignees and successors in interest, agrees to adhere to the contents as follows:

A) COMPLIANCE WITH TITLE VI OF THE CIVIL RIGHTS ACT OF 1964 FOR FEDERAL-AID CONTRACTS

- (1) Compliance with Regulations: The Grantee shall comply with all Regulations relative to nondiscrimination in Federally-assisted programs of the Department of Transportation, 49 Code of Federal Regulations (CFR), Part 21, as they may be amended (hereafter referred to as the Regulations), which are incorporated by reference and made a part of this Agreement, even if only state funding is here involved.
- (2) Nondiscrimination: The Grantee, with regard to the work performed by it during the Agreement, shall not discriminate on the grounds of sex, race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The Grantee shall not participate either directly or indirectly in the discrimination prohibited by 49 CFR Sec. 21.5.
- (3) Solicitations for Subcontracts, Including Procurement of Materials and Equipment: In all solicitations, whether by competitive bidding or negotiation by the Grantee for work to be performed under a subcontract, including procurement of materials or leases of equipment, any potential subcontractor or supplier shall be notified by the Grantee of the Grantee's obligations under this Agreement and the Regulations relative to nondiscrimination.
- (4) Information and Reports: The Grantee will provide all reports and information required by the Regulations, or directives issued pursuant thereto; and permit access to its books, records, accounts, other sources of information and its facilities as may be determined by State or the Federal Highway Administration (FHWA) to be pertinent to ascertain compliance with Regulations or directives. Where any information required of the Grantee is in the exclusive possession of another who fails or refuses to furnish this information, the Grantee shall so certify to the Department or the FHWA as requested, setting forth what efforts it

has made to obtain the information.

- (5) Sanctions for Noncompliance: In the event of the Grantee's noncompliance with the nondiscrimination provisions of this Agreement, the State may impose sanctions as it or the FHWA determines appropriate, including, but not limited to,
 - (a) Withholding payments to the Grantee under the Agreement until the Grantee complies, and/or
 - (b) Cancellation, termination or suspension of the Agreement, in whole or in part.
- (6) Incorporation of Provisions: The Grantee will include the provisions of paragraphs (1) through (6) in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The Grantee will take such action with respect to any subcontract or procurement as the State or the FHWA may direct to enforce such provisions including sanctions for noncompliance: Provided, however, that in the event the Grantee is sued or is threatened with litigation by a subcontractor or supplier as a result of such direction, the Grantee may request the State to enter into the litigation to protect the interests of the State, and, in addition, the Grantee or the State may request the United States to enter into such litigation to protect the interests of the United States.

B) COMPLIANCE WITH THE MONTANA GOVERNMENTAL CODE OF FAIR PRACTICES, SEC. 49-3-207, MCA

In accordance with Section 49-3-207, MCA, the Grantee agrees that for this Agreement all hiring will be made on the basis of merit and qualifications and that there will be no discrimination on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the Agreement.

C) COMPLIANCE WITH AMERICANS WITH DISABILITIES ACT (ADA)

- (1) The Grantee will comply with all regulations relative to implementation of the AMERICANS WITH DISABILITIES ACT.
- (2) The Grantee will incorporate or communicate the intent of the following statement in all publications, announcements, video recordings, course offerings or other program outputs: **"The Grantee will provide reasonable accommodations for any known disability that may interfere with a person in participating in any service, program or activity offered by the Grantee. In the case of documents, recordings or verbal presentations, alternative accessible formats will be provided. For further information call the Grantee."**
- (3) All video recordings produced and created under contract and/or agreement will be closed-captioned.

D) COMPLIANCE WITH PARTICIPATION BY DISADVANTAGED BUSINESS ENTERPRISES IN DEPARTMENT OF TRANSPORTATION FINANCIAL ASSISTANCE PROGRAMS, 49 CFR PART 26

Each Agreement the Department signs with a Grantee (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

The Grantee, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Grantee shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the Grantee to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

IN WITNESS WHEREOF, the Department's authorized representative has signed on behalf of the State of Montana, and the Mayor of the City of Miles City has signed and affixed hereto the seal of the City:

STATE OF MONTANA, DEPARTMENT OF TRANSPORTATION

BY _____, 2012

APPROVED FOR LEGAL CONTENT



MDT Legal Counsel

CITY OF MILES CITY

ATTEST-CITY CLERK

MAYOR

_____ By _____

I, _____, Miles City Clerk, hereby certify that this agreement was regularly adopted by the City Council at a meeting held on the _____ day of _____, 20____, and that the Council authorized the Mayor to sign this agreement on behalf of the City.

[OFFICIAL SEAL]

JOINT CITY/COUNTY RESOLUTION NO. 3565

JOINT RESOLUTION RELATING TO A PROPOSED RURAL SPECIAL IMPROVEMENT DISTRICT WHICH IS INTENDED TO INCLUDE FOUR PARCELS IN THE CITY OF MILES CITY ABUTTING THE PROPOSED COUNTY RURAL SPECIAL IMPROVEMENT DISTRICT BOUNDARY, FOR THE PURPOSE OF PROVIDING FOR THE PAYMENT OF A PORTION OF THE DESIGN AND CONSTRUCTION COSTS FOR RECONSTRUCTION OF AN EXISTING WASTEWATER COLLECTION SYSTEM AND FINANCING THE COSTS THEREOF AND INCIDENTAL THERETO THROUGH THE ISSUANCE OF CUSTER COUNTY RURAL SPECIAL IMPROVEMENT DISTRICT BONDS SECURED BY A RURAL SPECIAL IMPROVEMENT DISTRICT LIEN, A RESERVE ACCOUNT AND THE COUNTY'S RURAL SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND

BE IT RESOLVED by the City Council (the "Council") of the City of Miles City, Montana, (the "City") and the Board of County Commissioners of Custer County, Montana (the "County") as follows:

Section 1. Proposed Improvements: Intention To Create District. The County proposes to undertake reconstruction and replacement of certain wastewater mains and collection and service lines in the North Sewell Neighborhood (the "Improvements") to be financed, in part, through a proposed rural special improvement district (the "Proposed District") pursuant to Section 7-12-2102, MCA, as more particularly described in Section 5. The estimated costs of the Improvements (\$1,990,000) are proposed to be paid from grants from the Montana Community Development Block Grant Program ("CDBG") (\$405,000), the Treasure State Endowment Program ("TSEP") (\$750,000), the United States Department of Agriculture, through its Rural Development office ("RD") (\$388,000) and from Custer County existing RID #1 of \$114,000 and from the special improvement district bonds of \$288,000 hereinafter described. The intention of the City and County is to create and establish in the County and four adjacent properties in the City under Montana Code Annotated, Title 7, Chapter 12, Part 21, as amended, the Proposed District, for the purpose of financing a portion of the costs of the Improvements and paying costs incidental thereto including costs associated with the sale and the security of \$288,000 of Rural Special Improvement District Bonds drawn on the Proposed District (the "Bonds") and the creation and administration of the Proposed District and the funding of a deposit to the County's Rural Special Improvement District Revolving Fund (the "Revolving Fund"). The Bonds are to be payable from special assessments to be levied against property in the Proposed District, which property will be specially benefitted by the Improvements.

Section 2. Number of District. The Proposed District, if the same shall be created and established, shall be designated as a rural special improvement district of the County and given a number upon the passage of a resolution of intention to create the Proposed District.

Section 3. Boundaries of District. The proposed boundaries of the Proposed District and the properties to be assessed are more particularly described in Exhibit "A" hereto (which is hereby incorporated herein) and shown on the map attached hereto as Exhibit "B", (with the shaded area being the assessed properties of the Proposed District located in the City. A listing of each of the proposed properties in the Proposed District by Tax Code Number, Lot, Block and Subdivision or other legal designation, number of lots or parcel to be assessed and name of owner is attached to this Resolution as Exhibit "C" and will be an exhibit to the resolution of intention to create the Proposed District intended to be passed by the County.

Section 4. Benefitted Property. The Proposed District and territory included within the limits and boundaries described in Section 3 are intended to be in the proposed Rural Special Improvement District and to be the territory which will benefit from the Improvements and which, is intended to and will be assessed for the portion of the costs of the Improvements to be paid by the Bonds.

Section 5. General Character of the Improvements. The Improvements consist of the design, acquisition and construction or reconstruction and replacement of the existing deteriorated sewer system in the North Sewell Neighborhood which is shown in the Proposed District on Exhibit B. The Improvements consist of new sewer mains, service lines from the mains to property lines and connection of the Improvements to the existing sewer system and include incidental financing expenses (as defined in Section 7-12-4101(7), MCA.

Section 6. Engineer and Estimated Cost. DOWL HKM of Miles City, Montana shall be the engineer for the Proposed District. The estimated cost of the Improvements is \$1,990,000. The estimated costs include: bond counsel, interim interest and other incidental expenditures as defined in Section 7-12-2101, MCA estimated to be \$60,600; a deposit of 5% of the Bond proceeds (\$14,400) to the County Rural Special Improvement District Revolving Fund, engineering design, construction costs and contingencies (\$1,915,000). The estimated costs are proposed to be paid by the Bond Proceeds of \$288,000, County RID #1 fund of \$114,000, CDBG funds of \$405,000, TSEP funds of \$750,000 and USDA Grants of \$388,000.

Section 7. Assessment Methods. All properties in the Proposed District will be assessed for their proportionate share of the costs of the Improvements based on the assessable area of each lot or parcel (as shown on the attached Exhibit C) that such lot or parcel bears to the assessable area of all of the benefitted lots or parcels in the District. This method of assessment is authorized by Section 7-12-2151(1)(a), MCA. The annual assessments for the Improvements and incidental expenses are estimated to be \$36.28 per assessable area based on a minimum area of 400 square feet in a parcel's assessable area. This estimate is based on an assessable area for the entire District of 127,997 square feet and 800 square feet being the average assessable area per residence and Bonds payable over 40 years at 2.5% interest.

Section 8. Payment of Assessments. The special assessments for the costs of the Improvements and incidental expenses shall be payable over a term not exceeding forty (40) years, each in equal semiannual payments of principal and interest, as the County Commission shall

prescribe in the resolution authorizing the issuance of the Bonds. Property owners have the right to prepay assessments as provided by law. It is anticipated that qualifying “low to moderate income” families (as determined under CDBG guidelines) will have their special assessments paid with CDBG funds.

Section 9. Method of Financing; Issues to be Considered Prior to Pledge of Revolving Fund. The County intends to issue the Bonds to finance a portion of the cost of the Improvements and incidental costs and the deposit to the Revolving Fund. Principal of and interest on the Bonds is intended to be paid from special assessments levied against the property in the Proposed District as described in Exhibit C. Payment is intended to be additionally secured by the Revolving Fund, pursuant to Sections 7-12-2181 through 2186, MCA, and by the Reserve Account pursuant to Section 7-12-2153, MCA. Prior to creating the Proposed District and pledging the Revolving Fund the County Commission must find it is in the public interest, and in the best interest of the City and the Proposed District to secure payment of the principal of and interest on the Bonds by the Revolving Fund by taking into consideration the following factors:

(a) Estimated Market Value of Parcels. The likelihood that the special assessments to be levied will increase the estimated market value of each lot, tract or parcel, as a result of the construction of the Improvements;

(b) Diversity of Property Ownership. Whether the diversity of and number of unrelated property ownership within the Proposed District makes it less likely the County will be required to utilize the Revolving Fund to cure any payment deficiencies in the Proposed District or to make any loans therefor;

(c) Comparison of Special Assessments and Market Value of Lots. The amount of the special assessments proposed to be levied against each lot in comparison to their estimated value after the improvements are made;

(d) Existing Special Assessments. The amount of any outstanding special assessments against properties in the Proposed District;

(e) Delinquencies. The history of payment of, or delinquencies for, property taxes and special assessments within the Proposed District;

(f) The Public Benefit of the Improvements. The public benefit of the Improvements proposed to be financed; and

(g) New Subdivision Improvements. Whether or not the Improvements are for a newly created subdivision.

Section 10. Maintenance of Improvements. Maintenance and operation of the Improvements will be provided by the Custer County Water and Sewer District pursuant to an

Interlocal Agreement between the County and the Custer County Water and Sewer District dated August 13, 2010.

Section 11. Proposed Improvements Are a Public Benefit. The City Council and the Board of County Commissioners agree that the proposed Improvements and the financing of them through the Proposed District as described above are a public benefit and will improve all of the properties in the Proposed District.

Section 12. Opportunity of Property Owner to Protest Creation of Proposed District. Pursuant to Section 7-12-2102(3), MCA and Sections 7-12-2109 through 21153, MCA, all owners of parcels in the Proposed District will be given the opportunity to file written protests against the creation of the Proposed District or the pledge of the Revolving Fund to the payment of the Bonds. Parcels within the Proposed District boundaries that are inside the City limits may not be included in the Proposed District if the owners of more than 40% of the total projected assessment for City parcels in the Proposed District protest the creation of the Proposed District. If such parcel owners inside the City limits representing less than 40% of the total projected assessments inside the City file protests, then the parcels inside the City limits may be included in the Proposed District. If the County Commission then finds that the protests by all owners of parcels in the Proposed District (including those inside the City limits) to be assessed exceeds 50%, then the Proposed District cannot be created as described. Protests are to be made in a 30 day period (with an extra 2 days added for any holiday in such 30 day period) from the date of the first publication of the Notice. The published notice must also be sent to each property owner in the Proposed District (based on the last completed assessment roll) on the same date the notice is published. The protest must be in writing, identify each parcel owned and be signed by every owner of the parcel, except for owners of condominiums who must follow Section 7-12-2141, MCA.

Section 13. Agreement to Terms of Proposed Special Improvement District. Pursuant to Section 7-12-2102(3), MCA, due to the inclusion in the Proposed District of parcels from inside the City limits in the Proposed District, the City Council and the Board of County Commissioners must both pass a resolution agreeing to the terms of the Proposed District prior to providing notice of the intention to create the district or creating the district. The joint passage of this Resolution is indicative of that agreement.

PASSED AND ADOPTED by the City Council of Miles City, Montana, this ____ day of _____, 2012.

City Clerk

Mayor

PASSED AND ADOPTED by the Board of County Commissioners of Custer County,
Montana, this ____ day of _____, 2012.

By: _____
Chairman

Attest:

By: _____
County Clerk and Recorder

**Legal Description
Rural Improvement District 1A**

DESCRIPTION

A parcel of land being Tracts E, F, G, H, I, and J of Hough Acres, Envelope 6A records of Custer County; Blocks 47, 48, 49, 50 and 51 of Richland Addition, Envelope 386B records of Custer County; Blocks 1 and 2 of East Side Addition, Envelope 380A records of Custer County; Blocks 1 and 7, Tracts 1, a portion of Tract 2 and Tract 3 of Dyba Addition, Envelope 72 records of Custer County; all in the southeast quarter of Section 27 and the northeast quarter of Section 34, Township 8 North, Range 47 East of the Principal Meridian Montana, Custer County, Montana; more particularly described as follows

Beginning at a point on the south line of said Section 27 lying South 89 degrees 54 minutes 35 seconds West, a distance of 662.10 feet from the southeast corner of said Section 27; thence South 02 degrees 24 minutes 02 seconds West, a distance of 31.25 feet to the centerline of Morehead Avenue; thence South 00 degrees 01 minutes 11 seconds West along the centerline of Morehead Avenue, a distance of 234.00 feet to the intersection of the centerline of Clark Street; thence North 89 degrees 59 minutes 39 seconds West along the centerline of Clark Street, a distance of 656.28 feet to the centerline of Sewell Avenue; thence North 00 degrees 03 minutes 01 seconds West along the centerline of Sewell Avenue, a distance of 922.43 feet to the southeast corner of said Dyba Addition; thence South 89 degrees 56 minutes 59 seconds West along the south line of of said Dyba Addition, a distance of 307.03 feet to the southwest corner of Tract 1 of said Dyba Addition; thence North 00 degrees 03 minutes 01 seconds West along the west line of said Tract 1, a distance of 260.00 feet; thence South 89 degrees 56 minutes 59 seconds West, a distance of 208.00 feet to the southwest corner of the Citizen's Bank Site in Tract 2 of the Dyba Addition; thence North 00 degrees 03 minutes 01 seconds West, a distance of 274.00 feet; thence South 89 degrees 56 minutes 59 seconds West, a distance of 525.26 feet to the southwest corner of Tract 3 of the Dyba Addition and the southeasterly right of way line of the BNSF Railroad; thence North 41 degrees 26 minutes 28 seconds East along the southeasterly right-of-way line of the BNSF Railroad, a distance of 1,923.53 feet to the northwest corner of Tract G of said Hough Acres; thence North 89 degrees 57 minutes 07 seconds East along the north line of said Tract G, a distance of 421.95 feet to the northeast corner of Tract G of said Hough Acres; thence South 00 degrees 05 minutes 32 seconds East, a distance of 1,315.37 feet to the southeast corner of Tract E of said Hough Acres; thence South 89 degrees 57 minutes 47 seconds West along the south line of said Hough Acres, a distance of 334.06 feet to the centerline of Cheyenne Avenue; thence South 00 degrees 03 minutes 01 seconds East along the centerline of Cheyenne Avenue, a distance of 330.00 feet; thence South 00 degrees 30 minutes 00 seconds East along the centerline of Cheyenne Avenue, a distance of 658.48 feet to the northwest corner of Block 47 of said Richland Addition; thence North 89 degrees 58 minutes 03 seconds East, a distance of 330.47 feet to the centerline of Kootenai Avenue; thence South 00 degrees 12 minutes 07 seconds East, a distance of 295.22 feet to the north line of Leighton Boulevard; thence South 02 degrees 24 minutes 02 seconds West, a distance of 33.63 feet to the POINT OF BEGINNING.

Containing 2,376,777 square feet or 54.563 acres, more or less.

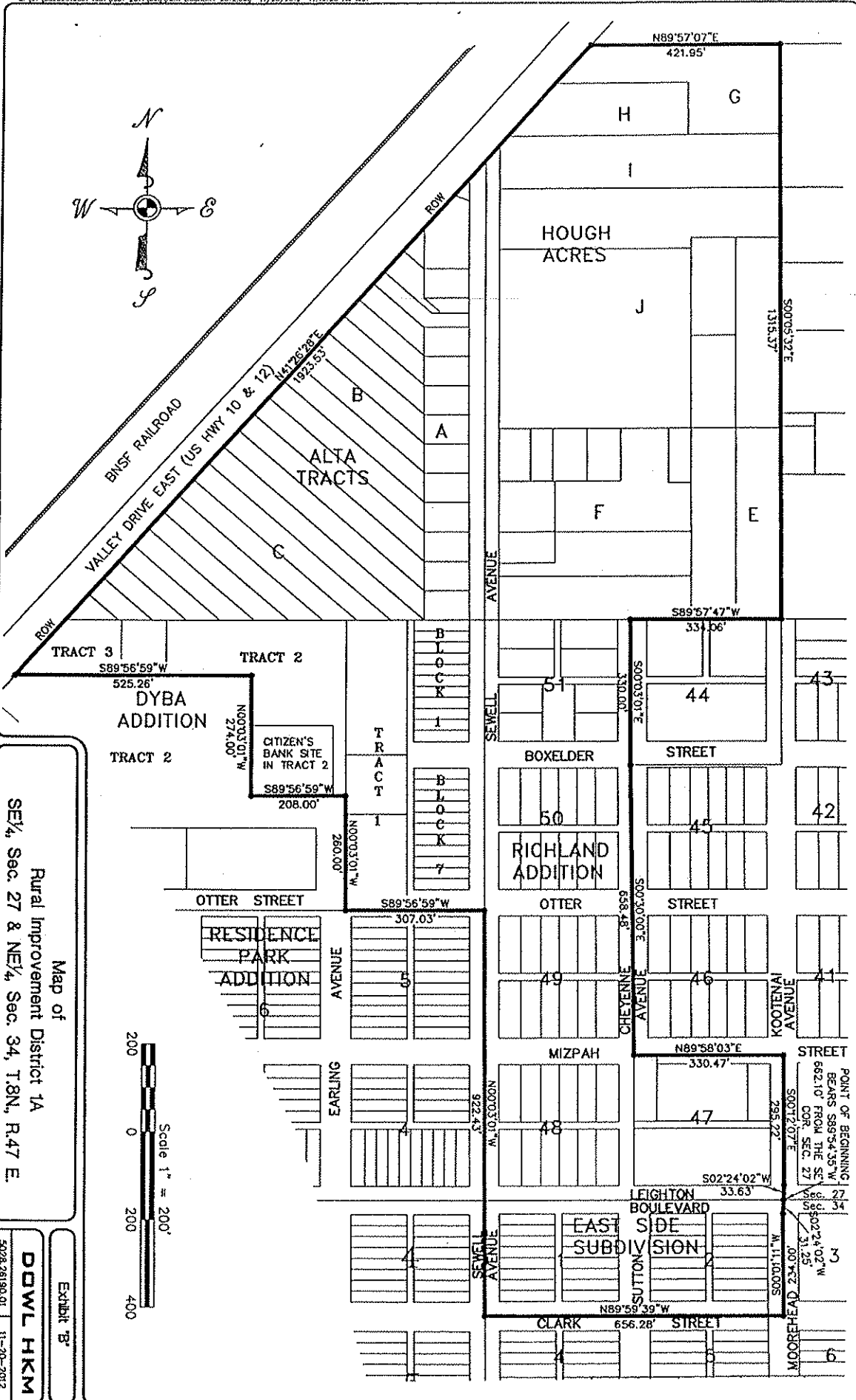
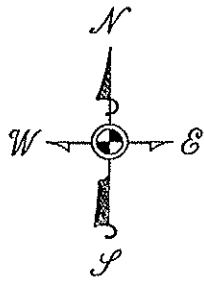
**Legal Description
Rural Improvement District 1A
SE $\frac{1}{4}$, Sec. 27 & NE $\frac{1}{4}$, Sec. 34, T.8N., R.47 E.**

Exhibit 'A'

DOWL HKM

5028.26190.01

11-20-2012



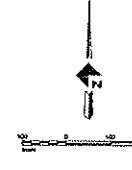
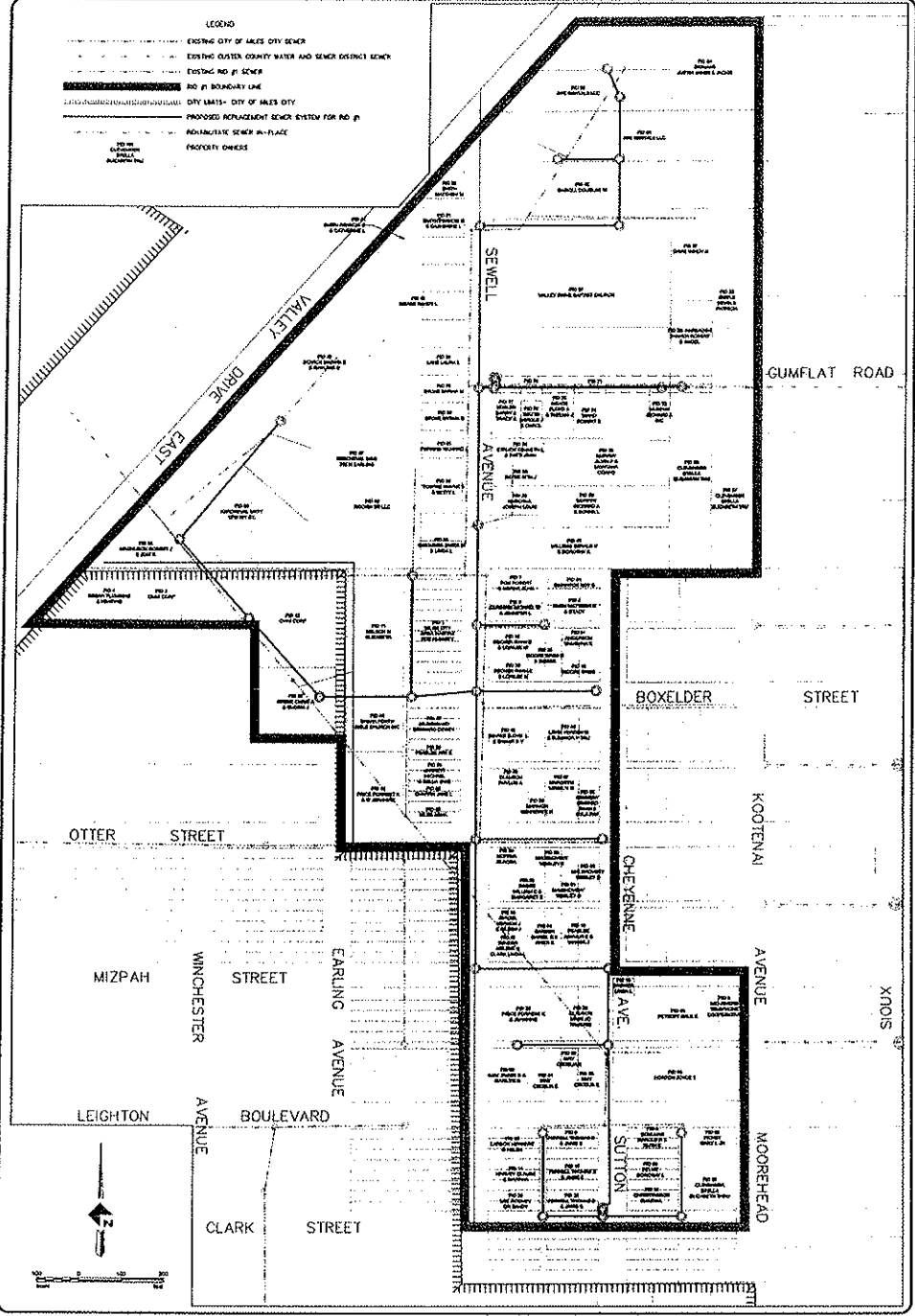
Map of Rural Improvement District 1A
SE 1/4, Sec. 27 & NE 1/4, Sec. 34, T.8N., R.47 E.



Exhibit 'B'
DOWL HKM
5028.26100.01 11-20-2012

© 2011 BY CUSTER COUNTY ENGINEERS INC. DRAWN: 1/26/2011 10:10 AM PLOT: 1/26/2011 10:53 PM BY: BOGDANIT

LEGEND
- - - - - EXISTING CITY OF MALES CITY SEWER
- - - - - EXISTING CUSTER COUNTY WATER AND SEWER DISTRICT SEWER
- - - - - EXISTING RD #1 SEWER
- - - - - PROPOSED REPLACEMENT SEWER SYSTEM FOR RD #1
- - - - - ABANDONED SEWER IN-PLACE
- - - - - PROPERTY OWNERS



DOWL HKM
719 PLEASANT
P.O. BOX 1218
MALES CITY, MT 59301
406-834-6555
406-834-7005 (FAX)

© Proj-100, 8/23/2010 © Date: Feb-12 © Designed: DHA © Drawn: RJ © Approved: DHA

CUSTER COUNTY COMMISSIONERS
MALES CITY, MONTANA
RD SEWER PROJECT
OWNERS WITHIN DISTRICT

No.	Number	By	Date

FID	PARCEL ID	OWNER NAME	PROPERTY ADDRESS	LEGAL DESCRIPTION	CITY	STATE	ZIP	CURRENTLY ASSESSED	LOTS	ASSESSABLE SQ. FOOTAGE	% OF TOTAL ASSESSABLE AREA	ESTIMATED TOTAL PRINCIPAL ASSESSMENT	ESTIMATED ANNUAL ASSESSMENT
59	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	RICHLAND ADD, BLOCK 048, Lot 012, LOT 12	MILES CITY	MT	59303	NO	1	800	0.00625	\$1,800.04	\$72.55
60	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	RICHLAND ADD, BLOCK 048, Lot 011, LOT 11	MILES CITY	MT	59303	NO	1	800	0.00625	\$1,800.04	\$72.55
61	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	RICHLAND ADD, BLOCK 048, Lot 008, LOTS 9-10	MILES CITY	MT	59303	NO	2	1600	0.01250	\$3,600.08	\$145.10
62	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	RICHLAND ADD, BLOCK 048, Lot 007, LOTS 7,8	USMAY	MT	59303	NO	2	1600	0.01250	\$3,600.08	\$145.10
63	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	EAST SIDES SUBD, BLOCK 003, Lot 029	MILES CITY	MT	59303	R	4	1600	0.01250	\$3,600.08	\$145.10
64	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	2824 LEIGHTON BLVD	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
65	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	3025 N HAINES AVE	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
66	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	9-10-11 LESS L13A & 9P1-10P	BOZEMAN	MT	59722	R	15	11997	0.08973	\$26,993.88	\$1,088.00
67	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	ALTA TRACTS, BLOCK 004, Lot 013, 5-13-54 FT LT 13, ALL LT 14, BLK A-3	MILES CITY	MT	59303	R	2	1600	0.01250	\$3,600.08	\$145.10
68	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 005, BLK 57 E	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
69	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 011, M&B TRACT IN NE65E4	MILES CITY	MT	59303	C	1	800	0.00625	\$1,800.04	\$72.55
70	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	ALTA TRACTS, BLOCK 004, Lot 008, LOT 8 IN TRACT A	AUSTIN	TX	78730	R	1	800	0.00625	\$1,800.04	\$72.55
71	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 010, M&B TRACT IN NE65E, SEE BK 123, PG 220	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
72	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
73	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
74	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
75	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
76	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
77	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
78	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
79	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
80	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
81	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
82	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
83	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
84	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
85	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
86	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
87	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
88	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
89	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
90	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
91	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
92	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
93	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
94	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
95	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
96	1417402742956	MAY CECELIA E	c/o Leroy G & Lori Medinger LEIGHTON BLVD 59303	HOUGH ACRES, Lot 008, M&B TRACT IN NE65E, SEE DOC #115283	MILES CITY	MT	59303	R	1	800	0.00625	\$1,800.04	\$72.55
									98	127997	0.01563	\$4,500.11	\$181.38
												\$288,000.00	

RESOLUTION NO. 3566

**A RESOLUTION AUTHORIZING THE PLACEMENT OF STOP SIGNS
ON THE INTERSECTION OF PLEASANT STREET AND NORTH
CENTER STREET**

WHEREAS the Public Safety Committee has recommended the placement of stop signs on intersection of Pleasant Street and North Center Street to promote safety and provide a safer flow of traffic;

AND WHEREAS, the City Council has determined that the placement of such stop signs is advisable;

AND WHEREAS, the City Council is authorized by City Code Sec. 22-87 to place such traffic control devices that it deems necessary upon streets within the City of Miles City, except state highways;

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

1. Stop signs shall be installed upon the City right of way at the following locations:
 - A. The Eastbound lane of North Center Street at the intersection of Pleasant Street and North Center Street;
 - B. The Southbound lane of Pleasant Street at the intersection of Pleasant Street and North Center Street;

**SAID RESOLUTION PASSED AND ADOPTED BY A DULY CONSTITUTED
QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA,
THIS 11TH DAY OF DECEMBER, 2012.**

C.A. Grenz, Mayor

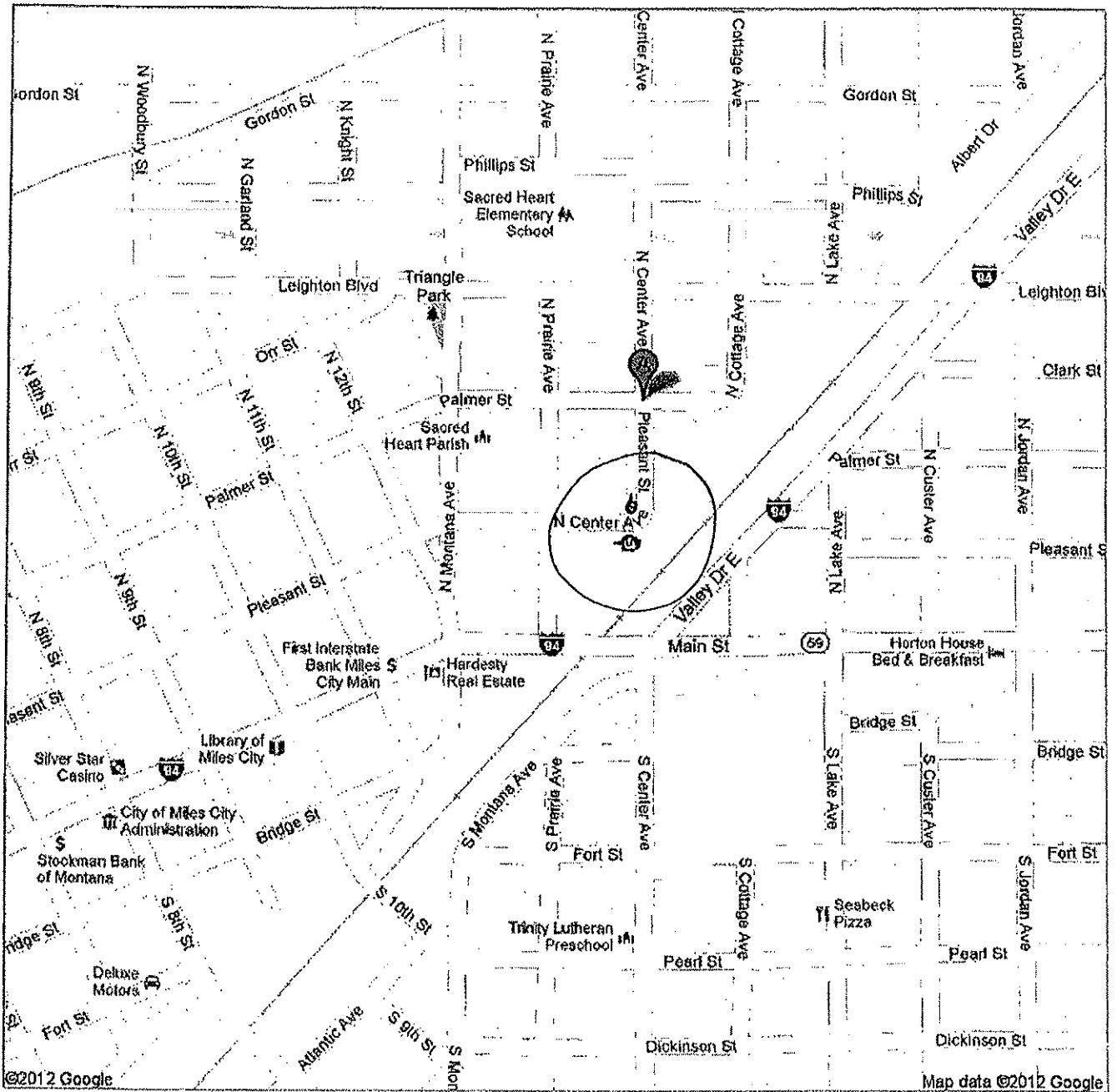
ATTEST:

Rebecca Stanton, City Clerk



Address Pleasant St & N Center Ave
Miles City, Mt 59301

FOR REFERENCE for
RESOLUTION NO. 3566



RESOLUTION NO. 3567

**A RESOLUTION APPROVING TAX COMPLIANCE PROCEDURES
RELATING TO TAX-EXEMPT BONDS**

WHEREAS, pursuant to the laws of the State of Montana and Section 103 of the Internal Revenue Code of 1986, as amended, the City has issued, and likely will issue, tax exempt municipal bonds to finance and refinance various projects and functions of the City.

AND WHEREAS, Dorsey & Whitney, LLP, as bond counsel to the City, has prepared certain Tax Compliance Procedures Relating to Tax-Exempt Bonds (the "Compliance Procedures") for adoption by this Council in order to assist the City in preserving the tax-exempt status of bonds previously issued and to be issued by the City and to maintain eligibility to issue additional tax-exempt bonds in the future.

BE IT RESOLVED by the City Council (the "Council") of the City of Miles City, Montana (the "City"), as follows:

1. The Compliance Procedures are hereby approved in substantially the form attached hereto as Exhibit A, and made a part hereof, and the City hereby resolves to abide by the Compliance Procedures and to update periodically the Compliance Procedures in accordance with the Internal Revenue Code and supporting Internal Revenue Service rulings and regulations.

2. The City Clerk is hereby authorized and directed to edit, refine, finalize and memorialize the Compliance Procedures, with advice from bond counsel to the City, in order to ensure compliance with state and federal laws and regulations.

**SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY
CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY,
MONTANA, THIS 11TH DAY OF DECEMBER, 2012.**

C.A. Grenz, Mayor

ATTEST:

Rebecca Stanton, City Clerk

City of Miles City, Montana
Tax Compliance Procedures
Relating to
Tax-Exempt Bonds

I. Purpose:

These procedures are approved by the City of Miles City, Montana (the "Issuer") to ensure that interest on tax-exempt bonds, notes or other obligations ("Bonds") of the Issuer remains excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code").

These written procedures are intended largely to memorialize formally certain practices and procedures of the Issuer previously followed in connection with its issuance of Bonds. The Issuer reserves the right to make exceptions to these procedures as necessary or appropriate.

The Issuer's procedures for post-issuance tax compliance are as follows:

II. Expenditure/Use of Proceeds:

- A. Expenditure of Bond proceeds will be reviewed by the Project Manager, if any, and the City Clerk of the Issuer (the "Clerk"). Such review will include comparison to statements regarding expenditure of proceeds in the documents authorizing the Bonds and documents delivered at closing of the Bonds (collectively, the "Bond Documents").
- B. The Issuer has separately established procedures for preparation and review of requisitions of Bond proceeds through the accounting system of the Issuer.
- C. The Issuer's accounting system will identify (i) the material components of the Bond-financed property, such as, for example, building materials, equipment, furniture, and (ii) separate purposes of the bond proceeds, such as, for example, construction, reserve fund deposits, and costs of issuance.
- D. None of the proceeds of Bonds will be used to reimburse the Issuer for costs of a capital project paid prior to the date of issuance of the Bonds unless the Issuer shall have complied with the provisions of Section 1.150-2 of the Treasury Regulations with respect to such reimbursed amounts. The Issuer will consult with Bond Counsel regarding these requirements. Attached hereto as Exhibit A is a general synopsis of the reimbursement regulations for tax-exempt bonds.
- E. Costs of staff may be financed by Bond proceeds only to the extent they are properly capitalized as part of a capital project (i.e., are a capital expenditure) under generally accepted accounting principles and federal tax law.

- F. Requisitions will be summarized in a “final allocation” of Bond proceeds to uses not later than 18 months after the in-service date of the financed property or the date of completion (and in any event not later than 5 years and 60 days after the issuance of the Bonds or not later than 60 days after earlier retirement of issue).
- G. Expenditure of proceeds of Bonds will be measured against the Issuer’s expectation, as set forth in the Tax Certificate delivered at the closing of Bonds, to (i) incur a substantial binding obligation to a third party to spend at least 5% of the net sales proceeds of the Bond on the capital project within 6 months after the issue date, and (ii) proceed with due diligence to complete the capital project and spend the net sale proceeds within the earlier of three years from the date of issue or completion of the project with due diligence.
- H. If there are any Bond proceeds remaining in the Construction Account/Project Fund established pursuant to the Bond Documents after completion of the project, unless the proceeds can be properly allocated to other uses, such proceeds shall be applied to make debt service payment on the Bonds or otherwise defease the Bonds.
- I. In the event that Bond proceeds are to be used to make a grant to an unrelated party, a grant agreement will be reviewed prior to execution for compliance with the Code. Such agreement will be approved by the Issuer’s attorney or Bond Counsel and the Clerk. The repayment of any portion of a grant by the grantee shall be treated as unspent Bond proceeds.
- J. If Bond proceeds are loaned to a conduit borrower, Bond Counsel will identify in the Tax Certificate for the conduit loan issue the matters that the conduit borrower will undertake and the Issuer will cause the conduit borrower to adopt any necessary or appropriate tax compliance procedures prepared by Bond Counsel. The Clerk will be the primary officer responsible for causing the conduit borrower to agree to adopt such procedures and the primary contact of the Issuer with the conduit borrower.

III. Use of Bond-Financed Property:

- A. Use of Bond-financed property when completed and placed in service will be reviewed by the Project Manager, if any, and the Clerk. The Clerk will consult with Bond Counsel regarding any third-party contracts regarding use of a Bond-financed facility, including, without limitation, leases, use, management or service contracts, and research contracts.
- B. Appropriate department managers shall be instructed to consult with the Clerk regarding any third-party contract or arrangement concerning use of the Bond-financed facilities, including without limitation leases, use, management or service contracts, and research contracts. The Issuer shall consult with Bond Counsel regarding any such contracts.

- C. Agreements with business users for lease, use, management, or any other service with respect to, or non-governmental use of, Bond-financed property will be reviewed prior to execution for compliance with the Code. Such agreements will be approved by the Clerk and Bond Counsel, who will be responsible for determining whether the proposed agreement (i) results in private business use of the facilities, and (ii) if applicable, meets the compensation, term and other requirements under Revenue Procedures 97-13 and 2007-47.
- D. Upon issuance of Bonds, there shall be no expectation that the Bond-financed property will be sold or otherwise disposed of by the Issuer during the term of the Bonds; and no item of Bond-financed property will be sold or transferred by the Issuer while the Bonds are outstanding without approval of the Issuer's attorney and the Clerk upon advice of Bond Counsel or advance arrangement of a "remedial action" under the applicable Treasury Regulations.
- E. The Issuer acknowledges that any sale, transfer, change in use, or change in the users of the Bond-financed property may require remedial action or resolution pursuant to the IRS Voluntary Closing Agreement Program ("VCAP") to assist in resolving violations of federal tax laws applicable to the Bonds.

IV. Investments:

- A. Investment of Bond proceeds in compliance with Montana law (Title 7, Chapter 6, Part 2, Montana Code Annotated) and the arbitrage and rebate requirements of the Code and applicable Treasury Regulations will be supervised by the Issuer's Treasurer.
- B. All investments will be purchased only at fair market value, as determined under applicable Treasury Regulations.
- C. Guaranteed investment contracts ("GICs") and other open-market securities, if ever purchased, will be purchased only according to applicable Treasury Regulations, including bid requirements and fee limitations.
- D. If calculation of rebate liability is required, calculations of rebate liability will be performed by outside consultants and reviewed by the Clerk. Such calculations shall be made, as necessary, upon each 5 year anniversary of the date of issue of the Bonds and within the period prescribed following full retirement of the Bonds, or as otherwise directed or required by the Code and applicable Treasury Regulations.
- E. Unless certain exceptions are available following consultation with Bond Counsel, upon final expenditure of the gross proceeds of Bonds, and in any event promptly following the fifth anniversary of the date of issuance of the Bonds or earlier retirement of the Bonds, the Clerk will consult a qualified professional to prepare a spending exception report for the issue of Bonds.

- F. Rebate payments, if owing, will be made with Form 8038-T no later than 60 days after (i) each fifth anniversary of the date of issuance of the Bonds and (ii) the final retirement of the Bond issue.

V. Issue Price:

For bonds sold through an underwriter or other purchaser to the general public:

- A. The Certificate of Purchaser will include certifications to establish issue price, including a bona fide public sale, reasonable expectations at the time of sale that at least 10% of each maturity of the Bonds will be sold to the general public at the prices or yields shown on the cover or inside cover of the official statement, and sales of at least 10% of each maturity of the Bonds to the general public at the prices or yields shown on the cover or inside cover of the official statement. If the purchaser will not provide this certification, the Clerk or Bond Counsel will inquire as to the circumstances preventing sales at such prices or why otherwise the representation will not be made.
- B. As necessary or appropriate, the Clerk will consult Bond Counsel in connection with review of publicly available records, if any, of the secondary market trading activity for Bonds between the sale date and the date of issue of the Bonds.
- C. The Issuer's financial advisor, if any, will certify that the offer accepted by the Issuer for the purchase of Bonds is a reasonable offer under customary standards applicable in the municipal bond market for similar bonds, and, if the Clerk and Bond Counsel determine it is advisable and the financial advisor agrees to do so, confirm or provide the information in paragraph V.A.

VI. Refunding Bonds:

- A. Refunding bonds ("Refunding Bonds") shall not be issued in any greater amount than will be required to pay the principal and interest of the bonds to be refunded, plus any defaulted interest thereon, costs of issuance and of the refunding, and, if necessary, fund a reserve. Refunding Bonds will satisfy parameters established by the governing body of the Issuer, including those regarding savings.
- B. Prior to issuing any Refunding Bonds, the Clerk will consult with Bond Counsel to ensure that:
 - (i) All of the sale, transferred, and investment proceeds of the Bonds to be refunded (the "Refunded Bonds") have been expended for the purposes for which they were issued in accordance with the resolution authorizing their issuance, and, if not, to take them into account in a permissible manner under the Code following consultation with Bond Counsel;
 - (ii) If the Refunded Bonds were issued as governmental bonds, that all facilities financed by the Refunded Bonds have been and are available for use by members of the general public on a substantially equal basis and

the Refunded Bonds are not “private activity bonds” within the meaning of Section 141 of the Code;

- (iii) The Refunded Bonds were not (and the Refunding Bonds will not be) hedge bonds as defined in Section 149(g) of the Code;
 - (iv) There are no funds on deposit in the debt service account or reserve account (or other pledged fund) that secure the repayment of the Refunded Bonds, or if there are, that they are applied to the refunding or taken into account permissibly in the refunding; and
 - (v) The refunding and refunded issues comply with applicable federal tax requirements and restrictions in place on the redemption date of the Refunded Bonds.
- C. The Clerk will consult with its financial advisor or Bond Counsel to ensure that the weighted average maturity of the Refunded Bonds did not exceed 120% of the average reasonably expected economic life of the projects that such bond financed, and that the weighted average maturity of the Refunding Bonds determined as of the date of issuance of the Refunding Bonds does not exceed 120% of the remaining average reasonably expected economic life of the projects that the Refunded Bonds financed, determined under Section 147(b) of the Code.
- D. The Clerk will ensure that sale proceeds, exclusive of amounts to pay costs of issuance or of the refunding or fund a reserve, of the Refunding Bonds will be applied, if invested, toward the purchase of certain eligible securities, including State and Local Government Series (“SLGS”), to be deposited in the escrow account (the “Escrow Account”) established to pay the Refunded Bonds pursuant to an escrow agreement. If SLGS are not acquired for an advance refunding escrow, the financial advisor to the Issuer shall document the reason for not investing in SLGS and the Issuer will comply with all federal tax laws and laws of the State of Montana pertaining to investments other than SLGS, including adherence to the fair market value rules of the Treasury Regulations. Without limitation of the meaning of the preceding sentence, if any GICs or open-market securities are acquired for any advance refunding escrow, the Issuer’s financial advisor will provide guidance on the bidding process and Bond Counsel will oversee compliance with fair market value investment rules, including receipt of at least 3 competitive bids, compliance with compensation limitations, and obtaining appropriate certificates, including from the bidding agent.
- E. In the case of an advance refunding, the Clerk will obtain a verification report from certified public accountants verifying that the yield of the eligible securities acquired with proceeds of the Refunding Bonds for the Escrow Account, computed in accordance with Section 148 of the Code and applicable Regulations, is not in excess of the yield of the advance Refunding Bonds, and that the amounts in the Escrow Account are sufficient to pay and redeem the Refunded Bonds in full on their redemption date.

- F. The Clerk will ensure that, with the exceptions of any proceeds used to pay issuance costs of the advance Refunding Bonds and expected to be fully expended within 90 days of the issue, an aggregate amount not to exceed the “minor portion” amount for the advance Refunding Bonds, and any other permissible exceptions to yield restriction under the Code, none of the proceeds of the advance refunding bonds will be invested at a materially higher yield than the yield of the advance Refunding Bonds.

VII. Record Management and Retention:

- A. Management and retention of records related to Bond issues will be supervised by the City Clerk.
- B. Records for Bonds will be retained for the life of the Bonds, plus any refunding Bonds, plus three years (or such longer term as may be required under state law). Such records may be in the form of documents or electronic copies of documents, appropriately indexed to specific Bond issues and compliance functions.
- C. Retainable records pertaining to Bond issuance shall include a transcript of documents executed in connection with the issuance of the Bonds and any amendments, copies of rebate calculations, if any, records of payments, escrow agreements, verification reports, records of investment earnings on any relevant funds/accounts, IRS filings and audit reports/investigations.
- D. Retainable records pertaining to expenditures of Bond proceeds include requisitions; reimbursement allocations; paying agent statements, if applicable; trustee statements, if applicable; and final allocation of proceeds.
- E. Retainable records pertaining to use of Bond-financed property include all third-party contracts concerning use of the facilities, including, without limitation, leases, use, management or service contracts, and research contracts.
- F. Retainable records pertaining to investments include GIC documents under the Treasury Regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

VIII. Overall Responsibility:

- A. Overall administration and coordination of these procedures is the responsibility of the Clerk.
- B. Review of compliance with these procedures and, if appropriate, updating these procedures, shall be undertaken not less than annually.
- C. Training, within budget limits, will be made available through attendance at appropriate conferences, applicable publications, consultation with Bond Counsel, and related activities.

- D. The Issuer understands that failure to comply with these policies and procedures could result in the retroactive loss of the exclusion of interest on Bonds from federal gross taxable income and, thus, it would be advisable to consult with Bond Counsel and other professionals in advance regarding deviations from the facts and expectations as set forth in the closing certifications relating to any issue of Bonds.
- E. The Issuer understands that remedial actions to remedy violations of the Code or Treasury Regulations may be undertaken as specified by the Code and Treasury Regulations and that resolution of violations of federal tax law may be pursued under VCAP, and will consult with Bond Counsel regarding the nature and availability of all remedial actions and voluntary closing agreements to resolve such violations. It will consult with Bond Counsel and other professionals to evaluate and implement any remedial actions. Attached hereto as Exhibit B is a general synopsis of certain common remedial concepts and actions.
- F. Any violations or potential violations of federal tax requirements shall promptly be reported by or to the Clerk, and the Clerk will engage qualified consultants and Bond Counsel to further investigate potential violations or recommend appropriate remedial actions, including voluntary closing agreements, if necessary.

These Tax Compliance Procedures may be updated or amended from time to time by the undertaking of the appropriate officials or body or bodies of the Issuer.

Originally Dated: December __, 2012.

EXHIBIT A

REIMBURSEMENT BOND SUMMARY

Following is a general summary of the requirements relating to bonds that are issued to reimburse expenditures that were paid prior to the date of issuance of bonds (“Reimbursement Bonds”).

Reimbursement Bond proceeds cannot be used to reimburse expenditures paid more than 60 days prior to the adoption of the declaration of official intent/reimbursement resolution, which must contain:

- a general functional description of the property to which the reimbursement relates or an identification of the fund or account from which the expenditure is to be paid and a general functional description of the purposes of such fund or account; and
- the maximum principal amount of debt proposed to be issued.

The Treasury Regulations (the “Regulations”) generally require that Reimbursement Bonds must be issued not later than 18 months (or three years, if the Reimbursement Bonds qualify for the “small issuer” exception from the arbitrage rebate requirement) after the later of (i) the date on which the original expenditure is paid, or (ii) the date on which the property is placed in service or abandoned, but (unless the issue qualifies for the “small issuer” exception from the arbitrage rebate requirement) in any case not more than three years after the date on which the original expenditure is paid. If possible, actual reimbursement should be made within 30 days of the date of issuance of the Reimbursement Bonds. The Regulations generally permit reimbursement of capital expenditures and costs of issuance of the Reimbursement Bonds.

Note that there are exceptions to the above requirements pertaining to Reimbursement Bonds, including the following:

- (i) expenditures to be paid or reimbursed from sources other than the Reimbursement Bonds,
- (ii) expenditures permitted to be reimbursed under the transitional provision contained in Section 1.150-2(j)(2) of the Regulations,
- (iii) expenditures constituting preliminary expenditures within the meaning of Section 1.150-2(f)(2) of the Regulations, and
- (iv) expenditures in a “de minimus” amount (as defined in Section 1.150-2(f)(1) of the Regulations).

EXHIBIT B

CERTAIN REMEDIAL PROVISIONS APPLICABLE TO BONDS

The Issuer acknowledges that any deliberate action by the Issuer after Bond issuance that results in a satisfaction of the private business tests or the private loan test will result in private activity bond status unless one or more qualifying remedial actions are taken by the Issuer. Specifically, Treasury Regulations provide that actions are not treated as deliberate actions if (A) five conditional requirements are met, and (B) one of three remedial actions is taken, with respect to the disposition proceeds and nonqualified bonds*:

CONDITIONAL REQUIREMENTS

1. Reasonable Expectations – The Issuer reasonably expected on the issue date that it would not meet the private business tests or the private loan test for the whole term of the bonds; and
2. Reasonable Bond Maturity – The term of the issue must not be unreasonably long; this requirement is met if the weighted average maturity of the bond issue is not greater than 120% of the expected economic life of the property financed; and
3. Fair Market Value Consideration – The terms of any agreement (relating to satisfaction of a private activity bond test) must be bona fide and at arm's-length, and the new user must pay a fair market value consideration for the use of the bond-financed property; and
4. Disposition Proceeds Are Gross Proceeds – The Issuer must treat any disposition proceeds as gross proceeds subject to arbitrage/rebate restrictions; and
5. Proceeds Spent for Authorized Purpose – Except as described with respect to redemption and defeasance options below, prior to deliberate actions, the affected proceeds must have been spent for the authorized purposes under the applicable bond documents.

REMEDIAL ACTIONS – Under Treasury Regulations, Sections 1.141-12(d), (e) and (f):

1. Redemption of Non-Qualified Bonds – Under the general rule, all nonqualified bonds of the issue must be redeemed. Tax-exempt bond proceeds (i.e., refunding bond proceeds) cannot be used unless the tax-exempt bonds are qualified bonds, taking into account the purchaser's use of the facility. The bonds must be redeemed within 90 days of the date of the deliberate action or a defeasance escrow for the bonds must be established within such 90-day period. Special rules apply to transfers exclusively for cash and to defeasance escrows.

* The portion of the outstanding bonds in an amount that, if the remaining bonds were issued on the date on which the deliberate action occurs, the remaining bonds would not satisfy the private business use test or the private loan financing test, as applicable. The amount of private business use is the highest percentage of business use in any one-year period, commencing with the deliberate action.

2. Alternative Use of Disposition Proceeds – To meet this requirement, all disposition proceeds must be in cash, the Issuer must reasonably expect to expend the proceeds within 2 years, the new use must not meet the private business tests or the private loan test (and the Issuer cannot take any action subsequent to the date of the deliberate action to cause the tests to be met), and any unused proceeds must satisfy the redemption requirement in the preceding paragraph.
3. Alternative Use of Facility – This remedial action is satisfied if the bond-financed property itself (as distinguished from the proceeds of the issue) is used in an alternative manner (e.g., for a different purpose or by a different person); the nonqualified bonds are treated as reissued on the date of the deliberate action and independently meet all of the requirements for tax exemption under Sections 141 through 150 of the Code, except the arbitrage and rebate rules of Section 148, for the remaining term of the nonqualified bonds; the deliberate action does not involve a transfer of the property to a purchaser that finances the acquisition with the proceeds of another issue of tax-exempt bonds; and any disposition proceeds, other than those arising from an agreement to provide services, resulting from the deliberate action are used to pay debt service on the bonds on the next available payment date or escrowed within 90 days of receipt and yield restricted to pay debt service on the next available payment date.

The above is only a brief summary of certain remedial actions, and additional special rules may be applicable. As provided in the Issuer's Compliance Procedures for Tax-Exempt Bonds, the Clerk shall seek advice of Bond Counsel as necessary to provide guidance as to "remedial action" that may be required under the applicable Treasury Regulations.

The Commissioner of the IRS may, by publication, provide for additional remedial actions. In addition, the IRS provides a program in which issuers/borrowers which cannot meet a listed remedial action can enter into a closing agreement with the IRS to avoid private activity bond status. The closing agreement program includes several conditions, including providing for the redemption of the bonds and paying the IRS an amount based on an assumption that the non-qualified bonds are taxable from the date of the subsequent act until they are redeemed.

ORDINANCE NO. 1201

AN ORDINANCE AMENDING SECTIONS 2-26 AND 2-27 OF THE CODE OF ORDINANCES OF THE CITY OF MILES CITY, MONTANA RELATING TO THE PROCEDURES FOR ADOPTION OF ORDINANCES AND EMERGENCY ORDINANCES.

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

Section 1. Section 2-26 of the Code of Ordinances of the City of Miles City, Montana is amended to read as follows:

“Sec. 2-26. Introduction; reading; adoption upon first reading; referral to committee; public hearing, and final adoption.

All ordinances must be submitted in writing and upon motion of a member of the city council at any regular council meeting, or at any special council meeting duly called for such purpose. Upon second of the motion to adopt, the mayor shall then and there cause the proposed ordinance to be read and it shall be submitted to the city council for adoption upon first reading. If upon the first reading, the ordinance is adopted by a majority vote of the council members present at the meeting, the proposed ordinance shall be referred by the mayor to a suitable committee, which shall take the proposed ordinance under advisement and consideration until the next regular meeting of the city council, no earlier than 12 days after the date of the initial adoption upon first reading, at which time such committee shall report the proposed ordinance back to the council together with its report thereon. After the first reading and adoption, the ordinance must be posted and copies must be made available to the public. A public hearing, after published notice, shall be held upon the adoption of the ordinance prior to the second reading of the ordinance. The public hearing and second reading may occur at the same council meeting. Following public hearing, the proposed ordinance shall then be read for the second time and shall thereupon be ready for final passage and adoption by a majority vote of the council members present at the meeting. An ordinance passed may not contain more than one comprehensive subject, which must be clearly expressed in its title, except ordinances for codification and revision of ordinances. Upon final passage and approval by the mayor, all ordinances must be signed by the mayor and filed with the City Clerk. ”

Section 2. Section 2-27 of the Code of Ordinances of the City of Miles City, Montana is amended to read as follows:

“Sec. 2-27. Reading by title; emergency ordinances; effective date; .

Any ordinance, with unanimous consent of all members of the council present, may be read by title only. In the event of an emergency, the city council may waive the second reading of the ordinance. Any ordinance, other than an emergency ordinance or general appropriation ordinance providing for the ordinary and current expenses of the city, passed by the council shall not become effective until 30 days after its final passage and

adoption, or such later effective date as may be set forth in the ordinance. In the case of emergency ordinance, the emergency must be expressed in the preamble or in the body of the ordinance, and the ordinance must receive a two-thirds vote of all members of the council elected. In emergency ordinances the resolution shall include only such measures as are immediately necessary for the preservation of peace, health and safety, and shall not include a franchise or license to a corporation or individual, nor any provisions for the sale of real estate, nor any lease or letting for a period exceeding one year, nor the purchase or sale of personal property exceeding \$5,000.00 in value. An emergency ordinance shall be effective on passage and approval and shall remain effective for no more than 90 days."

Section 3. These amendments shall become effective thirty (30) days after their final passage.

Said ordinance read and put on its passage this 9th day of March, 2010.

Joe Whalen, Mayor

ATTEST:

Kori Pray, City Clerk

FINALLY PASSED AND ADOPTED this 23rd day of March, 2010.

Joe Whalen, Mayor

ATTEST:

Kori Pray, City Clerk

7-5-103. Ordinance requirements. (1) All ordinances must be submitted in writing in the form prescribed by resolution of the governing body.

(2) An ordinance passed may not contain more than one comprehensive subject, which must be clearly expressed in its title, except ordinances for codification and revision of ordinances.

(3) An ordinance must be read and adopted by a majority vote of members present at two meetings of the governing body not less than 12 days apart. After the first adoption and reading, it must be posted and copies must be made available to the public.

(4) After passage and approval, all ordinances must be signed by the presiding officer of the governing body and filed with the official or employee designated by ordinance to keep the register of ordinances.

7-5-104. Emergency ordinance. In the event of an emergency, the governing body may waive the second reading. An ordinance passed in response to an emergency shall recite the facts giving rise to the emergency and requires a two-thirds vote of the whole governing body for passage. An emergency ordinance shall be effective on passage and approval and shall remain effective for no more than 90 days.

7-5-4201. Municipal ordinances. (1) The style of ordinances may be as follows: "Be it ordained by the council of the city of (or town of)", and all ordinances may be published or posted as prescribed by the council.

(2) All ordinances, bylaws, and resolutions must be passed by the council and approved by the mayor or the person acting in the mayor's stead and must be recorded in a book kept by the clerk, called "The Ordinance Book", and numbered by numerical decimal system in the order in which they are passed or codified.

(3) An ordinance may not be passed containing more than one subject, which must be clearly expressed in its title, except ordinances for the codification and revision of ordinances.

7-5-4203. Effective date of ordinances and resolutions. (1) An ordinance passed by the council of any city or town may not become effective until 30 days after its passage except:

(a) general appropriation ordinances providing for the ordinary and current expenses of the city or town; and

(b) emergency measures.

(2) A resolution is immediately effective unless a delayed effective date is specified in the resolution.

7-5-4204. Details relating to emergency measures. In the case of emergency measures, the emergency must be expressed in the preamble or in the body of the measure and the measure must receive a two-thirds vote of all the members elected. In emergency ordinances, the resolutions shall include only such measures as are immediately necessary for the preservation of peace, health, and safety and shall not include:

(1) a franchise or license to a corporation or individual;

(2) any provisions for the sale of real estate;

(3) any lease or letting of any property for a period exceeding 1 year; or

(4) the purchase or sale of personal property exceeding \$5,000 in value.

7-5-4205. Powers of mayor related to ordinances and resolutions. The mayor has power to:

(1) cause the ordinances of the city or town to be executed;

(2) approve all ordinances and resolutions of the council adopted by it;

(3) veto any objectionable part of a resolution or ordinance and approve the other parts.

RESOLUTION NO. 3568

A RESOLUTION AUTHORIZING THE CITY OF MILES CITY, TO ENTER INTO A STATE-LOCAL DISASTER ASSISTANCE AGREEMENT WITH THE FEDERAL EMERGENCY MANAGEMENT AGENCY AND THE MONTANA DISASTER AND EMERGENCY SERVICES DIVISION FOR THE HAZARD MITIGATION GRANT PROGRAM

WHEREAS, the City of Miles City has applied for a grant from the Federal Emergency Management Agency (FEMA) and The Montana Disaster and Emergency Services Division (DES) to provide funding for the mitigation of hazards for the purpose of purchasing and installing ArcGIS software for the City of Miles City.

AND WHEREAS, the FEMA and DES are willing to provide such grant funds pursuant to the terms and conditions of State-Local Disaster Assistance Agreement #DR-1996-P-5-F a copy of which is attached hereto as Exhibit "A" and made a part hereof;

AND WHEREAS the City Council finds that it is the best interest of the City of Miles City to enter into such State-Local Disaster Assistance Agreement with the FEMA and DES for such grant funds and that the terms and conditions of the aforementioned contract are fair and reasonable;

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

1. The attached State-Local Disaster Assistance Agreement DR-1996-P-5-F between the City of Miles City, Montana and FEMA and DES is approved and adopted by this Council;
2. The Mayor of the City of Miles City is hereby empowered and authorized to execute said State-Local Disaster Assistance Agreement on behalf of the City of Miles City and bind the City of Miles City thereto; and
3. The Mayor of the City of Miles City is hereby empowered and authorized to execute such further documents as are necessary to carry out the terms of said State-Local Disaster Assistance Agreement and 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 11TH DAY OF DECEMBER, 2012.

C.A. Grenz, Mayor

ATTEST:

Rebecca Stanton, City Clerk

Exhibit "A"

STATE-LOCAL DISASTER ASSISTANCE AGREEMENT
HAZARD MITIGATION GRANT PROGRAM

This agreement between the State of Montana and Miles City and is effective on the date signed by the state and the applicant. It shall apply to all Hazard Mitigation Grant Program (HMGP) funds provided by or through the state from DR-1996-P-5-F to the applicant for the purpose of purchasing and installing ArcGIS software for Miles City.

The designated representative of the applicant certifies that:

1. He/she has legal authority to apply for assistance on behalf of the applicant.
2. The applicant will appoint by resolution an Applicant's Representative to act on the city's behalf and will establish and maintain a proper accounting system to record expenditures of disaster assistance funds in accordance with generally accepted accounting standards or as directed by the Governor's Authorized Representative. [NOTE: Attach a copy of the resolution to the applicant.]
3. The applicant will provide all necessary financial and managerial resources to meet the terms and conditions of receiving federal and state disaster assistance.
4. The applicant agrees to provide necessary local share of funding for completion of the project.
5. The local cost share funding will be available within the specified time.
6. The applicant will use disaster assistance funds solely for the purposes for which these funds are provided and as approved by the Governor's Authorized Representative to include utilizing qualified and experienced contractors, preferably those who have been authors of prior FEMA approved Plans.
7. The applicant will give state and federal agencies designated by the Governor's Authorized Representative access to and the right to examine all records and documents related to use of disaster assistance funds.
8. The applicant will return to the state, within 15 days of such request by the Governor's Authorized Representative, any advanced funds which are not supported by audit or other federal or state review of documentation maintained by the applicant.
9. The applicant will comply with all applicable codes and standards as it pertains to this project and agrees to provide maintenance as appropriate.
10. The applicant will comply with all applicable provisions of federal and state law and regulation in regard to procurement of goods and services.
11. The applicant will begin project work within 90 days of approval of the grant and complete all items of work within the period of performance specified by FEMA unless an exception is granted by FEMA to extend the time frame.
12. The applicant will comply with all federal and state statutes and regulations relating to non-discrimination.
13. The applicant will comply with the provisions of the Hatch Act limiting the political activities of public employees.
14. The applicant will comply with the National Flood Insurance Program purchase requirements as required.

15. The applicant will not enter into cost-plus-percentage-of-cost contracts for completion of Hazard Mitigation Grant Projects.
16. The applicant will not enter into contracts for which payment is contingent upon receipt of state or local funds.
17. The applicant will not enter into any contract with any party that is disbarred or suspended from participating in federal assistance programs.
18. The applicant will comply with one of the following (as appropriate for the type of applicant) for all audit requirements: OMB CIRCULAR NO. A-128 (Single Audit Act); or A-133 (for Private Non-profit Organizations); or 7 CFR Ch. XVII Subpart B-REA Audit Requirements Subsection 1773(d).
19. The applicant will comply, as applicable, with provisions of the Davis-Bacon Act relating to labor standards.
20. The State reserves the right to withhold 10% of the total Federal Funds until the project is complete and approved by FEMA.

SIGNED FOR THE APPLICANT:


Mayor

Signature

Date

SIGNED FOR THE STATE:

Ed Tinsley
Governor's Authorized Representative (GAR)



Signature

4/5/12

Date

RESOLUTION NO. 3569

A RESOLUTION OF THE CITY OF MILES CITY, MONTANA, DESIGNATING THE CITY CLERK, AS THE CITY OF MILES CITY'S REPRESENTATIVE FOR THE HAZARD MITIGATION GRANT PROGRAM

WHEREAS, the City of Miles City has applied for Federal funds through the Federal Emergency Management Agency (FEMA) and the Disaster and Emergency Services (DES) Division of Montana.

WHEREAS, the City of Miles City desires to enter into the State-Local Disaster Assistance Agreement for the Hazard Mitigation Grant Program.

AND WHEREAS, such program requires the designation of a Representative to act on the city's behalf establishing and maintaining accounting systems to record the expenditures of disaster assistance funds in accordance with generally accepted accounting standards or accounting systems as directed by the Governor's Authorized Representative, and such designation must be made by the City of Miles City by formal resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Miles City, Montana that the City Clerk of the City of Miles City, is hereby designated as the Representative for the City of Miles City for accounting on the Hazard Mitigation Grant Program.

BE IT FURTHER RESOLVED that the above designation shall become effective final passage of this Resolution.

SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, THIS 11TH DAY OF DECEMBER, 2012.

C.A. Grenz, Mayor

ATTEST:

Rebecca Stanton City Clerk

RESOLUTION NO. 3570

A RESOLUTION AUTHORIZING CHANGE ORDER NO. 1 TO DICK ANDERSON CONSTRUCTION, INC. ON THE CONTRACT FOR THE HAYNES AVENUE LIFT STATION PROJECT.

WHEREAS, pursuant to Resolution 3521, on July 24, 2012, the City of Miles City approved a contract with Dick Anderson Construction, Inc., a Montana corporation, of 3424 Highway 12 East, Helena, Montana 59601 for Schedule I Wastewater System Improvements (Haynes Avenue Lift Station), hereinafter "the Contract";

AND WHEREAS, pursuant to Resolution 3554, on September 25, 2012, the City of Miles City approved an amendment to the Contract, hereinafter "the Amended Contract";

AND WHEREAS, Dick Anderson Construction, Inc. with the concurrence of the project engineers, has submitted for approval by the City of Miles City City Council Change Order No. 1 to the Amended Contract, a copy of which is attached hereto as Exhibit "A" and made a part hereof;

AND WHEREAS, such change order will result in an increase in the contract price in the sum of \$69,867.00 and an increase in the contract time of 10 working days or 14 calendar days;

AND WHEREAS, Pursuant to §7-5-4308 MCA, the change order and the change in contract price and time may be authorized only upon resolution of the City Council;

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

1. Change Order No. 1 to Dick Anderson Construction, Inc, upon the Amended Contract, a copy of which is attached hereto as Exhibit "A" and made a part hereof, is hereby approved by this Council;
2. An increase in the Contract price by \$69,867.00 and an increase in the contract time of 10 working days or 14 calendar days for the work performed pursuant to such change order is hereby approved by this Council;
3. The Mayor of the City of Miles City is hereby empowered and authorized to execute Change Order No. 1 on behalf of the City of Miles City and 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, AT A REGULAR MEETING OF THE CITY COUNCIL CONDUCTED THIS 11TH DAY OF DECEMBER, 2012

C.A. Grenz, Mayor

ATTEST:

Rebecca Stanton, City Clerk



DICK ANDERSON CONSTRUCTION, INC.

November 5, 2012

City of Miles City
P.O. Box 910
17 S. 8th St.
Miles City, MT 59301

Attn: Allen M. Kelm, Public Utilities Director

Re: Miles City Wastewater Improvements Schedule One: Haynes Avenue Lift Station

COR #1

This Section Completed By Dick Anderson Construction

The following is the cost to provide all labor and materials per plans ALT 2 and ALT 2.1 prepared by Robert Peccia & Associates.

Cost of the Work –

DAC	\$69,867.00
Subcontractors	<u>\$0.00</u>
Subtotal	\$69,867.00
Subcontractor Mark-up 5%	<u>\$0.00</u>
TOTAL COST	\$69,867.00

Total Contract Work Days Requested: 10 work days or 14 calendar days

Notification of Change Status is Requested By: 11/14/12 – (Pricing may become void/subject to change if we do not receive notification by the date given)

Other Comments:

This Section To Be Completed By Owner

Approval Status -

Approved _____ Date _____

Not Approved _____

Comments:

Signatures:

Owner's Representative

Dick Anderson Construction

Please note that if this PCO is approved DAC will assume that it is OK to proceed with the work as described prior to issuance of a formal Change Order. If this is not the case please let us know as the cost of the work may be affected.

CC: Field - DAC

RESOLUTION NO. 3571

A RESOLUTION AUTHORIZING THE CITY OF MILES CITY TO ENTER INTO AN AGREEMENT WITH TUMBLEWOOD DEVELOPMENT, INC. FOR SANITATION INSPECTION SERVICES FOR CALENDAR YEARS 2013.

WHEREAS, the City of Miles City desires to contract for sanitation inspection services on behalf of its Health Board to perform sanitation inspections of facilities within the city limits of the City of Miles City as required or permitted by Title 50 MCA for all of calendar year 2013;

AND WHEREAS Tumblewood Development, Inc., a Montana corporation, has provided such services to the City of Miles City, pursuant to a contract approved under Resolution 3434, for a portion of calendar year 2011 and all of calendar year 2012;

AND WHEREAS; the City of Miles City Health Board has recommended that the contract of Tumblewood Development, Inc., a Montana corporation, of Thompson Falls, Montana be renewed for calendar year 2013;

AND WHEREAS Tumblewood Development, Inc., a Montana corporation, of Thompson Falls, Montana, has represented that it is qualified and authorized by applicable Montana law, rules and regulations to provide such sanitation inspection services for the City of Miles City;

AND WHEREAS the City of Miles City and Tumblewood Development, Inc. have negotiated mutually acceptable terms and conditions for the supplying of such contracted sanitation inspection services for all of Calendar Year 2013;

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

1. The Sanitation Inspection Services Contract between the City of Miles City, Montana and Tumblewood Development, Inc., a Montana corporation, attached hereto as Exhibit "A", and made a part hereof, is hereby approved and adopted by this Council.

2. The Chairperson of the City of Miles City Board of Health is hereby empowered and authorized to execute said Sanitation Inspection Services Contract on behalf of the City of Miles City and bind the City of Miles City thereto.

3. The Chairperson of the City of Miles City Board of Health is hereby empowered and authorized to execute such further documents as are necessary to carry out the terms of said Sanitation Inspection Services Contract and bind the City of Miles City thereto.

SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM AT A DULY NOTICED SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, THIS 11TH DAY OF DECEMBER, 2012.

C.A. Grenz, Mayor

ATTEST:

Rebecca Stanton, City Clerk

Exhibit A

SANITATION INSPECTION SERVICE AGREEMENT

THIS AGREEMENT entered into this _____ day of December, 2012, by and between THE CITY OF MILES CITY HEALTH BOARD, a board of the City of Miles City, Montana, of 17 South Eighth Street, Miles City, Montana 59301, hereinafter referred to as "*the Board*" and TUMBLEWOOD DEVELOPMENT, INC., a Montana corporation, of P.O. Box 2390, Thompson Falls, Montana 59873, hereinafter referred to as "*Sanitarian*";

IT IS HEREBY AGREED between the parties as follows:

1. **LOCATION AT WHICH SERVICES ARE TO BE PROVIDED.** Sanitarian will provide sanitation inspection and license validation services, as further specified herein, for the Board at licensed locations within the city limits of the City of Miles City, Custer County, Montana.

2. **SERVICES TO BE PROVIDED.** Sanitarian will provide the following services to the Board:

- A. All routine and minimum required inspections, as required by, and in accordance with the regulations of, the Montana Department of Public Health and Human Services (DPHHS) of all the following types of licensed establishments within the city limits of the City of Miles City, Montana:
1. Food service establishments (encompassing all establishments requiring local inspection under Title 50, Chapter 50, MCA);
 2. Licensed liquor establishments (those requiring local health inspections under §16-4-402 MCA);
 3. Meat markets;
 4. Food manufacturers (encompassing all establishments requiring local inspection under Title 50, Chapter 57, MCA);
 5. Public accommodations (encompassing all establishments requiring local inspection under Title 50, Chapter 51, MCA);
 6. Swimming pools, spas, and other water features (encompassing all establishments requiring local inspection under Title 50, Chapter 53, MCA);

7. Trailer courts and campgrounds (encompassing all establishments requiring local inspection under Title 50, Chapter 52, MCA);
8. Daycare centers;
9. Schools; and
10. Other health related establishments as required by DPHHS

Such inspections shall also include any pre-inspections or plan pre-approvals required for licensing.

- B. Issue septic system permits and inspections of installed septic systems. Inspect, if required or advisable, main line sewage service connections, and provide enforcement of state and City of Miles City regulations for on-site sewage disposal or main line connections;
- C. Provide statutory validation of licenses issued by the DPHHS in accordance with Montana Code Annotated, Title 50;
- D. Submit a list of all establishments inspected to DPHHS and the Board quarterly, such lists to be submitted in a format provided by or approved by DPHHS;
- E. On at least a quarterly basis, notify DPHHS of any establishments closing and/or any newly operating establishments of which the Board or Sanitarian are aware but that may not have obtained required licensure;
- F. Make all inspections for sanitary conditions using applicable environmental health rules and regulations;
- G. Timely complete and submit all reports necessary under DPHHS regulations for health and sanitation inspections under MCA Title 50, utilizing forms approved by DPHHS, and submit duplicates of each such report to the Board;
- H. Serve as code enforcement officer for public nuisances within the city limits.

Yearly inspections hereunder are estimated to amount to approximately one hundred forty (140), as well as other unplanned inspections due to new construction, new businesses, or currently unplanned civic events.

Nothing herein shall in any way alter the requirements of a facility to comply with Montana health and sanitation laws and regulations, it being the duty of such facility to be in compliance with such laws and regulations.

3. **TERM OF AGREEMENT.** This Agreement shall be effective commencing at midnight on December 31, 2012 and shall remain in effect until midnight on December 31, 2013. The services under this Agreement shall be provided for all inspections required to be filed with DPHHS for calendar year 2013.

4. **COMPENSATION.** The above services shall be provided by Sanitarian to the Board at the above locations for the following compensation:

The sum of **Thirty Two Thousand and no/100 Dollars (\$32,000.00)**, payable by the Board to Sanitarian within _____ days after the completion of the services to be provided hereunder for calendar year 2013.

5. **NO ADDITIONAL COMPENSATION.** Sanitarian shall not receive any additional compensation for travel, per diem, subsistence expenses, or any other expenses, all such expenses having been included in the rates set forth in paragraph 4, above.

6. **QUALIFICATIONS OF INSPECTOR.** Sanitarian represents and warrants to Board that its personnel providing services hereunder have all licenses, certifications and qualifications required by Montana law and regulations to conduct the inspections provided for hereunder and to issue reports and validations acceptable for licensure of the facility inspected. All services hereunder will be provided by the following named individual:

Michael S. Rinaldi RS/NREHS
Montana State License No. 472

Sanitarian's use of any other person to provide services hereunder requires the prior written consent of the Board.

7. **PERSONNEL, EQUIPMENT AND SUPPLIES.** Sanitarian, at Sanitarian's expense, shall supply all personnel, equipment and supplies, transportation and lodging necessary to carry out the scope of work under this Agreement. Any personnel of Sanitarian providing services

hereunder shall, at all times while providing services hereunder, maintain the certification and have completed all training programs required under §50-50-301 MCA. All such personnel shall maintain a current working knowledge of the theories, principles and practices of environmental sanitation, federal, state, and local legislation and regulations, community resources, and agency policies and procedures. In conducting services hereunder, Sanitarian, and all personnel utilized by Sanitarian in providing such services, shall establish and maintain an effective working relationship with the Board, its members, the Mayor of the City of Miles City, other agencies, and the public.

8. **INTERNET AND E-MAIL ACCESS.** Sanitarian will, at all times during the term of the Agreement, maintain a working Internet connection and e-mail account that are accessible at all times to DPHHS and the Board. At the commencement of the term of this Agreement, Sanitarian shall supply the Board, in writing, the e-mail address for such account, and, if such address changes during the term of this Agreement, shall immediately provide DPHHS and the Board with such new address.

9. **INDEPENDENT CONTRACTOR STATUS OF CONTRACTOR; PROOF OF WORKERS' COMPENSATION COVERAGE OR EXEMPTION CERTIFICATE.** Sanitarian is an independent contractor under this Agreement and Sanitarian, and all personnel utilized by Sanitarian in carrying out this Agreement, are not the employees or agents of the Board or the City of Miles City. Sanitarian shall provide Workers' Compensation insurance coverage on all of its employees engaged in providing services under this Agreement, unless specifically exempted by law, and shall pay all payroll taxes, including FICA, Medicare, and unemployment, or self-employment taxes, for its employees providing services hereunder.

Prior to conducting services hereunder, Sanitarian shall provide the Board with either (1) a certificate of insurance from its Workers Compensation insurer evidencing coverage throughout the period that services are to be provided hereunder and providing for at least ten (10) days prior written notice by the insurer to the Board before cancellation, termination, expiration, or nonrenewal of such policy or (2) a copy of its independent contractor exemption certificate issued by the Montana Department of Labor and Industry pursuant to §39-71-417 MCA. If Sanitarian provides such exemption certificate, it shall immediately notify the Board of any cancellation, revocation or other termination of such certificate.

10. **NONDISCRIMINATION.** In compliance with §49-3-207 MCA, all hiring by Sanitarian shall be on the basis of merit and qualification, and Sanitarian, in the performance of this Agreement, shall not discriminate on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin.

11. **PROHIBITION OF ASSIGNMENT OR SUBCONTRACTING.** This Agreement is personal as to Sanitarian, and specifically as to Michael S. Rinaldi providing all inspections services hereunder, and may not be assigned by Sanitarian, or subcontracted in any manner, without the prior written consent of the Board.

12. **INDEMNIFICATION.** Sanitarian shall indemnify, defend, and hold the Board and the City of Miles City harmless from any and all actions, claims, or damages incurred or arising out of any negligent acts or omissions, or any wrongful intentional acts, of Sanitarian in carrying out any services under this Agreement.

13. **DEFAULT BY SANITARIAN.** In the event that Sanitarian fails to timely and competently provide services, or otherwise fails to perform or violates any of the other terms and conditions of this Agreement, the Board may give Sanitarian written notice of such default, and,

if Sanitarian does not fully cure such noticed default within ten (10) days of the giving of such written notice, the Board, without further notice, may terminate this Agreement and may pursue any remedy permitted at law or in equity. Notice shall be served upon Sanitarian by certified mail, return receipt requested, addressed to Sanitarian at:

Tumblewood Development, Inc.
P.O. Box 2390
Thompson Falls, Montana 59873

Notice shall be deemed given as of the date of its deposit into the United States Mail.

The failure or forbearance of the Board to give notice of default shall not constitute a waiver of further defaults by Sanitarian. Nothing herein shall be construed as limiting the right of the Board to terminate this Agreement for cause, without notice of default, in the event of repeated defaults noticed by the Board to Sanitarian.

14. **DEFAULT BY BOARD.** In the event that the Board fails to timely any of its obligations hereunder, or otherwise or violates any of the terms and conditions of this Agreement, Sanitarian may give the Board written notice of such default, and, if the Board does not fully cure such noticed default within ten (10) days of the giving of such written notice, the Sanitarian, without further notice, may terminate this Agreement and may pursue any remedy permitted at law or in equity. Notice shall be served upon the Board by certified mail, return receipt requested, addressed to the Board at:

City of Miles City Health Board
Attn. Chairperson.
P.O. Box 910
Miles City, Montana 59301

Notice shall be deemed given as of the date of its deposit into the United States Mail.

The failure or forbearance of the Sanitarian to give notice of default shall not constitute a waiver

of further defaults by the Board. Nothing herein shall be construed as limiting the right of the Sanitarian to terminate this Agreement for cause, without notice of default, in the event of repeated defaults noticed by the Sanitarian to the Board.

15. **MODIFICATION.** This Agreement constitutes the entire Agreement of the parties and supersedes all prior negotiations and understandings of the parties. This Agreement may be modified only by written instrument executed by all parties.

16. **LITIGATION.** In the event that it becomes necessary for either party to institute legal proceedings to enforce any of the terms of this Agreement, then the prevailing party in such proceedings shall be entitled to recover from the non-prevailing party all costs and expenses incurred in such proceedings, including reasonable attorneys fees.

17. **VENUE.** This Agreement shall be construed under the laws of the State of Montana and any action upon this Agreement shall be venued in Custer County, Montana.

18. **TIME OF THE ESSENCE.** Time is of the essence of this Agreement.

19. **BINDING EFFECT.** This Agreement is binding upon and inures to the benefit of the parties, their successors and assigns.

20. **CAPACITY; PROOF OF GOOD STANDING.** The signators to this Agreement represent and warrant that they have the legal capacity and authority to bind the entities which are the parties to this Agreement. At the time of execution of this Agreement, the Sanitarian shall provide to the Board a current Certificate of Existence issued by the Montana Secretary of State.

21. **RATIFICATION BY CITY COUNCIL.** This Agreement shall not become effective until it is approved and ratified by the City Council of the City of Miles City by appropriate resolution.

EXECUTED this _____ day of December, 2012.

CITY OF MILES CITY HEALTH BOARD

By: _____
Its Chairperson

TUMBLEWOOD DEVELOPMENT, INC., a
Montana corporation

By: _____

Title: _____

RESOLUTION NO. 3572

A RESOLUTION AUTHORIZING THE CITY OF MILES CITY TO GRANT AN EASEMENT TO LANDMARK LAND COMPANY, LLC FOR A ROAD EASEMENT FOR INGRESS AND EGRESS ACROSS AIRPORT LAND IN THE SOUTHWEST QUARTER OF SECTION 29, TOWNSHIP 8 NORTH, RANGE 47 EAST, M.P.M.

WHEREAS, Landmark Land Company, LLC, a North Dakota limited liability company, of P.O. Box 1881, Dickinson, North Dakota, has requested from to the City of Miles City an easement for a 60 foot wide ingress and egress road to Lots 3 and 4 in Section 32, Township 8 North, Range 47 East, Custer County, Montana across lands at the Miles City airport owned by the City of Miles City in the SW¼ of Section 29, Township 8 North, Range 47 East, Custer County, Montana.

AND WHEREAS the City Council finds that it is the best interest of the City of Miles City to grant such easement to Landmark Land Company, LLC pursuant to the terms of the easement agreement attached hereto as Exhibit "A";

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

1. The City Council hereby approves of the granting of the requested easement to Landmark Land Company, LLC, subject to the terms and conditions set forth in the form of Easement attached hereto as Exhibit "A" and made a part hereof.
2. The Mayor of the City of Miles City is hereby empowered and authorized to execute said Easement on behalf of the City of Miles City and bind the City of Miles City thereto; and
3. The Mayor of the City of Miles City is hereby empowered and authorized to execute such other and further documents as may be necessary or convenient to implement such Easement Agreement on behalf of the City of Miles City and bind the City of Miles City thereto.

SAID RESOLUTION FINALLY PASSED AND ADOPTED BY AT LEAST A TWO-THIRDS VOTE OF ALL OF THE MEMBERS OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, AT A REGULAR MEETING OF THE CITY COUNCIL THIS 11TH DAY OF DECEMBER, 2012.

C.A. Grenz, Mayor

ATTEST:

Rebecca Stanton, City Clerk

Exhibit A

Return to:

LUCAS & TONN, P.C.
P. O. Box 728
Miles City, Montana 59301

EASEMENT

The undersigned, **CITY OF MILES CITY, MONTANA**, a Montana municipal corporation of 17 S. Eighth Street, Miles City, Montana 59301, hereinafter referred to as "Grantor," for and in consideration of \$1.00 and other good and valuable consideration, receipt of which is hereby acknowledged, hereby grants and conveys to **LANDMARK LAND COMPANY, LLC**, a North Dakota limited liability company registered to do business in Montana, of P.O. Box 1881, Dickinson, ND 58602, its successors and assigns, hereinafter referred to as "Grantee," a perpetual, non-exclusive, and permanent easement and right to use for ingress and egress to and from Grantee's land located in Custer County, Montana, and more particularly described as follows:

Township 8 North, Range 47 East, M.P.M.

Section 32: Lots 3 and 4

With said easement to be sixty (60) feet wide over, across, and in the same position as the existing private roadway on the following lands owned by Grantor in the State of Montana, County of Custer, to-wit:

An easement for ingress and egress across the southeast quarter of the southwest quarter of Section 29, Township 8 North, Range 47 East of the Principal Meridian Montana, Custer County, Montana. Said easement being 60.0 feet wide, 30.0 feet on each side of the following described centerline: Beginning at a point on the south line of said Section 29 lying South 89 degrees 55 minutes 28 seconds West, a distance of 283.55 feet from the south quarter corner of said Section 29; thence North 23 degrees 59 minutes 09 seconds East, a distance of 697.02 feet to the north-south mid-section line of said Section 29. Said ending point lies North 00 degrees 01 minutes 08 seconds West, a distance of 636.57 feet

from the south quarter corner of said Section 29. Said easement containing 0.96 acres more or less.

Subject to the following terms and conditions:

A. Description of Easement Route.

The easement created hereby is sixty (60) feet in width and is approximately shown by the map attached hereto and marked Exhibit "A" and by this reference made a part hereof as if set out in full herein.

B. Purpose of Easement.

The purpose of the Easement is for the residential access and utilities to and from Grantee's lands. This easement is private and is limited to the use of Grantee, its agents, guests, service companies, and the parties' successors and assigns. In no way does this grant of easement create a public right to travel across said lands hereinbefore described. This easement may be used for public or private utility purposes including to construct, operate, repair, maintain, relocate, and replace utilities such as water, sewer, electric, gas, and communications.

C. Repair and Maintenance; Indemnification.

Grantee shall have the right and obligation to repair and maintain the easement in a good and safe condition for the purposes for which it was granted.

Grantee, its successors and assigns, shall indemnify, defend and hold Grantor harmless from any and all claims arising out of Grantee's use or maintenance, or failure to maintain, such roadway and utilities, or use by Grantee's guests and invitees, or those of Grantee's successors and assigns.

D. Rights of Grantor; Restrictions on Grantee.

This easement runs along the southern edge of the Miles City Airport property. Due to the nature of the land north of where the Easement is located, the following rights and restrictions apply:

1. The airspace defined by 14 Code of Federal Regulations (CFR) Part 77 will have precedence over the easement and the Grantor retains a right to remove or lower any object, natural or otherwise, from the easement area as necessary to comply with 14 CFR Part 77.

2. Grantor retains the right to conduct all airport operations; even if such operations interfere with Grantee's use of easement.
3. Grantor retains the right to modify the route of this Easement as necessary for development of the Miles City Airport at Grantee's expense.
4. Construction and maintenance of the road excepted, Grantee shall not make improvements to the easement without Grantor's written consent. A notice of proposed construction consistent with the requirements of 14CFR Part 77 shall be filed prior to constructing any facility, structure or other item within the easement area.
5. Grantee shall not create electrical interference with communication between the installation on the airport and aircraft, install lights or reflectors that would make it difficult for pilots to distinguish between airport lights and others, impair visibility in the vicinity of the airport, or endanger the landing, take off, or maneuvering of aircraft.
6. Grantee shall not develop any of the real property described above in a manner that has potential for attracting birds or other wildlife that may pose a hazard to airport operations.
7. The Grantee acknowledges a right of flight for the passage of all types of aircraft over the Grantee's land described above, and further accepts that noise, vibrations, fumes, deposits of fumes, deposits of dust or other particulate matter, fuel particles (which are incidental to the normal operation of said aircraft), fear, interference with sleep and communication and any and all other effects that may be alleged to be incident to or caused by the operation of aircraft over or in the vicinity of Grantees' property or in landing at or taking off from, or operating at or on said Miles City Airport; and Grantee does hereby full waive, remise, and release any right or cause of action which they may now have or which they may have in the future against Grantor, its successor and assigns, due to such noise vibrations, fumes, dust, fuel particles and all other effects that may be caused or may have been caused by the operation of aircraft landing at, or taking off from, or operating at or on said Miles City Airport.
8. The Grantee will be responsible for all cost associated with relocating the access road and utilities should future development of the Miles City Airport require its relocation.

E. Subdivision.

This easement is appurtenant to two lots owned by Grantee. Grantee, its legal representatives and assigns, may only develop one residence per lot and shall not subdivide either lot.

F. Assignment.

Grantee shall have the right, without need for Grantor's consent, to assign or grant easements to Montana-Dakota Utilities Co. or other utility companies, upon their request, prior to constructing, operating, repairing, maintaining, relocating, or replacing utilities such as water, sewer, electric, gas, and communications. Such assignment or additional easement shall be in the same location as described above.

G. Appurtenant.

This easement shall run with the land and be binding upon the heirs, successors and assigns of all parties.

H. Headings.

The article and paragraph headings herein contained are for convenience only and do not define, limit or construe the contents of the corresponding article or paragraph.

DATED this _____ day of _____, 2012.

CITY OF MILES CITY

By: _____

STATE OF MONTANA)
) ss
COUNTY OF CUSTER)

On this _____ day of _____, 2012, before me, the undersigned, a Notary Public for the State of Montana, personally appeared _____, known to me to be

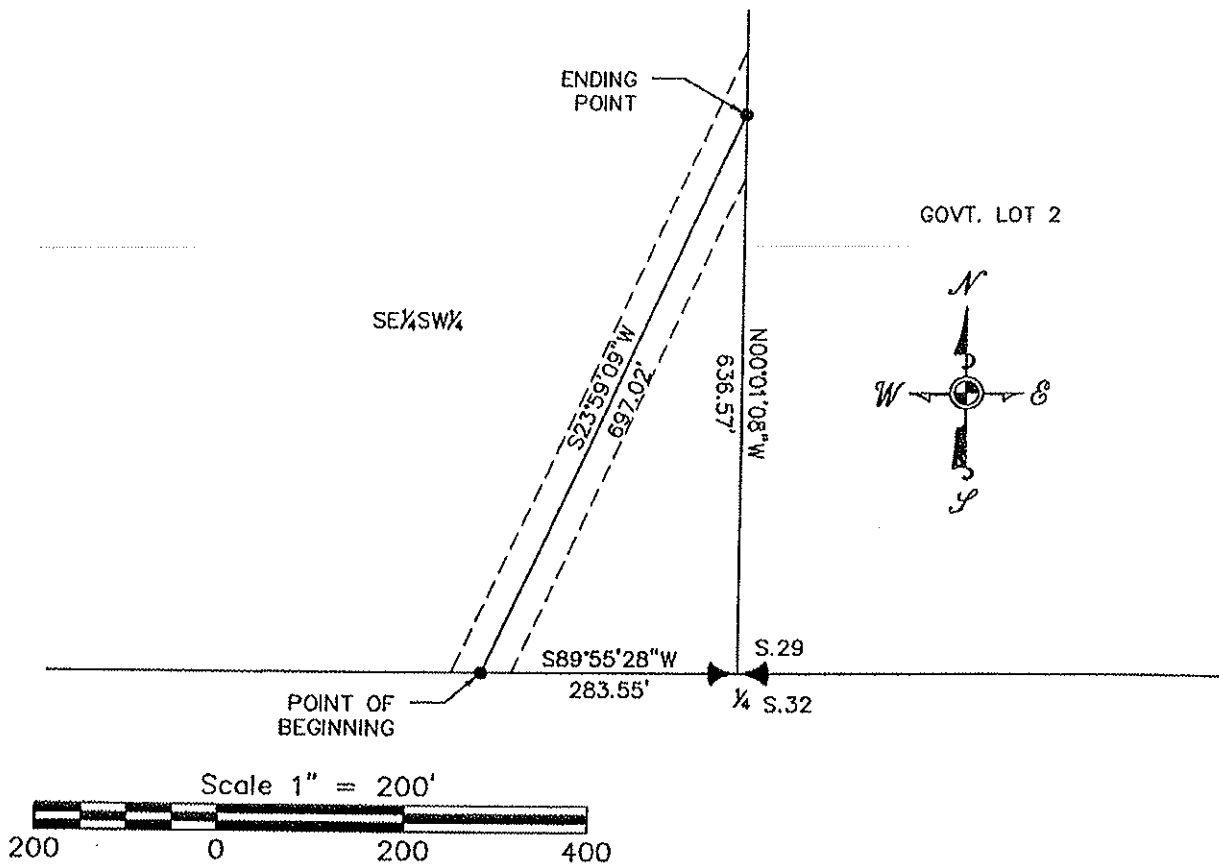
_____ for the City of Miles City, and acknowledged to me that he executed the same on behalf of the City of Miles City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.

(Notarial Seal)

Printed Name of Notary:
Notary Public for the State of Montana
Residing at Miles City, Montana
My Commission Expires:

INGRESS & EGRESS EASEMENT EXHIBIT



DESCRIPTION

An easement for ingress and egress across the southeast quarter of the southwest quarter of Section 29, Township 8 North, Range 47 East of the Principal Meridian Montana, Custer County, Montana. Said easement being 60.0 feet wide, 30.0 feet on each side of the following described centerline" Beginning at a point on the south line of said Section 29 lying South 89 degrees 55 minutes 28 seconds West, a distance of 283.55 feet from the south quarter corner of said Section 29; thence North 23 degrees 59 minutes 09 seconds East, a distance of 697.02 feet to the north-south mid-section line of said Section 29. Said ending point lies North 00 degrees 01 minutes 08 seconds West, a distance of 636.57 feet from the south quarter corner of said Section 29. Said easement containing 0.96 acres more or less.

D:\07\41272037401\p5c 2012\33 Landmark Land LLC\p5c\PRM\VIS\TA.dwg 8/10/2012 3:44:05 PM PDT

INGRESS AND EGRESS EASEMENT
SE $\frac{1}{4}$ SW $\frac{1}{4}$, Sec. 29, T.8N., R.47E.

Exhibit

DOWL HKM

4127.20374.01

8-10-06

Connie Watts

From: George Huss
Sent: Friday, December 07, 2012 11:08 AM
To: Becky Stanton; Billie Burkhalter; Connie Watts; Linda Wildman
Cc: 'Butch Grenz'; 'Allen Kelm'; Dana Hupp; 'Lonni Fleck'; Jana Mueller
Subject: Resolution 3574 approving settlement with Ahanu, CMG, and NAS
Attachments: Resolution 3574 approving settlement with Ahanu, CMG and NAS.pdf

Attached is Resolution 3574 approving the settlement with Ahanu, CMG and NAS along with the General Waiver of Claims and Release referenced in the resolution.

This Resolution, together with Resolution 3573 approving CMG change order No. 6 should NOT be acted upon until we have a copy of the General Waiver of Claims and Release signed by Ahanu, CMG and NAS.

George W. Huss
Brown and Huss, P.C.
507 Pleasant Street
P.O. Box 128
Miles City, Montana 59301
(406) 234-3054
(406) 234-5864 (FAX)
bhpc@midrivers.com

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RESOLUTION NO. 3573

A RESOLUTION AUTHORIZING CHANGE ORDER NO. 6 TO CMG CONSTRUCTION, INC. ON THE CONTRACT FOR WATER SYSTEM IMPROVEMENTS FOR PHASE 3 WATER MAIN REPLACEMENT 20" TRANSMISSION MAIN DATED APRIL 12, 2011.

WHEREAS, on April 12, 2011, the City of Miles City and Ahanu Construction, Inc. entered into a contract for the construction of certain improvements for the City of Miles City municipal water system commonly referred to as "System Improvements for Phase 3 Water Main Replacement 20" Transmission Main" hereinafter "*the Contract*";

AND WHEREAS, by letter dated October 25, 2011, and signed on October 26, 2011 and delivered to the City of Miles City on October 26, 2011, Ahanu Construction, Inc. informed the City of Miles City, that it was irrevocably and voluntarily abandoning the Contract effective upon the City's receipt of such letter;

AND WHEREAS, North American Specialties Insurance ("*NAS*") is the surety on the performance bond for Ahanu Construction, Inc. under the Contract;

AND WHEREAS, due to Ahanu Construction, Inc.'s default in the performance of the Contract and its voluntary and irrevocable abandonment of the Contract, *NAS* had undertaken the performance and completion of the Contract and has designated CMG Construction, Inc. of Billings, Montana as the independent contractor to perform and complete the Contract on behalf of *NAS*;

AND WHEREAS, CMG Construction, Inc., with the concurrence of the project engineers, Interstate Engineering, Inc., has submitted for approval by the City of Miles City City Council Change Order No. 6, a copy of which is attached hereto as Exhibit "A" and made a part hereof;

AND WHEREAS, such change order will result in the alteration or modification of the specifications or plans of the Contract and will result in an increase in the contract price in the sum of \$34,075.53 and an increase in the contract time of 12 days;

AND WHEREAS, Pursuant to §7-5-4308 MCA, the change order and the change in contract price may be authorized only upon resolution of the City Council;

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

1. Change Order No. 6 to CMG Construction, Inc. upon the Contract, a copy of which is attached hereto as Exhibit "A" and made a part hereof, is hereby approved by this Council;
2. An increase in the Contract price by \$34,075.53 and an increase in the contract time by 12 days for the work performed pursuant to such change order is hereby approved by this Council;

3. The Mayor of the City of Miles City is hereby empowered and authorized to execute Change Order No. 6 on behalf of the City of Miles City and 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, AT A REGULAR MEETING OF THE CITY COUNCIL CONDUCTED THIS 11TH DAY OF DECEMBER, 2012.

C.A. Grenz, Mayor

ATTEST:

Rebecca Stanton, City Clerk

Change Order

No. 6

Date of Issuance: October 19, 2012

Effective Date: May 31, 2012

Project: City of Miles City Water System Improvements Phase 3	Owner: City of Miles City	Owner's Contract No.: S10-069
Contract: 20" Transmission Main Schedules I & II		Date of Contract: April 12, 2011
Contractor: NAS Surety Group		Engineer's Project No.: S10-069

The Contract Documents are modified as follows upon execution of this Change Order:

Description: Balancing Change order for additional and reduced quantities on the project per the attached Change Worksheet. Additional Springline costs for Bucking Horse Sale delay(\$39,026.61). Deduct for Asphalt repair at Dickinson And Cale and chip seal of Schedules I and II. (-\$12,500)

Attachments (list documents supporting change):

Change Order #6 Worksheet

CHANGE IN CONTRACT PRICE:

CHANGE IN CONTRACT TIMES:

Original Contract Price:

\$434,988.00

[Increase]-[Decrease] from previously approved Change Orders No. 1 to No. 5:

\$133,758.28

Contract Price prior to this Change Order:

\$568,746.28

[Increase] [Decrease] of this Change Order:

\$34,075.53

Contract Price incorporating this Change

\$602,821.81

Original Contract Times: Working Calendar days

Substantial completion (days or date): 60 days

Ready for final payment (days or date): 90 days

[Increase] [Decrease] from previously approved Change Orders No. 1 to No. 5:

Substantial completion (days): 38

Ready for final payment (days): 38

Contract Times prior to this Change Order:

Substantial completion (days or date): 98 days

Ready for final payment (days or date): 128 days

[Increase]-[Decrease] of this Change Order:

Substantial completion (days or date): 12

Ready for final payment (days or date): 12

Contract Times with all approved Change Orders:

Substantial completion (days or date): 110 days

Ready for final payment (days or date): 140 days

RECOMMENDED:

By: _____
Engineer (Authorized Signature)

Date: _____

Approved by Funding Agency (if applicable): _____

ACCEPTED:

By: _____
Owner (Authorized Signature)

Date: _____

ACCEPTED:

By: _____
Contractor (Authorized Signature)

Date: _____

Date: _____

RESOLUTION NO. 3574

A RESOLUTION APPROVING A SETTLEMENT AGREEMENT WITH AHANU CONSTRUCTION, INC., CMG CONSTRUCTION, INC., AND NORTH AMERICAN SPECIALTIES INSURANCE REGARDING DISPUTES AND CLAIMS ON THE CONTRACT FOR WATER SYSTEM IMPROVEMENTS FOR PHASE 3 WATER MAIN REPLACEMENT 20" TRANSMISSION MAIN DATED APRIL 12, 2011 AND THE CLAIM UPON THE BOND SECURING PERFORMANCE OF SUCH CONTRACT.

WHEREAS, on April 12, 2011, the City of Miles City and Ahanu Construction, Inc. ("*Ahanu*") entered into a contract for the construction of certain improvements for the City of Miles City municipal water system commonly referred to as "System Improvements for Phase 3 Water Main Replacement 20" Transmission Main" hereinafter "*the Contract*";

AND WHEREAS, by letter dated October 25, 2011, and signed on October 26, 2011 and delivered to the City of Miles City on October 26, 2011, Ahanu Construction, Inc. informed the City of Miles City, that it was irrevocably and voluntarily abandoning the Contract effective upon the City's receipt of such letter;

AND WHEREAS, North American Specialties Insurance ("*NAS*") is the surety on the performance bond for Ahanu Construction, Inc. under the Contract;

AND WHEREAS, due to Ahanu Construction, Inc.'s default in the performance of the Contract and its voluntary and irrevocable abandonment of the Contract, NAS undertook the performance and completion of the Contract and designated CMG Construction, Inc ("*CMG*"). of Billings, Montana as the independent contractor to perform and complete the Contract on behalf of NAS;

AND WHEREAS, Ahanu subsequently requested mediation of its disputes and claims with the City under the Contract, pursuant to the terms of the Contract;

AND WHEREAS, CMG has asserted certain claims with the City's project engineer for extra compensation and extra time upon the Contract;

AND WHEREAS, the City has asserted certain claims and penalties against Ahanu, CMG, and NAS under the terms of the Contract;

AND WHEREAS, Ahanu, CMG, NAS, the City, and the City's project engineer, have engaged in settlement discussions to resolve their mutual claims;

AND WHEREAS, Ahanu, CMG, and NAS are agreeable to the resolution of these claims pursuant to the terms of the General Waiver of Claims and Release attached hereto as Exhibit "A", and made a part hereof;

AND WHEREAS, the City's project engineer has recommended the City's acceptance of the terms and conditions of the General Waiver of Claims and Release attached hereto as Exhibit

“A”;

AND WHEREAS, the City Council of the City of Miles City has determined that acceptance of the terms and conditions of the settlement agreement attached hereto as Exhibit “A” is in the best interests of the City of Miles City and the customers of its water system;

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

1. The General Waiver of Claims and Release among Ahanu, CMG, NAS, and the City of Miles City, a copy of which is attached hereto as Exhibit “A” and made a part hereof, is hereby approved by this Council;
2. The Mayor of the City of Miles City is hereby empowered and authorized to execute such General Waiver of Claims and Release on behalf of the City of Miles City, bind the City of Miles City thereto, and carry out its terms and conditions..

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 OF THE CITY COUNCIL CONDUCTED THIS 11TH DAY OF DECEMBER, 2012.

C.A. Grenz, Mayor

ATTEST:

Rebecca Stanton, City Clerk

GENERAL WAIVER OF CLAIMS AND RELEASE

RELEASORS: Ahanu Construction, Inc. (Ahanu); North American Specialty Insurance Company (NAS); CMG Construction, Inc. (CMG); City of Miles City, Montana

RELEASEES: City of Miles City, Montana; I.E. Holding Company, Inc. & Subsidiaries (including Interstate Engineering Inc.) (Interstate); Ahanu; NAS; and CMG

DATE OF INCIDENT: April 2011 to present

DESCRIPTION OF INCIDENT: Water Line Project, Miles City (the Project) awarded to Ahanu by Notice of Award dated April 12, 2011

SUM OF SETTLEMENT: Miles City hereby waives claims for penalties and costs as described below against Ahanu, NAS, and CMG; Miles City further agrees to pay the total sum of \$173,714.31, to Ahanu, NAS, and CMG, which the parties agree is the remaining amount Miles City owes under the contract between Miles City and Ahanu, including Change Orders 1 through 6. Proceeds will be disbursed as follows: Miles City will issue a check to Ahanu, NAS, and CMG, as joint payees, in the amount of \$161,214.31, and will hold back \$12,500.00 for completion of corrective actions necessary to finalize the Water Line Project, including, but not limited to, chip sealing along the entire length of the project.

Ahanu, NAS, and CMG hereby waive and release claims against Releasees as described below.

Interstate will pay Releasors Ahanu, NAS, and CMG \$10 each, the adequacy of which is hereby acknowledged as consideration for Ahanu, NAS, and CMG's release of Interstate as described herein.

1. Waiver and Release -- Ahanu, NAS, and CMG

The undersigned Releasors Ahanu, NAS, and CMG acknowledge receipt of the above sum of money and in consideration for payment of such sum, and in consideration of Miles City's waiver and release set forth below, fully and forever release and discharge Releasees Miles City and Interstate, their heirs, personal representatives, successors, assigns, agents, partners, employees and attorneys from any and all actions, claims, causes of action, demands, or expenses **for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the described incident.**

2. Waiver and Release - Miles City

The undersigned Releasor Miles City in consideration of the mutual covenants contained herein, fully and forever release and discharge Releasees Ahanu, NAS, and CMG, their heirs,

personal representatives, successors, assigns, agents, partners, employees and attorneys from any and all actions, claims, causes of action, demands, or expenses for penalty damages and Miles City's out of pocket costs, including engineering and attorneys fees, and direct expenses of Miles City's work crews, arising out of the described incident. Miles City reserves all other claims, including all warranty claims.

3. Future Damages

Inasmuch as the injuries, damages, and losses resulting from the events described herein may not be fully known and may be more numerous or more serious than it is now understood or expected, the Releasors Ahanu, NAS, and CMG agree, as a further consideration of this agreement, that their Release applies to any and all injuries, damages and losses resulting from the incident described herein, even though now unanticipated, unexpected and unknown, as well as any and all injuries, damages and losses which have already developed and which are now known or anticipated.

4. Release of Insurers

Releasors Ahanu, NAS, and CMG further release 1) the Montana Municipal Interlocal Authority (MMIA), a risk retention pool, its members, and all of its excess coverage insurers and reinsurers; and 2) Evanston Insurance Company, insurer for Interstate, including any and all of its associated or affiliated companies, and all employees and agents of any of them, from all obligations under any part of the insurance policies applicable to Releasors Ahanu, NAS, and CMG's claims and from any and all claims arising out of the investigation, handling, adjusting, defense or settlement of the claims including, without limitation, any claims for breach of contract, in tort, violation of the covenant of good faith and fair dealing, violation of Montana Code Annotated §§ 33-18-201 et seq., and in common-law bad faith.

5. No Admission of Liability

It is understood that the above-mentioned sum and waiver of claims are accepted as the sole consideration for full satisfaction and accord to compromise a disputed claim, and that neither the payment of sums nor the negotiations for settlement shall be considered as an admission of liability.

6. No Additional Claims

Releasors Ahanu, NAS, and CMG represent that no additional claims are contemplated against any other party potentially liable for the losses, damages, and injuries for which this Release is given. In the event any additional claim is made which directly or indirectly results in additional liability exposure to Releasees for the losses, injuries, and damages for which this Release is given, Releasors Ahanu, NAS, and CMG covenant and agree to indemnify and save Releasees harmless from all such claims and demands, including reasonable attorneys' fees and all other expenses necessarily incurred.

7. Disclaimer

Releasors have carefully read the foregoing, discussed its legal effect with Releasors'

attorneys, understand the contents thereof, and signs the same of Releasors' own free will and accord. This Release shall be binding upon Releasors' heirs, successors, personal representatives and assigns.

8. Severability

Should any provision of this Agreement be determined to be unenforceable, all remaining terms and clauses shall remain in force and shall be fully severable.

9. Choice of Law

The laws of the State of Montana shall apply to the interpretation of this Agreement.

10. Final Agreement; Contingent Upon City Council Approval

This written Agreement constitutes the final agreement between the parties and shall supersede any oral agreements to the contrary. This agreement is contingent upon its approval by the City Council of the City of Miles City by appropriate resolution.

11. Choice of Law and Parol Evidence (alternate)

This Release constitutes the entire agreement between the parties and fully extinguishes and supersedes any and all prior oral agreements or agreements which are contrary to the foregoing. The laws of the State of Montana shall apply to the interpretation of this agreement.

CAUTION: READ BEFORE SIGNING!

DATED this ____ day of October, 2012.

Ahanu Construction, Inc.

By: _____
Its _____
RELEASOR

DATED this ____ day of October, 2012.

North American Specialty Insurance Company

By: _____
Its _____
RELEASOR

DATED this ____ day of October, 2012.

CMG Construction, Inc.

By: _____
Its _____
RELEASOR

DATED this ____ day of October, 2012.

City of Miles City, Montana _____

By: _____
Its _____ (office)
RELEASOR

DATED this ____ day of October, 2012.

I.E. Holding Company, Inc.

By: _____
Its _____ (office)
RELEASOR

STATE OF MONTANA)
 : ss
County of _____)

This instrument was acknowledged before me on the ____ day of October, 2012, by Releasor (Ahanu).

(printed name)
Notary Public, State of Montana
Residing at: _____
My commission expires: _____

STATE OF MONTANA)
 : ss
County of _____)

This instrument was acknowledged before me on the ____ day of October, 2012, by Releasor (NAS).

(printed name)
Notary Public, State of Montana

Residing at: _____

STATE OF MONTANA)
 : ss
County of _____)

This instrument was acknowledged before me on the _____ day of October, 2012, by Releasor (CMG).

(printed name)
Notary Public, State of Montana
Residing at: _____
My commission expires: _____

STATE OF MONTANA)
 : ss
County of _____)

This instrument was acknowledged before me on the _____ day of October, 2012, by Releasor (Miles City).

(printed name)
Notary Public, State of Montana
Residing at: _____
My commission expires: _____

STATE OF MONTANA)
 : ss
County of _____)

This instrument was acknowledged before me on the _____ day of October, 2012, by Releasor (Interstate).

(printed name)
Notary Public, State of Montana
Residing at: _____
My commission expires: _____

APPROVED BY:

Attorney for Ahanu Construction, Inc.

Attorney Name

Attorney for North American Specialty Insurance Company

Attorney Name

Attorney for CMG Construction, Inc.

Attorney Name

Attorney for City of Miles City, Montana

Attorney Name

Attorney for I.E. Holding Company, Inc.

Attorney Name

12/06/12
16:51:12

CITY OF MILES CITY
Claim Details
For the Accounting Period: 11/12

* ... Over spent expenditure

Claim Line #	Check	Invoice #/Inv Date/Description	Vendor #/Name/	Document Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
121819	72068S	1721	MID RIVERS TELEPHONE CORP	2,896.84					
1	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	337.10		16009	1000 6 410300	345	101000
4	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	288.21		15250	2850 105 420140	345	101000
5	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	122.24		16105	2985 15 450300	345	101004
9	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	34.77			1000 1 410200	345	101000
10	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	56.27			1000 3 410500	345	101000
11	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	19.52			1000 3 410500	347	101000
12	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	8.38			1000 4 411100	345	101000
13	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	316.85			1000 5 420140	345	101000
14	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	65.60			1000 5 420140	347	101000
15	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	285.97			1000 5 420160	345	101000
16	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	165.58			1000 7 420460	345	101000
17	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	42.36			1000 7 420460	347	101000
18	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	8.38			1000 9 410540	345	101000
19	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	41.74			1000 13 460433	345	101000
20	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	37.60			1000 13 460433	347	101000
21	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	37.32			1000 21 440600	345	101000
22	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	78.60			1000 36 411020	345	101000
23	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	23.65			2394 18 420531	345	101000
24	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	71.22			2510 107 430220	345	101000
25	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	36.54			2520 108 430220	345	101000
26	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	78.42			5210 22 430530	345	101000
27	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	45.60*			5210 22 430530	347	101000
28	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	40.70			5210 23 430550	345	101000
29	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	11.40			5210 23 430550	347	101000
30	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	50.88			5210 25 430510	345	101000
31	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	19.52			5210 25 430510	347	101000
32	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	50.86			5310 29 430610	345	101000
33	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	19.51			5310 29 430610	347	101000
34	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	40.69			5310 31 430630	345	101000
35	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	11.40			5310 31 430630	347	101000
36	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	35.72			5310 33 430640	345	101000
37	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	45.60			5310 33 430640	347	101000
38	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	113.17			5510 10 420730	345	101000
39	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	28.24			5510 10 420730	347	101000
40	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	35.72			6040 910 430220	345	101000
41	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	11.40			6040 910 430220	347	101000
42	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	105.77		15474	5610 87 430300	345	101000
43	121741	10/30/12	TELEPHONE/INTERNET/CABLE/LD	74.34		15474	5610 87 430300	347	101000

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121864	72065S	1970 MONTANA DAKOTA UTILITIES	472.84					
1	121864	11/13/12 GAS/ELECTRIC	436.65		15531	2220 16 460100	341	101000
2	121864	11/13/12 GAS/ELECTRIC	36.19		15531	2220 16 460100	344	101000
121865	72073S	394 BOSS INC	673.78					
1	121865	11/19/12 OFFICE SUPP/OP EXP	23.48*			1000 3 410500	210	101000
2	121865	11/19/12 OFFICE SUPP/OP EXP	23.48			5210 25 430510	210	101000
3	121865	11/19/12 OFFICE SUPP/OP EXP	23.48			5310 29 430610	210	101000
4	121865	11/19/12 OFFICE SUPP/OP EXP	392.75*			1000 1 410200	210	101000
5	121865	11/19/12 OFFICE SUPP/OP EXP	100.15*			1000 4 411100	210	101000
6	121865	11/19/12 OFFICE SUPP/OP EXP	88.45		15173	5510 10 420730	210	101000
7	121865	11/19/12 OFFICE SUPP/OP EXP	21.99		16012	1000 6 410300	210	101000
121866	72069S	999999 BITTERROOT PUBLIC LIBRARY	559.32					
1	121866	11/21/12 WORLD BOOK ON-LINE SUBSCRIPTIO	559.32		15542	2220 16 460100	382	101000
121867	72070S	999999 RYAN KETCHUM	184.76					
1	121867	11/23/12 TRAVEL	184.76			1000 5 420140	370	101000
121868	72071S	1970 MONTANA DAKOTA UTILITIES	29,273.70					
1	121868	11/23/12 ELECTRICITY/GAS	208.12		15187	1000 7 420460	341	101000
2	121868	11/23/12 ELECTRICITY/GAS	50.00		15187	1000 7 420460	344	101000
3	121868	11/23/12 ELECTRICITY/GAS	283.68			1000 8 411230	341	101000
4	121868	11/23/12 ELECTRICITY/GAS	217.29			1000 8 411230	344	101000
5	121868	11/23/12 ELECTRICITY/GAS	363.76			1000 13 460433	341	101000
6	121868	11/23/12 ELECTRICITY/GAS	228.28			1000 13 460433	344	101000
7	121868	11/23/12 ELECTRICITY/GAS	66.64			1000 14 460445	341	101000
8	121868	11/23/12 ELECTRICITY/GAS	20.16			1000 21 440600	341	101000
9	121868	11/23/12 ELECTRICITY/GAS	26.77			1000 21 440600	344	101000
10	121868	11/23/12 ELECTRICITY/GAS	368.16		15539	2220 16 460100	341	101000
11	121868	11/23/12 ELECTRICITY/GAS	131.51		15539	2220 16 460100	344	101000
12	121868	11/23/12 ELECTRICITY/GAS	9,676.03			2400 46 430263	341	101000
13	121868	11/23/12 ELECTRICITY/GAS	4,066.25			2400 46 430263	341	101000
14	121868	11/23/12 ELECTRICITY/GAS	1,768.34			2420 48 430263	341	101000
15	121868	11/23/12 ELECTRICITY/GAS	664.90			2420 48 430263	533	101000
16	121868	11/23/12 ELECTRICITY/GAS	125.30			2430 49 430263	341	101000
17	121868	11/23/12 ELECTRICITY/GAS	1,122.07			2440 50 430263	341	101000
18	121868	11/23/12 ELECTRICITY/GAS	267.86			2470 72 430263	341	101000
19	121868	11/23/12 ELECTRICITY/GAS	304.12			2470 72 430263	533	101000
20	121868	11/23/12 ELECTRICITY/GAS	58.67			2480 47 430263	341	101000
21	121868	11/23/12 ELECTRICITY/GAS	64.35			2510 107 430220	341	101000

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22	121868	11/23/12	ELECTRICITY/GAS	45.00			2510 107 430220	344	101000
23	121868	11/23/12	ELECTRICITY/GAS	6.46			2520 108 430220	341	101000
24	121868	11/23/12	ELECTRICITY/GAS	11.25			2520 108 430220	344	101000
25	121868	11/23/12	ELECTRICITY/GAS	3,150.58			5210 22 430530	341	101000
26	121868	11/23/12	ELECTRICITY/GAS	746.14			5210 22 430530	344	101000
27	121868	11/23/12	ELECTRICITY/GAS	16.15			5210 23 430550	341	101000
28	121868	11/23/12	ELECTRICITY/GAS	28.13			5210 23 430550	344	101000
29	121868	11/23/12	ELECTRICITY/GAS	16.15			5310 31 430630	341	101000
30	121868	11/23/12	ELECTRICITY/GAS	28.13			5310 31 430630	344	101000
31	121868	11/23/12	ELECTRICITY/GAS	794.03*			5310 23 430690	341	101000
32	121868	11/23/12	ELECTRICITY/GAS	18.58*			5310 23 430690	344	101000
33	121868	11/23/12	ELECTRICITY/GAS	3,670.45			5310 33 430640	341	101000
34	121868	11/23/12	ELECTRICITY/GAS	200.00		15187	5610 87 430300	341	101000
35	121868	11/23/12	ELECTRICITY/GAS	48.93		15187	5610 87 430300	344	101000
36	121868	11/23/12	ELECTRICITY/GAS	382.16		15187	6040 910 430220	341	101000
37	121868	11/23/12	ELECTRICITY/GAS	29.30		15187	6040 910 430220	344	101000
121869	72082S	2151 MORRISON & MAIERLE INC		540.00					
1	121869	11/30/12	MANAGED SERVICES	540.00		15254	2850 105 420140	350	101000
14339									
121870	72083S	999999 JOSEPH R. MCGESHICK		80.00					
1	121870	11/30/12	HISTORY OF ASSINI/SIOUX	80.00		15540	2220 16 460100	382	101000
11-15-12									
121871	72084S	50 A&A ELECTRIC CO		246.00					
1	121871	11/30/12	ELECTRICAL WORK-ANIMALSHELTER	246.00		15744	1000 21 440600	350	101140
4031									
121872	72085S	268 MILES CITY SANITATION INC.		43.00					
1	121872	11/30/12	GARBAGE SERVICES: PD	43.00		15745	1000 5 420140	346	101000
2B100723									
121873	72086S	1737 MC AREA SOLID WASTE DISTRICT		13.00					
1	121873	11/30/12	LANDFILL FEES	13.00		15747	1000 5 420140	220	101000
3476A									
121874	72087S	999999 ACS GOVERNMENT SYSTEMS INC		1,905.00					
1	121874	11/30/12	ANNUAL FIREHOUSE SUPPORT	1,905.00		15251	2850 105 420140	350	101000
840027									

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121875	72088S	999999 APCO INTERNATIONAL	368.00					
1	121875	11/30/12 MEMBERSHIPS	368.00		15252	1000 5 420160	334	101000
121876	72089S	3229 ROLLING RUBBER	1,160.95					
1	121876	11/30/12 FORD CROWN VIC14-1945A	355.95		15746	1000 5 420140	230	101000
35813								
2	121876	11/30/12 TIRES FOR 96 JEEP K-9 UNIT	805.00		15752	1000 5 420140	230	101000
37092								
121877	72090S	869 EAST MONT COMMUNICATIONS	357.00					
1	121877	11/30/12 (2) KENWOOD MOBILE MICS	198.00		15748	1000 5 420140	214	101000
26352								
2	121877	11/30/12 VAC TRUCK-JD MOWER	63.60		15851	2510 107 430220	230	101000
26338								
3	121877	11/30/12 VAC TRUCK-JD MOWER	15.90		15851	2520 108 430220	230	101000
4	121877	11/30/12 VAC TRUCK-JD MOWER	39.75		15851	5210 23 430550	230	101000
5	121877	11/30/12 VAC TRUCK-JD MOWER	39.75		15851	5310 31 430630	230	101000
121878	72091S	273 BALCO UNIFORM CO.	68.09					
1	121878	11/30/12 MENS TACTICAL LS TEE	68.09		15749	1000 5 420140	226	101000
31444-1								
121879	72092S	4012 HEATHER ROOS	60.00					
1	121879	11/30/12 CELL PHONE: OCT, NOV	60.00		15253	2850 105 420140	345	101000
151, 152								
121880	72093S	316 DATA IMAGING SYSTEMS, INC	1,267.61					
1	121880	11/30/12 SERV AGRMT, DATA BACKUP, MAINT	57.79			1000 3 410500	360	101000
24108								
2	121880	11/30/12 SERV AGRMT, DATA BACKUP, MAINT	21.67*			5210 25 430510	360	101000
3	121880	11/30/12 SERV AGRMT, DATA BACKUP, MAINT	21.67*			5310 29 430610	360	101000
4	121880	11/30/12 SERV AGRMT, DATA BACKUP, MAINT	12.84			1000 1 410200	360	101000
5	121880	11/30/12 SERV AGRMT, DATA BACKUP, MAINT	29.92			1000 36 411020	360	101000
6	121880	11/30/12 SERV AGRMT, DATA BACKUP, MAINT	8.60			5210 23 430550	360	101000
7	121880	11/30/12 SERV AGRMT, DATA BACKUP, MAINT	8.47			5310 31 430630	360	101000
8	121880	11/30/12 SERV AGRMT, DATA BACKUP, MAINT	12.33			2510 107 430220	360	101000
9	121880	11/30/12 SERV AGRMT, DATA BACKUP, MAINT	4.88			2520 108 430220	360	101000
10	121880	11/30/12 SERV AGRMT, DATA BACKUP, MAINT	14.45			1000 9 410540	360	101000
11	121880	11/30/12 SERV AGRMT, DATA BACKUP, MAINT	290.97			1000 3 410500	360	101000
23988								
12	121880	11/30/12 SERV AGRMT, DATA BACKUP, MAINT	109.13*			5210 25 430510	360	101000

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13	121880	11/30/12	SERV AGRMT, DATA BACKUP, MAINT	109.13*			5310 29 430610	360	101000
14	121880	11/30/12	SERV AGRMT, DATA BACKUP, MAINT	64.67			1000 1 410200	360	101000
15	121880	11/30/12	SERV AGRMT, DATA BACKUP, MAINT	150.68			1000 36 411020	360	101000
16	121880	11/30/12	SERV AGRMT, DATA BACKUP, MAINT	43.33			5210 23 430550	360	101000
17	121880	11/30/12	SERV AGRMT, DATA BACKUP, MAINT	42.68			5310 31 430630	360	101000
18	121880	11/30/12	SERV AGRMT, DATA BACKUP, MAINT	62.08			2510 107 430220	360	101000
19	121880	11/30/12	SERV AGRMT, DATA BACKUP, MAINT	24.57			2520 108 430220	360	101000
20	121880	11/30/12	SERV AGRMT, DATA BACKUP, MAINT	72.75			1000 9 410540	360	101000
21	121880	11/30/12	CITY SILO/BKP	35.00*			1000 3 410500	220	101000
22	121880	11/30/12	CITY SILO/BKP	35.00			5210 25 430510	220	101000
23	121880	11/30/12	CITY SILO/BKP	35.00			5310 29 430610	220	101000
121881	72094S	237	CPI COLLECTION PROFESSIONALS INC	300.65					
1	121881	11/30/12	WATER/SEWER COLLECTIONS	63.06			5210 25 430510	350	101000
2	121881	11/30/12	WATER/SEWER COLLECTIONS	63.06			5310 29 430610	350	101000
3	121881	11/30/12	AMBULANCE COLLECTIONS	174.53			5510 10 420730	350	101000
121882	72095S	4010	FELT, MARTIN, FRAZIER & WELDON,	1,356.25					
1	121882	11/30/12	WAGE GRIEV/LABOR/PW DIR HIRE ,005,004	1,356.25		12-002	1000 3 411101	350	101000
121883	72096S	2322	OLNESS & ASSOCIATES PC CPA'S	500.00					
1	121883	11/30/12	FINAL BILL ON 6/30/12 AUDIT 6560	500.00		12-002	1000 3 410500	350	101000
121884	72097S	999999	TISHA R GIERKE	12.00					
1	121884	11/30/12	POTENTIAL JUROR:11/5/12 TRIAL	12.00		16021	1000 6 410300	394	101000
121885	72098S	999999	AARON L EUSTICE	25.00					
1	121885	11/30/12	JUROR:11/5/12 TRIAL	25.00		16021	1000 6 410300	394	101000
121886	72099S	999999	JOSEPH THOMAS DONNELLY	25.00					
1	121886	11/30/12	JUROR: 11/5/12 TRIAL	25.00		16021	1000 6 410300	394	101000
121887	72100S	999999	JOANNE L. CLARK	12.00					
1	121887	11/30/12	POTENTIAL JUROR:11/5/12 TRIAL	12.00		16021	1000 6 410300	394	101000
121888	72101S	999999	ARLINDA KOSCHEL CARLSON	25.00					
1	121888	11/30/12	JUROR:11/5/12 TRIAL	25.00		16021	1000 6 410300	394	101000

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121889	72102S 999999	CHAI S CHAPMON		12.00					
1	121889	11/30/12 POTENTIAL JUROR:11/5/12 TRIAL		12.00		16021	1000 6 410300	394	101000
121890	72103S 999999	JAY C HARVEY		25.00					
1	121890	11/30/12 JUROR: 11/5/12 TRIAL		25.00		16021	1000 6 410300	394	101000
121891	72104S 999999	CHAD ALLAN HIRSCH		12.00					
1	121891	11/30/12 POTENTIAL JUROR:11/5/12 TRIAL		12.00		16021	1000 6 410300	394	101000
121892	72105S 999999	MALLORY D HUGHES		12.00					
1	121892	11/30/12 POTENTIAL JUROR:11/5/12 TRIAL		12.00		16021	1000 6 410300	394	101000
121893	72106S 999999	PRISCILLA J JACKSON		12.00					
1	121893	11/30/12 POTENTIAL JUROR:11/5/12 TRIAL		12.00		16021	1000 6 410300	394	101000
121894	72107S 999999	MICHELLE KELLEY-HERNANDEZ		12.00					
1	121894	11/30/12 POTENTIAL JUROR:11/5/12 TRIAL		12.00		16021	1000 6 410300	394	101000
121895	72108S 999999	TARA RAE STENSENG		25.00					
1	121895	11/30/12 JUROR: 11/5/12 TRIAL		25.00		16021	1000 6 410300	394	101000
121896	72109S 999999	KENNETH L THUERINGER		12.00					
1	121896	11/30/12 POTENTIAL JUROR:11/5/12 TRIAL		12.00		16021	1000 6 410300	394	101000
121897	72110S 999999	SHELBY ANN TOENNIS		25.00					
1	121897	11/30/12 JUROR: 11/5/12 TRIAL		25.00		16021	1000 6 410300	394	101000
121898	72111S 999999	ANN TRIBBY		12.00					
1	121898	11/30/12 POTENTIAL JUROR:11/5/12 TRIAL		12.00		16021	1000 6 410300	394	101000
121899	72112S 999999	CHARICE VIRAG		12.00					
1	121899	11/30/12 POTENTIAL JUROR:11/5/12 TRIAL		12.00		16021	1000 6 410300	394	101000
121900	72113S 999999	BETH WIEDEMAN		12.00					
1	121900	11/30/12 POTENTIAL JUROR:11/5/12 TRIAL		12.00		16021	1000 6 410300	394	101000
121901	72114S 999999	GAIL KREZELAK		13.98					
1	121901	11/30/12 REIMB:COOKIES, TRIAL OF 11/5/12		13.98		16034	1000 6 410300	210	101000

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121902	72115S	501 CHEM SEARCH		1,253.75					
1	121902	11/30/12 CITRATECH/ PUMP		1,253.75		15378	5310 32 430690	222	101000
		919606							
121903	72072S	1970 MONTANA DAKOTA UTILITIES		24.89					
1	121903	11/30/12 GAS/ELECTRIC		24.89		15378	5310 32 430690	341	101000
121904	72116S	3032 USA BLUE BOOK		75.06					
1	121904	11/30/12 SHIPPING: INV #779399		75.06		15375	5310 31 430630	369	101000
		779399							
121905	72117S	999999 E.H. WACHS		92.63					
1	121905	11/30/12 SWITCH:ELEC VALVE WRENCH		55.58		15372	5210 22 430530	230	101000
		INV079300							
2	121905	11/30/12 SWITCH:ELEC VALVE WRENCH		22.23		15372	5310 33 430640	230	101000
3	121905	11/30/12 SWITCH:ELEC VALVE WRENCH		14.82		15372	5310 32 430690	230	101000
121906	72074S	277 COMDATA		13,131.16					
1	121906	11/30/12 FUEL		242.41			5210 22 430530	231	101000
2	121906	11/30/12 FUEL		116.83			5210 80 430540	231	101000
3	121906	11/30/12 FUEL		262.84			5310 32 430690	231	101000
4	121906	11/30/12 FUEL		67.47			5310 33 430640	231	101000
5	121906	11/30/12 FUEL		682.32			1000 13 460433	231	101000
6	121906	11/30/12 FUEL		2,745.62			2510 107 430220	231	101000
7	121906	11/30/12 FUEL		686.41			2520 108 430220	231	101000
8	121906	11/30/12 FUEL		718.24			5210 23 430550	231	101000
9	121906	11/30/12 FUEL		695.91			5310 31 430630	231	101000
10	121906	11/30/12 FUEL		97.24			6040 910 430220	231	101000
11	121906	11/30/12 FUEL		494.71		15475	5610 87 430300	231	101000
12	121906	11/30/12 FUEL		492.24		15186	1000 7 420460	231	101000
13	121906	11/30/12 FUEL		2,416.52		15186	5510 10 420730	231	101000
14	121906	11/30/12 FUEL		3,307.57		15743	1000 5 420140	231	101000
15	121906	11/30/12 FUEL		104.83		15743	1000 21 440600	231	101000
121907	72118S	790 DPC INDUSTRIES		69.00					
1	121907	11/30/12 DEMURRAGE		24.00		15374	5310 33 430640	222	101000
		DE7200218-12							
2	121907	11/30/12 DEMURRAGE		45.00		15374	5210 80 430540	222	101000

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121908	72119S	1896 HAWKINS, INC	638.75					
1	121908	11/30/12 FLOURIDE 3405838	638.75		15373	5210 80 430540	222	101000
121909	72120S	2871 THATCHER CHEMICAL CO	4,685.31					
1	121909	11/30/12 LIQUID ALUM SULFATE 333863	4,685.31		15347	5210 80 430540	222	101000
121910	72121S	1120 GLADER ELECTRIC CO	1,349.23					
1	121910	11/30/12 AB 509 BOD STRTR;TEB BREAKER 68555,69406	833.81		15376	5310 32 430690	230	101000
2	121910	11/30/12 LIGHT FIXTURES-WIBAUX PARK 68549	257.78		15845	1000 13 460433	230	101000
3	121910	11/30/12 LIGHT FIXTURES-WIBAUX PK BLDG 69398	197.61		15867	1000 13 460433	350	101000
4	121910	11/30/12 CCG,CCD COVERS: PARK DEPT 69465	25.41		15867	1000 13 460433	230	101000
5	121910	11/30/12 250 WATT BULD 69468	34.62		15867	2440 50 430263	230	101000
121911	72075S	2830 STAR PRINTING & SUPPLY	1,120.93					
1	121911	11/30/12 OFFICE SUPP/OP EXP	169.96*			1000 3 410500	210	101000
2	121911	11/30/12 OFFICE SUPP/OP EXP	169.96			5210 25 430510	210	101000
3	121911	11/30/12 OFFICE SUPP/OP EXP	169.96			5310 29 430610	210	101000
4	121911	11/30/12 PRINTING	41.45		15541	2220 16 460100	320	101000
5	121911	11/30/12 OFFICE SUPP/OP EXP	13.59		15541	2220 16 460100	210	101000
6	121911	11/30/12 PRINTING	278.01*		15172	5510 10 420730	320	101000
7	121911	11/30/12 OP EXP	278.00		16107	2985 15 450330	220	101004
121912	72076S	1970 MONTANA DAKOTA UTILITIES	866.12					
1	121912	11/28/12 ELECTRIC/GAS	623.49		15479	5610 87 430300	341	101000
2	121912	11/28/12 ELECTRIC/GAS	242.63		15479	5610 87 430300	344	101000
121913	72077S	523 CITY SERVICE, INC.	36,868.62					
1	121913	11/30/12 FUEL TRUCK LEASE 930203	1,850.00*		15486	5610 87 430300	220	101000
2	121913	11/30/12 AVIATION FUEL 931622	34,944.99*		15486	5610 87 430300	237	101000
3	121913	11/30/12 TERMINAL MAINTENANCE/LATE CHAR 928762	57.63		15486	5610 87 430300	230	101000
4	121913	11/30/12 TERMINAL MAINTENANCE 926355	16.00*		15469	5610 87 430300	220	101000

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121921	72128S	3290 ZEE MEDICAL SERVICE COMPANY		165.20					
1	121921	11/30/12 MEDICAL KIT REFILL		165.20		15755	1000 5 420140	210	101000
		0161438506							
121922	72129S	2450 POSTMASTER (UTILITIES)		950.00					
1	121791	11/30/12 WATER/SEWER BILLS:POSTAGE		950.00			5210 25 430510	311	101000
121923	72130S	262 RIMROCK STAGES INC		32.85					
1	121923	11/30/12 SAMPLE SENT TO BILLINGS		32.85		153803	5310 33 430640	352	101000
		1112							
121924	72131S	2914 TOURISM BUSINESS IMPROVEMENT		5,082.00					
1	121813	11/30/12 TOURISM BUS IMP DISTRICT		5,082.00			7370 212500		101000
121925	72132S	902 ENERGY LABORATORIES INC		713.00					
1	121925	11/30/12 LAB TESTING		536.00		15377	5210 80 430540	352	101000
		321151040,321151056							
2	121925	11/30/12 LAB TESTING		177.00		15377	5310 33 430640	352	101000
		321151635,321151736							
121926	72133S	721 DALES CLEANING SERVICE		875.00					
1	121815	11/30/12 CLEANING SERVICES: LIBRARY		325.00		15528	2220 16 460100	360	101000
2	121815	11/30/12 CLEANING SERVICES: CITY HALL		550.00		15840	1000 8 411230	360	101000
121927	72134S	1047 MARILYNN FORMAN		350.00					
1	121927	11/30/12 PD CLEANING: NOV		350.00		15753	1000 5 420140	350	101000
121928	72135S	1986 JACKS BODY SHOP		253.00					
1	121928	11/30/12 VEHICLE TOW		253.00		15754	1000 5 420140	220	101000
		4069, 4070							
121929	72136S	999999 BETTY VAIL		150.75					
1	121929	11/30/12 TRAVEL REIMB		150.75			2985 15 450330	370	101004
121930	72137S	800 DOEDEN CONSTRUCTION		80.50					
1	121930	11/30/12 SAND		80.50*		15483	5610 87 430300	220	101000
		62621							

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121931	72138S	291 ECOLAB PEST ELIMINATION DIVISION...		56.60					
1	121931	11/30/12 PEST CONTROL		56.60		15482	5610 87 430300	230	101000
		8494203,628941							
121932	72139S	1661 DOROTHY MEIDINGER		150.00					
1	121932	11/30/12 COMMISSION MIN: SEPT/OCT		150.00		15480	5610 87 430300	350	101000
121933	72140S	1037 FLOWMARK CO		328.08					
1	121933	11/30/12 FUEL FILTERS		276.52		15477	5610 87 430300	230	101000
		1061392							
2	121933	11/30/12 S & H		48.20		15477	5610 87 430300	311	101000
		1061291,1392							
3	121933	11/30/12 FIN CHG		3.36		15477	5610 87 430300	230	101000
		1886							
121934	72141S	639 CUSTER CO HEALTH DEPT		84.00					
1	121934	11/30/12 HEP B SHOT: MCFR		84.00		16201	1000 7 420460	350	101000
		J103112012							
121935	72142S	1330 HOLY ROSARY HEALTH CENTER		621.14					
1	121935	11/30/12 MED EQUIP/SUPP		621.14		15197	5510 10 420730	222	101000
121936	72143S	999999 PAUL CONWAY		141.58					
1	121936	11/30/12 HELMET SHIELDS		141.58		15196	1000 7 420460	226	101000
		0315204							
121937	72144S	2560 REGAN PLUMBING & HEATING		194.69					
1	121937	11/30/12 DECK GUN SUPPLIES		97.36		15198	1000 7 420460	230	101000
		21340332,40367							
2	121937	11/30/12 CITY HALL		88.38		15844	1000 8 411230	220	101000
		213-40310							
3	121937	11/30/12 PARKS		8.95		15844	1000 13 460433	230	101000
		213-40414							
121938	72145S	1527 LN CURTIS & SONS		2,689.19					
1	121938	11/30/12 STRUCTURE GEAR		1,776.54		15195	1000 7 420460	226	101000
		3126576							
2	121938	11/30/12 SAFETY CONES		770.61		15195	2701 7 420466	214	101000
		3127333,3127333-01							
3	121938	11/30/12 HYD FLOW TST GUAGE		142.04		15195	1000 7 420460	214	101000
		3128069							

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121939	72146S	333 NORCO INC	291.38					
1	121939	11/30/12 STRUCTURE HELMET 10501992	291.38		15194	1000 7 420460	226	101000
121940	72147S	999999 DUO SAFETY LADDER CORPORATION	155.03					
1	121940	11/30/12 LADDER REPAIR KTI 439818	155.03		15193	1000 7 420460	220	101000
121941	72148S	1571 MACS FRONTIERLAND	79.95					
1	121941	11/30/12 A-24 LUBE & OIL 139104	79.95		15191	5510 10 420730	231	101000
121942	72149S	999999 MILES CITY SOUP KITCHEN	129.34					
1	121942	11/30/12 OPERATING SUPPLIES/EXP 4330465	129.34		16112	2985 15 450330	220	101000
121943	72150S	369 HEALTH-E-WEB	69.00					
1	121943	11/30/12 MEDICARE BILLING	69.00		15190	5510 10 420730	220	101000
121944	72151S	975 FIREMANS FUND	1,845.00					
1	121944	11/30/12 CLOTHING ALLOTMENT	1,845.00		15189	1000 7 420460	211	101000
121945	72152S	2632 RZ WELDING	20.00					
1	121945	11/30/12 WELD LADDER 15093	20.00		15200	1000 7 420460	230	101000
121946	72153S	4011 BIG SKY LINEN	69.86					
1	121946	11/30/12 FLOOR MATS - P DEPT 68343	16.06		15750	1000 5 420140	360	101000
2	121946	11/30/12 RUGS - CITY HALL 68351	33.18		15856	1000 8 411230	220	101000
3	121946	11/30/12 RUGS - SHOP 68352	20.62		15856	6040 910 430220	220	101000
121947	72154S	1050 FRANKS BODY SHOP	241.50					
1	121947	11/30/12 TOWING FEES 41034	241.50		40313,	1000 5 420140	220	101000

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121948	72155S	394	BOSS INC	1,958.14					
1	121948	11/30/12	OFFICE SUPP/OP EXP	49.63*			1000 3 410500	210	101000
272818, 273576									
2	121948	11/30/12	OFFICE SUPP/OP EXP	49.63			5210 25 430510	210	101000
3	121948	11/30/12	OFFICE SUPP/OP EXP	49.62			5310 29 430610	210	101000
4	121948	11/30/12	OFFICE SUPP/OP EXP	392.75*			1000 1 410200	210	101000
266333, 265940									
5	121948	11/30/12	OFFICE SUPP/OP EXP	84.88		155905	1000 36 411020	210	101000
272483									
6	121948	11/30/12	OFFICE SUPP/OP EXP	152.69		15199	5510 10 420730	210	101000
273516									
7	121948	11/30/12	OFFICE SUPP/OP EXP	229.94		15199	5510 10 420730	214	101000
270365									
8	121948	11/30/12	OFFICE SUPP/OP EXP	949.00		15199	5510 10 420730	352	101000
269863									
121949	72079S	2831	MILES CITY STAR ADVERTISING	1,150.35					
1	121949	11/30/12	LEGAL NOTICES	126.67*			1000 3 410500	210	101000
85870,868.1,86829,87883									
2	121949	11/30/12	LEGAL NOTICES	126.67			5210 25 430510	210	101000
3	121949	11/30/12	LEGAL NOTICES	126.66			5310 29 430610	210	101000
4	121949	11/30/12	LEGAL NOTICES	76.00		15904	1000 36 411020	331	101000
86627									
5	121949	11/30/12	LEGAL NOTICES	694.35*		15843	1000 201 431200	331	101000
85252,87242,87832,88162,77417,85574,86617,86832,77687									
121950	72080S	1010	STOCKMAN BANK	120.16					
1	121950	11/30/12	KYLE SERVER	60.08			5210 25 430510	810	101000
2	121950	11/30/12	KYLE SERVER	60.08			5310 29 430610	810	101000
121951	72156S	1721	MID RIVERS TELEPHONE CORP	72.25					
1	121951	11/30/12	WIRELESS ROUTER AMB	72.25		15188	5510 10 420730	214	101000
274391									
121952	72081S	999999	DICK ANDERSON CONSTRUCTION INC.	125,074.41					
1	121952	11/30/12	PAY APP#1; HAYNES AVE LIFT	125,074.41		15650	5310 32 430690	940	102280
OCT 12/NOV 12									

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121954	72157S	771 DEPT OF REVENUE	20.84					
1	121954	11/30/12 1911 tank demo Final Pmt	20.84		15649	5210 23 430550	959	101000
121955	72158S	999999 PITTSBURG TANK & TOWER	2,062.97					
1	121955	11/30/12 FINAL PMT:1911 TANK DEMO	2,062.97		15648	5210 23 430550	959	101000
121956	72159S	771 DEPT OF REVENUE	1,263.38					
1	121956	11/30/12 PAY EST #1	1,263.38			5310 32 430690	940	102280
121957	72160S	292 NAXIN SAFETY	112.64					
1	121957	11/30/12 FIRST AID	112.64		15855	1000 8 411230	220	101000
		2356						
121958	72161S	800 DOEDEN CONSTRUCTION	1,250.10					
1	121958	11/30/12 FLOWFILL:MAIN & SREVELL	1,250.10		43865,	5210 23 430550	360	101000
		43867,43903						
121959	72162S	3039 UTILITIES UNDERGROUND LOCATION	207.64					
1	121959	11/30/12 LOCATES	103.82		15644	5210 23 430550	360	101000
		2105072						
2	121959	11/30/12 LOCATES	103.82		15644	5310 31 430630	360	101000
		2105072						
121960	72163S	2270 NORTHWEST PIPE INC	578.37					
1	121960	11/30/12 REPAIR CLAMPS/ANTI-SEIZE COMPO	578.37		15645	5210 23 430550	230	101000
		143030-1, CM122307						
121961	72164S	499 CHECKERS INC	92.00					
1	121961	11/30/12 RANDOM DRUG	46.00		15647	5210 23 430550	350	101000
		26851						
2	121961	11/30/12 RANDOM DRUG	46.00		15647	5310 31 430630	350	101000
		26851						
121962	72165S	278 TITAN MACHINERY	468.92					
1	121962	11/30/12 #26 MOWER BLADES	375.14		14658	2510 107 430220	363	101000
		1C13769, 1C13683						
2	121962	11/30/12 #26 MOWER BLADES	93.78		14658	2520 108 430220	363	101000

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121963	72166S	1921 Montana Municipal Interlocal		3,750.00					
1	121963	11/30/12 DED RECOVERY: DENNIS GREEN 1012012		3,750.00		15643	5310 31 430630	513	101000
121964	72167S	3286 WPCI		24.00					
1	121964	11/30/12 DRUG TEST SC88816		12.00		15646	5210 23 430550	350	101000
2	121964	11/30/12 DRUG TEST SC88816		12.00		15646	5310 31 430630	350	101000
121965	72168S	1182 DOWL HKM INC.		2,582.50					
1	121965	11/30/12 STREVELL WATERLINE/ST REP 7 & 8		1,516.70		15862	5210 23 430550	958	101000
2	121965	11/30/12 STREVELL WATERLINE/ST REP 7 & 8		854.55		15862	2510 107 430233	350	101000
3	121965	11/30/12 STREVELL WATERLINE/ST REP 7 & 8		211.25*		15862	2510 107 430235	350	101000
121966	72169S	286 STANLEY CHIROPRACTIC OFFICE		195.00					
1	121966	11/30/12 CDL PHYSICAL 54730		52.00		15847	2510 107 430220	220	101000
2	121966	11/30/12 CDL PHYSICAL 54730		13.00		15847	2520 108 430220	220	101000
3	121966	11/30/12 CDL PHYSICAL 10393		65.00		15847	6040 910 430220	220	101000
4	121966	11/30/12 CDL PHYSICAL 112573		65.00		15847	6040 910 430220	220	101000
121967	72170S	355 BROWNS CUSTOM CONCRETE		5,000.00					
1	121967	11/30/12 1603 PALMER, 1519 PALMER 201234, 201233		5,000.00*		15848	2510 107 430235	350	101000
121968	72171S	408 BRENNTAG PACIFIC, INC.		5,267.38					
1	121968	11/30/12 ICE MELT BPI252462		4,213.90		15849	2510 107 430220	230	101000
2	121968	11/30/12 ICE MELT BPI252462		1,053.48		15849	2520 108 430220	230	101000

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121969	72172S	2221	NEWMAN TRAFFIC SIGNS	1,755.27					
1	121969	11/30/12	BLK FILM,SHEETINGS,XFER TAPE	1,404.27		15850	2510 107 430220	242	101000
			TI0255592						
2	121969	11/30/12	BLK FILM,SHEETINGS,XFER TAPE	351.00		15850	2520 108 430220	242	101000
121970	72173S	1890	DEPT HEALTH & HUMAN SERV	200.00					
1	121970	11/30/12	2013 LIC FEE:WIBAUX POOL	200.00		15852	1000 13 460433	334	101000
121971	72174S	999999	ASSOCIATION OF STATE FLOODPLAIN	110.00					
1	121971	11/30/12	RENEWAL FEE	110.00		15857	1000 201 431200	334	101000
121972	72175S	999999	SCOTT ASK	42.50					
1	121971	11/30/12	REIMB FOR CDL	42.50		15858	6040 910 430220	220	101000
121973	72176S	999999	DALE GIBSON	50.00					
1	121973	11/30/12	REIMB CDL	50.00		15859	6040 910 430220	220	101000
121974	72177S	910	EVERGREEN LANDSCAPING	363.00					
1	121974	11/30/12	R & M SUPPLIES	363.00		15861	1000 13 460433	230	101000
			849						
121975	72178S	999999	SCOTT GRAY	84.24					
1	121975	11/30/12	CELL PHONE REIMB	67.39		15863	2510 107 430220	345	101000
2	121975	11/30/12	CELL PHONE REIMB	16.85		15863	2520 108 430220	345	101000
121976	72179S	999999	TINA SCHMIDT	89.99					
1	121976	11/30/12	STTEL BOOTS REIMB	71.99		15864	2510 107 430220	226	101000
2	121976	11/30/12	STTEL BOOTS REIMB	18.00		15864	2520 108 430220	226	101000
121977	72180S	1286	DENNIS HIRSCH	333.60					
1	121977	11/30/12	NOV BUILDING PERMITS	333.60		15865	2394 18 420531	350	101000
121978	72181S	396	MT DEPT OF LABOR & INDUSTRY	70.00					
1	121978	11/30/12	ELEVATOR PERMIT	70.00		15866	1000 8 411230	220	101000
121979	72182S	3291	BIG SKY CARWASH	38.07					
1	121979	11/30/12	POLICE DEPT CARWASH	38.07		15756	1000 5 420140	220	101000

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121980	72183S	288 MILES CITY AREA CHAMBER OF		59.63					
1	121980	11/30/12 OPEN HOUSE INVITE BULK MAILING		59.63		16113	2985 15 450330	311	101004
121981	72184S	870 EAST MAIN ANIMAL CLINIC		247.00					
1	121981	11/30/12 VET SERVICES		247.00		15757	1000 21 440600	350	101000
		11/30/2012							
121982	72185S	4001 CRITELLI COURIERS, INC.		204.00					
1	121982	11/30/12 TRANSPORT BOOKS CONTRACT		204.00		15544	2880 39 460100	311	101000
		18362							
121983	72186S	394 BOSS INC		668.00					
1	121983	11/30/12 SHELIVING		668.00*		15846	2394 18 420531	210	101000
		0271559							
				Total:					
				290,668.16					
				290,668.16					

12/06/12
16:51:13

CITY OF MILES CITY
Fund Summary for Claims
For the Accounting Period: 11/12

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Report ID: AP110

Fund/Account	Amount
1000 GENERAL	
101000 Cash - Operating	\$23,805.27
101140 Cash Rev'd-Nefsy/Others- AC	\$246.00
2220 LIBRARY	
101000 Cash - Operating	\$1,991.87
2270 Health	
101000 Cash - Operating	\$2,666.66
2394 BUILDING CODE ENFORCEMENT	
101000 Cash - Operating	\$1,025.25
2400 LTG M D#165-(Gen City)	
101000 Cash - Operating	\$13,742.28
2420 LTG M D#167-(MilesAddn Etc)	
101000 Cash - Operating	\$2,433.24
2430 LTG M D#171-(Balsam Est)	
101000 Cash - Operating	\$125.30
2440 LTG M D#172-(Main Str)	
101000 Cash - Operating	\$1,156.69
2450 LTG M D#195-(SG-Trico)	
101000 Cash - Operating	\$401.84
2470 LTG M D#202-(SG-MDU&NV)	
101000 Cash - Operating	\$571.98
2480 LTG M M#173-(Milestown Estates)	
101000 Cash - Operating	\$58.67
2510 STR MAINT DIST #204	
101000 Cash - Operating	\$15,530.33
2520 STR MAINT DIST #205	
101000 Cash - Operating	\$2,386.03
2701 Fire Grants	
101000 Cash - Operating	\$770.61
2850 911 EMERGENCY	
101000 Cash - Operating	\$2,840.78
2880 LIBRARY GRANTS	
101000 Cash - Operating	\$204.00
2985 RETIRED SENIOR VOLUNTEER PROG (RSVP)	
101000 Cash - Operating	\$129.34
101004 RSVP Non-Federal Cash Operating	\$610.62
5210 WATER UTILITY	
101000 Cash - Operating	\$18,620.38
5310 SEWER UTILITY	
101000 Cash - Operating	\$12,980.70
102280 WWtr Treatment Plant-Phase I	\$126,337.79
5510 AMBULANCE FUND	
101000 Cash - Operating	\$5,367.84
5610 AIRPORT OPERATING	
101000 Cash - Operating	\$39,300.67
6040 PUBLIC WORKS	
101000 Cash - Operating	\$841.59
7370 TBID	
101000 Cash - Operating	\$5,082.00
7980 CUSTER CO WATER & SEWER DISTRICT	
101000 Cash - Operating	\$11,440.43

Total: \$290,668.16

December 7, 2012

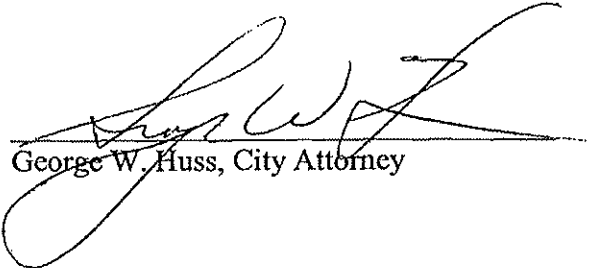
Honorable Mayor and City Council,

As you are aware, I was elected District Judge for the 16th Judicial District on November 6, 2012. State law prohibits a District Judge from practicing law.

My term of office as District Judge commences on January 7, 2013. Therefore, as required by law, I hereby tender my resignation from the position of City Attorney for the City of Miles City, effective at midnight on January 6, 2013.

I have provided legal services to the City of Miles City for the past four administrations, including the two separated administrations of current Mayor Grenz, and have enjoyed representing the City and working with each Mayor and all the City Council members over that period.

I have especially enjoyed working with the department heads and other City employees over the years. You are fortunate to have such professional and hard working managers and employees serving the public.



George W. Huss, City Attorney

