

# Town of West Yellowstone

Tuesday, April 23, 2024

West Yellowstone Town Hall, 440 Yellowstone Avenue

The Town Council work session/meeting will be conducted in person and virtually using ZOOM, connect at zoom.us or through the Zoom Cloud Meetings mobile app.

Meeting ID: 893 834 1297.

## WORK SESSION

6:00 PM

Capital Improvement Plan FY 2025

Discussion

## TOWN COUNCIL MEETING

7:00 PM

Pledge of Allegiance

Comment Period

- Public Comment
- Council Comments

Treasurer's & Securities Reports

Purchase Orders #6624 to Door Guys, LLC – replace door at library \$6840.00

#6634 to Rocky Mountain Electric Inc., 77 light poles - \$451,341.84

Claims

Business License Applications

Consent Agenda

Minutes: **April 9, 2024 Town Council Meeting**

Town Manager & Staff Reports

Advisory Board Reports

**Presentation: GIS Map and Zoning Update, Scott Hazelton of Hyalite Engineers**

<https://hyalite.maps.arcgis.com/apps/instant/basic/index.html?appid=e97bd790e1ff46578ef941025027689c>

### NEW BUSINESS

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Gallatin Conservation District Urban Supervisors Re-Appointments

Discussion/Action

Town Engineer Selection

Discussion/Action

Town Manager Employment Contract

Discussion/Action

Marketing and Promotions Fund Award Recommendation, Wild Bill Days, \$40,000

Discussion/Action

Yellowstone Half Marathon, Outside Amplification Permit

Discussion/Action

Resolution No. 800, Sewer System Revenue Bonds Resolution

Discussion/Action

Correspondence/FYI/Meeting Reminder

*The Town Council Packet and associated documentation is available online at  
[www.townofwestyellowstone.com](http://www.townofwestyellowstone.com).*



**Policy No. 16 (Abbreviated)**  
**Policy on Public Hearings and Conduct at Public Meetings**

Public Hearing/Public Meeting

A public hearing is a formal opportunity for citizens to give their views to the Town Council for consideration in its decision-making process on a specific issue. At a minimum, a public hearing shall provide for submission of both oral and written testimony for and against the action or matter at issue.

Oral Communication

It is the Council's goal that citizens resolve their complaints for service or regarding employees' performance at the staff level. However, it is recognized that citizens may from time to time believe it is necessary to speak to Town Council on matters of concern. Accordingly, Town Council expects any citizen to speak in a civil manner, with due respect for the decorum of the meeting, and with due respect for all persons attending.

- No member of the public shall be heard until recognized by the presiding officer.
- Public comments related to non-agenda items will only be heard during the Public Comment portion of the meeting unless the issue is a Public Hearing. Public comments specifically related to an agenda item will be heard immediately prior to the Council taking up the item for deliberation.
- Speakers must state their name for the record.
- Any citizen requesting to speak shall limit him or herself to matters of fact regarding the issue of concern.
- Comments should be limited to three (3) minutes unless prior approval by the presiding officer.
- If a representative is elected to speak for a group, the presiding officer may approve an increased time allotment.
- If a response from the Council or Board is requested by the speaker and cannot be made verbally at the Council or Board meeting, the speaker's concerns should be addressed in writing within two weeks.
- Personal attacks made publicly toward any citizen, council member, or town employees are not allowed. Citizens are encouraged to bring their complaints regarding employee performance through the supervisory chain of command. Any member of the public interrupting Town Council proceedings, approaching the dais without permission, otherwise creating a disturbance, or failing to abide by these rules of procedure in addressing Town Council, shall be deemed to have disrupted a public meeting and, at the direction of the presiding officer, shall be removed from the meeting room by Police Department personnel or other agent designated by Town Council or Town Manager.

General Town Council Meeting Information

- Regular Town Council meetings are held at 7:00 PM on the first and third Tuesdays of each month at the West Yellowstone Town Hall, 440 Yellowstone Avenue, West Yellowstone, Montana.
- Presently, informal Town Council work sessions are held prior to regular Tuesday meetings and occasionally on other mornings and evenings. Work sessions also take place at the Town Hall located at 440 Yellowstone Avenue.
- The schedule for Town Council meetings and work sessions is detailed on an agenda. The agenda is a list of business items to be considered at a meeting. Copies of agendas are available at the entrance to the meeting room.
- Agendas are published at least 48 hours prior to Town Council meetings and work sessions. Agendas are posted at the Town Offices and at the Post Office. In addition, agendas and packets are available online at the Town's website: [www.townofwestyellowstone.com](http://www.townofwestyellowstone.com). Questions about the agenda may be directed to the Town Clerk at (406) 646-7795 or [eroos@townofwestyellowstone.com](mailto:eroos@townofwestyellowstone.com).
- Official minutes of Town Council meetings are prepared and kept by the Town Clerk and are reviewed and approved by the Town Council. Copies of approved minutes are available at the Town Clerk's office or on the Town's website: [www.townofwestyellowstone.com](http://www.townofwestyellowstone.com).



# Capital Improvement Plan FY 2025

Purchase Date	Project Name	Total Project Cost	Accounting
<b>Public Works</b>			
FY25	Seal coat treatment Old Town	\$30,000	2820-430200-367
FY25	Traffic marking: stop bars/crosswalks/parking restriped	\$35,000	2820-430200-367
FY25	Madison Add. Pump Installation Project to include backup pumps	\$38,204	5310-430630-941
FY25	Lighting in front of Town Hall	\$25,000	
FY25	Loader Mount	\$210,000	1000-430200-369
FY25	Fire Hydrant replacement in Mad. Add (x2)	\$12,000	5210-430500-940
FY25	Asphalt sidewalk on N Electric St (pkwy D to Madison Apts)	\$100,000	2820-430262-365
FY25	Hwy 20 Street Lighting Project	\$796,159	4000-430263-937
FY25	Iris Lift Station: Replace Exhaust Fan, Add HS Monitor	\$10,000	
FY25	Hydro Excavate: Tree Pits	\$20,000	
FY25	Replace Trees on Canyon Street	\$63,000	1000-430200-221
FY25	New Railroad Well Building Repairs	\$100,000	5210-430530-937
FY25	Museum Roof	\$625,624	4000-460460-920
FY25	Police Station Roof	\$95,380	1000-411258-920
FY25	Sewer Line Repair Parkway A&B damaged sections	\$50,000	5310-430630-937
FY25	Remodel of Chief office at Police Station	\$100,000	1000-411258-920
FY25	Sewer and water line installation behind DeLacy & Tennis Court	\$84,000	5210-430550-930/5310-430630-937
FY25	Restroom w/ drinking fountain at Tennis Courts	\$100,000	4000-460430-920
FY25	Mammoth Room upgrade Task #11 (design for \$21,000)	\$500,000	4000-460460-920
FY25	Mechanical Wastewater Treatment Plant	\$38,552,244	5320-430640-951
FY25	Electric Park basketball court overlay asphalt	\$32,000	
FY25	Leased dump trucks (2)	\$210,000	
FY25	Chamber spot asphalt repairs & restriping	\$15,000	
<b>Police/Dispatch</b>			
FY25	Police Vehicle	\$70,000	4000-420110-944
FY25	New Phone System	\$130,000	2850-420750-948
FY25	New server for dispatch	\$18,000	2850-420750-948

P.O. BOX 1570

TOWN OF WEST YELLOWSTONE  
MONTANA

PHONE: 406-646-7795

FAX: 406-646-7511

info@townofwestyellowstone.com

PURCHASE ORDER

2220-411259-920  
~~2220-411259-920~~ KT

Date

Ship Via

Order No. 006624

Department Library

TO: Door Guys LLC

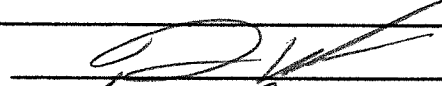
ADDRESS: P.O. Box 25 Clyde Park, MT 59018

PLEASE FURNISH THE TOWN OF WEST YELLOWSTONE WITH:

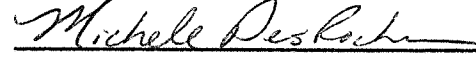
Quantity	Description
	Replace handicap door wave buttons w/ push buttons. Removed old low energy operators and installed new 1201 operators w/ new ms sedlo activation.

Estimated Cost \$ 6,840.00

Authorized By



Requested By:



VENDOR COPY - White OFFICE COPY - Canary

Door Guys LLC  
PO Box 25  
Clyde Park, MT 59018 US  
406-579-7623  
www.doorguysmt.com

# Invoice



BILL TO  
Director Michele DesRochers  
West Yellowstone Public Library  
23 Dunraven St  
PO box 370  
West Yellowstone, MT 59758  
USA

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
1117	03/28/2024	\$6,840.00	03/28/2024	Due on receipt	

**CUSTOMER PO#**

Per Michele D

	QTY	RATE	AMOUNT
<b>Quoted Job</b>	1	6,840.00	6,840.00

Thank you for your business! We accept payments via ACH, credit cards, and checks.

**BALANCE DUE**

**\$6,840.00**

We appreciate your business and look forward to helping you again soon!

400100-2220-411259 -

MD



P.O. BOX 25, CLYDE PARK, MT 59018

CALL FOR SERVICE  
406-579-7623  
406-600-8925  
www.doorguysmt.com

ADM  
Certified

WORK ORDER # 1117

NAME West Yellowstone Public Library

STREET 23 Dunraven St.

CITY, STATE ZIP West Yellowstone, MT 59758

POC, TELEPHONE # 406-646-9017

OFFICE USE ONLY - KIND OF SERVICE

CONTRACT  CHARGE  PM  WARRANTY

SERVICE REQUEST INFORMATION

DATE 3-27-24 TIME \_\_\_\_\_ PHONE NUMBER 646-9017

BY Michele D. CUSTOMER WORK ORDER # \_\_\_\_\_

CUSTOMER DESCRIPTION OF PROBLEM:  
Library Entrance needs new Operators

EQUIPMENT SERVICED

SAFETY CHECKLIST

DOOR #	ACTIVATION ZONE		ANSI SIGNAGE	SAFETY DEVICES	THRESHOLD	GLASS	DESCRIPTION OF UNIT UPON ARRIVAL		
	INTERIOR	EXTERIOR					In Service	Out of Service	Runs Improperly
<del>_____</del>							Main Entrance Auto (Low Energy) need new operators		

DOOR #	DOOR LOCATION	SERIAL NUMBER INSTALLED	MANUFACT.	PART NUMBER	QTY	PART DESCRIPTION	AMOUNT
					2	Tormax 1201	
					4	MS Sedco Activation	

SAFETY SURVEY

LABOR SUMMARY

TOTAL PARTS

<p>1. Review daily safety check for customer? <input type="checkbox"/> N/A <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>2. Equipment check out OK? <input type="checkbox"/> N/A <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3. Does the equipment require additional repair or service? If so: a. Have corrective recommendations been made? <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> b. Has customer authorized repair work? <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p> <p>4. Has equipment been serviced by other than DOOR GUYS authorized service representatives? <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>5. Does the equipment meet the current ANSI Standards? If so: a. Have corrective recommendations been made? <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> b. Has customer authorized repair work? <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/></p>	<p>Travel time to job: _____ /Hrs # Miles: _____</p> <p>Travel time from job: _____ /Hrs # Miles: _____</p> <p>Time on job: _____ /Hrs Total time: _____</p> <p>Time in: _____ Time out: _____</p> <p>Service and charges explained to customer: Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p><u>Quoted JOB</u></p>	<p>TOTAL LABOR</p> <p>INVOICE TOTAL <u>6846.00</u></p>
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DESCRIPTION OF WORK PERFORMED

Removed old Low Energy Operators & wave buttons  
Installed new 1201 operators w/ new ms sedco activation.

SERVICE CALL IS COMPLETED: YES  NO  IF NO, DOOR PART NUMBER/DESCRIPTION REQUIRED FOR COMPLETION: \_\_\_\_\_

SERVICEMAN SIGNATURE	DATE	CUSTOMER ACKNOWLEDGEMENT	
<u>Jeanette</u>	<u>3-28-24</u>	<u>x Per Michele</u>	<u>x Des Rochers</u>
		PRINT FULL NAME	SIGNATURE
			DATE

Factory Authorized Sales and Service



White Copy-invoice, Yellow Copy-file, Pink Copy-client

P.O. BOX 1570

**TOWN OF WEST YELLOWSTONE  
MONTANA**

PHONE: 406-646-7795  
FAX: 406-646-7511

info@townofwestyellowstone.com

PURCHASE ORDER

4000-430203-937 *KT*

Date *04.18.2024*

Ship Via

Order No. *006634*

Department *Public Works*

TO: *Rocky Mountain Electric Inc.*

ADDRESS: *101098 N 25<sup>th</sup> E. Idaho Falls, ID 83401*

PLEASE FURNISH THE TOWN OF WEST YELLOWSTONE WITH:

Quantity	Description
0.77	Light poles: This is part of the Hwy. 20 Street Lighting project on our FY2024 CIP list. This project went through the sealed bid process and Rocky Mountain Electric was awarded the bid. Town Council approved recommendation on 8.22.23.

Estimated Cost \$ *425,341.84*

Authorized By



Requested By:

VENDOR COPY - White OFFICE COPY - Canary

4000-430263-937

J5

# INVOICE

Rocky Mountain Electric, Inc.  
6698 N 25th E  
Idaho Falls, ID 83401

rmeidanet@gmail.com  
+1 (208) 589-6826  
ELE-C-18230 PWC 14992-B-4

## TOWN OF WEST YELLOWSTONE

Bill to  
TOWN OF WEST YELLOWSTONE  
440 YELLOWSTONE AVE  
WEST YELLOWSTONE, MT 59758

### Invoice details

Invoice no.: 2024-042  
Terms: Net 30  
Invoice date: 04/15/2024  
Due date: 05/01/2024

Sales Rep: LEE  
P.O. Number: US 20 LIGHTING PROJECT

#	Product or service	Description	Qty	Rate	Amount
1.	NOTE	LIGHT POLES	0.77	\$552,392.00	\$425,341.84

**Total \$425,341.84**

### Ways to pay

BANK



For dates posted from 04/10/24 to 04/19/24, FSB - Operating account  
\* ... Over spent expenditure

Claim	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
51034		2116 DEQ/WWOC	70.00					
	04/16/24	2AExam retest Fee Moldenhauer	70.00		WATER	5210 430500	380	101000
51035		2264 MORNING GLORY COFFEE & TEA	33.75					
	350544 04/08/24	Coffee	33.75		POLICE	1000 420230	220	101000
51036		3393 Katie Thompson	141.23					
	04/17/24	Meeting Supplies	135.26		LEGIS	1000 410100	220	101000
	04/17/24	Office supplies/scan	5.97		LEGIS	1000 410100	220	101000
51039	E	2964 CITI CARDS	569.20					
	03/05/24	Wild West Pizza	117.01		LEGIS	1000 410100	220	101000
	03/07/24	Extra ounce Stamps	24.00		FINADM	1000 410510	311	101000
	03/08/24	Supplies	20.96*		ADMIN	1000 410210	220	101000
	03/08/24	Supplies	154.75		STREET	1000 430200	220	101000
	03/12/24	supplies	7.99		LEGIS	1000 410100	220	101000
	03/14/24	Phone supplis	6.99		STREET	1000 430200	220	101000
	04/03/24	MT Language Services	237.50		COURT	1000 410360	350	101000
51045	E	2673 First Bankcard	964.93					
	03/11/24	Helpfund Supplies	14.97		HELP	7010 450135	220	101000
	03/11/24	Supplies	52.09		FINADM	1000 410510	220	101000
	03/11/24	Supplies	45.99		SOCSER	1000 450135	220	101000
	03/11/24	Help Supplies	18.00		HELP	7010 450135	220	101000
	03/11/24	Supplies	12.99		SOCSER	1000 450135	220	101000
	03/13/24	Help Fund Supplies	24.00		HELP	7010 450135	220	101000
	03/14/24	Toner	322.69		SOCSER	1000 450135	220	101000
	03/14/24	Supplies	22.63		SOCSER	1000 450135	220	101000
	03/18/24	Bus Voucher	161.00		HELP	7010 450135	370	101000
	03/21/24	Help Fund Supplies	9.17		HELP	7010 450135	220	101000
	03/22/24	Sm Item of Equip	166.14		SOCSER	1000 450135	212	101000
	03/27/24	Supplies	24.29		SOCSER	1000 450135	220	101000
	03/27/24	Help fund Supplies	90.97		HELP	7010 450135	212	101000
51046	E	2673 First Bankcard	2,698.73					
	03/04/24	Books	12.99		LIBRY	2220 460100	215	101000
	03/05/24	Supplies	19.98		LIBRY	2220 460100	220	101000
	03/06/24	MS365	69.99		LIBRY	2220 460100	355	101000
	03/06/24	Supplies	57.86		LIBRY	2220 460100	220	101000
	03/06/24	Books	206.83		LIBRY	2220 460100	215	101000
	03/07/24	Conference Registration	271.00		LIBRY	2220 460100	380	101000
	03/07/24	Conference Registration	278.00		LIBRY	2220 460100	380	101000
	03/08/24	Books	137.59		LIBRY	2220 460100	215	101000
	03/08/24	Supplies	17.99		LIBRY	2220 460100	220	101000

For dates posted from 04/10/24 to 04/19/24, FSB - Operating account  
\* ... Over spent expenditure

Claim	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
	03/08/24	Books	193.97		LIBRY	2220 460100	215	101000
	03/08/24	Supplies	45.92		LIBRY	2220 460100	220	101000
	03/11/24	Books	185.86		LIBRY	2220 460100	215	101000
	03/12/24	Copier	48.02		LIBRY	2220 460100	398	101000
	03/13/24	Travel Hotel	136.00		LIBRY	2220 460100	370	101000
	03/15/24	Subscription	14.99		LIBRY	2220 460100	398	101000
	03/11/24	Supplies	31.32		LIBRY	2220 460100	220	101000
	03/18/24	Books	26.70		LIBRY	2220 460100	215	101000
	03/19/24	Books	10.49		LIBRY	2220 460100	215	101000
	03/24/24	Supplies	92.00		LIBRY	2220 460100	220	101000
	03/23/24	Website&Marketing	323.88		LIBRY	2220 460100	355	101000
	03/25/24	Books	381.77		LIBRY	2220 460100	215	101000
	03/25/24	Supplies	16.98		LIBRY	2220 460100	220	101000
	03/28/24	Supplies	12.99		LIBRY	2220 460100	220	101000
	03/28/24	Books	88.63		LIBRY	2220 460100	215	101000
	03/29/24	Books	9.99		LIBRY	2220 460100	215	101000
	04/01/24	Books	6.99		LIBRY	2220 460100	215	101000
51054	E	2673 First Bankcard	1,321.78					
	03/06/24	Sm Item of equipment	49.99		POLICE	1000 420100	212	101000
	03/07/24	Sm Item of equipment	198.83		POLICE	1000 420100	212	101000
	03/07/24	Sm Item of equipment	237.60		POLICE	1000 420100	212	101000
	03/07/24	Supplies	220.32		POLICE	1000 420100	220	101000
	03/14/24	Vehicle Repairs	300.00*		POLICE	1000 430200	361	101000
	03/24/27	Travel Stoneburner	315.04		POLICE	1000 420100	370	101000
51056		3400 Julie Brown	2,070.00					
	041824	04/18/24 Cleaning Town Office	1,100.00*		TWNHLL	1000 411250	357	101000
	041824	04/18/24 Cleaning TrailheadBuilding	120.00		TRLHD	1000 411256	350	101000
	041824	04/18/24 Cleaning Library	225.00*		LIBRY	1000 411259	357	101000
	041824	04/18/24 Cleaning Dispatch w/laundry	325.00*		DSPTCH	1000 411258	398	101000
	041824	04/18/24 Cleaning Povah	225.00		POVAH	1000 411255	350	101000
	041824	04/18/24 Public Works Shop	75.00		PARKS	1000 411253	357	101000
51059		2558 Hebgen Basin Fire District	55,849.00					
	04/01/24	April 2024	48,294.00		FIRE	1000 420400	357	101000
	04/01/24	September 2023	7,555.00		FIRE	1000 420400	140	101000
51060	E	2673 First Bankcard	8,548.23					
	03/04/24	Sewer Supplies	626.00		SEWERN	5310 430600	220	101000
	03/04/24	Repairs	158.79*		STREET	1000 430200	361	101000
	03/04/24	Supplies	412.27*		PARKS	1000 460430	220	101000
	03/04/24	Supplies	28.59*		PARKS	1000 460430	220	101000
	03/06/24	Apple	5.99		ADMIN	1000 410210	335	101000
	03/09/24	Apple	0.99		ADMIN	1000 410210	335	101000

04/19/24  
15:37:31

TOWN OF WEST YELLOWSTONE  
Claim Approval List  
For the Accounting Period: 4/24

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Report ID: AP100

For dates posted from 04/10/24 to 04/19/24, FSB - Operating account  
\* ... Over spent expenditure

Claim	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
	03/12/24	EquipmentREpairs	619.31		STREET	1000 430200	369	101000
	03/13/24	Apple	5.99		ADMIN	1000 410210	335	101000
	03/13/24	Adobe	19.99		ADMIN	1000 410210	335	101000
	03/14/24	Repair Supplies	344.10		STREET	1000 430200	220	101000
	03/20/24	Apple	5.99		ADMIN	1000 410210	335	101000
	03/19/24	T-Mobile	137.50		ADMIN	1000 410210	345	101000
	03/22/24	Travel for Water Conf Brown	176.34		WATER	5210 430500	370	101000
	03/22/24	Travel for Water Conf Brown	176.34		SEWER	5310 430600	370	101000
	03/22/24	Travel for Water Conf Russell	176.34		WATER	5210 430500	370	101000
	03/22/24	Travel for Water Conf Russell	176.34		SEWER	5310 430600	370	101000
	03/22/24	Travel for Water ConfMoldenhau	176.34		WATER	5210 430500	370	101000
	03/22/24	Travel for Water ConfMoldenhau	176.34		SEWER	5310 430600	370	101000
	03/22/24	Travel for Water Conf Simms	176.34		WATER	5210 430500	370	101000
	03/22/24	Travel for Water Conf Simms	176.34		SEWER	5310 430600	370	101000
	03/27/24	Apple	5.99		ADMIN	1000 410210	335	101000
	03/28/24	Supplies	67.78		STREET	1000 430200	220	101000
	03/28/24	VehicleRepairs	1,117.54*		STREET	1000 430200	361	101000
	03/29/24	BuildingSupplies	336.68*		BULDNG	1000 420531	220	101000
	03/29/24	Park supplies	94.96*		PARKS	1000 460430	220	101000
	04/01/24	Vehicle Repairs	711.48*		STREET	1000 430200	361	101000
	04/01/24	Vehicle Repairs	2,437.57*		STREET	1000 430200	361	101000
51061	E	2673 First Bankcard	4,242.36					
	03/06/24	Switchbacktravel	373.36		SOCSER	1000 450135	370	101000
	03/20/24	Peak Software	3,830.00*		SUMREC	1000 460449	355	101000
	03/22/24	Overlimitfee	39.00*		FINADM	1000 410510	630	101000
51062		2952 DIS Technologies	6,550.00					
	13707 04/05/24	Monthly IT	740.00		IT	1000 420160	398	101000
	13748 04/11/24	NetmotionAnnual renewal	1,500.00*		DSPTCH	1000 420160	216	101000
	13750 04/12/24	NVRSwitchCameraSystemUpdate	4,310.00		911	2850 420750	948	101000
51063	E	2673 First Bankcard	675.18					
	03/07/24	DispatchComputerSupplies	314.00*		DSPTCH	1000 420160	216	101000
	03/12/24	Dispatch Supplies	9.73		DSPTCH	1000 420160	220	101000
	03/20/24	NENA 911 Assoc.	147.00		DSPTCH	1000 420160	335	101000
	03/28/24	Dispatch Supplies	42.67		DSPTCH	1000 420160	220	101000
	04/01/24	Dispatch Supplies	161.78		DSPTCH	1000 420160	220	101000
51065		2 Forsgren Associates P.A.	2,755.00					
	124113 03/25/24	MoonriseMeadowEnSupport	940.00		PLNNG	1000 411000	357	101000
	124120 03/25/24	Roofing Task	1,815.00		PLNNG	1000 411000	357	101000

04/19/24  
15:37:31

TOWN OF WEST YELLOWSTONE  
Claim Approval List  
For the Accounting Period: 4/24

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Report ID: AP100

For dates posted from 04/10/24 to 04/19/24, FSB - Operating account  
\* ... Over spent expenditure

Claim	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
51089		3458 Billings Clinic, Attn: HSA-CY2023 03/15/24 HealthcareServices#8-Risks	200,000.00 200,000.00		RISKSH	1000 510370	859	101000
51091		3461 Door Guys LLC 1117 03/28/24 Door repairs on the Library	6,840.00 6,840.00		LIBRY	1000 411259	920	101000
51112		999999 SHELLEY THEIMER 04/17/24 RefundforTaeKwandoClasses	320.00 320.00		REC	1000 346050		101000
51113		3221 Rocky Mountain Electric 2024-042 05/15/24 LightPolesFY24CIPlist	425,341.84 425,341.84		CIP	4000 430263	937	101000
51114		2586 Waxie Sanitary Supply 82410065 04/18/24 JanitorialSuppliesSumStock	4,859.78 4,859.78*		PARKS	1000 460430	220	101000
51115		3365 Joe Johnson Equipment P01721 04/12/24 Equipment repairs	2,701.22 2,701.22		STREET	1000 430200	369	101000
51116		2800 RDO Equipment Co. P7362716 04/16/24 Equipment Repairs W1642716 04/11/24 Equipment Repairs W1643116 04/11/24 Equipment Repairs	6,310.15 767.96 2,422.36 3,119.83		STREET STREET STREET	1000 430200 1000 430200 1000 430200	369 369 369	101000 101000 101000
51117		3463 Oscar Salinas 04/18/24 Uniform	200.00 200.00*		SEWER	5310 430600	226	101000
51118		1331 West Yellowstone Foundation 031824 03/15/24 Bus Vouchers 031424-1 03/14/24 Bus Vouchers 031424-2 03/14/24 Bus Vouchers	30.00 10.00 10.00 10.00		HELP HELP HELP	7010 450135 7010 450135 7010 450135	370 370 370	101000 101000 101000
51119		999999 LUKE LADIN VOSS 04/09/24 Exonerated Bond Voss	200.00 200.00		COURT	7469 212401		101000
51120		135 Food Roundup 03/29/24 Dispatch Supplies	11.76 11.76		DSPTCH	1000 420160	220	101000
51121		3314 Intrinsik Architecture 20240134 04/09/24 Zoning permits, code review	3,820.32 3,820.32		PLNNG	1000 411000	354	101000

04/19/24  
15:37:31

TOWN OF WEST YELLOWSTONE  
Claim Approval List  
For the Accounting Period: 4/24

Page: 5 of 7  
Report ID: AP100

For dates posted from 04/10/24 to 04/19/24, FSB - Operating account  
\* ... Over spent expenditure

Claim	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
51122		1249 Montana Department of 04/15/24 AFR Report Filing Fee FY22/23	1,700.00 1,700.00		AUDIT	1000 410530	353	101000
51123		2822 ClearBlu Business Services 2345 02/12/24 HydroJet DispatchBuldng 2435 04/18/24 Manhole cleaning	1,575.00 1,125.00* 450.00		POLICE SEWER	1000 411258 5310 430630	398 369	101000 101000
51124		2537 Balco Uniform Co., Inc. 78900 04/15/24 Uniform Hat Griffel 78984 04/15/24 Cuffs Courtis	78.90 31.90 47.00		POLICE POLICE	1000 420100 1000 420100	226 226	101000 101000
51125		3462 Midnight Auto 4 04/16/24 Equipment Repairs	1,983.22 1,983.22		STREET	1000 430200	369	101000
51126		3192 Floyd's Truck Center 401188078 02/21/24 Equipment Repairs	526.74 526.74		STREET	1000 430200	369	101000
51127		3447 Onsite Auto Services & Sales 11129 04/16/24 Equipment Repairs 11146 04/16/24 Equipment Repairs 11145 04/16/24 Equipment Repairs	1,150.00 650.00 150.00 350.00		STREET STREET STREET	1000 430200 1000 430200 1000 430200	369 369 369	101000 101000 101000
51128		3437 T-Mobile 993459434- 03/30/24 Connected Device	1.70 1.70		ADMIN	1000 410210	335	101000
51129		3464 Griffin Plumbing and Heating LLC 46 04/13/24 Boiler repairs	225.00 225.00		POVAH	1000 411255	350	101000
51130		3241 Bridger Analytical Lab 2404229 04/11/24 Water Testing Fee	300.00 300.00		WATER	5210 430500	348	101000
51131		3262 Stone's Town & Country Motors, 198867 03/31/24 Vehicle Repairs	740.95 740.95*		STREET	1000 430200	361	101000
51132		3261 Targhee Services 111523 11/15/23 PD Vehicle Repair 112623 11/26/23 PD Vehicle Repair 112623-2 11/26/23 PD Vehicle Repair 32824 03/28/24 PD Vehicle Repair 41624 04/16/24 PD Vehicle Repair	5,679.65 608.40* 143.15* 4,771.15* 27.00* 129.95*		STREET STREET STREET STREET STREET	1000 430200 1000 430200 1000 430200 1000 430200 1000 430200	361 361 361 361 361	101000 101000 101000 101000 101000

04/19/24  
15:37:31

TOWN OF WEST YELLOWSTONE  
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Page: 6 of 7  
Report ID: AP100

For dates posted from 04/10/24 to 04/19/24, FSB - Operating account  
\* ... Over spent expenditure

Claim	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
51133		3315 IAS EnviroChem	1,390.00					
	2401847	04/18/24 Sewer Testing Fees	1,390.00*		SEWER	5310 430600	348	101000
		# of Claims	38	Total:				752,475.62
		Total Electronic Claims	19,020.41	Total Non-Electronic Claims				733455.21



**Town of West Yellowstone**  
**Town Council Meeting**  
**April 9, 2024**

TOWN COUNCIL MEMBERS PRESENT: Mayor Travis Watt, Jeff Mathews, Lisa Griffith, Jeff McBirnie, Brian Benike

OTHERS PRESENT: Town Attorney Jane Mersen by Zoom, Town Manager Dan Walker, Town Clerk Liz Roos, Finance Director Katie Thompson, Public Services Superintendent Jon Simms, Deputy Superintendent KC Tanner, Deputy Superintendent Jon Brown

The meeting is called to order by Mayor Travis Watt at 5:00 PM in the Town Hall, 440 Yellowstone Avenue, West Yellowstone, Montana.

The meeting is being broadcast over the internet using a program called Zoom.

### **WORK SESSION**

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Mayor Watt calls the work session order. The purpose of the meeting is to receive presentations from the four engineering firms that responded to the Town's Request for Qualifications for Engineering Services. The first presentation is from Thomas Dean & Hoskins (TD&H). Kyle Scarr and Matt McGee address the Council. TD&H currently serves as engineers for the Town of Manhattan and Livingston. Scarr highlights the experience of their firm including large utility projects, project funding, downtown beautification, development review. He also describes projects they have done for subdivisions and in both Yellowstone National Park and the National Forest. He emphasizes timeliness, avoidance of working for third party developers in communities they act as the Town Engineer, and commitment to the community they serve. Scarr explains that they are selective about the Towns they work with. They have a fair amount of experience in West Yellowstone in the private sector, their main office is in Bozeman but they do a lot of work in Big Sky. They also have an office in Helena, which is very close to Montana DEQ and other state offices. He provides references for the City of Bozeman, Livingston and Manhattan. He also emphasizes their experience with federal, state and county agencies. Scarr also comments on their qualifications to help the Town develop the 80 acres. Mathews asks about their grant writing experience. Griffith asks about TD&H's relationship with their attorney and how they would approach lowering the speed limit around the school. McBirnie asks which phase of the school were they involved with, Scarr responds that they worked on the new addition. Walker asks about their approach to grant applications and Scarr responds that they are experienced and do their best to be efficient, knowing that taxpayer money is limited.

WGM Group is a Montana based firm with offices in Missoula, Bozeman and Kalispell. Mace Mangold, Principal in charge, addresses the Council and describes a multi-disciplinary approach. Shane Strong introduces himself as the representative engineer. Originally from Georgia, he has been in Montana for almost ten years and has over 20 years experience in municipal infrastructure design, expertise in construction oversight and contract administration. He also highlights his funding knowledge, recent work with the Gallatin Canyon County Water & Sewer District, public and private project experience, and has 50% availability to devote to the Town of West Yellowstone. Mangold has 20 years of experience in planning, designing, permitting, and construction of public and private infrastructure projects. He highlights funding success and focusing on not the focus. Danae Giannetti, design engineer and transportation lead introduces herself and describes her ten years of multi-modal transportation planning, analysis and design experience. She emphasizes human centered design and prides themselves on creating solutions. Mangold also describes Dylan Pipinich, a land planner with expertise in planning and engineering, former Planning Director of Butte-Silver Bow and skilled in construction project management. Giannetti describes their proactive approach and describes some projects they have completed including a project corridor, grant success, and ideas they have for West Yellowstone. The Council asks the WGM Group multiple questions. WGM inquires about the plans for the 80 acres. The Council and Walker responds that they are working on the zoning code update, the sewer plant, and working with community housing groups. The group briefly discusses funding strategies for future development.

Hyalite Engineering of Bozeman address the Council. The firm was started in 2002 and they provide civil and structural engineering, they are a fairly small firm and specialize in personal



contact with their clients. James Connolly introduces himself as the main point of contact, a licensed engineer with a PhD with 15 years experience. Sarah is a project manager and specializes in stormwater. Scott Hazelton is a certified planner with experience on municipal, county and private projects. He is currently working on the update to the Town's zoning code. Connolly explains that the firm has connections in North Dakota, particularly in response to the oil boom, and highlights some projects completed in that state in efficient manner. He also discusses work they have done for Yellowstone Holiday Marina on Hebgen Lake. The team addresses projects they have worked on in Bozeman, contract planning for the Town of Manhattan. Connolly addresses their firm's ability to provide the services the Town is seeking, citing over 20 years of work experience, especially on smaller projects. He also addresses avoidance, ensuring that they would not work on projects for private developers in West Yellowstone if they work for the Town. He lists references and comments that they are in the West Yellowstone area at least monthly already. He also mentions that they have a good relationship with county and state agencies. The Council asks questions about grant writing experience and additional staff for their firm. Hazelton explains that he is going to attend law school this fall at the University of Oregon but intends to work remotely. Walker asks about working as an on-call engineer. Connolly explains that they do provide on-call engineering for several communities.

Dave Noel, Camille Miller, and Kevin Harris of Forsgren Associates, Inc. address the Council. Forsgren is the current Town Engineers, based in Rexburg, ID. Noel emphasizes that West Yellowstone is one of their most important clients and they are committed to serving the Town. Noel highlights Forsgren's history with West Yellowstone, going back to the late 1970s. In 2019, they were hired as the Town's engineers. Noel summarizes the projects they have accomplished since 2019 including project design, water well #4, covid-19 testing plan, rate studies and SFE calculator, casting pond design, Highway 20 light pole replacement, discharge permit renewal, environmental assessment for the wastewater treatment plant. Noel addresses communications with Montana DEQ, and working on grants with Finance Director Katie Thompson. Noel emphasizes their advanced knowledge of the Town's infrastructure, needs, and goals. Camille Miller addresses the Council to address current concerns for the Town including development of the 80 acres for multi-family housing and storm water/snow storage and safeguarding the Town's water supply. Miller describes a strategic water supply approach that should be started immediately to prepare to drill a new well. Kevin Harris addresses the Council and emphasizes that they can provide all the services the Town needs from engineering, plan reviews, project design services, and environmental services. Harris tells the Council that they keep their word and save the Town money wherever they can. Griffith asks what could Forsgren have done better over the past five years. Noel admits that he should have taken a stronger role in describing some of the processes they need to work through for the wastewater treatment plant. Griffith clarifies that the wastewater treatment plant will be adequate to serve the 80 acres? Noel assures her that it will be adequate for the 80 acres.

Town Manager Dan Walker explains that they have developed a scoring sheet to rank the applicants. He asks the decision makers to complete their sheet and return it to him by this Friday. The Council will select a firm at the next Town Council meeting on April 23.

The work session is adjourned at 7:03 PM, the regular meeting will convene at 7:15 PM.

### **Public Comment**

Mike Mease, co-founder for the Buffalo Field Campaign, addresses the Council. Mease explains that the time of the year has come for the buffalo to move out of Yellowstone. He explains that last year, they worked with the Montana DOT to dig out tunnels in their migration patterns. He explains that this year, the grass is only showing alongside the highway, which creates a hazard for the buffalo and motorists. He displays a large pink sign as an example of what they use to warn motorists and asks for assistance from the community to want everyone.

### **Council Comments**

Griffith requests that they put the Fir Ridge Cemetery on the agenda for discussion. She expresses concerns about the purchase of additional land to expand the cemetery, the rates in Resolution No. 740, and the sale of plots to individuals who have no connection to this area.

### **ACTION TAKEN**

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- 1) Motion carried to approve Purchase Order #6615 to Tri-State Excavating for snow removal assistance in February 2024 for \$7,884.37. (McBirnle, Mathews)
- 2) Motion carried to approve the claims, which total \$122,642.60. (Mathews, McBirnle)  
See next motion.
- 3) Secondary motion carried to amend the motion to exclude claim #51091 and approve claims total of \$115,802.60. (Mathews, McBirnle)
- 4) Motion carried to approve the minutes from the March 19, 2024 Town Council Meeting. (McBirnle, Benike) Griffith is opposed.
- 5) Motion carried to approve the updated Personnel Policy Manual, effective April 9, 2024. (McBirnle, Benike)
- 6) Motion carried to approve the site plan for 3 Yellowstone Avenue and authorize the purchase of three parking spaces. (Mathews, Benike)
- 7) Motion carried to accept the update and approve the risk share annual payment of \$200,000. (McBirnle, Benike)
- 8) Motion carried to deny the invoice from Hebgen Basin Fire District for clearing of fire hydrants for \$3003.75. (McBirnle, Benike) Griffith is opposed, motion passes.
- 9) Motion carried to approve Resolution No. 799, a resolution to reduce the number of members of the Parks & Recreation Advisory Board from 9 members to 7 members. (Benike, McBirnle)
- 10) Motion carried to offer Town Manager Dan Walker a new contract with a counter offer as follows: 4 year contract, \$160,000 annual salary, 3 % annual cost of living adjustment, 7 % annual 457b contribution, maximum vacation time accrual rate, annual review with potential merit increases, 2-month severance package, effective date of April 28, 2024, annual review at the beginning of the calendar year, vacation accrual adjustment to maximum level effective his anniversary date, and to direct JM to draft and negotiate the contract accordingly. (McBirnle, Benike) Griffith is opposed, motion passes.

### **DISCUSSION**

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- 2) McBirnle inquires about being over budget for cleaning services. Thompson says that they have had some additional cleaning needs, especially at the Police Department. The Council also asks if a purchase order was submitted for the claim to install a new handicap accessible door at the Library.
- 5) Town Manager Dan Walker reports that they have worked through the Employee Personnel Policy Manual and it has been reviewed by legal counsel and the employees have had two weeks to review it. He adds that the Safety Policy and Drug and Alcohol policies have been revised and they received drafts this week. These policies will be included in the manual as Appendixes.

- 6) Deputy Superintendent of Public Services KC Tanner addresses the Council and describes the proposed project, submitted by Cole Parker, for 3 Yellowstone Avenue. Tanner explains that a new building will be built to include three nightly rental units and storage. Griffith makes a secondary motion to approve site plan and omit any reference to purchasing any parking spaces. Motion dies for lack of a second.
- 7) Town Manager Dan Walker introduces Amanda Hannah of Billings Clinic to present the annual report for the operation of the clinic for 2023 and request the \$200,000 risk share payment from the Town. Hannah thanks the Council, explains that the exoeruebcd ab operating loss off \$332,000 in 2023. She explains that they are happy that their loss was less than expected and are excited that they have been able to hire two providers that are living here in the community. Pursuant to item #8 in the operating agreement, she requests the payment of \$200,000.
- 8) Town Manager Dan Walker explains that the Town received an invoice from the Hebgen Basin Fire District for clearing fire hydrants. He explains that they do appreciate any assistance from the District, but pursuant to the interlocal agreement, the District agreed to assist the Town with clearing the hydrants. Griffith questions whether the agreement is clear about the responsibility for clearing the hydrants and asks Town Attorney if the language in the agreement should be revised. Mersen states she does not believe it needs to be revised. The Council discusses the invoice. McBirnie says that he is confident that for the last twelve years, the District has never billed the Town for the service. Watt says that he thinks it is inappropriate for the District to bill the Town for a service that has always been provided in cooperation. Kyle Goltz, Chair for the Board, says that the District attempted to discuss this last year but got no response. Goltz says that the District obtained a piece of equipment that makes it easier to clear around the hydrants but that does not mean they are responsible. Jon Brown, Deputy Superintendent, states that the Town completely maintains the hydrants. Mathews says that he believes this is a communication issue, but it is inappropriate to bill the Town for this service. Griffith makes a secondary motion to table the issue until Fire Chief Shane Grube can be present at the meeting, motion dies for lack of a second. Grube joins the meeting towards the end of the discussion, he is late because he was responding to a motor vehicle accident. Fire Chief Shane Grube says that the Town pays other contractors to assist with snow removal but when it is another government agency, it is denied. He disagrees with this and believes the Town should approve the invoice.
- 10) Griffith makes a motion to table the Town Manager Employment Contract until no earlier than the Town Council takes action on the union employment contracts. Motion dies for lack of a second. Mayor Watt asks Walker if he would like to adjourn into executive session. Walker says that he believes his right to privacy exceeds the public's right to know and would like to adjourn into executive session. Griffith argues that she believes the public has the right to know what his salary demands are and all the documents that have been sent to the Town attorney and Town Council. Mayor Watt makes the determination to close the meeting to the public. The Council adjourns into executive session.

The Council reconvenes into open session at 10:00 PM

- A) **Town Manager/Staff Reports:** Town Manager Dan Walker reports on the engineering projects meeting this morning, the streetlights for Highway 20 have been delivered and they will start installation in April, the completion of the Facilities Planning Study, and the pre-construction meeting for the Police Department and Museum roof projects. He reports that there was a Planning Board meeting last week with Scott Hazelton of Hyalite Engineering, Hazelton is confident that he can complete the zoning code project by the end of July. Dave Noel reports on the pre-construction meeting for the wastewater treatment plant project today. They do not believe the snow will allow them to start onsite work for the project by May 1, 2024, but they are starting on administrative tasks. Noel says that they will need a new electrical service for the facility. He says that the

new field guy for Fall River has a different idea about how to install the service which may actually save them some money. He says that overall, it was a good kickoff meeting and the project is moving forward.

The meeting is adjourned at 10:20 PM. (McBirnle, Benike)

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Mayor

ATTEST:

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Town Clerk

DRAFT



APRIL 19, 2024

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TO: Town Manager Dan Walker, Town Council

FROM: Liz Roos, Town Clerk

SUBJECT: Town Clerk Report

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- Participated in policy meeting with all the supervisors to implement the newly adopted personnel policy manual
- Submitted the Group Election Form for our annual health insurance renewal. Due to changes to the benefits offered through MMIA and the elimination of one of the plans they offer, our medical plan is only increasing 1.6% this year. Our vision plan is increasing 5.5% and our dental plan is staying the same.
- Processed payroll for 4/19/24
- Working through multiple event permits for this summer including:
  - Yellowstone Half Marathon and 5K, June 7-8
  - Sports Camp, First Baptist Church, June 24-28
  - Kids in the Park/Touch A Truck & Bike Rodeo, July 13
  - 10<sup>th</sup> Annual Montana Ride to Remember, August 17
  - West Yellowstone Community Market, Thursdays May 23-September 26





## Week of 04.15.2024

- Met with Jane Mersen, Dan Walker and Dan Semmens regarding the bond resolution edits. This will be before the Town Council at the April 23<sup>rd</sup> meeting.
- Prepared the CIP for the work session on April 23<sup>rd</sup>.
- Met with several departments this week regarding their budgets. So far, I've met with Public Works, Water/Wastewater, Police, and Court.
- Attended the department head / supervisor meeting on Wednesday regarding the personnel policy updates.
- Attended the Parks and Recreation Advisory Board meeting to discuss items on the CIP.
- Worked on the Notes for the Annual Financial Report.
- Attended the Museum / Police Station roof replacement bid opening.
- Celebrated Liz's birthday!!! 😊

Police Department - Department Head(s) Report April 4 – April 17, 2024 (Two-week report due to injury accident with the Chief last week).

168 calls for service

- 5 citations issued
  - 32 Warnings
  - 4 Cases Generated
  - 2 Arrests
  - 7 Fire/Ambulance requests
- 
- Calls included: Traffic Stops, School Resource Officer calls, 911 calls, Citizen Assists, Agency Assists, Disabled Vehicles, Traffic Hazard, Abandoned vehicles, Parking, Truancy, Welfare Check, littering, Suspicious Person/Activity, Lost/Found and other fun stuff.
  - We are still on schedule to start one of the new police officer hires next week on April 24<sup>th</sup>.
  - One accident to report. During a high-speed pursuit last Tuesday, the suspect vehicle intentionally collided with the Chief's causing it to roll 8 times. The chief was taken to the hospital and suffered a shoulder injury and lacerations in his head requiring staples. He is doing very well and recovering quickly. The chief is back to work full time as of Monday, but on light duty until cleared by the doctor after his shoulder heals. I know what you are thinking, the chief's job is all light duty 😊. The above narrative being an outlier. In all honesty, I am very fortunate to have not been killed in the rollover or have sustained life altering injuries. Grateful to still be with all of you.
  - This week has been National Public Safety Telecommunicators Week. Please thank a dispatcher when you see one. They are the ultimate First, first responder.
  - We are now looking for two dispatchers again due to the departure of our most recent hire. Tell your friends.
  - Brenda discovered a pretty significant issue with the recorder and the new radio system, she is working with EF Johnson to resolve it.
  - Mike will be off Thursday – Sunday, Officer Neil Courtis will be the officer in charge during my absence.

Until next week, Mike & Brenda

## Public Services Dept. Bi-Weekly Report: Mar 29<sup>th</sup> through Apr 18<sup>th</sup>, 2024

### Work Performed

- Vehicle and equipment repairs: ongoing.
- Grade parkways, sweep streets, fill potholes.
- Flush SAS service laterals and mainlines that continue accumulating debris.
- Building maintenance and service calls: ongoing.
- Set out refuse containers in preparation for park opening. Trash route: ongoing.
- SAS weekly manhole/ problem areas inspections: ongoing.
- Perform water & WW samples: ongoing.
- Sewer and water systems maintenance: ongoing,
- Continue inventory for the EPA's lead and copper rule/ data entry to meet the October 16<sup>th</sup>, 2024, deadline.
- Utility locates ongoing.
- Respond to vandalism: ongoing.
- Code enforcement and citations issued: ongoing.
- Cross training the PW crew on vehicle maintenance, daily lift stations route, utility locates, water monitoring and testing, equipment, etc.
- Go through CDL pre-trip inspections with new crew, Sam's training the guys.
- Fix damaged castings and signage: ongoing.

### Administrative

- Continue to work with vendors and technicians on fleet updates: ongoing.
- Coordinate parts and supplies orders: ongoing.
- Begin budget discussions with the Finance Office and submit department priorities for FY25 considerations.
- Work with contractors on projects and scheduling: ongoing.
- Fill in for staff/ operate equipment/ wrench on equipment.
- Manage current public works staff and seek ways to recruit additional employees to help offset the workload: ongoing.
- Chase parts orders: ongoing.
- Met with residents and business owners regarding complaints: ongoing.
- Continue to seek bids for future CIP's, get the ball rolling years in advance.
- Submit reports and annual employee evaluations to the Town Manager.
- Meetings with Town Manager, Department Heads, Engineer, PW crew, Contractors.
- Code bills and submit check request for invoices: ongoing.
- Seek additional training opportunities for the crew.
- Evaluate building and infrastructure issues, coordinate repairs as needed.



**From:** [Dan Walker](#)  
**To:** [Elizabeth Roos](#)  
**Subject:** FW: Bullet points 4-18-2024  
**Date:** Thursday, April 18, 2024 1:55:30 PM  
**Attachments:** [image001.png](#)

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**From:** Kyle Tanner <[ktanner@townofwestyellowstone.com](mailto:ktanner@townofwestyellowstone.com)>  
**Sent:** Thursday, April 18, 2024 1:53 PM  
**To:** Dan Walker <[dwalker@townofwestyellowstone.com](mailto:dwalker@townofwestyellowstone.com)>  
**Cc:** Jon Simms <[jsimms@townofwestyellowstone.com](mailto:jsimms@townofwestyellowstone.com)>  
**Subject:** Bullet points 4-18-2024

Bullet points4-18-2024

- #1 221 canyon parking plan DRG
- #2 budget meeting
- #3 Code violations letters
- #4 signage and parking plan reviews



K.C. Tanner  
Deputy Director Public Services  
Building Codes Inspector  
Code Enforcement

[Ktanner@townofwestyellowstone.com](mailto:Ktanner@townofwestyellowstone.com)

Cell # 406-640-0141

## Water/Wastewater report

4/8/24: Water/Wastewater rounds. Dropping wastewater at lagoons on cell A-B-C starting to take snow melt from the spring runoff and preparing for the start up of the new wastewater facility. Blower maintenance on all blowers in building 1&2 Introducing bacteria to the lagoons starting to rise the bacteria count. This helps the ammonia reduction and TSS.

Weir structure repair on sluice gates, these are the gates which allow the adjustment of the water in the lagoons.

Had the first construction kick off meeting with RSCI & Forsgren getting a game plan on how they are going to get started and when and the first steps needed.

4/9/24: Water/Wastewater rounds. working on snow equipment getting it ready for the following season trying to be more proactive and have everything ready for 2024-2025 snow season {helping public works} Jon simm's.

Council meeting.

4/10/24: Water/Wastewater rounds. working on water well #4 and #3 getting them ready for spring start up doing some air vent upgrades well #4 this well will historically start up the week of the park opener.

Water Bacteria samples completed for the water system and taken to Bridger labs.

4/11/24: attended a wastewater chemistry class offered by pacific northwest clean water association [ SEIOS] This was a great class very educational and I was able to receive 3 wastewater class credits.

4/12/24: worked on lead & copper inventory.

If you have any Questions please feel free to contact me.

Jon Brown



Est. 1949  
Conservation  
Development  
Self Government

January 23, 2024

Mayor Travis Watt  
City of West Yellowstone  
PO Box 1570  
West Yellowstone, MT 59758

RE: GALLATIN CONSERVATION DISTRICT URBAN SUPERVISORS

Dear Mayor Watt:

In 2015, the Gallatin Conservation District (GCD) respectfully relayed to the City of West Yellowstone about the necessity for the GCD to transition to a seven (7) member board with two Urban Supervisors being appointed by the three municipalities in the GCD boundaries.

Currently the City of Three Forks, Town of Manhattan, and the Town of West Yellowstone are incorporated into the GCD boundary and therefore should have representation on the GCD Board. The towns of Belgrade and Bozeman are not incorporated into the GCD boundary and therefore are not eligible to have an Urban Supervisor appointed from those municipalities.

**Please review the enclosed MCA 76-15-311 *Governing body of district for an explanation of the law.* It should be noted that all municipalities must agree on the Urban Supervisors and make the appointments at a public meeting. The term for an Urban Supervisor is three (3) years.**

In 2015, Bob Logar (Manhattan) and Michael Hansen (Bozeman, outside of city limits) were appointed. Their three-year term is set to expire on May 14, 2024. Please be reminded that Urban Supervisors do not have to reside within the three municipalities, only within the GCD boundary.

The Gallatin Conservation District Board has enjoyed working with both incumbents and is in favor of re-appointment, adding they both will continue to do a great job representing the urban landowner. Bob Logar and Michael Hansen have both indicated they would like to continue their service to GCD on behalf of the cities they represent.

There are several enclosures with this letter; 1) Information on Montana Conservation Districts; 2) Typical duties of a GCD Supervisor; and 3) MCA 76-15-311. We ask that you please put this item on your next month's agenda for discussion. **If both incumbents are chosen for re-appointment, please send us a letter/email and meeting minutes to that effect.** If you have further questions, please contact the GCD office at 406-282-4350 or [becky@gallatincd.org](mailto:becky@gallatincd.org). Additional information is available on our website at: [www.gallatincd.org](http://www.gallatincd.org).

Thank you for your attention to this matter and we look forward to a productive and fruitful relationship with the City of West Yellowstone.

Sincerely,

Jason Camp, GCD Chair

Letters sent to: Mayor Randy Johnson, Town of Three Forks  
Mayor Traig Howells, Town of Manhattan

Enclosures: MCA 76-15-311, Duties, Montana CDs

PO Box 569  
Manhattan, MT 59741  
406-282-4350  
[www.gallatincd.org](http://www.gallatincd.org)



## **Mission**

*To promote and guide the conservation and management of natural resources in Gallatin County.*

## **Structure**

The Gallatin Conservation District (GCD) was formed on June 8, 1949 and is one of 58 Districts in Montana. We are a subdivision of State Government and receive revenue from a mill levy percentage from real property taxes. Seven elected or appointed Supervisors govern District business and serve as the Board of Supervisors. The GCD is a tax exempt entity but is neither considered a 501(c) or a corporation. The GCD is a locally led 'local government' and not a federal, state, or county entity. *See MCA 76-15-215*

## **Jurisdiction**

The GCD boundary includes all of Gallatin County except for the cities of Bozeman and Belgrade. *See attached map.*

## **Qualifications**

1. Knowledge of agriculture or have in-depth knowledge of agriculture practices.
2. Be cognizant of the Gallatin CD goals and objectives and portray these goals and objectives while conducting Gallatin CD business.
3. Actively participate in Gallatin CD activities, as needed.
4. Follow and abide by *Laws Pertaining to Montana's Conservation Districts*.
5. Have the ability to work well with other agencies and partners.
6. Position requires knowledge of basic conservation practices and natural resources.
7. Effectively communicates orally and in writing; write and speak English.
8. Establishes and maintains effective working relationships with employees, supervisors, and deals tactfully and courteously with the public.
9. Effectively meets and coordinates the needs of the annual plan of operations as established by the Board.
10. Prepare and submit accurate travel vouchers, if applicable.
11. Show attention to accuracy, timeliness, and adhere to regulations.
12. Refrain from promoting any cause, activity, or personal agenda that may adversely affect the goals and objections of the Gallatin CD.
13. Possess environmental and natural resources awareness
14. Background in local, state, and national legislative processes
15. Skills in conduct of meetings and parliamentary procedure
16. Technical background in education, water resources, engineering, finance, military, environmental sciences, small acreages, or other relevant field.

## **Board of Supervisors**

The board of supervisors, in addition to five elected supervisors, must consist of two appointed supervisors, making a total of seven supervisors in the district. The legislative bodies of the

incorporated municipalities within the district shall appoint the two additional supervisors after consultation with the elected supervisors. The seven-member board are voting members and make all decisions regarding GCD business. The GCD is an at-large district and does not have residency restrictions (areas of county) except supervisors are required to reside within the GCD boundary. Supervisors serve as volunteers in a non-paid public service capacity.

The board consists of a chairperson, a vice-chairperson, and five voting board members. Each year the board elects a new chairperson and vice-chair. Supervisors serve a four-year term and there are no term limits. At the end of a Supervisor's term, he/she must file for re-election to be considered for another four-year term, by the vote of the people or acclimation. *See MCA 76-15-304*

The board has the authority to appoint a new supervisor in the event of: death, resignation, removal from office, non-residency, mentally incapacitated, unexcused absences, conviction of a felony or violation of duties, or a court ruling. *See MCA 76-15-312*. The appointed supervisor will fill the remaining term of the former supervisor and must file for re-election at the end of that term to be considered for a four-year term by the vote of the people or acclimation.

### **Associate Supervisors**

The GCD also has Associate Supervisor positions that serve as advisories to the Board. These positions are appointed by the Board and are non-paid positions. There is no limit on the number of Associate Supervisors the Board may appoint. Associate Supervisors serve an important role for the GCD and may also be appointed by the Board to represent the GCD on various county boards, agency boards, or local non-profit boards. When an Associate Supervisor is appointed to a board, they have discretionary authority to represent the GCD and to vote on that board. Associates play a vital role in carrying out the GCD mission and representing agriculture.

### **Compensation**

Both Supervisors and Associate Supervisors receive meal and mileage reimbursement for attending monthly meetings or any other district business. Supervisors and Associate Supervisors also receive compensation for travel, meals, hotel costs and miscellaneous expenses associated with district business. *See MCA 76-15-313 (3)*

### **Time Commitment**

Supervisors are expected to commit between 8-16 hours per month to the GCD for the monthly meeting, (and review of materials, reading & preparation), committee work, workshops, training, educational events, and attendance of meetings related to local conservation issues.

### **Supervisor Roles and Responsibility:**

**Board of Supervisor Authority** – A Conservation District has the authority to conduct surveys, develop plans, manage projects, acquire & manage property, furnish supplies & equipment, and select & acquire water storage sites. *See MCA 76-15-401 through 76-15-411*. The GCD also has land use regulation authority under *MCA 15-701*. The GCD has the privilege of protecting and promoting the health, safety, and general welfare of the people of this state. *See MCA 76-15-102*.

**Communication** – Supervisors should have the ability and desire to effectively communicate with the public, constituents, local and state government, and GCD employees.

**Code of Ethics/Rules of Conduct** – Supervisors, whether elected or appointed, are public officials and shall strive to serve the public in a non-biased, ethical, and fair manner. A public officer, legislator, or public employee shall carry out the individual’s duties for the benefit of the people of the state. *Refer to MCA 2-2-101 through 2-2-144*

**310 Law** - In Montana, CD’s administer the Natural Stream and Land Preservation Act, aka the 310 Law. The 310 Law was enacted by Montana Legislature in 1975 for the protection and preservation of perennial streams. Any person proposing a project that may physically alter or modify the bed or banks of a perennial stream, spring, or river, must first obtain a 310 permit from the Conservation District. The Board of Supervisors makes decisions on all 310 projects. *A 310 training is offered for all new supervisors.*

**Planning/Work Plan** – Supervisors will participate in a yearly planning session which outlines the goals and objects of the District for the following year. Supervisors may be asked participate in quarterly planning sessions to help achieve District goals. **Work Plan** – in conjunction with the planning sessions, the Board will develop a work plan specific to the goals and objectives developed in the planning session. The work plan should also categorize priorities for: education, employees, marketing & outreach, and other agencies/entities.

**Committees** – Supervisors are encouraged to participate in various GCD committees including financial, district operations, education, legislative, water resources, etc.

**Educational Events** – The District participates in a wide range of educational events and activities. Supervisors are encouraged to actively participate in at least three events a year.

**Annual Banquet** – An annual banquet is held each year which may feature guest speakers, District highlights, entertainment, etc. This event is also a great opportunity for public outreach and supervisors are expected to participate. All supervisors have small roles to fulfill during the event.

**Local Government Meeting** – The District meets with the County Commissioners once a year to promote agency relations and county-wide conservation. Supervisors should make efforts to attend this meeting.

**Personnel** – Employees work under the direction of the Board of Supervisors. An individual board member may not direct the work of employee(s) without the approval of the Board. Supervisors are encouraged to develop working relationships with GCD employees and participate in job performance reviews, email & written correspondence, daily activities, and overall work production. Employee(s) serve as the point of contact for the GCD and often make minor decisions without board approval. Supervisors are encouraged to stay current on district business and openly communicate with GCD Staff.

**Financial Management and Authority** – The Board of Supervisors are responsible for all funds received (via real property taxes, grants, services offered, district items sold) and funds dispersed. Funds dispersed for items, supplies, or projects must be utilized in ways that meet the mission and overall goals of the GCD. *See MCA 76-15-501 through 76-15-547*

**Meetings** – The majority of GCD meetings are public meetings and open to the public. If two or more supervisors convene for a meeting, the meeting must be open to the public and proper notice given. Meetings follow Sturgis Parliamentary Procedure. Supervisors should strive to attend all GCD meetings and actively participate. Supervisors are provided with meeting information a week prior to the board meeting and should make efforts to properly prepare for board meetings. Three unexcused absences from meetings may cause the board to appoint another supervisor.

Meetings are held on the third Thursday of each month. From April through September, meetings are held at 4:00 p.m. and from October through March, meetings are held at 9:00 a.m.

**Liability** – A conservation district and the supervisors of a conservation district may: (a) sue and be sued in the name of the district (b) satisfy a judgment or settlement, (c) have a seal that is judicially noticed. (d) have perpetual succession, (e) implement Title 75, chapter 7, part 1, and (f) make and execute contracts and other instruments necessary or convenient to the exercise of its powers.

A conservation district, conservation district supervisor, or conservation district employee is immune from suit for any liability that might otherwise be incurred or imposed for an act or omission committed while engaged in conservation district activities pursuant to Title 75, chapter 7, part 1, or this chapter, unless the act or omission constitutes gross negligence, was committed in bad faith, or was committed with malicious purpose. *Refer to MCA 76-15-320.*



## Town Council Agenda Item Summary Report

<b>Meeting Date:</b> April 23, 2024	
<b>Item Title:</b> Town Engineer Selection	
<b>Submitted By (Name/Title):</b> Dan Walker, Town Manager	
<b>Discussion Only</b> <input type="checkbox"/>	<b>Discussion/Action</b> <input checked="" type="checkbox"/>
<b>Funding Source:</b> General Fund	<b>Budgeted</b> <input checked="" type="checkbox"/>
<b>Estimated Date of Completion:</b>	

### Item Summary

The Town sent out an RFQ for Engineering Services in February 2024 as outlined in Town Policy #6. The Town received 4 responses to the RFQ and heard presentations from the responding firms on April 9th. The Town created an 11 person review team to evaluate and score each firm on their qualifications.

Based on the presentations and information provided, the scores were tallied based on the 10 score sheets that were returned to the Town Manager.

TD&H scored highest based on total score after removing the highest and lowest score, rank by choice, and weighted rank score.

### Staff Recommendation

Based on the review of qualifications and experience and the results of the scoring, The Town Manager recommends selecting TD&H Engineering as Town Engineer and offering them a three year Service Agreement, per Town Policy.

### Suggested Motion

I move we select TD&H Engineering as the Town Engineer and direct the Town Manager and Attorney to draft a three year Service Agreement.



## FY2024 Engineering RFQ Scoring Results

	TD&H	WGM	Hyalite	Forsgren
<b>Straight score (10 responses)</b>	871	820	541	906

<b>Score after removing high/low (High/low)</b>	739	691	427	726
	(100,32)	(100,29)	(86, 0)	(100,80)

### By Rank

<b>1st Choice</b>	6 (1 tie)	2		1 (1 tie)
<b>2nd Choice</b>	1	2 (1 tie)		5 (1 tie)
<b>3rd Choice</b>	1	6		2
<b>4th Choice</b>			10	

### Weighted rank score

31	27.5	10	26.5
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(1st = 4 pts., 2nd = 3 pts., 3rd = 2 pts., 4th = 1 pt.)

# TOWN OF WEST YELLOWSTONE



## Policy 6

A policy requiring the review of all professional services contracts with the Town of West Yellowstone.

It shall be the policy of the Town Council to call for a review and evaluation of all professional service contracts at the intervals established in the schedule below. This review may include a review and evaluation of current contracts or may, at the council's option, include a competitive Request for Proposals from persons or firms in the field under consideration.

Annually: Construction Equipment Services, Street Sweeper and Street Light Maintenance.

Two year review: Town Attorney

Three year review: Architect, Auditor of Town Finances, Computer Consultant, Engineer, Planning Board Consultant.

Where necessary, specifications for the performance of the provider will be drawn up and used in the selection or evaluation of the professional services provider.

Adopted by Council September 16, 1993

Background: Council minutes 8/19/93, 9/2/93, 9/16/93



**ENGINEERING SERVICES AGREEMENT**

**THIS AGREEMENT** is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2024, by and between the **TOWN OF WEST YELLOWSTONE, MONTANA**, a municipal corporation organized and existing under the laws of the State of Montana, P.O. Box 1570, West Yellowstone, Montana 59758, hereinafter referred to as “Town,” and \_\_\_\_\_, hereinafter referred to as “Engineer.”

In consideration of the mutual covenants and agreements herein contained, the receipt and sufficiency whereof being hereby acknowledged, the parties hereto agree as follows:

1. **Purpose:** Town agrees to hire Engineer as an independent contractor to perform engineering services as requested by the Town. This Agreement is not exclusive and is not intended to in any way limit the ability of the Town to employ other engineers as needed.
2. **Term of Agreement:** This Agreement is effective \_\_\_\_\_, 2024, through \_\_\_\_\_, 20\_\_\_. Both parties reserve the right to cancel this Agreement by providing a written thirty (30) day notice to the other party.
3. **Scope of Work:** Engineer will perform the work and provide the services in accordance with the requirements of the Town.
4. **Payment:** Town agrees to pay Engineer pursuant to the schedule of fees and costs attached hereto as **Exhibit A**. Exhibit A may be amended from time to time upon written agreement by the parties. The parties must agree to any extra charges in writing.
5. **Independent Contractor Status:** The parties agree that Engineer is an independent contractor for purposes of this Agreement and is not to be considered an employee of the Town for any purpose. Engineer is not subject to the terms and provisions of the Town’s personnel policies handbook and may not be considered a Town employee for workers’ compensation or any other purpose. Engineer is not authorized to represent the Town or otherwise bind the Town in any dealings between Engineer and any third parties unless specifically authorized in writing to do so.

Engineer shall comply with the applicable requirements of the Workers’ Compensation Act, Title 39, Chapter 71, MCA, and the Occupational Disease Act of Montana, Title 39, Chapter 71, MCA. Engineer shall maintain workers’ compensation coverage for all members and employees of Engineer’s business, except for those members who are exempted by law.

Engineer shall furnish the Town with copies showing one of the following: **(1)** a binder for workers’ compensation coverage by an insurer licensed and authorized to provide workers’

EXHIBIT A

compensation insurance in the State of Montana; or (2) proof of exemption from workers' compensation granted by law for independent contractors.

6. **Indemnification:** To the fullest extent permitted by law, Engineer shall fully indemnify, defend, and save Town, its agents, representatives, employees, and officers harmless from and against any and all claims, actions, costs, fees, losses, liabilities or damages of whatever kind or nature arising from or related to Engineer's performance of this Agreement.

7. **Insurance:** Engineer shall purchase and maintain insurance coverage as set forth below. The insurance policy must, unless not available from the insured, name the Town, (including its elected or appointed officers, officials, employees, or volunteers), as an additional insured and be written on a "primary—noncontributory basis." Engineer will provide the Town with applicable additional insured endorsement documentation. Each coverage shall be obtained from an insurance company that is duly licensed and authorized to transact insurance business and write insurance within the state of Montana, with a minimum of "A.M. Best Rating" of A-, VI, as will protect the Engineer, the various acts of subcontractors, the Town and its officers, employees, agents, and representatives from claims for bodily injury and/or property damage which may arise from operations and completed operations under this Agreement. All insurance coverage shall remain in effect throughout the life of this Agreement and for a minimum of one (1) year following the date of expiration of Engineer's warranties, if any. All insurance policies must contain a provision or endorsement that the coverage afforded will not be canceled, materially changed, or renewal refused until at least forty-five (45) days prior written notice has been given to Engineer, Town, and all other additional insureds to whom a certificate of insurance has been issued. All insurance documentation shall be in a form acceptable to the Town.

**Insurance Coverage at least in the following amounts is required:**

Coverage	Policy limits of not less than:
<b>Workers' Compensation</b>	
State	Statutory
<b>Employer's Liability</b>	
Each accident	\$1,000,000
Each employee	\$1,000,000
Policy limit	\$1,000,000
<b>Commercial General Liability</b>	
General Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Bodily Injury and Property Damage—Each Occurrence	\$1,000,000
<b>Automobile Liability</b>	
Bodily Injury	
Each Person	\$See Combined
Each Accident	\$See Combined
Property Damage	
Each Accident	\$See Combined

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Coverage	Policy limits of not less than:
Or	
Combined Single Limit	
Combined Single Limit (Bodily Injury and Property Damage)	\$1,000,000
<b>Excess or Umbrella Liability</b>	
Each Occurrence	\$5,000,000
General Aggregate	\$5,000,000
<b>Professional Liability</b>	
Each Claim	\$2,000,000
Annual Aggregate	\$2,000,000
<b>Unmanned Aerial Vehicle Liability Insurance</b>	
Each Claim	\$1,000,000
General Aggregate	\$1,000,000
<b>Other Insurance [Specify]</b>	
Each Claim	\$NA
General Aggregate	\$NA

Engineer may provide applicable excess or umbrella coverage to supplement Engineer’s existing insurance coverage, if Engineer’s existing policy limits do not satisfy the coverage requirements as set forth above.

**8. Professional Service:** Engineer agrees that all services and work performed hereunder will be accomplished in a professional manner and in accordance with all standards that apply to profession engineers.

**9. Compliance with Laws:** Engineer agrees to comply with all federal, state and local laws, ordinances, rules and regulations, including the safety rules, codes, and provisions of the Montana Safety Act in Title 50, Chapter 71, MCA.

**10. Nondiscrimination:** Engineer agrees that all hiring by Engineer of persons performing under this Agreement will be on the basis of merit and qualification and will not discriminate on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, national origin, or other class protected by state and/or federal law.

**11. Default and Termination:** If either party fails to comply with any condition of this Agreement at the time or in the manner provided for, the other party, at its option, may terminate this Agreement and be released from all obligations if the default is not cured within ten (10) days after written notice is provided to the defaulting party. Said notice shall set forth the items to be cured. Additionally, the non-defaulting party may bring suit for damages, specific performance, and any other remedy provided by law. These remedies are cumulative and not exclusive. Use of one remedy does not preclude use of the others. Notices shall be provided in

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writing and hand-delivered or mailed to the parties at the addresses set forth in the first paragraph of this Agreement.

**12. Modification and Assignability:** This document contains the entire agreement between the parties and no statements, promises or inducements made by either party or agents of either party, which are not contained in this written Agreement, may be considered valid or binding. This Agreement may not be enlarged, modified or altered except by written agreement signed by both parties hereto. The Engineer may not subcontract or assign Engineer's rights, including the right to compensation or duties arising hereunder, without the prior written consent of Town. Any subcontractor or assignee will be bound by all of the terms and conditions of this Agreement.

**13. Ownership and Publication of Materials:** All reports, information, data, and other materials prepared by the Engineer pursuant to this Agreement are the property of the Town, unless the parties have agreed in writing that the information shall remain the property of the Engineer. The Town has the exclusive and unrestricted authority to release, publish or otherwise use, in whole or part, information relating thereto. Any re-use without written verification or adaptation by the Engineer for the specific purpose intended will be at the Town's sole risk and without liability or legal exposure to the Engineer. No material produced in whole or in part under this Agreement may be copyrighted or patented in the United States or in any other country without the prior written approval of the Town.

**14. Liaison:** The Town's designated liaison with Engineer is Dan Walker and Engineer's designated liaison with Town is \_\_\_\_\_.

**15. Applicability:** This Agreement and any extensions hereof shall be governed and construed in accordance with the laws of the State of Montana.

**16. Equal Opportunity:** Pursuant to Sections 49-2-303 and 49-3-207, MCA no part of this contract may be performed in a manner which discriminates against any person on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by person performing the contract. Any hiring must be on the basis of merit and qualifications directly related to the requirements of the particular position being filled.

**17. Prevailing Wage Rates:** Engineer must pay the standard prevailing wage rates, including fringe benefits for health and welfare and pension contributions and travel allowance provisions in effect and applicable to the Town when required. Any questions concerning prevailing wages should be directed to the Montana Department of Labor and Industry, Labor Standards Bureau, Capitol Station, Helena, Montana, 59620, Phone: 444-5600. Engineer shall post in a prominent and accessible site on the project or work area, not later than the first day of work, a legible statement of all wages to be paid to the employees employed on the site or work area. Section 18-2-406, MCA

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The current standard prevailing wage rates published by the Montana Department of Labor and Industry for each relevant job classification necessary to complete the Scope of Work are incorporated by reference into this Agreement.

**18. New Laws and Regulations:** If during the term of this Agreement new laws or regulations become applicable, Engineer shall also comply with them without notice from TOWN.

**19. Waiver and Indemnification:** Engineer waives any and all claims and recourse against TOWN or its officers, agents or employees, including the right of contribution for loss or damage to person or property arising from, growing out of or in any way connected with or incident to the performance of this Agreement except claims arising from the intentional acts or concurrent or sole negligence of Town or its officers, agents or employees.

Engineer will indemnify, hold harmless, and defend the Town and its agents, principals, and employees from and against any and all claims, demands, damages, costs, expenses, losses, liability (including liability where activity is inherently or intrinsically dangerous), judgments, defense expenses, and attorney's fees rising out of or resulting from Engineer's wrongful acts, errors, omissions, or negligence, or from Engineer's failure to comply with the requirements of this Agreement or with federal, state and local law applicable to the performance under this Agreement. Town may elect to represent itself and incur all costs and expenses of suit which shall be subject to reimbursement by Engineer.

**20. Attorney's Fees:** If it is necessary for either party to bring an action to enforce the terms, covenants, or conditions of this Agreement, the prevailing party shall be entitled to reasonable attorney fees to be set by the appropriate court, including fees of the Town Attorney.

**21. Notice:** All notices and certifications made pursuant to this agreement shall be delivered to the address above by first class mail, certified mail or personal delivery in care of the person set forth in Section 14 of this Agreement. A party shall give the other notice of any change in address.

**22. Non-Waiver:** The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision.

**23. Entire Agreement:** This document represents the entire and integrated Agreement between the Town and Engineer and supersedes all prior negotiations, agreements or representations, either written or oral. This Agreement may be amended only by written instrument signed by both Town and Engineer.

**24. Non-Assignment:** Town and Engineer, respectively, bind themselves, their

EXHIBIT A

successors, assigns and legal representatives to the other party with respect to all covenants, terms, or conditions of this Agreement. Neither Town nor Engineer shall assign this Agreement without the written consent of the other. Such consent shall not be unreasonably withheld.

25. **Execution of Agreement:** The Clerk/Treasurer of the Town of West Yellowstone will keep the original Agreement. An exact unaltered copy of the original Agreement has the same force and effect as the original.

These obligations shall survive termination of this Agreement.

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

**TOWN OF WEST YELLOWSTONE  
MONTANA**

**ENGINEER**

By \_\_\_\_\_  
\_\_\_\_\_

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

ATTEST:

(Seal of the Town)

\_\_\_\_\_  
Elizabeth Roos, Town Clerk

APPROVED AS TO FORM:

By \_\_\_\_\_  
Jane Mersen, Town Attorney



Please score on a 1-10 scale, 1 being not satisfied and 10 being extremely satisfied. If you'd like to provide an additional comment, please feel free.

**Thank you for your time and assistance.**

	Score	Comment
The Firm's ability to integrate with your Agency's staff? (Extension of staff, able to build relationships, personality match, etc.)	9	Matt McGee is our City Engineer. He is a part of our team.
The Firm's knowledge of your Agency's infrastructure and their ability to properly advise you on future priorities?	9	They have worked for the City since 2015. They know the City very well.
The Firm's ability to meet deadlines and complete projects on time?	8	They do alot of work for the City. PER's sometimes have taken alittle longer to complete.
The Firm's availability and ability to spend an appropriate amount of time on your specific projects and has proper staff capacity to serve your needs, attend meetings, etc.?	9	Yes, we are a priority client.
The Firm gives you consistently competent advice and information?	9	They are very strong technically
The Firm provides excellent value?	9	They provide a reduced rate for the City Engineer.
Responsiveness of your lead contact with the Firm? (Returns calls and emails quickly, responds to issues in a reasonable time, etc.)	9	Very good at responding to calls, emails and texts.
The Firm's lead contact's ability to create good relationships with council/commission, community, business owners, etc.?	9	Yes, the Commission likes our PW team
Is there anything you would change about the Firm and/or your relationship with the Firm?	No	For a municipal engineering firm, they do a great job.

**EMPLOYMENT AGREEMENT**

**THIS AGREEMENT** (the “Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2024, by and between the TOWN OF WEST YELLOWSTONE (the “Town”), a Montana municipal corporation, of P.O. Box 1570, West Yellowstone, Montana 59758, and Daniel Walker (“Employee”), of 533 Lakeview Road, West Yellowstone, Montana 59758.

**WITNESSETH**

**WHEREAS**, the Town wishes to employ the services of Employee as the Town Manager;

**WHEREAS**, the Town and Employee desire to provide for certain procedures, benefits and requirements regarding the employment of Employee by the Town; and

**WHEREAS**, Employee wishes to accept employment as Town Manager under the terms and conditions described herein.

**IN CONSIDERATION** of the mutual promises contained herein, the parties agree as follows:

1. Duties. The Town agrees to employ Employee as the Town Manager of the Town to perform the duties of Town Manager as specified by Town charter, ordinances, resolutions and law, and to perform such other duties as reasonably assigned by the Town Council of West Yellowstone. Employee warrants that he will perform his duties with the highest degree of skill and judgment in accordance with accepted standards for the municipal management profession.

2. Compensation.

a. The annual salary of Employee shall be One Hundred and Sixty Thousand Dollars (\$160,000) (the “Base Salary”). Each year during the Term of this Agreement, effective as of the anniversary date of this Agreement the Base Salary shall be increased by a Three percent (3%) Cost of Living adjustment. The Base Salary shall be paid in accordance with the pay periods for other Town employees. The Town will consider additional salary increases, considering all relevant factors, such as performance reviews for the employee and salary increases for other town employees, particularly department heads.

b. Employee agrees to maintain residence within the 59758 ZIP code.

3. Term of Employment.

a. Employee’s term of employment begins on April 28, 2024, and shall continue for a term of four years, until April 27, 2028 (the “Term”).

b. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Town Council to terminate the services of Employee at a duly authorized public meeting with an affirmative vote of the majority of the Town Council at any time before the Term of the Agreement expires subject only to the provisions set forth in Section 4 of this Agreement.

c. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Employee to resign at any time from his position with the Town, subject only to the provisions set forth in Section 5 of this Agreement.

d. Employee acknowledges that his employment with the Town is only for the specified Term, subject to the termination provisions contained in Section 4 and Section 5 below, and that he accrues no legal right to continued employment as the Town Manager beyond the Term.

e. Employee acknowledges that his position as Town Manager consists solely of executive, administrative and professional duties that exempt him from various state and federal wage, hour and labor laws.

4. Termination of Employment by the Town.

a. The Town may terminate the employment of Employee, at any time before the end of the Term for good cause or any other legitimate business reason by giving written notice of termination to Employee by certified mail, return receipt requested, or by personally delivering such notice to the Employee.

b. If Employee is terminated by the Town during the Term, the Town shall pay Employee severance pay equal to two (2) months of Employee's then-existing Base Salary, an amount that is equivalent to two (2) months of the Town's contribution for medical, dental, and vision insurance as outlined in Section 8, and his accrued vacation pay and the applicable portion of sick leave accumulations, with all such amounts due in full on the next regularly scheduled pay date following the last date of Employee's employment.

5. Resignation by Employee. Employee may voluntarily resign and terminate his employment with the Town by giving written notice of resignation to the Town by certified mail, return receipt requested, at least one (1) month before the effective date of resignation. In the event of such resignation Employee shall be entitled to receive accrued vacation pay and the applicable portion of sick leave accumulations to the effective date of resignation in accordance with the Town's employment personnel policy manual. The Employee shall not be paid for accrued excess compensatory time.

6. Performance Reviews. The Town Council will endeavor to conduct reviews of Employee's performance before each anniversary date of the Term, and at least 60 days prior to the end of the Term.

7. Retirement Benefits.

a. The Town shall contribute to the Public Employment Retirement System (PERS) on Employee's behalf in accordance with the rules set forth by the Public Employment Retirement Administration as referenced in MCA 19-3-315.

b. The Town shall also contribute an amount equivalent to 7% of the Employee's

annual Base Salary into a 457b or similar account in addition to the annual PERS contribution.

8. Insurance Coverage. The Town shall provide the same group health, dental, vision, life, and other insurance benefits for Employee as provided for Town employees generally.

9. Vacation and Sick Leave.

a. Employee shall accrue vacation leave and sick leave at the same rate as provided for Town employees generally in accordance with the Town personnel policy manual. Employee shall be entitled to take the same holidays from work as Town employees generally in accordance with the Town personnel policy manual. At the conclusion of Employee's employment, Employee shall be entitled to receive accrued vacation leave and sick leave to the same extent and in the same manner as is provided for Town employees generally in accordance with the Town personnel policy manual and as referenced in MCA 2-18-604-617 and 39-31-102.

b. Accrual rate for vacation leave shall be 192 hours per year or 7.38 hours per pay period.

10. Other Benefits. In addition to the benefits cited herein, the Town shall provide Employee with all other benefits that apply to Town employees generally.

11. Work Week and Town Council Meetings. Employee shall attend all meetings of the Town Council unless otherwise agreed by the Council. It is recognized that Employee must devote a great deal of time outside the normal office hours on business for the Town, and to that end Employee shall be allowed to establish an appropriate work schedule. The schedule shall be appropriate to the needs of the Town and shall allow the Employee to faithfully perform his assigned duties and responsibilities.

12. Travel & Training. The Town will pay for professional dues to AICP, ICMA and GOSCMA, and membership to other related professional and civic organizations and for travel expenses as outlined in Policy 14 of the Town Policies and as budgeted.

13. Phone & Tablet. A smart phone with service and laptop will be provided after you begin employment. The Employee is expected to maintain these items in good and working condition as tools of his employment and shall immediately return both upon separation from employment.

14. Modifications to Agreement. No changes, amendments or modifications of any kind to its terms and conditions shall be valid unless agreed upon by both parties and reduced to writing.

15. Outside Employment. To avoid any conflicts of time or interest with the Employee's duties as Town Manager, the Town Council must authorize any requests for outside employment in writing.

16. Conflict with Town Policies. In the event that the terms of this Agreement conflict with any policy or procedure of the Town, including the Town's written policy and procedure manual, the terms of this Agreement shall govern.

17. Applicable Law. This Agreement shall be governed in all respects by the laws of the State of Montana. Any lawsuit arising from or alleging breach of this Agreement shall be filed in Gallatin County, Montana.

18. Entire Agreement. This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and supersedes all existing agreements between them concerning such subject matter.

19. Headings. The headings in this Agreement are solely for convenience of reference and shall not affect its interpretation.

20. Severability Provision. If any provision of this Agreement is declared invalid, illegal or incapable of being enforced by any court of competent jurisdiction, all of the remaining provisions of this Agreement shall nevertheless continue in full force and effect and no provision shall be deemed dependent upon any other provision unless so expressed herein.

21. Construction. Neither this Agreement nor any uncertainty or ambiguity in this Agreement shall be construed against any party hereto, whether under any rule of construction or otherwise. Each party to this Agreement has cooperated in the drafting, negotiation and preparation of this Agreement. Hence, in any construction to be made of this Agreement, including but not limited to with respect to any uncertainties or ambiguities, the same shall not be construed against either party to this Agreement on the grounds of it being the drafting party or otherwise.

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

**EMPLOYEE**

\_\_\_\_\_  
Daniel Walker

**THE TOWN OF WEST YELLOWSTONE**

By \_\_\_\_\_  
Mayor Travis Watt



THE TOWN OF

WEST YELLOWSTONE

## Marketing and Promotion Fund Advisory Board (MAPFAB)

### RECOMMENDATION TO TOWN COUNCIL (RTC) FOR AWARD APPROVAL

Event or Project Applicant: \_\_\_\_\_

Event or Project Name: \_\_\_\_\_

Date Submitted: \_\_\_\_\_

Date Approved by MAPFAB: \_\_\_\_\_

Requested Funding Amount: \_\_\_\_\_

Approved Funding Amount: \_\_\_\_\_

Comments:

Recommendation submitted by: John M. Greve, MAPFAB Secretary

This MAP Fund Award Recommendation is approved by the Town Council

This MAP Fund Award Recommendation is not approved by the Town Council

Signature \_\_\_\_\_

*MAYOR OR APPOINTED REPRESENTATIVE*

Date \_\_\_\_\_

Comments:

Copy 1 – Town Clerk

Copy 2 – Town Council

Copy 3 – MAP Fund Advisory Board



THE TOWN OF

WEST YELLOWSTONE

# Marketing and Promotion (MAP) Fund APPLICATION COVER PAGE

## APPLICANT INFORMATION

Applicant Individual or Organization: Wild Bill Productions

Event or Project Contact Person: Katrina Mann

Address: 175 Oldroyd Rd West Yellowstone MT 59758

Phone: 406-640-0725

Email: kmann@wildbillproductionsmt.com

Application Submission Date: 02/26/2024

## EVENT OR PROJECT INFORMATION

Event or Project Name: Wild Bill Days MT

Location of Event or Project: 175 Oldroyd Rd West Yellowstone MT 59758

Date(s) of Event or Project: 07/13/2024

Estimated Total Event or Project Cost: 123,500.00

MAP Fund Amount Requested: \$40,000.00

## SECTION 1 - PROPOSED EVENT OR PROJECT SUMMARY

Describe or explain your event or project. Provide enough detail so that those reviewing the application can comprehend or visualize the full scope of your event or project.

Wild Bill Productions was established in 2014 bringing winter shows to West Yellowstone. During the two years we did our winter shows proved to bring a large number of attendees to our small town.

We have since shifted to summer shows in conjunction with the local rodeo, and we're happy to be celebrating our 6th year annual summer even!

What makes Wild Bill Days different from other special events? We are here to make a difference, to change lives!

It's our mission to make a difference, we have enjoyed having repeat attendees and hearing them express the way our event impacted them. Our shows feel different to experience that feeling you have to be there!

After our summer 2023 show we broke the 100k in funds raised for our benefits! We chose charities such as the Local Football team, donating to our basketball teams and help covering medical expenses for multiple deserving families facing unexplained circumstances.

Wild Bill Productions has booked national talent, such as Blackhawk, Confederate Railroad, Warrant, Jackyl, Clare Dunn, Chris Janson, and Sawyer Brown, Tyler Farr, Uncle Kracker just to name a few. These artists come to our community spend time in hotels, restaurants, bars and enjoying what West Yellowstone provides. These artists also share on social media their recommendations to businesses in our small mountain town.

All of these artists have advertised their shows as well as their time spend on their social media platforms which has been viewed by millions. It hasn't stopped there; we have been recommended as one of the top production companies to work with in the business something we have worked hard for.

With these ratings we have artists now contacting us wanting to come to our event and working to book with us in future shows. Special events and Festivals have proven to be an important part of the state economy. We know this is something that can and will be a destination event for years to come.

After our shows we have such an outpour of support and people wanting to be a part of making a difference. Currently we are working with world circuit athletes that are trying to route their rodeo schedule to our show.

Should our goals be reached to schedule these athletes there will be a large following into our local economy. We currently have some large Artists that are coming this summer that also plan to be in our area. What does that mean for us? Local business and national platform advertisement



## SECTION 2 · PROPOSED TIMELINE

- Provide your event or project schedule that identifies timelines for actions such as planning, construction, promotion and implementation of activities necessary for your event or project.
- Provide a schedule of events/activities occurring during your event time period.

### Wild Bill Days MT Schedule -

Tickets now on sale now!

-Marketing campaign- social media is started, Website designed.

-Increase on Marketing for social media, Radio, TV, print etc. will start in April

-Marketing Campaign until day of show

-Set up will begin July 11th

-Event set up completion July 13th

Event Schedule

Doors open 4pm

Rodeo 5pm

Concerts start @ 7pm Concerts

## SECTION 3 · PUBLICITY, PROMOTION, MARKETING

Describe how your event or project will be promoted or marketed to visitors, residents or participants. West Yellowstone, Montana or West Yellowstone, MT is to be listed, identified or present in all forms and methods of promotion and marketing of your event or project.

### Methods of Marketing

Social Media

TV

Radio

Billboards

Posters (located within a 150-mile radius)

## SECTION 4 · PROPOSED BUDGET

- Provide a detailed line item budget for your event or project.
- A Budget Template can be downloaded [here](#) or requested by email or in person from the Board member contact and adapted for your event or project. Use of this fill in the blank Template isn't required, but is provided as a convenience for applicants who want to use it.
- Your budget should include projected income from all sources, including income from requested/applied for grants, awards, donations, contributions and sponsorships.
- Identify the amount of MAP funds you are requesting and the expenses that will be paid in part or in full with MAP funds.
- **Your request can't exceed 35% of your event's or project's total budget or \$40,000 maximum. It is within the Board's discretion to consider additional funds.**
- All budget expenses must be subsequently supported with invoices, bills, receipts, etc.
- It's beneficial for an applicant to contribute a percentage of entry fees, registrations, admissions etc. to an event's cash prizes/purse. MAP funds can be used to pay for cash prizes/purse. Requests for reimbursement of this type of expense must include a list of individual cash amount winnings, names and signatures of winners and their contact info. Also note: Check current state and federal tax regulations for payout amounts that require you to issue an IRS Form 1099 to individuals.
- MAP funds can be used to pay for administrative expenses. Click on this [link](#) to view Allowable Admin. Expenses.
- MAP funds may not be used for purchasing liquor or funding the distribution of liquor.
- Even though we ask you to submit a detailed line item budget, you can request disbursement or reimbursement in any amount for any approved expense, as long as the amounts requested aren't more than the approved amount of total funding.

**MAP Fund monies are generated from the collection of resort taxes. When applicable, please collect resort taxes for your event or project. If you're uncertain as to whether or not your event or project will be subject to remitting resort taxes, check with the town offices.**

## SECTION 4 - PROPOSED BUDGET

### OPERATING EXPENSES ESTIMATED

Advertising 30,000.00  
Jimmie Allen 35,000.00  
Chase Wright 7,500.00  
Kendall Tucker 5000.00  
Sound and Lights stage 13,000.00  
Insurance 3,500.00  
Tents 2,000.00  
Trash 1,000.00  
Merch 6,000.00  
Fuel 1,000.00  
Website 1,000.00  
Food 2000.00  
Tickets 250.00  
Interest 1,000.00  
Supplies 1,000.00  
CC fees 150.00  
Wire fees 100.00  
Security 4000.00  
Rentals (tables/porta potties/trailers) 5000.00  
Bullwars 5000.00  
Charity  
Total Operating Expenses 123,500

### INCOME ESTIMATED

Net sales 59,000.00  
Vendors 2,000.00  
Merch 4000.00  
sponsors 6000.00  
MAP Fund 40,000.00  
Total Income \$111,000.00

\*\*Planned Expenses to cover should MAP Fund be awarded are as follows

\*\$20,000.00 Advertising

\*\$20,000.00 Bands/Entertainment

## SECTION 5 - APPLICATION REVIEW CRITERIA

Applications will be reviewed against multiple criteria. Please provide answers to the following questions:

- 1 What are the economic, cultural, social and/or aesthetic impacts and benefits of your event or project on visitors, residents, businesses, organizations or other interests in the community and surrounding area?

**Wild Bill Productions has worked hard over the years putting together events with one goal Giving Back!**

It has been our mission not only to give back to a specific family or group that has needed additional help, but to also bring something back to our community. This area is our home and location of multiple businesses.

We strive every year to look for ways or avenues to bring more to this area. With the passion we have in these events we know it has and will continue to change our town. Creating a destination in and of itself will impact our economy each year with repeat attendees as well as additional attendees looking for ways to spend their time.

This is also the case with locals who are wanting to have something to look forward to during our busy summer months. As mentioned, additional advertising is done bringing our small town to millions of followers from all of the talent we book annually. Many of these artists have returned to West Yellowstone with families or friends. Rodeo has a large following in the Western States, this portion of our event also offers additional advertising for business in West Yellowstone.

Over the last couple years our summer show has had 70-80 contestants competing during the event. All of which bring family and friends that are going into town to purchase, food, drinks, and lodging. Outdoor Festivals have proven and are a large part of Montana's Economy. It's our vision to become that as well. We know through word of mouth, and advertising our venue has and will continue to be a destination. It's exciting to see our attendee numbers increasing year over year. The local residents work so hard year-round providing a place for visitors to enjoy, our event provides a good time for our locals and visitors. Something different! This also gives those attending to be a part of something bigger, to make a difference in someone's life.

## SECTION 5 - APPLICATION REVIEW CRITERIA

- 2** If not answered in the previous question, then please list the methods and estimates by which you'll determine or measure the success of your event or project, i.e. increased, additional, new or different attendance, admissions, registrations, hotel stays, marketing, website hits, partnerships and sponsorships, fund raising, aesthetic appeal etc.

Methods and measurements on our success are as follows

We have found over the years having support from Local businesses, the City of West Yellowstone and the offered Grants are some of our largest successes and give us the chance to continue doing what we love and building this amazing opportunity.

Being awarded the requested Map Fund Grant would be a massive success for our venue.

Sponsorships not only with funds donated, but the items different businesses and individuals offer for the Auction that is the main fund-raising event for Wild Bill Productions. This has been the largest driving force in helping us give to those Charities or Individuals in need.

Vendors\* Having the presence of small businesses helps build this event, each year we have been adding more and we see this as a success we hope continues to grow.

Funds raised for the given cause that specific year is a big success. This has been and will continue to be our biggest focal point on the show's success. Our venue being created and based on being able to give back and change lives.

We then look over ticket sales and where we can continue to grow and improve whether that improvement is in marketing or changes needing made to the venue. Ticket sales are a big factor in helping pay for the venue in order to continue our event.

Volunteers contribute more than we can express, we have a lot of people graciously giving of their time and talents to help us set up/take down this venue.

- 3** Has your organization received MAP funding in the past? If so, how many times and for what event(s) or project(s)?  
Have all vendors and expenses been paid associated with the event(s) or project(s)?

**We have received MAP funds in 2015,2016,2022 & 2023.**

**All vendors and expenses have been paid.**

- 4** Can your event or project proceed without MAP funds?

**We can, however the continued losses in building our venue may prove to be difficult and potentially cause the end of our events.**

- 5** If your event or project is approved for funding, how will you acknowledge the receipt of MAP funds as a funding source? The MAP Fund consists of Resort Tax funds paid by town businesses. Once an award is approved, marketing methods need to indicate, "Supported by West Yellowstone Businesses"

**Should our event be awarded MAP funds we would have logos and recognition on all advertising**

## **SECTION 6 · APPLICATION SUPPORTING DOCUMENTATION**

Provide any supporting documents, plans, pictures etc. that might be helpful to MAPFAB in reviewing and understanding your event or project. If this is a reoccurring event or project that received MAP funding last year, then please provide a copy of last year's Outcome Report.

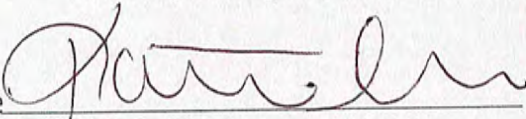
# Certification

Applicant Individual or Organization: Wild Bill Productions

Event or Project Contact Person: Katrina Mann

On behalf of the individual or organization identified on this application, I understand that:

1. The submitted application meets the eligibility requirements for MAP funds.
2. MAP funds will not be awarded to this event or project without written notification of approval by MAPFAB and the town council.
3. MAP funded events or projects must comply with all federal, state and community licenses, permits, ordinances, laws and regulations.
4. To the best of my knowledge and belief the information in this application is true and correct and the governing body of the applicant has authorized the documentation.

Signature 

Name (printed) Katrina Mann

Title Owner

Date 2/26/24

## FOR OFFICE USE ONLY

Application approved by MAPFAB for total requested amount of \_\_\_\_\_ Date \_\_\_\_\_

Application approved by MAPFAB for only \_\_\_\_\_ of total requested amount Date \_\_\_\_\_

Application not approved by MAPFAB Date \_\_\_\_\_

Reason:

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



## Outside Amplification Permit Application Town of West Yellowstone

Event: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Signature of Property Owner of Record: \_\_\_\_\_

Date(s) of Event: \_\_\_\_\_

Location: \_\_\_\_\_

Amplification between the hours of: \_\_\_\_\_ and \_\_\_\_\_

Description of Event: \_\_\_\_\_

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

Josh Oliveri  
Signature of Applicant

\_\_\_\_\_  
Date

### FOR OFFICE USE ONLY

Decision by Town Council:                      Approved                      Disapproved

Conditions: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature of Mayor/Town Manager: \_\_\_\_\_

\_\_\_\_\_  
Date





2024 YELLOWSTONE HALF MARATHON & 5K

## **OPERATION PLAN**

EVENT PROPOSAL AND SUGGESTED OPERATING PLAN

### **Event Overview**

The 9th Annual Yellowstone Half Marathon is being planned for June 7-8, 2024. This is one of the twelve races in the National Park Half Marathon Series, including Zion, Grand Teton, Rocky Mountain, Saguaro, Mt. Rainier, Great Smoky Mountains, Cedar Breaks, Yosemite, Glacier, Lake Powell, and Joshua Tree. The series is designed to cater to runners that enjoy “vacation races” where the event is part of a longer vacation stay at the event location.

This race is a 13.1 mile course run through the Custer Gallatin National Forest outside the Town of West Yellowstone.

The event has two main components:

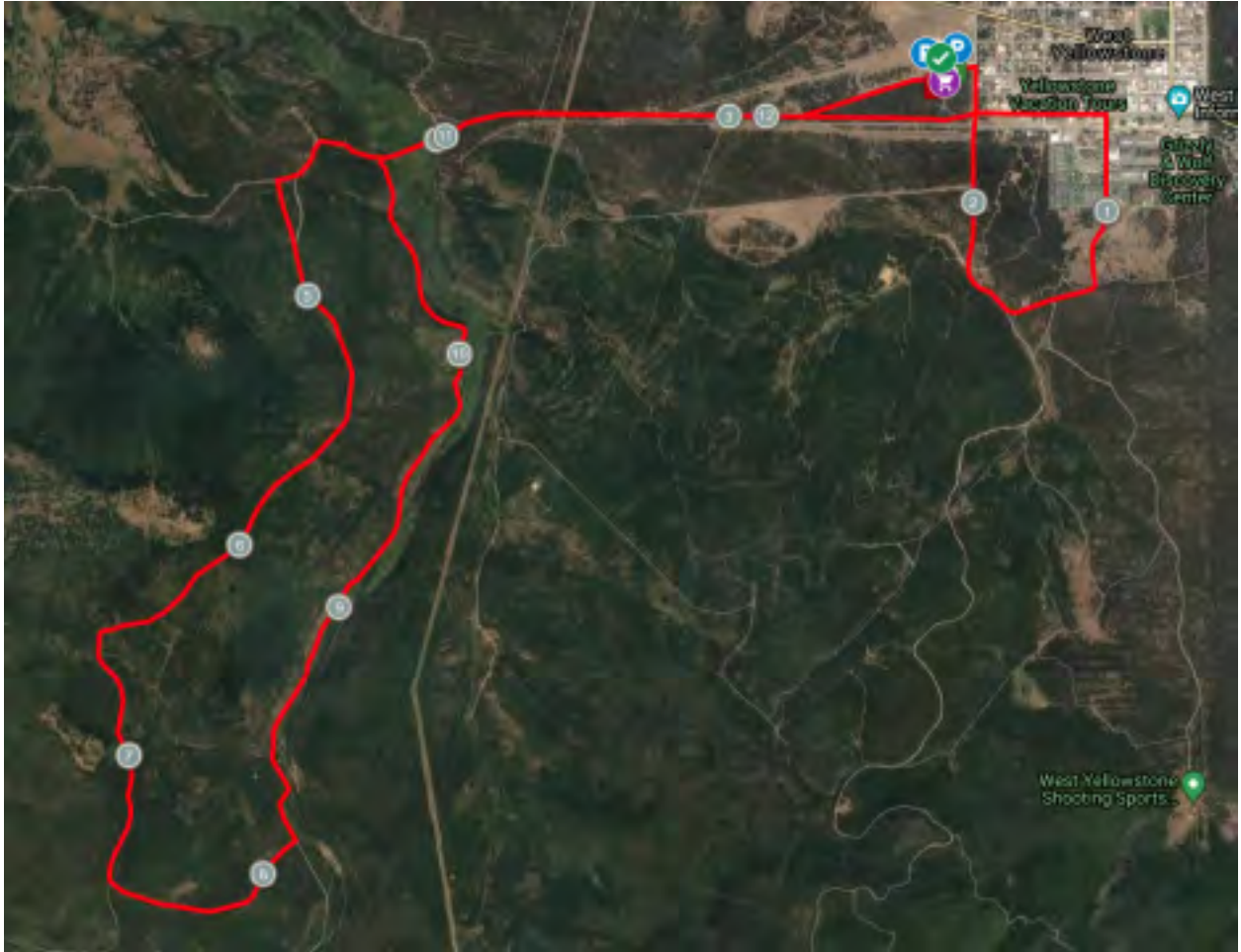
1. **Expo & 5K** - Runners pick up their bibs along with other vendor booths. A 5K is held the same evening as the expo.
2. **Half Marathon Race** - The main event, the race will be held on Saturday starting at 6:00am.

**EXPO & 5K** - The race will host a runner expo on Friday, June 7, Located at the Old Airport on the west edge of West Yellowstone, runners will pick up their race bibs, and we will bring in a number of running and tourism related vendors to attend. The expo will run from 11:00am until 5:00pm. A 5K will also be Friday evening from 6:00pm - 7:30pm. This course is almost the same as the first 3 miles of the half marathon. The 5K course will start and finish at the Old Airport.

**HALF MARATHON** - The race will start at 6:00am on Saturday morning and will run for approximately 4 hours. The race will start at the Old Airport and run through a portion of the Town of West Yellowstone, before heading into Gallatin National Forest land. The course is somewhat of a loop and will finish back at the Old Airport. While the race will serve as the centerpiece event, we normally see the community offer the runners reasons to stay longer with other activities that will cater to the runner’s entire family or group of friends. Normally, runners will arrive a few days early and others will stay a few days after the race.

### **\*Course Overview**

**HALF MARATHON COURSE:** The race will start and end at the Old Airport on the west edge of West Yellowstone. The first mile runs through town but the majority of the race takes place on dirt roads and trails in Gallatin National Forest immediately southwest of West Yellowstone, MT. There will be 6 aid stations on course. This course and event is operated under a permit from the Forest Service.



[An interactive version of the event map can be seen here](#)

**AID STATIONS:** There will be aid stations near mile 3, 5, 7, 9, 11, and 12. Each aid station will be equipped with water, electrolyte drink, energy gels, trash cans, and toilets. Each aid station will be manned by volunteers provided by the race.

**COMMUNICATION:** Aid stations and race crew will be able to communicate via cell phone and/or radios.

**EMERGENCY AND MEDICAL:** Vacation Races will contract to have medical professionals at the finish line of the race. We will also have an EMT stationed at mile 7. We will work with the Town of West Yellowstone for on-site emergency services.

\*Due to increased snowfall during this past winter, Vacation Races might not be able to route the course as shown above. We have been working with the Forest Service to come up with a plan B and Plan C option in case there is not sufficient snowmelt by race weekend. The event director will submit updated course maps, aid station locations, etc. in the case that an alternative course does in fact need to be implemented.

### **Parking**

We will have plenty of parking to accommodate all of our runners. Both runners and spectators may park in the designated parking area of the Old Airport just west of Iris St.

## **Spectators**

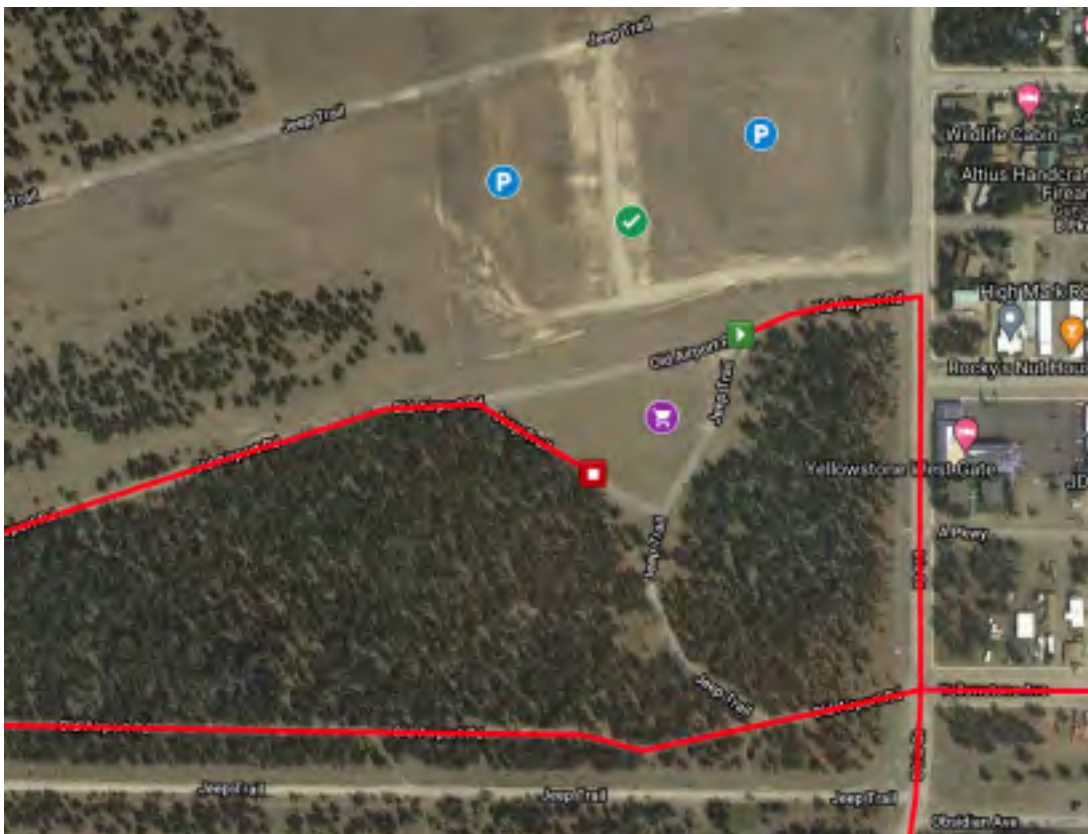
Spectators and runners are welcome around the finish line to cheer on runners. They can park in the designated event parking area, and walk over to the finish line.

## **Expo and Start Line Staging**

**EXPO:** Bib pickup, vendors, etc. on Friday, June 7. The expo consists of several 10x10 tents which will be set up to distribute runner gear. We will also have a number of vendors on site selling merchandise, etc. There will be no food vendors on site.

**Parking:** Participants will park in the designated event parking space for the expo. This will also serve as the main parking area on race day.

**Toilets:** We will contract to have port-a-potties delivered to the Old Airport. **Trash:** We pack out all of our own trash. Waste receptacles for trash, recycling, and compost will be set up. All trash will be sorted and packed out after the event.



**START LINE:** There will be a bib pickup tent, hot chocolate, coffee, toilets, waste receptacles, gear check truck and a PA system. The start line will be on Old Airport Rd.

## **Finish Line Staging**

The finish line will be located on Old Airport Rd. A recovery area will separate the start and finish line. The 5K the night before will follow a similar pattern. The finish line area will include a runner recovery zone, trash receptacles, toilets, a row of tents for handing out award and finisher medals, and a merchandise tent. Spectators and members of West Yellowstone are welcome to cheer on runners at the finish line.

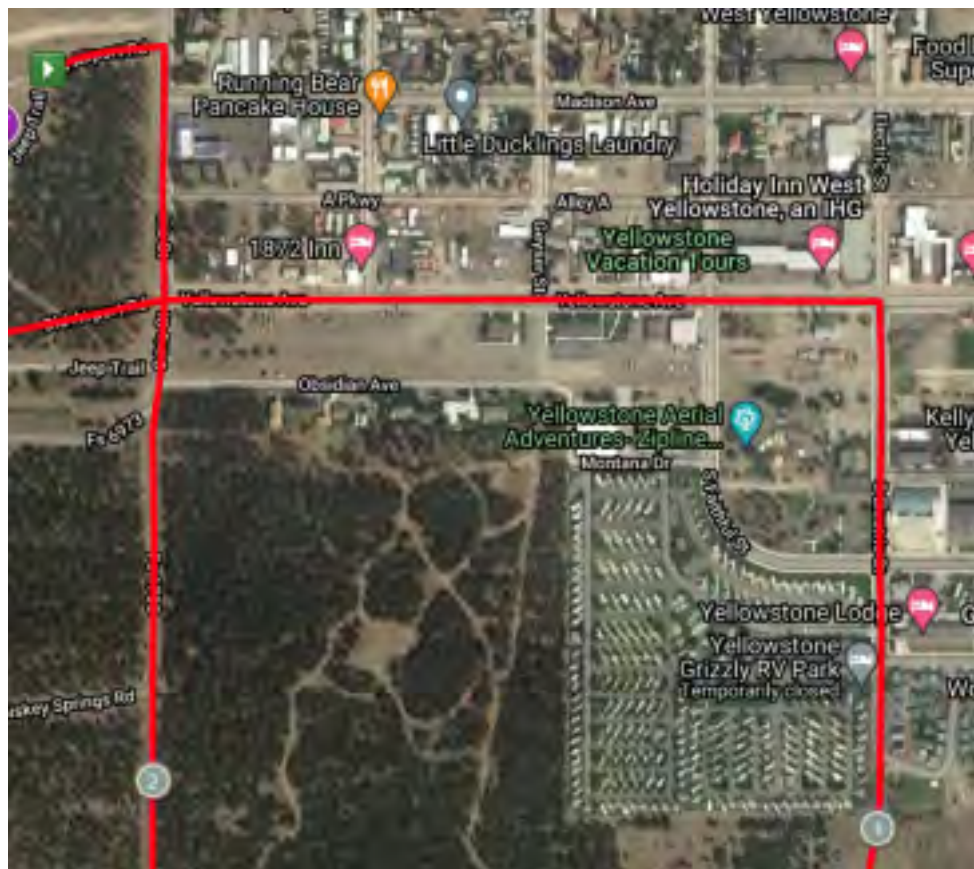
## **Trash and Toilets**

We are a “zero waste” event, meaning we set up trash receptacles at our start line, finish line, expo, and all aid stations where trash is sorted into recyclables, compostables, and trash. All trash is hauled off site by us and taken to the different treatment facilities. Toilets will be at our start line, finish line, expo, and each aid station as well.

\*\*see [course map](#) for start line, finish line, and aid station locations.

## **Police and Traffic Control**

There will be some traffic control in the south west edge of West Yellowstone. The first mile of both the half marathon course and the 5K course run through the Town of West Yellowstone, so there will be some traffic control needs. From Airport Rd, runners will head south on Iris St, east onto Yellowstone Ave, and south onto Electric St before heading through a gate and onto trails/dirt roads. There will be significant runner foot traffic for the first 30 minutes of both the 5K and half marathon race as they head out on course. We will utilize the West Yellowstone Police Department to aid in temporary road restrictions to provide runner safety as they pass through the previously mentioned streets of West Yellowstone.





CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the Town of West Yellowstone, Montana (the "Town"), hereby certify that the attached resolution is a true copy of Resolution No. 800 entitled: "RESOLUTION RELATING TO \$15,750,000 SEWER SYSTEM REVENUE BONDS (DNRC WATER POLLUTION CONTROL STATE REVOLVING LOAN PROGRAM), CONSISTING OF \$750,000 SUBORDINATE LIEN TAXABLE SERIES 2024A BOND AND \$15,000,000 SERIES 2024B BOND; AUTHORIZING THE ISSUANCE AND FIXING THE TERMS AND CONDITIONS THEREOF" (the "Resolution"), on file in the original records of the Town in my legal custody; that the Resolution was duly adopted by the Town Council of the Town at a meeting on April 23, 2024, and that the meeting was duly held by the Town Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council Members voted in favor thereof: \_\_\_\_\_  
\_\_\_\_\_; voted against the same: \_\_\_\_\_; abstained from voting thereon: \_\_\_\_\_  
\_\_\_\_\_; or were absent: \_\_\_\_\_  
\_\_\_\_\_.

WITNESS my hand officially this \_\_\_\_\_ day of April, 2024.

\_\_\_\_\_  
Town Clerk

BOND RESOLUTION

Relating to

\$15,750,000  
SEWER SYSTEM REVENUE BONDS  
(DNRC WATER POLLUTION CONTROL STATE REVOLVING LOAN PROGRAM)  
CONSISTING OF  
\$750,000 SUBORDINATE LIEN TAXABLE SERIES 2024A BOND  
AND \$15,000,000 SERIES 2024B BOND

TOWN OF WEST YELLOWSTONE, MONTANA

Adopted: April 23, 2024

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(For convenience only, not a part of this Resolution)

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RESOLUTION NO. \_\_\_\_\_

RESOLUTION RELATING TO \$15,750,000 SEWER SYSTEM REVENUE BONDS (DNRC WATER POLLUTION CONTROL STATE REVOLVING LOAN PROGRAM), CONSISTING OF \$750,000 SUBORDINATE LIEN TAXABLE SERIES 2024A BOND AND \$15,000,000 SERIES 2024B BOND; AUTHORIZING THE ISSUANCE AND FIXING THE TERMS AND CONDITIONS THEREOF

RECITALS

WHEREAS, pursuant to the Water Pollution Control State Revolving Fund Act, Montana Code Annotated, Title 75, Chapter 5, Part 11, as amended (the “State Act”), the State of Montana (the “State”) has established a revolving loan program (the “Program”) to be administered by the Department of Natural Resources and Conservation of the State of Montana, an agency of the State (the “DNRC”), and by the Department of Environmental Quality of the State of Montana, an agency of the State (the “DEQ”), and has provided that a water pollution control state revolving fund (the “Revolving Fund”) be created within the state treasury and all federal, state and other funds for use in the Program be deposited into the Revolving Fund, including, but not limited to, all federal grants for capitalization of a state water pollution control revolving fund under the federal Water Pollution Control Act (the “Clean Water Act”), all repayments of assistance awarded from the Revolving Fund, interest on investments made on money in the Revolving Fund and payments of principal of and interest on loans made from the Revolving Fund; and

WHEREAS, the State Act provides that funds from the Program shall be disbursed and administered for the purposes set forth in the Clean Water Act and according to rules adopted by the DEQ and the DNRC; and

WHEREAS, the current EPA Capitalization Grant (as hereinafter defined) requires that loans under the Program funded in whole or in part by such grant in the aggregate and not on a loan-by-loan basis be structured in such a way that a percentage of the total proceeds of such grant be subject to loan forgiveness; and

WHEREAS, the Town of West Yellowstone, Montana (the “Borrower”), has applied to the DNRC for the 2024 Loans (as hereinafter defined) from the Revolving Fund to enable the Borrower to finance, refinance or reimburse itself for a portion of the costs of the 2024 Project (as hereinafter defined) which will carry out the purposes of the Clean Water Act, to pay costs of issuance of the Series 2024 Bonds (as hereinafter defined), and to fund a deposit to the Reserve Account (as hereinafter defined); and

WHEREAS, subject to satisfaction of certain conditions, the DNRC offered to make loans in the aggregate total principal amount of \$33,750,000 available to the Borrower, with one loan in the amount of \$750,000 contemplated to be forgiven in the event the Borrower satisfies certain conditions; and

WHEREAS, at this time, the Borrower contemplates issuing bonds in two series, one a Series 2024A Bond in the maximum principal amount of \$750,000 (the “Series 2024A Bond”), and the other a Series 2024B Bond in the maximum principal amount of \$15,000,000 (the “Series 2024B Bond”); and

WHEREAS, provided that the Borrower complies with certain conditions for principal forgiveness, the Borrower’s obligation to repay the Series 2024A Bond will be forgiven; and

WHEREAS, the Borrower is authorized under applicable laws, ordinances and regulations to adopt this Resolution and to issue the Series 2024 Bonds (as hereinafter defined) to evidence the 2024 Loans (as hereinafter defined) for the purposes set forth herein; and

WHEREAS, the Borrower anticipates issuing an additional Bond in the principal amount of up to \$15,000,000 when and as needed to pay a portion of the costs of the 2024 Project (as hereinafter defined), and, if needed, a second additional Bond in the principal amount of up to \$3,000,000 to pay a portion of the costs of the 2024 Project; and

WHEREAS, the DNRC will fund: (i) the 2024A Loan (as hereinafter defined) entirely from proceeds of the EPA Capitalization Grant, and (ii) the 2024B Loan (as hereinafter defined) in part, directly or indirectly, from proceeds of the EPA Capitalization Grant.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE BORROWER, AS FOLLOWS:

## ARTICLE I

### DEFINITIONS, RULES OF CONSTRUCTION AND APPENDICES

Section 1.1. Definitions. In this Resolution, unless a different meaning clearly appears from the context, the following terms shall have the following meanings:

“Accountant” or “Accountants” means an independent certified public accountant or a firm of independent certified public accountants satisfactory to the DNRC.

“Acquisition and Construction Account” means the account within the Fund established pursuant to Sections 11.1 and 11.2.

“Administrative Expense Surcharge” means, (i) in respect of the 2024B Loan, in any event, and (ii) in respect of the 2024A Loan upon the delivery of a Noncompliance Statement as provided herein, a surcharge equal to twenty-five hundredths of one percent (0.25%) per annum on the outstanding principal amount of the 2024 Loans payable on the same dates that payments of interest on the 2024 Loans are due.

“Authorized DNRC Officer” means the Director of the DNRC or his or her designee.

“Bond Counsel” means any Counsel nationally recognized as experienced in matters relating to the issuance by states or political subdivisions of tax-exempt obligations selected by the Borrower and acceptable to the DNRC.

“Bond Register” means, with respect to the Series 2024 Bonds, the registration books maintained by the Registrar pursuant to Section 9.6, or, with respect to another series of Bonds, the register to be maintained by the Registrar pursuant to this Resolution or the Supplemental Resolution authorizing the issuance of such Bonds.

“Bondholder” or “Holder” means the Person in whose name a Bond is registered in the Bond Register.

“Bonds” means the Series 2024B Bond and any additional Bonds to be issued on a parity therewith pursuant to Article X, excluding Section 10.4. The Series 2024A Bond is not a Bond.

“Borrower” means the Town of West Yellowstone, Montana, or any permitted successor or assign.

“Business Day” means any day other than a Saturday, Sunday, legal holiday in the State or day on which banks in the State are authorized or required by law to close.

“Clean Water Act” means the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251-1387, as amended, and all regulations, rules and interpretations issued by the EPA thereunder.

“Closing” means the date of delivery of the Series 2024 Bonds to the DNRC.

“Code” means the Internal Revenue Code of 1986, as amended.

“Collateral Documents” means any security agreement, guaranty or other document or agreement delivered to the DNRC securing the obligations of the Borrower under this Resolution and the Series 2024 Bonds. If no Collateral Documents secure such obligations, any reference to Collateral Documents in this Resolution shall be without effect.

“Committed Amount” means, collectively, the amount of the 2024A Committed Amount and the 2024B Committed Amount.

“Compliance Certificate and Request” means the certificate and request substantially in the form of the attached Appendix D.

“Consultant” means a nationally recognized consultant or firm of consultants, or an independent engineer or firm of independent engineers, or an Accountant, which in any case is qualified and has skill and experience in the preparation of financial feasibility studies or projections for facilities similar to the System or the 2024 Project, selected by the Borrower and satisfactory to the DNRC.

“Council” means the Town Council of the Borrower.

“Counsel” means an attorney duly admitted to practice law before the highest court of any state and satisfactory to the DNRC.

“Debt” means, without duplication, in respect of the System, (1) indebtedness of the Borrower for borrowed money or for the deferred purchase price of property or services; (2) the

obligation of the Borrower as lessee under leases which should be recorded as capital leases under generally accepted accounting principles; and (3) obligations of the Borrower under direct or indirect guarantees in respect of, and obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in clause (1) or (2) above.

“DEQ” means the Department of Environmental Quality of the State of Montana, an agency of the State, or any successor to its powers, duties and obligations under the State Act or the EPA Agreements.

“Determination Statement” means a Forgiveness Statement or a Noncompliance Statement.

“DNRC” means the Department of Natural Resources and Conservation of the State of Montana, an agency of the State, and any successor to its powers, duties and obligations under the State Act.

“Enabling Act” means Montana Code Annotated, Title 7, Chapter 7, Parts 44 and 45, as amended, which authorizes the Borrower to own and operate the System, to undertake the 2024 Project and to issue the Series 2024 Bonds to finance all or a portion of the costs of the 2024 Project.

“EPA” means the Environmental Protection Agency, an agency of the United States of America, and any successor to its functions under the Clean Water Act.

“EPA Agreements” means all capitalization grant agreements and other written agreements between the DEQ, the DNRC and the EPA concerning the Program.

“EPA Capitalization Grant” means a grant of funds to the State by the EPA under Title VI of the Clean Water Act and any grant made available by the EPA for deposit in the Revolving Fund pursuant to Section 205(m) of the Clean Water Act.

“Fiscal Year” means the period commencing on the first day of July of any year and ending on the last day of June of the next year, or any other specified twelve-month period, authorized by law and specified by the Council as the Borrower’s Fiscal Year.

“Forgiveness Statement” means a written statement delivered to the Borrower by the DNRC in response to a Compliance Certificate and Request that the Borrower’s obligation to repay the principal of the Series 2024A Bond is forgiven.

“Fund” means the Sewer System Fund established pursuant to Section 11.1.

“Government Obligations” means direct obligations of, or obligations the principal of and the interest on which are fully and unconditionally guaranteed as to payment by, the United States of America.

“Governmental Unit” means governmental unit as such term is used in Section 145(a) of the Code.

“Gross Revenues” means all revenues and receipts from rates, fees, charges and rentals imposed for the availability, benefit and use of the System, and from penalties and interest thereon, and from any sales of property which is a part of the System and all income received from the investment of such revenues and receipts, including interest earnings on the Operating Account, the Reserve Account, the Replacement and Depreciation Account and the Surplus Account, and excluding Pledged Resort Tax Revenues and the proceeds of any grant or loan from the State or the United States, and any investment income thereon, to the extent such exclusion is a condition to such grant or loan.

“Indenture” means the Indenture of Trust, dated as of June 1, 1991, between the Board of Examiners of the State and the Trustee, as such may be supplemented or amended from time to time in accordance with the provisions thereof, pursuant to which, among other things, the State Bonds are to be or have been issued.

“Loan Loss Reserve Surcharge” means, (i) in respect of the 2024B Loan, in any event, and (ii) in respect of the 2024A Loan upon the delivery of a Noncompliance Statement as provided herein, a surcharge equal to twenty-five hundredths of one percent (0.25%) per annum on the outstanding principal amount of the 2024 Loans payable by the Borrower on the same dates that payments of interest on the 2024 Loans are due.

“Loan Repayments” means the periodic payments of principal of and interest on the 2024B Loan, and, if the DNRC delivers a Noncompliance Statement, the 2024A Loan, as set out more particularly in Section 5.1 hereof.

“Net Revenues” means the sum of (a) the Gross Revenues for a specified period less the Operating Expenses for the same period, plus (b) the Pledged Resort Tax Revenues transferred to the Revenue Bond Account in the Sewer System Fund in such period.

“Noncompliance Statement” means a written statement delivered to the Borrower by the DNRC that the Borrower’s obligation to repay the principal of the Series 2024A Bond is not forgiven.

“Note” means any Note issued pursuant to the Resolution and payable from the Note Account.

“Note Account” means the account within the Fund established pursuant to Sections 11.1 and 11.8.

“One Percent Resort Tax” means the 1% resort tax dedicated to certain infrastructure and imposed on certain goods and services pursuant to an election conducted on November 5, 2019 relating to the 1% resort tax, the Resort Tax Act, and the Resort Tax Ordinances.

“Operating Account” means the account within the Fund established pursuant to Sections 11.1 and 11.3.

“Operating Expenses” means the current expenses, paid or accrued, of operation, maintenance and current repair of the System and its facilities, as calculated in accordance with

sound accounting practices, and shall include, without limitation, administrative expenses of the Borrower relating solely to the System, premiums for insurance on the properties thereof, labor and the cost of materials and supplies used for current operation and for maintenance, and charges for the accumulation of appropriate reserves for current expenses which are not recurrent monthly but may reasonably be expected to be incurred in accordance with sound accounting practices. Operating Expenses shall not include interest expense or depreciation, renewals or replacements of capital assets of the System and shall not include any portion of the salaries or wages paid to any officer or employee of the Borrower, except such portion as shall represent reasonable compensation for the performance of duties necessary to the operation of the System.

“Operating Reserve” means the reserve to be maintained in the Operating Account as required by Section 11.3.

“Opinion of Bond Counsel” means a written opinion of Bond Counsel.

“Payment Date” means, with respect to the 2024B Loan, each January 1 and July 1 during the term of the Series 2024B Bond on which a payment of interest or principal and interest is due, as determined under this Resolution and the Series 2024B Bond, and, if a Noncompliance Statement is delivered with respect to the 2024A Loan, each January 1 and July 1 during the term of the Series 2024A Bond on which a payment of interest or principal and interest is due, as determined under this Resolution and the Series 2024A Bond.

“Person” means any individual, corporation, partnership, joint venture, limited liability company, limited liability partnership, association, joint stock company, trust, unincorporated organization or Public Entity.

“Pledged Resort Tax Revenues” means, from the Resort Tax Revenues for any Fiscal Year while the Bonds are outstanding, \$1,000,000, or, if less than \$1,000,000 in Resort Tax Revenues are collected in any one Fiscal Year, all of the Resort Tax Revenues collected in such Fiscal Year; provided that (i) if Pledged Resort Tax Revenues in the foregoing amount results in the Revenue Bond Account being funded in a manner that causes the Revenue Bond Account to not be a “bona fide debt service fund” under the Code and Treasury Regulations, such \$1,000,000 amount may be reduced so that the Revenue Bond is a “bona fide debt service fund,” and (ii) the \$1,000,000 amount may be adjusted as set forth in Section 6.8 below.

“Program” means the Water Pollution Control State Revolving Fund Program established by the State Act.

“Project” means an improvement, betterment, reconstruction or extension of the System, including the 2024 Project.

“Public Entity” means a State agency, city, town, municipality, irrigation district, county water and sewer district, a soil conservation district or other public body created pursuant to State law or an Indian tribe that has a federally recognized governing body carrying out substantial governmental duties and powers over any area.



“Rebate Account” means the account within in the Fund established pursuant to Sections 11.1 and 11.9.

“Registrar” means, with respect to the Series 2024 Bonds, the Finance Director or any successor appointed pursuant to this Resolution, and, with respect to any other series of Bonds, the Person or Persons designated by or pursuant to this Resolution or a Supplemental Resolution to receive and disburse the principal of, premium, if any, and interest on the Bonds on behalf of the Borrower and to hold and maintain the Bond Register.

“Regulations” means the Treasury Department, Income Tax Regulations, whether final, temporary or proposed, promulgated under the Code or otherwise applicable to the Series 2024 Bonds.

“Replacement and Depreciation Account” means the account within the Fund established pursuant to Sections 11.1 and 11.6.

“Reserve Account” means the account within the Fund established pursuant to Sections 11.1 and 11.5.

“Reserve Requirement” means, as of the date of calculation, an amount equal to one-half the sum of the highest amount of principal of and interest payable on all outstanding Bonds in any one future Fiscal Year (giving effect to mandatory sinking fund redemption, if any).

“Resolution” means this Resolution as it may from time to time be amended or supplemented in accordance with its terms.

“Resort Tax Act” means Montana Code Annotated, Title 7, Chapter 6, Part 15, as amended.

“Resort Tax Ordinances” means Ordinance No. 112, as amended and supplemented by Ordinance Nos. 113, 117, 119, 172, 201, 207, 211, 219, 222, 224, 250, 258, 264, and 272, duly adopted by the Town Council of the Town, and as may further be amended or supplemented from time to time, all as codified at Chapter 3, Section 12 of the West Yellowstone Municipal Code.

“Resort Tax Revenues” means the revenues derived from the imposition of the One Percent Resort Tax.

“Revenue Bond Account” means the account within the Fund established pursuant to Sections 11.1 and 11.4.

“Revolving Fund” means the Water Pollution Control State Revolving Fund created pursuant to the State Act.

“Series 2024 Bonds” means, collectively, the Series 2024A Bond and the Series 2024B Bond

“Series 2024A Bond” means the \$750,000 Subordinate Lien Sewer System Revenue Bond (DNRC Water Pollution Control State Revolving Loan Program), Taxable Series 2024A, issued to the DNRC to evidence the 2024A Loan.

“Series 2024B Bond” means the \$15,000,000 Sewer System Revenue Bond (DNRC Water Pollution Control State Revolving Loan Program), Series 2024B, issued to the DNRC to evidence the 2024B Loan.

“Sewer System Fund” means the fund created by Section 11.1 of this Resolution

“State” means the State of Montana.

“State Act” means Montana Code Annotated, Title 75, Chapter 5, Part 11, as amended from time to time.

“State Bonds” means the State’s General Obligation Bonds (Water Pollution Control State Revolving Fund Program), issued and to be issued pursuant to the Indenture.

“Subordinate Obligations” means any subordinate obligations issued under Section 10.4, including the Series 2024A Bond.

“Supplemental Resolution” means any resolution supplemental or amendatory to the Resolution.

“Surplus Account” means the account within the Fund established pursuant to Sections 11.1 and 11.7.

“Surplus Net Revenues” means that portion of the Net Revenues in excess of the current requirements of the Operating Account, the Revenue Bond Account and the Reserve Account. Because Pledged Resort Tax Revenues are to be applied to paying debt service on the Bonds, it is expected that Surplus Net Revenues will be derived from remaining Gross Revenues.

“System” means the sewer system of the Borrower and all extensions, improvements and betterments thereof or hereafter constructed and acquired, including, without limitation, the 2024 Project.

“Trustee” means U.S. Bank Trust Company, National Association, in Seattle, Washington, or any successor trustee under the Indenture.

“2024A Committed Amount” means the amount of the 2024A Loan committed to be lent by the DNRC to the Borrower pursuant to Section 4.1 of this Resolution, as such amount may be reduced pursuant to Sections 3.2 and 3.4 of this Resolution.

“2024B Committed Amount” means the amount of the 2024B Loan committed to be lent by the DNRC to the Borrower pursuant to Section 4.1 of this Resolution, as such amount may be reduced pursuant to Sections 3.2 and 3.4 of this Resolution.

“2024B First Advance” means the first advance of funds of the 2024B Loan by the DNRC to the Borrower in an amount of at least \$50,001.

“2024 Loans” or “Loan” means, collectively, the 2024A Loan and the 2024B Loan.

“2024A Loan” means the loan made to the Borrower by the DNRC pursuant to the Program in the maximum amount of the 2024A Committed Amount to provide funds to pay a portion of the costs of the 2024 Project.

“2024B Loan” means the loan made to the Borrower by the DNRC pursuant to the Program in the maximum amount of the 2024B Committed Amount to provide funds to pay a portion of the costs of the 2024 Project, to fund deposits to the Reserve Account, and to pay costs of issuance.

“2024 Project” means the facilities, improvements and activities financed, refinanced or the cost of which is being reimbursed to the Borrower in part with proceeds of the 2024 Loans, described in Appendix A hereto.

Section 1.2. Other Rules of Construction. For all purposes of this Resolution, except where the context clearly indicates otherwise:

(a) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted government accounting standards.

(b) Terms in the singular include the plural and vice versa.

(c) All references to time shall refer to Helena, Montana time, unless otherwise provided herein.

(d) All references to mail shall refer to first-class mail postage prepaid.

(e) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(f) “Or” is not exclusive, but is intended to permit or encompass one, more or all of the alternatives conjoined.

Section 1.3. Appendices. Attached to this Resolution and hereby made a part hereof are the following Appendices:

Appendix A: a description of and estimated budget for the 2024 Project;

Appendix B-1: the form of the Series 2024A Bond;

Appendix B-2: the form of the Series 2024B Bond;

Appendix C: additional agreements, representations and covenants of the Borrower; and

Appendix D: form of Compliance Certificate and Request.

Section 1.4. Authorization. Under the Enabling Act, the Borrower is authorized to sell and issue its revenue bonds payable during a term not exceeding forty years from their date of issue, to provide funds for the reconstruction, improvement, betterment and extension of a municipal sewer system or to refund bonds issued for such purposes, provided that the bonds and the interest thereon are to be payable solely out of the net income and revenues to be derived from rates, fees and charges for the services, facilities and commodities furnished by such sewer system and any available or pledged revenues from resort taxes, and are not to create any obligation for the payment of which taxes may be levied except to pay for services provided by the sewer system to the Borrower. The Borrower has determined the Net Revenues of the System are sufficient to satisfy the requirements of Section 6.7 hereof, which determination shall be evidenced by a certificate of coverage to be executed and delivered by the Town Manager and Finance Director at or prior to the Closing. The Council expects that the obligation of the Borrower to repay the Series 2024A Bond will be forgiven in accordance with this Resolution; therefore, for purposes of this certificate, the principal and interest payable on the Series 2024A Bond are not taken into account.

In addition, under the provisions of the Resort Tax Act, the Borrower is authorized, upon the approval of the electorate of the Borrower, to cause the imposition of a resort tax on the retail value of goods and services sold within the Town by (i) hotels, motels, condominiums, vacation rentals, cabins and any other nightly or weekly lodging or camping facilities; (ii) restaurants, fast food stores, convenience stores, and other food service establishments; (iii) taverns, bars, nightclubs, lounges and other public establishments that serve beer, wine, liquor or other alcoholic beverages by the drink; (iv) groups, organizations, or temporary vendors, with or without tax exempt status; and (v) any business that sells “Luxuries” as defined in the Resort Tax Ordinances. The City may deem revenues derived from the One Percent Resort Tax to be revenues of the undertaking.

The Borrower conducted an election on the One Percent Resort Tax on November 5, 2019, pursuant to the Resort Tax Act. The election to authorize the One Percent Resort Tax passed by a vote of 238 in favor and 111 against. Under the terms of the election question, the One Percent Resort Tax is in effect commencing January 1, 2020 and ending when project costs are paid or December 1, 2045.

The Resort Tax Ordinances are codified at Chapter 3.12 of the West Yellowstone Municipal Code. The One Percent Resort Tax is identified as the “additional resort tax” in the Resort Tax Ordinances. All references herein to the “One Percent Resort Tax” shall mean the “additional resort tax” as used in the Resort Tax Ordinances.

Section 3.12.140 of the West Yellowstone Municipal Code provides as follows:

“E. All or a portion of the tax moneys derived from any resort tax of the town or any other source of revenue authorized by the legislature to be imposed or collected by the town, including, without limitation, special assessments, may be (1) pledged by the town council to the repayment of or as security for the repayment of bonds or other obligations of the town that finance or refinance costs of eligible

projects and pay costs associated with the sale, security, or issuance of the bonds or other obligations, and/or (2) appropriated to an undertaking and constitute revenue of the undertaking in a manner that does not result in an undertaking being considered not self-supporting and be pledged to the repayment of bonds or other obligations of the town as part of the undertaking. The terms, conditions, and effect of the pledge and/or the appropriation and pledge shall be as set forth in a resolution or resolutions of the town council authorizing the bonds or other obligations. The pledge and/or the appropriation and pledge shall be binding on and enforceable against the town in accordance with the terms of the pledge and/or appropriation and pledge as set forth in the resolution or resolutions of the town council.”

This Resolution is a resolution that authorizes bonds or other obligations and that sets forth, in particular in Sections 6.8 and 6.9 below, the terms, conditions, and effect of the pledge and/or the appropriation and pledge with regard to the Bonds. Pursuant to the Resort Tax Ordinances, the pledge and/or the appropriation and pledge of the Pledged Resort Tax Revenues set forth in this Resolution shall be binding and enforceable against the Borrower to the full extent set forth in Section 3.12.140 of the West Yellowstone Municipal Code.

Finally, by this Resolution and as contemplated by the Resort Tax Ordinances, the Pledged Resort Tax Revenues are pledged and appropriated to an undertaking, which, in accordance with Section 7-7-4402 of the Enabling Act, includes a sewer system of a municipality. As provided in Section 7-7-4424 of the Enabling Act, the One Percent Resort Tax that gives rise to the Pledged Resort Tax Revenues are approved, levied, and appropriated to an undertaking in compliance with Sections 7-16-1501 through 7-16-1509 of the Resort Tax Act and constitute revenue of the sewer system undertaking and may not result in such undertaking not being self-supporting.

Section 1.5. Recitals. All acts, conditions and things required by the Constitution and laws of the State to be done, to exist, to happen and to be performed prior to the issuance of the Series 2024 Bonds have been done, do exist, have happened, and have been performed in due time, form and manner, wherefore it is now necessary for the Borrower to establish the form and terms of the Series 2024 Bonds, to provide for the security thereof and to issue the Series 2024 Bonds forthwith.

## ARTICLE II

### REPRESENTATIONS AND COVENANTS

Section 2.1. Representations. The Borrower represents as follows:

(a) Organization and Authority. The Borrower:

(i) is duly organized and validly existing as a municipal corporation and political subdivision of the State;

(ii) has all requisite power and authority and all necessary licenses and permits required as of the date hereof to own and operate the System and to carry

on its current activities with respect to the System, to adopt this Resolution and to enter into the Collateral Documents and to issue the Series 2024 Bonds and to carry out and consummate all transactions contemplated by this Resolution, the Series 2024 Bonds and the Collateral Documents;

(iii) is a Governmental Unit and a Public Entity; and

(iv) has taken all proper action to authorize the execution, delivery and performance of its obligations under this Resolution, the Series 2024 Bonds and the Collateral Documents and the incurrence of the Debt evidenced by the Series 2024 Bonds in the maximum amount of the Committed Amount.

(b) Litigation. There is no litigation or proceeding pending, or to the knowledge of the Borrower threatened, against or affecting the Borrower in any court or before or by any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the existence, corporate or otherwise, of the Borrower, or the ability of the Borrower to make all payments and otherwise perform its obligations under this Resolution, the Series 2024 Bonds and the Collateral Documents, or the financial condition of the Borrower, or the transactions contemplated by this Resolution, the Series 2024 Bonds and the Collateral Documents or the validity and enforceability of this Resolution, the Series 2024 Bonds and the Collateral Documents. If any such litigation should be initiated or threatened, the Borrower will forthwith notify in writing the DNRC, and will furnish the DNRC a copy of all documents, including pleadings, in connection with such litigation. No referendum petition has been filed with respect to any resolution or other action of the Borrower relating to the 2024 Project, the Series 2024 Bonds or any Collateral Documents.

(c) Borrowing Legal and Authorized. The adoption of this Resolution, the execution and delivery of the Series 2024 Bonds and the Collateral Documents and the consummation of the transactions provided for in this Resolution, the Series 2024 Bonds and the Collateral Documents and compliance by the Borrower with the provisions of this Resolution, the Series 2024 Bonds and the Collateral Documents:

(i) are within the powers of the Borrower and have been duly authorized by all necessary action on the part of the Borrower; and

(ii) do not and will not result in any breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Borrower pursuant to any ordinance, resolution, indenture, loan agreement or other agreement or instrument (other than this Resolution and any Collateral Documents) to which the Borrower is a party or by which the Borrower or its property may be bound, nor will such action result in any violation of the provisions of the charter or similar document, if applicable, of the Borrower or any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Borrower, its properties or operations are subject.

(d) No Defaults. No event has occurred and no condition exists that, upon execution and delivery of the Series 2024 Bonds and the Collateral Documents, would constitute a default under this Resolution or the Collateral Documents. The Borrower is not in violation of any term of any agreement, bond resolution, trust indenture, charter or other instrument to which it is a party or by which it or its property may be bound which violation would materially and adversely affect the transactions contemplated hereby or the compliance by the Borrower with the terms hereof or of the Series 2024 Bonds and the Collateral Documents.

(e) Governmental Consent. The Borrower has obtained or made all permits, findings and approvals required to the date of adoption of this Resolution by any governmental body or officer for the making and performance by the Borrower of its obligations under this Resolution, the Series 2024 Bonds and the Collateral Documents or for the 2024 Project, the financing or refinancing thereof or the reimbursement of the Borrower for the costs thereof. No consent, approval or authorization of, or filing, registration or qualification with, any governmental authority (other than those, if any, already obtained) is required on the part of the Borrower as a condition to adopting this Resolution, issuing the Series 2024 Bonds or entering into the Collateral Documents and the performance of the Borrower's obligations hereunder and thereunder.

(f) Binding Obligation. This Resolution, the Series 2024 Bonds and any Collateral Document to which the Borrower is a party are the valid and binding special, limited obligations and agreements of the Borrower, enforceable against the Borrower in accordance with their terms except to the extent that the enforceability thereof may be limited by laws relating to bankruptcy, moratorium, reorganization, insolvency or similar laws affecting creditors' rights and general principles of equity.

(g) The 2024 Project. The 2024 Project consists and will consist of the facilities, improvements and activities described in Appendix A, as such Appendix A may be amended from time to time in accordance with the provisions of Article III of this Resolution. The 2024 Project comprises facilities of a type that, as determined by the EPA, will facilitate compliance with the national primary water pollution control regulations applicable to the System or will otherwise significantly further the health protection objectives of the Clean Water Act.

(h) The System. The System is a "public sewage system" within the meaning of the State Act and the Clean Water Act in that it is a public sewage system that provides collection, transportation, treatment or disposal of sewage for consumption, that serves not less than 15 service connections used by year-round residents of the 15 or more families or 25 or more persons daily for any 60 or more days in a calendar year.

(i) Full Disclosure. There is no fact that the Borrower has not specifically disclosed in writing to the DNRC that materially and adversely affects or (so far as the Borrower can now foresee), except for pending or proposed legislation or regulations that are a matter of general public information, that will materially and adversely affect the properties, operations and finances of the System, the Borrower's status as a Public Entity and Governmental Unit, its ability to own and operate the System in the manner it

is currently owned and operated or the Borrower's ability to perform its obligations under this Resolution, the Series 2024 Bonds and the Collateral Documents and to pledge any revenues or other property pledged to the payment of the Series 2024 Bonds.

(j) Compliance With Law. The Borrower:

(1) is in compliance with all laws, ordinances, governmental rules and regulations and court or other governmental orders, judgments and decrees to which it is subject and which are material to the properties, operations and finances of the System or its status as a Public Entity and Governmental Unit; and

(2) has obtained all licenses, permits, franchises or other governmental authorizations necessary to the ownership of the System and the operation thereof and agrees to obtain all such licenses, permits, franchises or other governmental authorizations as may be required in the future for the System and the operation thereof, which failure to obtain might materially and adversely affect the ability of the Borrower to conduct the operation of the System as presently conducted or the condition (financial or otherwise) of the System or the Borrower's ability to perform its obligations under this Resolution, the Series 2024 Bonds and the Collateral Documents.

## Section 2.2. Covenants.

(a) Right of Inspection and Notice of Change of Location. The DNRC, the DEQ and the EPA and their designated agents shall have the right at all reasonable times during normal business hours and upon reasonable notice to enter into and upon the property of the Borrower for the purpose of inspecting the System or any or all books and records of the Borrower relating to the System.

(b) Further Assurance. The Borrower shall execute and deliver to the DNRC all such documents and instruments and do all such other acts and things as may be necessary or required by the DNRC to enable the DNRC to exercise and enforce its rights under this Resolution, the Series 2024 Bonds and the Collateral Documents and to realize thereon, and record and file and re-record and refile all such documents and instruments, at such time or times, in such manner and at such place or places, all as may be necessary or required by the DNRC to validate, preserve and protect the position of the DNRC under this Resolution, the Series 2024 Bonds and the Collateral Documents.

(c) Maintenance of Security; Recordation of Interest.

(1) The Borrower shall, at its expense, take all necessary action to maintain and preserve the lien and security interest of this Resolution and the Collateral Documents so long as any amount is owing under this Resolution or the Series 2024 Bonds;

(2) The Borrower shall, forthwith, after the execution and delivery of the Series 2024 Bonds and thereafter from time to time, cause this Resolution and any



Collateral Documents granting a security interest in revenues or real or personal property and any financing statements or other notices or documents relating thereto to be filed, registered and recorded in such manner and in such places as may be required by law in order to perfect and protect fully the lien and security interest hereof and thereof and the security interest in them granted by this Resolution and, from time to time, shall perform or cause to be performed any other act required by law, including executing or causing to be executed any and all required continuation statements and shall execute or cause to be executed any further instruments that may be requested by the DNRC for such perfection and protection; and

(3) Except to the extent it is exempt therefrom, the Borrower shall pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of the documents described in subparagraph (2), and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Series 2024 Bonds and the Collateral Documents and the documents described in subparagraph (2).

(d) Additional Agreements. The Borrower covenants to comply with all representations, covenants, conditions and agreements, if any, set forth in Appendix C hereto.

(e) Financial Information. The Borrower agrees that for each Fiscal Year it shall furnish to the DNRC and the DEQ, promptly when available:

(1) the preliminary budget for the System, with items for the 2024 Project shown separately; and

(2) when adopted, the final budget for the System, with items for the 2024 Project shown separately.

The Borrower will cause proper and adequate books of record and account to be kept showing complete and correct entries of all receipts, disbursements and other transactions relating to the System, the monthly Gross Revenues derived from its operation, and the segregation and application of the Gross Revenues in accordance with this Resolution, in such reasonable detail as may be determined by the Borrower in accordance with generally accepted governmental accounting practice and principles. It will cause such books to be maintained on the basis of the same Fiscal Year as that utilized by the Borrower. The Borrower shall, within 270 days after the close of each Fiscal Year, cause to be prepared and supply to the DNRC a financial report with respect to the System for such Fiscal Year. The report shall be prepared at the direction of the financial officer of the Borrower in accordance with applicable generally accepted governmental accounting principles and, in addition to whatever matters may be thought proper by the financial officer to be included therein, shall include the following:

(A) a statement in detail of the income and expenditures of the System for the Fiscal Year, identifying capital expenditures and separating them from operating expenditures;

(B) a balance sheet as of the end of the Fiscal Year;

(C) the number of premises connected to the System at the end of the Fiscal Year;

(D) the amount on hand in each account of the Fund at the end of the Fiscal Year;

(E) a list of the insurance policies and fidelity bonds in force at the end of the Fiscal Year, setting out as to each the amount thereof, the risks covered thereby, the name of the insurer or surety and the expiration date of the policy or bond; and

(F) an accounting of total Resort Tax Revenues received by the Borrower; and

(G) a determination that the report shows full compliance by the Borrower with the provisions of this Resolution during the Fiscal Year covered thereby, including proper segregation of the capital expenditures from Operating Expenses, maintenance of the required balance in the Revenue Bond Account and, pursuant to Section 6.7, receipt of Net Revenues (to include Pledged Resort Tax Revenues) during each Fiscal Year at least equal to 110% of the maximum annual principal and interest payable on outstanding Bonds in any subsequent Fiscal Year, and receipt of Surplus Net Revenues during each Fiscal Year sufficient to pay principal and interest on Subordinate Obligations as and when due, including, without limitation, the Series 2024A Bond should it become payable as provided herein or, if the report should reveal that the revenues have been insufficient for purposes of compliance with this Resolution, or that the methods used in accounting for such revenues are contrary to any provision of this Resolution the report shall include a full explanation thereof together with recommendations for such change in rates or accounting practices or in the operation of the System as may be required.

The Borrower shall also have prepared and supplied to the DNRC and the DEQ, within 270 days of the close of each Fiscal Year, an audit report prepared by an independent certified public accountant or an agency of the state in accordance with generally accepted governmental accounting principles and practice with respect to the financial statements and records of the System. The audit report shall include an analysis of the Borrower's compliance with the provisions of this Resolution.

(f) Project Accounts. The Borrower shall maintain Project accounts in accordance with generally accepted government accounting standards, and as separate accounts, as required by Section 602(b)(9) of the Clean Water Act.

(g) Records. After reasonable notice from the EPA or the DNRC, the Borrower shall make available to the EPA or the DNRC such records as the EPA or the DNRC reasonably requires to review and determine compliance with the Clean Water Act, as provided in Section 606(e) of the Clean Water Act.

(h) Compliance with Clean Water Act. The Borrower has complied and shall comply with all conditions and requirements of the Clean Water Act pertaining to the 2024 Loans and the 2024 Project and shall maintain sufficient financial, managerial and technical capability to continue to effect such compliance.

(i) Compliance with DEQ Requirements. The Borrower shall comply with the plans, specifications and other requirements for public sewer systems established by the DEQ, as required by Section 75-5-1113(1)(g) of the State Act.

(j) Insurance.

(1) General. The Borrower at all times shall keep and maintain with respect to the System property and liability insurance with financially sound and reputable insurers, qualified under the laws of the State, or self-insurance as authorized by State law and shall pay or cause to be paid timely the premiums for all such insurance. Nothing herein shall be construed to prohibit or preclude the Borrower from self-insuring or participating in a self-insurance program in compliance with the provisions of State law. All such insurance policies shall name the DNRC as an additional insured to the extent permitted under the policy or program of insurance of the Borrower. Each policy must provide that it cannot be cancelled by the insurer without giving the Borrower and the DNRC 30 days prior written notice. The Borrower shall give the DNRC prompt notice of each insurance policy it obtains or maintains to comply with this paragraph (j) and of each renewal, replacement, change in coverage or deductible under or amount of or cancellation of each such insurance policy and the amount and coverage and deductibles and carrier of each new or replacement policy. Such notice shall specifically note any adverse change as being an adverse change. The Borrower shall deliver to the DNRC at Closing a certificate providing the information required by this paragraph (j).

(2) Property Insurance. The Borrower at all times shall keep and maintain with respect to the System property insurance on all buildings, properties, fixtures and equipment constituting a part of the System against loss or damage by such hazards and risks as are ordinarily insured against and in such amounts as are ordinarily carried by public bodies owning and operating properties of a similar character and size; provided that if at any time the Borrower is unable to obtain such insurance, it will obtain insurance in such amounts and against such risks as are reasonably obtainable. The proceeds of all such insurance shall be available for the repair, replacement or reconstruction of damaged or destroyed property and, until paid out in making good such loss or damage, are pledged as security for the outstanding Bonds. All insurance proceeds received in excess of the amount required for restoration of the loss or damage compensated thereby shall

be and become part of the revenues appropriated to the Sewer System Fund. If for any reason insurance proceeds are insufficient for the repair, replacement and reconstruction of the insured property, the Borrower shall supply the deficiency from revenues on hand in the Replacement and Depreciation Account and the Surplus Account.

(3) Liability Insurance. The Borrower at all times shall keep and maintain insurance against liability of the Borrower and its employees for injuries to persons (including death) and damage to property resulting from the construction, operation, maintenance, improvement or extension of the System in amounts not less than \$100,000 for death of or personal injury to any one person, \$300,000 for all personal injuries and deaths resulting from any one accident and \$300,000 for property damage in any one accident. The premiums for all insurance required by this subparagraph (3) constitute part of the Operating Expenses of the System, but no insurance liabilities of the Borrower in excess of amounts received under such insurance shall constitute a lien or charge on revenues or any other assets herein or otherwise pledged to the Sewer System Fund.

(k) Handling of Funds; Surety Bonds. The employees of the Borrower, under the direction and control of the Finance Director, shall keep books of account and collect the rates, charges and rentals for the services and facilities provided by the System and for other money currently receivable on account thereof. All money collected with respect to the System shall be deposited daily with the Finance Director. Any failure on the part of the Finance Director to comply and to enforce compliance on the part of all officers and employees concerned with the provisions of this Resolution, and with the Borrower's other regulations respecting the System, shall constitute malfeasance for which the Finance Director and the surety on his or her bond shall be personally liable. The Borrower will cause officers of the Borrower charged with handling money of the Sewer System Fund to be adequately bonded for the faithful performance of their duties by a surety company authorized to do business in the State and to account for and pay over such money to the Borrower. The requirements of this subsection 2.2(k) are satisfied for so long as Borrower shall cause the Finance Director (also known as the Financial Administrator) to be covered by a surety bond in an amount of not less than \$200,000. All amounts received under such bonds shall be applied to the payment of the loss or damage covered thereby. The premiums for all bonds required by this paragraph (k) constitute part of the Operating Expenses of the System, but no such liabilities of the Borrower in excess of amounts received under such bonds shall constitute a lien or charge on revenues or any other assets herein or otherwise pledged to the Sewer System Fund.

(l) Cost of Insurance and Accounting. The insurance and surety bond premiums and the cost of the bookkeeping and audits herein provided for and of the billings and collection of revenues shall be payable from the Operating Account.

## ARTICLE III

### USE OF PROCEEDS; THE 2024 PROJECT

Section 3.1. Use of Proceeds. The Borrower shall apply the proceeds of the 2024 Loans solely as follows:

(a) The Borrower shall apply the proceeds of the 2024 Loans solely to the financing, refinancing or reimbursement of a portion of the costs of the 2024 Project, to funding deposits to the Reserve Account, and to paying costs of issuing the Series 2024 Bonds, as set forth in Appendix A hereto. The 2024 Loans will be disbursed in accordance with Article IV hereof and Article VII of the Indenture. If the 2024 Project has not been completed prior to Closing, the Borrower shall, as quickly as reasonably possible, complete the 2024 Project and expend proceeds of the 2024 Loans to pay a portion of the costs of completing the 2024 Project.

(b) No portion of the proceeds of the 2024 Loans shall be used to reimburse the Borrower for costs paid prior to the date of adoption of this Resolution of a Project the construction or acquisition of which occurred or began earlier than March 7, 1985. In addition, if any proceeds of the 2024 Loans are to be used to reimburse the Borrower for Project costs paid prior to the date of adoption of this Resolution, the Borrower shall have complied in respect of such expenditures with the requirements of Section 1.150-2 of the Regulations, as amended or any successor regulation thereto.

(c) Any Debt to be refinanced with proceeds of the 2024 Loans was incurred after March 7, 1985, or with respect to a Project the construction or acquisition of which began after March 7, 1985. No proceeds of the 2024 Loans shall be used for the purpose of refinancing an obligation the interest on which is exempt from federal income tax or excludable from gross income for purposes of federal income taxation unless the DNRC has received an Opinion of Bond Counsel, satisfactory to it, to the effect that such refinancing will not adversely affect the exclusion of interest on the State Bonds from gross income for purposes of federal income taxation.

Section 3.2. The 2024 Project. Set forth in Appendix A to this Resolution is a description of the 2024 Project, which describes the property which has been or is to be acquired, installed, constructed or improved and the other activities, if any to be funded from the 2024 Loans (the 2024 Project may consist of more than one facility or activity), and an estimated budget relating to the 2024 Project. The 2024 Project may be changed and the description thereof in Appendix A may be amended from time to time by the Borrower but only after delivery to the DNRC of the following:

(a) certificate of the Borrower setting forth the amendment to Appendix A and stating the reason therefor, including statements as to whether the amendment would cause an increase or decrease in the cost of the 2024 Project, an increase or decrease in the amount of proceeds of the 2024 Loans which will be required to complete the 2024 Project and whether the change will materially accelerate or delay the construction schedule for the 2024 Project;

(b) A written consent to such change in the 2024 Project by an Authorized DNRC Officer; and

(c) An Opinion or Opinions of Bond Counsel stating that the 2024 Project, as constituted after such amendment, is, and was at the time the State Bonds were issued, eligible for financing under the State Act and is, and was at the time the Series 2024 Bonds were issued, eligible for financing under the Enabling Act, such amendment will not violate the State Act or the Enabling Act and such amendment will not adversely affect the exclusion of interest on the State Bonds or the Series 2024 Bonds from gross income for purposes of federal income taxation. Such an Opinion of Bond Counsel shall not be required for amendments which do not affect the type of facility to be constructed or activity to be financed.

The Borrower acknowledges and agrees that an increase in the principal amount of the 2024 Loans may be made only upon an application to the DEQ, the DNRC and the Trustee, in such form as the DEQ shall specify, which is approved by the DEQ and the DNRC, in their sole and absolute discretion, and adoption by the governing body of the Borrower of a Supplemental Resolution authorizing the additional loan and delivery of written certifications by officers of the Borrower to the DEQ, the DNRC and the Trustee to the effect that all representations and covenants contained in this Resolution as it may be so amended or supplemented are true as of the date of closing of the additional loan and compliance with applicable test for the incurrence of such debt. No assurance can be given that any additional loan funds will be available under the Program at the time of any such application or thereafter. The Borrower acknowledges and agrees that neither the DEQ, the DNRC, the Trustee nor any of their agents, employees or representatives shall have any liability to the Borrower and have made no representations to the Borrower as to the sufficiency of the 2024 Loans to pay costs of the 2024 Project or as to the availability of additional funds under the Program to increase the principal amount of the 2024 Loans.

Section 3.3. 2024 Project Representations and Covenants. The Borrower hereby represents to and covenants with the DNRC that:

(a) all construction of the 2024 Project has complied and will comply with all federal and state standards, including, without limitation, EPA regulations and standards;

(b) all future construction of the 2024 Project will be done only pursuant to fixed price construction contracts, and the Borrower shall obtain a performance and payment bond from the contractor for each construction contract in the amount of 100% of the construction price and ensure that such bond is maintained until construction is completed to the Borrower's, the DNRC's and the DEQ's satisfaction;

(c) all future construction of the 2024 Project will be done in accordance with plans and specifications on file with the DNRC and the DEQ, provided that changes may be made in such plans and specifications with the written consent of an Authorized DNRC Officer and the DEQ;

(d) all laborers and mechanics employed by contractors and subcontractors on the 2024 Project have been and will be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the United States Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code, as amended;

(e) in the event the 2024 Project is required to comply with the American iron and steel provisions of the 2014 Act (defined below), all the iron and steel products used in the 2024 Project are produced in the United States in compliance with and within the meaning of the “American Iron and Steel” provisions of Section 436 of the Consolidated Appropriations Act of 2014 (P.L. 113-76), as amended (the “2014 Act”), as those provisions are further interpreted by applicable EPA guidance, except to the extent waivers to the American Iron and Steel requirements of the 2014 Act have been granted by the EPA;

(f) in the event the 2024 Project is required to comply with the provisions of BABA (defined below), all iron and steel, manufactured products, and construction materials used in the 2024 Project are produced in the United States in compliance with and within the meaning of the provisions of the Build America, Buy America Act (“BABA”) of the Infrastructure Investment and Jobs Act (P.L. 117-58, div. G, title IX, Nov. 15, 2021, 135 Stat. 1294, as amended by P.L. 117-67, div. B, title II, §10254, Aug. 9, 2022, 136 Stat. 1502, and as further amended), such provisions being at Sec. 70901 et seq. of the Infrastructure Investment and Jobs Act, as those provisions are further interpreted by applicable EPA guidance, except to the extent waivers to the requirements of BABA have been granted by the EPA;

(g) the 2024 Project is a project of the type permitted to be financed under the Enabling Act, the State Act and the Program and Title VI of the Clean Water Act; and

(h) the Borrower will undertake the 2024 Project promptly after the Closing and will cause the 2024 Project to be completed as promptly as practicable with all reasonable dispatch, except only as completion may be delayed by a cause or event not reasonably within the control of the Borrower; it is estimated by the Borrower that the 2024 Project will be substantially completed by June 30, 2026.

#### Section 3.4. Completion or Cancellation or Reduction of Costs of the 2024 Project.

(a) Upon completion of the 2024 Project, the Borrower shall deliver to the DNRC a certificate stating that the 2024 Project is complete and stating the remaining amount, if any, of the Committed Amount. If Appendix A describes two or more separate projects as making up the 2024 Project, a separate completion certificate shall be delivered for each.

(b) If all or any portion of the 2024 Project is cancelled or reduced or its costs are reduced or for any other reason the Borrower will not require the full Committed Amount, the Borrower shall promptly notify the DNRC in writing of such fact and the amount of the Committed Amount that will not be needed.

(c) The Borrower may not request an advance on the 2024 Loan after the date that is 180 days following the date of substantial completion of the 2024 Project (such date, the “Loan Close Out Date”), and by no later than the Loan Close Out Date, the DNRC and the DEQ will close out and cease administering the 2024 Loan, unless an extension is granted in writing by and in the sole discretion of the DEQ.

## ARTICLE IV

### THE 2024 LOANS

#### Section 4.1. The 2024 Loans; Disbursement of Loans.

(a) The DNRC has agreed to lend to the Borrower, from time to time as the requirements of this Section 4.1 are met, an amount up to: (i) \$750,000 (the “2024A Committed Amount”) for the purposes of financing, refinancing, or reimbursing the Borrower for a portion of the costs of the 2024 Project, and (ii) \$15,000,000 (the “2024B Committed Amount”) for the purposes of financing, refinancing or reimbursing the Borrower for a portion of the costs of the 2024 Project, funding a deposit to the Reserve Account, and paying costs of issuance of the Series 2024 Bonds; provided the DNRC shall not be required to disburse any proceeds of the 2024 Loans to the Borrower after June 30, 2026. The Committed Amount may be reduced as provided in Sections 3.2 and 3.4 of this Resolution.

(b) The DNRC intends to disburse the 2024 Loans through the Trustee. In consideration of the issuance of the Series 2024 Bonds by the Borrower, the DNRC shall make, or cause the Trustee to make, a disbursement of all or a portion of the 2024 Loans upon receipt of the following documents:

(1) an Opinion of Bond Counsel as to the Series 2024A Bond and an Opinion of Bond Counsel as to the validity and enforceability of the Series 2024B Bond and the security therefor and stating in effect that interest on the Series 2024B Bond is not includable in gross income of the owner thereof for purposes of federal income taxation, in form and substance satisfactory to the DNRC;

(2) the Series 2024A Bond and the Series 2024B Bond, fully executed and authenticated;

(3) a certified copy of this Resolution;

(4) any other security instruments or documents required by the DNRC or DEQ as a condition to their approval of the 2024 Loans;

(5) if all or part of a Loan is being made to refinance a Project or reimburse the Borrower for the costs of a Project paid prior to the Closing, evidence, satisfactory to the DNRC and the Bond Counsel referred to in (1) above, (A) that the acquisition or construction of the Project was begun no earlier than March 7, 1985 or the debt was incurred no earlier than March 7, 1985, (B) of



the Borrower's title to the Project, (C) of the costs of such Project and that such costs have been paid by the Borrower and (D) if such costs were paid before adoption of this Resolution that the Borrower has complied with Section 1.150-2 of the Regulations;

(6) the items required by the Indenture for the portion of the 2024 Loans to be disbursed at Closing; and

(7) such other certificates, documents and other information as the DNRC, the DEQ or Bond Counsel may require (including any necessary arbitrage rebate instructions).

(c) In order to obtain a disbursement of a portion of the 2024 Loans to pay costs of the 2024 Project, the Borrower shall submit to the DNRC and the Trustee a signed request for disbursement on the form prescribed by the DNRC, with all attachments required by such form. The Borrower may obtain disbursements only for costs which have been legally incurred and are due and payable. All Loan disbursements will be made to the Borrower only upon proof that cost was incurred.

(d) From and after the 2024B First Advance, the 2024 Loans shall be disbursed, subject to the other terms and conditions of this Resolution, in the following order:

(1) First, the total amount of each advance will be split substantially equally between the 2024A Loan and the 2024B Loan, until the entire amount of the 2024A Loan is advanced; provided that the initial advance shall include the 2024B First Advance.

(2) Second, after the full amount of the 2024A Loan is advanced, all advances will be only from the 2024B Loan.

(e) The Borrower shall submit the request for the 2024B First Advance in the form required by the DNRC so that it is received in sufficient time for the DNRC to process the information by the date desired by the Borrower for the making of the 2024B First Advance. The Borrower shall not be entitled to, and the DNRC shall have no obligation to make, the 2024B First Advance or any subsequent advance of the 2024B Loan until such time as the Borrower shall have set aside and funded the Reserve Account in an amount then required to satisfy the Reserve Requirement.

(f) For refinancings, a disbursement schedule complying with the requirements of the Clean Water Act shall be established by the DNRC and the Borrower at Closing.

(g) If all or a portion of the 2024 Loans is made to reimburse a Borrower for 2024 Project costs paid by it prior to Closing, the Borrower shall present at Closing the items required by Section 4.1(b) of this Resolution relating to such costs. The Trustee shall disburse such amounts to the Borrower pursuant to a disbursement schedule complying with the requirements of the Clean Water Act established by the DNRC and the Borrower at the Closing.

(h) Notwithstanding anything else provided herein, the Trustee shall not be obligated to disburse the 2024 Loans any faster or to any greater extent than it has available EPA Capitalization Grants, Bond proceeds and other amounts available therefor in the Revolving Fund. The DNRC shall not be required to do “overmatching” pursuant to Section 5.04(b) of the Indenture, but may do so in its discretion. The Borrower acknowledges that if 2024 Project costs are incurred faster than the Borrower projected at Closing, there may be delays in making Loan disbursements for such costs because of the schedule under which EPA makes EPA Capitalization Grant money available to the DNRC. The DNRC will use its reasonable best efforts to obtain an acceleration of such schedule if necessary.

(i) Upon making each 2024A Loan disbursement and 2024B Loan disbursement, the Trustee shall note such disbursement on Schedule A to the Series 2024A Bond and the Series 2024B Bond, respectively. A Schedule A reflecting the amount of the 2024B First Advance will first be attached to the Series 2024B Bond at Closing.

(j) The Borrower agrees that it will deposit in the Reserve Account upon receipt thereof, on the date of the 2024B First Advance and any subsequent disbursement dates, any proceeds of the 2024B Loan borrowed for the purpose of increasing the balance in the Reserve Account to the Reserve Requirement. The Borrower further acknowledges and agrees that any portions of the 2024 Loans representing capitalized interest shall be advanced only on Payment Dates and shall be transferred by the Trustee on the Payment Date directly to the Revenue Bond Account. The amount of any such transfer shall be a credit against the interest payments due on the Series 2024 Bonds and interest thereon shall accrue only from the date of transfer.

(k) Compliance by the Borrower with its representations, covenants and agreements contained in this Resolution and the Collateral Documents shall be a further condition precedent to the disbursement of the 2024 Loans in whole or in part. The DNRC and the Trustee, in their sole and absolute discretion, may make one or more disbursements, in whole or in part, notwithstanding such noncompliance, and without liability to make any subsequent disbursement of the 2024 Loans.

Section 4.2. Commencement of Loan Term. The Borrower’s obligations under this Resolution and the Collateral Documents shall commence on the date hereof unless otherwise provided in this Resolution. However, the obligation to make payments under Article V hereof shall commence only upon the first disbursement by the Trustee of the 2024B Loan proceeds.

Section 4.3. Termination of Loan Term. The Borrower’s obligations under this Resolution and the Collateral Documents in respect of the Series 2024 Bonds shall terminate upon payment in full of all amounts due under the Series 2024 Bonds and this Resolution; provided, however, that the covenants and obligations set forth in Article VII and Section 12.4 of this Resolution shall survive the termination of this Resolution.

Section 4.4. Loan Closing Submissions. On or prior to the Closing, the Borrower will have delivered to the DNRC and the Trustee the closing submissions required by Section 7.05 of the Indenture.

## ARTICLE V

### REPAYMENT OF 2024 LOANS

Section 5.1. Repayment of 2024 Loans. The Borrower shall repay the amounts lent to it pursuant to Section 4.1 hereof in accordance with this Section 5.1.

5.1.1. Interest and Surcharges. Until a Determination Statement is delivered by the DNRC to the Borrower and so long as the Borrower's obligation to repay the principal of the 2024A Loan is forgiven as provided in Section 5.1.2 below, amounts disbursed by the DNRC under Section 4.1 hereof that are evidenced by the Series 2024A Bond bear interest at the rate of zero percent (0.00%) per annum from the date of each advance; provided, however, if the DNRC delivers to the Borrower a Noncompliance Statement, then all principal of the Series 2024A Bond advanced by the DNRC shall be payable and amounts disbursed by the DNRC under Section 4.1 hereof that are evidenced by the Series 2024A Bond shall bear interest at the rate of two percent (2.00%) per annum and in addition the Borrower shall pay the Administrative Expense Surcharge and the Loan Loss Reserve Surcharge from the date of each advance under the Series 2024A Bond. The 2024B Loan shall bear interest at the rate of two percent (2.00%) per annum and the Borrower shall pay the Administrative Expense Surcharge and Loan Loss Reserve Surcharge on the outstanding principal amounts of the 2024B Loan from the date of each advance. For purposes of this Resolution and the Program, with respect to the 2024A Loan (if a Noncompliance Statement is delivered) and the 2024B Loan, the term "interest on the 2024 Loans" or "interest on the 2024A Loan" or "interest on the Series 2024B Loan" when not used in conjunction with a reference to any surcharges, shall include the Administrative Expense Surcharge and the Loan Loss Reserve Surcharge. The Borrower shall pay all Loan Repayments and surcharges in lawful money of the United States of America to the DNRC. Interest, Administrative Expense Surcharge, and Loan Loss Reserve Surcharge shall be calculated on the basis of a year of 360 days comprising 12 months of 30 days each.

5.1.2. Repayment of 2024A Loan; Principal Forgiveness.

(a) The Borrower is obligated to repay the principal of and interest and Administrative Expense Surcharge and Loan Loss Reserve Surcharge on the 2024A Loan, unless the DNRC forgives the Borrower's obligation to repay the principal of the 2024A Loan as provided in Section 5.1.2(b). Subject to the provisions of Section 5.1.2(b), the Loan Repayments and the Administrative Expense Surcharge and Loan Loss Reserve Surcharge on the 2024A Loan shall be due on each Payment Date, as follows:

(1) interest and the Administrative Expense Surcharge and the Loan Loss Reserve Surcharge on the outstanding principal balance of the 2024A Loan shall be payable on each Payment Date, beginning on the first Payment Date following the date of delivery by the DNRC of a Noncompliance Statement and concluding on July 1, 2054; and

(2) the principal of the 2024A Loan shall be payable on each Payment Date, beginning on the Payment Date that is the first to occur following delivery by the DNRC of a Noncompliance Statement, and concluding on July 1, 2054,

and the amount of each principal payment shall be calculated on the basis of a substantially level debt service at the rate of 2.50% per annum.

(b) Notwithstanding Section 5.1.2(a), so long as the Borrower is proceeding diligently to completion of the 2024 Project and the Borrower has executed and delivered the Compliance Certificate and Request to the DNRC in form and substance satisfactory to the DNRC and the DEQ within thirty (30) days after the date that the Compliance Certificate and Request is provided to the Borrower by the DNRC, the DNRC will, following review and approval of the Compliance Certificate and Request, deliver to the Borrower a Forgiveness Statement and the Borrower will thereafter have no obligation to repay amounts advanced under the Series 2024A Bond or interest or surcharges thereon and the Series 2024A Bond will be marked "CANCELLED" and returned by the DNRC to the Borrower. However, in the event the Borrower fails to deliver timely the Compliance Certificate and Request, or the Borrower cannot submit the Compliance Certificate and Request because it cannot make the certifications required therein, or the Compliance Certificate and Request is delivered in a form that deviates materially from that attached hereto as Appendix D as determined in the sole and complete discretion of the DNRC and the DEQ, or the DNRC or the DEQ determine at any time that the 2024 Project or any portion thereof or of the work relating thereto fails to comply with Program requirements, then the DNRC will deliver to the Borrower a Noncompliance Statement. Upon delivery of a Noncompliance Statement by the DNRC to the Borrower, all principal advanced or to be advanced under the Series 2024A Bond, together with interest, Administrative Expense Surcharge, and Loan Loss Reserve Surcharge thereon from the date of each advance, shall be payable as provided in Section 5.1.2(a).

(c) In addition, in the event the DNRC delivers a Noncompliance Statement (i) the Series 2024A Bond will continue in effect as a Subordinate Obligation, and (ii) the Borrower will forthwith comply with the rate covenant set forth in Section 6.7, and, if necessary, increase the rates and charges of the System to satisfy such rate covenant as soon as practicable and in any event no later than three (3) months after the date of delivery to the Borrower by the DNRC of a Noncompliance Statement.

5.1.3. Repayment of 2024B Loan. The Loan Repayments and the Administrative Expense Surcharge and the Loan Loss Reserve Surcharge on the 2024B Loan required by this Section 5.1 shall be due on each Payment Date, as follows:

(1) interest and Administrative Expense Surcharge and Loan Loss Reserve Surcharge on the outstanding principal balance of the 2024B Loan shall be payable on each January 1 and July 1, beginning on January 1, 2025, and concluding on July 1, 2054; and

(2) the principal of the 2024B Loan shall be payable on each January 1 and July 1, beginning on January 1, 2025, and concluding July 1, 2054, and the amount of each principal payment shall be calculated on the basis of a substantially level debt service at a rate of 2.50% per annum; provided that principal of the 2024B Loan is payable only in amounts that are multiples of \$1,000.

5.1.4. Details Regarding 2024 Loan Repayments. Loan Repayments and the Administrative Expense Surcharge and the Loan Loss Reserve Surcharge on the 2024B Loan and, if applicable, on the 2024A Loan, shall be due on the dates specified above and on the dates and in the amounts shown in Schedule B to the Series 2024A Bond and the Series 2024B Bond, as such Schedule B shall be modified from time to time as provided in Section 5.1.2 and below. Schedule B will first be attached to the Series 2024B Bond and, as appropriate, the Series 2024A Bond, at Closing. The portion of each such Loan Repayment consisting of principal and the portion consisting of interest and the amount of each Administrative Expense Surcharge and the amount of each Loan Loss Reserve Surcharge shall be set forth in Schedule B to the Series 2024A Bond and the Series 2024B Bond on and after Closing. Upon each disbursement of the 2024 Loan amounts to the Borrower pursuant to Section 4.1 hereof, the Trustee shall enter or cause to be entered the amount advanced on Schedule A to the Series 2024A Bond and the Series 2024B Bond, as applicable, under “Advances” and the total amount advanced under Section 4.1, including such disbursement, under “Total Amount Advanced.” Interest and Administrative Expense Surcharge and Loan Loss Reserve Surcharge on such advance shall accrue from the date the advance is made and shall be due and payable on the dates and in the amounts shown in Schedule B to each of the Series 2024A Bond and Series 2024B Bond, as such Schedule B shall be modified from time to time as provided herein.

If the DNRC shall have delivered a Noncompliance Statement, then Schedule B to the Series 2024A Bond shall continue to reflect interest and surcharges on amounts advanced under the Series 2024A Bond at the rate of 2.50% per annum, as may be revised to reflect the full principal amount advanced under the Series 2024A Bond, the initial Payment Date, and the periodic total loan payment, and the Trustee shall send a copy of such schedules to the Borrower within one month after delivery by the DNRC of the Noncompliance Statement. If the DNRC delivers a Forgiveness Statement, Schedule B to the Series 2024A Bond will be disregarded and of no effect.

Past-due Loan Repayments and the Administrative Expense Surcharge and the Loan Loss Reserve Surcharge shall bear interest at the rate of ten percent (10.00%) per annum, until paid.

Any payment of principal and interest as to the Series 2024B Bond and, if applicable, the Series 2024A Bond, and the Administrative Expense Surcharge and the Loan Loss Reserve Surcharge as to the Series 2024B Bond and, if applicable, the Series 2024A Bond under this Section 5.1 shall be credited against the same payment obligation under the Series 2024B Bond and, as applicable, the Series 2024A Bond.

Section 5.2. Additional Payments. The Borrower shall also pay, within 30 days after receipt of a bill therefor, from any legally available funds therefor, including proceeds of the 2024 Loans, all reasonable expenses of the DNRC and the Trustee in connection with the 2024 Loans, the Collateral Documents and the Series 2024 Bonds, including, but not limited to:

- (a) the cost of reproducing this Resolution, the Collateral Documents and the Series 2024 Bonds;

(b) the fees and disbursements of Bond Counsel and other Counsel utilized by the DNRC and the Trustee in connection with the 2024 Loans, the Resolution, the Collateral Documents and the Series 2024 Bonds and the enforcement thereof; and

(c) all taxes and other governmental charges in connection with the execution and delivery of the Collateral Documents or the Series 2024 Bonds, whether or not the Series 2024 Bonds are then outstanding, including all recording and filing fees relating to the Collateral Documents and the pledge of the State's right, title and interest in and to the Series 2024 Bonds, the Collateral Documents and this Resolution and all expenses, including attorneys' fees, relating to any amendments, waivers, consents or collection or enforcement proceedings pursuant to the provisions hereof or thereof.

Section 5.3. Prepayments. The Borrower may not prepay all or any part of the outstanding principal amount of the Series 2024B Bond, and, if applicable, the Series 2024A Bond, unless (i) a Determination Statement has been delivered, (ii) it obtains the prior written consent of the DNRC thereto, and (iii) no Loan Repayment or Administrative Expense Surcharge or Loan Loss Reserve Surcharge is then delinquent. Any prepayment permitted by the DNRC must be accompanied by payment of accrued interest and Administrative Expense Surcharge and Loan Loss Reserve Surcharge to the date of prepayment on the amount of principal prepaid. If the Series 2024 Bonds are prepaid in part pursuant to this Section 5.3, such prepayments shall be applied to principal payments in inverse order of maturity or, if the DNRC determines in its discretion, the remaining principal amount following such prepayment will be reamortized over the remaining term of the Series 2024 Bonds.

Section 5.4. Obligations of Borrower Unconditional. The obligations of the Borrower to make the payments required by this Resolution and the Series 2024 Bonds and to perform its other agreements contained in this Resolution, the Series 2024 Bonds and Collateral Documents shall be absolute and unconditional, except as otherwise provided herein or in such documents. The Borrower (a) shall not suspend or discontinue any payments provided for in the Resolution and the Series 2024 Bonds, (b) shall perform all its other agreements in the Resolution, the Series 2024 Bonds and the Collateral Documents and (c) shall not terminate the Resolution, the Series 2024 Bonds or the Collateral Documents for any cause, including any acts or circumstances that may constitute failure of consideration, destruction of or damage to the 2024 Project or the System, commercial frustration of purpose, any dispute with the DNRC or the EPA, any change in the laws of the United States or of the State or any political subdivision of either or any failure of the DNRC to perform any of its agreements, whether express or implied, or any duty, liability or obligation arising from or connected with this Resolution.

Section 5.5. Limited Liability. All payments of principal of and interest on the 2024 Loans and other payment obligations of the Borrower hereunder and under the Series 2024 Bonds shall be special, limited obligations of the Borrower payable with respect to the Series 2024B Bond solely out of the Net Revenues or, with respect to the Series 2024A Bond, solely out of Surplus Net Revenues and shall not, except at the option of the Borrower and as permitted by law, be payable out of any other revenues of the Borrower. The obligations of the Borrower under the Resolution and the Series 2024 Bonds shall never constitute an indebtedness of the Borrower within the meaning of any State constitutional provision or statutory or charter limitation and shall never constitute or give rise to a pecuniary liability of the Borrower or a

charge against its general credit or taxing power. The taxing powers of the Borrower may not be used to pay principal of or interest on the Series 2024 Bonds, and no funds or property of the Borrower other than the Net Revenues or, as appropriate, Surplus Net Revenues may be required to be used to pay principal of or interest on the Series 2024 Bonds.

## ARTICLE VI

### OTHER AGREEMENTS OF BORROWER

Section 6.1. Maintenance of System; Liens. The Borrower shall maintain the System, including the 2024 Project, in good condition and make all necessary renewals, replacements, additions, betterments and improvements thereto. The Borrower shall not grant or permit to exist any lien on the 2024 Project or any other property making up part of the System, other than liens securing Debt where a parity lien secures the Series 2024 Bonds; provided that this Section 6.1 shall not be deemed to be violated if a mechanic's or contractor's lien is filed against any such property so long as the Borrower uses its best efforts to obtain the discharge of such lien and promptly reports to the DNRC the filing of such lien and the steps it plans to take and does take to discharge such lien.

Section 6.2. Maintenance of Existence; Merger, Consolidation, Etc.; Disposition of Assets. The Borrower shall maintain its corporate existence, except that it may consolidate with or merge into another Governmental Unit or permit one or more Governmental Units to consolidate with or merge into it or may transfer all or substantially all of its assets to another Governmental Unit and then dissolve if the surviving, resulting or transferee entity (if other than the Borrower) (i) is a Public Entity and (ii) assumes in writing all of the obligations of the Borrower under this Resolution, the Series 2024 Bonds and the Collateral Documents, and (a) such action does not result in any default in the performance or observance of any of the terms, covenants or agreements of the Borrower under this Resolution, the Bond and the Collateral Documents, (b) such action does not violate the State Act or the Clean Water Act and does not adversely affect the exclusion of interest on the Series 2024 Bonds or the State Bonds from gross income for federal income tax purposes and (c) the Borrower delivers to the DNRC on the date of such action an Opinion of Bond Counsel that such action complies with this Section 6.2.

Notwithstanding the foregoing paragraph, the Borrower will not mortgage, lease, transfer, sell or otherwise dispose of any real or personal properties of the System, unless (a) prior to or simultaneous with such mortgage, lease, transfer, sale or other disposition, all of the Bonds then outstanding shall be discharged as provided in Article XIV; or (b) (i) the properties to be mortgaged, leased, transferred, sold or otherwise disposed of are unserviceable, inadequate, outmoded, worn out, obsolete or no longer required for use in connection with the System or beneficial to the general public or necessary to carry out the purposes of the Clean Water Act; and (ii) the mortgage, lease, transfer, sale or other disposition will not prevent the Borrower from complying with the provisions of this Resolution; and (iii) all proceeds of the mortgage, lease, transfer sale or other disposition of such properties are deposited into the Fund.

Section 6.3. Covenants Relating to the Tax-Exempt Status of the State Bonds.

(a) The Borrower covenants and agrees that it will not use or permit to be used any of the proceeds of the Series 2024 Bonds or any other funds of the Borrower, directly or indirectly, in a manner that would cause, or take any other action that would cause, any State Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code or would otherwise cause the interest on the State Bonds to be included in gross income for purposes of federal income taxation.

(b) In addition, the Borrower agrees that it will not enter into, or allow any “related person” (as defined in Section 147(a)(2) of the Code) to enter into, any arrangement, formal or informal, for the purchase of the State Bonds or any other obligations of the DNRC in an amount related to the amount of the 2024 Loans or the portion of the 2024 Loans derived directly or indirectly from proceeds of the State Bonds.

(c) The Borrower shall not use or permit the use of the 2024 Project directly or indirectly in any trade or business carried on by any Person who is not a Governmental Unit. For the purpose of this subparagraph, use as a member of the general public shall not be taken into account and any activity carried on by a Person other than a natural person shall be treated as a trade or business.

(d) Any portion of the 2024 Project being refinanced or the cost of which is being reimbursed was acquired by and is now and shall, during the term of the Loan, be owned by the Borrower and not by any other Person. Any portion of the 2024 Project being financed shall be acquired by and shall, during the term of the Loan, be owned by the Borrower and not by any other Person. Notwithstanding the previous two sentences, the Borrower may transfer the 2024 Project or a portion thereof to another Governmental Unit which is also a Public Entity if such transfer is otherwise permitted hereunder and if such organization agrees with the DNRC to comply with Sections 2.2(h), 2.2(i) and 6.3 hereof and if the DNRC receives an Opinion of Bond Counsel to the effect that such transfer will not violate the State Act or the Clean Water Act or adversely affect the exclusion of interest on the State Bonds from gross income for purposes of federal income taxation. In addition, except as otherwise provided herein or in any Collateral Documents, the Borrower may sell or otherwise dispose of any portion of the 2024 Project which has become obsolete or outmoded or is being replaced or for other reasons is not needed by the Borrower or beneficial to the general public or necessary to carry out the purposes of the Clean Water Act.

(e) At the Closing of the 2024 Loans the DNRC will, if necessary to obtain the Opinion of Bond Counsel described in Section 7.05(a) of the Indenture, deliver to the Borrower instructions concerning compliance by the Borrower with the arbitrage rebate requirements of Section 148 of the Code (the “Arbitrage Rebate Instructions”). The Borrower shall comply with the Arbitrage Rebate Instructions, if any, delivered to it by the DNRC at Closing, as such Instructions may be amended or replaced by the DNRC from time to time. The Arbitrage Rebate Instructions may be amended or replaced by new Arbitrage Rebate Instructions delivered by the DNRC and accompanied by an Opinion of Bond Counsel to the effect that the use of said amended or new Arbitrage Rebate Instructions will not adversely affect the excludability of interest on the State Bonds (except State Bonds the interest on which the State did not intend to be excluded



from gross income for federal income tax purposes) from gross income for purposes of federal income taxation.

(f) The Borrower agrees that during the term of the 2024 Loans it will not contract with or permit any Private Person to manage the 2024 Project or any portion thereof except according to a written management contract and upon delivery to the DNRC of an Opinion of Bond Counsel to the effect that the execution and delivery of such management contract will not violate the State Act or the Clean Water Act or adversely affect the excludability of interest on the State Bonds (except State Bonds the interest on which the State did not intend to be excluded from gross income for federal income tax purposes) from gross income for purposes of federal income taxation.

(g) The Borrower may not lease the 2024 Project or any portion thereof to any Person other than an exempt Person which agrees in writing with the Borrower and the State not to cause any Default to occur under this Resolution, provided the Borrower may lease all or any portion of the 2024 Project to a nonexempt Person pursuant to a lease which in the Opinion of Bond Counsel delivered to the DNRC will not adversely affect the excludability of interest on the State Bonds (except State Bonds the interest on which the State did not intend to be excluded from gross income for federal income tax purposes) from gross income for purposes of federal income taxation.

(h) The Borrower shall not change the use or nature of the 2024 Project if (i) such change will violate the Clean Water Act, or (ii) so long as the State Bonds are outstanding unless, in the Opinion of Bond Counsel delivered to the DNRC, such change will not adversely affect the excludability of interest on the State Bonds (except State Bonds the interest on which the State did not intend to be excluded from gross income for federal income tax purposes) from gross income for purposes of federal income taxation.

Section 6.4. Competing Service. The Borrower will not establish or authorize the establishment of any other system for the public supply of service or services in competition with any or all of the services supplied by the facilities of the System.

Section 6.5. Billing. The charges for sewer services shall be billed at least monthly, and if the bill is not paid within 90 days of the date of billing, or if the customer fails to comply with all rules and regulations established for the System within 90 days after notice of violation thereof (which notice shall be given promptly upon discovery of any such violation), the sewer service to the premises involved shall be discontinued and shall not be resumed until payment of all past-due bills for sewer service or approval by the Council of a contractual payment agreement for sewer service and compliance with all such rules and regulations. The Borrower shall take appropriate legal action to collect the unpaid charges, including, to the extent now or hereafter authorized by law, making the charge a lien against the real property served by the sewer connection for which the charge remains unpaid and causing charges with respect to such properties to be collected in the same manner as taxes levied against property within the Borrower.

Section 6.6. Remedies. The DNRC, so long as it owns the Series 2024B Bond, or the owners of not less than 25% in principal amount of the outstanding Bonds issued and secured

under the provisions of this Resolution shall have the right, either at law or in equity, through suit, action or other proceedings, to protect and enforce the rights of all owners of such Bonds and to compel the performance of any and all of the covenants required herein to be performed by the Borrower, and its officers and employees, including but not limited to the fixing and maintaining of rates, fees and charges and the collection and proper segregation of Gross Revenues and the application and use thereof. The owners of a majority in principal amount of such outstanding Bonds shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Bondholders or the exercise of any power conferred on them and the right to waive a default in the performance of any such covenant, and its consequences, except a default in the payment of the principal of, premium, or interest on any Bond when due. However, nothing herein shall impair the absolute and unconditional right of the owner of each such Bond to receive payment of the principal of, premium, if any, and interest on such Bond as such principal and interest respectively become payable, and to institute suit for any such payment. Any court having jurisdiction of the action may appoint a receiver to administer the System on behalf of the Borrower with power to charge and collect rates, fees and charges sufficient to provide for the payment of any Bonds or obligations outstanding against the System, and to apply the Gross Revenues in conformity with this Resolution and the laws of the State.

Section 6.7. Rate Covenant. While any Bonds are outstanding and unpaid, the rates, charges and rentals for all services and facilities furnished and made available by the System to the Borrower and its inhabitants, and to all customers within or without the boundaries of the Borrower, shall be reasonable and just, taking into consideration the cost and value of the System and the cost of maintaining and operating it, and the amounts necessary for the payment of all Bonds and the interest accruing thereon, and the proper and necessary allowances for the depreciation of the System, and no free service shall be provided to any Person. It is covenanted and agreed that the rates, charges and rentals to be charged to all recipients of sewer services shall be maintained and shall be revised, whenever and as often as may be necessary, according to schedules such that the revenues for each Fiscal Year will be at least sufficient to pay the Operating Expenses, to maintain the Operating Reserve herein established, to produce Net Revenues (including Pledged Resort Tax Revenues) during each Fiscal Year, commencing with the Fiscal Year ending June 30, 2024, not less than 110% of the maximum annual principal and interest payable on any outstanding Bonds in any subsequent Fiscal Year, to maintain the balance in the Reserve Account at the Reserve Requirement, and to produce Surplus Net Revenues sufficient to provide reserves for replacement and depreciation of the System and to pay Subordinate Obligations, including, without limitation, the Series 2024A Bond if a Noncompliance Statement should be delivered.

If at the close of any Fiscal Year the Net Revenues actually received during such year have been less than required hereby, the Borrower will forthwith prepare a schedule of altered rates, charges and rentals which are just and equitable and sufficient to produce Net Revenues and Surplus Net Revenues in such amount, and will do all things necessary to the end that such schedule will be placed in operation at the earliest possible date.

The establishment of the above ratio of Net Revenues to principal and interest on the Bonds is deemed necessary for the DNRC to make the 2024 Loans to the Borrower upon terms

most advantageous. Net Revenues in excess of the requirements of this Section 6.7 may be used as authorized in Article XI of this Resolution.

Section 6.8. Pledge of Resort Tax Revenues.

(a) The Borrower hereby pledges and appropriates to the Revenue Bond Account, for each Fiscal Year any Bond is outstanding, from Resort Tax Revenues an amount equal to the Pledged Resort Tax Revenues. The Pledged Resort Tax Revenues in the Revenue Bond Account will be applied to the payment of principal of and interest on the Bonds coming due. The foregoing pledge and appropriation is made subject to the following:

(i) While the expectation of the Borrower is that it will transfer \$1,000,000 of the Resort Tax Revenues to the Revenue Bond Account each Fiscal Year for application to the payment of the debt service on the Bonds, the Borrower reserves the right to reduce the amount of the Pledged Resort Tax Revenues for the current or any future Fiscal Years if and to the extent that the Net Revenues of the System (not taking into account the Pledged Resort Tax Revenues so released) are otherwise sufficient to meet all the requirements of this Resolution and the Borrower would not be in default in its covenants and agreements hereunder. Any determination to release a portion of Pledged Resort Tax Revenues shall be made on a Fiscal Year basis, with the acknowledgement that going into each Fiscal Year, Pledged Resort Tax Revenues equal \$1,000,000. Releasing from the pledge and appropriation made herein a portion of the Pledged Resort Tax Revenues in any Fiscal Year shall not limit or diminish Borrower's ongoing obligation to pledge and appropriate to the Revenue Bond Account Pledged Resort Tax Revenues each Fiscal Year.

(ii) Subject to the provisions of (i) immediately above and (iv) below, the Borrower shall deposit the Pledged Resort Tax Revenues into the Revenue Bond Account in installments of \$250,000 by each of October 15, December 15, April 15, and June 15 of each Fiscal Year to be applied to the payment of principal of and interest on the Bonds on each January 1 and July 1, but only so long as (x) Resort Tax Revenues are then collected by the Town in an amount sufficient to make deposits of such \$250,000 installments; and (y) deposits of such installments allow the Revenue Bond Account to retain its status as a "bona fide debt service fund" under the Code and Treasury Regulations.

(iii) The Borrower's current authorization to cause the imposition of the One Percent Resort Tax expires December 31, 2045, unless the electorate of the Borrower re-authorizes at an election the One Percent Resort Tax. The Borrower expects that it will seek an election to renew the authority to cause the One Percent Resort Tax to be imposed prior to December 31, 2045. The expiration or termination of the Borrower's legal authority to cause the One Percent Resort Tax to be imposed shall not constitute a default hereunder.

(iv) Notwithstanding any provision in this Resolution to the contrary, so long as the only Bond that is Outstanding is the Series 2024B Bond, meaning that no additional Bonds have been issued, the Borrower may reduce the amount of installments of Pledged Resort Tax Revenues deposited into the Revenue Bond Account to \$150,000 by each of October 15, December 15, April 15, and June 15 of each Fiscal Year, plus such additional amount, if any, required to pay timely and in full each semiannual installment of principal of and interest on the Series 2024B Bond and to satisfy the rate covenant set forth in Section 6.7 above. Once the first additional Bond is issued, the Borrower shall increase the quarterly installments of Pledged Resort Tax Revenues to equal the \$250,000 amount set forth in (ii) above.

(b) The Borrower covenants and agrees that, so long as it is permitted to cause the One Percent Resort Tax to be imposed, it will not amend or repeal the Resort Tax Ordinances by decreasing the resort tax rate or otherwise reducing the amount of Pledged Resort Tax Revenues which would otherwise be collected and deposited in the Revenue Bond Account. However, nothing shall prevent the Borrower from amending the Resort Tax Ordinances to make changes in the administration, collection or enforcement of the One Percent Resort Tax so long as such changes do not materially adversely affect the interests of the owners of or the security for outstanding Bonds.

(c) The Borrower will administer, enforce and collect, or cause to be administered, enforced or collected, the resort tax as authorized by the Resort Tax Ordinances and the Resort Tax Act and shall take such action as may be necessary to collect, or cause to be collected, delinquent payments of the resort tax in accordance with law.

(d) In the event Pledged Resort Tax Revenues total less than \$1,000,000 in any Fiscal Year, the Borrower agrees it will seek authority to transfer 3% resort tax revenues to the Revenue Bond Account.

Section 6.9. Discontinuance or Inadequacy of Pledged Resort Tax Revenues.

Notwithstanding any provision in this Resolution to the contrary, the Borrower represents, warrants, and covenants to the holders of any Bonds or Subordinate Obligations issued pursuant to this Resolution that if Pledged Resort Tax Revenues are not available or are not available in amounts sufficient to satisfy the requirements of the first paragraph of Section 6.7 above, the Borrower is obligated to and timely will increase the rates, charges, and rentals charged for the use or availability of the System such that the Gross Revenues and Net Revenues are sufficient to satisfy the requirements of the rate covenant in the first paragraph of Section 6.7 above.

Section 6.10. Appointment of Superintendent. In the event of default on the part of the Borrower in the payment of principal of or interest on any Bond promptly as each falls due, or in the keeping of any covenants herein contained, and if such default shall continue for a period of 60 days, the governing body of the Borrower will appoint a special superintendent for the System, with the power and responsibility to operate the System for the Borrower, and to recommend to the governing body of the Borrower such revisions of the rates and charges and operating policies as may be necessary to comply with this Resolution, and to assure that the Net

Revenues will be sufficient to pay all principal of and interest on the Bonds, and he shall in all things so operate the System as to comply fully with all the requirements and provisions of this Resolution. The right of the owners of the Bonds to require appointment of such a superintendent shall not be exclusive, and in the event of default hereunder, such owner or owners shall have the right to proceed at law or in equity, in any form of action which shall to them seem appropriate.

## ARTICLE VII

### INDEMNIFICATION OF DNRC AND DEQ

The Borrower shall, to the extent permitted by law, indemnify and save harmless the DNRC and the DEQ and their officers, employees and agents (each an “Indemnified Party” or, collectively, the “Indemnified Parties”) against and from any and all claims, damages, demands, expenses, liabilities and losses of every kind asserted by or on behalf of any Person arising out of the acts or omissions of the Borrower or its employees, officers, agents, contractors, subcontractors, or consultants in connection with or with regard or in any way relating to the condition, use, possession, conduct, management, planning, design, acquisition, construction, installation or financing of the 2024 Project. The Borrower shall, to the extent permitted by law, also indemnify and save harmless the Indemnified Parties against and from all costs, reasonable attorneys’ fees, expenses and liabilities incurred in any action or proceeding brought by reason of any such claim or demand. If any proceeding is brought against an Indemnified Party by reason of such claim or demand, the Borrower shall, upon notice from an Indemnified Party, defend such proceeding on behalf of the Indemnified Party.

## ARTICLE VIII

### ASSIGNMENT

Section 8.1. Assignment by Borrower. The Borrower may not assign its rights and obligations under this Resolution or the Series 2024 Bonds, except as provided in Section 6.2.

Section 8.2. Assignment by DNRC. The DNRC will pledge its rights under and interest in this Resolution, the Series 2024 Bonds and the Collateral Documents (except to the extent otherwise provided in the Indenture) as security for the payment of the State Bonds and may further assign such interests to the extent permitted by the Indenture, without the consent of the Borrower.

Section 8.3. State Refunding Bonds. In the event the State Bonds are refunded by bonds which are not State Bonds, all references in this Resolution to State Bonds shall be deemed to refer to the refunding bonds and any bonds of the State on a parity with such refunding bonds (together, the “Refunding Bonds”) or, in the case of a crossover refunding, to the State Bonds and the Refunding Bonds.

## ARTICLE IX

### THE SERIES 2024 BONDS

Section 9.1. Authorization. Under the provisions of the Enabling Act, the Borrower is authorized to sell and issue its revenue bonds payable during a term not exceeding forty years from their date of issue, to provide funds for the reconstruction, improvement, betterment and extension of the System or to refund its revenue bonds issued for such purpose; provided that the Bonds and the interest thereon are to be payable solely out of the net income and revenues to be derived from rates, fees and charges for the services, facilities and commodities furnished by the undertaking, which includes the Pledged Resort Tax Revenues, and are not to create any obligation for the payment of which taxes may be levied except to pay for services provided by the undertaking to the Borrower.

Section 9.2. Outstanding Bonds. The Borrower currently has no outstanding bonds or indebtedness that are payable from revenues (gross or net) received by the Borrower from or in connection with the operation of the System.

Section 9.3. Net Revenues Available. The Borrower is authorized to charge just and equitable rates, charges and rentals for all services directly or indirectly furnished by the System, and to pledge and appropriate to the Series 2024B Bond the Net Revenues (and in respect of the Series 2024A Bond, if necessary, the Surplus Net Revenues) to be derived from the operation of the System, including improvements, betterments or extensions thereof hereafter constructed or acquired, and to pledge and appropriate to the Revenue Bond Account the Pledged Resort Tax Revenues. The Net Revenues to be produced by such rates, charges and rentals during the term of the Series 2024B Bond, together with the Pledged Resort Tax Revenues, are expected to be more than sufficient to pay the principal and interest when due on the Series 2024B Bond, and to create and maintain reasonable reserves therefor and to provide an adequate allowance for replacement and depreciation, as prescribed herein. For purposes of the foregoing statement, principal of and interest on the 2024A Loan are disregarded. The Borrower acknowledges and agrees that if the DNRC delivers a Noncompliance Statement to the Borrower as provided in Section 5.1.2 as determined in the sole and complete discretion of the DNRC and DEQ, then principal and interest and surcharges will become due and owing on the 2024A Loan evidenced by the Series 2024A Bond as provided in Section 5.1.2 and the Borrower shall thereupon, and no later than three months after delivery of such a statement, to the extent required by Section 6.7 of this Resolution, adjust its schedule of fees, rates, and charges applicable to the System to cause Net Revenues and Surplus Net Revenues to be produced in an amount at least equal to that required by the Resolution.

Section 9.4. Issuance and Sale of the Series 2024 Bonds. The Council has investigated the facts necessary and hereby finds, determines and declares it to be necessary and desirable for the Borrower to issue the Series 2024 Bonds to evidence the 2024 Loans. The Series 2024 Bonds are issued to the DNRC without public sale pursuant to Montana Code Annotated, Section 7-7-4433.

Section 9.5. Terms. The Series 2024A Bond and the Series 2024B Bond shall be in the maximum principal amount equal to the original 2024A Committed Amount and the 2024B

Committed Amount, respectively, shall each be issued as a single, fully registered bond numbered R-1, shall be dated as of the date of delivery to the DNRC, and shall bear interest at the rate charged by the DNRC on the 2024A Loan and the 2024B Loan, respectively. The principal of and interest on the Series 2024A Bond and the Series 2024B Bond shall be payable on the same dates and in the same amounts as principal and interest of the Loan Repayments are payable. Advances of principal of the Series 2024A Bond and the Series 2024B Bond shall be deemed made when advances of the 2024A Loan and 2024B Loan, respectively, are made under Section 4.1, and such advances shall be payable in accordance with Schedule B to the Series 2024A Bond and the Series 2024B Bond, as applicable, as may be revised by the DNRC from time to time in accordance with Section 5.1. The Series 2024A Bond is a Subordinate Obligation payable only from the Surplus Net Revenues available in the Sewer System Fund. The Series 2024B Bond is a Bond.

The Borrower may prepay the Series 2024 Bonds, in whole or in part, only upon the terms and conditions under which it can prepay the 2024 Loans under Section 5.3.

Section 9.6. Negotiability, Transfer and Registration. The Series 2024 Bonds shall be fully registered as to both principal and interest, and shall be initially registered in the name of and payable to the DNRC and shall be dated the date of delivery. While so registered, principal of and interest on the Series 2024 Bonds shall be payable to the DNRC at the Office of the Department of Natural Resources and Conservation, 1539 Eleventh Avenue, Helena, Montana 59620 or such other place as may be designated by the DNRC in writing and delivered to the Borrower. The Series 2024 Bonds shall be negotiable, subject to the provisions for registration and transfer contained in this section. No transfer of the Series 2024 Bonds shall be valid unless and until (1) the holder, or his duly authorized attorney or legal representative, has executed the form of assignment appearing on the Series 2024 Bonds, and (2) the Finance Director of the Borrower or successors, as Registrar, has duly noted the transfer on the Series 2024 Bonds and recorded the transfer on the registration books of the Registrar. The Registrar may, prior to noting and recording the transfer, require appropriate proof of the transferor's authority and the genuineness of the transferor's signature. The Borrower shall be entitled to deem and treat the Person in whose name the Series 2024 Bonds are registered as the absolute owner of the Series 2024 Bonds for all purposes, notwithstanding any notice to the contrary, and all payments to the registered holder shall be valid and effectual to satisfy and discharge the Borrower's liability upon such Series 2024 Bonds to the extent of the sum or sums so paid.

Section 9.7. Execution and Delivery. The Series 2024 Bonds shall be executed on behalf of the Borrower by the manual signatures of the Mayor and the Finance Director and attested to by the Town Clerk. Any or all of such signatures may be affixed at or prior to the date of delivery of the Series 2024 Bonds. In the event that any of the officers who shall have signed the Series 2024 Bonds shall cease to be officers of the Borrower before the Series 2024 Bonds are issued or delivered, their signatures shall remain binding upon the Borrower. Conversely, the Series 2024 Bonds may be signed by an authorized official who did not hold such office on the date of adoption of this Resolution. The Series 2024 Bonds shall be delivered to the DNRC, or its attorney or legal representative.

Section 9.8. Form. The Series 2024A Bond shall be prepared in substantially the form attached as Appendix B-1, and the Series 2024B Bond shall be prepared in substantially the form attached as Appendix B-2.

## ARTICLE X

### PRIORITIES AND ADDITIONAL WATER DEBT

Section 10.1. General Limitations; Issuable in Series. The aggregate principal amount of Bonds that may be authenticated and delivered and outstanding under this Resolution is not limited, except as provided in Articles IX and X and except as may be limited by law.

The Bonds may be issued in series as from time to time authorized by the Town Council. With respect to the Bonds of any particular series, the Borrower may incorporate in or add to the general title of such Bonds any words, letters or fixtures designed to distinguish that series.

The Bonds shall be special, limited obligations of the Borrower. Principal of, premium, if any, and interest on the Bonds shall be payable solely from Net Revenues (other than to the extent payable out of proceeds of the Bonds). The Bonds shall not be or constitute a pledge of the general credit or taxing powers of the Borrower of any kind whatsoever, except for the pledge and appropriation of Pledged Resort Tax Revenues. Neither the Bonds nor any of the agreements or obligations of the Borrower contained herein shall be construed to constitute an indebtedness of the State or the Borrower within the meaning of any constitutional or statutory provisions whatsoever.

Each and all of the Bonds shall be equally and ratably secured without preference or priority of any one Bond over any other by reason of serial number, date of issue, or otherwise.

Each series of Bonds (except the Series 2024B Bond, which is created by Article IX) shall be created by a Supplemental Resolution. The Bonds of each series (other than the Series 2024B Bond, as to which specific provision is made in this Resolution) shall bear such date or dates, shall be payable at such place or places, shall have such stated maturities and redemption dates, shall bear interest at such rate or rates, from such date or dates, shall be payable in such installments and on such dates and at such place or places, and may be redeemable at such price or prices and upon such terms (in addition to the prices and terms herein specified for redemption of all Bonds) as shall be provided in the Supplemental Resolution creating that series, all upon such terms as the Borrower may determine. The Borrower may, at the time of the creation of any series of Bonds or at any time thereafter, make, and the Bonds of that series may contain provision for:

- (a) a sinking, amortization, improvement or other analogous fund;
- (b) limiting the aggregate principal amount of the Bonds of that series and of additional Bonds thereafter to be issued;



(c) exchanging Bonds of that series, at the option of the Holders thereof, for other Bonds of the same series of the same aggregate principal amount of a different authorized kind or authorized denomination or denominations; or

(d) registration, transfer and delivery.

Section 10.2. Refunding Revenue Bonds. The Borrower reserves the right and privilege of refunding any or all of the Bonds subject to the following terms and conditions:

(a) Any matured Bonds may be refunded if moneys available for the payment thereof at maturity, within the limitation prescribed in Section 10.1, should at any time be insufficient to make such payment in full.

(b) Any Bonds may be refunded prior to maturity as and when they become prepayable according to their terms.

(c) Provision may be made for the payment and refunding of any unmatured Bonds by the deposit with a duly qualified depository bank, as escrow agent, of cash sufficient, or of securities of the kinds authorized by law, the payments of interest on and principal of which are sufficient, to pay the principal amount of and premium, if any, on such Bonds with interest to maturity or to any prior date or dates on which they are prepayable, and have been called for redemption or provision has been irrevocably made for their redemption, on such date or dates.

(d) Any refunding revenue Bonds issued for the above purposes may be made payable from the Net Revenues on a parity as to interest with all then outstanding Bonds; provided that (1) if not all of the Bonds of a series are refunded, the maturity of each refunding revenue Bond shall be subsequent to the last maturity of any then outstanding Bonds of such series which are not refunded or to be refunded out of moneys on deposit with such escrow agent, and (2) no Bondholder shall be required to accept a refunding revenue Bond in exchange for any Bond owned by him.

Section 10.3. Other Parity Bonds. The Borrower reserves the right to issue additional Bonds payable from the Revenue Bond Account of the Fund, on a parity as to both principal and interest with the Series 2024B Bond, if the Net Revenues of the System (including the Pledged Resort Tax Revenues) for the last complete Fiscal Year preceding the date of issuance of such additional Bonds have equaled at least 110% of the maximum amount of principal and interest payable from said Revenue Bond Account in any subsequent Fiscal Year during the term of the outstanding Bonds, on all Bonds then outstanding and on the additional Bonds proposed to be issued. For the purpose of the foregoing computation, the Net Revenues for the Fiscal Year preceding the issuance of additional Bonds, which shall include Pledged Resort Tax Revenues, shall be those shown by the financial reports caused to be prepared by the Borrower pursuant to Section 2.2(e), except that if the rates and charges for services provided by the System have been changed since the beginning of such preceding Fiscal Year, then the rates and charges in effect at the time of issuance of the additional Bonds or finally authorized to go into effect within 60 days thereafter shall be applied to the quantities of service actually rendered and made available during such preceding Fiscal Year to ascertain the Gross Revenues, from which there shall be

deducted to determine the Net Revenues derived from the operation of the System, the actual operation and maintenance cost plus any additional annual costs of operation and maintenance which the Consultant estimates will be incurred because of the improvement or extension of the System to be constructed from the proceeds of the additional Bonds proposed to be issued, and there shall be added to such portion of Net Revenues the Pledged Resort Tax Revenues to determine the total Net Revenues. In no event shall any additional Bonds be issued and made payable from the Revenue Bond Account if the Borrower is then in default in any payment of principal of or interest on any outstanding Bonds payable therefrom or if there then exists any deficiency in the balances required by this Resolution to be maintained in any of the accounts of the Fund, which will not be cured or restored upon the issuance of the additional Bonds. In connection with the issuance of a series of additional Bonds, the Borrower shall cause amounts in the Reserve Account to be increased, from the proceeds of the additional Bonds or from other available funds of the Borrower, to an amount equal to the Reserve Requirement during the term of the outstanding Bonds or so much thereof as will not cause the Borrower to violate the provisions of Section 12.2 hereof.

Section 10.4. Subordinate Bonds. Nothing in this Resolution shall preclude the Borrower from issuing additional bonds or notes which are expressly made a charge on only the Surplus Net Revenues of the System subordinate to the pledge of Net Revenues to the Revenue Bond Account and the Reserve Account (such additional bonds, the “Subordinate Obligations”) or designating sewer debt that is subordinate to the Bonds as Subordinate Obligations; provided, however, no obligations may be issued pursuant to this Section 10.4 if a deficiency exists in the Revenue Bond Account or the Reserve Account which is not to be restored by the issuance of the Subordinate Obligations. Any Surplus Net Revenues segregated to pay such Subordinate Obligations in the Fund are subject to the prior appropriation thereof to the Revenue Bond Account or the Reserve Account if necessary to meet the requirements thereof.

## ARTICLE XI

### SEWER SYSTEM FUND

Section 11.1. Bond Proceeds and Revenues Pledged and Appropriated. A special Sewer System Fund is hereby created and shall be maintained as a separate and special bookkeeping account on the official books of the Borrower until all Bonds and interest and redemption premiums due thereon have been fully paid, or the Borrower’s obligations with reference to such Bonds have been discharged as provided in this Resolution. All proceeds of Bonds issued hereunder and all other funds presently on hand derived from the operation of the System are irrevocably pledged and appropriated to the Fund. In addition, there is hereby irrevocably pledged and appropriated to the Sewer System Fund all Gross Revenues and all investment earnings on all funds and accounts within the Sewer System Fund, and to the Revenue Bond Account are irrevocably pledged Pledged Resort Tax Revenues, but excluding any special assessments or taxes levied for construction of any part of the System and the proceeds of any grant or loan from the State or the United States, and any investment income thereon, to the extent such exclusion is a condition to such grant or loan. Within the Sewer System Fund shall be separate accounts designated and described in Sections 11.2 through 11.9, to segregate income and expenses received, paid and accrued for the respective purposes described in those

Sections. The Gross Revenues received in the Sewer System Fund shall be apportioned monthly, commencing as of the first day of the month following the date of delivery of the Series 2024 Bonds. Subject to Sections 6.8(a)(i) and (iv), Pledged Resort Tax Revenues shall be deposited in the Revenue Bond Account in installments of not less than \$250,000 by each of October 15, December 15, April 15, and June 15 of each Fiscal Year to be applied to the payment of the principal of and interest on the Bonds on each January 1 and July 1, but only as long as (i) Resort Tax Revenues are then collected by the Town in an amount sufficient to make deposits of such \$250,000 installments; and (ii) deposits of such installments allow the Revenue Bond Account to retain its status as a “bona fide debt service fund” under the Code and Treasury Regulations, and recognizing the quarterly deposits of Pledged Resort Tax Revenues into the Revenue Bond Account are reduced until the issuance of the first additional Bond.

Section 11.2. Acquisition and Construction Account. The Acquisition and Construction Account shall be used only to pay as incurred and allowed costs which under accepted accounting practice are capital costs of a Project and of such future reconstructions, improvements, betterments or extensions of the System as may be authorized in accordance with law, including but not limited to payments due for work and materials performed and delivered under construction contracts, architectural, engineering, inspection, supervision, fiscal and legal expenses (including costs of issuing Bonds, Notes, or Subordinate Obligations), the cost of lands and easements, reimbursement of any advances made from other Borrower funds, and all other expenses incurred in connection with the acquisition, construction and financing of any such undertaking. To the Acquisition and Construction Account shall be credited as received all proceeds of Bonds issued hereunder (except proceeds of refunding bonds appropriated to the payment of outstanding Bonds and amounts required to be credited to the Revenue Bond Account), all other funds appropriated by the Borrower for the System and any other funds appropriated by the Borrower to the Acquisition and Construction Account for improvements to the System, and all income received from the investment of the Acquisition and Construction Account. Upon completion of a capital improvement or program of capital improvements for the System, the balance remaining in the Acquisition and Construction Account shall be credited to the balance in the Revenue Bond Account and the Reserve Account to the extent required to establish the required balance therein or to prepay Bonds and, to the extent not so required and if permissible after consulting with Bond Counsel, to the Replacement and Depreciation Account.

Section 11.3. Operating Account. On each monthly apportionment there shall first be set aside and credited to the Operating Account, as a first charge on the Gross Revenues, such amount as may be required over and above the balance then held in the account to pay the reasonable and necessary Operating Expenses of the System which are then due and payable, or are to be paid prior to the next monthly apportionment. The term “Operating Expenses” shall mean the current expenses, paid or accrued, of operation, maintenance and current repair of the System and its facilities, as calculated in accordance with sound accounting practices, and shall include, without limitation, administrative expenses of the Borrower relating solely to the System, premiums for insurance on the properties thereof, labor and the cost of materials and supplies used for current operation and for maintenance, and charges for the accumulation of appropriate reserves for current expenses which are not recurrent monthly but may reasonably be expected to be incurred in accordance with sound accounting practices. Such expenses shall not include any allowance for interest expense or depreciation, renewals or replacements of capital

assets of the System and shall not include any portion of the salaries or wages paid to any officer or employee of the Borrower, except such portion as shall represent reasonable compensation for the performance of duties necessary to the operation of the System. There shall also be credited to this account a sum equal to the estimated average monthly Operating Expenses of the System to establish appropriate reserves for current expenses which are not recurrent monthly but may reasonably be expected to be incurred in accordance with sound accounting practices (“Operating Reserve”), which sum shall be maintained by additional transfers upon each monthly apportionment whenever necessary, or may be augmented by transfers of additional amounts from the Replacement and Depreciation Account and the Surplus Account described below if determined by the governing body of the Borrower to be necessary to meet contingencies arising in the operation and maintenance of the System. Money in the Operating Account shall be used solely for the payment of current Operating Expenses of the System.

Section 11.4. Revenue Bond Account. By each October 15, the Borrower shall have deposited into the Revenue Bond Account from Net Revenues (the sum of (a) Gross Revenues less Operating Expenses plus (b) Pledged Resort Tax Revenues) a dollar amount equal to at least one-half of the principal of and interest due on the Bonds on January 1, and by each April 15 a dollar amount equal to at least one-half of the principal of and interest due on the Bonds on July 1. By each December 15, the Borrower shall have deposited into the Revenue Bond Account from Net Revenues (the sum of (a) Gross Revenues less Operating Expenses plus (b) Pledged Resort Tax Revenues) a dollar amount equal to all of the principal of and interest due on the Bonds on January 1, and by each June 15 a dollar amount equal to all of the principal of and interest due on the Bonds on July 1. The Borrower shall deposit Pledged Resort Tax Revenues as part of the Net Revenues directly into the Revenue Bond Account for application to the payment of principal of and interest on the Bonds. Money from time to time held in the Revenue Bond Account shall be disbursed out of the Fund only to meet payments of principal of, premium, if any, and interest on the Bonds payable therefrom as such payments become due. If any payment of principal or interest becomes due when moneys in the Revenue Bond Account are temporarily insufficient therefor, such payment shall be advanced out of any Net Revenues or Surplus Net Revenues theretofore segregated and then on hand in the Reserve Account, the Replacement and Depreciation Account or the Surplus Account. Excess amounts in the Revenue Bond Account shall be used to fill a deficiency in the Reserve Account and, if no deficiency exists, shall be credited to the Replacement and Depreciation Account or may be used to prepay Bonds.

Section 11.5. Reserve Account. The Borrower agrees to establish and maintain a Reserve Account in the Fund. On the Closing Date and on each date of disbursement of proceeds of the Series 2024B Bond thereafter until the final disbursement of such proceeds, the Borrower shall deposit in the Reserve Account, from proceeds of the Series 2024B Bond or, to the extent necessary, from other available funds of the Borrower, an amount as to the Series 2024B Bond that is equal to the Reserve Requirement based on the principal amount of the Series 2024B Bond then outstanding. On the date of the final disbursement of proceeds of the Series 2024B Bond, if the amount in the Reserve Account is less than the Reserve Requirement, the Borrower shall deposit in the Reserve Account from other available funds of the Borrower an amount necessary to cause the balance in the Reserve Account to equal the Reserve Requirement, calculated as of that date and based on the actual outstanding principal amount of

the Series 2024B Bond. Thereafter, upon each monthly apportionment, from the Net Revenues remaining after the apportionment to the Revenue Bond Account, the Borrower shall credit to the Reserve Account such additional Net Revenues as may be required to establish and thereafter maintain the balance in an amount equal, as of the date of calculation, to the Reserve Requirement. Money in the Reserve Account shall be used only to pay maturing principal, premium and interest when money within the Revenue Bond Account is insufficient therefor; provided that on any date when all outstanding Bonds of a series are due or prepayable by their terms, if the amount then on hand in the Reserve Account allocable to such Bonds and available for such appropriation is sufficient with money available for the purpose to pay all such Bonds and the interest accrued thereon in full, it may be used for that purpose; and provided, further, that so long as the amount on hand in the Reserve Account is not less than the Reserve Requirement, the Borrower may credit earnings on investment of the Reserve Account to the Replacement and Depreciation Account.

Section 11.6. Replacement and Depreciation Account. There shall next be set aside and credited, upon each monthly apportionment, to the Replacement and Depreciation Account Surplus Net Revenues of the System, as the governing body of the Borrower shall determine to be required for the accumulation of a reasonable allowance for depreciation of the System and for replacement or renewal of worn out, obsolete or damaged properties and equipment thereof, including, without limitation, short-lived assets. Money in this account shall be used only for the purposes above stated or, if so directed by the governing body of the Borrower, redeem Bonds which are prepayable according to their terms, to pay principal or interest when due thereon as required in Section 11.4, to fund any deficiency in the Reserve Account, or to pay the cost of improvements to the System; provided that, Surplus Net Revenues in the Replacement and Depreciation Account may be used to pay Subordinate Obligations as they come due in advance of payments required to be made into the Replacement and Depreciation Account, subject to the prior lien on Surplus Net Revenues to pay any deficiency of the Revenue Bond Account or the Reserve Account; provided further that in the event construction and installation of additional improvements or additions to the System are financed other than from proceeds of Bonds payable from the Revenue Bond Account, Surplus Net Revenues from time to time received may be segregated and paid into one or more separate and additional accounts for the repayment of such indebtedness and interest thereon, in advance of payments required to be made into the Replacement and Depreciation Account. It is expected that Surplus Net Revenues will be derived from Gross Revenues left over after paying Operating Expenses and any applicable portion of debt service on Bonds and replenishing the Reserve Account, and that Pledged Resort Tax Revenues will be expended to pay debt service on Bonds and therefore will not form a part of Surplus Net Revenues.

Section 11.7. Surplus Account. Any amount of the Surplus Net Revenues from time to time remaining after the above required applications thereof shall be credited to the Surplus Account (or such other account in the Fund as the Borrower may establish for bookkeeping purposes to account for Surplus Net Revenues in accordance with the purposes of this Resolution), and the money from time to time in that account, when not required to restore a current deficiency in the Revenue Bond Account or the Reserve Account as provided in Sections 11.4 and 11.5, may be used for any of the following purposes and not otherwise:

- (a) To redeem bonds payable from the Net Revenues when and as such bonds become prepayable according to their terms; or
- (b) To purchase Bonds on the open market, whether or not the Bonds or other such Bonds may then be prepayable according to their terms; or
- (c) To be held as a reserve for redemption of Bonds which are not then but will later be prepayable according to their terms; or
- (d) To pay for repairs of or for the construction and installation of improvements or additions to the System; or
- (e) To pay Operating Expenses or restore the Operating Reserve or increase the same when determined to be necessary by the governing body of the Borrower; or
- (f) For transfer to the Revenue Bond Account to pay Bonds then due for which Net Revenues are temporarily unavailable; or
- (g) To pay Subordinate Obligations under Section 10.4 above.

No money shall at any time be transferred from the Surplus Account or any other account of the Fund to any other fund of the Borrower, nor shall such moneys at any time be loaned to other municipal funds or invested in warrants, special improvement bonds or other obligations payable from other funds, except as provided in Section 11.10.

Section 11.8. Note Account. Upon Issuance of a Note, there shall be established in the Sewer System Fund and the Finance Director shall thereafter maintain a separate and special Note Account (the "Note Account"). If a Note is outstanding, all Net Revenues remaining after the required credits to the Operating Account, the Revenue Bond Account, the Reserve Account, and the Replacement and Depreciation Account pursuant to this Resolution shall be credited to the Note Account. The Borrower irrevocably appropriates to the Note Account: (a) the proceeds of any Bonds issued to refund one or more Notes, as received and to the extent necessary for the payment of such Notes, and (b) such other money as shall be appropriated to the Note Account from time to time.

Amounts on deposit in the Note Account shall be used solely to pay the principal of and interest on Notes made payable therefrom; provided that if on any date the balance in the Revenue Bond Account or the Reserve Account is less than then required, an amount equal to such deficiency will be transferred from the Net Revenues and investment income therefrom on deposit in the Note Account. Upon payment or discharge of a Note and upon the making of the credits to the Note Account required in connection with any other Notes made payable therefrom, all surplus funds therein shall be transferred to the Surplus Account.

Section 11.9. Rebate Account. The Rebate Account is hereby established as a separate account within the Fund. The Borrower shall make deposits to and disbursements from the Rebate Account pursuant to one or more rebate certificates executed and delivered by the Borrower in connection with the issuance of Bonds, and for such purposes may make transfers,

in the following order of priority, from the Surplus Account, the Replacement and Depreciation Account and the Reserve Account, as necessary, to meet the requirements of the Rebate Account. The Borrower shall invest the Rebate Account in accordance with the provisions of the rebate certificates and shall deposit income from such investments immediately upon receipt thereof in the Rebate Account.

Section 11.10. Deposit and Investment of Funds. The finance officer of the Borrower shall cause all money appropriated to the Fund to be deposited as received with one or more depository banks duly qualified in accordance with the provisions of Montana Code Annotated, Section 7-6-201, in a deposit account or accounts. The balance in such accounts, except such portion thereof as shall be guaranteed by federal deposit insurance, shall at all times be secured to its full amount by bonds or securities of the types set forth in Montana Code Annotated, Section 7-6-201. Any of such moneys not necessary for immediate use may be deposited with such depository banks in savings or time deposits. No money shall at any time be withdrawn from such deposit accounts except for the purposes of the Fund as defined and authorized in this Resolution; except that money from time to time on hand in the Fund may at any time, in the discretion of the governing body of the Borrower, be invested in securities which are direct, general obligations of, or obligations the prompt payment of the principal of and the interest on which is fully and unconditionally guaranteed by, the United States of America, bank repurchase agreements with respect to such obligations, certificates of deposits of national banks having a combined capital and surplus of at least \$1,000,000 or in the Montana short-term investment program administered by the Board of Investments, which investments mature and bear interest at the times and in the amounts estimated to be required to provide cash when needed for the purposes of the respective accounts; provided that funds on hand in the Reserve Account, the Replacement and Depreciation Account and the Surplus Account may be invested in said securities maturing not later than five years from the date of the investment; and provided, further, that money on hand in the Surplus Account of the Fund may, in the discretion of the governing body of the Borrower, be invested in any securities which are direct, general obligations of the Borrower. Income received from the deposit or investment of moneys in said accounts shall be credited to the account from whose moneys the deposit was made or the investment was purchased, and handled and accounted for in the same manner as other moneys in that account.

## ARTICLE XII

### TAX MATTERS

Section 12.1. Use of 2024 Project. The 2024 Project will be owned and operated by the Borrower and available for use by members of the general public on a substantially equal basis. The Borrower shall not enter into any lease, use or other agreement with any non-governmental person relating to the use of the 2024 Project or security for the payment of the Series 2024B Bond which might cause the Series 2024B Bond to be considered a “private activity bond” or “private loan bond” within the meaning of Section 141 of the Code.

Section 12.2. General Covenant. The Borrower covenants and agrees with the owners from time to time of the Series 2024B Bond that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Series 2024B

Bond to become includable in gross income for federal income tax purposes under the Code and the Regulations, and covenants to take any and all actions within its powers to ensure that the interest on the Series 2024B Bond will not become includable in gross income for federal income tax purposes under the Code and the Regulations.

Section 12.3. Arbitrage Certification. The Town Manager and the Finance Director, being among the officers of the Borrower charged with the responsibility for issuing the Series 2024B Bond pursuant to this Resolution, are authorized and directed to execute and deliver to the DNRC a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of the Series 2024B Bond, it is reasonably expected that the proceeds of the Series 2024B Bond will be used in a manner that would not cause the Series 2024B Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code and the Regulations.

Section 12.4. Arbitrage Rebate. The Borrower acknowledges that the Series 2024B Bond is subject to the rebate requirements of Section 148(f) of the Code. The Borrower covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Regulations to preserve the exclusion of interest on the Series 2024B Bond from gross income for federal income tax purposes, unless the Series 2024B Bond qualifies for the exception from the rebate requirement under Section 148(f)(4)(B) of the Code and no “gross proceeds” of the Series 2024B Bond (other than amounts constituting a “bona fide debt service fund”) arise during or after the expenditure of the original proceeds thereof. In furtherance of the foregoing, the Finance Director is hereby authorized and directed to execute a tax or rebate certificate, substantially in the form to be prepared by Bond Counsel, and the Borrower hereby covenants and agrees to observe and perform the covenants and agreements contained therein, unless amended or terminated in accordance with the provisions thereof.

Section 12.5. Information Reporting. The Borrower shall file with the Secretary of the Treasury, not later than the applicable deadline, a statement concerning the Series 2024B Bond containing the information required by Section 149(e) of the Code.

## ARTICLE XIII

### CONTINUING DISCLOSURE

The Borrower understands and acknowledges that the DNRC is acquiring the Series 2024 Bonds under the Program pursuant to which the State issues from time to time State Bonds to provide funds therefor. The Borrower covenants and agrees that, upon written request of the DNRC from time to time, the Borrower will promptly provide to the DNRC all information that the DNRC reasonably determines to be necessary or appropriate to offer and sell State Bonds or to provide continuing disclosure in respect of State Bonds, whether under Rule 15c2-12 (17 C.F.R. § 240.15c2-12) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, or otherwise. Such information shall include, among other things and if so requested, financial statements of the Borrower prepared in accordance with generally accepted accounting principles promulgated by the Financial



Accounting Standards Board as modified in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Montana law, as in effect from time to time (such financial statements to relate to a Fiscal Year or any period therein for which they are customarily prepared by the Borrower, and, if for a Fiscal Year and so requested by the DNRC, subject to an audit report and opinion of an accountant or government auditor, as permitted or required by the laws of the State). The Borrower will also provide, with any information so furnished to the DNRC, a certificate of the Mayor, the Town Manager, the Finance Director, and the Town Clerk of the Borrower to the effect that, to the best of their knowledge, such information does not include any untrue statement of a material fact or omit to state any material fact required to be stated therein to make the statements made, in light of the circumstances under which they are made, not misleading.

## ARTICLE XIV

### DEFEASANCE

Section 14.1. General. When the liability of the Borrower on all Bonds issued under and secured by this Resolution and all interest thereon has been discharged as provided in this Article XIV, all pledges, covenants and other rights granted by this Resolution to the Holders of such Bonds shall cease, other than to the payment of such Bonds from money segregated for such purpose. The Borrower may also discharge its liability with respect to one or more Bonds in accordance with this Article XIV.

Section 14.2. Maturity. The Borrower may discharge its liability with reference to any Bonds and interest thereon which are due on any date by depositing with the Registrar for such Bonds on or before the date a sum sufficient for the payment thereof in full; or if any Bond or interest thereon shall not be paid when due, the Borrower may nevertheless discharge its liability with reference thereto by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

Section 14.3. Prepayment. The Borrower may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Registrar therefor on or before the Redemption Date a sum sufficient for the payment thereof in full; provided that notice of the redemption thereof has been duly given as provided in this Resolution or any Supplemental Resolution relating thereto.

Section 14.4. Escrow. The Borrower may at any time discharge its liability with reference to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action and the following paragraphs of this Section, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or Government Obligations authorized by law to be so deposited, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without reinvestment, to provide funds sufficient to pay all principal, interest and redemption premiums, if any, to become due on such Bonds at their stated maturities or, if such Bonds are prepayable and notice of redemption thereof has been duly given or irrevocably provided for, to such earlier redemption date.

No defeasance shall be made pursuant to this Section 14.4 unless there has first been presented to the escrow agent a written Opinion of Bond Counsel to the effect that such defeasance shall not cause the interest on any outstanding Bonds to be included in the gross income of the holders thereof for federal income tax purposes.

## ARTICLE XV

### SUPPLEMENTAL RESOLUTIONS

Section 15.1. General. The Borrower reserves the right to adopt Supplemental Resolutions from time to time and at any time, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained herein, or of making such provisions with regard to matters or questions arising hereunder as the Borrower may deem necessary or desirable and not inconsistent with this Resolution, and which shall not adversely affect the interests of the Holders of outstanding Bonds, or for the purpose of adding to the covenants and agreements herein contained, or to the revenues herein pledged, other covenants and agreements thereafter to be observed and additional revenues or income thereafter appropriated to the Fund, or for the purpose of surrendering any right or power herein reserved to or conferred upon the Borrower, or for the purpose of authorizing the creation and issuance of a series of additional Bonds or Subordinate Obligations, as provided in and subject to the conditions and requirements of Article X. Subject to Section 16.4, any such Supplemental Resolution may be adopted without notice to or the consent of the Holder of any of the Bonds issued hereunder.

Section 15.2. Consent of Holders. With the consent of the Holders of Bonds issued hereunder as provided in Section 15.4, the Borrower may from time to time and at any time adopt a Supplemental Resolution for the purpose of amending this Resolution by adding any provisions hereto or changing in any manner or eliminating any of the provisions hereof or of any Supplemental Resolution, except that no Supplemental Resolution shall be adopted at any time without the consent of the Holders of all Bonds issued hereunder which are then outstanding and affected thereby, if it would extend the time of payment of interest thereon or principal thereof, would reduce the interest rate thereon or the amount of the principal or the redemption price thereof, would give to any Bond or Bonds any privileges over any other Bond or Bonds, would reduce the sources of revenues or income appropriated to the Fund, or would reduce the percentage in principal amount of such Bonds required to authorize or consent to any such Supplemental Resolution.

Section 15.3. Notice. Notice of the Supplemental Resolution to be adopted pursuant to Section 15.2 shall be mailed by first-class mail to the Holders of all outstanding Bonds at their addresses appearing in the Bond Register, and shall become effective only upon the filing of written consents with the Finance Director, signed by the Holders of not less than a majority in principal amount of the Bonds then outstanding and affected thereby. Any written consent to the Supplemental Resolution may be embodied in and evidenced by one or any number of concurrent written instruments of substantially similar tenor signed by Holders in person or by agent duly appointed in writing, and shall become effective when delivered to the Finance Director. Any consent by the Holder of any Bond shall bind him and every future holder of the same Bond with respect to any Supplemental Resolution adopted by the Borrower pursuant to

such consent; provided that any Holder may revoke his consent with reference to any Bond by written notice received by the Finance Director before the Supplemental Resolution has become effective. In the event that unrevoked consents of the Holders of the required amount of Bonds have not been received by the Finance Director within one year after the mailing of notice of the Supplemental Resolution, the Supplemental Resolution and all consents theretofore received shall be of no further force and effect.

Section 15.4. Manner of Consent. Proof of the execution of any consent, or of a writing appointing any agent to execute the same, or of the ownership by any Person of Bonds shall be sufficient for any purpose of this Resolution and shall be conclusive in favor of the Borrower if made in the manner provided in this Section 15.4. The fact and date of the execution by any Person of any such consent or appointment may be proved by the affidavit of a witness of such execution or by the certification of any notary public or other officer authorized by law to take acknowledgment of deeds, certifying that the Person signing it acknowledged to him the execution thereof. The fact and date of execution of any such consent may also be proved in any other manner which the Borrower may deem sufficient; but the Borrower may nevertheless, in its discretion, require further proof in cases where it deems further proof desirable. The ownership of Bonds shall be proved by the Bond Register.

## ARTICLE XVI

### MISCELLANEOUS

Section 16.1. Notices. All notices or other communications hereunder shall be sufficiently sent or given and shall be deemed sent or given when delivered or mailed by certified mail, postage prepaid, to the parties at the following addresses:

DNRC: Department of Natural Resources and Conservation  
1539 Eleventh Avenue  
P. O. Box 201601  
Helena, Montana 59620-1601  
Attn: Conservation and Resource  
Development Division

Trustee: U.S. Bank Trust Company, National Association  
1420 Fifth Avenue, 7<sup>th</sup> Floor  
Seattle, Washington 98101

Borrower: Town of West Yellowstone  
P.O. Box 1570  
West Yellowstone, Montana 59758  
Attn: Finance Director

Any of the above parties may, by notice in writing given to the others, designate any further or different addresses to which subsequent notices or other communications shall be sent.

Section 16.2. Binding Effect. This Resolution shall inure to the benefit of and shall be binding upon the DNRC, the Borrower and their respective successors and assigns.

Section 16.3. Severability. If any provision of this Resolution shall be determined to be unenforceable at any time, it shall not affect any other provision of this Resolution or the enforceability of that provision at any other time.

Section 16.4. Amendments. This Resolution may not be effectively amended without the written consent of the DNRC so long as the DNRC holds any Bonds.

Section 16.5. Applicable Law. This Resolution shall be governed by and construed in accordance with the laws of the State.

Section 16.6. Captions; References to Sections. The captions in this Resolution are for convenience only and do not define or limit the scope or intent of any provisions or Sections of this Resolution. References to Articles and Sections are to the Articles and Sections of this Resolution, unless the context otherwise requires.

Section 16.7. No Liability of Individual Officers, Directors, Trustees or Council Members. No recourse under or upon any obligation, covenant or agreement contained in this Resolution shall be had against any director, officer or employee, as such, past, present or future, of the DNRC, the DEQ or the Trustee, either directly or through the DNRC, the DEQ or the Trustee, or against any officer, or member of the governing body or employee of the Borrower, past, present or future, as an individual so long as such individual was acting in good faith. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer or member of the governing body or employee of the DNRC, the Trustee or the Borrower is hereby expressly waived and released by the Borrower and by the DNRC as a condition of and in consideration for the adoption of this Resolution and the making of the 2024 Loans.

Section 16.8. Payments Due on Holidays. If the date for making any payment or the last date for performance of any act or the exercise of any right, as provided in this Resolution or the Series 2024 Bonds, shall not be a Business Day, such payments may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Resolution or the Series 2024 Bonds.

Section 16.9. Right of Others to Perform Borrower's Covenants. In the event the Borrower shall fail to make any payment or perform any act required to be performed hereunder, then and in each such case the DNRC or the provider of any Collateral Document may (but shall not be obligated to) remedy such default for the account of the Borrower and make advances for that purpose. No such performance or advance shall operate to release the Borrower from any such default and any sums so advanced by the DNRC or the provider of any Collateral Document shall be paid immediately to the party making such advance and shall bear interest at the rate of ten percent (10%) per annum from the date of the advance until repaid. The DNRC and the provider of any Collateral Document shall have the right to enter the 2024 Project or the facility or facilities of which the 2024 Project is a part or any other facility which is a part of the System in order to effectuate the purposes of this Section.

Section 16.10. Authentication of Transcript. The officers of the Borrower are hereby authorized and directed to furnish to the DNRC and to Bond Counsel certified copies of all proceedings relating to the issuance of the Series 2024 Bonds and such other certificates and affidavits as may be required to show the right, power and authority of the Borrower to issue the Series 2024 Bonds, and all statements contained in and shown by such instruments, including any heretofore furnished, shall constitute representations of the Borrower as to the truth of the statements purported to be shown thereby.

Section 16.11. Repeals and Effective Date.

(a) Repeal. All provisions of other resolutions and other actions and proceedings of the Borrower and this Council that are in any way inconsistent with the terms and provisions of this Resolution are repealed, amended and rescinded to the full extent necessary to give full force and effect to the provisions of this Resolution.

(b) Effective Date. This Resolution shall take effect immediately.

Adopted by the Town Council of the Town of West Yellowstone, Montana, on this 23rd day of April, 2024.

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Mayor

ATTEST:

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Town Clerk

(SEAL)

APPENDIX A

DESCRIPTION OF THE PROJECT

The 2024 Project consists of designing, engineering, constructing and installing various improvements to the Town’s wastewater system, including major upgrades to the Town’s wastewater treatment system, and related improvements.

Estimated 2024 Project Budget

	ARPA	RRGL	2024A Loan	2024B Loan	SRF Loan C	SRF Loan D	WY Local Contrib.	TOTAL
Audit Fees							\$75,800.00	<b>\$75,800.00</b>
Bond Costs				\$70,000.00	\$25,000.00	\$15,000.00		<b>\$110,000.00</b>
Debt Service Reserves				\$357,150.00	\$357,150.00	\$71,430.00		<b>\$785,730.00</b>
Engineering - Basic Services				\$1,262,112.00			\$1,288,961.00	<b>\$2,551,073.00</b>
Engineering - Additional Services							\$300,000.00	<b>\$300,000.00</b>
Equipment	\$3,012,483.00	\$125,000.00		\$2,874,717.00				<b>\$6,012,200.00</b>
Construction			\$750,000.00	\$9,525,700.00	\$12,000,000.00	\$2,000,000.00		<b>\$24,275,700.00</b>
Contingency				\$910,321.00	\$2,617,850.00	\$913,570.00		<b>\$4,441,741.00</b>
<b>TOTAL PROJECT BUDGET</b>	<b>\$3,012,483.00</b>	<b>\$125,000.00</b>	<b>\$750,000.00</b>	<b>\$15,000,000.00</b>	<b>\$15,000,000.00</b>	<b>\$3,000,000.00</b>	<b>\$1,664,761.00</b>	<b>\$38,552,244.00</b>

APPENDIX B-1

[Form of the Series 2024A Bond]

UNITED STATES OF AMERICA  
STATE OF MONTANA  
GALLATIN COUNTY

**TOWN OF WEST YELLOWSTONE**

SUBORDINATE LIEN SEWER SYSTEM REVENUE BOND  
(DNRC WATER POLLUTION CONTROL STATE REVOLVING LOAN PROGRAM),  
TAXABLE SERIES 2024A

No. R-1

\$750,000

FOR VALUE RECEIVED, TOWN OF WEST YELLOWSTONE, MONTANA (the “Borrower”), a duly organized municipal corporation and political subdivision of the State of Montana, acknowledges itself to be specially indebted and, for value received, hereby promises to pay to the Department of Natural Resources and Conservation of the State of Montana (the “DNRC”), or its registered assigns, solely out of available Surplus Net Revenues in the Replacement and Depreciation Account or the Surplus Account of its Sewer System Fund (the “Sewer System Fund”), the sum of the principal amounts entered on Schedule A attached hereto under “Total Amount Advanced,” with interest on each such amount from the date such amount is advanced hereunder at the rate of two percent (2.00%) per annum on the unpaid balance until paid. In addition, the Borrower shall pay an Administrative Expense Surcharge and Loan Loss Reserve Surcharge on the outstanding principal amount of this Bond from the date of each advance of principal, each at the rate of twenty-five hundredths of one percent (0.25%) per annum, all subject to the effect of the immediately following paragraph. Principal, interest, Administrative Expense Surcharge and Loan Loss Reserve Surcharge shall be payable in semiannual installments payable on each January 1 and July 1 (each a “Payment Date”) commencing with the Payment Date that is the first to occur following delivery by the DNRC to the Borrower of a statement that the Borrower’s obligation to repay the principal amount of the 2024A Loan is not forgiven and ending on July 1, 2054, all as described in the Resolution (as hereinafter defined). The portion of each such payment consisting of principal, the portion consisting of interest, the portion consisting of Administrative Expense Surcharge, and the portion consisting of Loan Loss Reserve Surcharge shall be as set forth in Schedule B attached hereto. Upon each disbursement of the 2024A Loan, the DNRC shall enter (or cause to be entered) the amount advanced on Schedule A under “Advances” and the total amount advanced under the Resolution (as hereinafter defined), including such disbursement, under “Total Amount Advanced.” The DNRC shall prepare Schedule B and any revised Schedule B, or cause Schedule B and any revised Schedule B to be prepared, as provided in Section 5.1 of the Resolution, and the final Schedule B will reflect repayments under Section 5.1.4 of the Resolution. Schedule B shall be calculated and recalculated on a level debt service basis assuming an interest rate of two and one-half percent (2.50%) per annum. Past-due payments of principal and interest and Administrative Expense Surcharge and Loan Loss Reserve



Surcharge shall bear interest at the rate of ten percent (10.00%) per annum, until paid. Interest and Administrative Expense Surcharge and Loan Loss Reserve Surcharge shall be calculated on the basis of a 360-day year comprising 12 months of 30 days each. All payments under this Bond shall be made to the registered holder of this Bond, at its address as it appears on the bond register, in lawful money of the United States of America.

NOTWITHSTANDING THE FOREGOING PROVISIONS OF THIS SERIES 2024A BOND, IN THE EVENT THAT THE BORROWER TIMELY DELIVERS A COMPLIANCE CERTIFICATE AND REQUEST (AS DEFINED IN THE RESOLUTION) IN FORM AND SUBSTANCE SATISFACTORY TO THE DNRC AND THE DNRC IN RESPONSE THERETO SUPPLIES TO THE BORROWER A FORGIVENESS STATEMENT, THEN THEREUPON INTEREST SHALL BE DEEMED TO ACCRUE ON THE PRINCIPAL OF THIS SERIES 2024A BOND FROM THE DATE OF EACH ADVANCE AT THE RATE OF ZERO PERCENT (0.00%) PER ANNUM AND THE BORROWER'S OBLIGATION TO REPAY PRINCIPAL ADVANCED HEREUNDER SHALL BE FORGIVEN, AND THE BORROWER SHALL HAVE NO OBLIGATION TO REPAY THE DNRC OR ITS REGISTERED ASSIGNS ANY AMOUNTS ADVANCED HEREUNDER OR INTEREST OR ANY SURCHARGE THEREON. THIS SERIES 2024A BOND SHALL THEREUPON BE MARKED "CANCELLED" AND RETURNED BY THE HOLDER TO THE BORROWER, AND THIS SERIES 2024A BOND SHALL NO LONGER CONSTITUTE AN OBLIGATION OF THE BORROWER OR OF THE SYSTEM (AS HEREINAFTER DEFINED). IN ADDITION, UNTIL THE DELIVERY OF A DETERMINATION STATEMENT BY THE DNRC TO THE BORROWER, THE OBLIGATION OF THE BORROWER TO REPAY THE OUTSTANDING PRINCIPAL AMOUNT HEREOF SHALL BE DEFERRED UNTIL THE PAYMENT DATE FIRST OCCURRING AFTER DELIVERY OF A NONCOMPLIANCE STATEMENT AND INTEREST SHALL BE DEEMED TO ACCRUE ON THE PRINCIPAL OF THIS SERIES 2024A BOND FROM THE DATE OF EACH ADVANCE UNTIL DELIVERY OF SUCH A NONCOMPLIANCE STATEMENT AT THE RATE OF ZERO PERCENT (0.00%) PER ANNUM.

This Bond is a Subordinate Obligation denominated the "Subordinate Lien Sewer System Revenue Bond (DNRC Water Pollution Control State Revolving Loan Program), Taxable Series 2024A, issued in the maximum authorized principal amount of \$750,000 (the "Series 2024A Bond"). The Series 2024A Bond is issued to finance a portion of the costs of the construction of certain improvements to the sewer system of the Borrower (the "System"). The Series 2024A Bond is issued pursuant to and in full conformity with the Constitution and laws of the State of Montana thereunto enabling, including Montana Code Annotated, Title 7, Chapter 7, Parts 44 and 45, as amended, and ordinances and resolutions duly adopted by the governing body of the Borrower, including Resolution No. \_\_\_\_\_ duly adopted by the Town Council on April 23, 2024 (the "Resolution"). Terms used with initial capital letters but not defined herein have the meanings given to them in the Resolution. The Series 2024A Bond is issuable only as a single, fully registered bond. The Series 2024A Bond is issued as a Subordinate Obligation payable out of available Surplus Net Revenues in the Replacement and Depreciation Account or the Surplus Account in the Fund of the Borrower. Simultaneously herewith, the Borrower is issuing its Sewer System Revenue Bond (DNRC Water Pollution Control State Revolving Loan Program), Series 2024B (the "Series 2024B Bond"), which is payable from the Revenue Bond Account in the Fund

of the Borrower. Following the 2024B First Advance, the total amount of each advance will be split substantially equally between the Series 2024A Bond and the Series 2024B Bond, until the entire amount of the Series 2024A Bond is advanced; provided that the initial advance shall include the 2024B First Advance. After the Series 2024A Bond is advanced in full, all advances will be from only the Series 2024B Bond.

Reference is made to the Resolution for a more complete statement of the terms and conditions upon which the Series 2024A Bond has been issued, the conditions upon which the Resolution may be amended, the rights, duties and obligations of the Borrower, and the rights of the owners of the Series 2024A Bond.

The Borrower may prepay the principal of the Series 2024A Bond only if (i) a Determination Statement has been delivered, (ii) it obtains the prior written consent of the DNRC thereto, and (iii) no Loan Repayment or Administrative Expense Surcharge or Loan Loss Reserve Surcharge is then delinquent. Any prepayment permitted by the DNRC must be accompanied by payment of accrued interest, and Administrative Expense Surcharge and Loan Loss Reserve Surcharge to the date of prepayment on the amount of principal prepaid. If the Series 2024A Bond is prepaid in part, such prepayments shall be applied to principal payments in inverse order of maturity, or, if the DNRC determines in its discretion, the remaining principal amount following such prepayment will be reamortized over the remaining term of this Series 2024A Bond.

This Series 2024A Bond, including interest and any premium for the redemption thereof, are payable solely from the Surplus Net Revenues available for the payment hereof and do not constitute a debt of the Borrower within the meaning of any constitutional or statutory limitation or provision.

The Borrower may deem and treat the person in whose name this Series 2024A Bond is registered as the absolute owner hereof, whether this Series 2024A Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and the Borrower shall not be affected by any notice to the contrary. The Series 2024A Bond may be transferred as hereinafter provided.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that the Borrower will prescribe and collect reasonable rates and charges for all services and facilities afforded by the System, including all additions thereto and replacements and improvements thereof, and has created a special Sewer System Fund into which the Gross Revenues of the System will be paid, and a separate and special Replacement and Depreciation Account and Surplus Account in that Sewer System Fund, into which will be paid Surplus Net Revenues, subject to the prior lien thereon of the Operating Account, the Revenue Bond Account and the Reserve Account; that the rates and charges for the System will from time to time be made and kept sufficient, to provide Gross Revenues adequate to pay promptly the reasonable and current Operating Expenses, to produce during each Fiscal Year Net Revenues equal to not less than 110% of the maximum annual principal and interest payable on the outstanding Bonds in any subsequent Fiscal Year, to maintain the Reserve Account at the Reserve Requirement, and, if a Forgiveness Statement is not delivered, to produce in each Fiscal Year adequate Surplus Net Revenues to pay the principal of and interest on the Series 2024A Bond as and when due; that additional Bonds may be issued and made payable from the Revenue Bond Account on a parity with the Series 2024B Bond and other parity Bonds upon certain conditions set forth in the Resolution, but no obligation will be otherwise

incurred and made payable from the Net Revenues of the System, unless the lien thereof shall be expressly made subordinate to the lien of the Series 2024B Bond and any additional parity Bonds on such Net Revenues (such as is the case with this Series 2024A Bond); that all provisions for the security of the holder of this Series 2024A Bond set forth in the Resolution will be punctually and faithfully performed as therein stipulated; that all acts, conditions and things required by the Constitution and laws of the State of Montana and the ordinances and resolutions of the Borrower to be done, to exist, to happen and to be performed in order to make this Series 2024A Bond a valid and binding special obligation of the Borrower according to its terms have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required; and that this Series 2024A Bond and interest hereon are payable solely out of available Surplus Net Revenues in the Replacement and Depreciation Account or the Surplus Account of the Sewer System Fund and do not constitute a debt of the Borrower within the meaning of any constitutional or statutory limitation or provision and the issuance of the Series 2024A Bond does not cause either the general or the special indebtedness of the Borrower to exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Town of West Yellowstone, Montana, by its governing body, has caused this Bond to be executed by the signatures of the Mayor and Finance Director and attested by the Town Clerk, sealed with the official corporate seal of the Borrower, and has caused this Bond to be dated as of the [\_\_\_\_] day of May, 2024.

TOWN OF WEST YELLOWSTONE, MONTANA

(SEAL)

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
Finance Director

ATTEST:

By \_\_\_\_\_  
Town Clerk

REGISTRATION AND TRANSFER

This Bond shall be fully registered as to both principal and interest. No transfer of this Bond shall be valid unless and until (1) the registered holder of the Bond, or his duly authorized attorney or legal representative, executes the form of assignment appearing on this Bond, and (2) the Finance Director as Registrar, has duly noted the transfer on the Bond and recorded the transfer on the Registrar's registration books. The Borrower shall be entitled to deem and treat the person in whose name this Bond is registered as absolute owner thereof for all purposes, notwithstanding any notice to the contrary. Payments on account of the Bond shall be made only to the order of the registered holder thereof, and all such payments shall be valid and effectual to satisfy and discharge the Borrower's liability upon the Bond to the extent of the sum or sums so paid.

REGISTER

The ownership of the unpaid principal balance of this Bond and the interest accruing thereon is registered on the books of the Town of West Yellowstone, Montana in the name of the registered holder appearing on the first page hereof or as last noted below:

<u>Date of Registration</u>	<u>Name and Address of Registered Holder</u>	<u>Signature of Finance Director</u>
May [ ], 2024	<u>Department of Natural Resources and Conservation</u> <u>1539 Eleventh Avenue</u> <u>Helena, MT 59620</u>	_____

THE FOLLOWING ENTRIES ARE TO BE MADE ONLY BY THE BOND REGISTRAR UPON REGISTRATION OF EACH TRANSFER

The Finance Director of the Town of West Yellowstone, Montana, acting as Bond Registrar, has transferred, on the books of the Borrower, on the date last noted below, ownership of the principal amount of and the accrued interest on this Bond to the new registered holder noted next to such date, except for amounts of principal and interest theretofore paid.

<u>Date of Transfer</u>	<u>Name of New Registered Holder</u>	<u>Signature of Bond Registrar</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

FORM OF ASSIGNMENT

For value received, this Bond is hereby transferred and assigned by the undersigned holder, without recourse, to \_\_\_\_\_ on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

By: \_\_\_\_\_  
(Authorized Signature)

For: \_\_\_\_\_  
(Holder)



## SCHEDULE B

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Administrative Expense Surcharge</u>	<u>Loan Loss Reserve Surcharge</u>	<u>Total Loan Payment</u>
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APPENDIX B-2

[Form of the Series 2024B Bond]

UNITED STATES OF AMERICA  
STATE OF MONTANA  
GALLATIN COUNTY

**TOWN OF WEST YELLOWSTONE**

SEWER SYSTEM REVENUE BOND  
(DNRC WATER POLLUTION CONTROL STATE REVOLVING LOAN PROGRAM),  
SERIES 2024B

No. R-1

\$15,000,000

FOR VALUE RECEIVED, TOWN OF WEST YELLOWSTONE, MONTANA (the “Borrower”), a duly organized municipal corporation and political subdivision of the State of Montana, acknowledges itself to be specially indebted and, for value received, hereby promises to pay to the Department of Natural Resources and Conservation of the State of Montana (the “DNRC”), or its registered assigns, solely from the Revenue Bond Account of its Sewer System Fund, the principal sum equal to the sum of the amounts entered on Schedule A attached hereto under “Total Amount Advanced,” with interest on each such amount from the date such amount is advanced hereunder at the rate of two percent (2.00%) per annum on the unpaid balance until paid. In addition, the Borrower shall pay an Administrative Expense Surcharge and a Loan Loss Reserve Surcharge on the outstanding principal amount of this Bond, each at the rate of twenty-five hundredths of one percent (0.25%) per annum. Principal, interest and Administrative Expense Surcharge and Loan Loss Reserve Surcharge shall be payable in semiannual installments payable on each January 1 and July 1, commencing on January 1, 2025 and concluding on July 1, 2054. Each installment shall be in the amount set forth opposite its due date in Schedule B attached hereto under “Total Loan Payment.” The portion of each such payment consisting of principal, the portion consisting of interest, the portion consisting of Administrative Expense Surcharge, and the portion consisting of Loan Loss Reserve Surcharge shall be as set forth in Schedule B attached hereto. Upon each disbursement of 2024B Loan amounts to the Borrower pursuant to the Resolution described below, the DNRC shall enter (or cause to be entered) the amount advanced on Schedule A under “Advances” and the total amount advanced under the Resolution (as hereinafter defined), including such disbursement, under “Total Amount Advanced.” The DNRC shall prepare Schedule B and any revised Schedule B, or cause Schedule B and any revised Schedule B to be prepared, as provided in Section 5.1 of the Resolution (as hereinafter defined). Schedule B shall be calculated and recalculated on a level debt service basis assuming an interest rate of 2.50% per annum. Past-due payments of principal and interest and Administrative Expense Surcharge and Loan Loss Reserve Surcharge shall bear interest at the rate of ten percent (10.00%) per annum, until paid. Interest and Administrative Expense Surcharge and Loan Loss Reserve Surcharge shall be calculated on the basis of a 360-day year comprising 12 months of 30 days each. All payments under this Bond shall be made to the registered holder of this Bond, at its address as it appears on the Bond register, in lawful money of the United States of America.



This Bond is one of an issue of Sewer System Revenue Bonds of the Borrower authorized to be issued in one or more series from time to time, and constitutes a series in the maximum authorized principal amount of \$15,000,000 (the "Series 2024B Bond"). The Series 2024B Bond is issued to finance a portion of the costs of the construction of certain improvements to the sewer system of the Borrower (the "System"), to fund deposits to the Reserve Account, and to pay costs of issuance of the Series 2024B Bond. The Series 2024B Bond is issued pursuant to and in full conformity with the Constitution and laws of the State of Montana thereunto enabling, including Montana Code Annotated, Title 7, Chapter 7, Parts 44 and 45, as amended, and ordinances and resolutions duly adopted by the governing body of the Borrower, including Resolution No. \_\_\_\_\_ duly adopted by the Town Council on April 23, 2024 (the "Resolution"). Terms used with initial capital letters but not defined herein have the meanings given to them in the Resolution. The Series 2024B Bond is issuable only as a single, fully registered bond. The Borrower is issuing simultaneously herewith its Subordinate Lien Sewer System Revenue Bond (DNRC Water Pollution Control State Revolving Loan Program), Taxable Series 2024A (the "Series 2024A Bond"). The 2024B First Advance is made as of the date hereof.

Reference is made to the Resolution for a more complete statement of the terms and conditions upon which the Series 2024B Bond has been issued, the Net Revenues of the System pledged and appropriated for the payment and security thereof, the conditions upon which additional Bonds may be issued under the Resolution and made payable from such Net Revenues on a parity with the Series 2024B Bond (collectively, the "Bonds") or otherwise, the conditions upon which the Resolution may be amended, the rights, duties and obligations of the Borrower, and the rights of the owners of the Series 2024B Bond.

The Borrower may prepay the principal of the Series 2024B Bond only if (i) a Determination Statement has been delivered, (ii) it obtains the prior written consent of the DNRC thereto, and (iii) no Loan Repayment or Administrative Expense Surcharge or Loan Loss Reserve Surcharge is then delinquent. Any prepayment permitted by the DNRC must be accompanied by payment of accrued interest and Administrative Expense Surcharge and Loan Loss Reserve Surcharge to the date of prepayment on the amount of principal prepaid. If the Series 2024B Bond is prepaid in part, such prepayments shall be applied to principal payments in inverse order of maturity, or, if the DNRC determines in its discretion, the remaining principal amount following such prepayment will be reamortized over the remaining term of this Series 2024B Bond.

The Series 2024B Bond, including interest and any premium for the redemption thereof, are payable solely from the Net Revenues pledged for the payment hereof and do not constitute a debt of the Borrower within the meaning of any constitutional or statutory limitation or provision. Net Revenues pledged to the payment of the Series 2024B Bond include Pledged Resort Tax Revenues, which the Borrower has pledged and appropriated to the Revenue Bond Account in accordance with the provisions of the Resolution.

The Borrower may deem and treat the person in whose name this Series 2024B Bond is registered as the absolute owner hereof, whether this Series 2024B Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and the Borrower shall not be affected by any notice to the contrary. The Series 2024B Bond may be transferred as hereinafter provided.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that the Borrower will prescribe and collect reasonable rates and charges for all services and facilities afforded by the System, including all additions thereto and replacements and improvements thereof, and has created an Operating Account in its special Sewer System Fund into which the Gross Revenues of the System will be paid, and a separate and special Revenue Bond Account in that Sewer System Fund, into which will be paid, from and as a first and prior lien on the Net Revenues of the System then on hand (the sum of (a) Gross Revenues less Operating Expenses plus (b) Pledged Resort Tax Revenues), by October 15 and April 15 an amount equal to at least one-half of the principal of and interest on the Bonds due on January 1 and July 1, respectively, and by December 15 and June 15 an amount equal to all of the principal of and interest on the Bonds due on each January 1 and July 1, respectively; that the Borrower has created a Reserve Account in the Sewer System Fund into which shall be paid additional Net Revenues, after required credits to the Revenue Bond Account, sufficient to maintain a reserve therein equal to, as of the date of calculation, the Reserve Requirement; that the Revenue Bond Account will be used only to pay the principal of, premium, if any, and interest on the Series 2024B Bond and any other additional Bonds issued pursuant to the Resolution on a parity therewith; that the rates and charges for the System will from time to time be made and kept sufficient, to provide Gross Revenues adequate to pay promptly the Operating Expenses, to produce during each Fiscal Year, together with Pledged Resort Tax Revenues, Net Revenues not less than 110% of the maximum annual principal and interest payable on the outstanding Bonds in any subsequent Fiscal Year and to maintain the Reserve Account at the Reserve Requirement; that additional Bonds may be issued and made payable from the Revenue Bond Account on a parity with the Series 2024B Bond and other parity Bonds upon certain conditions set forth in the Resolution, but no obligation will be otherwise incurred and made payable from the Net Revenues of the System, unless the lien thereof shall be expressly made subordinate to the lien of the Series 2024B Bond and additional parity Bonds on such Net Revenues; that all provisions for the security of the holder of this Series 2024B Bond set forth in the Resolution will be punctually and faithfully performed as therein stipulated; that all acts, conditions and things required by the Constitution and laws of the State of Montana and the ordinances and resolutions of the Borrower to be done, to exist, to happen and to be performed in order to make this Series 2024B Bond a valid and binding special obligation of the Borrower according to its terms have been done, do exist, have happened and have been performed as so required; and that this Series 2024B Bond and the interest hereon are payable solely from the Net Revenues of the System (to include Pledged Resort Tax Revenues) pledged and appropriated to the Revenue Bond Account and do not constitute a debt of the Borrower within the meaning of any constitutional or statutory limitation or provision and the issuance of the Series 2024B Bond does not cause either the general or the special indebtedness of the Borrower to exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Town of West Yellowstone, Montana, by its governing body, has caused this Bond to be executed by the signatures of the Mayor and Finance Director and attested by the Town Clerk, sealed with the official corporate seal of the Borrower, and has caused this Bond to be dated as of the [\_\_\_\_] day of May, 2024.

TOWN OF WEST YELLOWSTONE,  
MONTANA

(SEAL)

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
Finance Director

ATTEST:

By \_\_\_\_\_  
Town Clerk

REGISTRATION AND TRANSFER

This Bond shall be fully registered as to both principal and interest. No transfer of this Bond shall be valid unless and until (1) the registered holder of the Bond, or his duly authorized attorney or legal representative, executes the form of assignment appearing on this Bond, and (2) the Finance Director as Registrar, has duly noted the transfer on the Bond and recorded the transfer on the Registrar's registration books. The Borrower shall be entitled to deem and treat the person in whose name this Bond is registered as absolute owner thereof for all purposes, notwithstanding any notice to the contrary. Payments on account of the Bond shall be made only to the order of the registered holder thereof, and all such payments shall be valid and effectual to satisfy and discharge the Borrower's liability upon the Bond to the extent of the sum or sums so paid.

REGISTER

The ownership of the unpaid principal balance of this Bond and the interest accruing thereon is registered on the books of the Town of West Yellowstone, Montana in the name of the registered holder appearing on the first page hereof or as last noted below:

<u>Date of Registration</u>	<u>Name and Address of Registered Holder</u>	<u>Signature of Finance Director</u>
May [ ], 2024	<u>Department of Natural</u> <u>Resources and Conservation</u> <u>1539 Eleventh Avenue</u> <u>Helena, MT 59620</u>	_____

THE FOLLOWING ENTRIES ARE TO BE MADE ONLY BY THE BOND  
REGISTRAR UPON REGISTRATION OF EACH TRANSFER

The Finance Director of the Town of West Yellowstone, Montana, acting as Bond Registrar, has transferred, on the books of the Borrower, on the date last noted below, ownership of the principal amount of and the accrued interest on this Bond to the new registered holder noted next to such date, except for amounts of principal and interest theretofore paid.

<u>Date of Transfer</u>	<u>Name of New Registered Holder</u>	<u>Signature of Bond Registrar</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

FORM OF ASSIGNMENT

For value received, this Bond is hereby transferred and assigned by the undersigned holder, without recourse, to \_\_\_\_\_ on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

By: \_\_\_\_\_  
(Authorized Signature)

For: \_\_\_\_\_  
(Holder)



SCHEDULE B

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Administrative Expense Surcharge</u>	<u>Loan Loss Reserve Surcharge</u>	<u>Total Loan Payment</u>
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APPENDIX C

ADDITIONAL AGREEMENTS, REPRESENTATIONS AND COVENANTS

[None]



APPENDIX D

\$15,750,000  
Sewer System Revenue Bonds  
(DNRC Water Pollution Control State Revolving Loan Program),  
Consisting of \$750,000 Subordinate Lien, Taxable Series 2024A Bond  
and \$15,000,000 Series 2024B Bond  
Town of West Yellowstone, Montana

COMPLIANCE CERTIFICATE AND REQUEST

We, \_\_\_\_\_ and \_\_\_\_\_, hereby certify that we are on the date hereof the duly qualified and acting Town Manager and Finance Director, respectively, of the Town of West Yellowstone, Montana (the “Borrower”), and that:

1. Pursuant to Resolution No. \_\_\_\_\_, duly adopted by the Town Council of the Borrower on April 23, 2024, entitled “Resolution Relating to \$15,750,000 Sewer System Revenue Bonds (DNRC Water Pollution Control State Revolving Loan Program), Consisting of \$750,000 Subordinate Lien, Taxable Series 2024A Bond and \$15,000,000 Series 2024B Bond; Authorizing the Issuance and Fixing the Terms and Conditions Thereof” (the “Resolution”), the Borrower issued its Subordinate Lien Sewer System Revenue Bond (DNRC Water Pollution Control State Revolving Loan Program), Taxable Series 2024A, dated, as originally issued, as of \_\_\_\_\_, 2024, in the maximum aggregate principal amount of \$750,000 (the “Series 2024A Bond”) and its Sewer System Revenue Bond (DNRC Water Pollution Control State Revolving Loan Program), Series 2024B, dated, as originally issued, as of \_\_\_\_\_, 2024, in the maximum aggregate principal amount of \$15,000,000 (the “Series 2024B Bond”). The Borrower has reviewed the Resolution, including, without limitation, Articles II and III thereof, and the definitions relating thereto. The Borrower acknowledges and agrees that the Series 2024A Bond evidences a loan made to the Borrower from the DNRC from funds made available to the DNRC from the EPA Capitalization Grant, and that this Certificate is being relied upon by the DNRC for ensuring compliance with requirements applicable to the Borrower, the DNRC, and the 2024 Project (as hereinafter defined). Capitalized terms used herein without definition shall have the meanings given them in the Resolution.

2. The Series 2024A Bond is issued to finance a portion of the costs of construction and installation of various improvements to the System, generally described as the 2024 Project in the Resolution (the “2024 Project”). Construction of the 2024 Project has complied with all federal and state standards, including, without limitation, EPA regulations and standards. The 2024 Project is expected to be completed and placed in service on or about \_\_\_\_\_, 20\_\_.

3. Costs of the 2024 Project in the amount of \$\_\_\_\_\_ have been paid as of the date of delivery of this Certificate. The Borrower hereby waives its right to any remaining 2024A Committed Amount not advanced or to be advanced upon delivery hereof. The Borrower specifically confirms and agrees that any remaining amounts of the 2024 Loans to be lent to the Borrower, if any, shall be evidenced by the Series 2024B Bond.

4. As of the date hereof, the Borrower has spent the following amounts in connection with the 2024 Project and costs related thereto:

Audit Fees	
Bond Costs	
Debt Service Reserves	
Engineering - Basic Services	
Engineering - Additional Services	
Equipment	
Construction	
Contingency	
<b>TOTAL PROJECT COSTS</b>	

Of such amounts, \$\_\_\_\_\_ were paid from advances of proceeds of the Series 2024A Bond.

5. The Trustee has delivered to the Borrower a copy of Schedule B to be attached to the Series 2024A Bond, which reflects the amortization of all advances made or to be made on the date hereof of proceeds of the Series 2024A Bond (i.e., \$\_\_\_\_\_). The Borrower hereby acknowledges and agrees that Schedule B has been calculated in accordance with the provisions of the Resolution and the Indenture, and that the Series 2024A Bond, with said Schedule B attached thereto, has been duly issued pursuant to the Resolution and is a valid and binding obligation of the Borrower in accordance with its terms and the terms of the Resolution; provided, however, if the DNRC delivers a Forgiveness Statement, the Borrower’s obligation to repay the principal of the Series 2024A Bond and interest and surcharges thereon is thereupon forgiven, and if the DNRC delivers a Noncompliance Statement, amounts advanced under the 2024A Loan evidenced by the Series 2024A Bond shall bear interest from and after the first advance of principal of the Series 2024A Bond at the rate of two percent (2.00%) per annum and the Borrower shall pay currently with interest the Administrative Expense Surcharge and the Loan Loss Reserve Surcharge, all as described in Section 5.1.2 of the Resolution authorizing the Series 2024A Bond.

6. The representations of the Borrower contained in Articles II and III of the Resolution are true and complete as of the date hereof as if made on this date, except to the extent that the Borrower has specifically advised the DEQ and the DNRC otherwise in writing.

7. No default in any covenant or agreement on the part of the Borrower contained in the Resolution has occurred and is continuing.

8. The Borrower is delivering this Certificate to the DNRC, in part, to ensure compliance with EPA regulations and standards. The Borrower certifies that (i) all laborers and mechanics employed by contractors and subcontractors on the 2024 Project have been and will be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the United States Secretary of Labor in accordance with Subchapter IV of Chapter 31 of Title 40, United States Code, and (ii) either (a) all the iron and steel products used in the 2024 Project are produced in the United States in compliance with and within the meaning of the “American Iron and Steel” provisions of Section 436 of the Consolidated

Appropriations Act of 2014 (P.L. 113-76), as amended, or (b) all iron and steel, manufactured products, and construction materials used in the 2024 Project are produced in the United States in compliance with and within the meaning of the provisions of the Build America, Buy America Act (“BABA”) of the Infrastructure Investment and Jobs Act (P.L. 117-58, div. G, title IX, Nov. 15, 2021, 135 Stat. 1294, as amended by P.L. 117-67, div. B, title II, §10254, Aug. 9, 2022, 136 Stat. 1502, and as further amended).

9. The Borrower acknowledges and agrees that this Certificate completed by the Borrower in form satisfactory to the DNRC must be executed and delivered to the DNRC by the date that is 30 days after receipt of the form of this Certificate from the DNRC. By submitting this Certificate, the Borrower requests that the DNRC forgive the obligation of the Borrower to repay the principal of the Series 2024A Bond, together with interest and surcharges thereon. The Borrower acknowledges and agrees that (i) the forgiveness of principal of and interest and surcharges on the Series 2024A Bond by the DNRC is contingent on the timely delivery of this Certificate by the Borrower in satisfactory form as determined in the DNRC’s sole and complete discretion, (ii) the DNRC has no obligation to grant such forgiveness; and (iii) if the DNRC delivers to the Borrower a Noncompliance Statement (a) the obligation of the Borrower to repay the principal of the Series 2024A Bond plus interest and Administrative Expense Surcharge and Loan Loss Reserve Surcharge thereon shall continue in full force and effect until the principal of the Series 2024A Bond advanced and interest, Administrative Expense Surcharge and Loan Loss Reserve Surcharge thereon are paid in full, as set forth in Schedule B delivered pursuant to paragraph 5 above, and as provided in the Series 2024A Bond and the Resolution, and (b) the Borrower shall, as necessary, within the 3-month period specified in the Resolution, adjust its rates and charges to produce Net Revenues and Surplus Net Revenues required by the rate covenant in the Resolution.

WITNESS our hands on behalf of the Borrower as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

TOWN OF WEST YELLOWSTONE,  
MONTANA

By \_\_\_\_\_  
Town Manager

By \_\_\_\_\_  
Finance Director

**From:** [Sloane Stinson](#)  
**To:** [Sloane Stinson](#)  
**Subject:** Targhee Turn Lanes Project Update – April 2024  
**Date:** Friday, April 19, 2024 9:35:03 AM

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Good morning,

The Montana Department of Transportation (MDT) and partner Robert Peccia & Associates (RPA), Helena, have made progress on the Targhee Turn Lanes US Highway 20 (US 20) safety improvement project. The project is moving further into the design phase.

The design team has begun coordinating with environmental agencies and the Custer Gallatin National Forest based on the selected design alternative. An Alignment and Grade Report has been developed that defines the proposed improvements that will be shared at an open house planned for July. We will share more details as we get closer to the event.

MDT will continue to further develop the project with the RPA design team and stakeholders throughout 2024-2025. Construction is tentatively scheduled to begin in 2027. This schedule is subject to change due to funding availability, completion of the final design, economic conditions, and possible unforeseen factors.

If you have any questions or comments, please call the project hotline at 406-207-4484, operating during business hours, or email Sloane at [sloane@bigskypublicrelations.com](mailto:sloane@bigskypublicrelations.com). More information about the project can be found on the project's webpage: [www.mdt.mt.gov/pubinvolve/targhee/](http://www.mdt.mt.gov/pubinvolve/targhee/).

Best wishes,

Sloane Stinson  
Big Sky Public Relations, on behalf of the Montana Department of Transportation



Alternative accessible formats of this document will be provided on request. Persons who need an alternative format should contact the Office of Civil Rights, Montana Department of Transportation, 2701 Prospect Avenue, PO Box 201001, Helena, MT 59620. Telephone 406-444-5416 or Montana Relay Service at 711.

Sloane Stinson  
Account Executive  
Big Sky Public Relations  
406-880-1057  
[sloane@bigskypublicrelations.com](mailto:sloane@bigskypublicrelations.com)  
[www.bigskypublicrelations.com](http://www.bigskypublicrelations.com)

# Budget Calendar 2024

March						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June						
S	M	T	W	Th	F	S
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2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

- Action Item
- Holiday
- Pending
- Staff Deadline

April						
S	M	T	W	Th	F	S
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14	15	16	17	18	19	20
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28	29	30				

July						
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14	15	16	17	18	19	20
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28	29	30	31			

May						
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August						
S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

- March 1** Budget kick-off email to go out
- March 19** Budget Kick-Off Work Session
- April 1** Send out Special Budget Request Forms
- April 12** Staff Deadline: Get department priorities to Finance Department for consideration
- April 23** CIP Work Session
- May 3** Special Budget Request Form Deadline
- May 21** Enterprise, Agency, Special Revenue, Debt Service Funds Work Session
- June 4** General Fund Budget
- June 18** Preliminary Budget Approval- Pending Vote
- August 6** Optional: Budget Revision Work Session
- August 20** Final FY25 Budget Approval- Pending Vote