

Town of West Yellowstone

Tuesday, January 19, 2016

West Yellowstone Town Hall, 440 Yellowstone Avenue

Work Session & Town Council Meeting

7:00 PM

Pledge of Allegiance

Purchase Orders

Treasurer's Report & Securities Report ∞

Claims ∞

Consent Agenda: **January 5, 2016 Town Council Meeting** ∞

January 12, 2016 Town Council Meeting ∞

Business License Applications ∞

- Las Palmitas (license transfer, Resort Tax Bond waiver request)

- Big Sky Gaming

Advisory Board Report(s)

Town Manager & Department Head Reports

Assignments Report

Comment Period

- **Public Comment**

- **Council Comments**

UNFINISHED BUSINESS

Montana Public Employees Association, Police Unit Collective Bargaining Agreement Discussion/Action ∞

NEW BUSINESS

Marketing and Promotions Board Appointments Discussion/Action ∞

- Mayor Jerry Johnson (Council Representative)

- Kay Matthews

- Barbara Klesel

Resolution No. 673, Signature Authority for Purchase of 80 Acres of USFS Land Discussion/Action ∞

Sewer Lagoon Lease, Shooting Range Agreement Discussion/Action ∞

Authorization to Proceed with Additional Water Supply Study Discussion/Action ∞

Authorization to Complete Groundwater Study and Proceed with DEQ Discharge Permit Process Discussion/Action ∞

Slurry Seal Contract Extension Discussion/Action ∞

Grizzly Internet Development Agreement Transfer to SafeLink Internet Discussion/Action ∞

- Business License Transfer

- Northwest Data Com (new license, fiber installation)

Correspondence/FYI

Meeting Reminders



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 Operations 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 at 12 Noon on Tuesdays 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. Questions about the agenda may be directed to the Town Clerk at 646-7795.
- 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.

Treasurer's Report 12/2015

01/12/16
14:46:14

TOWN OF WEST YELLOWSTONE
Cash Report
For the Accounting Period: 12/15

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Report ID: L160

Fund/Account	Beginning Balance	Received	Transfers In	Disbursed	Transfers Out	Ending Balance
1000 General Fund						
101000 CASH	17,833.52	352,314.75	0.00	0.00	238,056.08	132,092.19
101100 Investments - CD's	220,609.26	0.00	0.00	0.00	0.00	220,609.26
101300 Investments - Money Market Accou	463,791.14	81.23	0.00	0.00	0.00	463,872.37
101500 Investment-STIP	1,244,653.08	529.30	0.00	0.00	0.00	1,245,182.38
103000 Petty Cash	50.00	0.00	0.00	0.00	0.00	50.00
103100 Town Office	50.00	0.00	0.00	0.00	0.00	50.00
103200 Petty Cash/WY Police Dept	50.00	0.00	0.00	0.00	0.00	50.00
103400 Petty Cash-Recreation	150.00	0.00	0.00	0.00	0.00	150.00
Total Fund	1,947,187.00	352,925.28			238,056.08	2,062,056.20
2100 Local Option Taxation-Resort Tax						
101000 CASH	196,160.18	70,219.24	0.00	232,043.19	12,736.41	21,599.82
101300 Investments - Money Market Accou	10,585.71	178,216.15	0.00	0.00	0.00	188,801.86
101500 Investment-STIP	492,202.00	0.00	0.00	11,070.00	0.00	481,132.00
102200 Bond Reserve Cash Acct-10%	12,335.61	1.40	0.00	0.00	0.00	12,337.01
102215 STIP Investment-Rev Bond current	44,282.33	11,082.57	0.00	0.00	0.00	55,364.90
102225 STIP Reserve Acct Town Hall 10%	136,244.43	38.66	0.00	0.00	0.00	136,283.09
Total Fund	891,810.26	259,558.02		243,113.19	12,736.41	895,518.68
2101 Marketing & Promotions (MAP)						
101000 CASH	55,867.26	1,461.00	0.00	0.00	0.00	57,328.26
101300 Investments - Money Market Accou	27,027.98	4.73	0.00	0.00	0.00	27,032.71
101500 Investment-STIP	65,900.00	0.00	0.00	0.00	0.00	65,900.00
Total Fund	148,795.24	1,465.73				150,260.97
2102 TBID (Tourism Business Improvement District)						
101000 CASH	30,453.94	9,041.00	0.00	271.23	30,059.78	9,163.93
2111 Off Street Parking						
101000 CASH	3,022.20	0.34	0.00	0.00	0.00	3,022.54
101500 Investment-STIP	68,860.75	19.54	0.00	0.00	0.00	68,880.29
Total Fund	71,882.95	19.88				71,902.83
2210 Parks & Recreation						
101000 CASH	6,237.36	475.00	0.00	0.00	1,050.00	5,662.36
2211 Parks/Rec Donations - Teen Center						
101000 CASH	1,543.37	0.18	0.00	0.00	0.00	1,543.55
2212 Parks - Volleyball Court						
101000 CASH	3,884.65	0.44	0.00	0.00	0.00	3,885.09
2213 Community Garden						
101000 CASH	686.02	0.08	0.00	0.00	0.00	686.10
2214 Smoking Waters Day Camp -scholarships						
101000 CASH	2,361.46	0.27	0.00	0.00	0.00	2,361.73
2220 Library						
101000 CASH	4,257.16	50,076.24	0.00	0.00	13,969.15	40,364.25
102130 Donations for Extension Svcs Lib	1,480.81	0.17	0.00	0.00	0.00	1,480.98
103000 Petty Cash	50.00	0.00	0.00	0.00	0.00	50.00
Total Fund	5,787.97	50,076.41			13,969.15	41,895.23
2240 Cemetery						
101000 CASH	3,920.44	0.44	0.00	0.00	8.14	3,912.74
101500 Investment-STIP	7,231.15	0.00	0.00	0.00	0.00	7,231.15
Total Fund	11,151.59	0.44			8.14	11,143.89

TOWN OF WEST YELLOWSTONE
Cash Report
For the Accounting Period: 12/15

Fund/Account	Beginning Balance	Received	Transfers In	Disbursed	Transfers Out	Ending Balance
2390 Drug Forfeiture						
101000 CASH	9,147.14	0.00	0.00	0.00	0.00	9,147.14
101500 Investment-STIP	16,458.85	0.00	0.00	0.00	0.00	16,458.85
Total Fund	25,605.99					25,605.99
2392 CDBG-Local Source						
101000 CASH	28,386.08	178.22	0.00	0.00	250.00	28,314.30
101500 Investment-STIP	38,822.72	0.00	0.00	0.00	0.00	38,822.72
Total Fund	67,208.80	178.22			250.00	67,137.02
2701 Cemetery Perpetual Care (7050)						
101000 CASH	2,067.93	0.23	0.00	0.00	0.00	2,068.16
101500 Investment-STIP	35,990.36	10.21	0.00	0.00	0.00	36,000.57
Total Fund	38,058.29	10.44				38,068.73
2820 Gas Tax Apportionment						
101000 CASH	1,495.27	2,473.51	0.00	0.00	0.00	3,968.78
101300 Investments - Money Market Accou	2,040.30	0.36	0.00	0.00	0.00	2,040.66
101500 Investment-STIP	15.88	0.00	0.00	0.00	0.00	15.88
Total Fund	3,551.45	2,473.87				6,025.32
2850 911 Emergency						
101000 CASH	992.21	600.00	0.00	450.00	1,112.19	30.02
101300 Investments - Money Market Accou	5,006.35	0.88	0.00	600.00	0.00	4,407.23
101500 Investment-STIP	0.84	0.00	0.00	0.00	0.00	0.84
Total Fund	5,999.40	600.88		1,050.00	1,112.19	4,438.09
2917 Crime Victims Assistance						
101000 CASH	7,408.62	0.00	0.00	0.00	0.00	7,408.62
3050 GO Bond						
101000 CASH	15,722.94	63,402.77	0.00	600.00	25,241.25	53,284.46
101300 Investments - Money Market Accou	24,172.85	604.23	0.00	0.00	0.00	24,777.08
101500 Investment-STIP	152,799.34	43.36	0.00	0.00	0.00	152,842.70
Total Fund	192,695.13	64,050.36		600.00	25,241.25	230,904.24
4000 Capital Projects/Equipment						
101000 CASH	10,147.24	0.67	0.00	0.00	4,263.64	5,884.27
101300 Investments - Money Market Accou	6,503.70	1.14	0.00	0.00	0.00	6,504.84
101500 Investment-STIP	88,295.86	25.06	0.00	0.00	0.00	88,320.92
Total Fund	104,946.80	26.87			4,263.64	100,710.03
4060 Public Works Equipment Replacement						
101000 CASH	1,255.75	0.00	0.00	0.00	0.00	1,255.75
101500 Investment-STIP	238.47	0.07	0.00	0.00	0.00	238.54
Total Fund	1,494.22	0.07				1,494.29
4070 Parkway Construction/Mtn						
101300 Investments - Money Market Accou	2,765.44	0.48	0.00	0.00	0.00	2,765.92
101500 Investment-STIP	4,065.70	1.15	0.00	0.00	0.00	4,066.85
Total Fund	6,831.14	1.63				6,832.77
4075 Street Construction /Maintenance						
101000 CASH	10,013.40	1.14	0.00	0.00	0.00	10,014.54
101300 Investments - Money Market Accou	11.20	0.00	0.00	0.00	0.00	11.20
101500 Investment-STIP	411,810.32	116.86	0.00	0.00	0.00	411,927.18
Total Fund	421,834.92	118.00				421,952.92
5210 Water Operating Fund						

TOWN OF WEST YELLOWSTONE
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Fund/Account	Beginning Balance	Received	Transfers In	Disbursed	Transfers Out	Ending Balance
101000 CASH	44,745.72	15,953.45	0.00	0.39	35,656.22	25,042.56
101300 Investments - Money Market Accou	30,046.71	5.26	0.00	0.00	0.00	30,051.97
101500 Investment-STIP	182,525.68	51.80	0.00	0.00	0.00	182,577.48
102245 Replacement & Depreciation Ent.	148,975.00	42.27	0.00	0.00	0.00	149,017.27
Total Fund	406,293.11	16,052.78		0.39	35,656.22	386,689.28
5220 Water Replacement Depreciation Fund						
101000 CASH	1,077.00	0.00	0.00	0.00	0.00	1,077.00
101500 Investment-STIP	282,328.81	80.12	0.00	0.00	0.00	282,408.93
Total Fund	283,405.81	80.12				283,485.93
5310 Sewer Operating Fund						
101000 CASH	77,638.02	31,742.02	1,978.17	1.22	17,877.72	93,479.27
101300 Investments - Money Market Accou	14,200.24	2.49	0.00	0.00	0.00	14,202.73
101500 Investment-STIP	566,747.46	160.82	0.00	0.00	0.00	566,908.28
101510 Mad Add Construction-STIP	60,597.72	17.20	0.00	0.00	0.00	60,614.92
102245 Replacement & Depreciation Ent.	130,158.65	36.93	0.00	0.00	0.00	130,195.58
Total Fund	849,342.09	31,959.46	1,978.17	1.22	17,877.72	865,400.78
5320 Sewer Replacement Depreciation Fund						
101000 CASH	37,322.00	0.00	0.00	0.00	0.00	37,322.00
101500 Investment-STIP	305,730.08	86.76	0.00	0.00	0.00	305,816.84
Total Fund	343,052.08	86.76				343,138.84
7010 Social Services/Help Fund						
101000 CASH	7,835.23	4,771.30	0.00	0.00	1,184.18	11,422.35
101300 Investments - Money Market Accou	20,005.60	3.51	0.00	0.00	0.00	20,009.11
Total Fund	27,840.83	4,774.81			1,184.18	31,431.46
7195 Court Collections Trust Acct						
101000 CASH	11,806.49	0.00	0.00	0.00	0.00	11,806.49
7458 Court Surcharge HB176						
101000 CASH	160.00	0.00	0.00	0.00	160.00	0.00
7467 MT Law Enforcement Academy (MLEA)						
101000 CASH	145.00	0.00	0.00	0.00	145.00	0.00
7469 City Court - Judge Brandis						
101000 CASH	9,975.00	2,346.00	0.00	0.00	1,725.00	10,596.00
7699 Victims Assistance Program						
101000 CASH	220.00	0.00	0.00	0.00	220.00	0.00
7910 Payroll Fund						
101000 CASH	30,256.56	0.00	153,292.54	171,181.16	0.00	12,367.94
7930 Claims Fund						
101000 CASH	23,213.64	0.00	228,444.05	214,524.36	0.00	37,133.33
Totals	5,983,127.18	796,323.00	383,714.76	630,741.55	383,714.76	6,148,708.63

*** Transfers In and Transfers Out columns should match. There are a couple exceptions to this: 1) Canceled Electronic Checks and 2) Payroll Journal Vouchers that include local deductions set up with receipt accounting. Please see cash reconciliation procedure in manual or call for more details.



Agreement Number: 60722900
 Tax ID Number: 81-0299400
 Expiration Date: 5/31/2016

REPURCHASE CONFIRMATION

Treasurer's Office
 Town of West Yellowstone
 P O Box 1570
 West Yellowstone MT 59758

Trade Date: 1/4/2016
 Settlement Date: 1/4/2016
 Maturity Date: 1/5/2016

Repurchase Rate: The Federal Fund rate as posted by the Federal Reserve Bank of New York, adjusted weekly.

Current Balance: \$652,145.82

Repurchase Maximum Balance: \$750,000.00

Current Rate: 0.360%

SECURITY DESCRIPTION

Security	CUSIP	Rate	Maturity	Par	Market Value
Madison County MT K-12 SD	55734RAZ0	2.000%	7/1/2017	\$375,000	\$385,568
Gallatin County MT SD #44	36370NCF0	2.000%	6/1/2017	\$500,000	\$509,638
				\$875,000	Total: \$895,206

Fractional Interest in Security* : **72.85%**

**Fractional Interest = [(Current Balance)/(Market Value)] %*

This Repurchase Agreement is not a deposit and is not covered by FDIC deposit insurance. In the event of a bank failure, the Town of West Yellowstone will become the owner of the Securities, or obtains a perfected security interest in these Securities.

01/15/16
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TOWN OF WEST YELLOWSTONE
Claim Approval List
For the Accounting Period: 1/16

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Report ID: AP100

* ... Over spent expenditure

Claim	Vendor #/Name/	Document \$/	Disc \$						Cash
Check	Invoice #/Inv Date/Description	Line \$		PO #	Fund Org Acct	Object	Proj	Account	
41631	2551 Thyssenkrupp Elevator Corp	401.65							
3002292341	01/01/16 elevator maint-Povah	401.65		POVAH	1000 411255	350		101000	
41633	1273 Montana Security and	61.50							
47301	12/21/15 monitoring UPDL	61.50		UPDL	1000 411252	357		101000	
41634	266 Utilities Underground Location	1.57							
5125303	01/15/16 excavation notifications	0.78		WATER	5210 430500	357		101000	
5125303	01/15/16 excavation notifications	0.79		SEWER	5310 430600	357		101000	
41638	2546 Century Link QCC	78.24							
12/23/15	long dist chg 406-646-7600	78.24		finadm	1000 410510	345		101000	
41639	2813 Century Link	2,694.22							
12/19/16	DSL Povah, 646-7982	47.00		POVAH	1000 411255	345		101000	
12/19/16	DLS Police 646-0231	62.00		POLICE	1000 420110	345		101000	
12/19/16	DSL Pub Serv Office 646-7949	62.00		BLDINS	1000 430200	345		101000	
12/19/16	Sewer Treat 646-9027	33.19		STREET	5310 430600	345		101000	
12/19/16	Sewer lift 646-5141	33.91		SEWER	5310 430600	345		101000	
12/19/16	PCC Elevator 646-7481	33.19		POVAH	1000 411255	345		101000	
12/19/16	Centrex Finance - 20%	248.04		FINADM	1000 410510	345		101000	
12/19/16	Centrex, Police-20%	248.04		POLICE	1000 420110	345		101000	
12/19/16	Centrex, Soc Ser -10%	124.02		SOC SER	1000 450135	345		101000	
12/19/16	Centrex, Court - 10%	124.02		COURT	1000 410360	345		101000	
12/19/16	Centrex, Bld Ins - 10%	124.02		BLDINS	1000 430200	345		101000	
12/19/16	Centrex, Street - 10%	124.02		STREET	1000 430200	345		101000	
12/19/16	Centrex, PCC - 10%	124.02		POVAH	1000 411255	345		101000	
12/19/16	Centrex, Lib	124.04		COURT	2220 460100	345		101000	
12/19/16	E911 Viper 646-5170	95.62		E911	2850 420750	345		101000	
12/19/16	E911 255-9710	996.20		E911	2850 420750	345		101000	
12/19/16	E911 255-9712	24.51		E911	2850 420750	345		101000	
12/19/16	Alarm Lines, 646-5185	66.38		TWNHAL	1000 411250	345		101000	
41640	2088 Town West Yellowstone	471.45							
01/01/16	utility chrgs, Chamber, 895	30.74		BLDGs	1000 411257	340		101000	
01/01/16	utility chrgs, UPDL, 892	51.36		BLDGs	1000 411252	340		101000	
01/01/16	utility chrgs, PS Shops, 884	23.71		BLDGs	1000 411253	340		101000	
01/01/16	utility chrgs. Povah Ctr, 887	47.64		BLDGs	1000 411255	340		101000	
01/01/16	utility chrgs, Police Dept, 886	30.73		BLDGs	1000 411258	340		101000	
01/01/16	utility chrgs, City Park, 885	165.75		BLDGs	1000 411253	340		101000	
01/01/16	utility chrgs, Library, 891	24.00		LIBRAR	1000 411259	340		101000	
01/01/16	utility chrgs, Lift #1, 903	10.15		SEWER	5310 430600	340		101000	
01/01/16	utility chrgs, Twn Hall, 921	87.37		TWNHAL	1000 411250	340		101000	

01/15/16
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TOWN OF WEST YELLOWSTONE
Claim Approval List
For the Accounting Period: 1/16

Page: 2 of 9
Report ID: AP100

* ... Over spent expenditure

Claim	Vendor #/Name/ Check Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
41642	1514 Verizon Wireless	873.35					
	01/20/16 640-0512, SS Assist	33.94		SOCSER	1000 450135	345	101000
	01/20/16 640-1103, Operator	33.94		STREET	1000 430200	345	101000
	01/20/16 640-1438, SS Director	33.94		SOCSER	1000 450135	345	101000
	01/20/16 640-1460, Library Dir, SP	63.94		LIBRAR	2220 460100	345	101000
	01/20/16 640-1461, Facilities Tech, SP	63.94		STREET	5210 430500	345	101000
	01/20/16 640-1462, Operator, SP	33.94		STREET	5210 430500	345	101000
	01/20/16 640-1463, Deputy PSS, SP	63.94		STREET	5310 430600	345	101000
	01/20/16 640-1472, Ops Mgr, SP	63.94		ADMIN	1000 410210	345	101000
	01/20/16 640-1676, Rec Coord, SP	63.94		REC	1000 460440	345	101000
	01/20/16 640-1754, COP, SP	63.94		POLICE	1000 420110	345	101000
	01/20/16 640-1755, Police	33.94		POLICE	1000 420110	345	101000
	01/20/16 640-1756, Police	33.94		POLICE	1000 420110	345	101000
	01/20/16 640-1757, Police	33.94		POLICE	1000 420110	345	101000
	01/20/16 640-1758, Police	33.94		POLICE	1000 420110	345	101000
	01/20/16 640-1759, Police	33.94		POLICE	1000 420110	345	101000
	01/20/16 640-7547, Facilities Tech	34.07		PARKS	1000 460430	345	101000
	01/20/16 640-9074, PSS, SP	63.94		BLDINS	5310 430600	345	101000
	01/20/16 COP laptop	46.21			1000 420110	345	101000
	01/20/16 Officer laptop	40.03			1000 420110	345	101000
41643	95 Energy West-Montana	2,817.54					
	01/07/16 nat gas - 62211 - updh	110.00		UPDH	1000 411252	344	101000
	01/07/16 nat gas - 62017 - police sta.	23.78		POLICE	1000 411258	344	101000
	01/07/16 nat gas - 12204-pub svcs	573.78		STREET	1000 430200	344	101000
	01/07/16 nat gas - 62214- old firehall	161.28		PARK	1000 460430	344	101000
	01/07/16 nat gas - 01603 - old bld insp	137.01		STREET	1000 430200	344	101000
	01/07/16 nat gas - 61962 - library	326.52		LIBRAR	1000 411259	344	101000
	01/07/16 nat gas - 07154 - Povah Ctr.	600.56		POVAH	1000 411255	344	101000
	01/07/16 nat gas - 62207 - pub svcs	29.55		PUBSVC	1000 430200	344	101000
	01/07/16 nat gas -17279 -Town Hall	828.97		TWNHAL	1000 411250	344	101000
	01/07/16 nat gas -17569-Sewer Lift	26.09		SEWER	5310 430600	344	101000
41644	1089 Gallatin County Treasurer	407.00					
	Nov 2015 01/15/16 Tech surcharge	145.00		COURT	7458 212200		101000
	Nov 2015 01/15/16 MLEA	145.00		COURT	7467 212200		101000
	Public Defender	0.00		COURT	7468 212200		101000
	Nov 2015 01/15/16 Victims Assistance	117.00		COURT	7699 212200		101000
41645	2789 WEX Bank	6,677.92					
	01/01/16 07 Ford Expedition 6-54563A	0.00		SS	1000 450135	231	101000
	01/01/16 06 Dodge Durango 6-1374	107.38		POLICE	1000 430200	231	101000
	01/01/16 10 Ford Crown Vic 6-34157A	12.48		POLICE	1000 420100	231	101000
	01/01/16 08 Ford Crown Vic 6-1437	14.11		POLICE	1000 420100	231	101000
	01/01/16 10 Ford Expedition 6-000046	257.28		POLICE	1000 420100	231	101000
	01/01/16 11 Ford Expedition 6-21425A	205.87		POLICE	1000 420100	231	101000

* ... Over spent expenditure

Claim	Vendor #/Name/	Document \$/	Disc \$						Cash
Check	Invoice #/Inv Date/Description	Line \$		PO #	Fund Org Acct	Object	Proj	Account	
	01/01/16 10 JD Backhoe	0.00		STREET	1000 430200	231		101000	
	01/01/16 77 Int'l Dumptruck	812.24		STREET	1000 430200	231		101000	
	01/01/16 Snow Blower	473.46		STREET	1000 430200	231		101000	
	01/01/16 85 Ford Dumptruck	0.00		STREET	1000 430200	231		101000	
	01/01/16 140 G Grader	886.61		STREET	1000 430200	231		101000	
	01/01/16 CAT 936 Loader	491.77		STREET	1000 430200	231		101000	
	01/01/16 91 Ford 6-582	35.91		STREET	1000 430200	231		101000	
	01/01/16 95 Mobile Sweeper	0.00		STREET	1000 430200	231		101000	
	01/01/16 97 Athey Sweeper	0.00		STREET	1000 430200	231		101000	
	01/01/16 14 Water Truck	0.00		STREET	1000 430200	231		101000	
	01/01/16 00 Freightliner Dump 6-60700A	1,209.06		STREET	1000 430200	231		101000	
	01/01/16 Snowmobile	15.67		STREET	1000 420100	231		101000	
	01/01/16 02 Freightliner Dump 6-54564A	0.00		STREET	1000 430200	231		101000	
	01/01/16 08 Ford Pickup 6-1450	261.59		STREET	1000 430200	231		101000	
	01/01/16 08 GMC Pickup 6-1484	67.22		STREET	1000 430200	231		101000	
	01/01/16 08 CAT 938H Loader	987.14		STREET	1000 430200	231		101000	
	01/01/16 08 904B MiniLoader	136.89		STREET	1000 430200	231		101000	
	01/01/16 93 Dodge 6-2010	0.00		STREET	1000 430200	231		101000	
	01/01/16 YNP Truck #2	0.00		STREET	1000 430200	231		101000	
	01/01/16 08 Ford Escape (multi-use)	28.59		FINADM	1000 410510	370		101000	
	01/01/16 14 Police Interceptor	300.11		POLICE	1000 420100	231		101000	
	01/01/16 15 Ford F-250	374.54		STREET	1000 430200	231		101000	
41646	2558 Hebgen Basin Fire District	40,570.00							
	01/15/16 January 2016	40,570.00		FIRE	1000 420400	357		101000	
41659	2099 Quick Print of West Yellowstone	609.67							
	7979 01/13/16 cards, D. Sabolsky	35.25*		ADMIN	1000 410210	220		101000	
	7979 01/13/16 cards, L. Sherman	35.25		SOCSEK	1000 450135	220		101000	
	7979 01/13/16 cards, K. Parker	35.25		COURT	1000 410360	220		101000	
	7956 01/07/16 MAP postcards + mail permit	452.40		MAP	2101 470300	220		101000	
	7833 12/02/15 supplies	12.96		STREET	1000 430200	369		101000	
	7803 12/07/15 water samples Fed Ex	14.39		WATER	5210 430500	357		101000	
	7881 12/23/15 FedEx to crime lab	24.17		POLICE	1000 420100	220		101000	
41660	489 MSE ANALYTICAL LABORATORY	198.00							
	1601054 01/13/16 water samples	198.00		WATER	5210 430500	357		101000	
41661	999999 REES CONSTRUCTION LLC	350.00							
	01/15/16 refund driveway bond	350.00		DWBOND	1000 214100			101000	
41662	2673 First Bankcard	1,432.10							
	12/01/15 Home Depot supplies	49.94*		STREET	1000 430200	220		101000	
	12/04/15 Carquest, supplies	62.97		STREET	1000 430200	369		101000	
	12/07/15 Municipipal serv fee	3.00		PARKS	1000 460430	940		101000	
	12/07/15 regis 2015 Ford	22.00		PARKS	1000 460430	940		101000	
	12/10/15 Slippery Otter, Xmas party	1,060.18		LEGIS	1000 410100	220		101000	

* ... Over spent expenditure

Claim	Vendor #/Name/	Document \$/	Disc \$						Cash
Check	Invoice #/Inv Date/Description	Line \$		PO #	Fund Org Acct	Object	Proj	Account	
	12/17/15 MT Gov online pesticide app li	87.95		PARKS	1000 460430	221		101000	
	12/28/15 FC + interest	146.06		STREET	1000 430200	870		101000	
41664	2673 First Bankcard	46.18							
	12/30/15 FC + interest	46.18		FINADM	1000 410510	870		101000	
41665	2601 Chemnet Consortium, Inc.	160.00							
	86645 01/08/16 annual selection fee	125.00		ADMIN	1000 410210	351		101000	
	85871 01/05/16 drug test	35.00		ADMIN	1000 410210	351		101000	
41666	2291 American Express	262.51							
	12/15/15 USPS, stamps	49.00		SOCSER	1000 450135	311		101000	
	12/15/15 USPS, stamps	49.00		COURT	1000 410360	311		101000	
	12/15/15 USPS, stamps	49.00		FINADM	1000 410510	311		101000	
	12/30/15 USPS, postage	6.74		POLICE	1000 420110	311		101000	
	12/30/15 USPS, postage	25.00		FINADM	1000 410510	311		101000	
	12/31/15 Amazon, toner	83.77		FINADM	1000 410510	220		101000	
41667	1568 Human Resource Developement	2,000.00							
	01/11/16 Admin of CDBG grant	2,000.00		CDBG	2392 470320	357		101000	
41668	1089 Gallatin County Treasurer	634.00							
	Dec 2015 01/15/16 Tech surcharge	160.00		COURT	7458 212200			101000	
	Dec 2015 01/15/16 MLEA	165.00		COURT	7467 212200			101000	
	Dec 2015 01/15/16 Public Defender	186.00		COURT	7468 212200			101000	
	Dec 2015 01/15/16 Victims Assistance	123.00		COURT	7699 212200			101000	
41669	1089 Gallatin County Treasurer	5.00							
	10/31/15 WY TV Dist RRG16671	5.00		DISPAT	1000 420160	870		101000	
41670	151 Gallatin County WY TS/Compost	113.35							
	12/31/15 transfer station charges	113.35		PARKS	1000 460430	534		101000	
41671	2682 TW Enterprises, Inc.	561.00							
	26699 12/31/15 labor-generator repair	561.00		SEWER	5310 430600	398		101000	
41672	2853 Two Seasons Recycling	500.00							
	2015-945 01/02/16 December 2015 recycling	500.00		PARKS	1000 460430	534		101000	
41673	999999 THOMAS TRACY	158.95							
	01/15/16 refund H20 overpay	158.95*		WATER	5210 430570	359		101000	

01/15/16
16:06:32

TOWN OF WEST YELLOWSTONE
Claim Approval List
For the Accounting Period: 1/16

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Report ID: AP100

* ... Over spent expenditure

Claim	Vendor #/Name/	Document \$/	Disc \$						Cash
Check	Invoice #/Inv Date/Description	Line \$		PO #	Fund Org Acct	Object	Proj	Account	
41674	2268 Myslik, Inc.	1,497.29							
010616TWY	01/06/16 pins (parts)	1,497.29		STREET	1000 430200	369		101000	
41675	764 General Distributing Co.	43.71							
396331	12/31/15 compressed O2	43.71		STREET	1000 430200	369		101000	
41676	1856 Lisa Carter	350.00							
01/12/16	refund Povah deposit	350.00		POVAH	2210 214001			101000	
41677	62 MLEA	1,500.00							
9143	01/06/16 tuition + meals VanLeeuwen	1,500.00		POLICE	1000 420100	380		101000	
41678	2851 Amatics CPA Group	8,000.00							
36907	12/31/15 FY 2015 Audit work	8,000.00		AUDIT	1000 410530	353		101000	
41679	2404 Montana-Wyoming Systems	300.00							
28901	01/01/16 fire alarm monitoring	300.00		POVAH	1000 411255	350		101000	
41680	2931 Biddle Consulting Group, Inc.	1,595.00							
49736	11/24/15 annual subscription license	1,595.00		911	2850 420750	380		101000	
41681	2626 T & E, The Rental Store	1,129.78							
12/03/15	parts	564.89		STREET	1000 430200	369		101000	
42CS0420227	12/28/15 parts	564.89		STREET	1000 430200	369		101000	
42CS0420565									
41682	999999 ANDREW GROMILLER	500.00							
01/07/16	resort tax bond refund	500.00		RT	2100 214000			101000	
41683	999999 CARLOS PELAYO	500.00							
01/07/16	resort tax bond refund	500.00		RT	2100 214000			101000	
41684	999999 RANDY KLEINDORFER	500.00							
01/07/16	resort tax bond refund	500.00		RT	2100 214000			101000	
41685	999999 C&M WEST YELLOWSTONE LLC	500.00							
01/07/16	resort tax bond refund	500.00		RT	2100 214000			101000	
41686	999999 GARRETT OSTLER	500.00							
01/07/16	resort tax bond refund	500.00		RT	2100 214000			101000	

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TOWN OF WEST YELLOWSTONE
Claim Approval List
For the Accounting Period: 1/16

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Report ID: AP100

* ... Over spent expenditure

Claim	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
41687		999999 NICOLE BARKER 01/07/16 resort tax bond refund	500.00 500.00		RT	2100 214000		101000
41688		999999 BRENDA MARTIN 01/07/16 resort tax bond refund	500.00 500.00		RT	2100 214000		101000
41689		999999 JULIA WITTMER 01/07/16 resort tax bond refund	500.00 500.00		RT	2100 214000		101000
41690		999999 KRISTY COFFIN 01/07/16 resort tax bond refund	500.00 500.00		RT	2100 214000		101000
41691		999999 TERRY MARSDEN 01/07/16 resort tax bond refund	500.00 500.00		RT	2100 214000		101000
41692		2381 WYED 01/07/16 resort tax bond-Rod Run 2015	1,500.00 1,500.00		RT	2100 214000		101000
41693		2658 Delfino Salinas 01/08/16 interpretation fees	30.00 30.00		COURT	1000 410360	394	101000
41694		2932 OverDrive, Inc. 01/06/16 MT shared catalog	760.00 760.00		LIB	2220 460100	398	101000
41695		40 Jerry's Enterprises 120215/01 12/02/15 fuel-help fund	30.00 30.00		HELP	7010 450135	231	101000
41696		1796 Barta Electric, Inc. 4597 12/29/15 electrician	161.14 161.14		TWNHAL	1000 411250	357	101000
41697		2916 Pioneer Equipment & Supply Co. 36108 12/22/15 commodities	53.42 53.42		HELP	7010 450135	220	101000
41698		318 MT Food Bank Network AOR33771 01/05/16 commodities AOR33781 01/05/16 commodities AOR34011 01/05/16 commodities	1,139.75 57.00 1,046.75 36.00		HELP HELP HELP	7010 450135 7010 450135 7010 450135	220 220 220	101000 101000 101000
41699		533 Market Place 12/01/15 supplies 12/31/15 Xmas gift certificates x 10	507.30 7.30 500.00		LEGIS LEGIS	1000 410100 1000 410100	220 220	101000 101000

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TOWN OF WEST YELLOWSTONE
Claim Approval List
For the Accounting Period: 1/16

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* ... Over spent expenditure

Claim	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
41700		2617 Brad Schmier	53.24					
	12/10/15	reimb Xmas party meals	53.24		LEGIS	1000 410100	220	101000
41701		999999 MONTANA OUTDOOR SCIENCE SCHOOL	350.00					
	01/05/16	refund Povah deposit	350.00		POVAH	2210 214001		101000
41702		2898 TransUnion Risk and Alternative	20.50					
	01/05/15	credit/background checks	20.50			1000 420100	220	101000
		# of Claims 54	Total: 86,106.33					

01/15/16
16:06:32

TOWN OF WEST YELLOWSTONE
Claim from Another Period Cancelled in this Period
For the Accounting Period: 1/16

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Report ID: AP100

* ... Over spent expenditure

Claim	Check	Invoice #/Inv Date/Description	Vendor #/Name/ Line \$	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
*** Cancelled in 1/16 ***									
*** Claim from another period (10/15) ***									
41407		29 Terrell's Office Machines Inc		330.03					
	308293	10/01/15 overage 10/1/14-9/30/15		281.39		SOCSE	1000 450135	357	101000
	308322	10/01/15 overage 9/1/15-9/30/15		48.64		LIB	2220 460100	398	101000
		# of Claims	54	Total:	330.03				

Fund/Account	Amount
1000 General Fund	
101000 CASH	\$68,986.05
2100 Local Option Taxation-Resort Tax	
101000 CASH	\$6,500.00
2101 Marketing & Promotions (MAP)	
101000 CASH	\$452.40
2210 Parks & Recreation	
101000 CASH	\$700.00
2220 Library	
101000 CASH	\$899.34
2392 CDBG-Local Source	
101000 CASH	\$2,000.00
2850 911 Emergency	
101000 CASH	\$2,711.33
5210 Water Operating Fund	
101000 CASH	\$470.00
5310 Sewer Operating Fund	
101000 CASH	\$793.01
7010 Social Services/Help Fund	
101000 CASH	\$1,223.17
7458 Court Surcharge HB176	
101000 CASH	\$305.00
7467 MT Law Enforcement Academy (MLEA)	
101000 CASH	\$310.00
7468 Public Defender Fee	
101000 CASH	\$186.00
7699 Victims Assistance Program	
101000 CASH	\$240.00
Total:	\$85,776.30

WEST YELLOWSTONE TOWN COUNCIL
Town Council Meeting & Work Session
January 5, 2016

COUNCIL MEMBERS PRESENT: Mayor Jerry Johnson, Brad Schmier, John Costello, Cole Parker, Greg Forsythe

OTHERS PRESENT: Finance Director Lanie Gospodarek, Public Services Superintendent James Patterson, Chief of Police Scott Newell, Social Services Director Kathi Arnado, County Commissioner Don Seibert, Gallatin County Administrator Jim Doar, Tom Cherhoniak, Lew Scott, Richard & Teri Gibson, Randy Wakefield, Yellowstone Airport Manager Jeff Kadlec, Police Officers Anthony Kearney and Matt Lovingier, Gallatin County Deputy Sheriff Matt Stubblefield, Fish & Game guy, Helene Righenour, WY News Editor Jeremy Weber

The meeting is called to order by Mayor Brad Schmier at 7:00 PM in the West Yellowstone Town Hall, 440 Yellowstone Avenue, West Yellowstone, Montana.

Portions of the meeting are being recorded.

The Treasurer's Report with corresponding banking transactions is on file at the Town Offices for public review during regular business hours.

Oath of Office is administered to Pierre Martineau and Greg Forsythe by Town Clerk Liz Roos.

ACTION TAKEN

- 1) Motion carried to appoint Jerry Johnson to serve as Mayor for 2016. (Schmier, Martineau) Forsythe is opposed, motion passes.
- 2) Motion carried to appoint Brad Schmier to serve as Deputy Mayor for 2016. (Johnson, Forsythe) Motion is unanimous.
- 3) Motion carried to approve the claims which total \$33,803.21. (Schmier, Martineau)
- 4) Motion carried to approve the Consent Agenda, which includes the minutes of the December 8, 2015 Town Council Meeting and December 22, 2015 Town Council Meeting. (Parker, Martineau)
- 5) Motion carried to confirm the appointment of Chief of Police Scott Newell. (Johnson, Forsythe)
- 6) Motion carried to approve the Second Modification to the 911 Interlocal Funding Agreement with Gallatin County. (Martineau, Schmier)
- 7) Motion carried to accept the recommendation from the Mayor and table the Police Unit Collective Bargaining Agreement pending the requested memorandum from the Finance Director. (Martineau, Schmier)

Public Comment Period

No public comment was received.

Council Comments

Council Member Greg Forsythe recognizes County Commissioner Don Seifert and Gallatin County Administrator Jim Doar. Forsythe also suggests planning a work session shortly after Town Manager Daniel Sabolsky starts to discuss priorities and goal setting.

DISCUSSION

- 1) Mayor Schmier thanks the Council and community for their support over the past two years and then nominates Jerry Johnson to serve as Mayor for 2016.
 - 5) The Council moves to confirm the appointment of Chief of Police Scott Newell. Newell has worked for the Town of West Yellowstone for one year. Council Member Parker asks Deputy Stubblefield if the relations between the Town Police Department has improved with the other law enforcement agencies in the area. Stubblefield responds that they have most definitely improved.
 - 6) Town Attorney Jane Mersen explains that she has worked with representatives from Gallatin County to develop a Second Modification to the Interlocal Emergency 911 Dispatch Agreement. The agreement outlines how the delinquent funding will be addressed and how the funding will be calculated in the future. Commissioner Seifert says that the County will remit half of the amount that is delinquent next week and then the second half by June 15. The entities agreed that Gallatin County owed the Town a total of \$179,000, half will be paid now and half will be paid in June. Teri Gibson says she thought the County owed the Town considerably more money. Johnson says that this was complicated to work out, but they believe this is the amount of money that was collected for 911 services from the tax base. Mersen clarifies that she is not sure the \$179,000 is what was actually collected and that the confusion stemmed from the annexation of the Town by Hebgen Basin Fire District. Because of the annexation, the taxable value increased. Mersen also explains that the \$179,000 that is owed includes the payment for FY 2016 of approximately \$98,000.
 - 7) Mayor Johnson explains that the next item on the agenda is the Police Unit Collective Bargaining Agreement. He says that he believes that this agreement includes a lot of information and it is a lot of information to absorb in three days. He says that serving on the negotiation committee with Finance Director Lanie Gospodarek and Chief Newell was very positive, but he thinks they need a little more time to understand what is included in the agreement. He says that he has asked Gospodarek to put together a memorandum that outlines the changes to the agreement from the previous agreement and the associated costs.
- A) **Advisory Board Reports:** Pierre Martineau reports that the Parks & Recreation Advisory Board met this week and they are preparing to submit a grant application to the Povah Family Foundation to construct an amphitheater in the City Park. Forsythe says that at their next meeting they are planning to work on a 1 year, 5 year, and ten year plan. The Council briefly discusses whether it is wise to have two council members sitting on the same advisory board.
- B) **Town Manager/Department Head Reports:** Mayor Johnson asks Schmier to deliver the report for the manager as he has been serving in that capacity for the last eight months. He briefly mentions that the Health Care RFP has been released, the police contract is nearly wrapped up, and they are preparing to sign the Purchase & Sale agreement for the 80 acres soon. Public Services Director James Patterson says they have been working for the most part on snow plowing and keeping the streets clear. Finance Director Lanie Gospodarek reports that the annual report has been submitted and they recently completed the annual financial audit. Social Services Director Kathi Arnado met with Bozeman Job Service today and is working on bringing them to West Yellowstone to provide training. She also reports that they are working on a grant to the Yellowstone Foundation for the endowment and the Christmas Star program was a success. Chief of Police Scott Newell reports that the Interlocal 911 agreement has been worked out, they had several arrests due to bar fights and credit card theft over the weekend but all is well.

- C) **Sewer Lagoon Lease:** Schmier explains that the Town had concerns about some of the details of the lease, which has been shared with Jeff Kadlec of the Yellowstone Airport and Montana Aeronautics Division. Kadlec explains that they have reviewed the requested changes and believes they can work everything out. The group briefly discusses how long it would take for the Town to remove the sewer lagoon from the property, if required. Patterson says it would take a minimum of two years to get permission from DEQ to move the sewer lagoon and they should ask for three years. Kadlec indicates that is a fair request and will take that back to his people. The group also discusses the language following the fee schedule which says the lessor may reevaluate the entire agreement at its discretion, including the fee schedule. Kadlec says he will also address that sentence and prepare the document for approval at the next Council Meeting on January 19. Kadlec says another issue is the existence of a shooting range for the police department on the property, which the State maintains was never approved nor is an approved use of the property. Schmier suggests that they address the shooting range in a separate document. Mersen suggests that they just add the shooting range as an approved use to the document.

CORRESPONDENCE

Dated December 31, 2015, resident Steve Larson sends an email complaining about the fireworks that are allowed on New Years Eve.

The meeting is adjourned. (8:15 PM)

Mayor

ATTEST:

Town Clerk

WEST YELLOWSTONE TOWN COUNCIL

Work Session
January 12, 2016

COUNCIL MEMBERS PRESENT: Mayor Jerry Johnson, Brad Schmier, Greg Forsythe, Cole Parker, John Costello

OTHERS PRESENT: Finance Director Lanie Gospodarek, Public Services Superintendent James Patterson, Social Services Director Kathi Arnado, Chief of Police Scott Newell, Head Dispatcher Brenda Martin, Chris Burke, Richard Gibson, Kirstin Goldstein

The meeting is called to order by Mayor Brad Schmier at 6:00 PM in the West Yellowstone Town Hall, 440 Yellowstone Avenue, West Yellowstone, Montana

Public Comment Period

No comments are received.

DISCUSSION

Mayor Johnson calls the meeting to order and explains that the purpose of this meeting is to discuss the priorities and current projects for the new Town Manager, Dan Sabolsky. Mayor Johnson mentions multiple current issues including the acquisition of the 80 acres from the Forest Service, Health Care Request for Proposals, Sewer Lagoon lease, Police Collective Bargaining agreement, 911 funding agreement with Gallatin County, updating Town Policies, updating the Employee Personnel Policy Manual, Grizzly Internet transfer. Council Member Forsythe recommends making contact with the Town Attorney and getting updated on the pending lawsuits with the Playmill and Sergeant Frank. He also suggests meeting one on one with each Council Member and preparing for growth as it pertains to the water and sewer systems. Schmier adds that it is time to review the water and sewer rates, and says that they should have received the information from Town Engineer Dick Dyer to proceed with that. Martineau says that housing is a major problem and says they need to focus on employee housing because he fears there will be a severe shortage this summer.

The Council reviews the goals the Council discussed two years ago and considers items that are still relevant such as making Town processes more user friendly, following up on permits and licenses, involving the manager in the community, fixing job descriptions and the staffing plan.

The meeting is adjourned. (12:40 PM)

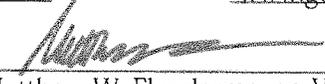
Mayor

ATTEST:

Town Clerk

Town of West Yellowstone Business License Application

Business Name: Big Sky Gaming, LLC
Applicant: Big Sky Gaming, LLC
Contact Person: Matthew W. Flandermeyer, Vice President
Mailing Address: 6595 S. Jones Boulevard, Las Vegas, NV 89118
Physical Address of Business: No physical location in town.
Phone Number: 702-893-7777 Fax Number: 702-798-7211
Email Address: mflandermeyer@goldenent.com Website: www.goldenent.com

Signature of Property Owner of Record: 
Matthew W. Flandermeyer, Vice President

Subdivision: Does not apply
Block: Does not apply Lot: Does not apply

Zoning District, please mark one:

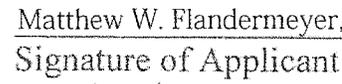
- B-3 Central Business District (Old Town) PUD Planned Unit Development (Grizzly Park)
 B-4 Expanded Business District (Grizzly Park) Residential Districts, Home Occupations Only (Mad Add)
 E-2 Entertainment District (Grizzly Park)
- New Business Transfer of Ownership
 Change of Location Name Change

- Is this business licensed by the State of Montana? Yes No Does not apply.
- Appropriate City/County/Health Dept approvals (if applicable) Yes No (please attach)
- If this business is located in Grizzly Park, has the business been approved by the Grizzly Park Architectural Committee (GPAC)? Yes No

Type of Business Please explain in detail the following: number of units, seating capacity, etc. Contractors should list trailers and equipment and where these items will be stored.

Big Sky Gaming, LLC has been licensed by the Montana Department of Justice - Gambling Control Division as a video gambling operator, manufacturer and distributor. A copy of the approval letter is attached herewith.

Business License Fee: \$ 50.00
Resort Tax Bond: \$ N/A
Total Amount Due: \$ 50.00


Signature of Applicant
Matthew W. Flandermeyer, Vice President

Signature of Applicant
01/06/16
Date

FOR OFFICE USE ONLY

Date Approved by Town Council: _____
Date _____ Check # _____ Amount \$ _____ License # _____
SCN _____ BLP _____ STX _____ BLC _____ RDX _____



Attorney General
Tim Fox

STATE OF MONTANA
DEPARTMENT OF JUSTICE
GAMBLING CONTROL DIVISION

BIG SKY GAMING
6595 S JONES BLVD
LAS VEGAS NV 89118-3337

July 1, 2015

Account ID: 6199849-003-MDR
Letter ID: L1693252224

Type Of License:

VGM Manufacturer
 Legal Gambling Devices
 Illegal Gambling Devices
VGM Distributor
VGM Route Operator
Associated Gambling Business License
Accounting System Vendor

License Valid Through:
July 01, 2015 - June 30, 2016

Dear Licensee:

- You have been granted a license for Fiscal Year 2016. This license is a privilege to operate as allowed by law under license(s) granted.
- You have been granted a license for Fiscal Year 2016. This license grants you privilege to manufacture and export gambling devices, which are not authorized for use in Montana.
- You have been granted a Accounting System Vendor license for Fiscal Year 2016. This license is a privilege to distribute approved accounting system equipment to licensed gambling operators, licensed manufacturers, distributors, route operators and non-profit organizations in the state of Montana.
- You have been granted a Associated Gambling Business License for Fiscal Year 2016. This license is a privilege to provide a service or product to a licensed gambling business in the State of Montana.

The Account ID printed above is your license number. Please use this number when corresponding with this office to help ensure that responses are timely and records are complete.

If you have any questions regarding this license or any other aspect of your operation, please feel free to contact this office.

Sincerely,

A handwritten signature in cursive script that reads "Stacy Rogstad".

Stacy Rogstad

Licensing & Tax Section
Gambling Control Division

001 646-7539

Town of West Yellowstone Business License Application

Business Name: Las Palmitas
 Applicant: Daniel Pelayo
 Contact Person: Daniel Pelayo
 Mailing Address: 821 N 1st Riverton WY 82501
 Physical Address of Business: 21 North Canyon West Yellowstone MT 59758
 Phone Number: 307 438 1785 Fax Number: _____
 Email Address: _____ Website: _____

Signature of Property Owner of Record: *Jennifer Edward Haley*
 Subdivision: Old Town
 Block: 28 Lot: 8

Zoning District, please mark one:

- B-3 Central Business District (Old Town)
- B-4 Expanded Business District (Grizzly Park)
- E-2 Entertainment District (Grizzly Park)
- PUD Planned Unit Development (Grizzly Park)
- Residential Districts, Home Occupations Only (Mad Add)

- New Business
- Transfer of Ownership
- Change of Location
- Name Change

- Is this business licensed by the State of Montana? Yes No
- Appropriate City/County/Health Dept approvals (if applicable) Yes No (please attach)
- If this business is located in Grizzly Park, has the business been approved by the Grizzly Park Architectural Committee (GPAC)? Yes No

Type of Business Please explain in detail the following: number of units, seating capacity, etc. Contractors should list trailers and equipment and where these items will be stored.

Business is going to stay the same

Business License Fee: \$ 25.00
 Resort Tax Bond: \$ _____

Daniel Pelayo G
 Signature of Applicant

Total Amount Due: \$ _____

Signature of Applicant
12-29-2015
 Date

FOR OFFICE USE ONLY				
Date Approved by Town Council: _____				
Date _____	Check # _____	Amount \$ _____	License # _____	
SCN _____	BLP _____	STX _____	BLC _____	RDX _____

December 29, 2015

Dear Council,

I am asking for the Resort Tax Bond be waived. I was the owner of Las Palmitas prior to the current owner. You may look up my Resort Tax payments and find that I was faithful in their remittance.

Thank you,

Daniel Palayo G

January 8, 2016

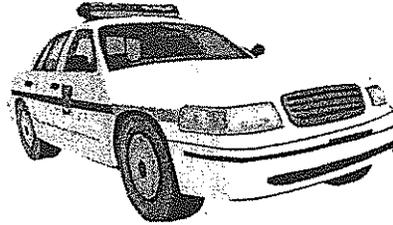
Dear Council,

Daniel Pelayo has requested a waiver of the Resort Tax Bond for Las Palmitas. He was the previous owner from 2011 to 2015 when his brother Carlos took over the business. The history of Resort Tax Payments show that he has paid late and incurred penalties about 50% of the time. Las Palmitas is current to date. However, Mr. Pelayo comes in to this office prior to closing for the season, asks what he owes, what are the penalties, and does so without complaint. He is a pleasure to work with and this office would have no problem with waiving his Resort Tax Bond.

Sheri Holtzen

Deputy Town Clerk

COLLECTIVE BARGAINING AGREEMENT



Between the

WEST YELLOWSTONE POLICE
PROTECTIVE UNIT OF MPEA

and the

TOWN OF WEST YELLOWSTONE

July 1, 2015 thru June 30, 2018

AGREEMENT

This Agreement, made and entered into by, and between, the TOWN OF WEST YELLOWSTONE, a Political Subdivision of the State of Montana, hereinafter called the "EMPLOYER" or "TOWN", and the WEST YELLOWSTONE POLICE PROTECTIVE UNIT of the MONTANA PUBLIC EMPLOYEES ASSOCIATION, referred to as the "ASSOCIATION".

Whereas the Employer considers the practices and procedures of collective bargaining as a fair and orderly way of conducting its relations with its employees and insofar as such practices and procedures are appropriate to the functions and obligations of the employer acting through its Operations Manager, to retain the right effectively to operate in a responsible and efficient manner and are consonant with the paramount interests of the employer and its employees.

Whereas it is the intention of this Agreement to provide, where not otherwise mandated by statute, for the salary structure, fringe benefits, and employment conditions of the employees covered by this agreement, to prevent interruption of work and interference with the efficient operation of the employer and to provide an orderly and prompt method of handling and processing grievances.

Now, therefore, the parties agree with each other as follows:

ARTICLE 1, RECOGNITION AND MEMBERSHIP

- A. The Employer recognizes the Association as the sole and exclusive bargaining agent for all employees who are or may perform bargaining unit work under the Association's jurisdiction as certified by U.D. No. 28-78.
- B. The Employer recognizes the Association consists of all sworn officers of the West Yellowstone Police Department with the exception of the Chief of Police.
- C. The stewards will provide the Association in writing the name, address, and date of hire of all new employees within fourteen (14) days of hire.
- D. No member of the Association shall be discharged or discriminated against for upholding Association principles. Any member working under instructions of the Association, or who has served on the Association committee shall not lose his/her position or be discriminated against based on that service.
- E. No employee under the jurisdiction of the Association, prior to the date of this contract, who is receiving more than the rate of wages designated in this schedule, shall suffer reduction in the wage rate or conditions of employment through the operation, or because of the adoption, of this agreement.
- F. The authorized business representative of the Association shall be permitted to visit employees upon giving notice to the supervisor and obtaining the supervisors permission.

ARTICLE 2, ILLEGAL DISCRIMINATION

The Employer and the Association agree that neither shall discriminate against applicants for employment, or any employee as to the terms and conditions of employment, by reason of race, religion, color, sex, creed, age, disability, sexual orientation or national origin. The parties further agree to use the complaint process described in the Town of West Yellowstone Personnel Policy Manual to investigate and resolve discrimination complaints.

ARTICLE 3, ASSOCIATION SECURITY

- A. Employees covered by this agreement as a group shall not be required to join the Association but must, as a term and condition of employment, pay a representation fee to the Association.
- B. Upon receipt of a written authorization from an employee covered by this agreement, the Employer shall deduct from the employee's pay the amount owed to the Association such sums within 30 calendar days. Changes in the Association membership dues rate and representation fee will be certified to the Employer in writing over the signature of the authorized officer or officers of the Association and shall be done at least 30 calendar days in advance of such change.
- C. All employees covered by the terms of this agreement shall within 30 days of the signing of this agreement, or within 30 days of employment, whichever is later, pay dues or the representation fee to the Association. The Employer shall discharge employees who fail to comply with this requirement within 30 days after receipt of written notice of default by the Association. The Association may make written notice of default and demand for discharge after the 30 day period specified above. The discharge of the affected employee(s) shall occur 30 calendar days from receipt by the Employee of the Association's written notice of default and demands for discharge.
- D. The Employer, within 30 days of the signing of this Agreement, shall present the Association with a list of names and addresses of all current employees covered by this Agreement, and shall update such list for all new hires.
- E. The Association will indemnify, defend and hold the Employer harmless against any and all claims made and against any suit instituted against the Employer, including but not limited to attorney's fees and costs of defense thereof, on account of any provision of this Article.

ARTICLE 4, MANAGEMENT RIGHTS

Pursuant to 39-31-303.MCA, the Association shall recognize the prerogative of the employer to operate and manage its affairs in such areas as, but not limited to:

- 1. Directing employees.
- 2. Hiring, promoting, transferring, assigning, and retaining employees.

3. Relieving employees of duties because of lack of work or funds or conditions where continuation of such work or funds would be inefficient and nonproductive.
4. Maintaining the efficiency of government operations.
5. Determining the methods, means, job classification, and personnel by which the employer operations are to be conducted.
6. Taking whatever actions may be necessary to carry out the missions of the employer in situations of emergency.
7. Establishing the methods and processes by which work is performed.

ARTICLE 5, HOURS OF WORK, OVERTIME, AND SHIFT DIFFERENTIALS

This article shall not conflict with State Law, Title 39, Chapter 3, Part 4, MCA.

- A. The Association and the Employer agree that the Chief of Police shall schedule the beginning and ending time for all shifts and all scheduled overtime.
- B. Change in Schedule: Except in cases of an unanticipated event, the Chief of Police, or his designee, will attempt to notify an employee of a change in his or her regular work schedule by delivery of such notice in a manner consistent with Town Policy.
- C. Overtime shall be defined as time worked in excess of the 40 hour work week [pursuant to Fair Labor Standards Act and as is consistent with Section 08-04 of the Personnel Policy Manual.] The normal work week will be 40 hours during the seven day period. Overtime hours shall be paid at the rate of one and one half (1.5) times the applicable hourly rate for all union members. When overtime hours are computed, sick leave, vacation,-or compensatory (comp) time taken during the week will be considered as time worked. If financial conflicts arise, parties agree to meet and confer.
 - Call outs: If an employee is called out during any unscheduled work hour, each and every call out shall be for a minimum of two and one half (2.5) hours.

Compensation for call outs shall be at one and one half (1.5) times the regular rate of pay and shall not be included in calculating the employee's regularly scheduled hours per pay period.
 - Call backs: If an employee is called back to work from previously approved leave time, the employee will be paid at the rate of one

and one half (1.5) times the regular hourly rate for each previously approved leave hour worked. If an employee has been approved to use leave and is denied the same, the employee will be paid at the rate of one and one half (1.5) times their regular hourly rate for each previously approved leave hour worked.

- D. Police union members who are in attendance at the Montana Law Enforcement Academy (MLEA) Basic Course will be compensated for the length of time of instruction. In addition, each officer will be paid at the rate of straight time for the initial travel time required to get to the MLEA and to return to West Yellowstone following completion of the course. The Town will provide a vehicle and fuel for transportation to and from the academy.
- E. Nighttime Differential: Officers required to work between the hours of 20:00 (8:00 pm) and 06:00 (6:00 am) shall be compensated by an additional \$1.00/hour.
- F. Call Shifts: Police officers may be called to work prior to or following a regularly scheduled shift. Officers will receive time and a half for time worked on call shifts. Officers may not work more than one (1) six hour call shift on any single occasion.
- G. Police union members will answer off duty calls for service if available. The Town of West Yellowstone will not place, consider, or assign officers in a mandatory on-call status without first bargaining with the union.

ARTICLE 6, HOLIDAYS

Employees who must work on any of the below listed holidays shall be paid at the rate of one and one half (1.5) times the applicable hourly rate for each employee. As a 24/7 department, holidays will only be observed on the actual holiday and will start at 12:01 hours and end at 24:00 hours. Employees who work the holiday will be paid straight time for holiday pay.

The following days shall be considered holidays as outlined in MCA 1-1-216:

1. New Year's Day, January 1.
2. Martin Luther King Day, third Monday in January.
3. President's Day, third Monday in February.
4. Memorial Day, last Monday in May.
5. Independence Day, July 4.
6. Labor Day, first Monday in September.

7. Columbus Day, second Monday in October.
8. Veteran's Day, November 11.
9. Thanksgiving Day, fourth Thursday in November.
10. Christmas Day, December 25.
11. State-wide Election Day in November of even years.
12. Any day declared a national legal holiday for all governmental subdivisions within the entire nation by the President of the United States; any day declared a state legal holiday for all State and local political subdivisions by the Governor of the State of Montana; any day declared a legal holiday for all Town government employees by the Mayor of the Town of West Yellowstone.

ARTICLE 7, VACATION

This article shall not conflict with State Law, Title 2, Chapter 18, Part 6, MCA.

Vacation leave means an absence with pay at the request of the employee and with the concurrence of the Town.

Each full time employee shall earn annual vacation leave credits from the first full pay period of employment. However, employees are not entitled to any vacation leave with pay until they have been continuously employed by the Town for a period of six (6) months. For calculating vacation leave credits, 2080 hours (52 weeks x 40 hours) shall equal one year.

Proportionate vacation leave credits shall be earned and credited at the end of each pay period. All vacation leave credits shall be earned as is consistent with Personnel Policy Manual and in accordance with the following schedule:

- From one (1) full pay period to less than ten (10) years of employment at the rate of 120 hours for each year of service.
- From ten (10) to less than 15 years of employment at the rate of 144 hours for each year of service.
- From 15 to less than 20 years of employment at the rate of 168 hours for each year of service.
- After 20 years of employment at the rate of 192 hours for each year of service.

When an employee submits a request for vacation, the employer must respond to the request within five (5) working days. The employee must make the vacation request in writing at least fourteen (14) calendar days in advance of the first day of leave to be

taken.

Vacation leave credits may be accumulated to a total not to exceed two (2) times the maximum hours earned annually as of the end of the last pay period of the calendar year. Excess vacation time is forfeited if it is not taken prior to April 30 of the following calendar year. It is the responsibility of the department head to provide reasonable opportunity for an employee to use rather than forfeit accumulated vacation leave. If an employee makes a reasonable written request to use excess vacation leave before the excess must be forfeited and the department head denies the request, the excess vacation leave is not forfeited and the Town shall ensure that the employee may use the excess vacation leave before the end of the calendar year in which the leave would have been forfeited.

Separation from service- An employee who's employment with the Employer is terminated (by either party) while the employee is in good standing shall be entitled to cash compensation equal in value to the amount of unused vacation leave. If an employee transfers between departments of the Town, there shall be no cash compensation. In such a transfer, the accrued vacation credits transfer with the employee.

Absence because of illness is not chargeable against vacation leave unless approved by the employee.

ARTICLE 8, SICK LEAVE

Sick Leave shall be granted in accordance with state law, section 2-18-618, which shall be controlling in the event of a conflict with any provision of this Agreement.

Sick leave is a leave of absence, with pay, for a sickness suffered by an employee or his/her immediate family as defined in the Personnel Policy Manual.

- Each full time employee is entitled to and shall earn sick leave credits from the first full pay period of employment. For calculating sick leave credits, 2,080 hours (40 hours x 52 weeks) shall equal one year. Sick leave credits shall be earned at the rate of ninety-six (96) hours for each year of service without restriction as to the number of working days the employee may accumulate.
- An employee may not accrue sick leave credits during a leave of absence without pay.
- An employee begins to accrue sick leave credits beginning in their first full pay period of employment, but is not entitled to be paid for sick leave until they have been employed continuously for ninety (90) days. Upon completion of the qualifying period, the employee is entitled to the sick leave credits they have earned.

Employees that are in a pay status as of the signing of this contract shall continue to receive the sick leave lump sum payment at the end of employment as shown in the table below. Sick leave will be paid in a lump sum at the end of employment as follows:

Years of Service	Payout
1-5 years	25%
6-10 years	30%
11-15 years	40%
15-20 years	60%
21+ years	75%

Employees with hire dates later than the signing date of this contract are entitled to a lump sum payment equal to 25 percent of the pay attributed to the accumulated sick leave

- Any employee who receives a lump-sum payment as outlined above and who becomes employed by the Town at a later date shall not be credited with any sick leave for which they have been previously compensated.

ARTICLE 9, RULES, REGULATIONS, AND POLICIES

- A. All rules, regulations, and policies of the employer not specifically covered by this agreement shall remain in full force and effect, provided such rules, regulations, and policies are not in direct conflict with the terms of this agreement. The policies of the employer are as set forth in Municipal Police Force Law, Section 7-32-4101 et seq., MCA, unless specifically modified by the terms of this agreement and the Town of West Yellowstone Personnel Policy Manual. In the event of a conflict between the Personnel Policy Manual and this agreement, the terms of this agreement shall control.
- B. The Employer agrees to discuss with the Association and its stewards the establishment of new rules, regulations, and policies affecting employees, or changes in such rules, regulations, or policies, prior to placing them in effect. Changes shall be posted on bulletin boards or electronically for a period of fifteen (15) working days and the comment period prior to implementation shall be an additional fifteen (15) working days. In addition, the employer will provide written notification of the changes to the Stewards and the Montana Public Employers Association at the same time the changes are posted.
- C. Employees shall comply with all reasonable rules, regulations, and policies as set forth above, providing they are uniformly applied and enforced.
- D. Nothing in the article shall limit the employers right to enact rules, policies and regulations

ARTICLE 10, HEALTH AND SAFETY

- A. The Town shall adopt and implement safety policies consistent with the Montana Safety Policy Act. Both parties to this agreement hold themselves responsible for the mutual cooperative enforcement of safety rules and regulation.

- B. In accordance with Title 7, Chapter 32, Part 4132, MCA, in the event an employee is injured in the performance of his/her duties and requires medical or other remedial treatment for injuries that render the him/her unable to perform his/her duties, the employee will be paid by the Town the difference between the employee's net salary, following adjustments for income taxes and pension contributions, and the amount received from workers' compensation until the disability has ceased, as determined by workers' compensation, or for a period not to exceed 1 year, whichever occurs first. To qualify for the partial salary payment provided for above, the employee must be unable to perform his/her duties as a result of the injury.
- C. The employer agrees to hold the position open for one year from the date of injury.

ARTICLE 11, STEWARDS

Employees selected by the Association to act as Association representatives shall be known as "Stewards". The Association may select no more than two (2) stewards. The names of employees selected as stewards and the names of other Association representatives who may represent the employees shall be certified in writing to the employer by the Association. The employer will not discriminate against any Association steward for legitimate steward activity. These activities include investigation of formal grievances and receiving notification of serious accident and/or health hazards. Stewards may investigate and discuss grievances in their work areas providing they first secure the permission of their immediate supervisor. The Town shall allow work release time for not more than one (1) steward for the purpose of participating in collective bargaining negotiations.

The Association shall provide the names of the Association stewards to the Town within fourteen (14) days of their selection. In the event a steward leaves, the Association shall select a new steward and notify the Town of the new steward's name within thirty (30) days.

ARTICLE 12, SENIORITY

- A. Seniority serves only as a qualification for benefits expressly provided for in this agreement and shall have no other effect. Seniority shall take effect twelve (12) months after the first day of employment. During the first twelve (12) months of employment, each employee shall be considered a probationary employee. After completion of the probationary period, the employee shall achieve seniority based on the date of hire as a police officer with the Department. There shall be no seniority among probationary employees and they may be laid off, discharged, or otherwise terminated at the sole discretion of the employer.

If more than one employee is hired on the same date, seniority is based on

ranking as determined at the time of hiring.

In case of reduction of forces, probationary employees shall be terminated first. After probationary employees have been terminated, reductions will proceed in "reverse seniority" order; the last employee hired shall be the first employee to be laid off. Employees released, due to a reduction in force are subject to recall on a seniority basis. In the event of a reduction in forces, the employer agrees to provide the employees 30 days' notice. Employees recalled after a reduction in force will be allowed five (5) working days to accept or decline reemployment.

- B. Discharge for cause, voluntary resignation, medical leave in excess of one year, or more than 18 months layoff shall break seniority.
- C. When a vacancy occurs in any job classification of the department, the department may use the internal recruitment process to recruit for such vacancies on the basis of qualifications and seniority. In the event that a current employee from department meets the qualifications for the position, is selected to fill the position, and accepts the new appointment, that employee shall retain service credit for determining benefits.

ARTICLE 13, DISCHARGE OR SUSPENSION

- A. This agreement shall govern the discharge or suspension of Police Department employees.
 - 1. Employer shall not discharge non-probationary employees without just cause. Minor rules infractions will not be cause for discharge or suspension without an established pattern of continued misconduct. An established pattern is defined as more than three minor violations during a twelve (12) month period. Minor violations will be annotated on a standard Employee Warning Notice that entitles the employee to also make a statement about the events.
 - 2. Warning notices will be placed in the employee's personnel record and may be used as a basis for determining performance during annual evaluation. Supervisors must complete warning notices within ten (10) working days of discovery.
 - 3. It is the policy of the Town that discipline should be used to encourage appropriate standards of behavior and promote proper employee conduct. When circumstances permit, department directors are to pursue a philosophy of "Progressive Discipline," whereby employees receive increasingly severe levels of discipline for each successive instance of related misconduct. This will provide an employee an opportunity to modify and correct the behavior and/or work deficiencies.

4. When imposing disciplinary measures on a current incident, supervisors will not take into consideration prior infractions of the Town or departmental rules and regulation which occurred more than eighteen (18) months previously. However, within the context of progressive discipline, the final action of dismissal from employment cannot be considered corrective or rehabilitative in nature since the employment relationship is terminated.
5. In such instances where progressive discipline has failed to achieve an employee's compliance with expected standards of behavior and a decision to dismiss the employee is under consideration, it is appropriate to review the employee's entire employment record with the Town.
6. It should be understood that depending on the nature and circumstances of the unsatisfactory performance or behavior, a supervisor may use any disciplinary measure deemed appropriate within his or her judgment and is not bound to follow the sequence outlined above. Progressive discipline is not necessarily required for discharge or suspension if the employee is dismissed or suspended for cause.

The following non-inclusive reasons may be sufficient for dismissal for cause:

- a. Incompetence or inefficiency in the performance of duties.
- b. Conviction of a criminal offense involving moral turpitude.
- c. Violation of any lawful or official regulation or order, or failure to obey any lawful direction made and given by a supervisor where such violation or failure amounts to an act of insubordination or a breach of proper discipline, or has resulted or might reasonably be expected to result in loss or injury to the Town or public.
- d. Wanton use of offensive conduct or language toward the public, Town officials, or other employees.
- e. Carelessness and negligence in the handling and control of Town property.
- f. Inducing or attempting to induce any Town employee to commit an unlawful act or to act in violation of any lawful and reasonable official regulation or order.

- g. Taking any fee, gift, or other valuable thing in the course of work or in connection with work, for personal use when such is given with the expectation of receiving a favor or better treatment.
 - h. Dishonesty in the performance of duty, or in the employees application for employment with the Town.
 - i. Unauthorized absence from work.
 - J. Drinking of alcoholic beverages or using any drug(s) to the extent of affecting job performance as determined by the Town, or consumption or use of alcoholic beverages or illegal drugs while at work.
 - k. Possession, use, distribution, sale, or manufacture of a controlled substance.
 - 1. Failure to satisfactorily perform job duties, disruption of the employer's operation, or other legitimate business reason.
- 4. Supervisors must complete suspension or termination notices within ten (10) working days of occurrence or discovery. They will be completed in writing and will be provided to both the employee and the Association.
 - 5. Circumstances related to both warning notices and suspension or termination may be grieved using the grievance procedure. All formal grievances must be submitted within ten working days of the event or discovery, per Article 15, below.

ARTICLE 14, GRIEVANCE PROCESS

Employees are encouraged to discuss concerns about work related conditions. A grievance is defined as an employee's expressed feeling of dissatisfaction concerning conditions of employment or treatment by the Town administration or supervisors. If the issue cannot be resolved at the level of the first line supervisor, employees may submit a formal grievance. Time lines stated in the grievance procedure may be extended at any time upon mutual written consent of both parties. All reasonable attempts shall be made to resolve grievances at the lowest level when possible.

STEP I Any grievance must be discussed at this level within fourteen (14) calendar days of the employee becoming aware of the initial problem. This step is an opportunity for both parties to resolve the issue informally through a dialogue with their supervisor. The

supervisor has ten (10) working days to resolve the grievance or inform the grievant that the grievance may advance to the next step. If the magnitude of the grievance is serious enough that termination is the remedy proposed by the employer, this step may be bypassed.

STEP II

The grievant has ten (10) working days from the end of Step I to present the grievance formally in writing to the Chief of Police. Formal filing of a grievance means that the grievant must present a brief but thorough written description of the grievance and the facts upon which it is based.

It also must detail the proposed remedy or correction sought with reference made to the section of the collective bargaining contract that the grievant believes was violated. In addition to the above, the grievant must contact the MPEA Field Representative for information and advice. The Chief of Police shall have ten (10) working days to resolve/respond to the grievance. If the grievance is still unresolved the Chief will render his/her decision to the employee in writing and forward a copy to the Town Operations Manager.

STEP III

Following receipt of the Chief of Police's response to Step II, the Town Operations Manager shall have ten (10) working days to review the grievance and provide a written response to the involved parties.

STEP IV

In the event the parties are unable to agree at Step III, the parties may request a list of five (5) arbitrators from the State of Montana Board of Personnel Appeals. The parties shall meet within seven (7) calendar days of receiving the list to decide upon an arbitrator. The parties may select an arbitrator by mutual agreement, or by alternately striking names from the list. The order by which names shall be struck from the list shall be determined either by mutual agreement or by flipping a coin. The last name left on the list shall be designated the arbitrator.

The Parties shall jointly contact the arbitrator and establish a date for the arbitration hearing. The arbitrator shall rule on the matters within the scope of the terms of this agreement only and the arbitrator's decision shall be binding on both parties.

Each party shall bear the fees and expenses of the presentation of its case. The fees and expenses of the impartial arbitrator shall be shared equally between the parties. In the event either party to the arbitration requests a transcript of the proceedings, the party requesting the transcript shall bear all costs of such transcript.

ARTICLE 15, UNIFORM ALLOWANCE & TRAINING AMMUNITION

The Employer will supply employees with all required uniform items and footwear to

perform their duties as reflected in the Police Department Policies.

The employer shall provide training ammunition as required by the training policies for the police department.

ARTICLE 16, HEALTH AND WELFARE

- A. The employer shall contribute 75% of each premium and the employee shall contribute the remaining 25% of the current health insurance in effect.
- B. The health and safety of employees shall be reasonably protected while in the service of the employer. Both parties to this agreement hold themselves responsible for the mutual cooperative enforcement of safety rules and regulations.
- C. If the employee desires, the employer will provide a membership to a local gym or fitness center at no cost to the employee.
- D. The employer shall carry a \$50,000 life insurance policy on each officer.

ARTICLE 17, LIGHT DUTY/PARENTAL LEAVE

Maternity & Parental Leave shall be in accordance with Town Policy.

In accordance with MCA 7-32-4136, the Chief of Police may, at their discretion, utilize a sick or injured employee in a "light duty" capacity with the written authorization from the employee's treating physician.

ARTICLE 18, LIABILITY INSURANCE

The employer, in accordance with 2-9-305, MCA shall pay the necessary premiums to provide general liability insurance and the necessary surety bonds for all employees performing his/her duties for essential Town business.

In the event an employee is personally sued as a result of performing his/her work duties, the employer will defend the employee in accordance with terms and conditions outlined in 2-9-305, MCA.

ARTICLE 19, TRAINING AND EDUCATIONAL ADVANCEMENT

The employer shall provide proper training and education for the advancement and benefit of the employees. Such training and education shall be recommended by the Chief of Police. The Employer will meet or exceed the State of Montana's minimum annual training requirements.

ARTICLE 20, PENSIONS

The Town will continue to participate in the Municipal Police Officers' Retirement System (MPORS). Officers may elect to make their own contributions to the Town's Section 457 plan.

ARTICLE 22, COMPENSATION AND PAY PERIODS

- A. Addendum 1 shall show implementation of pay plan for current employees.
- B. Employees shall move to the next pay increments by satisfactorily performing duties as documented by their most recent evaluation and in accordance with Montana POST Certification Requirements as outlined below:
 - 1. **Entry:** Shall be from the date of hire until the end of the probationary period, unless the officer currently holds a Basic certificate or higher. Officers who hold a higher certificate will start at the level of their certificate but will be paid at one pay band lower than level of their certificate for the duration of the probationary period.
 - 2. **Basic:** Officers must have completed:
 - a. The discipline-specific Basic course at MLEA or a POST-approved equivalent
 - b. One full year of discipline-specific employment with the Town
 - c. Their probationary period with the Town.
 - 3. **Intermediate:** Officers must have completed:
 - a. The discipline-specific Basic Certificate
 - b. Served at least one (1) year with the Town and be satisfactorily performing the duties, attested to by the Chief of Police
 - c. Four (4) years' experience and 200 job-related POST training hours
 - 4. **Advanced:** Officers who have completed:
 - a. The discipline-specific Intermediate certificate or higher
 - b. Served at least one (1) year with the Town and be satisfactorily performing the duties, attested to by the Chief of Police
 - c. Eight (8) years' experience and 400 job-related POST training hours
- C. Pay periods for all employees will be a two-week period opening on Sunday and closing every second Saturday for a total of 26 pay periods per year. Paychecks will be distributed every two (2) weeks, five (5) business days after the end of the pay period.
- D. The bi-weekly payroll will be established no later than July 1 of 2016

- E. Voluntary deductions will be based on current pay practice as administered by the Town.
- F. Merit increases of 2% will be applied after a satisfactory performance evaluation unless the employee achieves a pay band increase in that same year.

ARTICLE 22, PERSONAL USE OF TOWN FACILITIES

Personal use of town facilities will be in accordance with town policy. This policy may be changed by mutual agreement of both parties.

ARTICLE 23, MUTUALLY AGREED NO STRIKE, NO LOCKOUT

During the processing of any matter under the grievance article, or at any other time during the term of this agreement, the Association agrees not to strike, render unfair reports, or cause slow down. The employer agrees not to lock out employees represented by the Association.

ARTICLE 24, TERM OF THE AGREEMENT

Except as provided below, this agreement shall terminate on June 30,2018.

On or before March 1, 2018, the bargaining unit may notify the Town in writing or electronically of its desire to negotiate the terms and provisions of a successor agreement the Town reserves the right to notify the association of its desire to open negotiations. Promptly following such notification, the parties shall meet and engage in such negotiations.

If neither party hereto gives notice to the other party of its desire to negotiate a successor agreement prior to the date specified above, this contract shall automatically be renewed for a single one year term. After this one-year period is over, the Agreement expires completely. If neither party wishes to make changes, a new contract term shall be agreed upon.

Both parties, by mutual agreement, may agree to negotiate specific contract issues or articles during the contract period, but any change must be by mutual agreement between parties.

This agreement shall be effective as of the signed date.

Ratification of terms of agreement between the Town of West Yellowstone and the members of the Montana Public Employees Association, West Yellowstone Police Protective Unit entered into on _____

For the Town of West Yellowstone;

For the West Yellowstone Police Protective Unit, MPEA

Addendum #1

Entry: \$ 18.09

Basic: \$ 19.25

Intermediate: \$ 22.50

Advanced: \$ 26.03



Received
1/5/16
AR

APPLICATION FOR BOARDS AND COMMITTEES

Name Kay Matthews Date 1/5/16

Address PO Box 685, 336 Lewis

City W. Yellowstone State MT Zip 59758

Phone (Home): 646-4203 (Work): 646-7365 (Cell/Other): 646-1480

E-Mail Address: kmatheus@delawarenorth.com

Are you a resident of West Yellowstone? Yes Length of residency in West Yellowstone: 21 yrs

Board or Committee you are applying for: MAP

Occupation: Guest Services Manager

Employer: Holiday Inn West Yellowstone

Have you previously served on a County or City board? Yes

If so, which board, and for how long? MAP 8 years

Past Memberships and Associations: MIKA, WY Chamber Board

Current Memberships and Associations: W.Y. Chamber Board, MAP

List any relevant qualifications and/or related experience? Attach any additional information or a resumé, if you prefer: Sales & Marketing & Tourism Back Ground. WYCC Marketing Committee, MIKA Marketing

What are your primary objectives for serving on this board? Continue to support and promote West Yellowstone through our MAP Projects

References (Individual or Organization):
Pete Donau Phone: 406-586-7593
Mary Sue Costello Phone: 406-646-7701
Janna Junner Phone: 406-646-7646

Signature: Kay Matthews Date: 1/5/16

Please return this application to the Town Offices at 10 S Faithful, West Yellowstone, Montana. An interview may be required if deemed necessary. Thank you in advance for your interest.



Received
1-12-16
AK

APPLICATION FOR BOARDS AND COMMITTEES

Name Barbara Klesel Date 1/8/16

Address PO Box 530

City West Yellowstone, State MT Zip 59758

Phone (Home): 646-4936 (Work): 646-7801 (Cell/Other): 581-5290

E-Mail Address: barbara@guestoffice.net

Are you a resident of West Yellowstone? Yes Length of residency in West Yellowstone: 21 years

Board or Committee you are applying for: MAP

Occupation: Retail store owner

Employer: Bud Lilly's Trout Shop

Have you previously served on a County or City board? Yes

If so, which board, and for how long? MAP 4 years?

Past Memberships and Associations: United Women, WYSEF

Current Memberships and Associations: United Women, WYSEF

List any relevant qualifications and/or related experience? Attach any additional information or a resumé, if you prefer:

Run a retail store in West Yellowstone
20 years before coming to West Yellowstone CPA

What are your primary objectives for serving on this board?

To try to make sure that funds are distributed to
organizations that need funds in order to bring or
expand events in West Yellowstone.

References (Individual or Organization):

Jerry Johnson Phone: _____

John Greave Phone: _____

Phone: _____

Signature: Barbara Klesel Date: 1/8/16

Please return this application to the Town Offices at 10 S Faithful, West Yellowstone, Montana. An interview may be required if deemed necessary. Thank you in advance for your interest.

Marketing and Promotions Advisory Board

NAME	APPOINTED	EXPIRES	LENGTH
Jerry Johnson, Chair/TC	11/17/09	12/31/15	3 years
Gloria Evans	1/20/15	12/31/17	3 year
Marysue Costello (Chamber)	1/20/15	12/31/17	3 year
Kay Matthews (Non-Chamber)	11/17/09	12/31/15	3 years
Barbara Klesel	11/17/09	12/31/15	3 years
Kim Howell	1/21/14	12/31/16	3 years
John Greve, Secretary		12/31/16	3 years

Official terms began 1/1/08 as decided by the board at its first meeting 10/22/07. Term length is three years, but in order to provide for staggered terms, some initial appointments were for only one or two years.

According to Resolution No. 515, composition of the board shall include one sitting member of the Town Council or the Town Council's designee, one member of the WY Chamber of Commerce Marketing Committee, and one member from the business community who does not belong to the Chamber of Commerce.

Updated 2/2/15 er

RESOLUTION NO. 673

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WEST YELLOWSTONE, MONTANA, TO APPROVE A LAND PURCHASE AGREEMENT WITH THE UNITED STATES FOREST SERVICE AND TO AUTHORIZE THE MAYOR OF THE TOWN TO EXECUTE DOCUMENTS NECESSARY FOR THE PURCHASE OF SUCH LAND.

BE IT RESOLVED by the Town Council of the Town of West Yellowstone, Montana, that:

WHEREAS: Over the last several years, the Town has engaged in negotiations with the United States Forest Service for the purchase and sale of 80 acres of real property that borders the current boundaries of the Town; and

WHEREAS: The Town of West Yellowstone desires to purchase the real property more particularly described in the attached **Exhibit A**; and

WHEREAS: The Town of West Yellowstone has received an appraisal of the real property and believes that the purchase of the property is in the best interests of the citizens of the Town of West Yellowstone and that the Town has the ability to arrange for financing for the purchase that will not be onerous on the citizens of the Town; and

WHEREAS: The Town has held several public and open meetings regarding the purchase of the property and the overwhelming response from the citizens of the Town is that the Town should proceed with the purchase of the property pursuant to the terms in the Purchase and Sale Agreement, a copy of which is attached hereto as **Exhibit B**;

THEREFORE, BE IT RESOLVED:

The Town Council of the Town of West Yellowstone approves of the attached Purchase and Sale Agreement and hereby authorizes the Mayor of the Town of West Yellowstone to enter into such Agreement and to take such steps necessary to fully execute and perform under such Agreement.

DATED this _____ day of _____, 2016.

Mayor

ATTEST:

Town Clerk

PURCHASE AND SALE AGREEMENT

United States of America Custer Gallatin National Forest

West Yellowstone Expansion Lands Direct Sale of Vacant Land to the Town of West Yellowstone

THIS PURCHASE AND SALE AGREEMENT, (hereafter the “**Agreement**”) is made effective as of the date of the last authorized signature below, between the **TOWN OF WEST YELLOWSTONE**, an incorporated town of Gallatin County, State of Montana, with a mailing address of PO Box 1570, West Yellowstone, MT 59758, (hereinafter the “**Town**” or “**Grantee**”), and the **UNITED STATES OF AMERICA**, acting by and through the Forest Service, Department of Agriculture, (hereinafter the “**Forest Service**” or “**Grantor**”) and collectively (the “**Parties**”). This Agreement is hereby executed pursuant to the Department of the Interior and Related Agencies Appropriation Act of 2004 (P.L. 108-108), Section 333 – Implementation of Gallatin Land Consolidation Act.

WITNESSETH:

WHEREAS, the parcels of land identified as Tracts 1 and 2, described as follows:

Principal Meridian, Montana

Tract 1:

T. 13 S., R. 5 E.,
sec. 33, E $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ and E $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$

Tract 2:

T. 13 S., R. 5 E.,
sec. 33, NE $\frac{1}{4}$ SE $\frac{1}{4}$

The Property, consisting of 80 acres, is offered for sale to the Grantee at the approved appraised market value sale price of **\$1,425,000**.

WHEREAS, the Grantee agrees to pay the full approved appraised market value sale price for purchase of the Property.

NOW THEREFORE, in consideration of the terms and conditions of this Agreement, the Parties agree as follows:

A. The Grantee shall:

1. Make payment in the amount of \$1,425,000 within 2 years of the execution of this Agreement after which this Agreement terminates and all rights, interests, responsibilities and obligations

herein will be of no force and effect. This Agreement, however, may be amended to extend beyond the 2-year period by mutual agreement of the Parties. The purchase of the Property may occur in 2 separate sales transactions, an Initial Transaction and a Final Transaction. The lands to be conveyed in each transaction will be agreed to by the Parties prior to the closing of the Initial Transaction. If the Grantee elects to purchase the Property in 2 sales transactions, the amount to be tendered for the Initial Transaction shall be a minimum of \$500,000 with the remaining balance due at the time of closing the Final Transaction. The purchase price for each sale shall be its contributory value as established by the Forest Service Review Appraiser and agreed to by the Parties as evidenced by an amendment to this Agreement. The amendment shall include the legal description of the land to be sold, the purchase price, and a closing schedule for the Initial Transaction and Final Transaction. Whether the Property is purchased in a single transaction or 2 transactions, a bill for collection will be issued by the Forest Service to the Town for each transaction with instructions for making payment.

2. Bear the cost of surveying and posting the new Property boundaries resulting from the sale of the Property to the Town of West Yellowstone. The Forest Service will provide survey specifications and materials (monuments, posts, signs, decals) required to complete the survey to Forest Service and State of Montana standards. The Town has the option to enter into a collection agreement with the Forest Service to survey, mark and post the boundaries resulting from the sale.
3. If desired, bear the cost of constructing reroutes of Whiskey Creek Road No. 6958 and Old Rail Road Grade 6973B. Forest Service staff will work with the Town to determine and approve the route locations and will provide the road standards.
4. Bear the cost of recordation services, and title insurance required or desired by the Grantee. Note that the Federal government does not provide title insurance, title commitments, or other title documents.
5. Record the patent in the appropriate county land records.

B. The Grantor shall:

1. Remove any personal property and equipment that is not included in the sale, prior to the date of closing.
2. Amend existing Forest Service Special Use Permits to terminate existing uses on the Property prior to the completion of the sale. The Town will be responsible for working with any permittees to authorize infrastructure that the Town wishes to remain on the property.
3. Reserve the following (See **Attachment A** with exhibits):
 - a. Excepting and reserving to the United States a right-of-way thereon for ditches or canals constructed by the authority of the United States pursuant to the Act of August 30, 1890 (43 U.S.C. 945).

- b. Exclusive perpetual easements, including all right, title, and interest for existing roads and all appurtenances thereto, over, upon, or under the land so granted, as shown approximately on attached **Exhibit A, consisting of one (1) sheet**, and more particularly identified and described herein, together with such reasonable rights of temporary use of lands immediately adjacent to the following right-of-ways as may be necessary for the maintenance and/or repair of the roads.

Said easements shall be sixty (60) feet in width, being thirty (30) feet on each side of the centerline of said roads as they exist and are actually located on the ground, with such additional width as might be required for the adequate protection of cuts and fills. The intent of this reservation is to reserve these roads, for the entire length of the roads, across and through the property described and as listed below.

**South Plateau Road No. 1700
Madison Arm K Road No. 6780 (Snowmobile Trail No. 919)
Old Rail Road Grade Road No. 6973**

IT IS AGREED that the patentee and their heirs and assigns shall have the right to use the existing roads described above for all purposes deemed necessary or desirable in connection with the protection, administration, management, and utilization of patentee's lands or resources, subject, however, to traffic control regulations as provided in 36 CFR 261.12 and the bearing of road maintenance costs proportionate to use as provided in 36 CFR 212.5(d), attached as **Exhibit B** and **Exhibit C**, respectively, consisting of 1 sheet each.

PROVIDED, that if the Regional Forester determines that the roads, or any segment thereof, is no longer needed for the purposes reserved, the easements shall terminate. The termination shall be evidenced by a statement in recordable form furnished by the Regional Forester to the patentee, or their heirs or assigns in interest.

- c. An exclusive perpetual easement, including all right, title, and interest for an existing trail and all appurtenances thereto, over, upon, or under the land so granted, as shown approximately on attached **Exhibit A, consisting of one (1) sheet**, and more particularly identified and described herein, together with such reasonable rights of temporary use of lands immediately adjacent to the following right-of-way as may be necessary for the maintenance and/or repair of the trail.

Said easement shall be twenty (20) feet in width, being ten (10) feet on each side of the centerline of said trail as it exists and is actually located on the ground, with such additional width as might be required for the adequate protection of cuts and fills. The intent of this reservation is to reserve the trail, for the entire length of the trail, across and through the property described and as listed below.

Frontier Trail No. 630

IT IS AGREED that the patentee and their heirs and assigns shall have the right to use the existing trail described above for all purposes deemed necessary or desirable in connection with the protection, administration, management, and utilization of patentee's lands or resources, subject, however, to traffic control regulations as provided in 36 CFR 261.12 and the conditions, rules and regulations governing forest development trails as provided in 36 CFR 261.55, attached as **Exhibit B** and **Exhibit D**, respectively, consisting of 1 sheet each.

PROVIDED, that if the Regional Forester determines that the trail, or any segment thereof, is no longer needed for the purposes reserved, the easement shall terminate. The termination shall be evidenced by a statement in recordable form furnished by the Regional Forester to the patentee, or their heirs or assigns in interest.

- d. An exclusive perpetual easement, including all right, title, and interest for an existing road and all appurtenances thereto, over, upon, or under the land so granted, as shown approximately on attached **Exhibit A, consisting of (1) sheet**, and more particularly identified and described herein, together with such reasonable rights of temporary use of lands immediately adjacent to the following right-of-way as may be necessary for the maintenance and/or repair of the road.

Said easement shall be sixty (60) feet in width, being thirty (30) feet on each side of the centerline of the road as it exists and is actually located on the ground, with such additional width as might be required for the adequate protection of cuts and fills. The intent of this reservation is to reserve the road, for its entire length, across and through the property described below.

Whiskey Creek Road No. 6958

IT IS AGREED that the patentee and its successors and assigns shall have the right to use the existing road described above for all purposes deemed necessary or desirable in connection with the protection, administration, management, and utilization of patentee's lands or resources, subject, however, to traffic control regulations as provided in 36 CFR 261.12 and the bearing of road maintenance costs proportionate to use as provided in 36 CFR 212.5(d), attached as **Exhibit B** and **Exhibit C**, respectively, consisting of 1 sheet each.

IT IS ALSO AGREED that the reservation of the segment of road within T. 13 S., R. 5 E., sec 33, NE $\frac{1}{4}$ SE $\frac{1}{4}$ is subject to the right of the patentee and its successors and assigns at any time in the future, at its sole expense, to relocate this segment of road and easement to the mutual agreement of the patentee and the Forest Service, such that the relocated road lies solely on adjacent National Forest lands. In the event of relocation, the United States would terminate the reserved easement, as described in the termination provisions provided below.

PROVIDED, that if the Regional Forester determines that the road, or any segment thereof, is no longer needed for the purposes reserved, the easement shall terminate. The

termination shall be evidenced by a statement in recordable form furnished by the Regional Forester to the patentee, or its successors or assigns in interest.

- e. An exclusive perpetual easement, including all right, title, and interest for an existing road and all appurtenances thereto, over, upon, or under the land so granted, as shown approximately on attached **Exhibit A, consisting of (1) sheet**, and more particularly identified and described herein, together with such reasonable rights of temporary use of lands immediately adjacent to the following right-of-way as may be necessary for the maintenance and/or repair of the road.

Said easement shall be sixty (60) feet in width, being thirty (30) feet on each side of the centerline of the road as it exists and is actually located on the ground, with such additional width as might be required for the adequate protection of cuts and fills. The intent of this reservation is to reserve the road, for its entire length, across and through the property described below.

Old Rail Road Grade Road No. 6973B (Snowmobile Trail No. 920)

IT IS AGREED that the patentee and its successors and assigns shall have the right to use the existing road described above for all purposes deemed necessary or desirable in connection with the protection, administration, management, and utilization of patentee's lands or resources, subject, however, to traffic control regulations as provided in 36 CFR 261.12 and the bearing of road maintenance costs proportionate to use as provided in 36 CFR 212.5(d), attached as **Exhibit B** and **Exhibit C**, respectively, consisting of 1 sheet each.

IT IS ALSO AGREED that the reservation of the segment of road within T. 13 S., R. 5 E., sec 33, E $\frac{1}{2}$ NE $\frac{1}{4}$ is subject to the right of the patentee and its successors and assigns at any time in the future, at its sole expense, to relocate this segment of road and easement to the mutual agreement of the patentee and the Forest Service, such that the relocated road lies solely on adjacent lands owned by the Patentee. In the event of relocation, the patentee will provide a Replacement Easement to the United States for the relocated segment of road. Upon approval of title to the Replacement Easement, the United States will record the Replacement Easement in the records of Gallatin County, Montana, and then terminate the reserved easement that is no longer needed as provided in the termination clause below.

PROVIDED, that if the Regional Forester determines that the road, or any segment thereof, is no longer needed for the purposes reserved, the easement shall terminate. The termination shall be evidenced by a statement in recordable form furnished by the Regional Forester to the patentee, or its successors or assigns in interest.

4. Convey the Property under and in consideration of the following notice, covenants, agreements, reservations and provisions (See **Attachment B** – Phase 1 ESA):

A) NOTICE OF HAZARDOUS SUBSTANCE ACTIVITY

Pursuant to Section 120(h)(3)(A)(i) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)(42 U.S.C. §9620(h)(3)(A)(i), and based upon information submitted by the USDA Forest Service, the GRANTOR hereby gives notice that there is no prior history of hazardous substances that were known to have been released or disposed of or stored for one year or more on the Property.

B) CERCLA COVENANT

Pursuant to Section 120(h)(3)(A)(ii) of the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”), 42 U.S.C. § 9620(h)(3)(A)(ii), the GRANTOR hereby warrants and covenants that

1. all response action necessary to protect human health and the environment has been taken before the date of this conveyance; and
2. it shall take any additional response action found to be necessary after the date of this conveyance regarding hazardous substances located on the Property on the date of this conveyance. This covenant shall not apply:
 - a) in any case in which Grantee, its successors or assigns or any successor in interest to the Property or part thereof is a Potentially Responsible Party (PRP) with respect to the Property immediately prior to the date of this conveyance; OR
 - b) to the extent but only to the extent that such additional response action or part thereof found to be necessary is the result of an act or failure to act of the Grantee, its successors or assigns, or any party in possession after the date of this conveyance that either:
 - (i) results in a release or threatened release of a hazardous substance or petroleum products that was not located on the Property on the date of this conveyance; OR
 - (ii) causes or exacerbates the release or threatened release of a hazardous substance or petroleum products, the existence and location of which was known and identified to the applicable regulatory authority as of the date of this conveyance; OR
 - (iii) causes or exacerbates a release or threatened release of hazardous substances or petroleum products, the existence of which was previously unknown by GRANTOR and Grantee as of the date of this conveyance, but which is hereafter discovered by Grantee, its successors or assigns, or any party in possession of the Property.
3. In the event Grantee, its successors or assigns, seeks to have GRANTOR conduct or pay for any additional response action or corrective action and, as a condition precedent to GRANTOR incurring any additional cleanup obligation or related expenses, the Grantee, its successors or assigns, shall provide GRANTOR at least 45 days written notice of such a claim. In order for the 45-day period to commence, such notice must include and provide credible evidence that:

- a) the associated contamination existed prior to the date of this conveyance; and
- b) the need to conduct any additional response action or corrective action or part thereof was not the result of any failure to act by the Grantee, its successors or assigns, or any party in possession.

C) CERCLA ACCESS

Pursuant to Section 120(h)(3)(A)(iii) of CERCLA, 42 U.S.C. § 9620(h) (3) (A)(iii), GRANTOR reserves a right of access to all portions of the Property for environmental investigation, response action or other corrective action, as needed to take action in accordance with the covenant, set forth above and made under Section 120(h)(3)(A)(ii) of CERCLA. This reservation includes the right of access to and use of available utilities at reasonable cost to GRANTOR. These rights shall be exercisable in any case in which a response action or corrective action is found to be necessary after the date of this conveyance or in which access is necessary to carry out a response action or corrective action on adjoining property. Pursuant to this reservation, the United States of America and its respective officers, agents, employees, contractors and subcontractors shall have the right (upon reasonable advance written notice to the record title owner) to enter upon the Property and conduct investigations and surveys, to include drilling, borings, test-pitting, data and records compilation and other activities related to environmental investigation, and to carry out response or corrective actions as required or necessary, including but not limited to the installation and operation of monitoring wells, pumping wells, and treatment facilities. Any such entry, including such activities, response, or corrective actions, shall be coordinated with the record title owner and shall be performed in a manner that minimizes interruption with activities of authorized occupants.

D) PESTICIDES

The Grantee is notified that the Property may contain the presence of pesticides that have been applied in the management of the Property. The United States knows of no use of any registered pesticide in a manner inconsistent with its labeling, and believes that all applications were made in accordance with the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA -- 7 U.S.C. Sec. 136, et seq.), its implementing regulations, and according to the labeling provided with such substances. Furthermore, that in accordance with the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA -- 42 U.S.C. Sec. 9601, et seq.), the use of such substances is not a "release" (as defined in CERCLA, 42 U.S.C. Sec. 9601 (22)), but instead the use of a consumer product in consumer use (42 U.S.C. Sec. 9601(9)), and the application of a pesticide product registered under FIFRA for which recovery for response costs is not allowed (42 U.S.C. Sec. 9607(i)).

E) AS-IS, WHERE-IS PROVISION

Grantee agrees and acknowledges that GRANTOR is selling the property strictly on an "as is, where is", with all faults basis, without warranty, express or implied, with any and all latent and patent defects. Grantee acknowledges that GRANTOR has made the property available for inspection by Grantee and Grantee's representatives. Grantee has inspected, or

will have inspected prior to closing, the physical condition of the property to the extent felt necessary by Grantee, including all improvements thereon, and accepts title to the same “as is” in its existing physical condition. Grantee acknowledges that it is not relying upon any representation, warranty statement or other assertion of the United States of America, as GRANTOR, including its agencies or any official, agent representative or employee of the foregoing, with respect to the property’s conditions. Except as set forth in the deed, Grantee is relying solely and wholly on Grantee’s own examination of the property, is fully satisfied with the property, and accepts any liabilities or costs arising in connection with the condition of the property, including, but not limited to any costs or liabilities pertaining to any environmental condition on the property. Except as set forth in section B, above, the United States of America and its agencies disclaim any and all express or implied warranties and specifically make no warranties of title, habitability, merchantability, suitability, fitness for any purpose, or any other warranty whatsoever. Grantee is put on notice that any prior grant and/or encumbrance may be of record and Grantee is advised to examine all public records available regarding the Property.

No employee or agent of GRANTOR is authorized to make any representation or warranty as to the quality or condition of the Property, merchantability, suitability or fitness of the property for any use whatsoever, known or unknown to GRANTOR, or compliance with any environmental protection, pollution or land use laws, rules, regulations, orders, or requirements including, but not limited to, those pertaining to the handling, generating, treating, storing, or disposing of any hazardous waste or substance. In no event shall GRANTOR be responsible or liable for latent or patent defects or faults, if any, in the Property or for remedying or repairing the same including, without limitation, defects related to asbestos or asbestos containing materials, lead, lead-based paint, underground storage tanks, mold, radon or hazardous or toxic materials, chemicals or waste, or for constructing or repairing any streets, utilities or other improvements shown on any plat of the Property.

Nothing in this “as is, where is” provision will be construed to modify or negate the GRANTOR’s obligation under the CERCLA covenant or any other statutory obligations.

5. Include the following additional language in the patent:

The patent and conveyance will be expressly made subject to the following matters to the extent the same are valid and subsisting and affect the Property:

SUBJECT TO:

- 1) All existing licenses, permits, easements and rights-of-way for public streets, roads and highways, public utilities, electric power lines, electric transmission facilities, railroads, pipelines, ditches, and conduits and canals on, over and across said land whether or not of record.
- 2) All existing interests(s) reserved to or outstanding in third parties in and to water rights, ditch rights, as well as oil, gas and/or minerals, whether or not of record.

- 3) All other existing interests reserved by the original GRANTOR(s) in chain of title unto said GRANTOR(s), their respective successors and assigns, which affect any portion of the Property interest(s) hereinabove described, whether or not of record.
- 4) Any survey discrepancies, conflicts or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements, which may affect the Property.
- 5) Existing zoning ordinances and resolutions, soil conservation district rules and regulations, and water conservancy district rules and regulations, filed of public record and affecting all or any portion of the Property.
6. Upon receipt of the full payment from the Grantee, execute and deliver a Bureau of Land Management Patent, conveying the Property to the Grantee. At closing the Property shall be free and clear of all exceptions to title, liens, easements, covenants, restrictions, encumbrances, etc., now known as Exceptions, except those shown on the Patent.

C. Other Terms and Conditions:

7. The Grantee understands that the Forest Service does not furnish title insurance for the Property, and if needed by the Grantee, title insurance will be the responsibility of the Grantee. The Forest Service shall provide a copy of its Federal Land Status Report (See **Attachment C**) showing any encumbrances or outstanding rights on the Property.
8. The Grantee agrees that no representative or agent of the United States has made any representations or promise with respect to this agreement not expressly contained herein.
9. The terms of this contract shall be binding on the Grantee and the Forest Service, subject to the terms and conditions herein provided:
 - a. The agreement is not terminated by mutual consent or upon such terms as may be provided in the agreement.
 - b. No substantial loss or damage occurs to the Property from any cause.
 - c. No undisclosed hazardous substances are found on the Property prior to conveyance.
10. In accordance with State law, either party may record this Agreement in the appropriate county land records.

IN WITNESS THEREOF, the Parties hereto have executed this agreement.

TOWN OF WEST YELLOWSTONE

By: _____

Date: _____

SEAL

BRAD SCHMIER

Mayor

Town of West Yellowstone

ACKNOWLEDGMENT

STATE OF MONTANA)

)ss.

County of Gallatin)

On this ____ day of _____, _____, before me, the undersigned, a Notary Public in and for said State, personally appeared **Brad Schmier**, the Mayor of the Town of West Yellowstone, in Gallatin County, State of Montana, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that she/he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

Name (Printed)
Notary Public for the State of _____
Residing at _____
My Commission Expires _____

Attest: _____

Date: _____

ELIZABETH ROOS

Clerk

Town of West Yellowstone

**ATTACHMENT A
WEST YELLOWSTONE EXPANSION LANDS
PURCHASE AND SALE AGREEMENT**

RESERVATIONS:

- a. Excepting and reserving to the United States a right-of-way thereon for ditches or canals constructed by the authority of the United States pursuant to the Act of August 30, 1890 (43 U.S.C. 945).
- b. Exclusive perpetual easements, including all right, title, and interest for existing roads and all appurtenances thereto, over, upon, or under the land so granted, as shown approximately **on attached Exhibit A, consisting of one (1) sheet**, and more particularly identified and described herein, together with such reasonable rights of temporary use of lands immediately adjacent to the following right-of-ways as may be necessary for the maintenance and/or repair of the roads.

Said easements shall be sixty (60) feet in width, being thirty (30) feet on each side of the centerline of said roads as they exist and are actually located on the ground, with such additional width as might be required for the adequate protection of cuts and fills. The intent of this reservation is to reserve these roads, for the entire length of the roads, across and through the property described and as listed below.

South Plateau Road No. 1700

Madison Arm K Road No. 6780 (Snowmobile Trail No. 919)

Old Rail Road Grade Road No. 6973

IT IS AGREED that the patentee and their heirs and assigns shall have the right to use the existing roads described above for all purposes deemed necessary or desirable in connection with the protection, administration, management, and utilization of patentee's lands or resources, subject, however, to traffic control regulations as provided in 36 CFR 261.12 and the bearing of road maintenance costs proportionate to use as provided in 36 CFR 212.5(d), attached as **Exhibit B** and **Exhibit C**, respectively, consisting of 1 sheet each.

PROVIDED, that if the Regional Forester determines that the roads, or any segment thereof, is no longer needed for the purposes reserved, the easements shall terminate. The termination shall be evidenced by a statement in recordable form furnished by the Regional Forester to the patentee, or their heirs or assigns in interest.

- c. An exclusive perpetual easement, including all right, title, and interest for an existing trail and all appurtenances thereto, over, upon, or under the land so granted, as shown approximately on attached **Exhibit A, consisting of one (1) sheet**, and more particularly identified and described herein, together with such reasonable rights of temporary use of lands immediately adjacent to the following right-of-way as may be necessary for the maintenance and/or repair of the trail.

Said easement shall be twenty (20) feet in width, being ten (10) feet on each side of the centerline of said trail as it exists and is actually located on the ground, with such additional width as might be required for the adequate protection of cuts and fills. The intent of this reservation is to reserve the trail, for the entire length of the trail, across and through the property described and as listed below.

Frontier Trail No. 630

IT IS AGREED that the patentee and their heirs and assigns shall have the right to use the existing trail described above for all purposes deemed necessary or desirable in connection with the protection, administration, management, and utilization of patentee's lands or resources, subject, however, to traffic control regulations as provided in 36 CFR 261.12 and the conditions, rules and regulations governing forest development trails as provided in 36 CFR 261.55, attached as **Exhibit B** and **Exhibit D**, respectively, consisting of 1 sheet each.

PROVIDED, that if the Regional Forester determines that the trail, or any segment thereof, is no longer needed for the purposes reserved, the easement shall terminate. The termination shall be evidenced by a statement in recordable form furnished by the Regional Forester to the patentee, or their heirs or assigns in interest.

- d. An exclusive perpetual easement, including all right, title, and interest for an existing road and all appurtenances thereto, over, upon, or under the land so granted, as shown approximately on attached **Exhibit A, consisting of (1) sheet**, and more particularly identified and described herein, together with such reasonable rights of temporary use of lands immediately adjacent to the following right-of-way as may be necessary for the maintenance and/or repair of the road.

Said easement shall be sixty (60) feet in width, being thirty (30) feet on each side of the centerline of the road as it exists and is actually located on the ground, with such additional width as might be required for the adequate protection of cuts and fills. The intent of this reservation is to reserve the road, for its entire length, across and through the property described below.

Whiskey Creek Road No. 6958

IT IS AGREED that the patentee and its successors and assigns shall have the right to use the existing road described above for all purposes deemed necessary or desirable in connection with the protection, administration, management, and utilization of patentee's lands or resources, subject, however, to traffic control regulations as provided in 36 CFR 261.12 and the bearing of road maintenance costs proportionate to use as provided in 36 CFR 212.5(d), attached as **Exhibit B** and **Exhibit C**, respectively, consisting of 1 sheet each.

IT IS ALSO AGREED that the reservation of the segment of road within T. 13 S., R. 5 E., sec 33, NE $\frac{1}{4}$ SE $\frac{1}{4}$ is subject to the right of the patentee and its successors and assigns at any time in the future, at its sole expense, to relocate this segment of road and easement to the mutual agreement of the patentee and the Forest Service, such that the relocated road lies solely on adjacent National Forest lands. In the event of relocation, the United States would terminate the reserved easement, as described in the termination provisions provided below.

PROVIDED, that if the Regional Forester determines that the road, or any segment thereof, is no longer needed for the purposes reserved, the easement shall terminate. The termination shall be evidenced by a statement in recordable form furnished by the Regional Forester to the patentee, or its successors or assigns in interest.

- e. An exclusive perpetual easement, including all right, title, and interest for an existing road and all appurtenances thereto, over, upon, or under the land so granted, as shown approximately on attached **Exhibit A, consisting of (1) sheet**, and more particularly identified and described herein, together with such reasonable rights of temporary use of lands immediately adjacent to the following right-of-way as may be necessary for the maintenance and/or repair of the road.

Said easement shall be sixty (60) feet in width, being thirty (30) feet on each side of the centerline of the road as it exists and is actually located on the ground, with such additional width as might be required for the adequate protection of cuts and fills. The intent of this reservation is to reserve the road, for its entire length, across and through the property described below.

Old Rail Road Grade Road No. 6973B (Snowmobile Trail No. 920)

IT IS AGREED that the patentee and its successors and assigns shall have the right to use the existing road described above for all purposes deemed necessary or desirable in connection with the protection, administration, management, and utilization of patentee's lands or resources, subject, however, to traffic control regulations as provided in 36 CFR 261.12 and the bearing of road maintenance costs proportionate to use as provided in 36 CFR 212.5(d), attached as **Exhibit B** and **Exhibit C**, respectively, consisting of 1 sheet each.

IT IS ALSO AGREED that the reservation of the segment of road within T. 13 S., R. 5 E., sec 33, E½NE¼ is subject to the right of the patentee and its successors and assigns at any time in the future, at its sole expense, to relocate this segment of road and easement to the mutual agreement of the patentee and the Forest Service, such that the relocated road lies solely on adjacent lands owned by the Patentee. In the event of relocation, the patentee will provide a Replacement Easement to the United States for the relocated segment of road. Upon approval of title to the Replacement Easement, the United States will record the Replacement Easement in the records of Gallatin County, Montana, and then terminate the reserved easement that is no longer needed as provided in the termination clause below.

PROVIDED, that if the Regional Forester determines that the road, or any segment thereof, is no longer needed for the purposes reserved, the easement shall terminate. The termination shall be evidenced by a statement in recordable form furnished by the Regional Forester to the patentee, or its successors or assigns in interest.

EXHIBIT B

United States Department of Agriculture Forest Service

CONDITIONS, RULES AND REGULATIONS OF THE SECRETARY OF AGRICULTURE GOVERNING PROHIBITED ACTIVITIES ON NATIONAL FOREST SYSTEM ROADS AND TRAILS

Code of Federal Regulations - Title 36 - Chapter II - Section 261.12

The following are prohibited:

- (a) Violating the load, weight, height, length, or width limitations prescribed by State law except by special-use authorization or written agreement or by order issued under § 261.54 of this Chapter.
- (b) Failing to have a vehicle weighed at a Forest Service weighing station, if required by a sign.
- (c) Damaging and leaving in a damaged condition any such road, trail, or segment thereof.
- (d) Blocking, restricting, or otherwise interfering with the use of a road, trail, or gate.

[43 FR 2957, 1/14/1977, as amended at 46 FR 33520, 6/30/1981; 49 FR 25450, 6/21/1984; 55 FR 25832, 6/25/1990]

EXHIBIT C

United States Department of Agriculture Forest Service

CONDITIONS, RULES AND REGULATIONS OF THE SECRETARY OF AGRICULTURE GOVERNING MAINTENANCE AND RECONSTRUCTION OF FOREST SERVICE ROADS BY USERS

Code of Federal Regulations - Title 36 - Chapter II - Section 212.5(d)

(d) Maintenance and reconstruction of forest service roads by users.

(1) *Maintenance*. The Chief may require, but not in conflict with an existing permit, easement, contract, or other agreement, the user or users of a road, including purchasers of Government timber and other products, to maintain the roads in a satisfactory condition commensurate with the particular use requirements of each. The maintenance to be borne by each user shall be proportionate to total use and no individual user shall be required to perform or bear the costs of maintenance other than that commensurate with his use.

(2) *Reconstruction*. The Chief may require, but not in conflict with an existing permit, easement, contract, or other agreement, the user or users of a road to reconstruct it when, at the time the use is requested, reconstruction is determined to be necessary to accommodate his use.

(3) *Deposits in lieu of performance*. If the maintenance or reconstruction cannot be so provided or if the Chief determines that maintenance or reconstruction by a user would not be practical, the Chief may require that sufficient funds be deposited by the user to provide his portion of the total maintenance or reconstruction costs. Deposits made to cover maintenance or reconstruction of roads shall be used for the purposes deposited, except that:

(i) Deposits received for work on adjacent and overlapping areas may be combined when it is the most practicable and efficient manner of performing the work, and cost thereof may be determined by estimates, and

(ii) Unexpended balances upon accomplishment of the purposes for which deposited shall be transferred to miscellaneous receipts or refunded.

[39 FR 27649, 7/31/1974, as amended at 42 FR 2957, 1/14/1977; 43 FR 20007, 5/10/1978; 62 FR 58654, 10/30/1997. Redesignated and amended at 62 FR 58654, 10/30/1997; 66 FR 3217, 1/12/2001]

EXHIBIT D

United States Department of Agriculture Forest Service

CONDITIONS, RULES AND REGULATIONS OF THE SECRETARY OF AGRICULTURE GOVERNING FOREST DEVELOPMENT TRAILS

Code of Federal Regulations - Title 36 - Chapter II - Section 261.55

When provided by an order issued in accordance with § 261.50 of this subpart, the following are prohibited on a forest development trail:

- (a) Being on a trail.
- (b) Using any type of vehicle prohibited by the order.
- (c) Use by any type of traffic or mode of transport prohibited by the order.
- (d) Operating a vehicle in violation of the width, weight, height, length or other limitations specified by the order.
- (e) Shortcutting a switchback in a trail.

[55 FR 25832, 6/25/1990]

**REVISED
FEDERAL LAND STATUS REPORT**

**Proposed Direct Sale of National Forest System lands
To the
Town of West Yellowstone**

**PMM, T. 13 S., R. 5 E., Section 33,
E½NE¼NE¼, E½SE¼NE¼, and NE¼SE¼
Gallatin County, Montana**

**Hebgen Lake Ranger District
Custer Gallatin National Forest
Northern Region**

*Authority: Interior and Related Agencies Appropriations Act of 2004 (P.L. 108-108),
Section 333- Implementation of Gallatin Lands Consolidation Act*

Location:

The proposed sale to the Town of West Yellowstone includes the following federal lands on the Custer Gallatin National Forest:

Principal Meridian, Montana

Township 13 South, Range 5 East

Tract 1: Section 33, E½NE¼NE¼, E½SE¼NE¼, containing 40 acres more or less

Tract 2: Section 33, NE¼SE¼ containing 40 acres more or less

Total Federal land: 80 acres, more or less

Land Status:

Section 33, T.13 S., R.5 E., was reserved from the Public Domain on August 16, 1902 by Presidential Proclamation under the authority of the Creative Act of 1891 as part of the Madison Forest Reserve. Executive order 5760 of 1931 abolished the Madison National Forest and added the southeastern portion of it to the Gallatin National Forest.

Rights Previously Conveyed or Permitted by the United States:

1. **Recorded outstanding rights:**

None

2. **Existing public roads/other encumbrances not covered by recorded documents:**

None

3. Forest Roads and Trails:

Several Forest Service roads (some used as snowmobile trails in the winter) and trails are located on the federal lands proposed for conveyance (hereinafter “the Property”).

To ensure continued legal access to the National Forest System (NFS) lands located to the west, south and north of the Property after conveyance, the U.S. will reserve permanent easements in the patent(s) for the following existing system roads and trails (See **Attachment 1: Access Map -Reservations**):

- **South Plateau Road No. 1700**
- **Madison Arm K Road No. 6780 (Snowmobile Trail No. 919)**
- **Old Rail Road Grade Road No. 6973**
- **Old Rail Road Grade Road No. 6973B (Snowmobile Trail No. 920)**
- **Whiskey Creek Road No. 6958**
- **Frontier Trail No. 630**

The reservations for Whiskey Creek Road No.6958 and Old Rail Road No. 6973 include a clause allowing relocation of these routes in the future, as agreeable to the patentee, its successors and assigns and the Forest Service.

4. Forest Service Special Use Permits:

See **Attachment 2: Summary of Special Use Permits and Utility Permit Map**

All Forest Service special use permits will be terminated or amended upon conveyance of the Property to the Town.

The west half of Iris Street currently lies on the NFS lands identified for conveyance. The Forest Service has issued a special use permit to the Town of West Yellowstone for the west half of Iris Street. When the conveyance is completed, the permit will no longer be needed and will terminate, Iris Street will be fully located on Town of West Yellowstone property.

The special use permit issued to Ride Solutions, for a tire testing facility, will be amended prior to the sale of the Property to relocate the operations onto adjacent NFS lands.

5. Livestock Grazing permits:

None

6. Unpatented Mining Claims:

None – Per BLM report

7. **Oil and Gas Leases:**

None – Per BLM report

8. **Minerals:**

Mineral rights are vested in the U.S. and will be conveyed with the surface ownership in the deed(s).

9. **Known Geothermal Resource Area (KGRA):**

The Property is not within a KGRA and there are no known warm springs or wells on the Property. The potential for occurrence and development of geothermal resources is low.

10. **Water Rights:**

There are no water rights or water right claims on the Property.

11. **Withdrawals:**

None, the Property is not within a Withdrawal area.

12. **Agreements (including Cost-Share)/Memorandums of Understanding:**

None

13. **Legal Access:**

Legal access to the Property is provided by existing streets and alleys under jurisdiction of the Town of West Yellowstone and by Forest Service system roads and trails.

Other Outstanding Rights:

None

Rights to be Reserved by the United States:

Physical and legal road access to the National Forest system lands that are adjacent to the Property (west, north, and south sides) is currently provided by existing U.S. Highway 20, by Iris Street (Town of West Yellowstone), and by several Forest Service roads and trails.

Highway 20 and Iris Street will remain in place following conveyance of the Property to the Town. The U.S. will reserve permanent easements in the deed(s) for the Forest Service roads and trails listed above under **3. Forest Roads and Trails.**

ENCLOSURES:

Attachment 1: Access Map

Attachment 2: Summary of Special Use Permits and Utility Permit Map

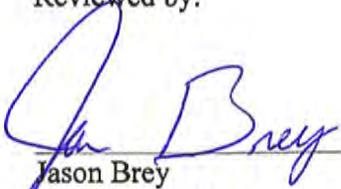
Prepared by:



Anna Callahan
Realty Specialist
Region 1, East Side Lands Zone

9/22/2015
Date

Reviewed by:



Jason Brey
District Ranger
Hebgen Lake Ranger District
Custer Gallatin National Forest

9/22/15
Date

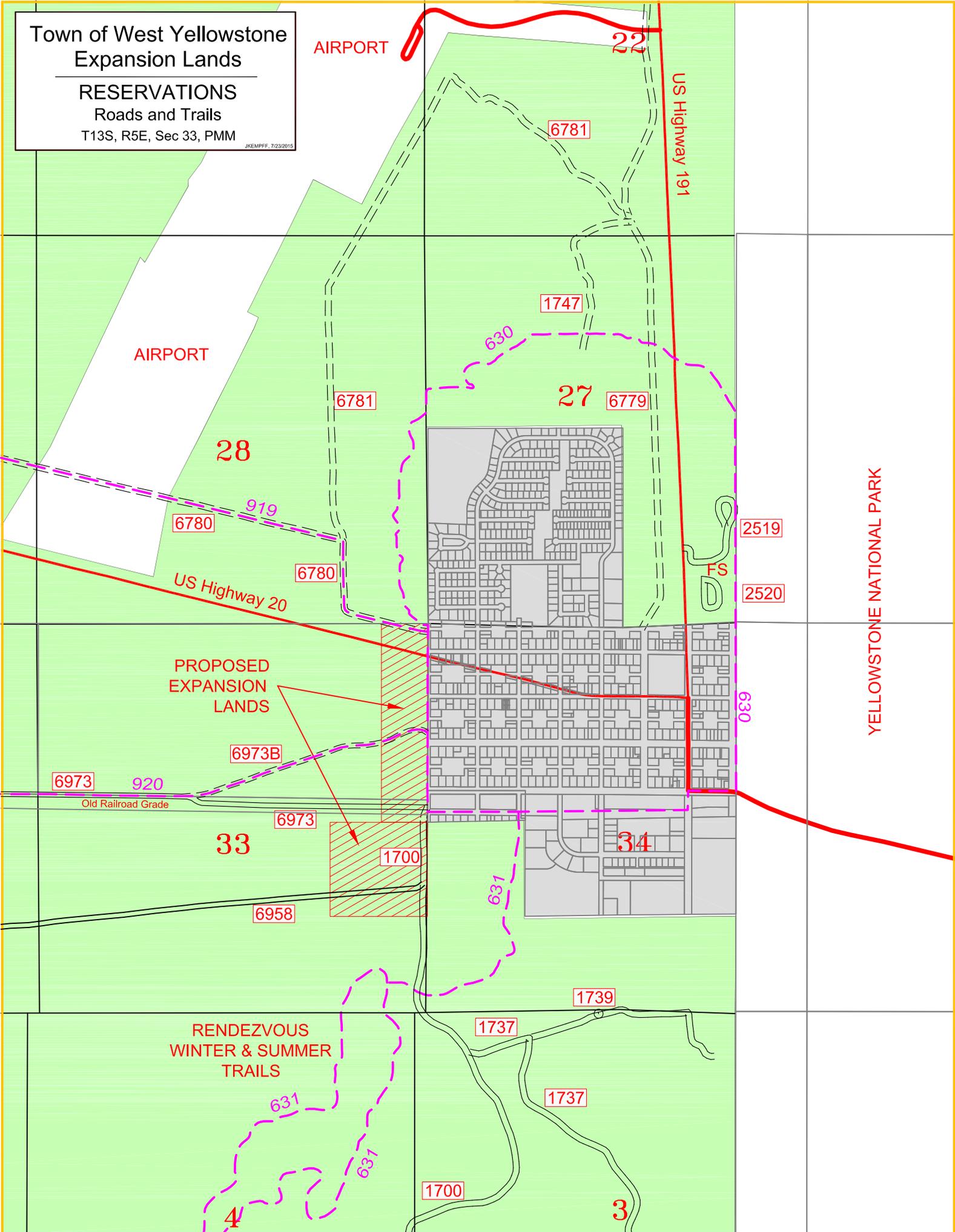
Town of West Yellowstone
Expansion Lands

RESERVATIONS

Roads and Trails

T13S, R5E, Sec 33, PMM

J.KEMPF, 7/23/2015



SUMMARY OF SPECIAL USE PERMITS

Town of West Yellowstone Special Use Permits

HEB006001: Iris Street Private Road Special Use Permit:

- A right-of-way (ROW) 0.49 miles in length and 30 feet in width, containing approximately 1.78 acres, used as a city street and road access to Forest Service System lands.
- Commonly known as Iris Street, permitted portion is the west half (approximately from centerline) and the entire length of Iris Street.
- Area is completely within 80 acres.
- This permit will terminate completely

HEB170005A: Liquid Waste Disposal Area Special Use Permit:

- Storm drain detention facility: Storm drain seepage ditch, 140 feet x 4450 feet, containing 14.30 acres. Approximately half of the storm drain detention facility is within the 80 acres.
- Storm drain: 10 feet x 2590 feet, containing .59 acres. Buried pipes and outlet structure and 9 concrete manholes. Most (perhaps all—depending on exact survey) of the storm drain is within the 80 acres.
- Snow storage area: 176 feet x 600 feet, containing 2.42 acres. Jack-leg fence and caution/regulatory signs. Area is completely within 80 acres.
- This permit will be amended to revoke/terminate the uses within the 80 acre sale area.

HEB170001: Sewage Transmission Line Special Use Permit:

- Storm drain detention facility: 200 feet x 430 feet, containing 1.974 acres. Inlet pipe, inlet pad, detention pond, outflow pipe, outlet overflow structure and three overflow storage ditches. Off 80 acres.
- Forced main sewer line: 10 feet ROW x 7906 feet, containing 1.81 acre. Cleanout facility and pipe. Less than half is within 80 acres.
- Sewage Interceptor line: 15 feet ROW x 1750 feet, containing 0.60 acres and 10 feet ROW x 1740 feet, containing .40 acres. Pipes and 11 manholes. Approximately half on 80 acres.
- Lift station, wet well and fuel storage area: 61 feet x 45 feet, containing .48 acres. Completely on 80 acres.
- Snow storage area: Two areas west of Iris Street: 600 feet x 400 feet, containing 5.5 acres and 50 feet x 250 feet, containing less than an acre. Completely on 80 acres.
- This permit will be amended to revoke/terminate the uses within the 80 acre sale area.

HEB170007: Water Transmission Pipeline:

- 5.86 acres
- Spring development and collection piping with ROW
- Concrete reservoir with ROW
- 4.5 miles of transmission pipeline with ROW
- Accessed by Whiskey Creek Road
- Small portion on 80 acres.
- This permit will be amended to revoke/terminate the uses within the 80 acre sale area.

Other Permits Within Sale Area

Recreation Events:

HEB181004: West Yellowstone Chamber of Commerce:

- Snowmobile EXPO (within 80 acre sale area) typically held annually in February or March, annually.
- Smoking Waters Mountain Man Rendezvous (adjacent to Old Airport—not within sale area) typically held annually in August.

HEB181002A: Klondike Dreams Sled Dog Races:

- Two sled dog races start and end on/cross through 80 acre sale area. Typically held annually in December and January. Expires 2017.

HEB181008: Vacation Races:

- Half-marathon starts/ends on 80 acres. Will be held in June; 2014 is the first year—event may or may not be approved in the future.

Experimental and Demonstration:

HEB421000:– Ride Solutions:

- Winter tire testing. Permitted annually November 15 through April 15. A portion of the testing area is within the 80 acre sale area; the District Ranger is willing to shift the track to the west (or develop another option) to relocate the track onto Forest Service System lands.

Power lines:

HEB001803: Fall River:

- Above-ground and buried power lines. Approximate location of power lines are shown on the utility map. Facilities include: four poles w/above-ground lines north of US Hwy 20; 3 junction boxes and buried power lines from the lift station south along Iris Street, buried power lines to the chlorine building and biathlon range and 1 power pole with overhead lines heading east across Iris Street between Madison and Yellowstone Avenues.

Telephone lines:

GAL821001: Qwest telephone lines:

- Buried phone lines. There are two above-ground Qwest phone connection boxes, one north of the lift station and one next to the electrical junction box north of Forest Service Road No. 478AB. (Shown on map.)

HWY 20

FS Rd 2915A & Snomo Tr 315

SPECIAL USE PERMITS
Qwest and Fall River Permits

Legend

- Qwest (telephone line)
- Telephone riser
- Fall River (power line)
- Transformers and jct. boxes
- Pole
- Proposed sale boundary
- Roads and streets

Qwest GAL 000104 & 105

Fall River HEB 001803 overhead line

Gibbon

Lift Sta.

Qwest GAL 000104 & 105

Firehole

Fall River HEB 001803 Expo service buried lines

Iris St. (1/2 City / 1/2 USFS)

Madison

FS Rd 478AB & Snomo Tr 323

Fall River HEB 001803 Chlorine bldg. svc. buried lines

Chlorine Bldg

Fall River HEB 001803

Yellowstone

Obsidian

FS Rd 478A

Fall River HEB 001803 Biathlon range svc. buried lines

FS Rd 1700

Whiskey Spgs FS Rd 6958

**Town of West Yellowstone
Wastewater Treatment Lagoon Site
Lease Agreement**

1. PARTIES

This agreement, made and entered into this _____ day of _____, 2016, by and between the State of Montana, Department of Transportation, Aeronautics Division (“Lessor” or “Department”), and the Town of West Yellowstone, acting by and through its duly qualified and elected Town Council (“Lessee”).

2. PURPOSE OF LEASE

Lessee desires to lease ground at the Yellowstone Airport from Lessor for the purpose of the construction and operation of a wastewater treatment facility. Lessee agrees to use the leased area for the purposes of construction and operation of the wastewater treatment facility only.

3. PREMISES DESCRIPTION

The leased area consists of a particular lot of unimproved land, more particularly described by Attachment A, which, by reference, is incorporated in and made a part of this lease. The term “premises” refers to the real property as described by Attachment A and depicted in Attachment B, including any improvements located thereon during the term of this lease.

4. TERM OF LEASE

The term of the lease shall be for ten years or until January 31, 2026. If, during the ten year term, Lessee, its successors or assigns, should cease to use the property for a wastewater treatment facility, this lease shall be terminated according to the Termination paragraph below.

5. CONSIDERATION

Lessee shall pay to Lessor the total sums according to the following schedule for rental of the premises. The annual payment must be remitted by May 31st for the associated year annually.

<u>Year</u>	<u>Annual Fee</u>
2016	\$20,000
2017	\$25,000
2018	\$30,000
2019	\$35,000
2020	\$40,000
2021	\$40,600
2022	\$41,209
2023	\$41,827

2024	\$42,454
2025	\$43,090

Prior to the sixth year (2021), at Lessor’s discretion, Lessor may review the rental rate provided in this lease to determine if the rate listed is near current fair market value (FMV). If Lessor chooses to re-evaluate the rental rate, Lessor shall notify Lessee in writing 180 days prior to the 2020 lease anniversary date (January 31, 2020). Re-evaluation (if any) must be conducted using the following fair market value (FMV) formula:

- a. Lessor will hire a Certified General Appraiser of Lessor’s choosing to complete an appraisal of the leased property, at its sole cost and expense, and provide the appraisal to Lessee;
- b. If Lessee accepts Lessor’s appraisal, the appraisal sales amount will be used for determination of the hypothetical FMV sale price;
- c. If Lessee does not accept Lessor’s appraisal, Lessee may hire a Certified General Appraiser to complete an appraisal of the leased property, at its sole cost and expense, and provide the appraisal to Lessor;
- d. The average of the two individual appraisal sales amounts will become the hypothetical FMV sales price;
- e. The base annual rental rate will be 10% of the hypothetical FMV sale price for the remaining years of the lease (2021-2025), which will be implemented on February 1, 2021 and will be increased by 1.5% annually. A new annual fee schedule table will be created and signed by both parties as a lease amendment; and
- f. If Lessee does not accept Lessor’s appraisal, but fails to provide its own appraisal in a reasonable time, not to exceed six (6) months following Lessor’s written notification, Lessor may terminate this Lease under the termination section of this lease.

If Lessor chooses not to exercise the reevaluation, the fee schedule will continue as described in the above table for years 6-10 (2021-2025).

6. REQUIRED MAINTENANCE

Lessee shall, throughout the term of this lease, at its own cost, and without any expense to Lessor, keep and maintain the premises, including all buildings and improvements of every kind, in good, sanitary, and neat order, condition and repair. Lessee shall restore and rehabilitate any improvements, in good, sanitary, and neat order, condition and repair. Lessee shall restore and rehabilitate any improvements which may be destroyed or damaged by fire, casualty, or any other repairs, replacements, or renewals of any kind, nature, or description whatsoever to the premises or any buildings or improvements.

7. LESSOR REQUIREMENTS

Lessor will operate and manage the airport facility in accordance with MDT Aeronautics Division standards and Federal Aviation Administration rules if applicable and make the airport available and open to the public for typical airport uses.

8. SPECIFIC REQUIREMENTS AND ALLOWED AND PROHIBITED USES OF LEASED AREA

A. Uses of Premises - Lessee must not use, or permit the premises, or any part thereof, to be used, for any purpose other than the purpose for which the premises are leased; and no use shall be made or permitted to be made of the premises, or acts done, which will cause a cancellation of any insurance policy covering any structure located on the premises.

Lessee must not sell any article, or permit to be kept, used, or sold, any article which may be prohibited by Lessee's fire insurance policies. Lessee shall, at its sole cost, comply with all requirements pertaining to the premises, of any insurance organization or company, necessary for the maintenance of insurance, covering any building and appurtenances at any time located on the premises.

This lease is given subject to all of the restrictions and covenants contained in the correction deed given by the United States of America to the State of Montana, dated August 12, 1968, insofar as applied to this treatment facility.

Lessee must comply with all State and Federal requirements regarding operation of public wastewater treatment facility. Lessee must comply with all State and Federal permitting requirements including proper approvals from Montana Department of Environmental Quality and other permits as applicable to a public wastewater treatment facility.

B. No Sharing or Sub-Lease Use - Lessee may not sublet the premises in whole or in part without Lessor's consent. Lessee shall not assign or transfer this lease or any interest herein, without the prior written consent of Lessor, and any consent to an assignment shall not be deemed to be a consent to any subsequent assignment. Any such assignments without such consent shall be void, and shall at the option of Lessor, terminate this lease.

C. Utilities - Lessee shall fully and promptly pay for all water, gas, heat, light, power, telephone service, and other public utilities of every kind furnished to the premises throughout the term of this lease, and all other costs and expenses in connection with the use, operation, and maintenance of the premises and all Lessee's activities. Lessor shall have no responsibility of any kind for any utility payment.

D. Lessor's Right of Entry - Lessee shall permit Lessor and Lessor's agents and employees to enter into and upon the premises at all reasonable times for the inspection of leased premises to ensure compliance with the terms of this lease.

E. Taxes and Assessments - Lessee shall pay and discharge as they become due, promptly and before delinquency, all taxes, assessments, rates, charges, license fees, municipal liens, levies, excises, or imposts, whether general or special, ordinary or extraordinary, of every name, nature and kind whatsoever which are from time to time assessed, charged or levied against the premises.

F. Liens - Lessee shall keep all of the premises and all buildings and other improvements free and clear of any and all mechanics', materialmen's, and other liens for or arising out of or in connection with work or labor done, services performed, or materials or appliances used or furnished for or in connection with any operations of Lessee.

G. Encumbrance of Lessee's Leasehold Interest - Lessee may encumber by mortgage or deed of trust, or other proper instrument, its leasehold interest and estate in the premises, together with all of Lessee's building and improvements, as security for any indebtedness. The execution of any instrument, or the foreclosure or sale under an instrument, either by judicial proceedings, or conveyance by Lessee to the holder of such indebtedness, or the exercising of any right, power, or privilege reserved in any mortgage or deed of trust, shall not be held as a violation of any of the terms or conditions of this lease. No such encumbrance, foreclosure, conveyance, or exercise of right shall relieve Lessee from its liability under this lease.

H. Protected Surfaces - No structure, building, or dike may be constructed upon the premises which would protrude into the protected surfaces as defined by Federal Aviation Regulations Part 77.

I. Underground Storage Tank - No construction or installation of any underground fuel storage tank dispensing system located on leased property will be allowed.

J. Public Works Activities – The Lessee is permitted to conduct other public works activities that may not be in direct support of the operation of the sewer lagoon. These incidental public works activities are subject to determination of approval by the Lessor. Any activities that the Lessee wishes to conduct on the leased parcel other than those in direct support of the sewer lagoon activities must be requested in writing to the Lessor. The Lessor then will either grant or deny the activity requested at the Lessor's sole discretion and will do so in writing.

- Other currently approved public works activities:
 - Storage of non-hazardous infrastructure and maintenance materials.
 - Storage of Town owned equipment

The Lessor has sole discretion over what other approved activities may be conducted other than those in direct support of the sewer lagoon operation. At any time the Lessor determines an unapproved activity is being conducted on the leased parcel, the Lessor will notify the Lessee in writing and the Lessor will have the opportunity to cure this breach as described in Section 14.

9. WILDLIFE MANAGEMENT

Lessee shall record daily wildlife activity observations on the "Daily Wildlife Management Log" provided by Lessor in the Yellowstone Airport Wildlife Hazard Management Plan (WHMP).

This activity report will be submitted by Lessee to Lessor on a monthly basis for the months May through November annually.

Lessee shall cease operation of the wastewater treatment facility if wildlife, in particular waterfowl, are shown to be attracted to the wastewater facility, cannot be controlled by Lessee, and are determined by Lessor to be a hazard to aircraft operations. Any and all related costs associated with wildlife control and mitigation due to the operation of the wastewater treatment facility will be the sole responsibility of Lessee.

10. ENVIRONMENTAL HAZARDS

In the event that soils or other materials are found on the leased site that are “Hazardous or Deleterious Substances” as defined by the Montana Comprehensive Environmental Cleanup and Responsibility Act, §75-10-701 et. seq., MCA (“CERCRA”), “Hazardous Substances: as defined by the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9600, et. seq. (“CERCLA”), “Hazardous Waste” as defined by the Montana Hazardous Waste and Underground Storage Tank Act, §75-10-401, et. seq. MCA, or the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et. seq., or which require special remediation or disposal pursuant to any other applicable law, Lessee shall excavate, handle and dispose of such soils or other materials only in compliance with such statutes and regulations. In the event that the Lessee leaves any of the above-described materials on the property, the Lessor may, at its option, have the wastes properly disposed of at the cost of storage, transport and disposal. All Hazardous Materials must be appropriately labeled and stored.

In the event that a hazardous material spill occurs on the property, it is the responsibility of the Lessee to have the spill cleaned up according to State and Federal Laws and Regulations. In the event that drains or floor sumps are contaminated, it will be the responsibility of the Lessee to clean up those systems. Lessor is aware that there are significant penalties for improperly disposing of wastes or submitting false information, including the possibility of fine and imprisonment for knowing violations.

Lessee agrees to indemnify and hold harmless the State of Montana, Department of Transportation, Aeronautics Division, from any and all actions, claims, demands, liabilities, losses, damages, expenses, clean-up costs, or judgments (including attorney’s fees), and damage to property or for loss of use of property, or for any other cause, which may be imposed, or that the Lessor may sustain, as a result of Lessee’s impact on any hazardous or deleterious waste, as defined in section §75-10-701, MCA, or any solid wastes, which are located on the land being leased.

During the period of this lease agreement if the Lessee wishes to utilize any fill materials to modify the leased parcel the Lessee may do so. These fill materials must be of clean natural material. No concrete, metal, plastic, asphalt, etc... will be permitted to be utilized for fill material. All clean natural fill materials utilized must be in compliance with all State and Federal environmental laws.

11. AIRPORT RULES AND MINIMUM STANDARDS

- A. **Airport Rules and Regulations** - Lessee shall comply with any and all applicable rules and regulations set forth by the MDT Aeronautics Division and the Federal Aviation Administration in accordance with airport operations.
- B. **Airport Minimum Standards** - Lessee shall comply with any existing or future airport minimum standards set forth by the MDT Aeronautics Division. Minimum Standards are not incorporated as part of this Lease, however, they carry the full weight and effect as all other conditions in regards to this lease. Non-compliance by the Lessee of any Airport Minimum Standards while operating on the airport is grounds for termination of this lease.

12. LOCAL, STATE AND FEDERAL LAWS AND INSPECTION OF PROPERTY AND RECORDS

Lessee represents and warrants Lessee is in compliance with all applicable Local, State and Federal laws and regulations in the execution of this lease. Lessee agrees to provide the Departments of Transportation or Administration, the Legislative Auditor, the Legislative Fiscal Analyst, or their authorized agents' access to any records concerning this lease. Lessee agrees to create and retain all records supporting this lease for a period of three years after either the completion date of this lease or the conclusion of any claim, litigation or exception relating to this lease taken by the State of Montana or a third party.

Lessor shall have the right, through its agents or agents of another appropriate agency, for reasonable ingress and egress to inspect the premises, buildings and grounds to ascertain Lessee is adhering to the terms of this lease.

13. TERMINATION

Lessor may, by written notice to Lessee, terminate this lease at any time without cause, or if the location is needed for any Department project or aviation-related purposes. Lessor must give notice of termination without cause to Lessee at least 90 days prior to the effective date of termination. Termination for any reason shall not entitle Lessee to any refund for rentals paid or exemption from the payment of any rents, penalties, or other compensation due under the terms of the lease.

The Lessor, at its sole discretion, may terminate or reduce the scope of this lease if available funding is reduced for any reason (Mont. Code Ann. §18-1-401).

14. BREACH OF LEASE AND OPPORTUNITY TO CURE

Lessor shall have the authority to terminate the lease for breach of any term of the lease.

- A. **Opportunity to Cure** - If Lessee fails to perform any of the terms of this lease, the Lessor may give written notice to perform. If the nonperformance continues to 10

days after service of the notice, the Lessor may give notice to terminate this lease, and 20 days after service of the notice, the lease will terminate.

B. Opportunity to Cure Breach of Rent - Any rental payment received by Lessor after the deadline for rental payments as described in this lease shall be assessed a penalty in the amount of five (5%) percent of the entire annual rental that was due. Partial payments will not be accepted. Lessor may, in its sole discretion and without any obligation, remind Lessee of any rental payment lateness or insufficiency.

Lessee shall not be liable to Lessor for any amount which would have been payable in the future had this lease not been terminated under this section. Lessee shall be liable to the Lessor only for the amount owed to the Lessor up to the date of termination, or date Lessee vacates the premises under a land use license described in this lease.

15. RELINQUISHMENT

Lessee may request the right to surrender and relinquish the lease in whole or in part, by writing to the Lessor at least 30 days prior to the termination of any rental year. Lessor may grant or deny the request and may condition the right to surrender and relinquish upon the payment to Lessor reasonable damages caused by the surrender, which may include removing improvements and restoring the land to its original condition.

16. LAND USE LICENSE – REMOVAL OF PERSONAL PROPERTY

After any notice of termination is issued by Lessor, Lessee may secure a land use license, not to exceed three (3) years in duration, to remove improvements and restore the site to its original condition. The land use license payment is due when issued, and shall be calculated at the same annual lease rate at the time of termination. No refunds shall be given to the Lessee for the term of the land use license or any portion of the license.

Lessee shall have the right to remove personal property and personal equipment from the property within the land use license period after the termination of this lease or termination of any extension or renewal of this lease. In the event of lease termination, Lessee shall return the leased area to its original condition, including filling with native soils, grading and removal of all constructed features.

The moveable improvements must be removed during the land use license period, or they become the property of the State, unless Lessor for good cause grants additional time for removal. Lessor shall charge the former Lessee for the period of time under that land use license that the improvements remain on the land after termination of the lease.

17. INSURANCE

Lessee shall maintain for the duration of the lease, at its cost and expense, insurance against claims for injuries or accidents to persons or damages to property which may arise from or be in connection with the performance of the work, negligent use or occupancy of the leased premises.

- A. **Primary Insurance** - The Lessee's insurance coverage shall be primary insurance as respect to the Lessor, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by the Lessor, its officers, officials, employees or volunteers shall be excess of the Lessee's insurance and shall not contribute with it.
- B. **Coverage** - The Lessee shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of the Lessee or its officers, agents, representatives, assigns, clients, or sublessees.
- C. **Additional Insureds** - The State of Montana, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds; for liability arising out of activities performed by or on behalf of the Lessee, including the insured's general supervision of the Lessee; products and completed operations; premises owned, leased, occupied, or used.
- D. **Change in Coverage** - Lessee must notify the Lessor immediately of any material change in insurance coverage such as changes in limits, coverages, change in status of policy, etc. The Lessor reserves the right to require complete copies of insurance policies at all times.
- E. **Lessee's Property** - The Lessee shall be responsible for acquiring whatever insurance the Lessee deems necessary to safeguard the Lessee's interest in the Lessee's real and personal property stored on the airport and, in this regard, expressly covenants and agrees to assert no claim against Lessor as a result of loss or damage to any real or personal property stored on the airport belonging to Lessee resulting from actions of any third party. The Lessee hereby covenants and agrees to take whatever steps the Lessee sees fit to take in protecting the Lessee's person and property from loss or damage as the result of vandalism, malicious mischief, theft, or kindred losses, and, in this regard, agrees to assert no such claim against the Lessor for these losses.
- F. **Criminal Activity** - All losses suffered by the Lessee resulting from the criminal activity of others shall be reported to the police or sheriff's department having jurisdiction. The Lessor assumes no responsibility for such losses.

18. WORKERS' COMPENSATION INSURANCE

Lessee is required to comply with the provisions of the Montana Workers' Compensation Act while performing work in the State of Montana in accordance with Mont. Code Ann. §§39-71-401, 39-71-405, and 39-71-417. Neither Lessee nor its employees are employees of the Lessor. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor exemption, or documentation of corporate officer status and must be received by the Aeronautics Division, Montana Department of Transportation P.O. Box 200507, Helena, MT 59620-0507 within 10 working days of the execution of this lease. This insurance/exemption must be valid for the entire term of the lease. All renewal documents must be sent to the Lessor upon expiration of previous documents.

19. HOLD HARMLESS AND INDEMNIFICATION

Lessee agrees to indemnify and hold harmless the State of Montana, Department of Transportation, Aeronautics Division, and its officials, employees and other staff from and loss, liability or expense (including costs and attorney's fees) for injury to or death to any person, or loss or destruction of any property caused by Lessee's negligent use or occupancy of the leased premises.

20. VENUE AND CHOICE OF LAW

The laws of Montana govern this Lease. The parties agree that any litigation concerning this lease must be brought in the First Judicial District in and for the County of Lewis & Clark, State of Montana and each party shall pay its own costs and attorney's fees.

21. ASSIGNMENT, TRANSFER OR SUBLEASE

Lessee may not assign, transfer, or sublease this lease or any area controlled by this lease without the prior written consent of the Lessor

22. NOTICE

Any notice or demand required or permitted to be given under this lease must be in writing. Written notice shall be deemed given when hand delivered, or when mailed by first class mail, postage prepaid, to the addresses specified in this section. The address to which any notice, demand, or other writing may be given or made or sent to any party as above provided may be changed by written notice given to such party as above provided.

Lessor's representative for purposes under this lease is Debbie Alke, Administrator of the MDT Aeronautics Division, or her designated representative or replacement, P.O. Box 200507 Helena, MT 59620-0507, telephone (406) 444-2506.

Lessee's representative for purposes of this lease is Town of West Yellowstone, PO Box 1570 West Yellowstone, MT 59758.

23. SUCCESSORS IN INTEREST

The covenants and conditions of this lease shall, subject to the provisions as to assignment, transfer and subletting, apply to and bind the heirs, successors, executors, administrators, and assigns of the parties.

24. DEBARMENT

Lessee certifies, by execution of this lease, that neither it nor its principals are presently debarred, suspended proposed for debarment, declared ineligible, or voluntarily excluded from participation in this lease by any governmental department or agency. If the Lessee cannot certify this statement, attach a written explanation for review by the State.

25. SEVERABILITY CLAUSE

If any provision of this lease is held to be illegal or void, the validity of the remaining items shall not be affected. This document contains the entire agreement of both parties. Any alteration or modification to this lease requires a written amendment signed by both parties.

IN WITNESS WHEREOF, the State of Montana and the Lessee have caused this lease to be executed pursuant to the authority granted to the signatories below.

TOWN OF WEST YELLOWSTONE

Lessee Signature

Date

Printed Name: _____

Title: _____

MONTANA DEPARTMENT OF TRANSPORTATION, AERONAUTICS DIVISION

Jeff Kadlec, Yellowstone Airport Manager
MDT Aeronautics Division

Date

Debbie Alke, Administrator
MDT Aeronautics Division

Date

APPROVED FOR LEGAL CONTENT:

Attachment "A"

City of West Yellowstone Lease Parcel

A parcel of land located in the SE ¼ of Section 29, and in the SW ¼ of Section 28, Township 13 South, Range 5 East, Principal Meridian Montana, Gallatin County, Montana, more particularly described as follows:

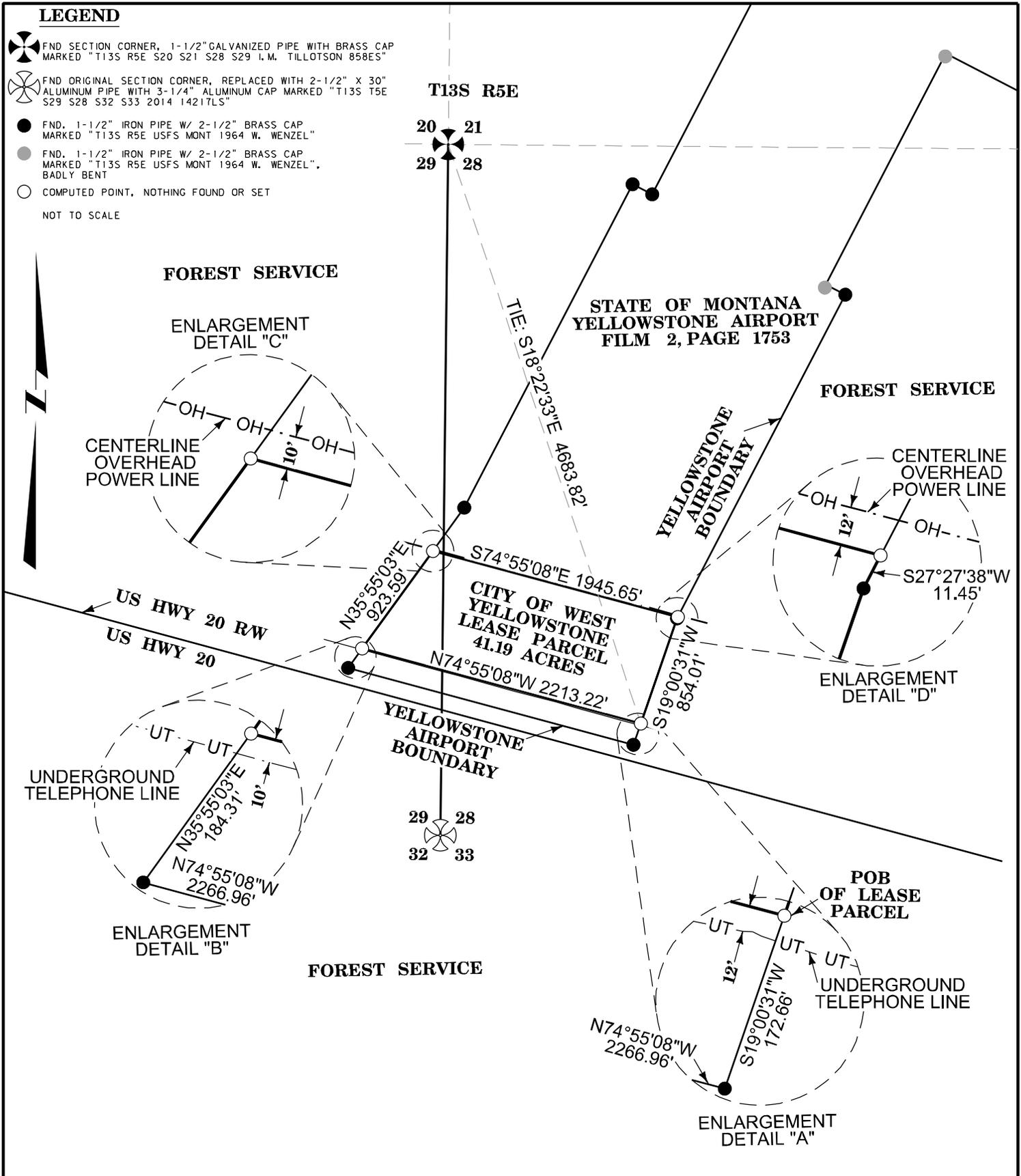
Commencing at the corner common to Sections 20, 21, 29 and 28 of Township 13 South, Range 5 East, thence South 18°22'33" East a distance of 4683.82 feet to a point on the east boundary line of the Yellowstone Airport as described in Film 2, Page 1753 of Deeds, said point being the True Point of Beginning; thence, departing said east boundary line of the Yellowstone Airport parallel with the south boundary line of the Yellowstone Airport, North 74°55'08" West a distance of 2213.22 feet to the west boundary line of the Yellowstone Airport as described in Film 2, Page 1753 of Deeds; thence, along said west boundary line of the Yellowstone Airport, North 35°55'03" East a distance of 923.59 feet; thence, departing said west boundary line of the Yellowstone Airport parallel with the south boundary line of the Yellowstone Airport, South 74°55'08" East a distance of 1945.65 feet to the east boundary line of the Yellowstone Airport as described in Film 2, Page 1753 of Deeds; thence, along said east boundary line of the Yellowstone Airport, South 27°27'38" West a distance of 11.45 feet; thence continuing along said east boundary line of the Yellowstone Airport, South 19°00'31" West a distance of 854.01 feet to the Point of Beginning.

The above described parcel of land lies in Gallatin County, Montana, and contains 41.19 acres, more or less.

ATTACHMENT "B"

LEGEND

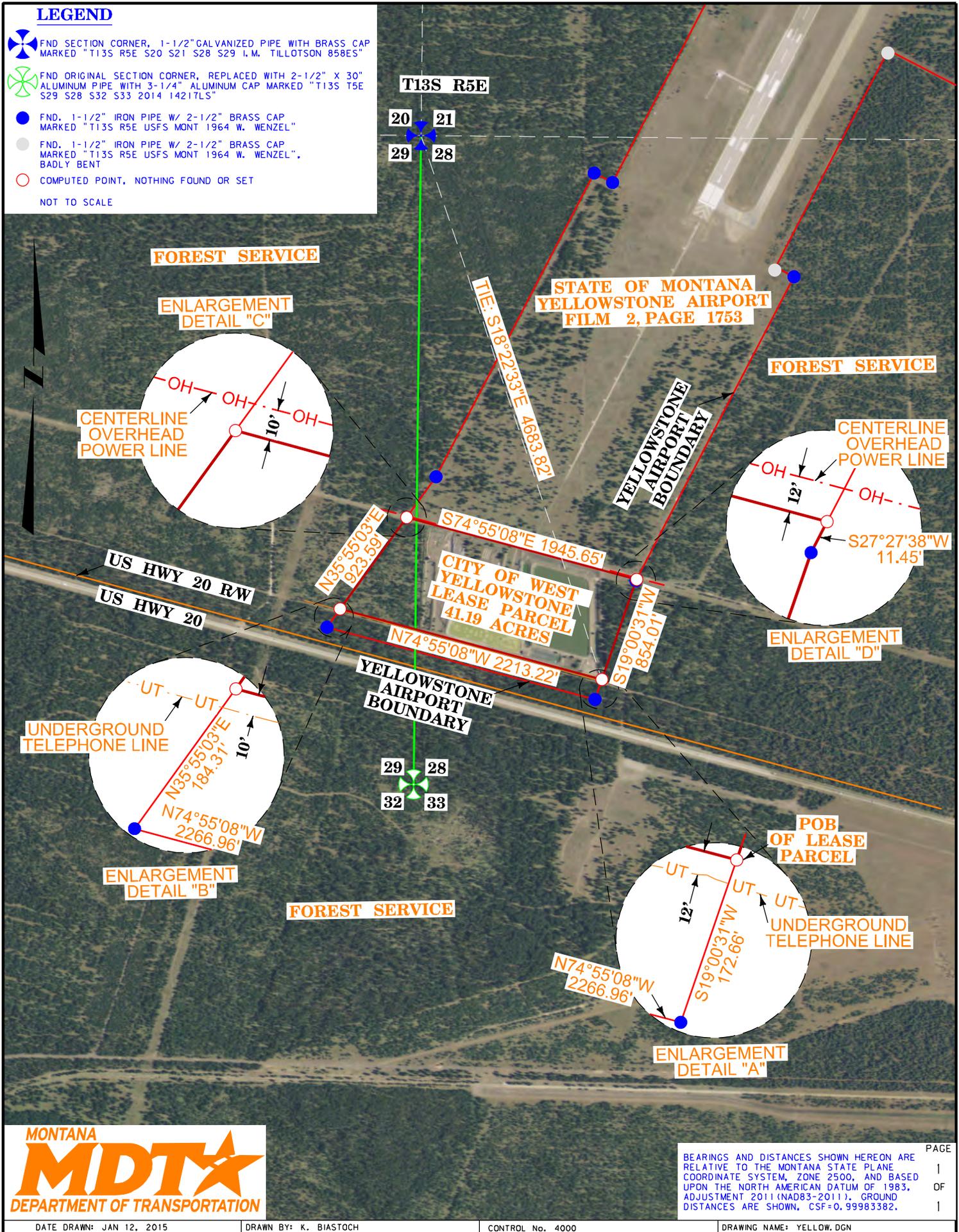
-  FND SECTION CORNER, 1-1/2" GALVANIZED PIPE WITH BRASS CAP MARKED "T13S R5E S20 S21 S28 S29 I.M. TILLOTSON 858ES"
 -  FND ORIGINAL SECTION CORNER, REPLACED WITH 2-1/2" X 30" ALUMINUM PIPE WITH 3-1/4" ALUMINUM CAP MARKED "T13S T5E S29 S28 S32 S33 2014 14217LS"
 -  FND. 1-1/2" IRON PIPE W/ 2-1/2" BRASS CAP MARKED "T13S R5E USFS MONT 1964 W. WENZEL"
 -  FND. 1-1/2" IRON PIPE W/ 2-1/2" BRASS CAP MARKED "T13S R5E USFS MONT 1964 W. WENZEL", BADLY BENT
 -  COMPUTED POINT, NOTHING FOUND OR SET
- NOT TO SCALE



ATTACHMENT "B"

LEGEND

-  FND SECTION CORNER, 1-1/2" GALVANIZED PIPE WITH BRASS CAP MARKED "T13S R5E S20 S21 S28 S29 I.M. TILLOTSON 858ES"
 -  FND ORIGINAL SECTION CORNER, REPLACED WITH 2-1/2" X 30" ALUMINUM PIPE WITH 3-1/4" ALUMINUM CAP MARKED "T13S T5E S29 S28 S32 S33 2014 14217LS"
 -  FND, 1-1/2" IRON PIPE W/ 2-1/2" BRASS CAP MARKED "T13S R5E USFS MONT 1964 W. WENZEL"
 -  FND, 1-1/2" IRON PIPE W/ 2-1/2" BRASS CAP MARKED "T13S R5E USFS MONT 1964 W. WENZEL", BADLY BENT
 -  COMPUTED POINT, NOTHING FOUND OR SET
- NOT TO SCALE



BEARINGS AND DISTANCES SHOWN HEREON ARE RELATIVE TO THE MONTANA STATE PLANE COORDINATE SYSTEM, ZONE 2500, AND BASED UPON THE NORTH AMERICAN DATUM OF 1983, ADJUSTMENT 2011 (NAD83-2011). GROUND DISTANCES ARE SHOWN. CSF=0.99983382.		PAGE
		1
		OF
		1

**Montana Department of Transportation
Aeronautics Division
Yellowstone Airport
Use Agreement**

1. PARTIES

This agreement is made and entered into this _____ day of _____, by State of Montana, Department of Transportation, Aeronautics Division (“Department” or “MDT”), and the Town of West Yellowstone, acting by and through its duly qualified and elected Town Council (“Town”).

2. PURPOSE

MDT gives permission to Town to use the Yellowstone Airport property described in this Agreement for a firing range for training and individual practice in the use of firearms. The Town is willing to assume control of the range and be responsible for its maintenance.

3. PREMISES DESCRIPTION

MDT hereby allows Town to use that certain real property located within the Yellowstone Airport boundaries (“Range”), which is more particularly described in “Attachment A” and depicted in “Attachment B” included hereto this agreement.

4. USE OF PROPERTY

The Range is a firing range for the use of Law Enforcement Officer (LEO) fire arms training only. The Town is solely responsible and liable for the safe operation of the Range. The Town will ensure proper preventative measures are taken to prevent inadvertent entry of projectiles outside of the Town’s premises described above. Furthermore the Town will ensure proper preventative measures are taken to ensure no projectiles enter, cross the Airfield Operations Area (AOA) or anywhere whatsoever on the airport property that is not part of the premises described above. The Town will also ensure proper preventive measures are taken that no projectiles will interfere with aircraft activity or the flying public.

MDT agrees that Town has the exclusive right to use the Range and has authority and control over all uses of the Range. MDT agrees that during the term of this agreement it will not allow or permit any other person or entity any right of use, possession or control over the Range. The Town will prohibit access to the Range by persons or entities not expressly authorized by the Town to use the Range. Town may construct or erect fixtures or improvements upon the Range that enhance the usage or safety of the Range. MDT has access rights to the premise at all

reasonable times. Reasonable notice will be given by MDT to the Town anytime MDT needs to access the premise.

5. EFFECTIVE DATE AND DURATION

The term of this agreement is ten (10) years, commencing February 1, 2016 and terminating January 31, 2026. 90 days prior to the end of the term of this use agreement the Town may request a renewal in writing.

6. TERMINATION

This agreement may be terminated prior to the end of its 10 year term by either party upon giving six (6) months written notice to the other. During said 6 month period, Town will remove any improvements or fixtures it has placed upon the Range and it must restore the Range to the original condition it was in prior to the placement of the improvements or fixtures so removed.

7. CONDITIONS OF USE

Town is solely responsible for the operation and maintenance of the Range subject to the following conditions:

A. Town will monitor and control the use of the Range. Town will use the Range in a careful and prudent manner.

B. Town will not allow any use of the Range that creates any additional danger or hazard to aviation or other airport property beyond that presently existing. Town must ensure no projectile lands on or travels above the AOA or elsewhere on airport property.

D. Town must notify Airport Manager or designee by telephone call to the main airport number before any use of the range is made during daylight hours. Airport Manager may deny use for any day or time of day if airport conditions warrant.

C. Town will keep the Range clean and orderly. Town will remove or mitigate hazardous conditions that exist upon the Range.

D. Any improvements or fixtures erected or constructed upon the Range will be made at the expense of the Town. Airport is not financially responsible for improvements or fixtures constructed upon the Range by the Town. Any such improvements or fixtures remaining on the Range will be removed upon termination of this agreement.

E. Town will not alter or modify the present layout of the Range without written permission of the MDT. The Town can request permission to alter or modify the Range in writing.

F. Town will establish rules and policies concerning the use of the Range. Town will allow other law enforcement agencies who agree to abide by said rules and policies to use the Range.

G. Town may not use or permit the Range to be used for any purpose in violation of any law or regulation.

8. HAZARDOUS MATERIALS

The Town acknowledges responsibility that the Range soil is currently contaminated with lead fragments from bullets and spent bullet casings from their fire arms training activity. By this agreement, the Town does not acquire any ownership interest in the soil at the Range and is obligated to clean up and remove any of the current contaminants within the Range and in the soil. Upon termination the Town will reclaim the soil to its original native condition prior to any bullet casings litter as also outlined in Section 6 of this agreement.

9. INDEMNIFICATION

Town agrees to indemnify and hold harmless the State of Montana, Department of Transportation, Aeronautics Division, and its officials, employees and other staff from any loss, liability or expense (including costs and attorney's fees) for injury to or death to any person, or loss or destruction of property caused by Town's use or occupancy of the Range.

10. NON-ASSIGNMENT

Town may not assign or otherwise transfer its rights under this agreement without the express written consent of MDT.

11. NON-CONVEYANCE

This agreement is personal to the Town, limited to use of the premises as set forth herein, and does not convey to Town any right, title or interest in the MDT's real property.

12. COMPLIANCE WITH LAWS

Town agrees to comply with the Montana Human Rights Act, the federal Civil Rights Act of 1964, the federal Age Discrimination Act of 1975, the federal Americans with Disabilities Act of 1990, Section 504 of the Rehabilitation Act of 1973, and other laws prohibiting discrimination on the basis of race, creed, religion, gender, marital status, color, physical or mental disability, or national origin.

13. DEFAULT

If either party fails to comply with any condition of this agreement, at the time or in the manner provided for, the other party may, at its option, terminate this agreement. The non-defaulting

party shall be released from all obligations if the default is not cured within thirty (30) days after written notice is sent to the defaulting party setting forth the items to be cured. Further, non-defaulting party may bring suit for damages, specific performance and any other remedy provided by law. These remedies are cumulative and not exclusive. The use of one remedy does not preclude use of the others.

14. NOTICE

Any notices required to be given pursuant to this agreement shall be in writing and sent to the respective representative of each party as follows:

MDT Aeronautics Division
Division Administrator
PO Box 200507
Helena, MT 59620-0507

Town of West Yellowstone
PO Box 1570
West Yellowstone, MT 59758

Notice is deemed delivered on the date of mailing.

IN WITNESS WHEREOF, the State of Montana and the Town of West Yellowstone have caused this Use Agreement to be executed pursuant to the authority granted to the signatories below.

TOWN OF WEST YELLOWSTONE

Signature Date
Printed Name: _____
Title: _____

MONTANA DEPARTMENT OF TRANSPORTATION, AERONAUTICS DIVISION

Jeff Kadlec, Yellowstone Airport Manager Date
MDT Aeronautics Division

Debbie Alke, Administrator Date
MDT Aeronautics Division

APPROVED FOR LEGAL CONTENT:

DEVELOPMENT AGREEMENT

This Agreement is entered into as of the 10 day of February, 2015, by and between the Town of West Yellowstone, a Montana municipal corporation ("Town"), and Grizzly Internet, Inc. ("Grizzly"), with respect to the following facts.

A. The Town owns, operates, maintains, and regulates public rights-of-way within its incorporated limits including streets, alleys, and publicly-dedicated utility easements.

B. Grizzly desires to install a Town-wide fiber optic communication network within established Town rights-of-way and utility easements for the purpose of providing privately offered fiber optic Internet and communications services to existing and future residences and businesses within the Town.

C. In recognition of the greater public good potentially achieved in having a Town-wide fiber optic communication network commercially available to businesses and residences in Town; The Town is willing to allow the installation, operation, and maintenance of the fiber optic network in the Town rights-of-way and Town-controlled easements, subject to the terms of this Agreement.

THEREFORE, the parties agree as follows:

1. The Town agrees that Grizzly shall be permitted to install a Town-wide fiber optic communication system and associated components in existing Town rights-of-way and Town controlled easements, at Grizzly's sole expense and risk, in accordance with all of the terms set forth herein, and with the existing Town Ordinances with regard to permitted encroachments, and current Town Publics Works Standards.

2. Grizzly agrees to be responsible for and pay all reasonable and documented engineering fees, legal fees, and development-related out-of-pocket expenses incurred by the Town in connection with Grizzly's installation, operation, and maintenance of the fiber optic network and components. Grizzly shall not allow any liens or other encumbrances to be filed on any property, rights of way or easements belonging to the Town and agrees to defend and indemnify the Town in the event any such lien or claim is filed.

3. Grizzly agrees to be responsible and pay for any and all costs for repair, replacement, or relocation arising from damage to or interference with the proper operation of Town infrastructure (including, but not limited to streets, alleys, storm draining drainage facilities, water facilities, and sewer facilities), and to other private utilities currently occupying Town rights-of-way, that may occur from the installation and operation of the fiber optic network. As good-faith evidence of this commitment, Grizzly will furnish the Town a performance bond in the amount of \$50,000.00 for the installation portion of the development. The bond will be released upon Town's acceptance of the completion and cleanup of the installation of the fiber optic network and associated facilities as determined in the Town's reasonable judgment.

4. Grizzly likewise agrees to be responsible for and to repair at its sole expense any other damage or disruption to existing Town infrastructure or other private utilities using Town

the sole purpose of protecting its infrastructure or other property but not for the purposes of insuring proper fiber optic installation. Grizzly agrees to correct or adjust at its sole expense the location or installation of any facilities as directed by the Town for the purpose of avoiding or minimizing present or future interference with Town infrastructure or use of the rights-of-way. Grizzly is responsible for any loss or damage to materials, tools, or other articles used or held for use in the completion of performance of the project. Grizzly's performance must be without damage or disruption to any other work or property of the Town or of others and without interference with the operation of the Town's existing machinery or equipment.

12. Grizzly agrees to provide the Town with both electronic and hard copies of detailed "as-built" record drawings of the fiber optic network facility and component locations, and to regularly update the Town's records as future adjustments or extensions of the fiber optic network are completed.

13. To the fullest extent permitted by law, Grizzly 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 Grizzly's performance of this Agreement and its work on the installation project or related work of any subcontractor or supplier to Grizzly.

14. Grizzly shall maintain those insurances as may be required by Town as set out below and shall provide Town with proof of such insurance coverage within ten (10) days following execution of this Agreement and at least annually thereafter during the term of the Project. Grizzly shall notify Town thirty (30) days prior to the expiration of any such required insurance coverage and shall ensure such required insurance coverage is timely renewed during the term of this Agreement so that there is no lapse in coverage during Grizzly's performance of this Agreement. Grizzly shall further notify Town within two (2) business days of Grizzly's receipt of notice that any required insurance coverage will be terminated or Grizzly's decision to terminate any required insurance coverage for any reason. Each required insurance coverage must name the Town as an additional insured.

Insurance Coverage at least in the following amounts is required:

a.	Commercial General Liability (bodily injury and property damage)	\$1,500,000 per occurrence \$3,000,000 aggregate
b.	Products and Completed Operations	\$3,000,000
c.	Automobile Liability	\$1,500,000 combined single limit
d.	Workers' Compensation	Not less than statutory limits
e.	Employers' Liability	\$1,500,000
f.	Professional Liability (E&O) (only if applicable)	\$1,500,000
g.	Contractual Liability Insurance (covering indemnity obligations)	\$1,000,000 per occurrence \$3,000,000 aggregate

APPLICATION TO MAINTAIN AN ENCROACHMENT

Town of West Yellowstone
Gallatin County, Montana

DATE: 1-9-2015

APPLICANT: Grizzly Internet, Inc

ADDRESS: 303 N Canyon Suite F

PHONE: 406-646-7006

INTEREST IN PROPERTY: Lease

OWNER OF RECORD'S SIGNATURE: _____

1. LEGAL DESCRIPTION:

Subdivision: Old Town & Grizzly Addition Proper

Block: ALL Lot: _____

Zoning District Number: ALL

2. Please describe specifically the construction and size of the proposed encroachment. On the reverse of this application, please provide a sketch of the proposed encroachment. To encroach in the public right of way in Old Town and the Grizzly Addition of the town of West Yellowstone for the purpose of installing and maintaining a fiber optic network to be able to provide businesses and residents with fiber optic broadband Internet service.

Construction will be done using mostly horizontal direction drilling with digging where needed. The installation will be of up to 2 inch in diameter conduit and 24 x 36 and 14 x 19 inch vaults along the path of the conduit.

Please see attached maps for location estimates and refer to business plan for more description.



Signature of Applicant

1-9-15

DATE

* 2-10-15
Approved contingent upon the terms and conditions of attached Development Agreement. 

For Office Use Only:
DECISION BY TOWN COUNCIL

Approved Disapproved



Mayor/Operations Manager

2-10-15

DATE



Fiber Optic Build for Town of West Yellowstone

303 N Canyon St Suite F
West Yellowstone, MT 59758

p. 406-646-7006

pond@grizzlyinternet.com
<http://www.grizzlyinternet.com>

Executive Summary

Since the creation of Grizzly Internet, Inc. in May 2005 our goal was to bring the best possible internet service to the Hebgen Basin. Nine (9) years later we continue to pursue this goal. Fiber Optics have been around since the 80's and are being installed in cities around the world. So why shouldn't remote West Yellowstone, that has more than 2 million people travel through it each year, not have access to the speeds and quality of fiber optic service. The proposed plan is to provide these speeds and quality to the town of West Yellowstone.

Objective

To install a fiber optic communication system inside the town of West Yellowstone in two phases. Phase 1 to be completed by the end of October 2015 including Old Town & Grizzly Addition; Phase 2 to be completed by end of Summer 2016 including Madison Addition.

Mission Statement

The goal of Grizzly Internet, Inc. is to provide the best possible internet service to the residences and businesses in the Hebgen Basin. We have been doing this through a proprietary wireless system since June of 2005. Our plan is to replace our wireless infrastructure with fiber optic and "future proof" our system design.

Keys to Success

We are unique in the fact that we will be the first to offer fiber to the home (FTTH) service in the Hebgen Basin. We have been a provider here for 9 years, locally owned and operated, and support the local community.

Description of Business

Grizzly Internet, Inc. is an Internet Service Provider. Our focus is on installing internet service in homes and business. Through the past 9 years we have done this primarily through wireless equipment. We are making the move to fiber optics to try to get ahead of the curve of technology advances.

Company Ownership/Legal Entity

Grizzly Internet, Inc. is a Subchapter S Corporation, owned and operated by Jason Pond, President and Tashara Pond, Vice President who are 50/50 owners, and does not have a board of directors.

Hours of Operation

8am – 4pm M-F with 24x7 emergency internet service support.

Products and Services

Wireless Services (currently offered)

- Residential (installed on a residential dwelling)
- Small Business (installed on a business, home offices do not qualify)
- Commercial service (dedicated internet access, only guaranteed bandwidth solution)

only providing a 256kbps service in West Yellowstone due to a capacity cap. This make us the only broadband provider in the Hebgen Basin.

Competition

At this time there are no other providers offering “FTTH” service. There is a provider offering fiber service to large local businesses willing to pay high dollar amounts per month. This provider is Fremont Communications, which is an upstream provider to Grizzly Internet, Inc. They are aware that we are planning to build out the town of West Yellowstone.

Pricing

Our pricing is developed based upon market demand and our cost. As our costs for bandwidth decrease we can offer more bandwidth to the customer. The services offered are selected based on the local communities’ needs and how the internet is used. Phone service pricing falls in-line with a national standard of pricing, in order to be competitive.

Pricing Plans								
Residential			Small Business			Commercial		
Min	Max		Min	Max		Min	Max	
One Time Fees								
Install	100.00	250.00	Install	100.00	500.00	Install Fees	100.00	1,000.00
Monthly Recurring Internet Fees								
Speed Options			Speed Options			Speed Options		
10x10 Mb/s	45.00		15x15 Mb/s	45.00		Per Mb/s	50.00	
20x20 Mb/s	75.00		30x30 Mb/s	75.00				
30x30 Mb/s	105.00		40x40 Mb/s	105.00				
One Time Phone Fees								
Install	40.00	50.00	Install	40.00	50.00	Install	100.00	1,000.00
Monthly Recurring Phone Fees								
Phone Service	20.00	25.00	Phone / line	30.00	35.00	Custom	100.00	500.00

Strategy and Implementation

1st step was to secure funding. We have secured our own funding for this project. It is not subsidized in any way or by any government grant or loan.

2nd step is to receive town council approval to encroach on public right of ways.

3rd step is to place the order for any products that are going to take more than 3 months to receive, along with finalizing the warehouse lease.

4th step is to purchase all of the equipment needed for the installation process.

Appendix

Maps:

We have included in every packet a map of the proposed conduit & vault locations. Conduit sizes will vary depending on the amount of micro-ducts that are inside. Most will be less than 2in outside diameter. Vaults will vary in size from 14in x 19in to 24in x 36in there are only about 6 of the larger vaults where the main splices are at.

Maps are Phase 1, Phase 2, Old Town and Grizzly Addition. The pins are proposed vault locations. These are all proposed with +/- of 3ft. variance. This is due to the potential of other utilities or obstacles already at that exact location.

Notes:

As a WISP owner, I am a member of an organization called WISPA or Wireless Internet Service Providers Association. There are a lot of other WISPs doing projects just like this. Most are not starting this large, but to explain the reasoning behind this is to understand that the market demand is extremely high here.

Timing is crucial in this market, which is why we are trying to get this project off the ground for spring 2015. By bringing fiber first to the market we hope to retain our customers for a very long time.

PROPRIETARY & CONFIDENTIAL information has been excluded from this business plan as it is being presented in a public forum.

Grizzly Addition



Google earth



1000 ft

Phase 1



Google earth

1000 ft

Phase 2



1000 ft

Google earth



PO Box 1866
303 N Canyon, Ste F
West Yellowstone, MT 59758

Dear Town of West Yellowstone,

Grizzly Internet has entered into a purchase agreement of the assets of Grizzly Internet, Inc to Safelink Internet, LLC out of Rupert, ID. This letter is to request transfer of the Developer Agreement dated February 10th, 2015 from Grizzly Internet, Inc to Safelink Internet, LLC.

As per section 20 of the Developer Agreement, Grizzly Internet, Inc is formally requesting transfer of the agreement to Safelink Internet, LLC.

Contact information for both parties are listed:

Grizzly Internet, Inc
Jason Pond
President / Owner
PO Box 1866
West Yellowstone, MT 59758
Phone: 406-641-0000
pond@grizzlyinternet.com

Safelink Internet, LLC
Jacob Larsen
Director of Operations
PO Box 30
Rupert, ID 83350
Phone: 208-312-3795
jacob@safelinkinternet.com

Sincerely,

A handwritten signature in black ink, appearing to be "Jason Pond", written over a circular scribble.

Jason Pond
President / Owner
Grizzly Internet, Inc

Town of West Yellowstone Business License Application

Business Name: Safelink Internet
Applicant: Mike Ricks
Contact Person: Mike Ricks
Mailing Address: PO Box 30 Rupert, ID 83350
Physical Address of Business: 303 North Canyon Suite F, West Yellowstone, MT 59758
Phone Number: (208)677-8000 Fax Number: (888)473-6908
Email Address: mike@safelinkinternet.com Website: www.safelinkinternet.com

Signature of Property Owner of Record: _____

Subdivision: Old Town
Block: 1 Lot: 9

Zoning District, please mark one:

- B-3 Central Business District (Old Town) PUD Planned Unit Development (Grizzly Park)
 B-4 Expanded Business District (Grizzly Park) Residential Districts, Home Occupations Only (Mad Add)
 E-2 Entertainment District (Grizzly Park)
 New Business Transfer of Ownership
 Change of Location Name Change

- Is this business licensed by the State of Montana? Yes No
- Appropriate City/County/Health Dept approvals (if applicable) Yes No (please attach)
- If this business is located in Grizzly Park, has the business been approved by the Grizzly Park Architectural Committee (GPAC)? Yes No

Type of Business Please explain in detail the following: number of units, seating capacity, etc. Contractors should list trailers and equipment and where these items will be stored.

Internet Service Provider

Business License Fee: \$ 25
Resort Tax Bond: \$ _____

Michael Ricks
Signature of Applicant

Total Amount Due: \$ 25

Signature of Applicant
1/13/16
Date

FOR OFFICE USE ONLY				
Date Approved by Town Council:	_____			
Date _____	Check # _____	Amount \$ _____	License # _____	
SCN _____	BLP _____	STX _____	BLC _____	RDX _____

Town of West Yellowstone Business License Application

Business Name: Northwest Data Com
 Applicant: Mike Ricks
 Contact Person: Mike Ricks
 Mailing Address: PO Box 30 Rupert, ID 83350
 Physical Address of Business: 424 Firehole Ave, West Yellowstone, MT 59758
 Phone Number: (208)677-8000 Fax Number: (888)473-6908
 Email Address: mike@safelinkinternet.com Website: www.northwestdatacom.com

Signature of Property Owner of Record: _____

Subdivision: Old Town
 Block: 19 Lot: 3

Zoning District, please mark one:

- B-3 Central Business District (Old Town)
- B-4 Expanded Business District (Grizzly Park)
- E-2 Entertainment District (Grizzly Park)
- PUD Planned Unit Development (Grizzly Park)
- Residential Districts, Home Occupations Only (Mad Add)
- New Business
- Change of Location
- Transfer of Ownership
- Name Change

- Is this business licensed by the State of Montana? Yes No
- Appropriate City/County/Health Dept approvals (if applicable) Yes No (please attach)
- If this business is located in Grizzly Park, has the business been approved by the Grizzly Park Architectural Committee (GPAC)? Yes No

Type of Business Please explain in detail the following: number of units, seating capacity, etc. Contractors should list trailers and equipment and where these items will be stored.
 Fiber Construction Services. Trailers and Equipment will be stored in the warehouse and on the lot.

Business License Fee: \$ 50
 Resort Tax Bond: \$ _____
 Total Amount Due: \$ 50

Michael Ricks
 Signature of Applicant

 Signature of Applicant
 1/13/16

 Date

FOR OFFICE USE ONLY				
Date Approved by Town Council: _____				
Date _____	Check # _____	Amount \$ _____	License # _____	
SCN _____	BLP _____	STX _____	BLC _____	RDX _____