

CITY OF BILLINGS

CITY OF BILLINGS VISION STATEMENT:

“THE MAGIC CITY: A DIVERSE, WELCOMING COMMUNITY WHERE PEOPLE PROSPER AND BUSINESS SUCCEEDS.”

AGENDA

COUNCIL CHAMBERS

December 15, 2014

6:30 P.M.

CALL TO ORDER: Mayor Hanel

PLEDGE OF ALLEGIANCE: Mayor Hanel

INVOCATION: Councilmember Bird

ROLL CALL: Councilmembers present on roll call were:

MINUTES: December 8, 2014 (pending)

COURTESIES:

PROCLAMATIONS:

ADMINISTRATOR REPORTS - TINA VOLEK

PUBLIC COMMENT on “NON-PUBLIC HEARING” Agenda Items: #1 ONLY. Speaker sign-in required. (Comments offered here are limited to one (1) minute. Please sign in at the cart located at the back of the council chambers or at the podium. Comment on items listed as public hearing items will be heard ONLY during the designated public hearing time for each respective item. For Items not on this agenda, public comment will be taken at the end of the agenda.)

1. **CONSENT AGENDA** -- Separations:

A. **Mayor Hanel recommends that Council confirm the following appointments:**

1.

Name	Board/Commission	Term	
		Begins	Ends

1	Mark Astle	Aviation & Transit Board	01/01/15	12/31/18
2	Ron Spence	Aviation & Transit Board	01/01/15	12/31/18
3	No Applications	Billings BID	01/01/15	12/31/18
4	No Applications	Board of Appeals - Electrical	01/01/15	12/31/17
5	No Applications	Board of Appeals	01/01/15	12/31/18
6	No Applications	Board of Appeals	01/01/15	12/31/18
7	Sandra McKee	Board of Ethics	01/01/15	12/31/18
8	Michael Downing	Board of Ethics*	01/01/15	12/31/15
9	John Dorr MD	Board of Health	01/01/15	12/31/17
10	Katrina Kruger	Community Development - Low Mod	01/01/15	12/31/18
11	Patt Leikam	Community Development - Low Mod	01/01/15	12/31/18
12	Kathleen Candelaria	Community Development - Low Mod	01/01/15	12/31/18
13	No Applications	Community Development - Low Mod	01/01/15	12/31/18
14	No Applications	Community Development	01/01/15	12/31/18
15	Dana Bishop	Exchange City Golf Course	01/01/15	12/31/17
16	Michael Samson	Housing Authority	01/01/15	12/31/19
17	No Applications	Housing Authority - Resident Comm	01/01/15	12/31/19
18	No Applications	Housing Authority - Resident Comm*	01/01/15	12/31/15
19	Diane Foley	Human Relations Commission	01/01/15	12/31/18
20	Charleen Sleeper	Human Relations Commission	01/01/15	12/31/18
21	Chelsie Guilford	Human Relations Commission	01/01/15	12/31/18
22	No Applications	Human Relations Commission	01/01/15	12/31/18
23	Jeana Lervick	Library Board	01/01/15	12/31/18
24	No Applications	Mayor's Homelessness - Lending*	01/01/15	12/31/16
25	Johnnie McClusky	Mayor's Homelessness - Lending	01/01/15	12/31/18
26	Gene Culver	Mayor's Homelessness - Housing	01/01/15	12/31/18
27	No Applications	Mayor's Homelessness - Librarian	01/01/15	12/31/18
28	Lisa Donnot	Mayor's Homelessness - Faith Based	01/01/15	12/31/18
29	No Applications	Mayor's Homelessness - Work Force Ag	01/01/15	12/31/18
30	No Applications	Mayor's Homelessness - Veteran*	01/01/15	12/31/16
31	Barb Perzinski	Mayor's Homelessness - Economic Dev.	01/01/15	12/31/18
32	Denise Smith	Mayor's Homelessness - Civic/Business	01/01/15	12/31/18
33	No Applications	Mayor's Homelessness - Philanthropy	01/01/15	12/31/18
34	No Applications	Mayor's Homelessness - Health Care	01/01/15	12/31/18
35	No Applications	Mayor's Homelessness - Service Provider	01/01/15	12/31/18

36	Francis Morris	Parks, Recreation & Cemetery Board*	01/01/15	12/31/16
37	Rick DeVore	Parks, Recreation & Cemetery Board	01/01/15	12/31/18
38	Mark Wahl	Parks, Recreation & Cemetery - SD 2 Rep	01/01/15	12/31/18
39	No Applications	Parking Advisory Board	01/01/15	12/31/18
40	No Applications	Parking Advisory Board	01/01/15	12/31/18
41	No Applications	Parking Advisory Board	01/01/15	12/31/18
42	No Applications	Planning Board - Ward I	01/01/15	12/31/16
43	Donna Forbes	Planning Board - Ward III	01/01/15	12/31/16
44	Darell Tunnicliff	Planning Board - Ward IV	01/01/15	12/31/16
45	Richard Clark	Planning Board - Ward V	01/01/15	12/31/16
46	Terry Corey	Police Board	01/01/15	12/31/17
47	Todd Cormier	Traffic Control Board	01/01/15	12/31/18
48	Pierre Jomini	Traffic Control Board	01/01/15	12/31/18
49	James Boyett	Zoning Commission	01/01/15	12/31/18

*8 Unexpired term of Stephen Sylvester

*18 Vacancy not filled

*24 Vacancy not filled

*30 Unexpired term of Ken Chase

*36 Unexpired term of Alan King

- B. Agreement** with ProDIGIQ, Inc. for Airport Multi-User Flight Information Display System; \$175,590.
- C. Approval** of Declaration of Agricultural Covenant with High Sierra II, Inc.
- D. Amendment #4, W.O. 14-01: Schedule 1, Water Main Replacement and Storm Drain Projects**, Professional Engineering Services Contract, Sanderson Stewart; \$10,800.
- E. Approval** of Tax Increment Financing Assistance from the South Billings Boulevard Urban Renewal District (SBBURD) to Big Sky King Properties, LLC for public improvements associated with the development of a Popeye's Louisiana Chicken quick serve restaurant near the corner of King Avenue East and South Billings Boulevard; \$70,838.63.
- F. Approval** of Tax Increment Financing Assistance from the South Billings Boulevard Urban Renewal District (SBBURD) to South Billings Urban Renewal Association in collaboration with Orchard School, Billings Clinic, and RiverStone Health for development of a School-Based Health Care Center located inside Orchard School; \$47,907.

- G. **Recommendation of Approval** to the Policy Coordinating Committee for the 2015-2019 Transportation Improvement Plan.
- H. **Confirmation of Probationary Police Officer** - Jeffrey Richter
- I. **Final Plat** of Circle Fifty Subdivision, Amended Lot 1C-2, Block 1.

REGULAR AGENDA:

- 2. **PUBLIC HEARING AND RESOLUTION FOR ANNEXATION #14-13:**
Approximately 1.6 acres generally located on the northwest corner of the intersection of Shiloh Road and Central Avenue and addressed as 16 Shiloh Road; Leland and Lorraine Wells, owners. Staff recommends conditional approval. (Action: approval or disapproval of staff recommendation.)
- 3. **PUBLIC HEARING AND RESOLUTION** creating SID 1382 for Colton Boulevard improvements between 38th Street West and Zimmerman Trail and **APPROVAL** of professional services contract with Kadrmas, Lee and Jackson, Inc. for \$162,780. Staff recommends approval. (Action: approval or disapproval of staff recommendation.)

PUBLIC COMMENT on Non-Agenda Items -- Speaker Sign-in required. (*Restricted to ONLY items not on this printed agenda. Comments here are limited to 3 minutes. Please sign in at the cart located at the back of the council chambers or at the podium.*)

COUNCIL INITIATIVES

ADJOURN

Additional information on any of these items is available in the City Clerk's Office.

Reasonable accommodations will be made to enable individuals with disabilities to attend this meeting. Please notify Cari Martin, City Clerk, at 657-8210.

Regular City Council Meeting

Meeting Date: 12/15/2014
TITLE: Boards & Commissions Appointments
PRESENTED BY: Tina Volek, City Administrator
Department: City Hall Administration

PROBLEM/ISSUE STATEMENT

The Mayor is requesting that the City Council confirm appointments for Board and Commission positions that are vacant due to resignations and term limits.

ALTERNATIVES ANALYZED

- Council may:
- Confirm the proposed appointments; or
 - Not confirm the appointments.

FINANCIAL IMPACT

The proposed action has no financial impact.

RECOMMENDATION

Mayor Hanel recommends that Council confirm the following appointments:

	Name	Board/Commission	Term	
			Begins	Ends
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APPROVED BY CITY ADMINISTRATOR

Regular City Council Meeting

Meeting Date: 12/15/2014

TITLE: Agreement to Provide a Multi-User Flight Information Display System for the Airport Terminal Building

PRESENTED BY: Tom Binford, Director of Aviation & Transit

Department: Airport

PROBLEM/ISSUE STATEMENT

The Flight Information Display System (FIDS) is the system that obtains real-time flight information and displays it on the display monitors at the airline counters, the passenger boarding gate hold rooms, and in other common public areas of the Terminal Building such as the baggage claim area, and the restaurant/lounge/deli. The current system installed in 2005, is outdated, experiences reoccurring equipment failure, and often times has inaccurate flight information due to interruptions in the single real-time flight data feed, which has resulted in a number of complaints from the public and the airlines.

The Airport is seeking the services of a firm to provide a new, automated FIDS for the Terminal Building to replace the failing system. Staff issued a Request for Proposals (RFP) for a new Multi-User Flight Information Display System (MUFIDS) in September. The RFP was advertised in the *Billings Times* on September 11, 18, and 25, 2014, and posted on the Airport's Website during this time. The deadline for RFP responses was Friday, October 3, 2014. In addition to automation, the new MUFIDS will provide all new and updated technology, software and hardware, and add two additional display monitors in the Terminal Building. The system will also take advantage of new technology that includes multiple real-time data feeds to provide improved accuracy and data redundancy for the real-time flight information, remote hosted data storage and processing, high definition display monitors, enhanced and responsive Website access to the real-time flight information, and relieve Airport staff from regular maintenance responsibilities for the system.

An Evaluation Committee reviewed the RFP responses, interviewed the top proposers, and has forwarded a recommendation to the City Council for the approval of a MUFIDS Agreement for an initial five-year term, with an option to extend for five additional one-year terms. This Committee consisted of a City Council member, an Aviation and Transit Board member, and Airport staff members.

ALTERNATIVES ANALYZED

City Council may:

- Approve the MUFIDS Agreement with ProDIGIQ, Inc.; or
- Disapprove the MUFIDS Agreement with ProDIGIQ, Inc.

FINANCIAL IMPACT

ProDIGIQ, Inc. was selected through the RFP process. Other firms considered were Infax, Incorporated and Dice of the USA, Inc. The five-year contract base amount is \$175,590, which includes annual service agreements of \$15,360.00/year. Funding for the new MUFIDS will come from the Airport's local capital funds and is included in the FY2015 budget. The annual service agreement amounts will be paid in subsequent years with operating funds.

RECOMMENDATION

Staff recommends that City Council approve the MUFIDS Agreement with ProDIGIQ, Inc., to provide a new Terminal Building MUFIDS, including annual maintenance, for the City of Billings Logan International Airport.

APPROVED BY CITY ADMINISTRATOR

Regular City Council Meeting

Meeting Date: 12/15/2014

TITLE: Acceptance of Declaration of Agricultural Covenant

PRESENTED BY: David Mumford, Public Works Director

Department: Public Works

PROBLEM/ISSUE STATEMENT

High Sierra II, Inc. is splitting off a tract from Certificate of Survey 2017. This tract is to continue to be utilized as agriculture land. In order for the subdivision plat to be exempt from subdivision review, it is necessary to approve a Declaration of Agricultural Covenant. This will be between the City of Billings and Dover Ranch. If this tract is to be developed in the future, it will need to go through the subdivision process.

ALTERNATIVES ANALYZED

The Council may:

- Approve the Declaration of Agricultural Covenant; or,
- Disapprove the Declaration of Agricultural Covenant. The land is currently used as agricultural land and will be in the future.

FINANCIAL IMPACT

There is no financial impact with approval of the Declaration of Agricultural Covenant.

RECOMMENDATION

Staff recommends that the City Council approve the Declaration of Agricultural Covenant.

APPROVED BY CITY ADMINISTRATOR

Attachments

Declaration of Agricultural Covenant

CERTIFICATE OF SURVEY No.

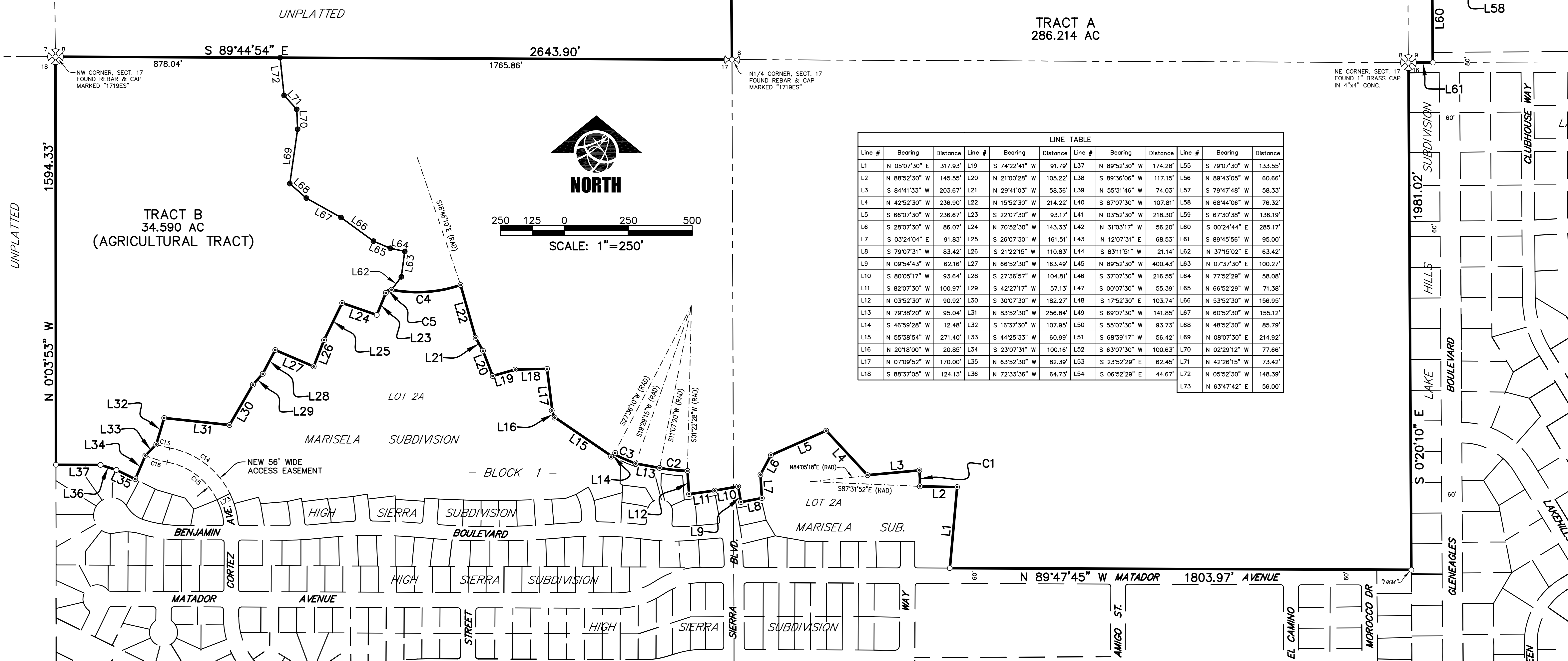
BEING TRACT 1A OF AMENDED TRACT 1 OF CERTIFICATE OF SURVEY NO. 2017 (LESS MARISELA SUBDIVISION & HIGH SIERRA SUBDIVISION), SITUATED IN THE S1/2SE1/4 OF SECTION 8, THE S1/2SW1/4 OF SECTION 9, AND THE N1/2 OF SECTION 17, T. 1 N., R. 26 E., P.M.M., IN THE CITY OF BILLINGS, YELLOWSTONE COUNTY, MONTANA

PREPARED FOR : HIGH SIERRA II, INC.

NOVEMBER, 2014

PREPARED BY : SANDERSON STEWART

BILLINGS, MONTANA

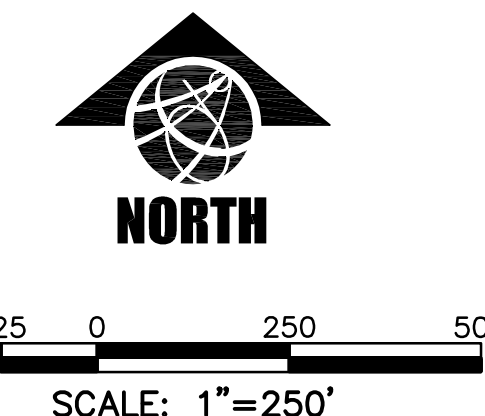


CURVE TABLE

Curve #	Delta	Radius	Length	Chord Bearing	Chord Dist.
C1	8°22'50"	428.00'	62.60'	N 01°43'17" W	62.55'
C2	9°44'52"	645.00'	109.74'	N 83°45'06" W	109.60'
C3	8°06'55"	653.21'	92.52'	N 66°27'17" W	92.44'
C4	29°41'26"	528.00'	273.61'	S 86°54'33" W	270.56'
C5	78°47'45"	20.00'	27.50'	S 61°31'23" W	25.39'
C6	43°39'22"	60.00'	45.72'	S 21°57'11" W	44.62'
C7	10°15'35"	870.00'	155.79'	S 84°50'35" W	155.58'
C8	4°56'30"	1330.00'	114.71'	S 87°39'08" W	114.67'
C9	10°19'09"	1870.00'	336.79'	N 89°43'32" W	336.34'
C10	10°41'54"	930.00'	173.65'	N 89°54'55" W	173.40'
C11	28°31'46"	300.00'	138.91'	N 81°59'59" W	137.67'
C12	31°2'44"	735.00'	41.21'	S 02°01'03" E	41.20'
C13	8°50'49"	352.00'	54.35'	S 75°13'54" E	54.30'
C14	53°28'59"	328.00'	305.98'	N 52°55'48" W	295.01'
C15	53°28'59"	272.00'	253.74'	N 52°55'48" W	244.64'
C16	12°30'03"	408.00'	89.02'	S 73°24'17" E	88.84'

LINE TABLE

Line #	Bearing	Distance	Line #	Bearing	Distance	Line #	Bearing	Distance	Line #	Bearing	Distance
L1	N 05°07'30" E	317.93'	L19	S 74°22'41" W	91.79'	L37	N 89°52'30" W	174.28'	L55	S 79°07'30" W	133.55'
L2	N 88°52'30" W	145.55'	L20	N 21°00'28" W	105.22'	L38	S 89°36'06" W	117.15'	L56	N 89°43'05" W	60.66'
L3	S 84°41'33" W	203.67'	L21	N 29°41'03" W	58.36'	L39	N 55°31'46" W	74.03'	L57	S 79°47'48" W	58.33'
L4	N 42°52'30" W	236.90'	L22	N 15°52'30" W	214.22'	L40	S 87°07'30" W	107.81'	L58	N 68°44'06" W	76.32'
L5	S 66°07'30" W	236.67'	L23	S 22°07'30" W	93.17'	L41	N 03°52'30" W	218.30'	L59	S 67°30'38" W	136.19'
L6	S 28°07'30" W	86.07'	L24	N 70°52'30" W	143.33'	L42	N 31°03'17" W	56.20'	L60	S 00°24'44" E	285.17'
L7	S 03°24'04" E	91.83'	L25	S 26°07'30" W	161.51'	L43	N 12°07'31" E	68.53'	L61	S 89°45'56" W	95.00'
L8	S 79°07'31" W	83.42'	L26	S 21°22'15" W	110.83'	L44	S 83°11'51" W	21.14'	L62	N 37°15'02" E	63.42'
L9	N 09°54'43" W	62.16'	L27	N 66°52'30" W	163.49'	L45	N 89°52'30" W	400.43'	L63	N 07°37'30" E	100.27'
L10	S 80°05'17" W	93.64'	L28	S 27°36'57" W	104.81'	L46	S 37°07'30" W	216.55'	L64	N 77°52'29" W	58.08'
L11	S 82°07'30" W	100.97'	L29	S 42°27'17" W	57.13'	L47	S 00°07'30" W	55.39'	L65	N 66°52'29" W	71.36'
L12	N 03°52'30" W	90.92'	L30	S 30°07'30" W	182.27'	L48	S 17°52'30" E	103.74'	L66	N 53°52'30" W	156.95'
L13	N 79°38'20" W	95.04'	L31	N 83°52'30" W	256.84'	L49	S 89°07'30" W	141.85'	L67	N 60°52'30" W	155.12'
L14	S 46°59'28" W	124.48'	L32	S 16°37'30" W	107.95'	L50	S 55°07'30" W	93.73'	L68	N 48°52'30" W	85.79'
L15	N 55°38'54" W	271.40'	L33	S 44°25'33" W	60.99'	L51	S 68°39'17" W	56.42'	L69	N 08°07'30" E	214.92'
L16	N 20°18'00" W	20.85'	L34	S 23°07'31" W	100.16'	L52	S 63°07'30" W	100.63'	L70	N 02°29'12" W	77.66'
L17	N 07°09'52" W	170.00'	L35	N 63°52'30" W	82.39'	L53	S 23°52'29" E	82.45'	L71	N 42°26'15" W	73.42'
L18	S 88°37'05" W	124.13'	L36	N 72°33'36" W	64.73'	L54	S 06°52'29" E	44.67'	L72	N 05°52'30" W	146.39'
						L73	N 63°47'42" E	56.00'			



PURPOSE OF SURVEY - CREATE AGRICULTURAL TRACT

The undersigned hereby certifies that the purpose of this survey is to create Tract B as shown hereon as an AGRICULTURAL TRACT and that a covenant has been entered into between the undersigned and the governing body that said tract will be used exclusively for agricultural purposes.

Therefore, this division of land is exempt from review as a subdivision pursuant to Section 76-3-207(1)(c), M.C.A.

The undersigned further certifies that TRACT B as shown hereon is not subject to review by the Department of Environmental Quality pursuant to 76-4-125(2)(c), M.C.A. and ARM 17.36.605(2)(a) since it is an agricultural tract and TRACT A as shown hereon is an irregularly shaped parcel greater than 160 acres in size and is not subject to review as a subdivision.

DOVER RANCH

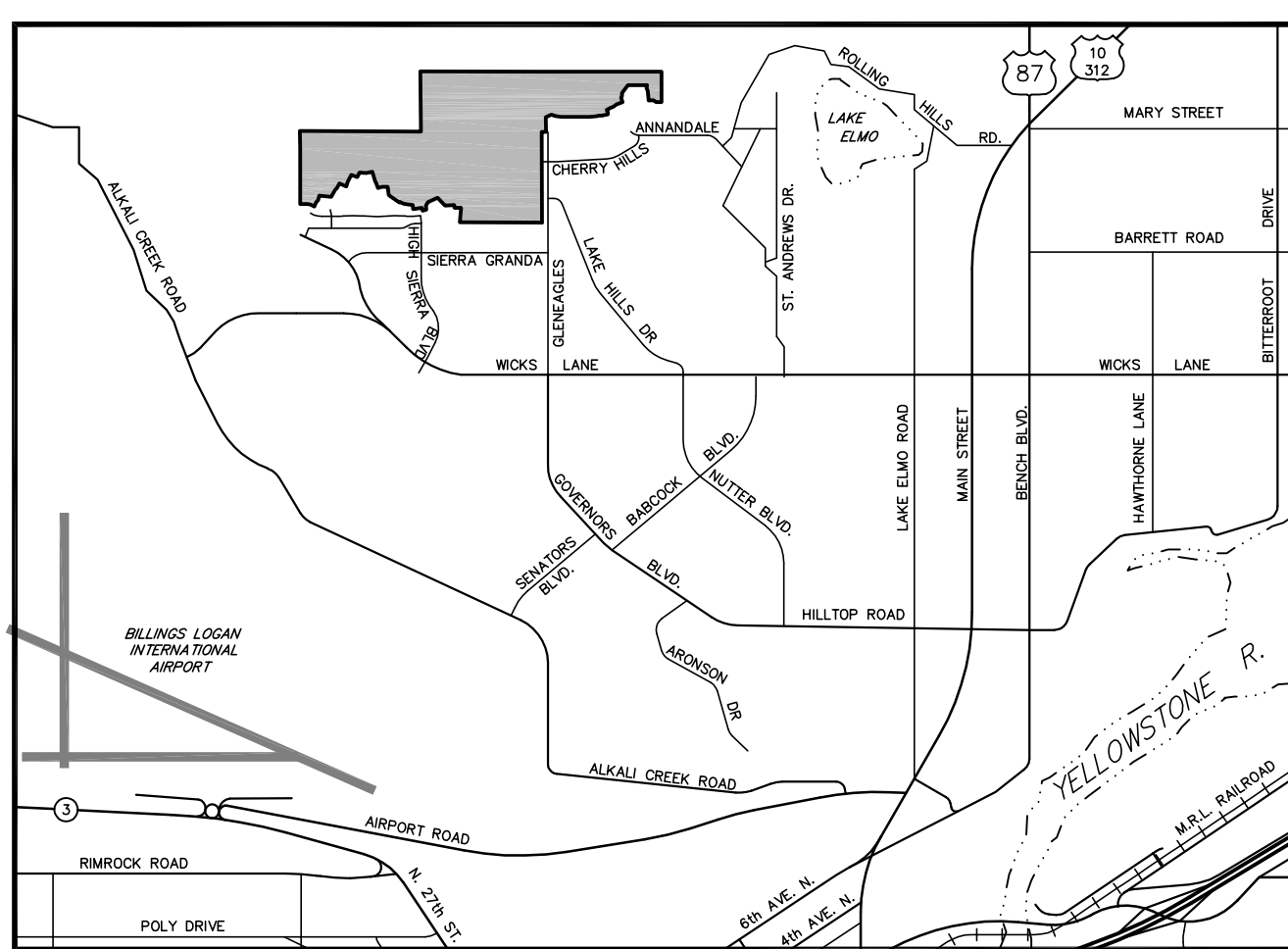
By: _____

Title: _____

STATE OF MONTANA)
) ss
 County of Yellowstone)

On this _____ day of _____, 20____, before me, the undersigned Notary Public for the State of Montana, personally appeared _____, known to me to be the persons who signed the foregoing instrument as _____ of DOVER RANCH, and acknowledged to me that said corporation executed the same. Witness my hand and seal the day and year herein above written.

Notary Public in and for the State of Montana



BASIS OF BEARING: THE BASIS OF BEARINGS FOR THIS SURVEY HAS BEEN DERIVED FROM GPS OBSERVATIONS AND IS BASED ON A NAD 83, LAMBERT CONFORMAL CONIC, SINGLE PARALLEL, LOW DISTORTION PROJECTION FOR THE CITY OF BILLINGS, HAVING A POINT OF ORIGIN AT 45°47'00"N LATITUDE AND 108°25'00"W LONGITUDE WITH A SCALE FACTOR OF 1.0001515. DISTANCES ARE GRID, INTERNATIONAL FEET, GRID TO GROUND COMBINED FACTOR IS 1.00000265. THE CONVERGENCE ANGLE AT THE NE CORNER OF SECTION 17 (P.O.C.) IS -0°03'54".

- FOUND SURVEY MONUMENT, REBAR WITH CAP MARKED "SANDERSON STEWART 18972LS"
- FOUND SURVEY MONUMENT, REBAR WITH CAP MARKED "ENGINEERING INC 8377S, OR AS NOTED"
- SET 5/8" X 18" REBAR WITH CAP MARKED WITH THE LICENSE NUMBER OF THE UNDERSIGNED LAND SURVEYOR AND "SANDERSON STEWART"

CERTIFICATE OF COUNTY TREASURER

I hereby certify that all real property taxes and special assessments have been paid per 76-3-611(1)(b)/76-3-207(3), M.C.A.

Date: _____

Yellowstone County Treasurer

By: _____ Deputy

ERRORS AND OMISSIONS REVIEW

I hereby certify that I have examined the annexed and foregoing plot for errors and omissions in computations and drafting.

Examining Land Surveyor _____ Date _____

CERTIFICATE OF CITY ATTORNEY

This document has been reviewed by the City Attorney's office and is acceptable as to form.

Date: _____

Reviewed by: _____

AGRICULTURAL COVENANT

Document No. _____

ACCESS EASEMENT

Document No. _____

RESERVED FOR CLERK AND RECORDER

CERTIFICATE OF SURVEYOR

STATE OF MONTANA)
) ss
 County of Yellowstone)

The undersigned, a Montana Registered Land Surveyor, being first duly sworn, deposes and says that during the month of November, 2014, a survey was performed under his supervision of a tract of land situated in the S1/2SE1/4 of Section 8, the S1/2SW1/4 of Section 9, and the N1/2 of Section 17, T. 1 N., R. 26 E., P.M.M., in the City of Billings, Yellowstone County, Montana, said tract being more particularly described as follows, to wit:

Tract 1A of Amended Tract 1, Certificate of Survey No. 2017, as recorded under Document No. 3430743, in the office of the Clerk and Recorder of Yellowstone County, Montana, less Marisela Subdivision and High Sierra Subdivision and their subsequent filings and amendments; said described tract having an area of 320.804 acres.

That iron monuments of suitable size were set and occupy the positions shown thereon, that said survey and the plat hereof shows true and correct dimensions and that the plat conforms with the work on the ground.

SANDERSON STEWART

By: _____

Montana Registration No. _____

Date: _____

City

By: _____
Mayor, City of Billings

Attest: _____
City Clerk

STATE OF MONTANA)
 :SS
County of Yellowstone)

On this ____ day of _____, 20__ , before me, a Notary Public in and for the State of Montana, personally appeared _____ and _____, known to me to be the Mayor and City Clerk of Billings, respectively, and acknowledged to me that they executed the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial seal the day and year hereinabove written.

Notary Public in and for the State of Montana
Printed name: _____
Residing at Billings, Montana
My commission expires: _____

DRAFT

Regular City Council Meeting

Meeting Date: 12/15/2014

TITLE: Amendment #4, WO 14-01, Schedule 1, Water Main Replacement and Storm Drain Projects

PRESENTED BY: David Mumford, Public Works Director

Department: Public Works

PROBLEM/ISSUE STATEMENT

City Council will consider Amendment No. 4 to Sanderson Stewart's Professional Engineering Services (PES) contract with the City for Schedule 1 of the 2014 Water Main Replacement and Storm Drain Projects. The net result of Amendment No. 4 is an estimated \$10,800.00 increase to the contract price to a total of \$769,602.18. Since the original contract price is \$672,740.00, Amendment No. 4 results in an overall contract price increase of 14.4%.

Council approved previous Contract Amendments No. 2 and 3 for additional design and engineering of storm sewer improvements in Grand Avenue between 19th and 21st Street West. The extent of associated additional inspection services required during storm drain construction was not contemplated with those previous amendments; therefore, an additional \$10,800.00 (120 hours) of engineering inspection services, primarily for night work, is requested with Amendment No. 4.

ALTERNATIVES ANALYZED

The Council may:

- Approve Amendment No. 4 to the Sanderson Stewart PES contract for W.O. 14-01, Schedule 1, Water Main Replacement and Storm Drain Projects in the amount of \$10,800.00; or
- Disapprove Amendment No. 4. If the amendment is not approved, staff will need to reassess the remaining work items to determine scope reductions that can be made. This will probably result in record drawings not being completed for the project.

FINANCIAL IMPACT

The net result of Amendment No. 4 is an estimated \$10,800.00 increase to the contract price to a total of \$769,602.18. Since the original contract price is \$672,740.00, Amendment No. 4 results in an overall contract price increase of 14.4%.

Funding for the project was budgeted in FY2015 and the source is storm water funds.

RECOMMENDATION

Staff recommends that Council approve Amendment No. 4 to Sanderson Stewart's PES contract with the City for Schedule 1 of the 2014 Water Main Replacement and Storm Drain Projects in the amount of \$10,800.00.

APPROVED BY CITY ADMINISTRATOR

Amendment #4

AMENDMENT NO. 4
TO
PROFESSIONAL ENGINEERING SERVICES
for
W.O. 14-01, Schedule 1, Water Main Replacement

THIS AGREEMENT, made and entered into on _____, by and between the following:

CITY OF BILLINGS, a Municipal Corporation,
Billings, Montana 59103,
Hereinafter designated the City

and

Sanderson Stewart
1300 North Transtech Way
Billings, Montana 59102
Hereinafter designated the Consultant

WITNESSETH:

WHEREAS, the City and Engineer have entered into a contract dated October 15, 2013 for Engineer to provide engineering services to the City for Work Order 14-01, Schedule 1, Water Main Replacement, and;

WHEREAS, the City has need for additional engineering services, and;

WHEREAS, the City has authority to contract for consulting engineering, and;

WHEREAS, the Engineer represents that he is qualified to perform such services, is in compliance with Montana Statutes relating to the registration of professional engineers and is willing to furnish such services to the City;

NOW, THEREFORE, in consideration of the terms, conditions, covenants and performance contained herein, or attached and incorporated herein, the Parties hereto agree to amend the original contract as follows:

Appendix A, Section 3, Scope of Work, is amended as follows:

Add the following to the project Phase 400:

Phase 400. Construction Services

Task 16. Add 120 hours for full-time construction observation services for Grand Avenue storm drain construction.

Appendix B, Section 1.A. is amended as follows:

Amend the following project phase:

Phase 400	Construction Services	\$325,000.00
-----------	-----------------------	--------------

TOTAL INCREASE THIS AMENDMENT: \$10,800.00.

All other terms and conditions of the contract to which this amendment applies shall remain in full effect.

CONSULTANT: Sanderson Stewart

NAME: Mac Fogelsong, PE

BY:  _____

TITLE: Branch Manager/Vice President

DATE: 11/26/2014

CITY OF BILLINGS, MONTANA

BY: _____
City Council or Designee

DATE: _____

Regular City Council Meeting

Meeting Date: 12/15/2014

TITLE: Big Sky King Properties, LLC South Billings TIF Assistance

PRESENTED BY: Candi Millar, Planning & Community Services Department Director

Department: Planning & Community Services

PROBLEM/ISSUE STATEMENT

The South Billings Urban Renewal Association (SBURA) is requesting approval of \$70,838.63 in tax increment from the South Billings Boulevard Urban Renewal District (SBBURD) paid to Big Sky King Properties, LLC for public improvements associated with the development of a Popeye’s Louisiana Chicken quick serve restaurant. Big Sky King Properties, LLC has undertaken construction of an approximately 2,500 square foot building on a previously vacant site located near the corner of King Avenue East and South Billings Boulevard in the Popelka Commerce Center Subdivision. Big Sky King Properties, LLC is investing approximately \$2.4 million into this project. The construction of this project will provide new investment in the SBBURD. The project is consistent with the South Billings Master Plan and the City’s Infill Policy. It is hoped that this project will serve as a catalyst for the continued private sector investment development of the subdivision as well as the District. This project is the result of a recruitment effort coupled with the incentive programs available from the SBURA and the City.

Tax increment finance (TIF) funds will be used to offset the cost of public improvements required of the developer, primarily off-site street improvements, off-site landscaping, utility improvements, and bike/pedestrian trail improvements. Attached is an information packet providing a detailed financial analysis of the project. The terms for the expenditure of these funds are formalized in the attached Development Agreement.

The application for TIF Assistance was approved by the SBURA Board of Directors at its November 4 meeting in the amount of \$70,838.63. The requested amount equals approximately 45% of the estimated tax generated over the remaining life of the TIF District or \$157,419.18.

ALTERNATIVES ANALYZED

City Council may:

- Approve, or;
- Disapprove the recommendation from the SBURA on the expenditure of these funds and authorize the Mayor to sign the Development Agreement.

FINANCIAL IMPACT

The Development Agreement specifies a one-time payment of \$70,838.63 to Big Sky King Properties, LLC as part of the SBURA TIF Application Program. The funds are payable on completion of the project. The cash balance of the SBBURD TIF fund is \$3.4M. There are adequate funds available for payment of this development incentive.

RECOMMENDATION

Staff recommends the City Council accept the recommendation from the South Billings Urban Renewal Association Board of Directors to approve the expenditure of \$70,838.63 from the South Billings Boulevard Urban Renewal District tax increment district funds to assist Big Sky King, LLC with this redevelopment project and authorize the Mayor to sign the Development Agreement.

APPROVED BY CITY ADMINISTRATOR

Attachments

Big Sky King TIF Application

Big Sky King Development Agreement



MEMORANDUM

From: Steve Zeier, Zeier Consulting, LLC

To: SBURA Board of Directors

Date: October 2, 2014

RE: Big Sky King Properties, LLC Application for TIF Funds

Big Sky King Properties, LLC, a Popeye's Louisiana Chicken franchisee, has submitted the attached TIF Assistance Application for your consideration at the October 7th meeting of the South Billings Urban Renewal Association Board of Directors.

Please see the attached documentation regarding the project. The project consists of the construction of an approximately 2,500 square foot quick serve restaurant, site improvements, bike-pedestrian trail, and adjacent offsite improvements located near the corner of King Avenue East and South Billings Boulevard in the Popelka Commerce Center Subdivision. The attached information packet provides a detailed look at the project.

Big Sky King Properties, LLC is investing approximately \$1.8 million dollars into this project, not including the land acquisition costs. The TIF application is for a request of \$70,838.63 for TIF eligible improvements such as curb, gutter, sidewalk, street improvements, utility improvements, bike trail improvements, and landscaping. This represents 45% of the increment that will be generated as a result of this project. (11/10/2014 Update: The SBURA Board voted to approve this application at the November 4th meeting of the Board of Directors.)

In summary, a recommendation to approve this application is being forwarded for the following reasons:

- 1) The project is consistent with the adopted South Billings Master Plan for the recruitment and incentivizing of businesses to locate in the South Billings Boulevard Urban Renewal District.
- 2) The project is an ideal infill project in that it develops parcels that are currently vacant and not generating significant tax revenue.
- 3) The scale and scope of the project is consistent with the adjacent commercial development.
- 4) It will provide incremental tax dollars to provide for future development projects.
- 5) The Infrastructure to be improved provides a bike pedestrian trail facility and drive approaches to serve the adjacent development.
- 6) The project will create 16 FTE jobs.
- 7) This project will stimulate growth in the adjacent commercial subdivision.

Please contact me with any questions. I look forward to discussing this at the October board meeting.

Sincerely,

A handwritten signature in blue ink, appearing to read "Steve Zeier".

Steve Zeier

enc: TIF Application Packet

cc: SBURA Board, Candi Millar, Mathew Colebank, Jan Rehberg



City of Billings South Billings Boulevard
Urban Renewal District

T.I.F Assistance Application
For Public/Private Development Projects

Information & Application

Please return to: SBURA, Inc.
c/o Steve Zeier
Billings, MT 59101
(406) 670-6969
steve@zeierconsulting.com

TAX INCREMENT FINANCING APPLICATION PROCESS FOR POTENTIAL PUBLIC INFRASTRUCTURE ASSISTANCE VIA A DEVELOPMENT AGREEMENT AND POSSIBLE ISSUANCE OF TIFD BONDS

IMPORTANT: The material below outlines the Tax Increment Development Agreement application process and the responsibilities of the APPLICANT and the South Billings Urban Renewal Association, Inc. (SBURA). Please review this information carefully before submitting the application or finalizing your development plans.

Failure to receive approval of a completed application **BEFORE** construction begins may affect the Applicant's eligibility for Public Infrastructure Tax Increment Financing assistance from the City of Billings.

INTRODUCTION

The SBURA is responsible for advising Billings City Council for the South Billings Boulevard Tax Increment District (aka SBBURD), pursuant to Montana Urban Renewal Law Title 7 Chapter 15 part 42 Montana Code Annotated, (MCA) "Urban Renewal." Tax Increment Financing (TIF) is an important element of the program as it provides a means to complete public urban renewal activities that assist and enhance private development opportunities within the district. A TIF program operates by first establishing a base year taxable value for all properties within the urban renewal district. Property taxes continue to be paid to all taxing jurisdictions on the basis of the base year valuation. All increases in property taxes above this base valuation due to new development or reappraisals are assigned to the TIF District. They are then used for district revitalization activities.

The SBURA offers this tax increment financing assistance consideration for **public infrastructure** (See Schedule "A" attached) components of projects developed within the boundaries of the South Billings Boulevard TIFD.

TAX INCREMENT FINANCING ASSISTANCE PARAMETERS

Each project is unique. Funding availability depends upon the number of years remaining in the district, with or without TIFD Bond extensions beyond the initial 15 year lifetime of the TIFD. TIF assistance with **public infrastructure** shall be based upon criteria outlined in the Criteria for Review section. The amount of assistance is determined by the comparison of two calculations: 1) The amount of incremental revenue generated by the project and 2) The amount of the project that is considered an eligible expense under MCA 7-15-4288. **The assistance provided cannot exceed 45% of the total tax increment generated by the project over the remaining years left in the life of the TIFD. The TIFD was established in 2008 and has 9 years remaining if bonds are not secured.** Please note that property acquisition costs are *not* to be included in the calculations; *only* property improvements are to be considered. Property improvements are defined as all project costs excluding property acquisition. Generally, TIF assistance may be awarded to the eligible PUBLIC PORTION (Schedule "A") of projects meeting the criteria and approval processes as described herein, subject to availability of funds.

ELIGIBLE ACTIVITIES

As specified by Title 7 Chapter 15 Part 4288 Montana Code Annotated, TIF funds may be used to complete certain urban renewal activities. Pursuant to this statute, the SBURA will review applications for assistance to projects eligible under the following guidelines. Each application is evaluated on a case by case basis under these guidelines. The SBURA will place special emphasis on those projects that implement the SOUTH BILLINGS BOULEVARD URBAN RENEWAL MASTER PLAN¹, particularly mixed-use developments.

APPLICATION PROCESS AND TIMELINE

Anyone seeking TIF assistance from the SBURA must submit a written application for each TIF-assisted project. The following procedure has been developed to expedite the review of TIF funding requests.

1. Initial Contact. Contact the SBURA Representative, Steve Zeier at 406-670-6969 or via email at steve@zeierconsulting.com, to discuss the project and determine preliminary eligibility for TIF assistance.

¹ Adopted by Billings City Council, 2/27/2012 and by the Board of County Commissioners, 4/24/2012.

2. Prepare a Written Application. The Applicant must prepare a written application for each project assistance request. For all TIF requests, the Applicant must complete a “Developer’s Statement of Qualification and Financial Responsibility” which includes submittal of personal financial statements.
3. SBURA Staff Review. Upon submittal of all necessary information, SBURA staff will review the project and the need for funding. At any point in the review process the staff may request more information of the Applicant or solicit comment on the project from other public agencies. Items included in personal financial statements will not be subject to public review or presentation to or comment by other public entities.
4. SBURA Board Review. The SBURA Board will review the application and staff recommendations. The Board reserves the right to seek additional project review from other public agencies. The Board will issue preliminary approval/disapproval of the assistance request or any part thereof and will make a recommendation to the City Council.
5. City Council Review. Projects receiving approval by the SBURA Board will be forwarded to the Billings City Council through the City of Billings Planning and Community Services Department for final approval and consideration of a Development Agreement that will clearly describe the public investment required to be applied towards public infrastructure and/or development improvements within the public right of way. City Council approval is required before the City will enter a Development Agreement with the Applicant.
6. Development Agreement. The City and the Applicant must execute a mutual agreeable legally binding Development Agreement which establishes the terms and conditions of TIF assistance. Sample Development Agreements are available at the City/County Planning Division office for reference. The Development Agreement may include, but is not limited to, the following:
 - Complete architectural design specifications and site plan
 - Time frame for project development, construction and completion
 - Specifications for release of funds related to public infrastructure
 - Cash flow and pro forma statements for a minimum of five years of the development
 - Terms and conditions of the various financings
 - Commitment letters and loan documents related to the various financings
 - Ownership of completed development
 - Events of default; remedies
 - Zoning approval
 - Tenant commitments
 - Non-liability of city officials
 - Cause for termination

7. Timing. Following the above process for approval, the Applicant can expect a minimum of 60 days between submitting an application to the SBURA and potentially receiving a decision from the City Council.

COMMITMENT OF FUNDS

Upon City Council approval of a project, the approved funds will be budgeted. Budgeted funds will be encumbered for a grace period of 180 days, by which time construction must have commenced. Commencement of construction means the date on which the first building permit is issued. Projects that have not commenced construction within 180 days are at risk for losing the committed funds.

Funds will be released as specified by the Development Agreement. Depending on the nature of each individual project, funds may be released as a lump sum payment or multiple payments made over subsequent fiscal years. The Development Agreement will specify the payment terms. Funds may be released according to one of the following methods.

1. Release of funds following project completion. Funds will be released upon the project's receipt of a Certificate of Occupancy from the City of Billings' Building Division. If necessary, the City will encumber funds for additional fiscal years to accommodate construction schedules.
2. Release of funds over a multi-year repayment schedule. Prior to a project receiving a TIF assistance payment, a Certificate of Occupancy shall be provided to the project by the City of Billings Building Division. Subject to payment amounts and funding availability, multiple payments may be required. TIF assistance payments may be made according to an agreed upon payment schedule. This schedule will be contained within the Development Agreement.

Funds will be release only if the project is developed and constructed essentially as presented in the Development Agreement.

SOUTH BILLINGS BOULEVARD TAX INCREMENT FINANCING (TIF) ASSISTANCE
APPLICATION

Project Name: __POPEYES LOUISINIA CHICKEN__

Date Submitted: 7 /28/14

APPLICANT INFORMATION

1. Name: __BIG SKY KING PROPERTIES, LLC__

2. Address: __1250 15TH STREET WEST SUITE 201 BILLINGS, MT 59102__

3. Telephone Number: __406-534-6422__

PROJECT INFORMATION

1. Building Address: 750 SOUTHGATE DR

2. Legal Description: __LOT 3A-2 POPELKA COMMERCE CENTER SUBDIVISION, SECOND FILING__

3. Ownership: __BIG SKY KING PROPERTIES, LLC__

4. Address: __1250 15th STREET WEST, BILLINGS, MT59102__

5. If property is not owned by the Applicant, list leasehold interests (Attach evidentiary materials.)

Lessor's Name: __NA__

Lessor's Address: __NA__

6. Existing/Proposed Businesses: __NA__

7. Business Description: __Quick Serve Restaurant__

8. Employment: Existing FTE jobs __0__

9. New Permanent FTE jobs created by project __16__ Construction FTE jobs __40__

10. Architectural Firm: __A&E Architects, Billings, MT__

Address: __608 N 29th St, Billings, MT 59101_____

Representative: _____Dusty Eaton_____

8. Description of Project: (See Attachment A)
9. Rehabilitation/construction plans: (See Attachment B)
10. Project Schedule: (Attach time line or schedule through completion.)

CRITERIA FOR REVIEW

Materials contained in TIF Assistance applications are used to assess the merits of projects in relation to the goals and objectives of the South Billings Urban Renewal Master Plan in relation to other district development and urban renewal projects. Projects will be evaluated based on the following criteria. Please provide an explanation and supporting documentation for how the project addresses each criterion.

1. Relevance to the South Billings Urban Renewal Master Plan – Documentation of the project’s consistency with the goals in the Master Plan.
2. Economic Stimulus – The amount of economic activity to be generated by the, as well as the leverage ratio of public to private investment. Applications should contain credible, measurable information substantiating Applicant’s claims of economic stimulus.
3. Tax Generation – The increase in taxable value due to new construction/rehabilitation as estimated by the County Assessor’s office.
4. Employment Generation – Total employment generated by the project assessed in terms of new permanent and part-time jobs, and construction jobs.
5. Elimination of Blight – The project’s direct and indirect impact on the physical and fiscal condition within the District.
6. Special or Unique Opportunities – The extent to which the project represents a unique opportunity, meets a special need, or addresses community goals. The provision of public space or workforce housing are examples of special and unique opportunities.
7. Impact Assessment – The extent of both positive and negative environmental impacts, appropriateness of the project design, and impact on existing businesses or residents.
8. Financial Assistance – Other forms of financing available to the Applicant i.e. lender participation and state and federal grant monies,

9. Project Feasibility – Demonstration of market demand for the project as contained primarily on the pro forma and financing commitments.
10. Developer’s Ability to Perform – Applicant’s capability to undertake the relative complexities of the project based on past performance on similar or comparable projects.
11. Timely Completion – The feasibility of completing the project according to the Applicant’s project schedule.
12. Payment of Taxes – All property taxes, special improvement district assessments, and other assessments on the project property must be paid at the time of application.

PROJECT COSTS

Land and Site Improvements (Itemized)

1. Estimate of On Site Improvements	\$ 297,221
2. Estimate of Off Site Improvements	\$ 151,997
Subtotal	\$ _____

Construction/Rehabilitation Costs (Use general construction trade divisions)

1. B Laughlin Construction (Shell)	\$ _937,960_____
2. Spring Creek Landscaping	\$ _12,400_____
3. Fixtures, Furniture, & Equipment	\$ _400,000_____
4.	\$ _____
Subtotal	\$ __1,350,360_____

Fees

1. Architectural design/Supervision	\$ __55,000_____
2. Permits _____	\$ _____
3. Other fees: SDF	\$ __19,460_____
Subtotal	\$ __74,460_____

Total Project Development Costs **\$ 1,874,037**

PROJECT FINANCING

Please complete Sources of Funds detail and summarize below.

Developer Equity

Cash Invested	\$ __315,000_____
Land & Buildings	\$ __308,000_____
Other (Specify) _____	\$ _____
Subtotal	\$ __623,000_____

Lender Commitments (Attach evidence i.e. Letters of Credit or other documentation.)

Lender	Loan Amount
Stockman Bank / SBA 504 Financing	\$ 1,785,000
Total Amount	\$ _2,100,000

TIF Request for improvements within the Public Right of Way

Eligible Improvements (See Schedule "A")	
Eligible Off Site Improvements	\$ 96,997
Off Site Landscaping	\$ 12,400
On Site Water & Sewer	\$ 3,300
On Site Multi Use Trail	\$6,120

Total TIF Eligible Improvements \$ 118,817

Sources of Funds Summary (Post totals from above.)

Developer Cash & Land	\$ 623,000_____
Lender Commitments	\$ 1,785,000_____
TIF Request	\$ 70,839_____
Other Funds (Specify)	\$ _____
Total Project Financing	\$ 2,478,838

DEVELOPER STATEMENT OF QUALIFICATIONS AND FINANCIAL RESPONSIBILITY

Applicant

1. Name: _Big Sky King Properties, LLC

Address: 1250 15th Street West, Suite 201, Billings, MT 59102

2. If the applicant is not an individual doing business under his/her own name, the applicant has the status indicated below and is organized or operating under the laws of _____.

3. The applicant is:

_____X_____ A corporation.

_____ A nonprofit or charitable institution or corporation

_____ A partnership known as _____

_____ Other (explain): _____

Date of organization: 5/30/2013

- Names, address, title of position (if any), and nature and extent of the interest of the officers and principal members, principal shareholders, investors, or partners of the applicant.

Name and Address

Nature and Extent of Interest

_Denny & Jan Rehberg_____

Member

Financial Condition

- Provide a current financial statement for each private entity involved in the project. Documentation of financial capacity may include net worth statements, balance sheets, or profit and loss statements.

- Has the applicant or any individual or entity affiliated with the development of this project been adjudged bankrupt, either voluntary or involuntary, within the past ten years?
No _____ Yes _____ If yes, give date, place, and under what name:

- Has the applicant or any individual or entity affiliated with the development of this project been indicted for or convicted of any felony within the past ten years:
No _____ Yes _____ If yes, give date, charge, place, court and action taken for each case.

CONSTRUCTION CONTRACTOR

1. Identify the construction contractor or builder who will undertake this project.

Name: ____ Laughlin Construction _____

Address: ____ 2530 Whittier Pl, Billings, MT 59102 _____

2. Has such contractor or builder ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract within the last ten years?

No Yes _____ If yes, explain.

CERTIFICATION

I (we), _____ (please print),
certify that the statements and estimates within this Application as well as any and all
documentation submitted as attachments to this Application or under separate cover are true
and correct to the best of my (our) knowledge and belief.

Signature _____

Signature _____

Title _____

Title _____

Address _____

Address _____

Date _____

Date _____

SCHEDULE "A"
EXAMPLES OF ELIGIBLE PUBLIC PORTION PROJECTS OF INFRASTRUCTURE
COMPLETE LIST FOUND IN MONTNA CODE ANNOTATED 7-15-4288

Purchase of Site for a Public use

Demolition and Abatement

Sidewalks, Curbs, Gutters, Drive Approaches

Public Utilities such as Water, Sewer, and Storm Drain

Street Surface Improvements

Crosswalks

Landscaping, Green Space, and Improvement of Pedestrian Areas

Historical Restorations

Off Street Parking

Pollution Reduction

Private Utilities such as Electrical, Natural Gas, Telecommunication Lines

Attachment A

Big Sky King Properties, LLC TIF Application Project Narrative

Big Sky Cajun Chicken, LLC was organized with the purpose of obtaining the franchise rights to operate Popeyes Louisiana Kitchen® (“Popeyes®”) restaurants in Montana. We were approved as a Popeyes®’ franchisee in April of 2014. Once approved, we began the search for the first Popeyes®’ location. After researching the demographics, Popeyes®’ corporate development advisors suggested we build our first restaurant on the West End of Billings or the Heights. We spoke with real estate agents and property owners in these areas and placed offers on several properties. During this process, we received a call from Steve Zeier of Zeier Consulting who informed us that he knew of available property that he thought would meet our needs located off of interstate 90 in a Tax Increment Finance District. He explained to us that it had all of the primary elements we were looking for and would not be a “Second Position” site as it was located at an intersection on King Avenue East. We met with Steve who assisted us in putting together our SAR (Site Acceptance Request) for Popeyes®. The initial SAR for this site was denied due to the high cost of land and the \$200,000 in site work and infrastructure improvements required before actual restaurant construction could proceed. We explained to Popeyes®, with the help of Steve Zeier, that the property was in a TIF district and was eligible for TIF reimbursement for at least a portion of the additional cost of the roads, approaches, bike trail, and other development related costs. Because of the availability of TIF, we were able to convince Popeyes® to approve this site as the *first* and only free-standing Popeyes® in Montana. We want to thank Steve Zeier, the South Billings Urban Renewal Association and the City of Billings for making this project possible through the assistance of the TIF district.



April 17, 2014

Big Sky King, LLC
Attn: Matthew Colebank, COO
1250 15th Street West
Billings, MT 59102

RE: Major Employers in the South Billings Urban Renewal District

Dear Matthew:

Thank you for your interest in the South Billings Boulevard Urban Renewal District and the South Billings Urban Renewal Association. It was a great pleasure to sit down with you and discuss the exciting development opportunities of the Miller Crossing Subdivision as well as the other opportunities in the surrounding area.

As per our discussion of April 16, 2014, please see the table below for the major employers located in the South Billings Urban Renewal District. The table includes the major employers, estimated number of employees, and distance to the subject property in the Miller Crossing Subdivision.

Major Employer	Est. Number of Employees	Distance to Subject Property
Cabela's	100	Adjacent
Sam's Club	150	Adjacent

City of Billings Operations Center	115	.5 miles
Bureau of Land Management Field Office	150	.6 miles
Motor Power Equipment	75	.5 miles
Hanser's Automotive	65	.6 miles
Franz Bakery	55	.6 miles
I-State Truck Center	45	.5 miles
Auto Auction of Montana	25	.5 miles
Food Services of America	45	1.1 miles
Mark Rite Lines	50	1.1 miles

Please do not hesitate to contact me with any questions. I look forward to assisting you in the future.

Sincerely,



Steve Zeier
Zeier Consulting, LLC
on behalf of the South Billings Urban Renewal Association

Attachment B



Date: May 13, 2014
 Project No.: 75028.19

**Preliminary Engineer's Opinion of Probable Cost
 for
 Proposed Restaurant
 To Provide Surface Improvements Adjacent to Portions of
 Proposed Lot 3A-1, Block 1; Popelka Commerce Center Subdivision, Second Filing**

Schedule I: Surface Improvements

Item No.	Quantity	Unit	Description	Unit Price	Subtotal
101	1	LS	Mobilization and Insurance	\$7,500.00 =	\$7,500.00
102	1	LS	Erosion Control	\$2,500.00 =	\$2,500.00
103	250	CY	Unclassified Excavation	\$8.00 =	\$2,000.00
104	140	LF	Saw cut Asphalt	\$5.00 =	\$700.00
105	280	SF	Remove Existing Asphalt	\$1.00 =	\$280.00
106	70	LF	Remove Existing Curb and Gutter	\$5.00 =	\$350.00
107	1	LS	Relocate Existing Street Light	\$3,500.00 =	\$3,500.00
108	2500	CY	Imported 3-inch Minus Fill to Bring Site to Street Grade (2-feet +/-)	\$22.00 =	\$55,000.00
109	615	SY	Geotextile Fabric	\$1.50 =	\$922.50
110	170	CY	1.5-inch Base Gravel (10-inch Section)	\$26.00 =	\$4,420.00
111	615	SY	Asphalt Surface Course (4-inch Section)	\$18.00 =	\$11,070.00
112	280	LF	Curb and Gutter	\$18.00 =	\$5,040.00
113	2	EA	Curb Return Fillet	\$600.00 =	\$1,200.00
114	70	SF	Concrete Double Gutter	\$10.00 =	\$700.00
115	700	SF	5-foot Concrete Bike Path	\$6.00 =	\$4,200.00
116	1400	SF	10-foot Wide Bike Path	\$6.00 =	\$8,400.00
117	70	SF	Concrete Accessibility Ramp	\$8.00 =	\$560.00
118	2	EA	Truncated Dome Panels (2-ft x 2-ft)	\$150.00 =	\$300.00
119	1	EA	Stop Sign with Post	\$500.00 =	\$500.00
120	1	EA	Road Closed Signage	\$1,000.00 =	\$1,000.00
				Schedule II Subtotal =	\$110,142.50
				Construction Subtotal =	\$110,142.50
				Construction Contingency (15%) =	\$16,521.38
				Construction Subtotal Plus Contingency =	\$126,663.88
				Estimated Engineering, Construction Administration, Construction Staking & Quality Control =	\$25,332.78
				Construction Total and Administrative Fees =	\$151,996.65

Notes:

- 1) Costs based on Sanderson Stewart exhibit dated - 05/13/14
- 2) Does not include on-site improvements such as parking lot improvements, water and sewer service extensions, storm drainage, landscaping, etc.
- 3) All items are complete and in place.

Sanderson Stewart cannot warrant that any opinions of probable cost provided by Sanderson Stewart will not vary from actual costs incurred by the client. Sanderson Stewart has no control over the cost or availability of labor, equipment, materials, or over market conditions or the Contractor's method of pricing. Sanderson Stewart makes no warranty, express or implied, that the bids or the negotiated cost of the work will not vary from Sanderson Stewart's opinion of probable cost.

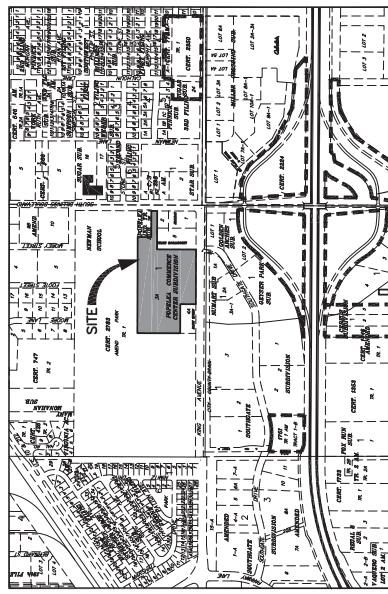
POPELKA COMMERCE CENTER SUBDIVISION, SECOND FILING

BEING LOT 3A, BLOCK 1, OF POPELKA COMMERCE CENTER SUBDIVISION, AMENDED
SITUATED IN THE SE 1/4 OF SECTION 8, T. 1 S., R. 26 E., P.M.M.
YELLOWSTONE COUNTY, MONTANA

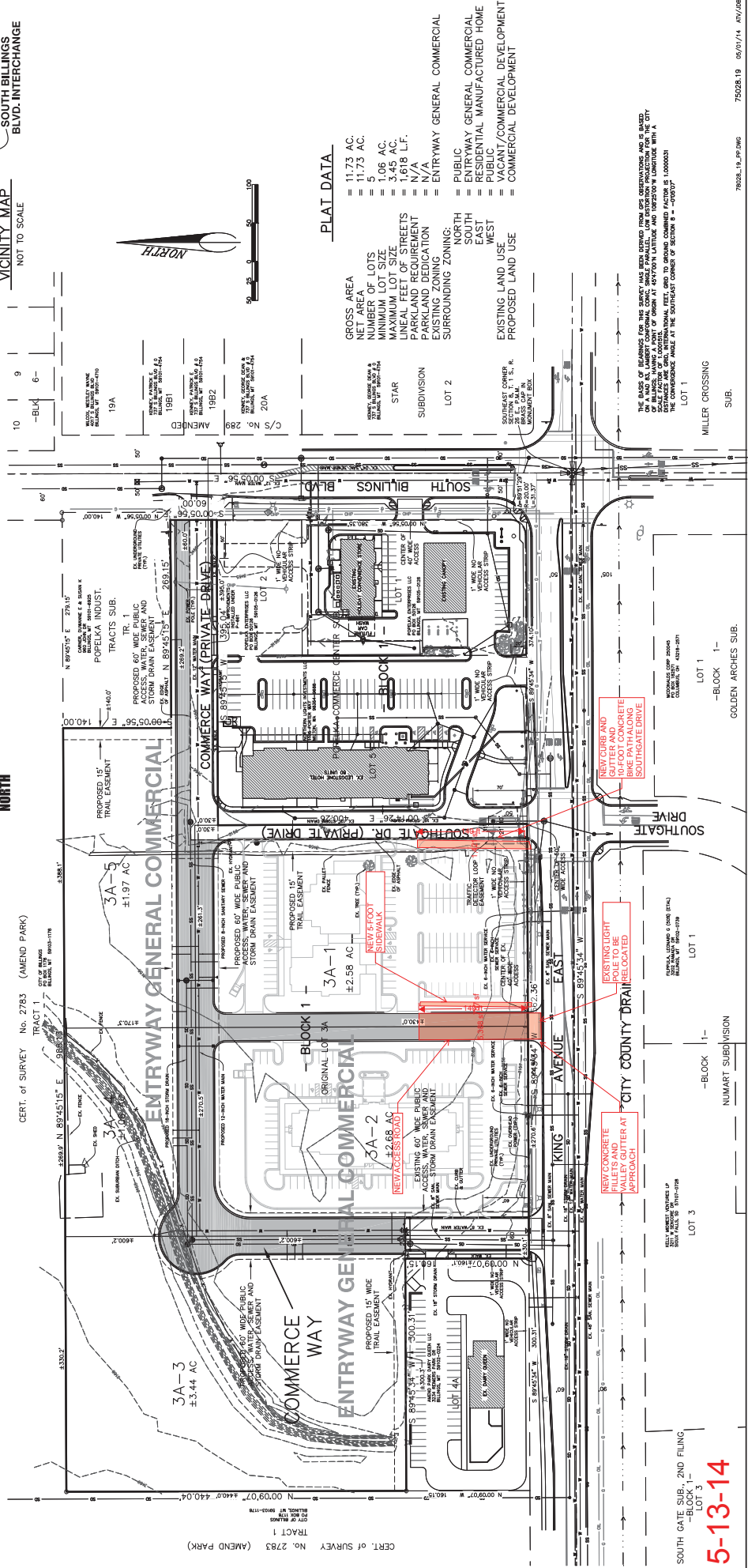
PREPARED FOR : POPELKA ENTERPRISES, LLC.
PREPARED BY : SANDERSON STEWART

APRIL, 2014
BILLINGS, MONTANA

EXHIBIT "A"



VICINITY MAP
NOT TO SCALE



PLAT DATA

GROSS AREA	= 11.73 AC.
NET AREA	= 11.73 AC.
NUMBER OF LOTS	= 5
MINIMUM LOT SIZE	= 1.06 AC.
MAXIMUM LOT SIZE	= 3.45 AC.
PARKLAND REQUIREMENT	= N/A
EXISTING ZONING	= ENTRYWAY GENERAL COMMERCIAL
SURROUNDING ZONING:	
NORTH	= PUBLIC
SOUTH	= ENTRYWAY GENERAL COMMERCIAL
WEST	= INDUSTRIAL MANUFACTURED HOME
EAST	= PUBLIC
EXISTING LAND USE	= VACANT/COMMERCIAL DEVELOPMENT
PROPOSED LAND USE	= COMMERCIAL DEVELOPMENT

THE BASIS OF RECORDS FOR THIS SURVEY HAS BEEN DERIVED FROM GPS OBSERVATIONS AND IS BASED ON A NAD 83 LAMBERT CONFORMAL ZONE 17, STATE PLANNED HORIZONTAL DATUM FOR THE CITY OF BILLINGS, MONTANA. THE VERTICAL DATUM IS THE MEAN SEA LEVEL DATUM FOR THE CITY OF BILLINGS, MONTANA. THE CONVERSION FACTOR IS 1.000003.

SOUTH GATE SUB. 2ND FILING
-BLOCK 1-
LOT 3

5-13-14

Date: June 27, 2014
 Project No.: 75028.14

**Preliminary Engineer's Opinion of Probable Cost Based on a Conceptual Sketch
 for Proposed Popelka-Rehberg Fast-Food Restaurant
 Billings, MT
 To Provide Utility and Surface Improvements**

ON-SITE:

Schedule I - Utilities

Item No.	Quantity	Unit	Description		
101	1	LS	Mobilization & Insurance	\$11,000.00 =	\$11,500.00
102	2	EA	Type IV Storm Drain Inlets/Manhole	\$2,500.00 =	\$5,000.00
103	2	EA	Type II Storm Drain Inlets	\$2,000.00 =	\$4,000.00
104	168	LF	12-inch Storm Drain Pipe	\$40.00 =	\$6,720.00
105	32	LF	6-inch Storm Drain Pipe	\$30.00 =	\$960.00
106	2	EA	Storm Drain Basic Manhole	\$2,500.00 =	\$5,000.00
106	407	CY	Boulder Pit Including Excavation, Rock, & Fabric (10x10')	\$35.00 =	\$14,245.00
107	33	LF	4-inch Fire Service (to Building)	\$35.00 =	\$1,155.00
108	33	LF	1-inch Water Service (to Building)	\$25.00 =	\$825.00
109	33	LF	6-inch Sewer Service (to Building)	\$40.00 =	\$1,320.00
				Subtotal =	\$50,725.00

Schedule II - Surface Improvements

Item No.	Quantity	Unit	Description		
201	1	LS	Mobilization and Insurance	\$11,000.00 =	\$11,500.00
202	1	LS	StormWater Pollution Prevention Plan (SWPPP)	\$1,500.00 =	\$1,500.00
203	1	LS	Erosion Control	\$5,500.00 =	\$5,500.00
203	1	LS	Clearing & Grubbing of Site	\$2,500.00 =	\$2,500.00
204	945	CY	Unclassified Excavation	\$8.00 =	\$7,560.00
205	1,640	SF	Concrete Sidewalk (4-inch Section)	\$6.00 =	\$9,840.00
206	120	SF	ADA Ramps	\$8.00 =	\$960.00
206	1,242	LF	Curb & Gutter	\$18.00 =	\$22,356.00
207	4	EA	Curb Turn Fillet	\$600.00 =	\$2,400.00
208	796	CY	1.5-Minus Base Course Gravel (10-inch Section)	\$26.00 =	\$20,696.00
209	1,020	SF	Multi Use Trail	\$6.00 =	\$6,120.00
209	2,389	SY	Asphalt Paving (3-inch Section)	\$15.00 =	\$35,835.00
210	1,185	SF	Concrete Drive-thru Pad	\$7.50 =	\$8,887.50
211	255	SF	Concrete Dumpster Pad	\$7.50 =	\$1,912.50
212	6	EA	Site Lighting (6 Poles)	\$5,000.00 =	\$30,000.00
213	1	LS	Traffic Signing & Striping	\$1,500.00 =	\$1,500.00
				Subtotal =	\$169,067.00

Construction Subtotal	=	\$219,792.00
Construction Contingency (15%)	=	\$32,968.80
Construction Subtotal Plus Contingency	=	\$252,760.80

Estimated Administrative Fees

System Development Fee - 1 st Domestic	=	\$14,675.00
System Development Fee - Sewer	=	\$4,785.00
Engineering and Surveying Services	=	\$25,000.00

Subtotal of Estimated Administrative Fees	=	\$44,460.00
Construction Total and Administrative Fees	=	\$297,220.80

Notes:

- 1) Opinion of cost is based on Sanderson Stewart conceptual sketch, final design has not been performed
- 2) All items are complete and in place
- 3) Cost does not include private utilities (Power, Gas, Telecom)
- 4) Any relocation of existing overhead utility lines not included
- 5) No Building Demolition included
- 6) Irrigation piping excluded

Sanderson Stewart cannot warrant that any opinions of probable cost provided by Sanderson Stewart will not vary from actual costs incurred by the client. Sanderson Stewart has no control over the cost or availability of labor, equipment, materials, or over market conditions or the Contractor's method of pricing. Sanderson Stewart makes no warranty, express or implied, that the bids or the negotiated cost of the work will not vary from Sanderson Stewart's opinion of probable cost.

PLAT OF
POPELKA COMMERCE CENTER SUBDIVISION, SECOND FILING
 BEING LOT 3A, BLOCK 1, OF AMENDED PLAT OF LOTS 3 AND 4, BLOCK 1, POPELKA COMMERCE CENTER SUBDIVISION,
 SITUATED IN THE SE1/4 OF SECTION 8, T. 1 S., R. 26 E., P.M.M.,
 IN THE CITY OF BILLINGS, YELLOWSTONE COUNTY, MONTANA

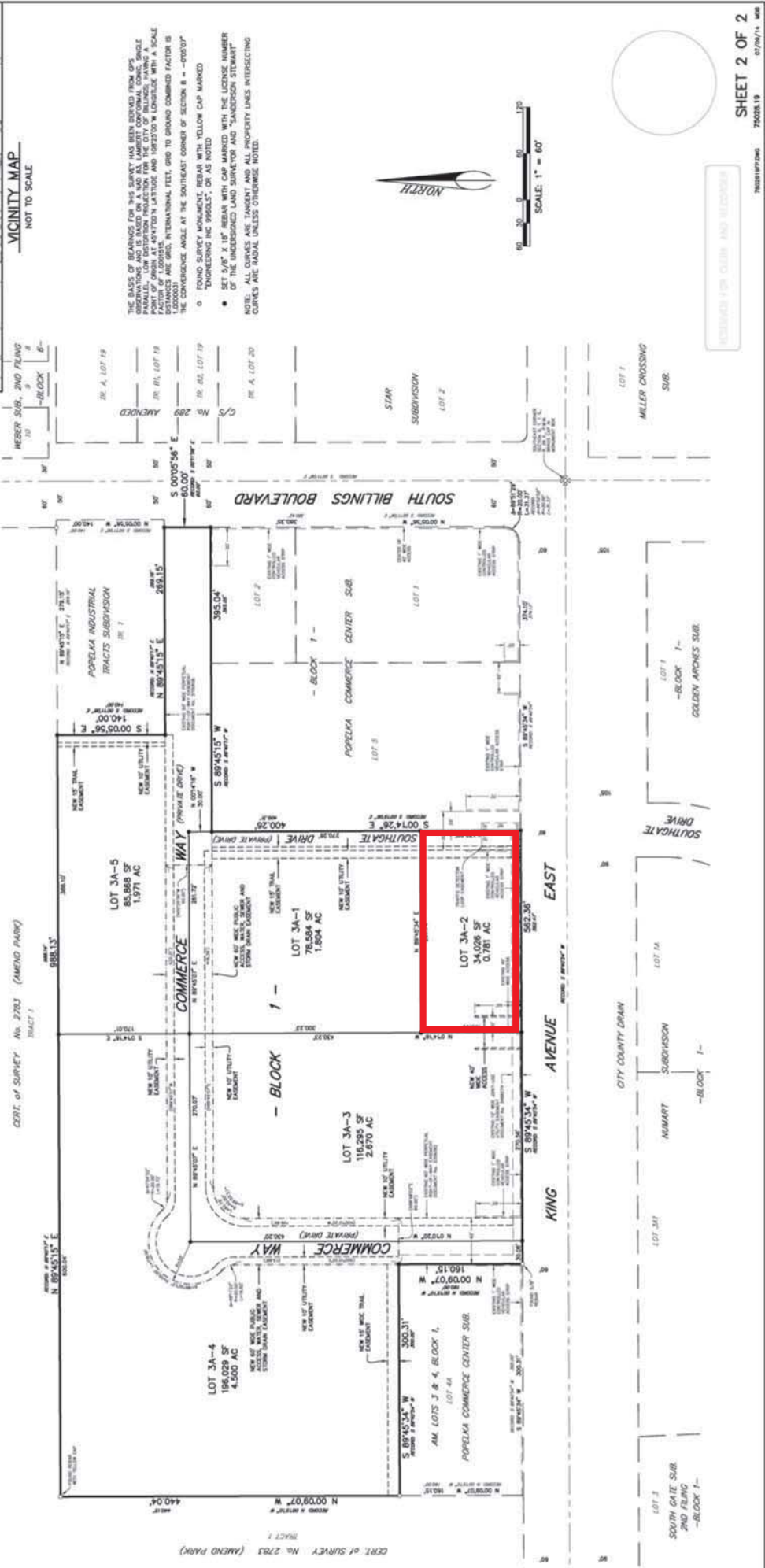
PREPARED FOR : POPELKA ENTERPRISES, LLC.

PREPARED BY : SANDERSON STEWART

JUNE, 2014
 BILLINGS, MONTANA



VICINITY MAP
 NOT TO SCALE



THE BASIS OF BEARINGS FOR THIS SURVEY HAS BEEN DERIVED FROM GPS OPERATIONS AND IS BASED ON A LAMBERT CONFORMAL CONIC SINGLE MERIDIAN PROJECTION WITH A FALSE EASTING OF 1000000.00 METERS. THE POINT OF ORIGIN AT 43°10'00\" N LATITUDE AND 108°23'00\" W LONGITUDE WITH A SCALE FACTOR OF 1.0000022. THE GROUND INTERSECTION POINT OF THE CONVERGENCE ANGLE AT THE SOUTHEAST CORNER OF SECTION 8 = -0°05'07\" ENGINEERING INC 999999, OR AS NOTED.

FOUND SURVEY MONUMENT REBAR WITH YELLOW CAP MARKED

SET 3/4\" X 1/8\" REBAR WITH CAP MARKED WITH THE LICENSE NUMBER OF THE UNDERGROUND LAND SURVEYOR AND 'SANDERSON STEWART' MARKED. ALL QUANTITIES ARE IN FEET AND ALL PROPERTY LINES INTERSECTING CORNERS ARE MANUAL FINISHES OTHERWISE NOTED.



REVISIONS FOR CLERK AND RECORDER



Google earth



Big Sky King LLC. SBBURD TIF Application

PROJECT COSTS

Land and Site Improvements	
S/S On Site Developemnt	\$297,220.80
S/S Off Site Development	\$151,996.65
SUBTOTAL	\$449,217.45
Construction Costs	
B Laughlin Shell Construction (less \$190k)	\$937,960.00
Spring Creek Off Site Landscaping	\$12,400.00
Fixtures, Furniture, and Equipment	\$400,000.00
SUBTOTAL	\$1,350,360
Fees	
A/E Fees	\$55,000.00
SDF Fees (1 inch Commercial Water & Wastewater)	\$19,460.00
SUBTOTAL	\$74,460.00
TOTAL	
PROJECT TOTAL	\$1,874,037.45

PROJECT FINANCING

Developer Equity (Cash)	\$315,000
Land & Buildings	\$308,000
Bank & SBA Financing	\$1,785,000
TOTAL	\$2,408,000

TIF ELIGIBLE IMPROVEMENTS

Off Site Development	\$96,997
Less \$55k for site fill	
Off Site Landscaping	\$12,400
On Site Water & Sewer	\$3,300
On Site Multi Use Trail	\$6,120
TOTAL TIF ELIGIBLE EXPENSES	\$118,817

SOUTH BILLINGS BLVD TIF FINANCES

DOR 2013 Certified Increment Value	\$2,358,151
2014 TIF Amount (Increment * Mill Rate (667.52))	\$1,574,113
Cash as of 3/27/2014	\$3,400,000
Less:	
Calhoun Project Design (FY14)	\$200,000
Sewer Project Phase I (FY14)	<u>\$1,050,000</u>
	<u>\$1,250,000</u>
Cash Available until July 2014	\$2,150,000
FY 15 Anticipated Revenue	
7/1/2014	<u>\$787,056</u>
FY 15 First Half Anticipated Revenue	
12/1/2014	<u>\$787,056</u>
Estimated FY 14 Available Cash	\$3,724,113

TIF INCENTIVE ANALYSIS

Additional Value Total	\$1,874,037	
TIF Dollar Multiplier	1.05%	Per TIF Example Calc Table
Est Increment Generated	\$19,677.39	Per Year
TIF Time Remaining	8	yrs.
(Project to come online Dec 2015)		
TOTAL EST INCREMENT	\$157,419.18	Increment generated
	(over the life of the TIF)	over the life of the TIF
45% MAX TIF INCENTIVE	\$70,838.63	

TIF EXAMPLE CALC TABLE

For every \$1,000,000 invested, a return of \$14,371 can go the TIF District

Table. Hypothetical TIF revenue estimate for \$1 million new real property value		
TIF Calculation	Value	Comment
Assessed Value	1,000,000	Real property increment only: phase-in of appraised value
Comstead Exemption	-175,000	DOR exemption: 17.5% for commercial (Comstead), 41.8% for residential
Subtotal	825,000	Assessed value minus exemption
Taxable Value	22,400	equals 2.72% of subtotal above, per DOR exemption for every property
Mill Levy	667.52	Estimated; tax per \$1,000 in taxable value
Real Property Tax	14,731	Taxable value multiplied by mill levy

Calculated by ECONorthwest, based on FY 2011-12 data from Montana DOR.

Popeyes Louisiana Kitchen

Unit #1 Profit & Loss

Statement

For Billings Popeyes

Acct Description	Actual \$	Act %	Fixed / Variable
Net Sales	1,500,000	100.00%	
Cost of Sales	525,000	35.0%	V
Gross Profit	975,000	65.0%	
Salaries-Str Mgmt	45,000	3.0%	F
Crew Wages	300,000	20.0%	V
Fringes & Benefits	29,000	1.9%	V
Tot Personnel Expense	374,000	24.9%	
Cash Variances	1,200	0.1%	V
Uniforms	2,400	0.2%	V
M&R Expense	15,000	1.0%	V
M&R-Smallwares	5,500	0.4%	V
Miscellaneous Expense	2,000	0.1%	V
Paidouts	2,500	0.2%	V
Supplies	10,000	0.7%	V
Telephone Exp	2,520	0.2%	V
Utilities Exp	28,500	1.9%	V
Monthly Services	2,400	0.2%	F
Tot Controllable Costs	72,020	4.8%	
Rest Controllable Profit	528,980	35.3%	
LSM	60,000	4.0%	V
Media/Production	5,000	0.3%	V
Total Marketing Costs	65,000	4.3%	
Insurance Exp	7,200	0.5%	F
License & Fees	200	0.0%	F
Royalty Expense	30,000	2.0%	V
Rent Expense	110,000	7.3%	F
Ad Valorem Taxes	22,000	1.5%	F
Total Non-Controllable Costs	169,400	11.3%	
Rest Operating Profit	294,580	19.6%	
Depreciation	30,000	2.0%	F
Amortization-Franchise Fee	1,380	0.1%	F

Asset Write-Offs		0.0%
Total Non-Cash Expense	31,380	2.1%
Restaurant Level Profit	263,200	17.5%
Interest Expense	27,500	
Principal	14,340	
Overhead Items	50,000	3.3%
Total Other Cash Expenses	91,840	6.1%
Net Cash To Owner	171,360	11.4%

F

Burger King

Unit #1 Profit & Loss Statement

For Kalispell BK

Acct Description	Actual \$	Act %	<u>Fixed / Variable</u>
Net Sales	1,160,000	100.00%	
Cost of Sales	373,120	32.2%	V
Gross Profit	786,880	67.8%	
Salaries-Str Mgmt	35,004	3.0%	F
Crew Wages	256,496	22.1%	V
Fringes & Benefits	35,000	3.0%	V
Tot Personnel Expense	326,500	28.1%	
Cash Variances	1,200	0.1%	V
Uniforms	2,400	0.2%	V
M&R Expense	12,000	1.0%	V
M&R-Smallwares	5,500	0.5%	V
Miscellaneous Expense	2,000	0.2%	V
Paidouts	2,500	0.2%	V
Supplies	10,000	0.9%	V
Telephone Exp	2,520	0.2%	V
Utilities Exp	28,500	2.5%	V
Monthly Services	2,400	0.2%	F
Tot Controllable Costs	69,020	6.0%	
Rest Controllable Profit	391,360	33.7%	
LSM	48,000	4.1%	V
Media/Production	5,000	0.4%	V
Total Marketing Costs	53,000	4.6%	
Insurance Exp	7,200	0.6%	F
License & Fees	200	0.0%	F
Royalty Expense	11,660	1.0%	V
Rent Expense	110,000	9.5%	F
Ad Valorem Taxes	22,000	1.9%	F
Total Non-Controllable Costs	151,060	13.0%	
Rest Operating Profit	187,300	16.1%	
Depreciation	30,000	2.6%	F
Amortization-Franchise Fee	1,380	0.1%	F
Asset Write-Offs		0.0%	F

Total Non-Cash Expense	31,380	2.7%
Restaurant Level Profit	155,920	13.4%
Interest Expense	18,280	
Principal	9,532	
Overhead Items	15,000	1.3%
Total Other Cash Expenses	42,812	3.7%
Net Cash To Owner	113,108	9.8%

BSK Grand 2285 LLC
Profit & Loss
January through August 2014

	<u>Jan - Aug 14</u>
Ordinary Income/Expense	
Income	
2-4000 · Food Sales	674,685.50
2-4010 · Non-Food Sales	4,265.46
Total Income	<u>678,950.96</u>
Cost of Goods Sold	
2-50000 · Cost of Goods Sold	
2-5000 · LTO - Limited Time Offers-Sysco	2,784.42
2-5005 · Breakfast Food-Sysco	14,298.05
2-5010 · Chicken-Sysco	19,724.40
2-5015 · Beef-Sysco	53,836.96
2-5020 · Fish-Sysco	1,747.73
2-5025 · Bacon-Sysco	5,030.57
2-5030 · Produce-Sysco	6,908.40
2-5035 · Sandwich Ingredients-Sysco	14,352.61
2-5040 · French Fried Product-Sysco	20,013.89
2-5045 · Shakes and Dairy-Sysco	10,101.57
2-5050 · Menu Items-Sysco	2,893.88
2-5055 · Shortening-Sysco	4,714.90
2-5060 · Condiments-Sysco	
2-5061 · Salad Condiments-Sysco	664.55
2-5062 · Breakfast Condiments-Sysco	882.41
2-5060 · Condiments-Sysco - Other	4,585.24
Total 2-5060 · Condiments-Sysco	<u>6,132.20</u>
2-5065 · Salad Food-Sysco	868.19
2-5070 · Menu Paper Items-Sysco	
2-5072 · Salad Paper Items	169.26
2-5070 · Menu Paper Items-Sysco - Other	14,973.39
Total 2-5070 · Menu Paper Items-Sysco	<u>15,142.65</u>
2-5075 · Other Paper Items-Sysco	6,195.41
2-5080 · Promotion - Toys-Sysco	2,839.83
2-5085 · Special Order-Sysco	556.57
2-5090 · Beverage-Sysco	7,465.99
2-5100 · Food Purchases-Sysco	6,338.11
2-5105 · Paper Products-Sysco	270.90
2-5200 · Bread Purchases-Franz	16,846.21
2-5300 · Coke - Syrup-Freestyle	20,458.24
Total 2-50000 · Cost of Goods Sold	<u>239,521.68</u>
Total COGS	<u>239,521.68</u>
Gross Profit	439,429.28

BSK Grand 2285 LLC
Profit & Loss
January through August 2014

Jan - Aug 14

Expense

2-6000 · Utilities	
2-6001 · Telephone, Internet, & TV	1,673.91
2-6002 · Electricity	14,236.55
2-6003 · Gas	5,205.73
2-6004 · Water	1,228.70
2-6005 · Trash	2,447.91
Total 2-6000 · Utilities	<u>24,792.80</u>

2-6010 · Non-Ingredient Expense

2-6011 · Merchant Account Fees	7,552.92
2-6012 · General Supplies-Sysco	2,755.36
2-6013 · Gloves-Sysco	1,186.20
2-6014 · Over/Short	102.10
2-6016 · Detergents	127.51
2-6017 · Smallware - Kitchen Supply	2,350.76
2-6018 · Miscellaneous Non-Ingredient	221.88
2-6020 · Janitorial Goods	
2-6021 · Kitchen Supplies-Sysco	19.01
2-6022 · Cleaning Supplies-Sysco	3,551.05
2-6020 · Janitorial Goods - Other	70.16
Total 2-6020 · Janitorial Goods	<u>3,640.22</u>

2-6025 · Uniforms	829.59
2-6027 · Postage	36.43
2-6028 · Office Supplies	1,160.50
2-6029 · Other Supplies	1,340.82

Total 2-6010 · Non-Ingredient Expense 21,304.29

2-5110 · Computer and Internet Expenses -4.88

2-6030 · Insurance Expense 3,549.05

2-6040 · Payroll Expenses

2-6041 · Gross Wages	189,393.03
2-6042 · Vacation Gross Pay	390.00
2-6043 · FICA-Social Security	11,769.87
2-6044 · FICA-Medicare	2,752.57
2-6045 · FUTA (Federal Unempl Tax)	903.94
2-6046 · SUTA (State Unempl. Tax)	4,764.29
2-6047 · Workers' Comp	7,116.94
2-6048 · Avitus Group Membership Fee	5,204.74
2-6049 · Employee Bonuses	273.63
2-6040 · Payroll Expenses - Other	53.33

Total 2-6040 · Payroll Expenses 222,622.34

BSK Grand 2285 LLC
Profit & Loss
January through August 2014

Jan - Aug 14

2-6060 · Repairs and Maintenance	
2-6061 · Common Area Maintenance	1,901.58
2-6063 · Electrical Repairs	259.53
2-6064 · Plumbing Repairs	371.20
2-6067 · Exterior Maintenance	530.66
2-6068 · Landscaping	933.40
2-6070 · Small Equip Repairs/Purchases	134.90
2-6071 · Computer Repairs	26.91
2-6072 · Fire Control Services	-267.00
2-6074 · Preventative Maintenance	385.00
2-6076 · Refrigeration Repairs	250.26
2-6077 · Plants	395.86
2-6078 · Building Maintenance	335.00
2-6080 · Security	2,972.82
Total 2-6060 · Repairs and Maintenance	8,230.12

2-6200 · Unit Admin	
2-6202 · Rent Expense	77,600.00
2-6206 · Property Tax Expense	5,319.49
2-6208 · Credit Card Fees	37.00
2-6209 · Education/Seminars	230.00
2-6210 · Orginazation Membership Dues	80.00
2-6211 · Business License And Tax	15.00
2-6212 · Local Advertising	1,144.23
2-6213 · Signage Advertising	15.99
2-6215 · Burger King Royalty Fee	6,769.57
2-6216 · Burger King Nat'l Advertising	27,078.28
Total 2-6200 · Unit Admin	118,289.56

2-6300 · Bank Service Charges	120.00
2-6305 · Reconciliation Discrepancies	8.66
2-6400 · Donations	1,274.39
Total Expense	400,186.33

Net Ordinary Income 39,242.95

Other Income/Expense

Other Income

 2-8050 · Other Recurring Income 16,041.54

Total Other Income 16,041.54

Net Other Income 16,041.54

Net Income 55,284.49

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the “Agreement”) - dated as of this ____, day of _____, 2014, is entered into by and between **Big Sky King Properties, LLC**, a Montana limited liability company, with an address of 1250 15th Street West, Suite 201, Billings, Mt 59102, the **City of Billings (the “City”)**, a municipal corporation with an address of 210 North 27th Street Billings, Montana 59103, and **South Billings Urban Renewal Association, Inc. (SBURA)**, a 501(c)(6) non-profit organization (collectively, the “Parties”).

WITNESSETH:

WHEREAS, pursuant to City of Billings Ordinance No. 08-5462 (the “Ordinance”) the City has created the South Billings Boulevard Urban Renewal District (the “Urban Renewal District”) which contains a tax increment provision;

WHEREAS, Big Sky King Properties, LLC plans to develop certain property located within the Urban Renewal District as a new quick serve restaurant on property more particularly described in the Big Sky King Properties, LLC TIF Application Packet (the “Project”) and has provided the Urban Renewal District with a schedule of development.

WHEREAS, the City requires certain details and specification of the rights, duties, obligations and responsibilities which exist in connection with the construction of certain public improvements, consisting of curb, gutter, and sidewalk, drive approaches, landscaping, street construction, and public utilities as well as all engineering services, architectural services, labor material costs, and other costs associated with the construction and installation thereof, as more particularly set forth in the Big Sky King Properties, LLC TIF Application Packet attached hereto and made a part hereof (hereafter the “Public Improvements”);

WHEREAS, it is the Parties’ intention and desire that a portion of the tax increment revenue generated from the Project (the “Project Tax Increment Revenue”) be used to pay for the costs of a portion of the Public Improvements;

WHEREAS, pursuant to the Ordinance, the City has determined that the Project and Public Improvements to be constructed therewith are Urban Renewal Projects and that such improvements are eligible for tax increment financing;

WHEREAS, the City, and the SBURA, pursuant to the Ordinance creating the Urban Renewal District has determined that it is appropriate to return a portion of the Project Tax Increment Revenue to Big Sky King, LLC.

WHEREAS, the SBURA board of Directors has voted to recommend funding the Big Sky King, LLC TIF application for a certain amount, pursuant to a Memorandum of

Understanding approved by the City January 13, 2014 establishing the roles of the parties.

NOW THEREFORE, for good and valuable consideration, the Parties hereto hereby agree, covenant and represent as follows:

Section 1. Development of the Project.

- 1.A. The SBURA has prepared an application packet titled “Big Sky King, LLC TIF Application Packet” which projects the amount of Project Tax Increment Revenue that will be generated from development of the Project. Big Sky King Properties, LLC represents that they have undertaken construction of the Project, which consists of the construction of an approximately 2,500 square foot quick serve restaurant, site improvements, bike-pedestrian trail, and adjacent offsite improvements located near the corner of King Avenue East and South Billings Boulevard in the Popelka Commerce Center Subdivision..
- 1.B. Big Sky King Properties, LLC has obtained the necessary approval from the City for all construction related to the Project. Big Sky King Properties, LLC shall construct all on-site improvements in accordance with City ordinances and any other applicable local, state and/or federal laws or regulations. The proposed development plan conforms to the current zoning of the Property. All improvements and construction thereon and adjacent to the Project, including, but not limited to off-site development, building construction, landscaping, and lighting shall be performed in accordance with all local, state, and/or federal regulations and laws, and as approved by the City. Big Sky King Properties, LLC acknowledges that the Project is subject to applicable utility fees in place at the time a building permit was secured as to the construction and/or the extension of services to the Project or any portion thereof. Those fees shall be due and payable from Big Sky King Properties, LLC at the time of request for service extensions.

Section 2. Construction and Maintenance of the Public Improvements. Big Sky King Properties, LLC will construct the Public Improvements as a part of the construction project. Big Sky King Properties, LLC agrees to maintain the adjacent sidewalks and boulevard landscaping as per City policy.

Section 3. Assessments and Taxes. Big Sky King Properties, LLC acknowledges and understands that the Project will be assessed for real property taxes and at some time in the future may be assessed with respect to special improvement districts. In this regard, Big Sky King Properties, LLC agrees to pay when due and applicable all special improvement district assessments and taxes.

Section 4. Reimbursements. Consistent with the Parties' desire that a portion of the Project Tax Increment Revenue, specific to this Project, be used to reimburse Big Sky King Properties, LLC for a portion of the costs of Public Improvements, the City agrees to allocate up to and not to exceed \$70,838.63. It is understood that at no time shall Big Sky King Properties, LLC be reimbursed for more than the portion of the cost of the total agreed upon qualified public improvements. The cost of said Public Improvements shall be subject to Audit by the City. The reimbursement will be made by the City to Big Sky King Properties, LLC with a lump sum payable upon completion.

Section 5. Obligation of the City. The City intends to refund a portion of the costs for Public Improvements as set forth above to Big Sky King Properties, LLC using South Billings Boulevard Urban Renewal District tax increment dollars when this project has been granted a Certificate of Occupancy by the City of Billings Building Division.

Section 6. Entire Agreement. This Agreement supercedes all prior written or oral understandings or negotiations that the Parties may have undertaken and constitutes the entire agreement between the Parties.

Section 7. Governing Law. This Agreement shall be governed by and construed in accordance with the applicable laws of the State of Montana. Venue shall be in Yellowstone County, Montana.

Section 8. Construction. If any provision of this Agreement is found to be invalid to any extent, the remainder of this Agreement shall not be affected thereby, and any such provision of the Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 9. Successors and Assigns. The stipulations and agreements of this Agreement shall be binding upon the Parties' successors and assigns.

Section 10. Notices. Any notice, demand or request under this Agreement shall be delivered in person or sent via U.S. Certified Mail, postage prepaid, to the Parties at the following addresses:

City of Billings
2825 3rd Avenue North, 4th Floor
Billings, MT 59101
Attn: Candi Millar

Big Sky King Properties, LLC
1250 15th Street West, Suite 201
Billings, MT 59102
Attn: Jan Rehberg

South Billings Urban Renewal Association, Inc.
430 S Billings Blvd
Billings, MT 59101
Attn: Shawn Hanser

Section 11. Attorney Fees. If it becomes necessary for any party to this Agreement to retain an attorney to enforce any of the terms or conditions of this Agreement, or to give any notice required herein, then the prevailing party shall be entitled to recover from the other party its' reasonable attorney fees and costs.

Section 12. Amendments. Amendments or modifications to this Agreement or any provisions herein shall be made in writing by the party requesting the change and upon written acceptance and execution by all parties shall become a part of this Agreement.

Section 15. Force Majeure. For the purposes of this Agreement "Force Majeure" shall mean any act of God, fire, earth movement, flood, explosion, action of the elements, war, invasion insurrection, acts of terrorism, riot, mob violence, sabotage, inability to procure general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, action of labor unions (unless provoked in bad faith violation of any labor laws by the party claiming its obligation or undertaking was prevented or delayed), condemnation, requisition, laws, orders of governmental or civil or military or naval authorities, or any other cause, similar to the foregoing, not within the control of such party, provided, however, Force Majeure, shall not include lack of funds or inability of obtain financing. During any time period in which an element of Force Majeure may exist, the Parties hereto are excused as to any performance substantially affected thereby.

Section 16. Parties to this Agreement. The only parties to this Agreement are Big Sky King Properties, LLC, the City, and SBURA, Inc. This Agreement establishes a right of reimbursement for the cost of Public Improvements paid by Big Sky King Properties, LLC and the City shall honor that obligation as set forth herein.

BIG SKY KING PROPERTIES, LLC

By: _____
Its: Owner

STATE OF MONTANA)
)
)
County of Yellowstone)

This instrument was acknowledged before me on the ____ day of _____,
2014, by _____, the _____,
of Big Sky King Properties, LLC

SEAL

Sign: _____
Print Name: _____
Notary Public for the State of Montana
Residing at Billings, MT
My Commission expires: _____

Regular City Council Meeting

Meeting Date: 12/15/2014

TITLE: Orchard School South Billings TIF Assistance

PRESENTED BY: Candi Millar, Planning & Community Services Department Director

Department: Planning & Community Services

PROBLEM/ISSUE STATEMENT

The South Billings Urban Renewal Association (SBURA) is requesting approval of \$47,907.00 in tax increment from the South Billings Boulevard Urban Renewal District (SBBURD) for the development of a School Based Health Care Center located inside Orchard School. This project is a collaboration between Orchard School, Billings Clinic, Riverstone Health, and SBURA. The project is to be a partnership with the school providing the space and the healthcare entities providing the program and personnel. The facility will provide basic healthcare services as well as psychiatric care. The psychiatric care component is perhaps most important to the students of Orchard School as there is a high demand for these services. The facility is being proposed for Orchard School as this school demonstrates the greatest community need for these services.

This project will provide much needed healthcare to the students at Orchard School in the SBBURD. The project is consistent with the South Billings Master Plan as the plan identifies greater access to healthcare as one of its recommendations. This is a pilot program that will be evaluated to ensure the model works effectively. Once the program demonstrates its effectiveness, the plan is to move forward with other school-based healthcare centers located in other schools in the SBBURD and throughout the city. It is hoped that this project will serve as an example of this healthcare model for the community.

The tax increment financing (TIF) eligible improvements include interior remodeling such as new walls, HVAC, plumbing, and electrical. This project is unique in that Orchard School is a publicly-owned building, thereby making interior and building improvements eligible for the investment of TIF funds. The TIF Assistance application packet is attached providing detailed financial analysis of the project. The terms for the expenditure of these funds are formalized in the attached Development Agreement. The application for TIF Assistance was approved by the SBURA Board of Directors at its November 4 meeting in the amount of \$47,907.00.

ALTERNATIVES ANALYZED

City Council may:

- Approve, or;
- Disapprove the recommendation from the SBURA on the expenditure of these funds and authorize the Mayor to sign the Development Agreement.

FINANCIAL IMPACT

The Development Agreement specifies a one-time payment of \$47,907.00 to Orchard School as part of the SBURA TIF Application Program. The funds are payable on completion of the project. The cash balance of the SBBURD TIF fund is \$3.4M. There are adequate funds available for payment of this development incentive.

RECOMMENDATION

Staff recommends City Council accept the recommendation from the South Billings Urban Renewal Association Board of Directors to approve \$47,907.00 from the South Billings Boulevard Urban Renewal District tax increment district funds to assist Orchard School and its partners with this remodeling project and authorize the Mayor to sign the Development Agreement.

APPROVED BY CITY ADMINISTRATOR

Attachments

Orchard School TIF Application

Development Agreement



MEMORANDUM

From: Steve Zeier, Zeier Consulting, LLC

To: SBURA Board of Directors

Date: October 2, 2014

RE: Orchard School Health Clinic Application for TIF Funds

Orchard School and Billings Public Schools has submitted the attached TIF Assistance Application for your consideration at the October 7th meeting of the South Billings Urban Renewal Association Board of Directors.

The project consists of the remodeling of a currently existing classroom at Orchard School into a School Based Health Center in partnership with Riverstone Health and Billings Clinic. The project is to be a partnership with the school providing the space and the health care entities providing the program and personnel. The facility will provide basic health care services as well as psychiatric care. The psychiatric care component is perhaps most important to the students of Orchard School as there is a huge demand for these services. The facility is being proposed for Orchard School as this school demonstrates the greatest community need for these services. Orchard School is located at 120 Jackson St and is just in the northeastern boundary of the South Billings Boulevard Urban Renewal District.

There is a significant lack of access to health care in the district. This project is partially an outgrowth from the South Billings Master Plan as greater access to community based health care was seen as a priority of the plan. Health care facilities are plentiful in other parts of town

but is absent in the TIF District. Early indications and discussion indicated that the facility would be available to all members of the community. Recent conversations with the applicant have indicated that the facility will be open to students and family members of the students only. Please see the attached documentation as this provides a detailed look at the project.

The TIF application is for a request of \$47,907.00 for TIF eligible improvements. These improvements include interior remodeling such as new walls, HVAC, plumbing, and electrical. This project is unique in that Orchard School is a publically owned building, thereby making interior and building improvements eligible for the investment of TIF funds. Orchard School is not a tax paying property, therefore any TIF funds invested will have no return as the property does not pay ad valorem property tax, only the special assessments levied by the City of Billings such as arterial fees and storm water fees, etc. (11/10/2014 Update: The SBURA Board voted to approve this application at the November 4th meeting of the Board of Directors.)

In summary, a recommendation of further discussion prior to approval of this application is being forwarded for the following reasons:

- 1) The project is consistent with the adopted South Billings Master Plan for the recruitment and incentivizing of community health care facilities to locate in the South Billings Boulevard Urban Renewal District.
- 2) The project will provide an expansion of much needed health and psychiatric care for the Orchard School population.
- 3) The community benefit component and the timing of if and when the facility will be open to the entire student community are important considerations that need to be discussed with the applicant.

Please contact me with any questions. I look forward to discussing this at the October board meeting.

Sincerely,



Steve Zeier

enc: TIF Application Packet
cc: SBURA Board, Candi Millar, Kathy Olson



SOUTH BILLINGS URBAN
RENEWAL ASSOCIATION

City of Billings South Billings Boulevard
Urban Renewal District

T.I.F Assistance Application
For Public/Private Development Projects

Information & Application

Please return to: SBURA, Inc.
c/o Steve Zeier
Billings, MT 59101
(406) 670-6969
steve@zeierconsulting.com

TAX INCREMENT FINANCING APPLICATION PROCESS FOR POTENTIAL PUBLIC INFRASTRUCTURE ASSISTANCE VIA A DEVELOPMENT AGREEMENT AND POSSIBLE ISSUANCE OF TIFD BONDS

IMPORTANT: The material below outlines the Tax Increment Development Agreement application process and the responsibilities of the APPLICANT and the South Billings Urban Renewal Association, Inc. (SBURA). Please review this information carefully before submitting the application or finalizing your development plans.

Failure to receive approval of a completed application **BEFORE** construction begins may affect the Applicant's eligibility for Public Infrastructure Tax Increment Financing assistance from the City of Billings.

INTRODUCTION

The SBURA is responsible for advising Billings City Council for the South Billings Boulevard Tax Increment District (aka SBBURD), pursuant to Montana Urban Renewal Law Title 7 Chapter 15 part 42 Montana Code Annotated, (MCA) "Urban Renewal." Tax Increment Financing (TIF) is an important element of the program as it provides a means to complete public urban renewal activities that assist and enhance private development opportunities within the district. A TIF program operates by first establishing a base year taxable value for all properties within the urban renewal district. Property taxes continue to be paid to all taxing jurisdictions on the basis of the base year valuation. All increases in property taxes above this base valuation due to new development or reappraisals are assigned to the TIF District. They are then used for district revitalization activities.

The SBURA offers this tax increment financing assistance consideration for **public infrastructure** (See Schedule "A" attached) components of projects developed within the boundaries of the South Billings Boulevard TIFD.

TAX INCREMENT FINANCING ASSISTANCE PARAMETERS

Each project is unique. Funding availability depends upon the number of years remaining in the district, with or without TIFD Bond extensions beyond the initial 15 year lifetime of the TIFD. TIF assistance with **public infrastructure** shall be based upon criteria outlined in the Criteria for Review section. The amount of assistance is determined by the comparison of two calculations: 1) The amount of incremental revenue generated by the project and 2) The amount of the project that is considered an eligible expense under MCA 7-15-4288. **The assistance provided cannot exceed 45% of the total tax increment generated by the project over the remaining years left in the life of the TIFD. The TIFD was established in 2008 and has 9 years remaining if bonds are not secured.** Please note that property acquisition costs are *not* to be included in the calculations; *only* property improvements are to be considered. Property improvements are defined as all project costs excluding property acquisition. Generally, TIF assistance may be awarded to the eligible PUBLIC PORTION (Schedule "A") of projects meeting the criteria and approval processes as described herein, subject to availability of funds.

ELIGIBLE ACTIVITIES

As specified by Title 7 Chapter 15 Part 4288 Montana Code Annotated, TIF funds may be used to complete certain urban renewal activities. Pursuant to this statute, the SBURA will review applications for assistance to projects eligible under the following guidelines. Each application is evaluated on a case by case basis under these guidelines. The SBURA will place special emphasis on those projects that implement the SOUTH BILLINGS BOULEVARD URBAN RENEWAL MASTER PLAN¹, particularly mixed-use developments.

APPLICATION PROCESS AND TIMELINE

Anyone seeking TIF assistance from the SBURA must submit a written application for each TIF-assisted project. The following procedure has been developed to expedite the review of TIF funding requests.

1. Initial Contact. Contact the SBURA Representative, Steve Zeier at 406-670-6969 or via email at steve@zeierconsulting.com, to discuss the project and determine preliminary eligibility for TIF assistance.

¹ Adopted by Billings City Council, 2/27/2012 and by the Board of County Commissioners, 4/24/2012.

2. Prepare a Written Application. The Applicant must prepare a written application for each project assistance request. For all TIF requests, the Applicant must complete a "Developer's Statement of Qualification and Financial Responsibility" which includes submittal of personal financial statements.
3. SBURA Staff Review. Upon submittal of all necessary information, SBURA staff will review the project and the need for funding. At any point in the review process the staff may request more information of the Applicant or solicit comment on the project from other public agencies. Items included in personal financial statements will not be subject to public review or presentation to or comment by other public entities.
4. SBURA Board Review. The SBURA Board will review the application and staff recommendations. The Board reserves the right to seek additional project review from other public agencies. The Board will issue preliminary approval/disapproval of the assistance request or any part thereof and will make a recommendation to the City Council.
5. City Council Review. Projects receiving approval by the SBURA Board will be forwarded to the Billings City Council through the City of Billings Planning and Community Services Department for final approval and consideration of a Development Agreement that will clearly describe the public investment required to be applied towards public infrastructure and/or development improvements within the public right of way. City Council approval is required before the City will enter a Development Agreement with the Applicant.
6. Development Agreement. The City and the Applicant must execute a mutual agreeable legally binding Development Agreement which establishes the terms and conditions of TIF assistance. Sample Development Agreements are available at the City/County Planning Division office for reference. The Development Agreement may include, but is not limited to, the following:
 - Complete architectural design specifications and site plan
 - Time frame for project development, construction and completion
 - Specifications for release of funds related to public infrastructure
 - Cash flow and pro forma statements for a minimum of five years of the development
 - Terms and conditions of the various financings
 - Commitment letters and loan documents related to the various financings
 - Ownership of completed development
 - Events of default; remedies
 - Zoning approval
 - Tenant commitments
 - Non-liability of city officials
 - Cause for termination

7. Timing. Following the above process for approval, the Applicant can expect a minimum of 60 days between submitting an application to the SBURA and potentially receiving a decision from the City Council.

COMMITMENT OF FUNDS

Upon City Council approval of a project, the approved funds will be budgeted. Budgeted funds will be encumbered for a grace period of 180 days, by which time construction must have commenced. Commencement of construction means the date on which the first building permit is issued. Projects that have not commenced construction within 180 days are at risk for losing the committed funds.

Funds will be released as specified by the Development Agreement. Depending on the nature of each individual project, funds may be released as a lump sum payment or multiple payments made over subsequent fiscal years. The Development Agreement will specify the payment terms. Funds may be released according to one of the following methods.

1. Release of funds following project completion. Funds will be released upon the project's receipt of a Certificate of Occupancy from the City of Billings' Building Division. If necessary, the City will encumber funds for additional fiscal years to accommodate construction schedules.
2. Release of funds over a multi-year repayment schedule. Prior to a project receiving a TIF assistance payment, a Certificate of Occupancy shall be provided to the project by the City of Billings Building Division. Subject to payment amounts and funding availability, multiple payments may be required. TIF assistance payments may be made according to an agreed upon payment schedule. This schedule will be contained within the Development Agreement.

Funds will be release only if the project is developed and constructed essentially as presented in the Development Agreement.

SOUTH BILLINGS BOULEVARD TAX INCREMENT FINANCING (TIF) ASSISTANCE
APPLICATION

Project Name: School Based Health Care Center at Orchard School Date Submitted: 9/19/14

APPLICANT INFORMATION

1. Name: **Karen Ziegler, Principal, Orchard School**
2. Address: **120 Jackson Street, Billings, MT**
3. Telephone Number: **406-281-6216**

PROJECT INFORMATION

1. Building Address: **120 Jackson Street**
2. Legal Description: _____
3. Ownership: **Taxpayers of City of Billings/Billings Public Schools**
4. Address: **NA**
5. If property is not owned by the Applicant, list leasehold interests (Attach evidentiary materials.)

Lessor's Name: **NA**

Lessor's Address: **NA**
6. Existing/Proposed Businesses: **NA**
7. Business Description: **Public Elementary School**
8. Employment: Existing FTE jobs: **Teachers, Counselors, Librarians, Custodial, Administrators, Secretarial, Food Service, Para Professionals**
9. New Permanent FTE jobs created by project--**2.0 –Health Care Professionals**
10. Construction FTE jobs: **4.0 FTE—Electrician, Carpenter, Plumber, Construction**
11. Architectural Firm: **CTA—Kristine Keller**

Address: **13 North 23rd Street, Billings, Montana 59101**

Representative: **Kristina Keller**

8. Description of Project: **See Attached Power Point**
9. Rehabilitation/construction plans: **See Attached**
10. Project Schedule: **December 1, 2014-March 30, 2015**

CRITERIA FOR REVIEW

Materials contained in TIF Assistance applications are used to assess the merits of projects in relation to the goals and objectives of the South Billings Urban Renewal Master Plan in relation to other district development and urban renewal projects. Projects will be evaluated based on the following criteria. Please provide an explanation and supporting documentation for how the project addresses each criterion.

1. Relevance to the South Billings Urban Renewal Master Plan – Documentation of the project's consistency with the goals in the Master Plan.
2. Economic Stimulus – The amount of economic activity to be generated by the, as well as the leverage ratio of public to private investment. Applications should contain credible, measurable information substantiating Applicant's claims of economic stimulus.
3. Tax Generation – The increase in taxable value due to new construction/rehabilitation as estimated by the County Assessor's office.
4. Employment Generation – Total employment generated by the project assessed in terms of new permanent and part-time jobs, and construction jobs.
5. Elimination of Blight – The project's direct and indirect impact on the physical and fiscal condition within the District.
6. Special or Unique Opportunities – The extent to which the project represents a unique opportunity, meets a special need, or addresses community goals. The provision of public space or workforce housing are examples of special and unique opportunities.
7. Impact Assessment – The extent of both positive and negative environmental impacts, appropriateness of the project design, and impact on existing businesses or residents.
8. Financial Assistance – Other forms of financing available to the Applicant i.e. lender participation and state and federal grant monies,

9. Project Feasibility – Demonstration of market demand for the project as contained primarily on the pro forma and financing commitments.
10. Developer’s Ability to Perform – Applicant’s capability to undertake the relative complexities of the project based on past performance on similar or comparable projects.
11. Timely Completion – The feasibility of completing the project according to the Applicant’s project schedule.
12. Payment of Taxes – All property taxes, special improvement district assessments, and other assessments on the project property must be paid at the time of application.

PROJECT COSTS

Land and Site Improvements (Itemized)

1. Equity in Land and Buildings	\$ 9.25 million
---------------------------------	------------------------

Construction/Rehabilitation Costs (Use general construction trade divisions) **SEE ATTACHED**

1.	\$ _____
2.	\$ _____
3.	\$ _____
4.	\$ _____
5.	\$ _____
6.	\$ _____
7.	\$ _____
8.	\$ _____

Subtotal	\$ 35,500
----------	------------------

Fees

1. Architectural Design/Supervision	\$ 6,500
2. Permits Included	\$ _____

3. Other fees GC OVERHEAD & PROFIT \$ 5,907

Total Project Development Costs \$ 47,907

PROJECT FINANCING (NA)

Please complete Sources of Funds detail and summarize below.

Developer Equity

Cash Invested	\$ NA
Land & Buildings	\$ NA
Other (Specify) _____	\$ NA
_____	\$ NA
Subtotal	\$ NA

Lender Commitments (Attach evidence i.e. Letters of Credit or other documentation.) **(NA)**

Lender Period	Loan Amount	Interest	Term	Payment/ Month
_____	\$ _____	_____%	____yrs	\$ _____/Month
_____	\$ _____	_____%	____yrs	\$ _____/Month

TIF Request for improvements within the Public Right of Way (NA)

Eligible Improvements (See Schedule "A")

\$ _____

\$ _____

\$ _____

\$ _____

Subtotal

\$ _____

Sources of Funds Summary (Post totals from above.)

Developer Equity

\$ _____

Lender Commitments

\$ _____

TIF Request

\$ 47,907

Other Funds (Specify) **Psychiatrist & Nurse**

\$ RIVERSTONE & BILLINGS CLINIC STAFF

Total Project Financing

\$ 0

DEVELOPER STATEMENT OF QUALIFICATIONS AND FINANCIAL RESPONSIBILITY

Applicant

1. Name: Karen Ziegler, Principal Orchard Elementary School, Billings Public Schools

Address: 120 Jackson Street, Billings, MT 59101

2. If the applicant is not an individual doing business under his/her own name, the applicant has the status indicated below and is organized or operating under the laws of _____.

3. The applicant is:

_____ A corporation.

 X A nonprofit or charitable institution or corporation

_____ A partnership known as _____

CONSTRUCTION CONTRACTOR

1. Identify the construction contractor or builder who will undertake this project.

Name: **This project will be bid and cannot exceed \$47,907**

2. Has such contractor or builder ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract within the last ten years?

No _____ Yes _____ If yes, explain.

CERTIFICATION

I (we), **Billings Public Schools** certify that the statements and estimates within this Application as well as any and all documentation submitted as attachments to this Application or under separate cover are true and correct to the best of my (our) knowledge and belief.

Signature *Z. Zuber, Board*

Signature *Leo Hudak, CFO/CLERK*

Title Principal *Karen Zieher, Principal Dickson*

Address **120 Jackson, Billings Montana 59101**

Date *September 25, 2014*

Date _____

_____ Other (explain): _____

Date of organization: _____

- Names, address, title of position (if any), and nature and extent of the interest of the officers and principal members, principal shareholders, investors, or partners of the applicant.

Name and Address

Nature and Extent of Interest

Riverstone Health
Billings Clinic
Billings Public Schools

Health Care Provider
Health Care Provider
Facility

Financial Condition

- Provide a current financial statement for each private entity involved in the project. Documentation of financial capacity may include net worth statements, balance sheets, or profit and loss statements.
- Has the applicant or any individual or entity affiliated with the development of this project been adjudged bankrupt, either voluntary or involuntary, within the past ten years?
No Yes _____ If yes, give date, place, and under what name:

- Has the applicant or any individual or entity affiliated with the development of this project been indicted for or convicted of any felony within the past ten years:
No Yes _____ If yes, give date, charge, place, court and action taken for each case.

SCHEDULE "A"
EXAMPLES OF ELIGIBLE PUBLIC PORTION PROJECTS OF INFRASTRUCTURE
COMPLETE LIST FOUND IN MONTNA CODE ANNOTATED 7-15-4288

Purchase of Site for a Public use

Demolition and Abatement

Sidewalks, Curbs, Gutters, Drive Approaches

Public Utilities such as Water, Sewer, and Storm Drain

Street Surface Improvements

Crosswalks

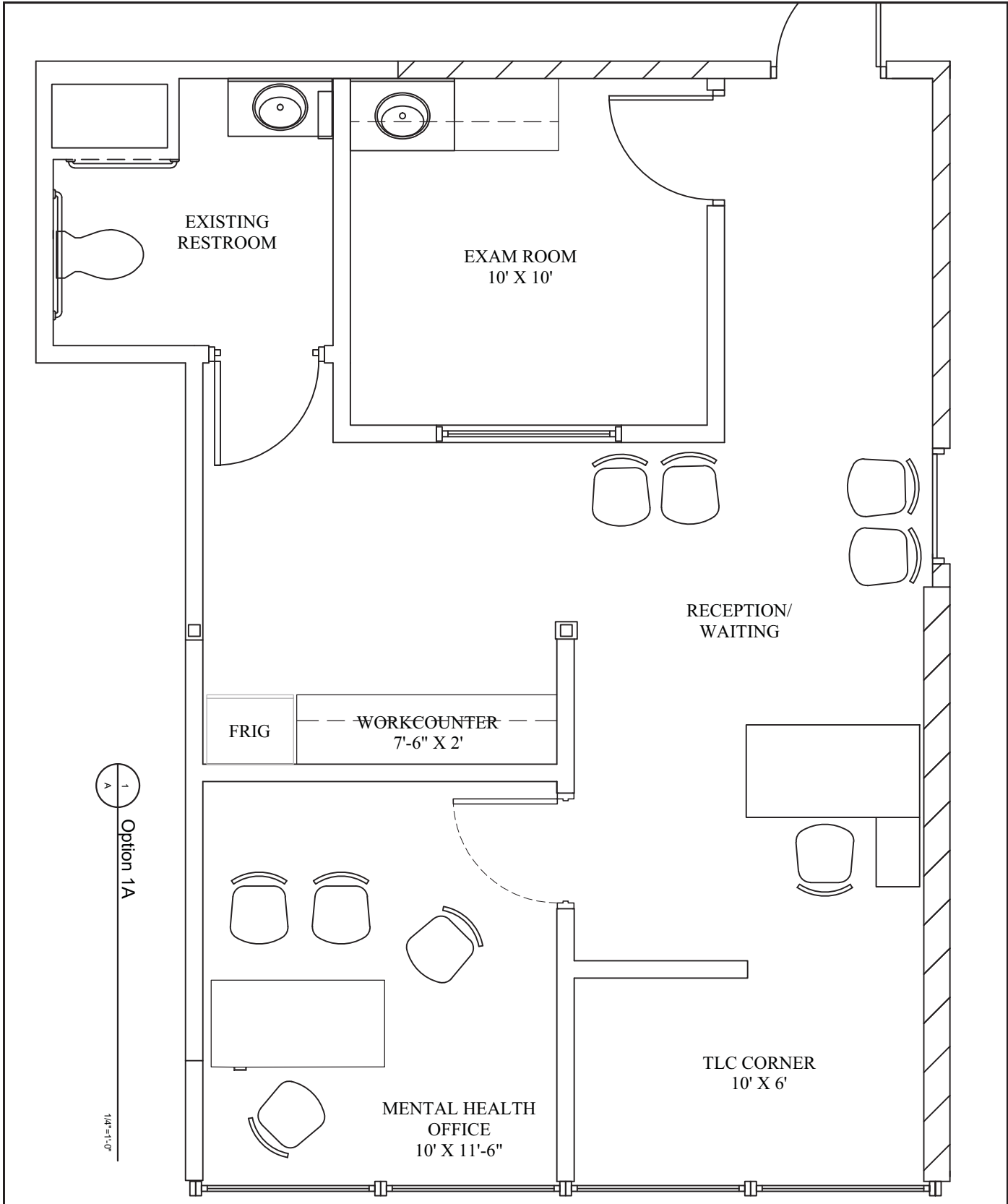
Landscaping, Green Space, and Improvement of Pedestrian Areas

Historical Restorations

Off Street Parking

Pollution Reduction

Private Utilities such as Electrical, Natural Gas, Telecommunication Lines



Drawn By _____ KAHK
 Checked By _____ KAHK
 Date _____ 8-27-14
 CTA # SD2ORCH_RIVERSTONE
 Cad File: _____ XXX



School District No. 2
 Orchard Elementary
 Riverstone Health Clinic Addition

REF SHEET#
 SHEET#
1A

CONSTRUCTION COST ESTIMATE					DATE PREPARED	SHEET 1 OF 1	
PROJECT SD2 Orchard Elementary Remodel - Riverstone Health Clinic					CTA Architects Engineers 13 North 23rd Street, P.O. Box 1439, Billings, MT 59103 Ph: 406. 248. 7455 Fax: 406. 248. 3779 http://www.ctagroup.com E-mail: info@ctagroup.com		
LOCATION Billings, MT							
ARCHITECT ENGINEER CTA							
DRAWING NO.				ESTIMATOR Kristine A. H. Keller	CHECKED BY		
		QUANTITY		MATERIAL & LABOR			
		No. Units	Unit Meas.	Per Unit	TOTAL	TOTAL COST	
SD2 Orchard Elementary Remodel - Riverstone Health Clinic							
Base Bid							
Demo Existing Carpet/Base	500	SF	\$ 1	\$ 500			\$ 500
New Walls	400	SF	\$ 5	\$ 2,000			\$ 2,000
New Frame/Door/Hardware	1	LS	\$ 2,500	\$ 2,500			\$ 2,500
New VCT	500	SF	\$ 4	\$ 2,000			\$ 2,000
New Base	200	LF	\$ 3	\$ 600			\$ 600
New Paint	2100	SF	\$ 2	\$ 4,200			\$ 4,200
New Cabinetry	1	LS	\$ 3,500	\$ 3,500			\$ 3,500
New Blind at Interior Window	1	LS	\$ 200	\$ 200			\$ 200
New Data/Power	1	LS	\$ 2,500	\$ 2,500			\$ 2,500
Adjust Lighting Switches	1	LS	\$ 2,500	\$ 2,500			\$ 2,500
Adjust Ductwork/HVAC System	1	LS	\$ 10,000	\$ 10,000			\$ 10,000
Misc. / Unknowns	1	LS	\$ 5,000	\$ 5,000			\$ 5,000
Sub-Total							\$ 35,500
G.C. Overhead 8%							\$ 2,840
G.C. Profit 8%							\$ 3,067
Base Bid Sub-Total							\$ 41,407
Design/CA Fees (T&M Not to Exceed)	1	LS	\$ 6,500	\$ 6,500			\$ 6,500
Grand Total							\$ 47,907
**At the time of this estimate, it is not believed that the fire sprinklers or fire alarm will need to be modified for this remodel.							
**At the time of this estimate, it is expected the Riverstone Health will provide all furniture, appliances, and equipment.							



School-Based Health Center at Orchard Elementary

*Multiple systems converge to promote student
success and well-being.*



June 3, 2014



Introduction

- Eric Arzubi, MD, Child and Adolescent Psychiatrist, Billings Clinic
- Megan Littlefield, MD, Medical Director, RiverStone Health Clinic
- Deb Agnew, MD, Medical Director, Special Projects, Billings Clinic
- Nancy Taylor, VP of Clinical Operations, RiverStone Health
- John Felton, President & CEO / Health Officer, RiverStone Health

Intro to SBHC's

- Proven model in use for over 40 years.
- Prevention and early intervention services.
 - Primary Care
 - Mental Health
- Two in Montana so far: Missoula and Libby (both community health center based)
- YBGR is developing a regional telemedicine-based SBHC model
- About 2,000 SBHC's across the U.S.

Missoulian

New health center brings care closer to Lowell students, families



Lowell School Health Center
Patty Tilleman, Clinic Coordinator
1150 Sherwood
Missoula, MT 59802
Phone 406-258-4430
Fax: 406-493-1914
Email

tillemanp@phc.missoula.mt.us



Lowell School

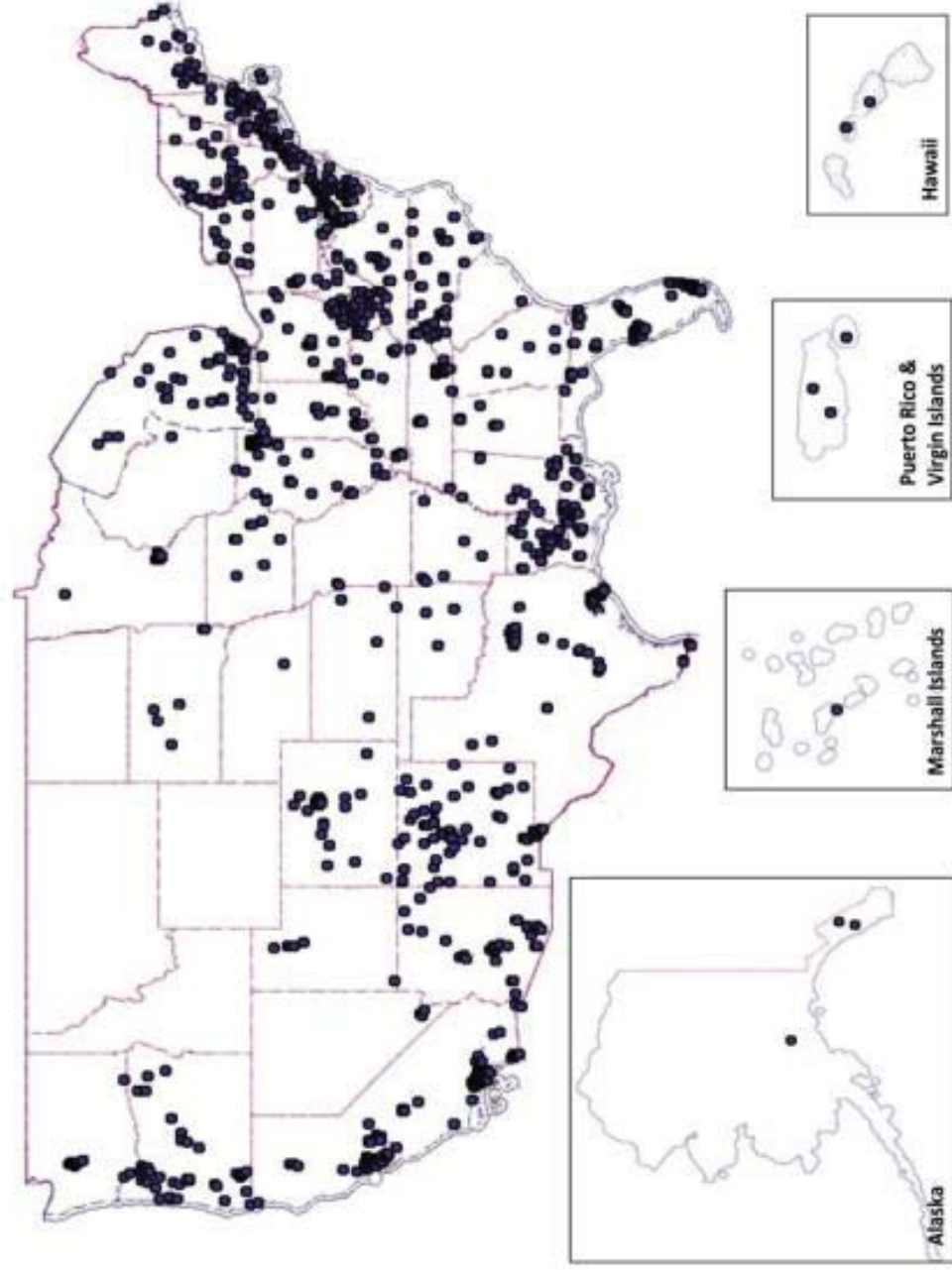
"Forward Thinking, High Achieving."



LIBBY SCHOOL DISTRICT

School-Based Health Centers • School Year 2010-2011

Locations of SBHCs Nationwide



Alabama	7	Missouri	4
Alaska	3	Nebraska	1
Arizona	47	Nevada	5
Arkansas	7	New Hampshire	1
California	172	New Jersey	24
Colorado	54	New Mexico	74
Connecticut	86	New York	231
Delaware	28	North Carolina	57
District of Columbia	6	Ohio	27
Florida	224	Oklahoma	3
Georgia	7	Oregon	61
Hawaii	3	Pennsylvania	31
Illinois	67	Puerto Rico	3
Indiana	31	Rhode Island	9
Iowa	18	South Carolina	1
Kansas	5	South Dakota	6
Kentucky	24	Tennessee	26
Louisiana	87	Texas	87
Maine	27	Utah	7
Marshall Islands	1	Vermont	5
Maryland	67	Virgin Islands	1
Massachusetts	56	Virginia	18
Michigan	90	Washington	19
Minnesota	20	West Virginia	64
Mississippi	27	Wisconsin	1

n=1930

Why SBHC's?

- **ACCESS! ACCESS! ACCESS!**
 - Reduction in school absences.
 - More likely to attend appointments.
 - Parents don't miss work.
- **Stronger linkage to community resources.**
- **More collaboration between school- and community-based professionals.**
- **Prevention and early intervention services.**

Benefits of SBHC's

- Decrease in absenteeism, tardiness, and discipline referrals.
- Higher grades.
- Finish high school.
- Decrease in inappropriate hospitalizations.
- More likely to engage at-risk students and families.
- Reduction in overall healthcare spending.

How did we end up here tonight?

- Dr. Arzubi's experience in SBHC's.
- Growing relationship with SD2 to support mental health of at-risk students.
- Vulnerability of student population at Orchard Elementary School.
- Unique roles of RiverStone Health and Billings Clinic in the community.

Mental Health Clinical Program

- #1 reason for referral to SBHC's.
- Early identification and intervention to boost overall health and learning.

Mental Health Clinical Program

- Services:
 - Staffed by LCSW or LCPC.
 - Supervision and comprehensive evaluations by Dr. Arzubi.
 - Collaboration with school professionals, RN, and YBGR's CSCT to build a continuum of care.

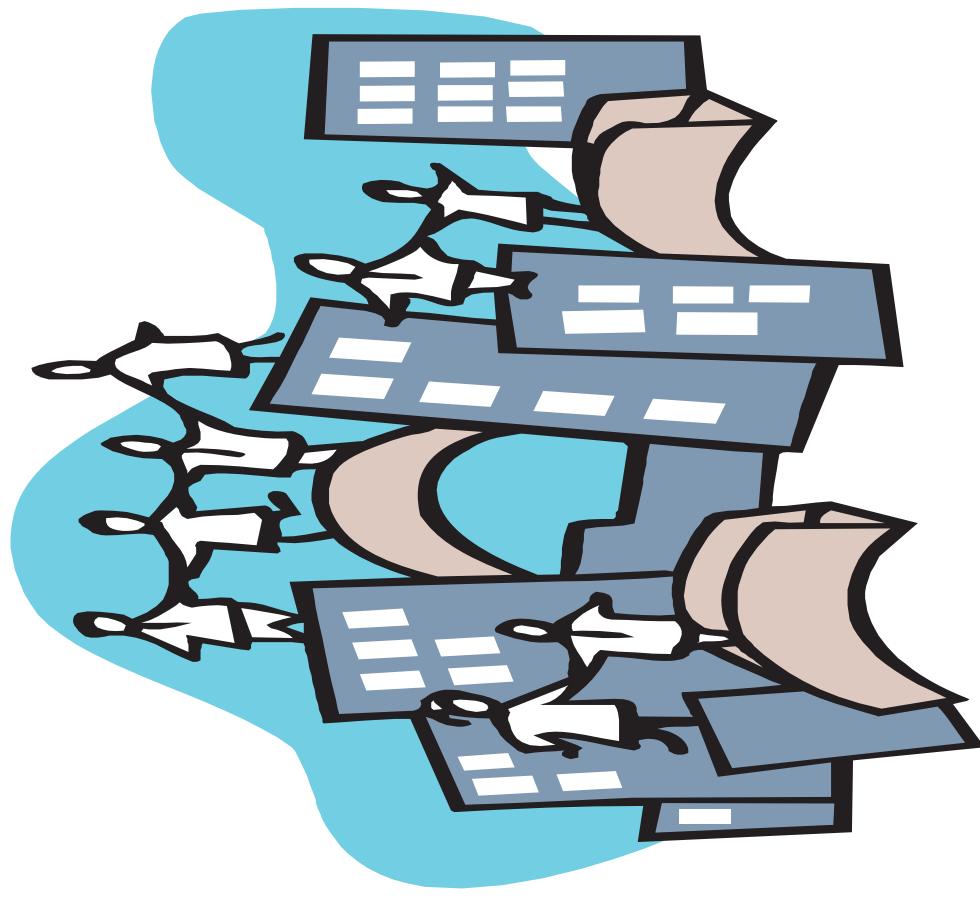
Primary Care Clinical Program



Primary Care Clinical Program

- Staffed by a PA or NP with physician oversight
- Provide primary care services
 - Preventative care
 - Urgent care
 - Chronic illness care
- Promote healthy habits

Primary Care Clinical Program



Primary Care Clinical Program

- *Healthy families = Healthier kids*
- *Collaboration and coordination is essential.*

2014 Community Health Needs Assessment

Yellowstone County, Montana

EXECUTIVE SUMMARY

After results were categorized and tallied, the following emerged as the top four health concerns among focus group participants:

- 03 Mental Health
- 03 Access to Healthcare Services
- 03 Substance Abuse
- 03 Nutrition & Obesity

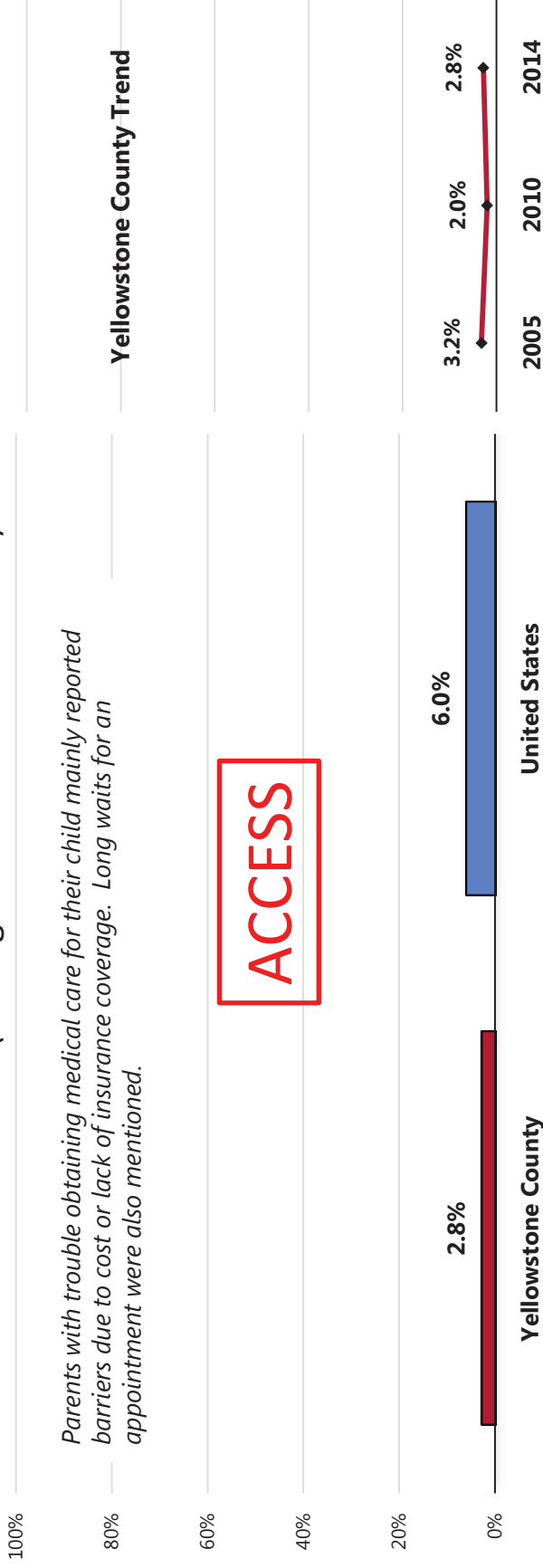
Had Trouble Obtaining Medical Care for Child in the Past Year

(Among Parents of Children 0-17)

Parents with trouble obtaining medical care for their child mainly reported barriers due to cost or lack of insurance coverage. Long waits for an appointment were also mentioned.

Yellowstone County Trend

ACCESS



Sources:

- PRC Community Health Surveys, Professional Research Consultants, Inc. [Items 120-121]
- 2013 PRC National Health Survey, Professional Research Consultants, Inc.

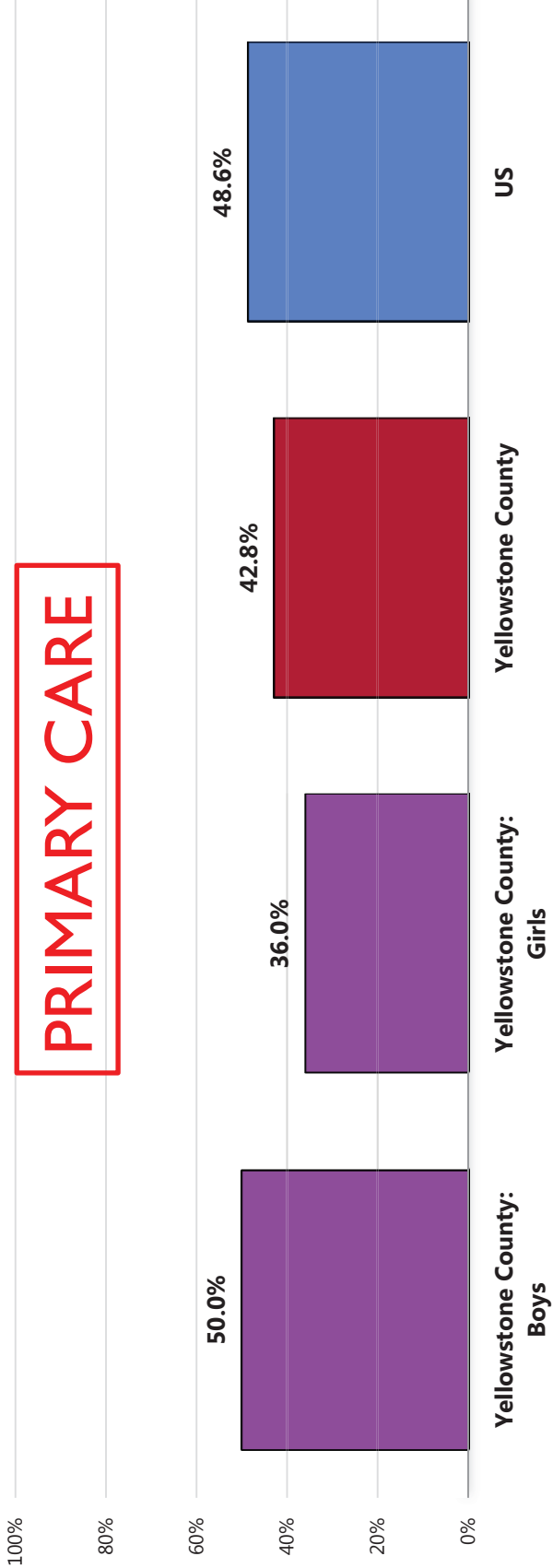
Notes:

- Asked of all respondents with children 0 to 17 in the household.

Child Is Physically Active for One or More Hours per Day

(Among Children Ages 2-17)

PRIMARY CARE



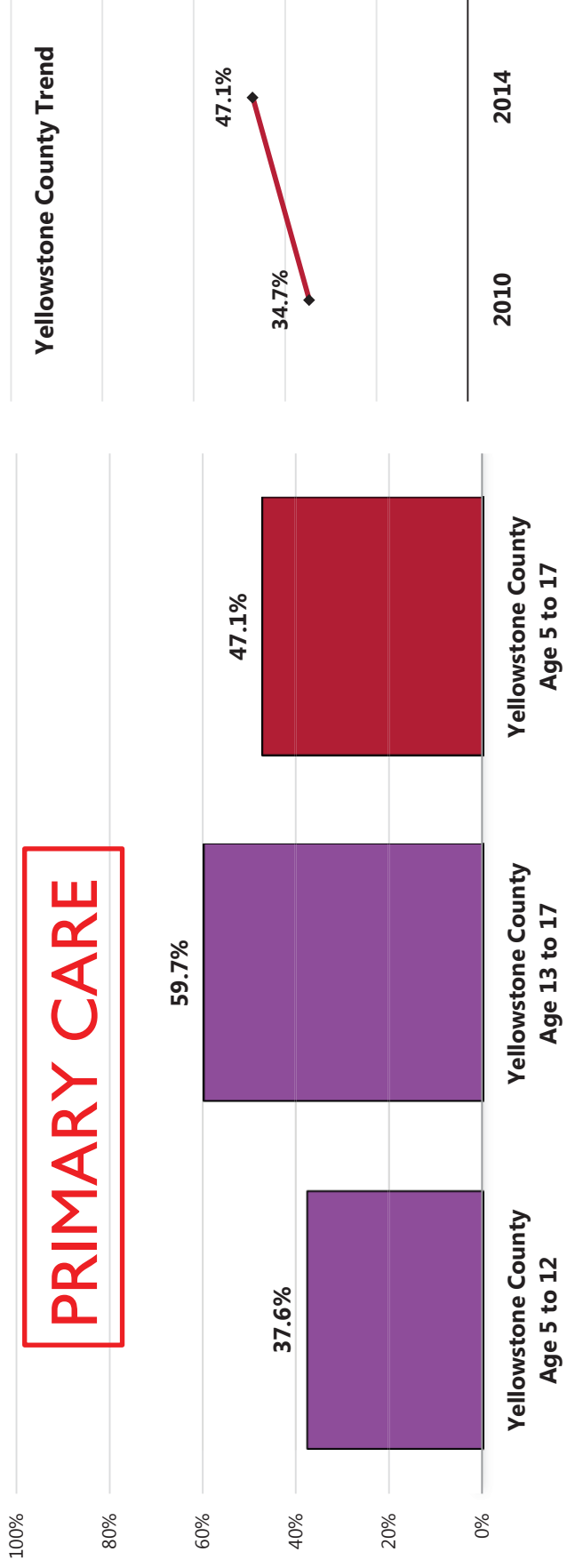
Sources:

- 2014 PRC Community Health Survey, Professional Research Consultants, Inc. [Item 126]
- 2013 PRC National Health Survey, Professional Research Consultants, Inc.

Notes:

- Asked of all respondents with children age 2-17 at home.
- Includes children reported to have one or more hours of physical activity on each of the seven days preceding the survey.

Children With Three or More Hours per School Day of Total Screen Time [TV, Computer, Video Games, Etc. for Entertainment] (Among Parents of Children 5-17)



Sources:

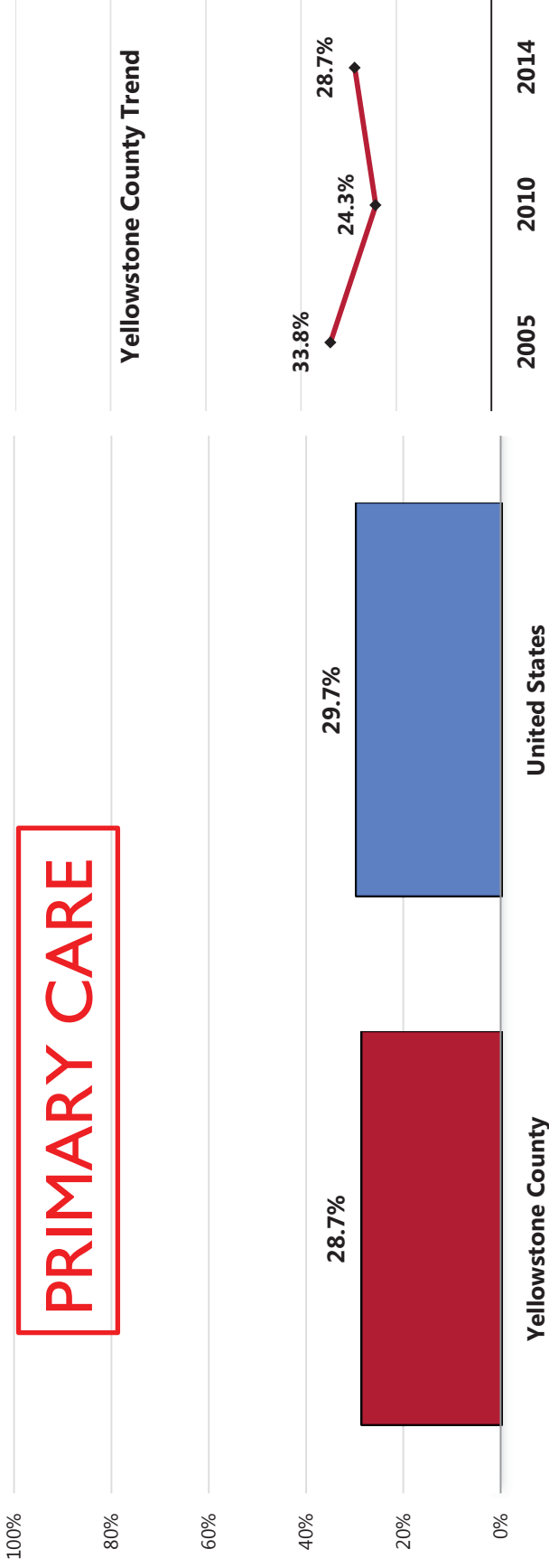
- PRC Community Health Surveys, Professional Research Consultants, Inc. [Item 165]

Notes:

- Asked of all respondents with children 5-17 at home.
- For this issue, respondents with children who are not in school were asked about “weekdays,” while parents of children in school were asked about typical “school days.”
- “Three or more hours” includes reported screen time of 180 minutes or more per day.

Child Total Overweight Prevalence

(Children 6-17 Who Are Overweight/Obese; BMI in the 85th Percentile or Higher)



Sources:

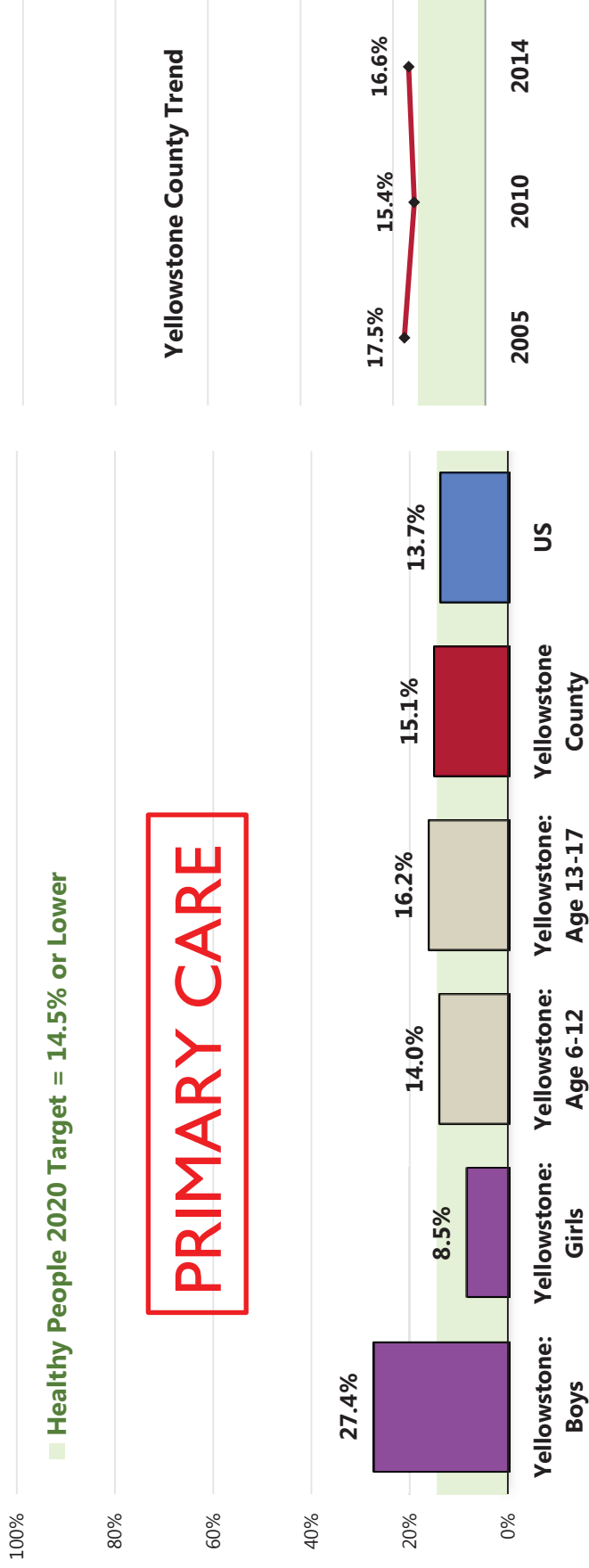
- PRC Community Health Surveys, Professional Research Consultants, Inc. [Item 171]
- 2013 PRC National Health Survey, Professional Research Consultants, Inc.

Notes:

- Asked of all respondents with children age 6-17 at home.
- Overweight among children is determined by children's Body Mass Index status at or above the 85th percentile of US growth charts by gender and age.

Child Obesity Prevalence

(Children 6-17 Who Are Obese; BMI in the 95th Percentile or Higher)



Sources:

- PRC Community Health Surveys, Professional Research Consultants, Inc. [Item 171]
- 2013 PRC National Health Survey, Professional Research Consultants, Inc.
- US Department of Health and Human Services. Healthy People 2020. December 2010. <http://www.healthypeople.gov> [Objective NWS-10.4]

Notes:

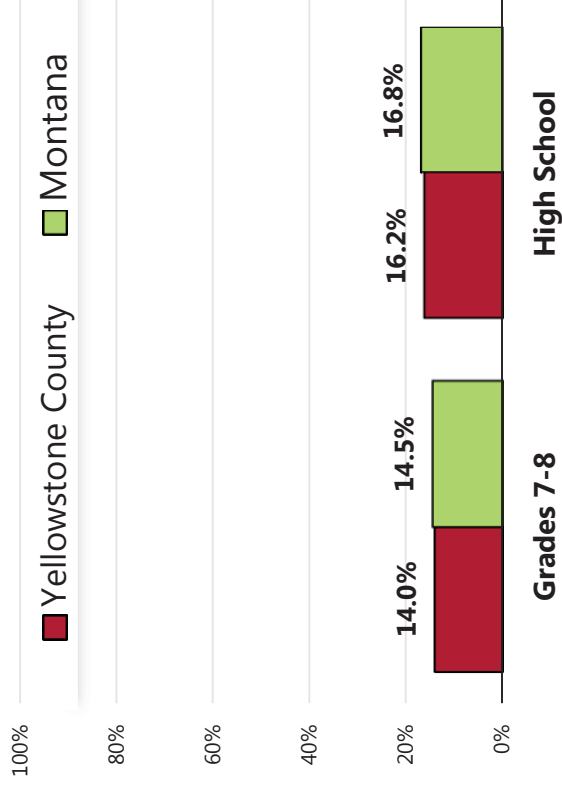
- Asked of all respondents with children age 6-17 at home.
- Obesity among children is determined by children’s Body Mass Index status equal to or above the 95th percentile of US growth charts by gender and age.

Adolescents: Suicide

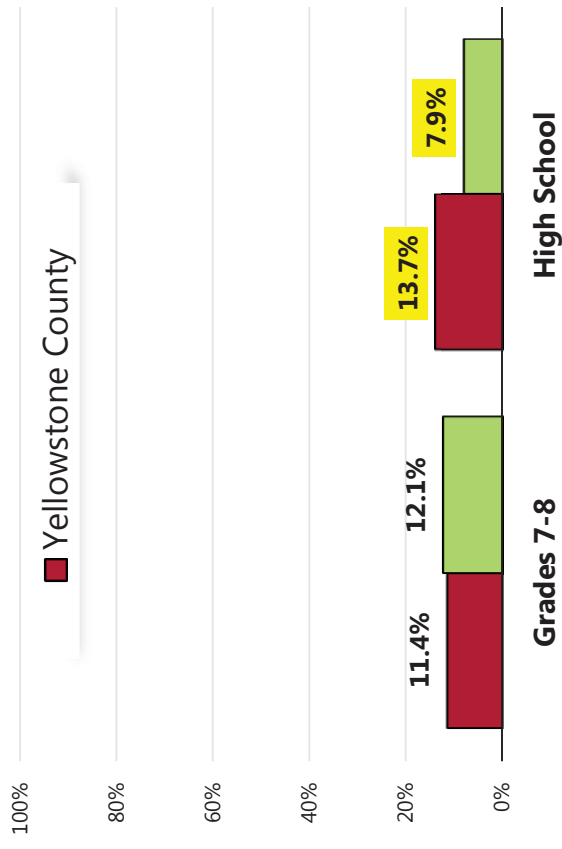
(Yellowstone County Students, 2013)

MENTAL HEALTH CARE

Seriously Considered Attempting Suicide in the Past 12 Months



Actually Attempted Suicide 1+ Times in the Past 12 Months



Sources:

- 2013 Montana Youth Risk Behavior Survey (YRBS). Montana Office of Public Instruction.





Orchard SBHC

Primary
Care

Mental
Health



- Initial design of SBHC by Drs. Littlefield and Arzubi.
- Ongoing consultation with community stakeholders.
- Supervision of Primary Care Services by Dr. Littlefield.
- Supervision of Mental Health Services by Dr. Arzubi.

Key Questions

- How much is this project going to cost SD2?
- What's in it for RiverStone Health and Billings Clinic?
- Is this model sustainable?
- Is this the only school at which an SBHC might be considered?

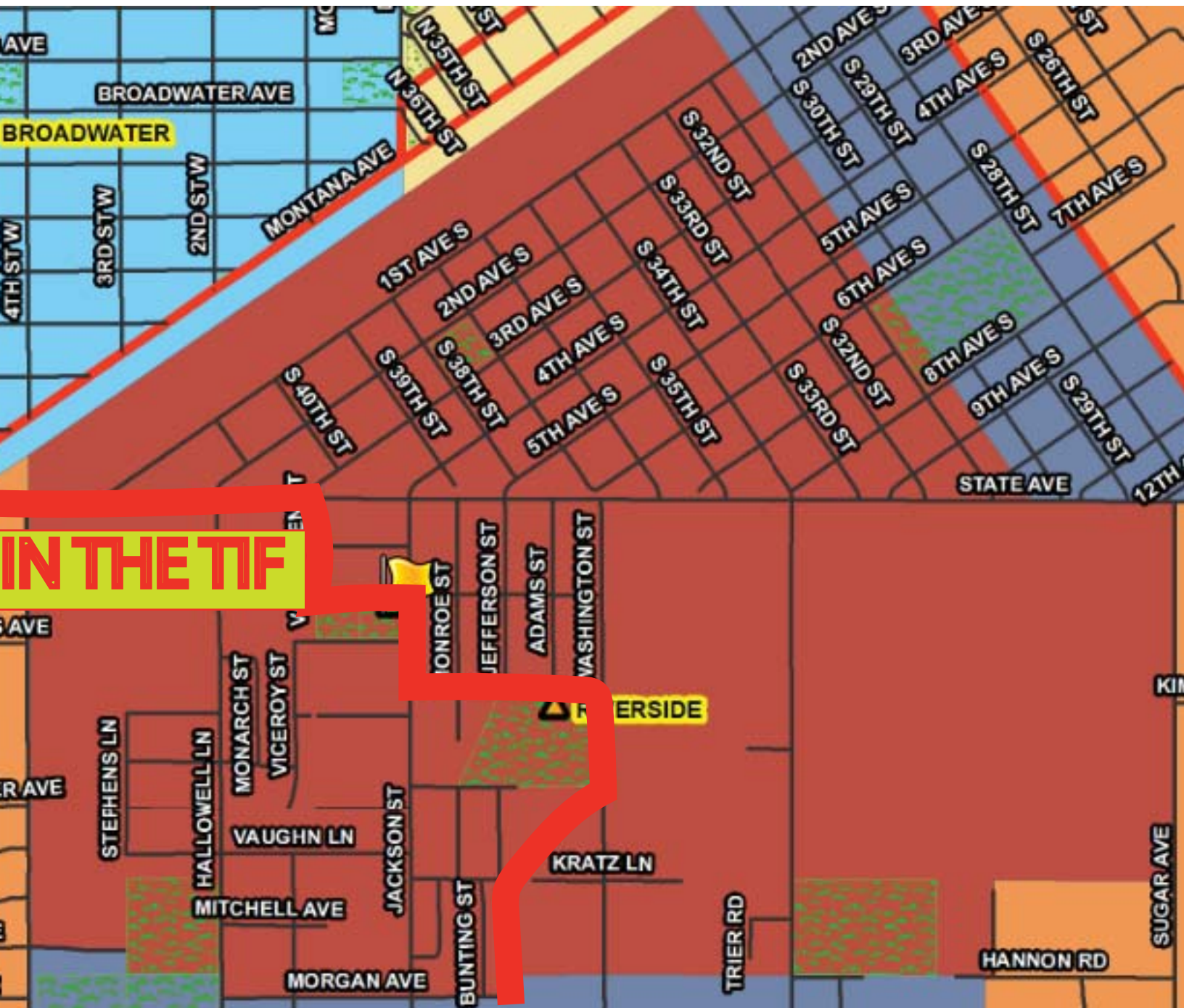
Next Steps

- Approval from the SD2 Board of Trustees to continue development process
- Signing of MOA
- Stakeholder education and input from community stakeholders
- SBHC design (facilities, clinical processes, operational considerations) and business plan
- Approval to proceed from governing bodies of the three partner organizations
- Approval from HRSA
- Develop SBHC Advisory Council
- Finalize facilities and operating plans
- “Market” the SBHC
- Implement

Take-Home Points

1. SBHCs deliver primary care and mental health services in the school setting
2. SBHC services are funded through public and private health plans
3. SBHCs improve health, mental health, and educational outcomes
4. Design and rollout of the Orchard Elementary SBHC will be driven by local stakeholders
5. Design and rollout of the Orchard Elementary SBHC will supplement and coordinate with existing resources, not replace them

Questions and Discussion



IN THE TF

ERSIDE

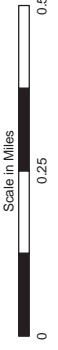
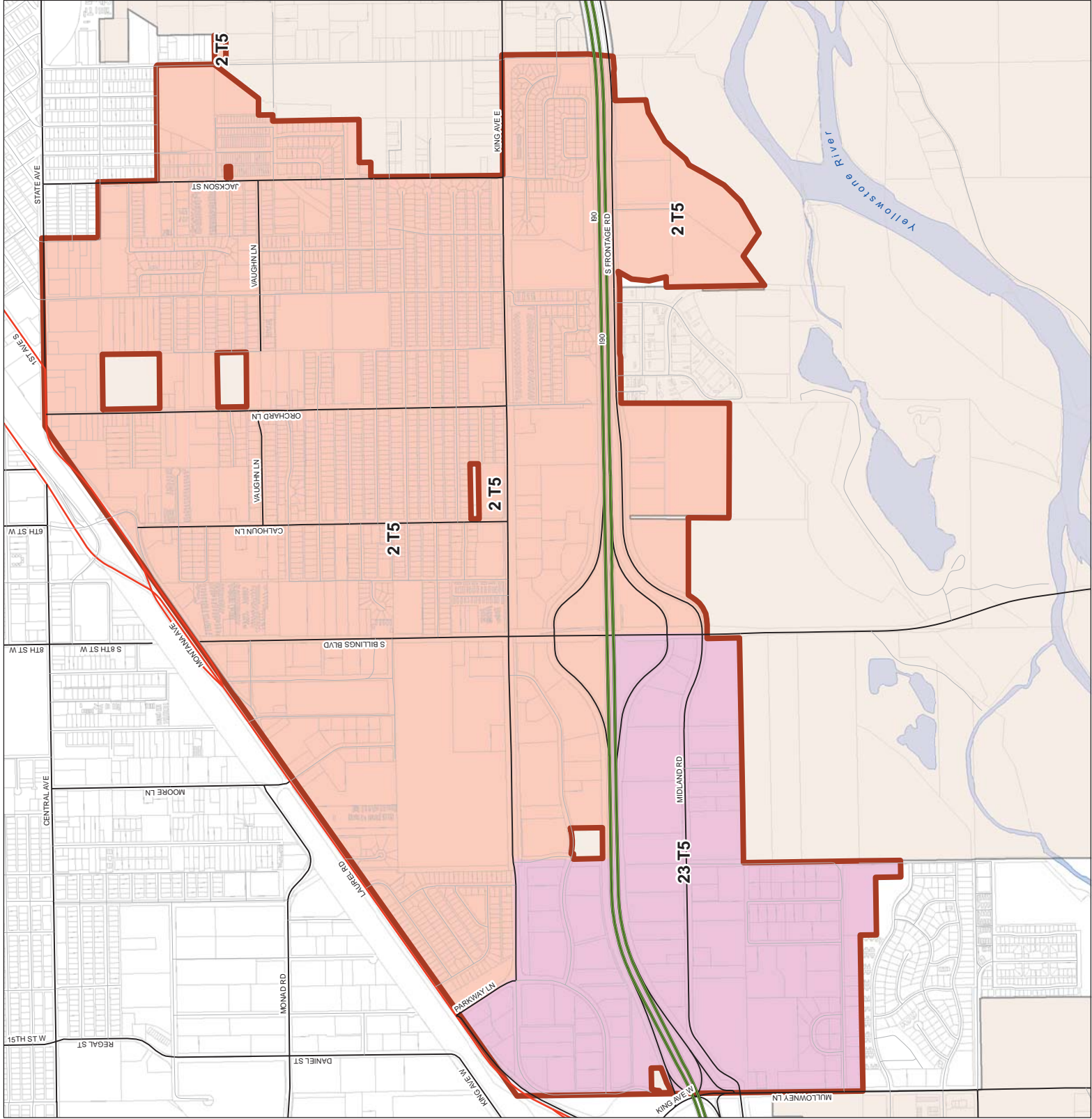
South Billings Boulevard Urban Renewal District (SBBURD)

SBBURD comprised of Levy Districts 2T5 and 23T5

The parcel data mapped hereon does not constitute a legal survey. Inaccuracies exist with both the mapped data and the Montana Department of Revenue CAMA data; when seeking the definitive description of real property, consult the deed recorded at the Yellowstone County court house.

Legend

- 2 T5
- 23 T5
- SBBURD Boundary
- Property Boundary
- Yellowstone County



DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the “Agreement”) - dated as of this _____, day of _____, 2014, is entered into by and between **Orchard School** with an address of 120 Jackson St, Billings, Mt 59101, the **City of Billings (the “City”)**, a municipal corporation with an address of 210 North 27th Street Billings, Montana 59103, and **South Billings Urban Renewal Association, Inc. (SBURA)**, a 501(c)(6) non-profit organization (collectively, the “Parties”).

WITNESSETH:

WHEREAS, pursuant to City of Billings Ordinance No. 08-5462 (the “Ordinance”) the City has created the South Billings Boulevard Urban Renewal District (the “Urban Renewal District”) which contains a tax increment provision;

WHEREAS, Orchard School plans to develop certain property located within the Urban Renewal District as a school based health care facility in conjunction with Riverstone Health and Billings Clinic, more particularly described in the Orchard School TIF Application Packet (the “Project”) and has provided the Urban Renewal District with a schedule of development.

WHEREAS, the City requires certain details and specification of the rights, duties, obligations and responsibilities which exist in connection with the construction of certain public improvements. These improvements include interior remodeling such as new walls, HVAC, plumbing, and electrical. This project is unique in that Orchard School is a publically owned building, thereby making interior and building improvements eligible for the investment of TIF funds. The project also includes engineering services, architectural services, labor material costs, and other costs associated with the construction and installation thereof, as more particularly set forth in the Orchard School TIF Application Packet attached hereto and made a part hereof (hereafter the “Public Improvements”);

WHEREAS, pursuant to the Ordinance, the City has determined that the Project and Public Improvements to be constructed therewith are Urban Renewal Projects and that such improvements are eligible for tax increment financing;

WHEREAS, the SBURA board of Directors has voted to recommend funding the Orchard School TIF application for a certain amount, pursuant to a Memorandum of Understanding approved by the City January 13, 2014 establishing the roles of the parties.

NOW THEREFORE, for good and valuable consideration, the Parties hereto hereby agree, covenant and represent as follows:

Section 1. Development of the Project.

- 1.A. The SBURA has prepared an application packet titled “Orchard School TIF Application Packet” which details the elements of the project. Orchard School represents that as expeditiously as possible, Orchard School Shall undertake construction of the Project, which consists of a partnership with Riverstone Health and Billings Clinic for the construction and operation of a school based health and psychiatric facility for Orchard School students. These improvements are projected to be substantially complete in approximately 4-6 months.

- 1.B. Orchard School shall obtain the necessary approval from the City for all construction relating to the Project. Orchard School, shall construct all improvements in accordance with City ordinances and any other applicable local, state and/or federal laws or regulations. The proposed development plan shall conform to the current zoning of the Property. All improvements and construction thereon and adjacent to the Project, including, but not limited to, building construction shall be performed in accordance with all local, state, and/or federal regulations and laws, and as approved by the City. Orchard School acknowledges that the Project is subject to applicable permit fees in place at the time a building permit is secured, or applied for, as to the construction of the Project or any portion thereof.

Section 2. Reimbursements. Consistent with the Parties’ desire that South Billings Tax Increment Revenue, specific to this Project, be used to reimburse Orchard School for the costs of Public Improvements, the City agrees to allocate up to and not to exceed \$47,907.00. It is understood that at no time shall Orchard School be reimbursed for more than the portion of the cost of the total agreed upon qualified public improvements. The cost of said Public Improvements shall be subject to Audit by the City. The reimbursement will be made by the City to Orchard School with a lump sum payable after the project is completed.

Section 3. Obligation of the City. The City intends to refund a portion of the costs for Public Improvements as set forth above to Orchard School, using South Billings Boulevard Urban Renewal District tax increment dollars that have been collected after this project has been granted a Certificate of Occupancy by the City of Billings Building Division.

Section 4. Entire Agreement. This Agreement supercedes all prior written or oral understandings or negotiations that the Parties may have undertaken and constitutes the entire agreement between the Parties.

Section 5. Governing Law. This Agreement shall be governed by and construed in accordance with the applicable laws of the State of Montana. Venue shall be in Yellowstone County, Montana.

Section 6. Construction. If any provision of this Agreement is found to be invalid to any extent, the remainder of this Agreement shall not be affected thereby, and any such provision of the Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 7. Successors and Assigns. The stipulations and agreements of this Agreement shall be binding upon the Parties' successors and assigns.

Section 8. Notices. Any notice, demand or request under this Agreement shall be delivered in person or sent via U.S. Certified Mail, postage prepaid, to the Parties at the following addresses:

City of Billings
2825 3rd Avenue North, 4th Floor
Billings, MT 59101
Attn: Candi Millar

Orchard School
120 Jackson St
Billings, MT 59101
Attn: Principal Karen Ziegler

South Billings Urban Renewal Association, Inc.
430 S Billings Blvd
Billings, MT 59101
Attn: Shawn Hanser

Section 9. Attorney Fees. If it becomes necessary for any party to this Agreement to retain an attorney to enforce any of the terms or conditions of this Agreement, or to give any notice required herein, then the prevailing party shall be entitled to recover from the other party its' reasonable attorney fees and costs.

Section 10. Amendments. Amendments or modifications to this Agreement or any provisions herein shall be made in writing by the party requesting the change and upon written acceptance and execution by all parties shall become a part of this Agreement.

Section 11. Force Majeure. For the purposes of this Agreement “Force Majeure” shall mean any act of God, fire, earth movement, flood, explosion, action of the elements, war, invasion insurrection, acts of terrorism, riot, mob violence, sabotage, inability to procure general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, action of labor unions (unless provoked in bad faith violation of any labor laws by the party claiming its obligation or undertaking was prevented or delayed), condemnation, requisition, laws, orders of governmental or civil or military or naval authorities, or any other cause, similar to the foregoing, not within the control of such party, provided, however, Force Majeure, shall not include lack of funds or inability of obtain financing. During any time period in which an element of Force Majeure may exist, the Parties hereto are excused as to any performance substantially affected thereby.

Section 12. Parties to this Agreement. The only parties to this Agreement are Orchard School the City, and SBURA, Inc. This Agreement establishes a right of reimbursement for the cost of Public Improvements paid by Orchard School and the City shall honor that obligation as set forth herein.

IN WITNESS WHEREOF, the Parties have set their hands and seals the day and year first above written.

ORCHARD SCHOOL

By: _____
Karen Ziegler
Principal, Orchard Elementary School

STATE OF MONTANA)
)
)
County of Yellowstone)

This instrument was acknowledged before me on the ____ day of _____,
2014, by _____, the _____,
of Orchard School

SEAL

Sign: _____
Print Name: _____
Notary Public for the State of Montana
Residing at Billings, MT
My Commission expires: _____

BILLINGS PUBLIC SCHOOLS

By: _____
Terry Nelsen Bouck
Superintendent, School District #2

STATE OF MONTANA)
)
)
County of Yellowstone)

This instrument was acknowledged before me on the ____ day of _____,
2014, by _____, the _____,
of Orchard School

SEAL

Sign: _____
Print Name: _____
Notary Public for the State of Montana
Residing at Billings, MT
My Commission expires: _____

SOUTH BILLINGS URBAN RENEWAL ASSOCIATION.

By: _____

**Shawn Hanser
President, South Billings Urban Renewal
Association**

STATE OF MONTANA)
:ss
County of Yellowstone)

This instrument was acknowledged before me on the ____ day of _____,
2014, by _____, the _____,
of South Billings Urban Renewal Association.

SEAL

Sign: _____
Print Name: _____
Notary Public for the State of Montana
Residing at Billings, MT
My Commission expires: _____

Regular City Council Meeting

Meeting Date: 12/15/2014

TITLE: Draft 2015-2019 Transportation Improvement Program (TIP)

PRESENTED BY: Candi Millar, Planning & Community Services Department Director

Department: Planning & Community Services

PROBLEM/ISSUE STATEMENT

Federal regulations require that Metropolitan Planning Organizations (MPOs) review and update their Transportation Improvement Program (TIP) periodically. Given some funding adjustments with several transportation projects, the current Billings 2015-19 TIP must be updated to maintain compliance with State and Federal requirements.

The Transportation Improvement Program (TIP) is a short-range program of highway and transit projects in the Billings MPO area and is prepared by City-County Planning Division staff in cooperation with state and local agencies. The purpose of the TIP is to provide the mechanism for scheduling federal funds for surface transportation projects, indicate regional priorities, and demonstrate a short range transportation vision for the area. A secondary purpose of the TIP is to provide information about other transportation projects in the urbanized area that are exempt from the TIP approval process, such as projects that do not utilize federal funds.

This TIP is being presented to the Council for review due to cost updates to several projects. The projects listed in the TIP that have cost updates include: The North By-Pass, Bench Boulevard, Zimmerman Trail, and MET Bus Operating. Staff has attached the document for reference.

ALTERNATIVES ANALYZED

The current TIP includes updates of federal funding for several projects in the Billings area. The Council may:

- Recommend approval to the Policy Coordinating Committee (PCC) of the 2015-2019 TIP as drafted in order to continue the implementation of federally funded transportation projects as presented.
- Recommend modifications to the proposed 2015-2019 TIP and present these recommendations to the Policy Coordinating Committee for further consideration.

Not approving the 2015-2019 TIP would cause the Billings MPO to be out of compliance with State and Federal requirements and could affect the schedule and completion of transportation projects in the Billings MPO area.

FINANCIAL IMPACT

A range of federal funding sources is available to the Billings Urban Area for the purposes of funding transportation system improvements. A list of those sources is shown in the TIP. There is usually no direct impact to City funds in budgeting for these projects given the federal funding sources.

RECOMMENDATION

Staff recommends that the City Council approve the 2015-2019 TIP and forward that recommendation to PCC through its designee. The PCC is scheduled to meet on December 16, 2014 for action on this item.

APPROVED BY CITY ADMINISTRATOR

Attachments

Draft 2015-19 TIP

BILLINGS URBAN AREA

TRANSPORTATION IMPROVEMENT

PROGRAM (TIP)



FY 2015-2019

DRAFT

****This document is funded in part through grants from the Federal Highway Administration and Federal Transit Administration, U.S. Department of Transportation. The contents of this document do not necessarily reflect the official views or policy of the U.S. Department of Transportation.**

Prepared by:

Yellowstone County Board of Planning
Billings Metropolitan Planning Organization

In Cooperation With:

City of Billings
Yellowstone County
Yellowstone County Board of Planning
Montana Department of Transportation
Federal Highway Administration
Federal Transit Administration

Reviewed By:

Technical Advisory Committee
Yellowstone County Board of Planning
Billings City Council
Yellowstone County Commissioners

**Approval
Dates:**

11/25/14
12/09/14
11/20/14
12/09/14

Approved By:

Billings Policy Coordinating Committee
Montana Department of Transportation
Federal Highway Administration
Federal Transit Administration

12/16/14

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**METROPOLITAN TRANSPORTATION PLANNING PROCESS
SELF-CERTIFICATION**

The Billings Metropolitan Planning Organization for the Billings, Montana, urbanized area hereby certifies that the transportation planning process is addressing the major issues in the metropolitan planning area and is being conducted in accordance with all applicable requirements of:

- I. 49 U.S.C. Section 5303 and 23 U.S.C. 134 and CFR 450.334;
- II. Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C 2000d-1) and 49 CFR, Part 21;
- III. Section 1101(b) of the SAFETEA-LU (Pub. L. 109-59) regarding the involvement of disadvantaged business enterprises in the FHWA and the FTA funded projects (49 CFR part 26);
- IV. The provision of the Americans With Disabilities Act of 1990 (42U.S.C. 12101 *et seq.*) and the U. S. DOT implementing regulation (49 CFR Parts 27, 37 and 38);
- V. The provisions of 49 CFR part 20 regarding restrictions on influencing certain activities; and
- VI. Sections 174 and 176(c) and (d) of the Clean Air Act as amended (42 U.S.C. 7504, 7506(c) and (d)), 40 CFR, part 93.
- VII. 49 U.S.C. 5332, prohibiting discrimination on the basis of race, color, creed, national origin, sex or age in employment or business opportunity.
- VIII. 23 CFR, part 230, regarding the implementation of an equal employment opportunity on Federal & Federal-aid highway construction contracts.
- IX. The Older Americans Act as amended (42 U.S.C. 6101), prohibiting discrimination on the basis of age in program or projects receiving Federal financial assistance.
- X. Section 324 of title 23 U.S.C. regarding the prohibition of discrimination based on gender.
- XI. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and 49 CFR, part 27 regarding discrimination against individuals with disabilities.

Billings, Montana

Metropolitan Planning Organization

Signature, Paul Gatzemeier

President-Yellowstone County Board of Planning

Printed Name

Date

INTRODUCTION

PREFACE

The Yellowstone County Board of Planning (YCBP) is the metropolitan planning organization (MPO) for the Billings metropolitan planning area. The Transportation Improvement Program (TIP) is the funding mechanism for transportation projects requesting federal dollars in the Billings urbanized area. All MPO's are required by the current Federal Highway Bill SAFETEA LU to produce a TIP and update it at least every four years. SAFETEA LU was signed into law by President Bush in 2005, and extended by President Obama through June 2012. The act and extensions authorized highway, highway safety, transit, and other surface transportation programs.

On July 6, 2012 Moving Ahead for Progress in the 21st Century (MAP-21) was signed into law. The law provides federal program funding through the end of Federal Fiscal Year 2014 and brings program structure changes that will be fully addressed in future long range transportation plans and TIPs. This document contains a list of all surface transportation projects requesting the use of federal funds. Local jurisdictions working through the Billings MPO's Policy Coordinating Committee (PCC) determine how the area's transportation system is developed and expanded.

PURPOSE OF THE TIP

The TIP is a short-range program of highway and transit projects in the Billings metropolitan planning area and is prepared by YCBP staff in cooperation with state and local agencies. The basic purpose of the TIP is to provide the mechanism for scheduling federal funds for surface transportation projects, indicating regional priorities, and demonstrating a short range transportation vision for the area. A secondary purpose of the TIP is to provide information about other transportation projects in the planning area that are exempt from the TIP approval process such as projects that do not utilize federal funds.

THE TIP PROCESS

The development of the TIP document is the responsibility of the Billings MPO and provides an opportunity for local officials to determine priorities and spending for federal highway and transit funds. Any transportation project located in the Billings metropolitan planning area must be included in the TIP prior to receiving federal funds. TIP projects must be included in the area's 20 year Transportation Plan, and are proposed for the TIP by local elected officials, transit operating officials, or state highway agencies. The TIP is reviewed and endorsed annually by the Billings MPO's PCC and may be modified through the TIP amendment process. The PCC includes a Billings City Council representative, the Chair of the Yellowstone County Commission, the President of the Yellowstone County Board of Planning and the District Administrator of the Montana Department of Transportation. After PCC endorsement, the TIP is submitted to the Montana Department of Transportation (MDT) and to the Federal Highway Administration and Federal Transit Administration for federal review of the document and approval of conformity and fiscal constraint determination.

FEDERAL REGULATIONS

The Transportation Improvement Program (TIP) is a required planning program for federally assisted highway and transit improvements for the Billings metropolitan planning area and the Montana Department of Transportation (MDT) over a five-year period. The principal focus is given to the first two years of the program, the Biennial Element, which contains projects that could be implemented between July 1, 2015 and June 30, 2017.

The TIP is prepared annually and is in conformance with 23 CFR, Part 450 324-330.

FINANCIAL RESOURCES

A range of federal funding sources is available to the Billings planning area for the purposes of funding transportation system improvements. Following is a list of those sources which, when available to the Billings area, are shown in the Transportation Improvement Program. Project implementation is indicated as expected to occur during the pertinent program year. Billings has had a favorable history of receiving federal earmarks as reflected in the table below.

BILLINGS FEDERAL EARMARK HISTORY – 2003 through 2012

YEAR	EARMARKS
2003	\$ 3,000,000
2004	\$ 2,000,000
2005	\$ 4,960,000
2006	\$ 35,173,900
2007	\$ 0.0
2008	\$ 4,596,200
2009	\$ 4,750,000
2010	\$0.00
2011	\$0.0
2012	\$54,457
TOTAL	\$54,534,557
10 YEAR AVERAGE	\$5,453,455

FUNDING SOURCES

- Surface Transportation Program Urban (STPU)
- Surface Transportation Program Primary (STPP)
- National Highway System (NHS)
- Interstate Maintenance (IM)
- Highway-Railway Crossing Program (RRX)
- Transportation and Community and System Preservation (TCSP)
- Surface Transportation Enhancement (STPE)
- Highway Safety Improvement Program (HSIP)
- Bridge Replacement and Rehabilitation Program (HBRRP)

- Urban Pavement Preservation (UPP)
- Community Transportation Enhancement Program (CTEP)
- State Funded Construction (SFC)
- Congestion Mitigation Air Quality (CMAQ)
- Montana Air Congestion Initiative (MACI)
- FTA Section 5309 (Formerly Sec. 3)
- FTA Section 5307 (Formerly Sec. 9)
- FTA Section 5310 (Formerly Sec. 16)
- FTA Section 5316 Job Access and Reverse Commute (JARC)
- FTA Section 5317 New Freedom
- Congressionally Directed Funds (MT, NCPD, DEMO)
- Safe Routes to School (SRTS)

AIR QUALITY CONSISTENCY

Billings was designated as a non-attainment area for both Total Suspended Particulates (TSP) and Carbon Monoxide (CO) on March 3, 1978, (Federal Register, Vol. 44, No. 150, page 45421, August 2, 1979). As such, Billings was required to prepare a Transportation Control Plan (TCP). The TCP identified strategies to mitigate the TSP and CO problems. The TCP is the Billings element of Montana's State Implementation Plan (SIP). The TIP is required to be, and is, consistent with the TCP as discussed in the Billings conformity statement.

In 1987 the standard for TSP was dropped, and a new standard for particulate matter under 10 microns in size (PM - 10) was adopted (7/1/87 at 52 FR 24854). The Environmental Protection Agency (EPA), has also adopted the PM 2.5 standard and Billings is considered to be in compliance with both of these new standards.

CONFORMITY OF THE BILLINGS AREA TRANSPORTATION IMPROVEMENT PROGRAM WITH THE 1990 CLEAN AIR ACT

A portion of the Billings Urbanized Area, (Billings), was designated non-attainment for carbon monoxide (CO) on 3/3/78 (43 FR 8962) with a secondary classification of "unclassified". EPA approved the Billings CO Control Plan on 1/16/86 (51 FR 2397). Billings was then re-designated as "Not Classified" on 11/6/91 (56 FR 56697). The area meets the qualifications of the Clean Air Act (CAA) for classification as an attainment area for ozone.

The Billings "not classified" carbon monoxide (CO) nonattainment area was re-designated by the Environmental Protection Agency (EPA) to attainment for the CO National Ambient Air Quality Standards (NAAQS) with an approved limited maintenance plan effective April 22, 2002. Under a CO limited maintenance plan, the motor vehicle emissions budgeted may be treated as essentially non-constraining for the length of the maintenance period because growth would need to exceed reasonable expectations to create a violation of the NAAQS for transportation-related CO. Therefore conformity demonstration using regional emissions analysis is not required; however, individual projects may still be required to conduct "hot spot" analysis.

As demonstrated in the following sections, the Transportation Improvement Program (TIP) satisfactorily meets the requirements established by the 1990 amendments to the CAA regarding the conformity of TIP's.

- The most recent estimates of CO mobile source emissions have been developed by the Analytical Services Section, Montana Department of Environmental Quality and are based upon development and transportation data provided by the Yellowstone County Board of Planning.

TRANSPORTATION CONTROL MEASURES

Specific Transportation Control Measures have not been proposed for Billings recently, however, the SIP completed in 1986 included the widening of Exposition Drive (Main Street) and the signalization at Main Street and First Avenue North. Both of these projects were completed in 1983.

There are no Transportation Control Measures (TCM's) in the State Implementation Plan (SIP) and therefore there are no specific TCM's recommended for implementation in this TIP.

TIP CONFORMITY

As a prerequisite for receiving Federal-aid transportation funds through the TIP, a determination must be made that the proposed transportation projects do not cause or contribute to violations of the carbon monoxide ambient air quality standards. An analysis, which meets the EPA conformity determination regulations specified in 40 CFR Part 51 was performed in conjunction with the development of the Billings Urban Area 2014 Long Range Transportation Plan. The plan was found to conform at the federal level November 10, 2014. The analysis appears in Section 4, pages 4-24 through 4-27 of the Plan document and is titled "Air Quality/Conformity". As the transportation projects in the TIP are contained in the Transportation Plan's analysis, a separate analysis for the TIP is not necessary.

There are no new regionally significant projects in this 2015-2019 Billings Urban Area TIP.

NEW PROJECTS EXEMPT FROM REGIONAL ANALYSIS

Project	Scope	Comments
Exposition Dr & 1 st Ave N-concrete pavement rehab		
27 th St-1 st Ave S to Airport-mill/overlay (pavement preservation)		
2012 Scour Mitigation-Bridge Scour Mitigation (Dick Johnson Bridge)		
I-90 Yellowstone River Bridge-Bridge Replacement		

(Table 1): EXEMPT PROJECTS

REGIONALLY SIGNIFICANT PROJECTS

Project	Scope	Comments
6 th Avenue/Bench Connection	Reconstruction	In design
Billings Bypass (aka North Bypass)	Location/Environmental	Ongoing
Bench Boulevard-Billings Phases I and II	Reconstruction	Phase I letting in 2013 Phase II letting anticipated in 2015

(Table 2): REGIONALLY SIGNIFICANT PROJECTS

ENERGY CONSERVATION CONSIDERATIONS

Energy impact analyses have been conducted as a part of the urban transportation planning process. In addition, increased attention has been given to energy conservation and contingency planning on a project specific basis.

As part of the 2009 update of the Billings Urban Area Transportation Plan, energy conservation was considered in each of the proposed alternative transportation networks.

The City of Billings has a well-developed transit system, and ride-sharing opportunities have been examined. Transit facilities and highway system proposals will continue to be considered in a comprehensive method through the adopted Transportation Planning process.

The detailed energy conservation analysis of specific projects has been conducted for each of the major highway construction projects recommended in the 2009 update of the Billings Urban Area Transportation Plan.

**PROGRAMMING OF NON-URBAN SYSTEM,
FEDERAL AID AND STATE FUNDING**

Proposed projects involving federal-aid funding, other than urban system funding, that are proposed within existing rights-of-way and which are determined to not significantly change traffic patterns, may not be considered to be of appropriate scale to warrant a modification to a currently valid TIP.

When there is knowledge of such projects prior to the annual adoption of the TIP, each project will be included in the program. Generally, projects falling within this category are those which serve to preserve and maintain the integrity of the existing plant or facility such as: overlays to improve or maintain surface conditions; bridge expansion joints and deck repairs necessary to maintain structural and surface sufficiency; slope repair necessary to maintain drainage adequacy; etc. Projects of this nature will be identified by MDT with appropriate justification when requesting program approval of federal highway funds.

Local urban area officials will be advised by the Department through the local planning process of the Department's intent to expend federal funds (non-urban system) for such improvements in their area.

(Table 3) -TRANSPORTATION REVENUE ESTIMATES (2015-2019)

BILLINGS, MONTANA																		
YEAR	SURFACE TRANS PROGRAM (STP) (URBAN)*	CMAQ LOCAL	MONTANA AIR CONGESTION INITIATIVE (MACI)*	EARMARKS (MT/NCPD/ DEMO)	SURFACE TRANSPORTATION ENHANCEMENT**	TRANSPORTATION ALTERNATIVES (TA)	NATIONAL HWY SYSTEM (NHS) INTERSTATE MAINTENANCE (IM)	STATE HSIP UPP RRP SRTS MDT-MACI BH BR	GAS TAX		TRANSIT SEC 5307	TRANSIT SEC 5310	TRANSIT SEC 5311***	TRANSIT SEC 5339	OTHER FUNDS (LOCAL)	TOTAL		
CARRYFORWARD	\$12,016,934	\$ 6,232,673	\$ -	\$25,141,588	\$ 2,030,301												\$ 45,421,496	
2015									CITY	\$ 1,771,687	OPER.	\$1,718,629			OPER.	\$ 2,421,696	\$ 5,912,012	
	\$ 2,489,770	\$ 1,432,171	\$ 250,000			\$ 195,400	\$ 3,336,276	\$ 2,825,000	COUNTY	\$ 291,791	CAP.		\$160,000		\$ 420,000	CAP	\$ 145,000	\$ 11,545,408
2016									CITY	\$ 1,771,687	OPER.	\$1,718,629			OPER.	\$ 2,421,696	\$ 5,912,012	
	\$ 2,489,770	\$ 1,432,171	\$ 7,122,600			\$ 700,000	\$ 2,500,000	\$ 5,997,758	COUNTY	\$ 291,791	CAP.		\$160,000		\$ 420,000	CAP	\$ 145,000	\$ 21,259,090
2017									CITY	\$ 1,771,687	OPER.	\$1,718,629			OPER.	\$ 2,421,696	\$ 5,912,012	
	\$ 2,489,770	\$ 1,432,171	\$ 4,753,600			\$ 700,000	\$21,770,055	\$ 6,111,722	COUNTY	\$ 291,791	CAP.		\$160,000		\$ 420,000	CAP	\$ 145,000	\$ 38,274,109
2018									CITY	\$ 1,771,687	OPER.	\$1,718,629			OPER.	\$ 2,421,696	\$ 5,912,012	
	\$ 2,489,770	\$ 1,432,171	\$ 250,000			\$ 700,000	\$ 8,508,627	\$36,301,049	COUNTY	\$ 291,791	CAP.		\$160,000		\$ 420,000	CAP	\$ 145,000	\$ 50,698,408
2019									CITY	\$ 1,771,687	OPER.	\$1,718,629			OPER.	\$ 2,421,696	\$ 5,912,012	
	\$ 2,489,770	\$ 1,432,171	\$ 250,000			\$ 700,000	\$ 2,500,000	\$ 1,650,000	COUNTY	\$ 291,791	CAP.		\$160,000		\$ 420,000	CAP	\$ 145,000	\$ 10,038,732
TOTAL	\$24,465,784	\$13,393,530	\$12,626,200	\$25,141,588	\$ 2,030,301	\$ 2,995,400	\$38,614,958	\$52,885,529		\$10,317,390		\$8,593,145	\$800,000	\$ -	\$2,100,000	\$12,833,480	\$206,797,305	
Given current funding uncertainties and unknwn impacts of future congressional or other Federal actions, Federal funding available may affect the programming of projects.																		
*Includes Non-Federal Match																		
**Surface Transportation Enhancement (CTEP) funding no longer available after 2015																		
***Funds to be transferred to 5307																		

TABLE 4(a) -TRANSPORTATION PRIORITY LIST BILLINGS, MONTANA						
	PROJECT	TYPE OF WORK	PROJECT LENGTH	PHASE	ESTIMATED COST	FUNDING SOURCE
SURFACE TRANSPORTATION PROGRAM-URBAN (STPU)						
	BENCH BLVD-US 87 INTERSECTION	Reconstruction		CN	\$273,017	STPU
					\$273,017	
	BENCH BLVD HILLTOP/PEMBERTON	Reconstruction		CN	\$3,660,751	STPU
					\$3,660,751	
	BILLINGS BYPASS	New Construction	5	CN	\$5,385,998	STPU
				TOTAL	\$5,385,998	
CONGESTION MITIGATION AIR QUALITY (CMAQ) Local Match						
	BENCH BLVD HILLTOP/PEMBERTON	Reconstruction		CN	\$7,150,649	CMAQ
					\$7,150,649	
MONTANA AIR CONGESTION INITIATIVE (MACI) State Match						
	MDT PREVENTIVE MAINTENANCE 27th St-1ST AVE S to AIRPORT	Pavement preservation		CN	\$4,503,600	MACI
					\$4,503,600	
	UNDERPASS AVE IMPROVEMENTS	Study		OT	\$202,741	MACI
				PE	\$0	
				CN	\$0	
					\$202,741	
	AIRPORT RD & MAIN ST - BLGS	Study		OT	\$152,503	MACI
				PE	\$0	
				CN	\$0	
					\$152,503	
	DOWNTOWN STATE SIGNALS BLGS	Signals		PE	\$250,000	MACI
				CN	\$6,872,600	
					\$7,122,600	
	MDT-MACI	Signal Optimization		PE/OTHER	\$1,000,000	MACI
					\$1,000,000	
EARMARKS/DISCRETIONARY GRANTS						
	BENCH BLVD-US 87 INTERSECTION	Reconstruction	3	CN	\$2,182,258	MT
				TOTAL	\$2,182,258	
	ZIMMERMAN TRAIL	Rockfall Mitigation	1	PE	\$571,014	MT
				CN	\$1,003,000	MT
				TOTAL	\$1,574,014	
	ZIMMERMAN TRAIL	Roadway Improvements		PE	\$563,614	MT
				RW	\$100,000	MT
				CN	\$4,972,528	MT
				LOCAL	\$880,373	LOCAL
				TOTAL	\$6,516,515	
	BILLINGS BYPASS	New Construction	5	PE/ENV	\$5,022,630	NCPD/DEMO
				PE	\$6,562,296	MT
				RW	\$7,846,315	MT
				CN	\$2,914,577	MT
				TOTAL	\$22,345,818	
INTERSTATE MAINTENANCE (IM)						
	VARIOUS PROJECTS	Pavement Preservation		PE/CN	Per Project	IM
	D5 INTERSTATE FENCING (only portion in MPO area)	Fencing		CN	\$700,000	IM
					\$700,000	
	I-90 Yellowstone River-Billings	Replace Bridges		CN	\$6,008,627	IM
					\$6,008,627	
NATIONAL HIGHWAY SYSTEM - (NH)						
	MDT PREVENTIVE MAINTENANCE	Pavement Preservation		ALL	Per Project	NH
	BILLINGS - NW	Pavement Preservation		CN	\$4,439,700	NH
					\$4,439,700	
	MAIN ST - BILLINGS	Pavement Preservation		CN	\$1,514,700	NH
					\$1,514,700	
	27th St-1ST AVE S to A	Pavement Preservation		CN	\$7,554,000	NH
					\$7,554,000	
	BILLINGS BYPASS	New Construction	5	IC	\$3,188,004	NH
					\$3,188,004	

TABLE 4(b)-TRANSPORTATION PRIORITY LIST					
BILLINGS, MONTANA					
NATIONAL HIGHWAY SYSTEM - (NH), cont.					
	EXPOSITION DR & 1ST AVE N BLGS	Pavement Preservation	PE	\$126,989	NH
			CN	\$1,257,185	NH
			TOTAL	\$1,384,174	
	MT3-ZIMMERMAN TR INTRSCCT IMPRV	Intersection Improvement	PE	\$376,132	NH
			RW	\$94,032	NH
			IC	\$62,688	NH
			CN	\$1,316,466	NH
			TOTAL	\$1,849,318	
BRIDGE (BH, BR)					
	2012 Scour Mitigation (Yellowstone River (Dick Johnson Bridge))	Mitigation	PE	\$79,000	BH
			CN	\$520,000	STPB
				\$599,000	
	I-90 Yellowstone River-Billings	Replace Bridges	PE	\$3,809,700	BR
			CN	\$35,551,049	BR
				\$39,360,749	
SURFACE TRANSPORTATION PROGRAM-URBAN PAVEMENT PRESERVATION (UPP)					
	1ST AVE S-MINN AVE-13 ST-BLGS	Pavement Preservation	CN	\$964,700	UPP
				\$964,700	
	4TH AVE N-13TH ST TO MAIN-BLG	Pavement Preservation	CN	\$452,300	UPP
				\$452,300	
	VARIOUS PROJECTS 2015-2019	Pavement Preservation	PE/CN	Per Project	UPP
HIGHWAY SAFETY (HSIP)					
	SF 129-RNDABOUT KING 56TH	Roundabout	PE	\$705,817	HSIP
			RW	\$82,387	HSIP
			IC	\$54,925	HSIP
			CN	\$3,044,800	HSIP
			TOTAL	\$3,887,929	
	SF 139-RNDABOUT CENTRAL/56TH	Roundabout	PE	\$349,219	HSIP
			RW	\$253,976	HSIP
			IC	\$126,988	HSIP
			CN	\$2,330,239	HSIP
			TOTAL	\$3,060,422	
	SF 139 13TH/PARKHILL SIGNAL	Signal	PE	\$65,780	HSIP
			CN	\$432,119	HSIP
			TOTAL	\$497,899	
	MT3-ZIMMERMAN TR INTRSCCT IMPRV	Intersection Improvement	CN	\$2,131,422	HSIP
			TOTAL	\$2,131,422	
	S-416 & HILLCREST RIGHT TURN LN.	Intersection Improvement	CN	\$263,175	HSIP
			TOTAL	\$263,175	
	SF 129 BILLINGS HORIZONTAL CURVE SIGNAGE	Signage	CN	\$1,126,611	HSIP
			TOTAL	\$1,126,611	
	VARIOUS SAFETY PROJECTS	Safety	ALL	\$1,250,000	HSIP
				\$1,250,000	
OTHER FUNDING					
	STP ENHANCEMENTS	Various Projects	OTHER	\$2,030,301	CTEP
	ANNUAL OPERATION AND MAINTENANCE	Various Projects	OTHER	\$225,000	LOCAL
	ANNUAL OPERATION AND MAINTENANCE	Various Projects	OTHER	\$446,000	STATE
	MDT-MACI	Equipment Purchase	OTHER	\$220,562	CMAQ/LOCAL
	TRANSPORTATION ALTERNATIVES PROGRAM	Various Projects	OTHER	Per Project	TA
	STATE FUNDED MAINTENANCE	Various Projects	OTHER	\$1,300,000	STATE
			TOTAL	\$4,221,863	
		8			
CN Estimates Include CE Costs					

Bench Blvd											
Project	Description	Phase	Program Schedule					Funding	State	Federal	
Sponsor	Current TIP Est. Cost		Pre 2013	2014	2015	2016	2017	Source	13.42%	86.58%	
Bench Blvd	<i>UPN6041001</i>	Preliminary Engineering	PE	\$87,892					STPU	\$11,795	\$76,097
			PE	\$2,990,428					MT-Earmark	\$401,315	\$2,589,113
			IC	\$1,269,416					MT-Earmark	\$170,356	\$1,099,060
			RW	\$1,585,000					MT-Earmark	\$212,707	\$1,372,293
			CN	\$3,479,201					MT-Earmark	\$466,909	\$3,012,292
			CN	\$1,629,618					STPU	\$218,695	\$1,410,923
		\$11,041,555	Total	\$11,041,555	\$0	\$0	\$0	\$0		\$1,481,777	\$9,559,778
Bench Blvd	<i>UPN6041002</i>	Reconstruction of roadway.								\$0	\$0
BENCH BLVD-US 87 INTERSECTION			CN			\$2,182,258			MT-Earmark	\$292,859	\$1,889,399
			CN			\$273,017			STPU	\$36,639	\$236,378
		\$2,455,275	Total	\$0	\$0	\$2,455,275	\$0	\$0		\$329,498	\$2,125,777
Bench Blvd	<i>UPN6041003</i>	Reconstruction of roadway and bridge.								\$0	\$0
BENCH BLVD-HILLTOP/PEMBERTON						\$5,036,394	\$2,114,255		CMAQ	\$959,617	\$6,191,032
			CN				\$3,660,751		STPU	\$491,273	\$3,169,478
		\$10,811,400	Total	\$0	\$0	\$5,036,394	\$5,775,006	\$0		\$1,450,890	\$9,360,510
Totals		\$24,308,230		\$11,041,555	\$0	\$7,491,669	\$5,775,006	\$0		\$3,262,164	\$21,046,066

Funding projections are based on best available information and are subject to change given current funding uncertainties and unknown impacts of future congressional or other federal actions.

ADVANCEMENT OF PROJECTS

It is mutually agreed that the first two years of this program is the best estimate of the project phase that will be undertaken during the Biennial timeframe. Occasionally, projects advance through the design process faster than anticipated. An approved project may accelerate into the next logical phase providing that the funding source does not change from that, which was initially identified in the TIP. Federal, State, and local governments have agreed that a TIP revision is not required in order to accelerate a specific project phase, so long as other planned work is not unduly delayed. The priorities with regard to the FTA Section 5307 projects in the Biennial Element are: 1) Operating Assistance.

- The priorities with regard to the FTA Section 5310 projects in the Biennial Element are: 1) Replacement vehicles for MET Special Transit, 2) Replacement vehicles for MET Special Transit.
- The priorities with regard to the FTA Section 5309 projects are: 1) Livability Grant for ITS. .

PRIVATE ENTERPRISE PARTICIPATION

Both the City of Billings and Yellowstone County have locally developed policies and procedures to examine opportunities for private sector participation in the provision of transit services and related support services. The City of Billings adopted resolution 86-15346 which states said policy and provides a process for implementation. The Council approved that resolution on July 7, 1986. Further, a Private Transportation Enterprise Participation Policy (PEP) and implementing procedures were adopted by the MPO's Technical Advisory Committee on April 24, 1986; by the Policy Coordinating Committee on May 8, 1986; and by the Yellowstone County Planning Board on May 13, 1986.

The City's MET Transit Department has examined various opportunities for private sector provision of services. The Department utilizes private tire firms to handle parts of servicing of the tire inventory. The Department also contracts with various private firms for radiator repair, air compressor rebuilds, as well as glass, bodywork on the vehicles, and occasional component rebuilds.

The required TIP documentation related to the PEP process is as follows:

- a) The City of Billings MET Transit System solicited the possible interest or involvement of the private sector in providing leased tires for the MET Transit fleet of coaches. In the spring of 1993, 1996, 2001, 2006 and 2011, a Request for Bids was sent to potentially interested private vendors and was also advertised in a local newspaper and a national transit journal. Bids are evaluated based on cost and ability to perform. Three firms requested bid packages. The current contract for the tire lease is in effect through August 31, 2012 with four additional one-year renewal options.
- b) No other proposals were received from the private sector.
- c) There are no known impediments to holding service out for competition.
- d) There are no known private sector complaints.

The Yellowstone County-City of Billings Planning Division has and will continue to follow its adopted policy and procedures regarding private sector participation. The mailing list of private providers has been updated and used to provide notice about TAC and PCC meetings, including those that deal with the Unified Planning Work Program, (UPWP), projects and process as well as the TIP process. Through these mailings the private providers are aware of the development of the proposed transit capital and operating projects as well as the proposed paratransit capital projects for the five years covered in the TIP.

FEDERAL TRANSIT ADMINISTRATION PROJECTS

The Federal Transit Act funded projects, including FTA Section 5309 grant projects, (Biennial Element) are intended to insure the continued efficient operation, maintenance and administration of the MET Transit system fleet and facilities, including meeting federal regulations such as the Americans with Disabilities Act (ADA). The operating grants are for the fiscal years of July 2015 to June 2016 and July 2015 to June 2016 and the Section 5309 grant projects will permit Bus and Bus Facilities projects in Fiscal Years 2015-2016 through 2015-2016.

The vehicle purchases for MET Special Transit are projects to enable the City to continue providing the required specialized demand-responsive paratransit service for citizens who are unable to use the MET Transit System due to their disabling conditions. The projects to purchase vehicles for other entities will address some of the transportation needs of developmentally impaired or disabled residents.

(Table 5) -TRANSPORTATION PROJECT PRIORITY LIST	
BILLINGS, MONTANA	
SECTION/PROJECT	PROJECT ESTIMATE
FTA SECTION 5307 (INCLUDES LOCAL FUNDS)	
OPERATING PROJECT (7-1-2014 TO 6-30-2015)	4,140,325
OPERATING PROJECT (7-1-2015 TO 6-30-2016)	4,140,325
OPERATING PROJECT (7-1-2016 TO 6-30-2017)	4,140,325
OPERATING PROJECT (7-1-2017 TO 6-30-2018)	4,140,325
OPERATING PROJECT (7-1-2018 TO 6-30-2019)	4,140,325
TOTAL	\$20,701,625
FTA SECTION 5310(INCLUDES LOCAL FUNDS)	
REPLACEMENT VEHICLES-TRANSIT (FY2015)	192,000
REPLACEMENT VEHICLES-TRANSIT (FY2016)	192,000
REPLACEMENT VEHICLES-TRANSIT (FY2017)	192,000
REPLACEMENT VEHICLES-TRANSIT (FY2018)	192,000
REPLACEMENT VEHICLES-TRANSIT (FY2019)	192,000
* DEPENDENT ON FUNDING AND APPLICATION APPROVALS BY MDT	
*TOTAL	\$960,000
FTA SECTION 5311* #Funds transferred to 5307	
OPERATING PROJECT (2015)	0
OPERATING PROJECT (2016)	0
OPERATING PROJECT (2017)	0
FTA SECTION 5339 (INCLUDES LOCAL FUNDS)	
CAPITAL PROJECTS 2015	525,000
CAPITAL PROJECTS 2016	525,000
CAPITAL PROJECTS 2017	525,000
CAPITAL PROJECTS 2018	525,000
CAPITAL PROJECTS 2019	525,000
TOTAL	\$2,625,000
TOTAL	\$24,286,625

(Table 6) - MULTI-YEAR STAGING PROGRAM						
CALENDAR YEARS 2015-2019						
BILLINGS, MONTANA						
PROJECTS	2015	2016	2017	2018	2019	>2019
BENCH BLVD-US 87 INTERSECTION						
BENCH BLVD-HILLTOP/PEMBERTON						
BENCH BLVD-US 87 INTERSECTION						
BILLINGS BYPASS						
BILLINGS BYPASS						
TRANSPORTATION ALTERNATIVES PROJECTS (VAR)	Per Project-----					
BENCH BLVD-US 87 INTERSECTION						
ZIMMERMAN TRAIL						
MT3-ZIMMERMAN TR. INTERSECT. IMPROVE.						
MT3-ZIMMERMAN TR. INTERSECT. IMPROVE.						
D5 IM FENCING CHAINLINK						
MDT PREVENTIVE MAINTENANCE (NH)	Per Project-----					
MDT PREVENTIVE MAINTENANCE (IM)	Per Project-----					
STP URBAN PAVEMENT PRESERVATION(UPP)	Per Project-----					
2012 SCOUR MITIGATION						
I-90 YELLOWSTONE RIVER-BILLINGS						
SF 129-RNDABOUT KING 56TH						
SF 129 BILLINGS HORIZONTAL CURVE SIGNAGE						
SF 139-RNDABOUT CENTRAL/56TH						
SF 139-13TH/PARKHILL SIGNAL						
27TH ST. - 1ST AVE S TO AIRPORT						
4TH AVE N - 13TH ST TO MAIN BLG						
CTEP - 4 PROJECTS						
DOWNTOWN STATE SIGNALS BLGS						
BILLINGS-NW						
MAIN ST BILLINGS						
EXPOSITION DR & 1ST AVE						
1ST AVE S - MINN AVE 13TH ST BLGS						
	***ALL TIME FRAMES ARE APPROXIMATE					
	PRELIMINARY ENGINEERING					
	RIGHT OF WAY/UTILITIES					
	CONSTRUCTION					

(Table 7) - HIGHWAY/TRANSIT MULTI-YEAR IMPROVEMENT PROGRAM FISCAL YEAR 2015

BILLINGS, MONTANA																	
PROJECT DESCRIPTION	UPN	PHASING	STP URBAN (STPU)	CMAQ LOCAL	MT. AIR CONGESTION INITIATIVE (MACI)	EARMARKS (MT, NCPD, DEMO)	SURFACE TRANSPORTATION PROJECTS STPE	TRANSPORTATION ALTERNATIVES PROGRAM (TA)**	NATIONAL HWY SYSTEM (NHS) INTERSTATE MAINTENANCE (IM)	HSIP UPP RRP BRIDGE	TRANSIT SEC 5307	TRANSIT SEC 5310**	TRANSIT SEC 5311***	TRANSIT SEC 5339***	OTHER FUNDS*	TOTAL	
Estimated carryover balance			\$ 12,016,934	\$ 6,232,673	\$ -	\$ 25,141,588	\$ 2,030,301	\$ -				\$ 27,000					
Estimated allocation			\$ 2,489,770	\$ 1,432,171	\$ -		\$ -	\$ 195,400	\$ 3,336,276		\$ 1,718,629	\$ 160,000		\$ 420,000	\$ 2,566,696		
Estimated beginning balance			\$ 14,506,704	\$ 7,664,844	\$ -	\$ 25,141,588	\$ 2,030,301	\$ 195,400				\$ 187,000					
MT3-ZIMMERMAN TR INTRSC T IMPRV	8888	PE/RW/IC							\$ 532,852							\$ 532,852	
BENCH BLVD-US 87 INTERSECTION	6041	CN	\$ 273,017			\$ 2,182,258										\$ 2,455,275	
BENCH BLVD-HILLTOP/PEMBERTON	6041	CN		\$ 5,036,394												\$ 5,036,394	
BILLINGS BYPASS	4199	PE/RW				\$ 14,408,611										\$ 14,408,611	
ZIMMERMAN TRAIL	6040	PE				\$ 563,614										\$ 563,614	
TRAFFIC MITIGATION		ALL			\$ 250,000											\$ 250,000	
MDT-PREVENTATIVE MAINTENANCE - IM		PE/CN							\$ 1,500,000							\$ 1,500,000	
D5 IM FENCING - CHAIN LINK (only portion in MPO)	8131	CN							\$ 700,000							\$ 700,000	
MDT-PREVENTATIVE MAINTENANCE - NH		PE/CN							\$ 350,000							\$ 350,000	
27th St-1st Ave S to Airport	7910	IC/RW							\$ 253,424							\$ 253,424	
MDT-URBAN PAVEMENT PRESERVATION (UPP)		ALL								\$ 500,000						\$ 500,000	
1ST AVE S-MINN AVE-13 ST-BLGS	8592	CN								\$ 964,700						\$ 964,700	
4TH AVE N-13TH ST TO MAIN-BLG	8593	CN								\$ 452,300						\$ 452,300	
ENHANCEMENT PROJECTS-VARIOUS LOCATIONS		ALL														\$ -	
STPE PONDEROSA SCHOOL PATH - BILLINGS	8183	CN					\$ 176,800									\$ 176,800	
STPE ARROWHEAD SCHOOL PATH - BILLINGS	8184	CN					\$ 82,500									\$ 82,500	
STPE SWORDS PARK OUTLET TRAIL - BLGS	8185	CN					\$ 117,900									\$ 117,900	
STPE POLY DRIVE SCHOOL WALKS - BLGS	8186	CN					\$ 95,500									\$ 95,500	
STPE BROADWATER SCHL LSCAPE - BLGS	8836	CN					\$ 188,795									\$ 188,795	
STPE 19TH ST W WALKS - BLGS	8837	PE,CN					\$ 130,956									\$ 130,956	
STPE POLY DRIVE BIKE/PED - BLGS	8838	CN					\$ 196,434									\$ 196,434	
STPE 44TH ST W WALKS - BLGS	8839	PE,CN					\$ 111,312									\$ 111,312	
STPE WICKS LN PATH - BLGS	8841	PE,CN					\$ 278,282									\$ 278,282	
STPE BARRETT RD PATH - BLGS	8842	PE,CN					\$ 143,277									\$ 143,277	
STPE CALHOUN LN WALKS - BLGS	8843	CN					\$ 188,795									\$ 188,795	
STPE JACKSON ST WALKS - BLGS	8822	PE,CN					\$ 236,266									\$ 236,266	
STPE KING AVE TRAIL - BLGS	8823	PE,CN					\$ 83,484									\$ 83,484	
TRANSPORTATION ALTERNATIVES-VARIOUS LOCATIONS		PE						\$ 150,000								\$ 150,000	
TA BROADWATER AVE PATH-BILLINGS	8701	PE						\$ 45,400								\$ 45,400	
SAFETY PROJECTS VARIOUS		PE/RW/IC/CN								\$ 250,000						\$ 250,000	
SF 129 RNDABOUT KING 56TH	8052	RW/IC								\$ 138,000						\$ 138,000	
2012 SCOUR MITIGATION	7960	CN								\$ 520,000						\$ 520,000	
TRANSIT OPERATING (7/2014-6/2015)											\$ 1,718,629				\$ 2,421,696	\$ 4,140,325	
REPLACEMENT VEHICLES												\$ 187,000			\$ 40,000	\$ 227,000	
TRANSIT CAPITAL (7/2014-6/2015)		CAPITAL												\$ 420,000	\$ 105,000	\$ 525,000	
TOTAL			\$ 273,017	\$ 5,036,394	\$ 250,000	\$ 17,154,483	\$ 2,030,301	\$ 195,400	\$ 3,336,276	\$ 2,825,000	\$ 1,718,629	\$ 187,000	\$ -	\$ 420,000	\$ 2,566,696	\$ 35,993,196	

*Local Match for Transit **Dependent on Funding & Application Approvals by MDT ***FUNDS TO BE TRANSFERRED TO 5307

(Table 8) - HIGHWAY/TRANSIT MULTI-YEAR IMPROVEMENT PROGRAM FISCAL YEAR 2016

BILLINGS, MONTANA															
PROJECT DESCRIPTION	UPN	PHASING	STP URBAN (STPU)	CMAQ LOCAL	MT. AIR CONGESTION INITIATIVE (MACI)	EARMARKS (MT, NCPD, DEMO)	TRANSPORTATION ALTERNATIVES PROGRAM (TA)**	NATIONAL HWY SYSTEM (NHS) INTERSTATE MAINTENANCE (IM)	HSIP UPP RRP BRIDGE	TRANSIT SEC 5307	TRANSIT SEC 5310**	TRANSIT SEC 5311***	TRANSIT SEC 5339**	OTHER FUNDS*	TOTAL
Estimated carryover balance			\$ 14,233,687	\$ 2,628,450		\$ 7,987,105	\$ -				\$ -				
Estimated allocation			\$ 2,489,770	\$ 1,432,171	\$ -	\$ -	\$ 700,000	\$ 2,500,000	\$ 5,997,758	\$ 1,718,629	\$ 160,000	\$ -	\$ 420,000	\$ 2,566,696	
Estimated beginning balance			\$ 16,723,457	\$ 4,060,622	\$ -	\$ 7,987,105	\$ 700,000				\$ 160,000				
ZIMMERMAN TRAIL	6040	RW				\$ 100,000									\$ 100,000
BENCH BLVD-HILLTOP/PEMBERTON	6041	CN	\$ 3,660,751	\$ 2,114,255											\$ 5,775,006
TRAFFIC MITIGATION		ALL			\$ 250,000										\$ 250,000
DOWNTOWN STATE SIGNALS BLGS	8036	CN			\$ 6,872,600										\$ 6,872,600
MDT-PREVENTATIVE MAINTENANCE - IM		PE/CN						\$ 1,500,000							\$ 1,500,000
MDT-PREVENTATIVE MAINTENANCE - NH		PE/CN						\$ 1,000,000							\$ 1,000,000
MDT-URBAN PVMT PRES (UPP)		ALL							\$ 500,000						\$ 500,000
TRANSPORTATION ALTERNATIVES-VARIOUS LOCATIONS		ALL					\$ 700,000								\$ 700,000
SAFETY PROJECTS VARIOUS		PE/RW/IC/CN							\$ 250,000						\$ 250,000
SF 129 RNDABOUT KING 56TH	8052	CN							\$ 3,044,800						\$ 3,044,800
SF 139 13TH/PARKHILL SIGNAL	8610	CN							\$ 432,119						\$ 432,119
SF 129 BILLINGS HORIZONTAL CURVE SIGNAGE	7990	CN							\$ 1,126,700						\$ 1,126,700
SF 139-CENTRAL & 56TH RNDABOUT	8611	RW/IC							\$ 380,964						\$ 380,964
S-416 & HILLCREST RIGHT TURN LN.		PE/CN							\$ 263,175						\$ 263,175
TRANSIT OPERATING (7/16-6/17)		Operating								\$ 1,718,629				\$ 2,421,696	\$ 4,140,325
VEHICLE REPLACEMENTS**		Purchase									\$ 160,000			\$ 40,000	\$ 200,000
TRANSIT CAPITAL (7/16-6/17)		Capital											\$ 420,000	\$ 105,000	\$ 525,000
TOTAL			\$ 3,660,751	\$ 2,114,255	\$ 7,122,600	\$ 100,000	\$ 700,000	\$ 2,500,000	\$ 5,997,758	\$ 1,718,629	\$ 160,000	\$ -	\$ 420,000	\$ 2,566,696	\$ 27,060,689

*Local Match for Transit **Dependent on Funding & Application Approvals by MDT ***FUNDS TO BE TRANSFERRED TO 5307

(Table 9) - HIGHWAY/TRANSIT MULTI-YEAR IMPROVEMENT PROGRAM FISCAL YEAR 2017

BILLINGS, MONTANA															
PROJECT DESCRIPTION	UPN	PHASING	STP URBAN (STPU)	CMAQ LOCAL	MT. AIR CONGESTION INITIATIVE (MACI)	EARMARKS (MT, NCPD, DEMO)	TRANSPORTATION ALTERNATIVES PROGRAM (TA)**	NATIONAL HWY SYSTEM (NHS) INTERSTATE MAINTENANCE (IM)	HSIP UPP RRP BRIDGE	TRANSIT SEC 5307	TRANSIT SEC 5310**	TRANSIT SEC 5311***	TRANSIT SEC 5339**	OTHER FUNDS*	TOTAL
Estimated carryover balance			\$ 13,062,706	\$ 1,946,367		\$ 7,887,105	\$ -								
Estimated allocation			\$ 2,489,770	\$ 1,432,171	\$ -	\$ -	\$ 700,000	\$ 21,770,055	\$ 6,111,722	\$ 1,718,629	\$ 160,000	\$ -	\$ 420,000	\$ 3,447,069	
Estimated beginning balance			\$ 15,552,476	\$ 3,378,538	\$ -	\$ 7,887,105	\$ 700,000				\$ 160,000				
BILLINGS BYPASS	4199	IC						\$ 3,188,004							\$ 3,188,004
ZIMMERMAN TRAIL	6040	CN				\$ 4,972,528								\$ 880,373	\$ 5,852,901
MT3-ZIMMERMAN TR INTRSTC IMPRV	8888	CN						\$ 1,316,466	\$ 2,131,422						\$ 3,447,888
TRAFFIC MITIGATION		ALL			\$ 250,000										\$ 250,000
MDT-PREVENTATIVE MAINTENANCE - IM		PE/CN						\$ 1,500,000							\$ 1,500,000
MDT-PREVENTATIVE MAINTENANCE - NH		PE/CN						\$ 1,000,000							\$ 1,000,000
BILLINGS - NW	8721	CN						\$ 4,439,700							\$ 4,439,700
MAIN ST - BILLINGS	8717	CN						\$ 1,514,700							\$ 1,514,700
27th St-1st Ave S to Airport	7910	CN			\$ 4,503,600			\$ 7,554,000							\$ 12,057,600
EXPOSITION DR & 1st AVE	7908	CN						\$ 1,257,185							\$ 1,257,185
MDT-URBAN PVMT PRES (UPP)		ALL							\$ 1,400,000						\$ 1,400,000
TRANSPORTATION ALTERNATIVES-VARIOUS LOCATIONS		ALL					\$ 700,000								\$ 700,000
SAFETY PROJECTS VARIOUS		PE/RW/IC/CN							\$ 250,000						\$ 250,000
SF 139-CENTRAL & 56TH RNDABOUT	8611	CN							\$ 2,330,300						\$ 2,330,300
TRANSIT OPERATING (7/16-6/17)		Operating								\$ 1,718,629				\$ 2,421,696	\$ 4,140,325
VEHICLE REPLACEMENTS**		Purchase									\$ 160,000			\$ 40,000	\$ 200,000
TRANSIT CAPITAL (7/16-6/17)		Capital											\$ 420,000	\$ 105,000	\$ 525,000
TOTAL			\$ -	\$ -	\$ 4,753,600	\$ 4,972,528	\$ 700,000	\$ 21,770,055	\$ 6,111,722	\$ 1,718,629	\$ 160,000	\$ -	\$ 420,000	\$ 3,447,069	\$ 44,053,603

*Local Match for Transit and Zimmerman Trail **Dependent on Funding & Application Approvals by MDT ***FUNDS TO BE TRANSFERRED TO 5307

(Table 10) - HIGHWAY/TRANSIT MULTI-YEAR IMPROVEMENT PROGRAM FISCAL YEAR 2018

BILLINGS, MONTANA															
PROJECT DESCRIPTION	UPN	PHASING	STP URBAN (STPU)	CMAQ LOCAL	MT. AIR CONGESTION INITIATIVE (MACI)	EARMARKS (MT, NCPD, DEMO)	TRANSPORTATION ALTERNATIVES PROGRAM (TA)**	NATIONAL HWY SYSTEM (NHS) INTERSTATE MAINTENANCE (IM)	HSIP UPP RRP BRIDGE	TRANSIT SEC 5307	TRANSIT SEC 5310**	TRANSIT SEC 5311***	TRANSIT SEC 5339**	OTHER FUNDS*	TOTAL
Estimated carryover balance			\$ 15,552,476	\$ 3,378,538		\$ 2,914,577									
Estimated allocation			\$ 2,489,770	\$ 1,432,171	\$ -	\$ -	\$ 700,000	\$ 8,508,627	\$ 36,301,049	\$ 1,718,629	\$ 160,000	\$ -	\$ 420,000	\$ 2,566,696	
Estimated beginning balance			\$ 18,042,246	\$ 4,810,710	\$ -	\$ 2,914,577	\$ 700,000				\$ 160,000				
BILLINGS BYPASS(Five Mile Road)	4199	CN	\$ 442,464			\$ 2,914,577									\$ 3,357,041
TRAFFIC MITIGATION		ALL			\$ 250,000										\$ 250,000
MDT-PREVENTATIVE MAINTENANCE - IM		PE/CN						\$ 1,500,000							\$ 1,500,000
MDT-PREVENTATIVE MAINTENANCE - NH		PE/CN						\$ 1,000,000							\$ 1,000,000
MDT-URBAN PVMT PRES (UPP)		ALL						\$ 500,000							\$ 500,000
TRANSPORTATION ALTERNATIVES-VARIOUS LOCATIONS		ALL					\$ 700,000								\$ 700,000
I-90 YELLOWSTONE R-BILLINGS	7972	CN						\$ 6,008,627	\$ 35,551,049						\$ 41,559,676
SAFETY PROJECTS VARIOUS		PE/RW/IC/CN						\$ 250,000							\$ 250,000
TRANSIT OPERATING (7/16-6/17)		Operating								\$ 1,718,629				\$ 2,421,696	\$ 4,140,325
VEHICLE REPLACEMENTS**		Purchase									\$ 160,000			\$ 40,000	\$ 200,000
TRANSIT CAPITAL (7/16-6/17)		Capital											\$ 420,000	\$ 105,000	\$ 525,000
TOTAL			\$ 442,464	\$ -	\$ 250,000	\$ 2,914,577	\$ 700,000	\$ 8,508,627	\$ 36,301,049	\$ 1,718,629	\$ 160,000	\$ -	\$ 420,000	\$ 2,566,696	\$ 53,982,042
*Local Match for Transit **Dependent on Funding & Application Approvals by MDT ***FUNDS TO BE TRANSFERRED TO 5307															

(Table 11) - HIGHWAY/TRANSIT MULTI-YEAR IMPROVEMENT PROGRAM FISCAL YEAR 2019

BILLINGS, MONTANA																
PROJECT DESCRIPTION	UPN	PHASING	STP URBAN (STPU)	CMAQ LOCAL	MT. AIR CONGESTION INITIATIVE (MACI)	EARMARKS (MT, NCPD, DEMO)	TRANSPORTATION ALTERNATIVES PROGRAM (TA)**	NATIONAL HWY SYSTEM (NHS) INTERSTATE MAINTENANCE (IM)	HSIP UPP RRP BRIDGE	TRANSIT SEC 5307	TRANSIT SEC 5310**	TRANSIT SEC 5311***	TRANSIT SEC 5339**	OTHER FUNDS*	TOTAL	
Estimated carryover balance			\$ 17,599,782	\$ 4,810,710		\$ -										
Estimated allocation			\$ 2,489,770	\$ 1,432,171	\$ -	\$ -	\$ 700,000	\$ 2,500,000	\$ 1,650,000	\$ 1,718,629	\$ 160,000	\$ -	\$ 420,000	\$ 2,566,696		
Estimated beginning balance			\$ 20,089,552	\$ 6,242,881	\$ -	\$ -	\$ 700,000			\$ 160,000						
BILLINGS BYPASS(South RR Connection)	4199	CN	\$ 4,943,534												\$ 4,943,534	
TRAFFIC MITIGATION		ALL			\$ 250,000										\$ 250,000	
MDT-PREVENTATIVE MAINTENANCE - IM		PE/CN						\$ 1,500,000							\$ 1,500,000	
MDT-PREVENTATIVE MAINTENANCE - NH		PE/CN						\$ 1,000,000							\$ 1,000,000	
MDT-URBAN PVMT PRES (UPP)		ALL							\$ 1,400,000						\$ 1,400,000	
TRANSPORTATION ALTERNATIVES-VARIOUS LOCATIONS		ALL					\$ 700,000								\$ 700,000	
SAFETY PROJECTS VARIOUS		PE/RW/IC/CN							\$ 250,000						\$ 250,000	
TRANSIT OPERATING (7/16-6/17)		Operating								\$ 1,718,629				\$ 2,421,696	\$ 4,140,325	
VEHICLE REPLACEMENTS**		Purchase									\$ 160,000			\$ 40,000	\$ 200,000	
TRANSIT CAPITAL (7/16-6/17)		Capital											\$ 420,000	\$ 105,000	\$ 525,000	
TOTAL			\$ 4,943,534	\$ -	\$ 250,000	\$ -	\$ 700,000	\$ 2,500,000	\$ 1,650,000	\$ 1,718,629	\$ 160,000	\$ -	\$ 420,000	\$ 2,566,696	\$ 14,908,859	
*Local Match for Transit **Dependent on Funding & Application Approvals by MDT ***FUNDS TO BE TRANSFERRED TO 5307																

Regular City Council Meeting

Meeting Date: 12/15/2014

TITLE: Confirmation of Probationary Police Officer

PRESENTED BY: Rich St. John, Police Chief

Department: Police

PROBLEM/ISSUE STATEMENT

On December 30, 2013, Officer Jeffrey Richter was hired by the Billings Police Department as a probationary police officer. According to MCA 7-32-4113, the probation period is for one year from the date of hire. At this time the officer has completed his one-year probation and, according to state statute, his name is to be submitted to City Council for confirmation. All of the supervisor comments concerning the officers' performance are positive; indicate he is doing a good job, and recommend confirmation.

ALTERNATIVES ANALYZED

Council may:

- Confirm the probationary police officer; or
- Do not confirm the probationary police officer. If the Council chooses to not confirm the officer, it may direct any questions or concerns to the Police Chief and table the item until the next Council meeting.

FINANCIAL IMPACT

None.

RECOMMENDATION

Staff recommends that the City Council confirm Officer Jeffrey Richter as a Billings Police Officer.

APPROVED BY CITY ADMINISTRATOR

Regular City Council Meeting

Meeting Date: 12/15/2014

TITLE: Final Plat of Circle Fifty Subdivision, Amended Lot 1C-2, Block 1

PRESENTED BY: Candi Millar, Planning & Community Services Department Director

Department: Planning & Community Services

PROBLEM/ISSUE STATEMENT

The final plat for Circle Fifty Subdivision, Amended Lot 1C-2, Block 1 is being presented to Council for approval. On October 14, 2014, the City Council preliminarily approved this two-lot subsequent minor subdivision. The 50,404-square foot subject property is located on the south side of Avenue B, just east of Shiloh Road. The property is zoned Community Commercial, and commercial uses are proposed. The owner is Mountain Development Co., Robert Sukin, President, and the representing agent is Sanderson Stewart. Upon City Council approval, these documents are appropriate as to form for filing with the Clerk and Recorder.

ALTERNATIVES ANALYZED

The City Council may approve or deny the final plat of Circle Fifty Subdivision, Amended Lot 1C-2, Block 1. If the City Council chooses to deny the final plat, it must base the denial on the criteria outlined in MCA 76-3-611 and BMCC, Section 23-307.

FINANCIAL IMPACT

Should the City Council approve the final plat, the newly created lots may be developed, which will increase tax revenues for the City.

RECOMMENDATION

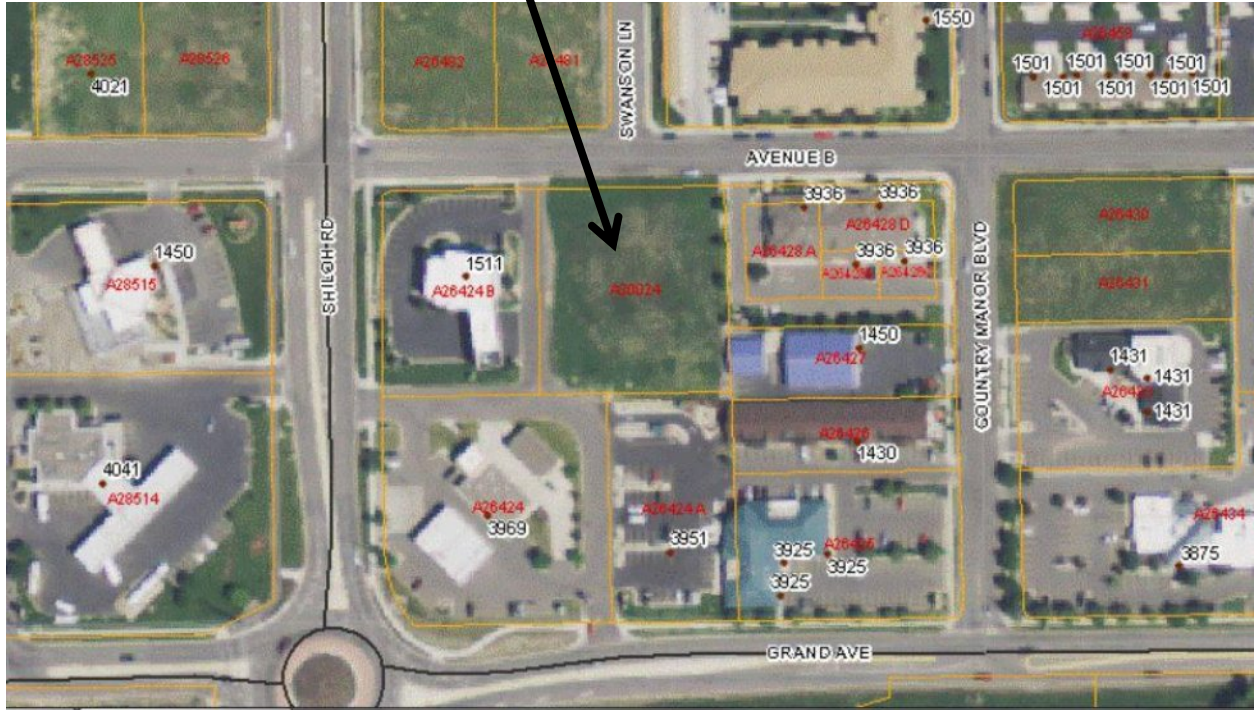
Staff recommends that the City Council approve the final plat of Circle Fifty Subdivision, Amended Lot 1C-2, Block 1.

APPROVED BY CITY ADMINISTRATOR

Attachments

Final Plat
aerial view

Subject Property



Regular City Council Meeting

Meeting Date: 12/15/2014

TITLE: Public Hearing and Resolution for Annexation #14-13

PRESENTED BY: Candi Millar, Planning & Community Services Department Director

Department: Planning & Community Services

PROBLEM/ISSUE STATEMENT

Owners Leland and Lorraine Wells submitted a petition to annex land to the City of Billings under Section 7-2-4600, MCA. The subject property is a parcel totaling about 1.6 acres. The property is located at 16 Shiloh Road at the northwest corner of the intersection of Shiloh Road and Central Avenue. A Cenex Zip Trip fuel and convenience store is currently located on the property. The property owner is requesting annexation in order to obtain City services for the existing development on the property. The property is currently zoned Neighborhood Commercial and would come into the City with the same zoning.

The property is located within the five-year annexation area of the City's Limits of Annexation Map and appears to meet many of the City's criteria in its Annexation Policy. The City is able to serve the property and further analysis and discussion is provided in the Consistency with Adopted Plans and Policies section of this memo. The City Council considers this annexation at two separate Council meetings. At the first meeting on November 24, the Council accepted the annexation petition for this property and set a public hearing date for December 15. At this meeting, the Council will conduct the hearing and decide if it will annex the property.

ALTERNATIVES ANALYZED

The City Council may approve or deny a petition submitted by owners of 50% or more of the real property in the area to be annexed (7-2-4601 (3)(b), MCA). The only alternative that is consistent with City Council policy and state law is to conduct a public hearing and review the request before taking action.

FINANCIAL IMPACT

The City is able to provide municipal water and sewer to the subject property. The owner will be responsible for all costs of extending the utilities from Central Avenue. Staff is recommending a condition of approval for this annexation that a Development Agreement between the City and the property owner be executed if the property is annexed to clarify how City services will be provided and that frontage improvements along Central Avenue will be required in the short term. There is existing development on the property and the owners wish to access City services for the property now and continue to operate the business with no additional development plans at this time.

BACKGROUND

The subject property totals about 2 acres. It is located at the northwest corner of the intersection of Shiloh Road and Central Avenue. The property is already developed with a Zip Trip Convenience Store and Fuel Service Station located on it. It is zoned Neighborhood Commercial. The zoning will remain the same after annexation. The property is located within the five year annexation area of the City's Limits of Annexation Map and appears to meet many of the City's criteria in its Annexation Policy. The city limits are adjacent to the subject property on the east boundary and near the property on the southwest boundary.

PROCEDURAL HISTORY

- On October 20, 2014, the annexation petition was submitted to the Planning Division by the owner.
- On November 24, 2014 the City Council accepted the petition to annex the property and set a public hearing date for December 15.
- On December 15, the City Council will conduct the public hearing for the annexation and may take action on the request.
- On January 12, if the resolution to annex is approved by the City Council, a public hearing and first reading of an ordinance to include the property in City Council Ward V will be conducted.
- On January 26, the City Council will conduct the second and final reading for the ordinance expanding the Ward V boundary.

STAKEHOLDERS

Annexation by petition does not require notification of adjoining landowners; however, it does require that the City Council conduct a public hearing and post the property with information on the annexation petition and public hearing. Notice of the public hearing was posted on the property on November 26 and published in the Billings Times on November 27. The Planning Division has not received any inquiries about this petition at the time this memo was prepared.

CONSISTENCY WITH ADOPTED POLICIES OR PLANS

Although MCA 7-2-4400-4407 does not specify the need to prepare a public services plan, it is the City's custom to have staff prepare a brief analysis of predicted impacts to services and facilities. The proposed annexation complies with the adopted Annexation Policy criteria as follows:

1. The area is located within the Limits of Annexation.
2. The City is able to adequately provide municipal sewer services to the property
3. Any existing or proposed public improvements within the area to be annexed must meet City standards. While the existing development appears to meet zoning requirements, City Public Works has specified that the property must install sidewalk along its Central Avenue frontage as a condition of annexation.
4. If annexed, any proposed land use will comply with the zoning. The property is currently zoned Neighborhood Commercial. There are no current plans to change the zoning and it will remain zoned as it is if annexed into the City.

Departmental Response: City and County Departments were given the opportunity to comment on this annexation. City departments responded favorably and detailed responses are provided below. The County Public Works Department responded to this annexation request to clarify that the entire right of way of Central Avenue to the existing City Limits just west of the subject property be included in this annexation. The annexation is being prepared to include this right-of-way.

City Facilities:

Specific comments from City Departments are provided below. However, since the subject property is developed, requirements for public improvements must be addressed with annexation of the subject property. To ensure public improvements in the area to be annexed will meet, or be brought to, City standards in timely manner, a Development Agreement will be executed between the property owner and the City as a condition of annexation.

- **Water:** This property may be served by existing water lines in Central Avenue. Any extension of services for the property will be at the owners expense.
- **Sewer:** Access to sewer service for the property is available on the west side of Shiloh Road. Any extension of services for the property will be at the owners expense.
- **Stormwater:** All of the runoff from this property will need to be contained on site and meet the City of Billings requirements for storm water management. Any future development will be constructed in compliance with City of Billings storm water regulations.
- **Transportation:** The subject property has frontage on Central Avenue and Shiloh Road. Access to the property is from both Shiloh Road (right in, right out) and Central Avenue.
- **Fire Stations:** The subject property is currently served by the Billings Fire Department through the Billings Urban Fire Service Area and the Billings Fire Department will continue to serve the property upon annexation. The Billings Fire Chief stated that as this and other annexations are built out, additional fire department resources will be needed. The nearest fire station is Station #7, located at 501 54th Street West, about 3 miles northwest of the subject property.
- **Parks:** The subject property is zoned Neighborhood Commercial. Since the property is commercially zoned and developed for commercial uses, it is unlikely that park land dedication will be required in the future. As currently developed, the property will have little impact on parks within the area.
- **Bicycle and pedestrian facilities:** The property lies within the jurisdiction of the Billings Area Bikeway and Trail Master Plan. A separated bike/ped. pathway is located along the western side of Shiloh Road. The Plan calls for a bike lane on Central Avenue past the subject property. When Central is improved to City standards in this whole area, bike lanes will be installed on Central Avenue. Further, the City will require that the property owner install sidewalk for pedestrian access and safety along the property's Central Avenue frontage.

General City Services: These are the City services that are provided to all residents and businesses in the City, such as police and fire protection, street and storm drain maintenance, and garbage collection and disposal. The service providers that responded did not object to the annexation of this property.

- **Transit:** MET transit system operators have no objections to the annexation request. Bus service is not currently available past this property, but service does reach the MSU-B City College Campus about a quarter of a mile east of the subject property on Central Avenue.
- **Police:** The Police Department stated that while this property is in close proximity to an existing patrol area, continued development and annexation will adversely affect the Department's ability to deliver services without additional resources.

- **Public Utilities:** The Public Works-- Distribution and Collection Division had no objection to the annexation request.
- **Public Works -Street and Traffic Division:** The Street and Traffic Division stated that it has no problems serving the property. However, the property will be expected to construct sidewalk along its Central Avenue frontage as a condition of annexation (See reference to the condition of a Development Agreement at the top of the City Facilities section of this memo).
- **Public Works-Solid Waste:** The Solid Waste Division had no concerns with annexing the property.
- **Ambulance Service:** The City does not provide ambulance service, however it does dictate the level of service provided by American Medical Response (AMR). By City ordinance, 90% of ambulance calls must be answered within 8 minutes; this annexation is within the area of acceptable response time.
- **Legal and Finance:** General Fund services, such as the Legal and Finance Departments should not be negatively impacted by this annexation. The Finance Department responded that it did not see any issues with the petition request. Legal staff also did not have any issues with the annexation proposal.
- **Other Departments:** City/County services including Library, Planning, and Environmental Health are only slightly affected by the annexation since they will continue to serve property whether in the City or the County. Planning staff stated that this annexation petition was in line with the City's Annexation Policy and West Billings Plan for commercial node development at arterial street intersections.

Annexation of this property would adhere to the following goals, objectives and policies of the West Billings Plan:

- The West Billings Planning Area should contain commercial nodes of varying sizes located at the intersections of arterial streets (Planned Growth Goal, Page 17).
- Growth management and, and avoiding leapfrog development, shall primarily be accomplished through the orderly provision of public water and sewer services and the zoning of land, along with incentives for infill development within the City Limits (Planned Growth Goal, Page 23).

Annexation of this property would adhere to the following goals, objectives and policies of the Yellowstone County and City of Billings 2008 Growth Policy:

- Predictable land use decisions that are consistent with neighborhood character and preferred land use patterns identified in neighborhood plans (Land Use Element Goal, Page 6).
- Contiguous development focused in and around population centers separated by open space (Land Use Element Goal, Page 6).

RECOMMENDATION

Staff recommends that the City Council conduct the public hearing and approve the Resolution with the development agreement condition annexing the subject property.

APPROVED BY CITY ADMINISTRATOR

Attachments

Annexation Petition

Exhibit

Resolution

PETITION FOR ANNEXATION TO THE CITY OF BILLINGS

NOTICE TO PETITIONER

This is a Petition to the City of Billings requesting the annexation of property to the City, pursuant to MCA Title 7, Chapter 2, Part 46. Procedures for annexation are governed by the Statutes of the State of Montana. This Petition requires the signatures of more than 50% of the Resident Freeholder Electors to be considered for annexation.

INSTRUCTIONS

1. All items must be completed or provided. Please type or print. You may attach additional pages if more space is needed.
2. Prepare a map drawn to a scale adequate and legible to show the property requesting annexation and all other property within one-quarter (1/4) mile.

The map must show:

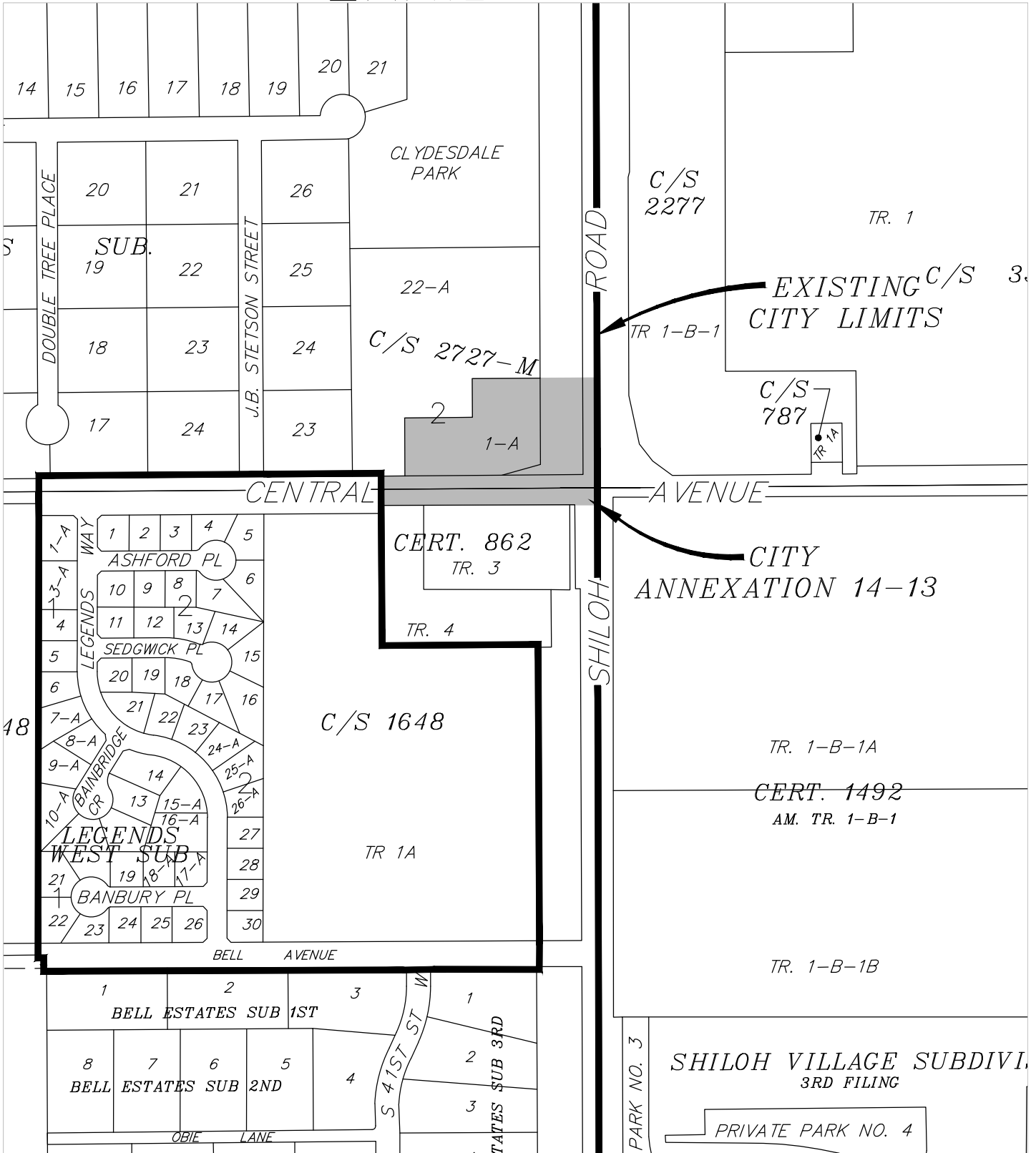
- a. The present and proposed boundaries of the municipality;
 - b. The present streets, major trunk water mains and sewer mains;
 - c. The zoning of the property requesting annexation and the property immediately adjacent to it.
3. The Petition should be submitted to the Planning Department, Monday through Friday between the hours of 8:00 a.m. and 5:00 p.m., located on the 4th Floor of Parnly Billings Library at 510 North Broadway, Billings, Montana. Upon presentation, the Petition will be checked for completeness. Once accepted, the Petition will be routed to the following City Departments: Public Works, City-County Planning, Public Utilities, Fire Department, City Attorney, Police Department, and Finance Department. If no problems with the Petition have been noted by the departments, the City Clerk will schedule the Petition for City Council action.
 4. By filing the petition for annexation, the Petitioner(s) agree that only those City services which are available to the general area shall be provided to Petitioner, and that additional services as may become available to the general area shall be made available to Petitioner(s) in the same manner as said services are made available to other residents of the City. Petitioner(s) specifically waive the right to the report and plans for extension of services as provided in MCA Title 7, Chapter 2, Part 47.
 5. A description of the territory to be annexed to the City is legally described on a document attached hereto.

RESIDENT FREEHOLDER ELECTORS

Date	Print Name	Name Signature	Address
<u>10/14/14</u>	<u>Leland Wells</u>		<u>4216 Rose Ave</u>

(continued on separate page)

EXHIBIT "A"



RESOLUTION NO. 14 -

A RESOLUTION OF THE CITY OF BILLINGS APPROVING PETITIONS FOR ANNEXATION AND ANNEXING TERRITORY TO THE CITY.

WHEREAS, one hundred percent (100%) of the freeholders who constitute more than fifty percent (50%) of the resident freeholder electors have petitioned the City for annexation of the territory hereinafter described; and

WHEREAS, the territory was described in the Petition as required by law, and

WHEREAS, annexation of said territory would be in the best interest of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA, AS FOLLOWS:

1. TERRITORY ANNEXED. Pursuant to Petition filed as provided M.C.A., Title 7, Chapter 2, Part 46, the following territory is hereby annexed to the City of Billings:

A tract of land situated in the SE1/4 of Section 3 and the NE1/4 of Section 10, T.1S., R.25E., P.M.M., Yellowstone County, Montana, more particularly described as:

Being Lot 1-A of Amended Lots 1 and 22, Block 2 of Certificate of Survey No. 2727-M, Recorded February 7TH, 1997, under Document Number 1862477. Including all adjacent Right-Of-Way of Shiloh Road, Shiloh Drain, and Central Avenue. Also, including that portion of Central Avenue extending west to the existing City of Billings city limits (approximately 70 feet). Containing 3.515 gross and 2.039 net acres more or less.

(# 14-13) See Exhibit "A" Attached

2. CONDITION. The annexation is approved, subject to the following condition:
 - A Development Agreement shall be executed and recorded between the owner(s) and the City that shall stipulate specific infrastructure improvements, provide guarantees for improvements, and include a Waiver of Right to Protest the Creation of Special Improvement Districts.

3. PROCEDURE. All procedures as required under M.C.A., Title 7, Chapter 2, Part 46, have been duly and properly followed and taken.

PASSED by the City Council and APPROVED this 15th day of December, 2014.

THE CITY OF BILLINGS:

BY: _____

Thomas W. Hanel, MAYOR

ATTEST:

BY: _____

CITY CLERK

(AN# 14-13)

Regular City Council Meeting

Meeting Date: 12/15/2014

TITLE: SID 1382 Colton Boulevard Public Hearing and Resolution Creating District and Contract for Professional Services

PRESENTED BY: David Mumford, Public Works Director

Department: Public Works

PROBLEM/ISSUE STATEMENT

Colton Boulevard is platted but not constructed between Zimmerman Trail and 38th Street West. Colton Boulevard and 38th Street West are classified as Collector Streets on the Functional Classification Map. SID 1382 will construct Colton Boulevard between 38th Street West and Zimmerman Trail. The western section will be fully constructed with curb and gutter, water, storm drain, and multi-use path on the south side. This full section will be from 38th Street West to the undeveloped section south of Colton. Fronting the undeveloped farm land south of Colton, the street will be constructed to 26 feet wide. The rest of the section will be constructed with development of the land south of it. There are a total of 139 properties within the district boundary. Seventeen (17) of the properties front Colton Boulevard, and these improvements are necessary in order for development of the lots. The remaining properties are located south of Colton Boulevard to Grand Avenue in Village West Subdivision, Village West Subdivision 2nd Filing, and Hancock-Grand Subdivision. The subdivision improvements agreement for these subdivisions requires these properties to participate in the cost of constructing Colton Boulevard. In addition to creating the SID, Mayor and Council are asked to consider authorizing and executing a Contract for Professional Services with Kadrmass, Lee & Jackson, Inc. to provide engineering design and construction administration for SID 1382. The contract is in the amount of \$162,780.00. Kadrmass, Lee & Jackson, Inc. was selected based on proposals requested from a shortlist of prequalified consultants for this type of work.

ALTERNATIVES ANALYZED

The Council may:

- After holding a public hearing, approve the Resolution Creating SID 1382 and the Professional Services Contract with Kadrmass, Lee & Jackson, Inc.; or
- After holding a public hearing, do not approve the Resolution Creating SID 1382 and the Professional Services Contract with Kadrmass, Lee & Jackson. If the Resolution is not approved, Colton will not be constructed next year. If the contract is not approved, staff will need to re-evaluate options to design the project.

FINANCIAL IMPACT

The total estimated costs of the Improvements are \$1,278,302.11. The costs of the Improvements are to be paid from the following sources: (1) \$382,000.00 of Special Improvement District bonds; (2) \$251,040.71 of cash contribution by Boyer Land LLC, the owner of 9 lots in the District; and (3) \$654,261.40 of cash contribution by the City of Billings. The contribution from the city is made of \$65,000 water funds, \$100,000 storm drain funds and \$489,261.40 gas tax.

RECOMMENDATION

Staff recommends that Council approve the Resolution Creating SID 1382 and approve the Professional Services Contract for SID 1382 with Kadrmass, Lee & Jackson, Inc. in the amount of \$162,780.00.

APPROVED BY CITY ADMINISTRATOR

Attachments

Resolution Creating District

SID 1382 Contract for Professional Services

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Billings, Montana (the "City"), hereby certify that the attached resolution is a true copy of Resolution No. 14-_____, entitled: "RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT NO. 1382; CREATING THE DISTRICT FOR THE PURPOSE OF UNDERTAKING CERTAIN LOCAL IMPROVEMENTS AND FINANCING THE COSTS THEREOF AND INCIDENTAL THERETO THROUGH THE ISSUANCE OF SPECIAL IMPROVEMENT DISTRICT BONDS SECURED BY THE CITY'S SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND AND ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City at a meeting on **December 15, 2014**, and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Councilmembers voted in favor thereof: _____

_____;

_____; voted against the same: _____

_____; abstained from voting thereon: _____

_____; or were absent: _____

_____.

WITNESS my hand officially this _____ day of _____.

Cari Martin

CITY CLERK

RESOLUTION NO. 14-_____

RESOLUTION RELATING TO SPECIAL IMPROVEMENT DISTRICT NO. **1382**; CREATING THE DISTRICT FOR THE PURPOSE OF UNDERTAKING CERTAIN LOCAL IMPROVEMENTS AND FINANCING THE COSTS THEREOF AND INCIDENTAL THERETO THROUGH THE ISSUANCE OF SPECIAL IMPROVEMENT DISTRICT BONDS SECURED BY THE CITY'S SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND AND ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE.

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

Section 1. Passage of Resolution of Intention. This Council, on **November 24, 2014**, adopted Resolution No. **14-10411** (the "Resolution of Intention"), pursuant to which this Council declared its intention to create a special improvement district, designated as Special Improvement District No. **1382** of the City, under Montana Code Annotated, Title 7, Chapter 12, Parts 41 and 42, as amended, for the purpose of financing the costs of certain local improvements described generally therein (the "Improvements") and paying costs incidental thereto, including costs associated with the sale and the security of special improvement district bonds drawn on the District (the "Bonds"), the creating and administration of the District, the funding of a deposit to the City's Special Improvement District Revolving Fund (the "Revolving Fund").

Section 2. Notice and Public Hearing. Notice of passage of the Resolution of Intention was duly published and mailed in all respects in accordance with the law, and on **December 15, 2014**, this Council conducted a public hearing on the creation or extension of the District and the making of the Improvements. The meeting of this Council at which this resolution was adopted is the first regular meeting of the Council following the expiration of the period ended 15 days after the first date of publication of the notice of passage of the Resolution of Intention (the "Protest Period").

Section 3. Protests. Within the Protest Period, _____ protests were filed with the City Clerk and not withdrawn by the owners of property in the District subject to assessment for ____% of the total costs of the Improvements or representing ____% of the area of the District to be assessed for the cost of the Improvements. **The protest represents ____% of the assessed cost.**

Section 4. Creation of the District; Insufficiency of Protests. The District is hereby created on the terms and conditions set forth in, and otherwise in accordance with, the Resolution of Intention. The protests against the creation or extension of the District or the making of the Improvements filed during the Protest Period, if any, are hereby found to be insufficient. The findings and determinations made in the Resolution of Intention are hereby ratified and confirmed.

Section 5. Reimbursement Expenditures.

5.01. **Regulations.** The United States Department of Treasury has promulgated final regulations governing the use of proceeds of tax-exempt bonds, all or a portion of which are to be used to reimburse the City for project expenditures paid by the City prior to the date of issuance of such bonds. Those regulations (Treasury Regulations, Section 1.150-2) (the "Regulations") require that the City adopt a statement of official intent to reimburse an original expenditure not later than 60 days after payment of the original expenditure. The Regulations also generally require that the bonds be issued and the reimbursement allocation made from the proceeds of the bonds within 18 months (or three years, if the reimbursement bond issue qualifies for the "small issuer" exception from the arbitrage rebate requirement) after the later of (i) the date the expenditure is paid or (ii) the date the project is placed in service or abandoned, but (unless the issue qualifies for the "small issuer" exception from the arbitrage

rebate requirement) in no event more than three years after the date the expenditure is paid. The Regulations generally permit reimbursement of capital expenditures and costs of issuance of the bonds.

5.02. Prior Expenditures. Other than (i) expenditures to be paid or reimbursed from sources other than the Bonds, (ii) expenditures permitted to be reimbursed under the transitional provision contained in Section 1.150-2 (j) (2) of the Regulations, (iii) expenditures constituting preliminary expenditures within the meaning of Section 1.150-2 (f) (2) of the Regulations, or (iv) expenditures in a “de minimus” amount (as defined in Section 1.150-2 (f) (1) of the Regulations), no expenditures for the Improvements have been paid by the City before the date 60 days before the date of adoption of this resolution.

5.03. Declaration of Intent. The City reasonably expects to reimburse the expenditures made for costs for the Improvements out of the proceeds of Bonds in an estimated maximum aggregate principal amount of **\$382,000** after the date of payment of all or a portion of the costs of the Improvements. All reimbursed expenditures shall be capital expenditures, a cost of issuance of the Bonds or other expenditures eligible for reimbursement under Section 1.150-2 (d) (3) of the Regulations.

5.04. Budgetary Matters. As of the date hereof, there are not City funds reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to the Improvements, other than pursuant to the issuance of the Bonds. The statement of intent contained in this resolution, therefore, is determined to be consistent with the City’s budgetary and financial circumstances as they exist or are reasonably foreseeable on the date hereof.

5.05. Reimbursement Allocations. The City’s financial officer shall be responsible for making the “reimbursement allocations” described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the Bonds to reimburse the source of temporary financing used by the City to make prior payment of the costs of the Improvements. Each allocation shall be evidenced by an entry on the official books and records of the City maintained for the Bonds or the Improvements and shall specifically identify the actual original expenditure being reimbursed.

PASSED AND ADOPTED by the City Council of the City of Billings, Montana, this 15th Day of December, 2014.

THE CITY OF BILLINGS:

BY _____
Thomas W. Hanel MAYOR

ATTEST:

BY _____
Cari Martin CITY CLERK

Contract for Professional Architectural and Engineering Services
SID # 1382 – Colton Boulevard (38th Street West to Zimmerman Trail)

In consideration of the mutual promises herein, City of Billings and Kadrmas, Lee & Jackson, Inc. agree as follows. This Contract consists of:

- Part I, consisting of 15 Sections of Special Provisions;
- Part II, consisting of 11 Sections of General Provisions;
- Appendix A consisting of 12 pages (Basic Services of Contractor);
- Appendix B consisting of 1 page (Methods and Times of Payment);
- Appendix C consisting of 1 page (Additional Services of Contractor);
- Appendix D consisting of 2 pages (Schedule of Professional Fees);
- Appendix E consisting of 1 page (Project Schedule);
- Appendix F consisting of 1 page (Certificate(s) of Insurance); and

PART I
SPECIAL PROVISIONS

Section 1. Definitions.

In this Contract:

- A. "Administrator" means the City Engineer of the Engineering Division of the Public Works Department or his designee.
- B. "Billings" means the City of Billings.
- C. "Contractor" means Kadrmas, Lee & Jackson, Inc.

Section 2. Scope of Services.

- A. The Contractor shall perform professional services in accordance with Appendix A, which is attached hereto and incorporated in this Section by reference.
- B. Billings shall pay the Contractor in accordance with the Schedule of Professional Fees attached as Appendix D and incorporated herein by reference for services actually performed under this Contract.

- C. Billings shall not allow any claim for services other than those described in this Section. However, the Contractor may provide, at its own expense, any other services that are consistent with this Contract.
- D. The Contractor shall provide as-built drawings on regular bond paper and in digital format, as approved by the City of Billings, to the Administrator within 30 days after the project completion date. Final payment will be withheld until the as-built drawings are received by the City of Billings.
- E. The Contractor shall provide certified construction payrolls to the Administrator stating in writing that the payrolls have been reviewed and are acceptable.

Section 3. Time for Performance.

- A. This Contract becomes effective when signed on behalf of Billings.
- B. The Contractor shall commence performance of the Work described in Section 2 on receipt of written Notice to Proceed and complete that performance in accordance with the schedule set forth in Appendix E.
- C. This Contract shall terminate at midnight on September 30, 2016.

Section 4. Compensation; Method of Payment.

- A. Each month, or at the conclusion of each phase of the Work for which payment is due, as negotiated on a per-task basis, the Contractor shall present a bill to the Administrator describing the Work for which it seeks payment and documenting expenses and fees to the satisfaction of the Administrator. If any payment is withheld because the Contractor's performance is unsatisfactory, the Administrator must, within ten (10) days of the payment denial, notify the Contractor of the payment denial and set forth, with reasonable specificity, what was unsatisfactory and why. Billings will pay Contractor within 30 days of receiving an acceptable invoice.
- B. The Contractor is not entitled to any compensation under this Contract, other than what is expressly provided for in this Section.
- C. As a condition of payment, the Contractor shall have paid all City taxes currently due and owing by the Contractor.

Section 5. Termination of the Contractor's Services.

The Contractor's services under Section 2 of this Part may be terminated:

- A. By mutual consent of the parties.
- B. For the convenience of Billings, provided that Billings notifies the Contractor in writing of its intent to terminate under this paragraph at least 10 days prior to the effective date of the termination.
- C. For cause, by either party where the other party fails in any material way to perform its obligations under this Contract. Termination under this Subsection is subject to the condition that the terminating party notifies the other party of its intent to terminate, stating with reasonable specificity the grounds therefor, and the other party fails to cure the default within 30 days after receiving the notice.

Section 6. Duties Upon Termination

- A. If Billings terminates the Contractor's services for convenience, Billings shall pay the Contractor for its actual costs reasonably incurred in performing before termination and Billings shall pay for services rendered prior to termination. Payment under this Subsection shall never exceed the total compensation allowable under Section 4 of this Part. All finished and unfinished documents and materials prepared by the Contractor shall become the property of Billings.
- B. If the Contractor's services are terminated for cause, Billings shall pay the Contractor the reasonable value of the services satisfactorily rendered prior to termination, less any damages suffered by Billings because of the Contractor's failure to perform satisfactorily. The reasonable value of the services rendered shall never exceed ninety percent (90%) of the total compensation allowable under Section 4 of this Part. Any finished or unfinished documents or materials prepared by the Contractor under this Contract shall become the property of Billings at its option.
- C. If the Contractor receives payments exceeding the amount to which it is entitled under Subsections A or B of this Section, he shall remit the excess to the Administrator within 30 days of receiving notice to do so.
- D. The Contractor shall not be entitled to any compensation under this Section until the Contractor has delivered to the Administrator all documents, records, Work product, materials and equipment owned by Billings and requested by the Administrator.
- E. If the Contractor's services are terminated for whatever reason the Contractor shall not claim any compensation under this Contract, other than that allowed under this Section.
- F. If a final audit has not been performed before the Contractor's services are terminated, Billings may recover any payments for costs disallowed as a result of the final audit.
- G. Except as provided in this Section, termination of the Contractor's services under Section 5 of this Part does not affect any other right or obligation of a party under this Contract.

Section 7. Insurance.

- A. The Contractor shall maintain in good standing the insurance described in Subsection B of this Section. Before rendering any services under this Contract, the Contractor shall furnish the Administrator with proof of insurance in accordance with Subsection B of this Section.
- B. The Contractor shall provide the following insurance:
 - 1. Workers' compensation and employer's liability coverage as required by Montana law.
 - 2. Commercial general liability, including contractual and personal injury coverage's -- \$1,500,000 per occurrence.
 - 3. Commercial automobile liability -- \$1,500,000 per accident.
 - 4. Professional liability in the amount of \$1,500,000 per occurrence.

- C. Each policy of insurance required by this Section shall provide for no less than 30 days' advance notice to Billings prior to cancellation.
- D. Billings SHALL be listed as an additional insured on all policies except Professional Liability and Worker's Compensation Policies. In addition, all policies except Professional Liability and Worker's Compensation shall contain a waiver of subrogation against Billings.

Section 8. Assignments.

Unless otherwise allowed by this Contract or in writing by the Administrator, any assignment by the Contractor of its interest in any part of this Contract or any delegation of duties under this Contract shall be void, and an attempt by the Contractor to assign any part of its interest or delegate duties under this Contract shall give Billings the right immediately to terminate this Contract without any liability for Work performed.

Section 9. Ownership; Publication, Reproduction and Use of Material.

- A. Except as otherwise provided herein, all data, documents and materials produced by the Contractor under this Contract shall be the property of Billings, which shall retain the exclusive right to publish, disclose, distribute and otherwise use, in whole or in part, any such data, documents, or other materials. Exclusive rights shall not be attributed to portions of such materials presently in the public domain or which are not subject to copyright. Contractor shall retain rights to pre-existing proprietary property including but not limited to interactive models. The Contractor shall have the right to include photographic or artistic representations of the design and construction of the Project among the Contractor's promotional and professional materials. The Contractor's materials shall not include Billings' confidential or proprietary information regardless of whether Billings has previously advised the Contractor in writing of the specific information considered by Billings to be confidential and proprietary.
- B. Equipment purchased by the Contractor with Contract funds: See Appendix A, Section 3. Scope of Work.
- C. Should Billings elect to reuse Work products provided under this Contract for other than the original project and/or purpose, Billings will indemnify and hold harmless the Contractor from any and all claims, demands and causes of action of any kind or character arising as a result of reusing the documents developed under this contract. Additionally, any reuse of design drawings or specifications provided under this Contract must be limited to conceptual or preliminary use for adaptation, and the original Contractor's or subcontractor's signature, professional seals and dates removed. Such reuse of drawings and specifications, which require professional seals and dates removed, will be signed, sealed, and dated by the professional who is in direct supervisory control and responsible for adaptation.

Section 10. Notices.

Any notice required pertaining to the subject matter of this Contract shall be either sent via facsimile (FAX) or mailed by prepaid first class registered or certified mail, return receipt requested to the following addresses:

Billings: City Engineer (Debi Meling)
City of Billings
Public Works - Engineering
2224 Montana Avenue
Billings, Montana 59101 FAX: (406) 237-6291

Contractor: Carl Jackson
Kadmas, Lee & Jackson Inc.
2611 Gabel Road
Billings, MT 59102 FAX: (855) 288-8055

Notices are effective upon the earlier of receipt, proof of good transmission (facsimiles only), or 5 days after proof of proper posting.

Section 11. Contract Budget.

In connection with its performance under this Contract, the Contractor shall not make expenditures other than as provided in line items in the Contract budget.

Section 12. Force Majeure.

- A. Any failure to perform by either party due to force majeure shall not be deemed a violation or breach hereof.
- B. As used in this Contract, force majeure is an act or event of substantial magnitude, beyond the control of the delayed party, which delays the completion of this Contract, including without limitation:
 - 1. Any interruption, suspension or interference resulting solely from the act of Billings or neglect of Billings not otherwise governed by the terms of this Contract.
 - 2. Strikes or Work stoppages.
 - 3. Any interruption, suspension or interference with the project caused by acts of God, or acts of a public enemy, wars, blockades, insurrections, riots, arrests or restraints of governments and people, civil disturbances or similar occurrences.
 - 4. Order of court, administrative agencies or governmental officers other than Billings.

Section 13. Financial Management System.

The Contractor shall establish and maintain a financial management system that:

- A. Provides accurate, current, and complete disclosure of all financial transactions relating to the Contract;
- B. Maintains separate accounts by source of funds for all revenues and expenditures and identifies the source and application of funds for the Contractor's performance under this Contract, including information pertaining to subcontracts, obligations, unobligated balances, assets, liabilities, outlays and income;
- C. Effectively controls and accounts for all municipal funds and Contract property;

- D. Compares actual expenditures with budgeted amounts and relates financial information to performance or productivity data including unit cost information where applicable;
- E. Allocates administrative costs to direct service delivery units;
- F. Minimizes the time between receipt of funds from Billings and their disbursement by the Contractor;
- G. Provides accounting records supported by source documentation; and
- H. Provides a systematic method assuring the timely and appropriate resolution of audit findings and recommendations.

Section 14. Funding Requirements.

In the event that any funding source for this Contract should impose additional requirements upon Billings for the use of those funds, the Contractor agrees to abide by those additional requirements immediately upon receipt of written notice thereof from Billings.

Section 15. Subcontracts.

The Contractor may enter into subcontracts for the purchase of goods and services necessary for the performance of this Contract, provided:

- A. Every subcontract shall be reduced to writing and contain a precise description of the services or goods to be provided and the nature of the consideration paid therefor.
- B. Every subcontract under which the Contractor delegates the provision of services shall be subject to review and approval by the Administrator before it is executed by the Contractor.
- C. Every subcontract in an amount exceeding \$1,000 shall require reasonable access to business records of the subcontractor relating to the purchase of goods or services pursuant to the subcontract.

PART II
GENERAL CONTRACT PROVISIONS

Section 1. Relationship of Parties.

The Contractor shall perform its obligations hereunder as an independent Contractor of Billings. Billings may administer the Contract and monitor the Contractor's compliance with its obligations hereunder. Billings shall not supervise or direct the Contractor other than as provided in this Section.

Section 2. Nondiscrimination.

- A. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, age, sex, or marital status or who is a "qualified individual with a disability" (as that phrase is defined in the Americans With Disabilities Act of 1990). The Contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, or mental or physical impairment/disability. Such action shall include, without limitation, employment, upgrading, demotion or transfer, recruitment or recruiting advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The Contractor agrees to post, in conspicuous places available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.
- B. The Contractor shall state, in all solicitations or advertisements for employees to Work on Contract jobs, that all qualified applicants will receive equal consideration for employment without regard to race, color, religion, national origin, ancestry, age, sex or marital status, or mental or physical impairment/disability.
- C. The Contractor shall comply with any and all reporting requirements that may apply to it which the City of Billings may establish by regulation.
- D. The Contractor shall include the provisions of Subsections A through C of this Section in every subcontract or purchase order under this Contract, so as to be binding upon every such subcontractor or vendor of the Contractor under this Contract.
- E. The Contractor shall comply with all applicable federal, state, and city laws concerning the prohibition of discrimination.

Section 3. Permits, Laws, and Taxes.

The Contractor shall acquire and maintain in good standing all permits, licenses and other entitlements necessary to its performance under this Contract. All actions taken by the Contractor under this Contract shall comply with all applicable statutes, ordinances, rules and regulations. The Contractor shall pay all taxes pertaining to its performance under this Contract.

Section 4. Nonwaiver.

The failure of either party at any time to enforce a provision of this Contract shall in no way constitute a waiver of the provision, nor in any way affect the validity of this Contract or any part hereof, or the right of such party thereafter to enforce each and every provision hereof.

Section 5. Amendment.

- A. This Contract shall only be amended, modified or changed by a writing, executed by authorized representatives of the parties, with the same formality as this Contract was executed.
- B. For the purposes of any amendment modification or change to the terms and conditions of this Contract, the only authorized representatives of the parties are:

Contractor: Director or Authorized Designee

Billings: City Council or Authorized Designee

- C. Any attempt to amend, modify, or change this Contract by either an unauthorized representative or unauthorized means shall be void.

Section 6. Jurisdiction; Choice of Law.

Any civil action rising from this Contract shall be brought in the District Court for the Thirteenth Judicial District of the State of Montana, Billings. The law of the State of Montana shall govern the rights and obligations of the parties under this Contract.

Section 7. Severability.

Any provision of this Contract decreed invalid by a court of competent jurisdiction shall not invalidate the remaining provisions of the Contract.

Section 8. Integration.

This instrument and all appendices and amendments hereto embody the entire agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein; and this Contract shall supersede all previous communications, representations or agreements, either oral or written, between the parties hereto.

Section 9. Liability.

The Contractor shall indemnify, defend, save, and hold Billings harmless from any and all claims, causes of action, lawsuits, damages, judgments, liabilities, and litigation costs and expenses including reasonable attorneys' fees and costs, arising from any wrongful or negligent act, error or omission of the Contractor or any agent, employee or subcontractor as a result of the Contractor's or any subcontractor's performance pursuant to this Contract.

- A. The Contractor shall not indemnify, defend, save and hold Billings harmless from claims, causes of action, lawsuits, damages, judgments, liabilities, and litigation costs and expenses or attorneys' fees and costs arising from wrongful or negligent acts, error or omission solely of Billings occurring during the course of or as a result of the performance of the Contract.
- B. Where claims, lawsuits or liability, including attorneys' fees and costs arise from wrongful or negligent act of both Billings and the Contractor, the Contractor shall indemnify, defend, save, and hold Billings harmless from only that portion of claims, causes of action, lawsuits, damages, judgments, liabilities, and litigation costs and expenses including attorneys' fees and costs, which result from the Contractor's or any subcontractor's wrongful or negligent acts occurring as a result from the Contractor's performance pursuant to this Contract.

Section 10. Inspection and Retention of Records.

The Contractor shall, at any time during normal business hours and as often as Billings may deem necessary, make available to Billings, for examination, all of its records with respect to all matters covered by this Contract for a period ending three years after the date the Contractor is to complete performance in accordance with Section 2 of the Special Provisions. Upon request, and within a reasonable time, the Contractor shall submit such other information and reports relating to its activities under this Contract, to Billings, in such form and at such times as Billings may reasonably require. The Contractor shall permit Billings to audit, examine and make copies of such records, and to make audits of all invoices, materials, payrolls, records of personnel, and other data relating to all matters covered by this Contract. Billings may, at its option, permit the Contractor to submit its records to Billings in lieu of the retention requirements of this Section.

Section 11. Availability of Funds.

Payments under this Contract may require funds from future appropriations. If sufficient funds are not appropriated for payments required under this Contract, this Contract shall terminate without penalty to Billings; and Billings shall not be obligated to make payments under this Contract beyond those which have previously been appropriated.

IN WITNESS WHEREOF, the parties have executed this Contract on the date and at the place shown below.

City of Billings

Contractor

City Council or Designee

Date: _____

Name: _____

Title: _____

Date: _____

ATTEST:

IRS Tax ID # _____

City Clerk

APPROVED AS TO FORM:

Date: _____

By _____

BRENT BROOKS, City Attorney

STATE OF MONTANA)
 :ss.
COUNTY OF YELLOWSTONE)

On this ____ day of _____, 20__, before me, the undersigned, a Notary Public for the State of Montana, personally appeared _____, known to me to be the _____ of _____, and acknowledged to me that they executed the foregoing instrument on behalf of said corporation having first been authorized to do so.

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

Notary Public for the State of Montana
Residing at Billings, Montana
My Commission Expires: _____

Note: Final contract documents will require the Contractor's signature to be notarized.

Appendix A

Basic Services of Contractor

I. GENERAL DESCRIPTION

Contractor's Rights and Duties.

- A. To furnish all labor, materials, equipment, supplies, and incidentals necessary to conduct and complete the Contractor's portion of the project as defined in the scope of work and to prepare and deliver to Billings all plans, specifications, bid documents, and other material as designated herein.
- B. Ascertain such information as may have a bearing on the work from local units of government, utility companies, and private organizations and shall be authorized to procure information from other authorities besides Billings, but shall keep Billings advised as to the extent of these contacts and the results thereof.
- C. Prepare and present such information as may be pertinent and necessary in order for Billings to pass critical judgment on the features of the work. The Contractor shall make changes, amendments or revisions in the detail of the work as may be required by Billings. When alternates are being considered, Billings shall have the right of selection.
- D. Contractor's work shall be in accordance with the standards of sound engineering and present City, State, and National standards and policies currently in use.
- E. Conform to the requirements of the Montana Code Annotated Title 18 "Public Contracts" and more particularly Sections 18-2-121 and 18-2-122, and all other codes of the State of Montana applicable to providing professional services including codes and standards nationally recognized.
- F. The Contractor shall certify with the submission of final plans that the plans are in conformance with applicable sections of Title 69, Chapter 4, Part 5, of the Montana Code Annotated as pertaining to existing utilities.
- G. To perform professional services in connection with the project and will serve as Billings' representative in those phases of the project to which this agreement applies.
- H. Where Federal funds are involved, the necessary provisions to meet all requirements will be complied with and documents secured and placed in the bidding documents.
- I. Submit an estimated progress schedule as to time and costs at the beginning of the work, and bi-weekly progress reports thereafter until complete. The reports will include any problems, potential problems, and delays as foreseen by the Contractor. Reports will be submitted in a timely manner to permit prompt resolution of problems.

- J. Name a Task Director who shall be the liaison between Billings and the Contractor. For this project, the Task Director designated for the Contractor is Dave Mosser PE.

Billings Rights and Duties.

- A. To furnish all labor, materials, equipment, supplies, and incidentals necessary to conduct and complete Billings' portion of the project as designated in the scope of work.
- B. Name a Task Director who shall be the liaison between the Contractor and Billings. For this project, the Task Director designated is Chris Hertz, PE.

Scope of Work.

The Colton Boulevard SID 1382 construction project entails professional engineering services for design, bidding and construction administration of street and utility improvements for the extension of Colton Boulevard between Zimmerman Trail and 38th Street West. It is anticipated that two sets of bidding documents will need be prepared, there will be two separate bidding processes, and two construction projects completed. The two projects anticipated are:

- A. Project 1 – The design and construction of the components which will impact the use of the Big Ditch, this includes: installation of the two 42” culverts, the first where Colton Boulevard will cross over the Big Ditch, and the second where the shared-use path crosses over the ditch on the south end of 38th Street West; and the installation of the proposed water and storm drain facilities that will cross under the Big Ditch.
- B. Project 2 – The design and construction of the Colton Boulevard street improvements, the curb and gutter along Colton Boulevard and adjacent intersections, the shared use pedestrian path, and the remaining portions of the water and storm drain improvements not included with Project 1.

The following summarizes the general objectives for the Contractor's scope of services for the design, bidding and construction administration services of the Colton Boulevard extension including street construction; curb & gutter; pedestrian facilities; and water and storm drain facilities. No sanitary sewer will be constructed as this utility already is in place. The scope of services will be as follows:

- The Colton Boulevard intersection with Zimmerman Trail will remain as presently constructed with no changes to the traffic signing or movements. Contractor will design curb/gutter and the full width Colton Boulevard street improvements west of this intersection, but such improvements will not be constructed as part of SID 1382. A traffic operations analysis will not be completed, nor the design of any improvements to Zimmerman Trail.
- The Colton Boulevard intersection with 38th Street West will be designed as a two-legged intersection permitting traffic movement to the north and to the east. There will

be no extension of Colton Boulevard to the west of 38th Street West, nor shall there be an extension of 38th Street West to the south of Colton Boulevard.

- The design of Colton Boulevard will be for a full width street from Zimmerman Trail to 38th Street West. The construction of Colton Boulevard will be limited to the following:
 - From the centerline of Zimmerman Trail to approximately 340 feet west (end of existing pavement) no construction will occur as part of SID 1382.
 - From approximately 340 feet west of the centerline of Zimmerman Trail (end of existing pavement), and continuing west approximately 1,620 feet, only the north half of Colton Boulevard will be constructed.
 - From this point to the west edge of the 38th Street West intersection, approximately 720 feet, full width street construction will be completed.
 - Concrete curb and gutter will be installed for those portions of Colton Boulevard that are constructed.
- Design and construction services for full width street improvements, including curb and gutter, on Green Valley Drive, Avalon Road, and Plenty View Drive for those uncompleted sections of street where each ties into Colton Boulevard.
- Design and construction services for a shared-use path on the south side of Colton Boulevard starting at 38th Street West and continuing east approximately 720 feet paralleling the full street width improvements.
- Design and construction services for approximately 2,400 feet of 8" and 12" waterline. 2,100 feet of 12" water line will run from 38th Street West to Green Valley Drive where it will tie into an existing 12" waterline, and 260 feet of 8" waterline will be placed on Avalon and Plenty View to tie-in existing 8" dead-end lines to the new 12" main.
- Design and construction services for approximately 1,800 feet of storm drain in Colton Boulevard.
- Design and construction services to extend approximately 17 water services to those subdivided properties on the north side of Colton Boulevard which do not currently have water service. Billings will determine location of water main branch lines and services to the south, if any, and provide such locations to Contractor prior to 80% design.
- Size and design a culvert for the Big Ditch where it passes under Colton Boulevard, and also for the shared-use path at 38th Street West.
- Existing fences, landscaping or other private property features adjacent to the road may be impacted. Since the extent of potential impacts is undetermined, this scope of work does not include design of, repairing or replacing adjacent private property features. Fences and irrigation systems damaged as a result of the project will be the construction contractor's responsibility to design, relocate and/or reconstruct and will be incorporated as such into the construction bid documents. Other landscape improvements (gardens, planters, etc.) within the right-of-way will be the property owner's responsibility to remove or relocate prior to construction, coordination of which will be Billings' responsibility.
- Buffers between pedestrian and vehicular traffic, if applicable, will be dry land grass seeded with no special landscaping, irrigation or sodding requirements. Landscaping is limited to re-seeding dryland grass in boulevards and adjacent properties that may be disturbed by construction. Landscape design, including evaluating and preparing a planting and irrigation plan, is not included.

- The project will be designed and plans produced with AutoCAD and Civil3D software using Contractor's plan preparation (CADD) standards.

II. SERVICES TO BE PERFORMED

100 PROJECT MANAGEMENT

Contractor shall be responsible for developing a project work plan; coordinating project goals and objectives with Billings; specifying tasks and resources; and creating budgets and timelines. Even though two separate construction projects are anticipated for Colton Boulevard, Contractor will complete the 100 Level project coordination efforts simultaneously for both projects. Coordination shall be accomplished through a series of meetings between Billings and Contractor including:

101 Work Plan

Prepare a work plan to include communication protocol, scope of work, time entry guidelines, schedules, and other guidelines and standards used by the project team.

102 Kick-off Meeting and Project Schedule

Conduct a kick-off meeting to review final task items and establish schedule milestones. At the kick-off meeting the work products and the schedule sequence and information needs will be refined. Following the kick-off meeting, the schedule will be modified to include milestone dates for the major work items. The schedule will be reviewed and adjusted as necessary to incorporate changes in the work concept and progress to-date.

103 Project Coordination

Contractor will coordinate communication with Billings staff, Contractor project staff, and utility owners. Billings will be responsible for coordinating with SID participants.

104 Schedule and Budget Monitoring / Progress Reports

Manage the timeline and budget, and prepare invoices and progress reports according to Billings requirements.

105 Unscheduled Meetings

Attend periodic unscheduled meetings with Billings or other stakeholders. Provide meeting documentation. Up to four (4) unscheduled meetings are included in Contractor's fee.

106 Milestone Field Reviews

Conduct two (2) field review meetings with Billings. The first, following completion of preliminary engineering (30%) and the second following submittal of 80% construction documents for Project 2. No 80% field review meeting is included for Project 1. Minutes will be provided for all meetings. Separate design projects and bid packages will be initiated following completion of the 30% preliminary engineering review.

200 PUBLIC INVOLVEMENT

Public involvement services are not included in this scope of work. If required, these services would be considered additional services and will be negotiated at a later date.

300 30% PRELIMINARY ENGINEERING AND SURVEY

Preliminary design drawings will be conceptual in nature, at the level of detail required to accompany technical memoranda when needed. Contractor will only provide preliminary drawings or sketches of design elements necessary for decisions required by Billings; the first complete set of drawings will be submitted following the 80% design stage. Contractor will provide the following preliminary engineering and survey services:

301 Storm Drain Analysis

Complete a preliminary storm drain analysis for the project based on: 1.) the 1999 Stormwater Management Design Report for Colton Boulevard from 38th Street West to Avalon Road; 2.) the 1996 Stormwater Management Design Report for a Portion of Poly Vista Subdivision; and 3.) the projected improvements the City is considering for the Poly Drive storm drain improvements. The analysis will focus on evaluating the ability to extend the existing storm drain system to serve all portions of the project as needed.

Provide a written summary for Billings' consideration, summarizing the routing of the stormwater, the sizing for new stormwater infrastructure, and identification of existing system restrictions.

302 Right-of-Way Survey and Mapping

(completed under separate contract)

303 Topographic/Design Survey

(completed under separate contract)

304 Base Drawing Preparation

(completed under separate contract)

305 Cross Section Analysis

The street cross sections will be determined by Billings and provided to Contractor. Contractor will evaluate adjacent properties for impacts to features such as landscaping, retaining walls, fences, etc. for Billings' consideration. This scope of work does not include designing or specifying repairing or replacing adjacent features referenced above that are impacted as a result of the project. If required, these services would be considered Additional Services and will be negotiated at a later date.

306 Evaluate Existing Utilities

Research and document existing public and privately-owned utilities, and evaluate if existing or potential conflicts necessitate utility relocation. Provide Billings a technical memorandum with conclusions and recommendations. Coordinate private utility locations and relocations with utility owners, and provide drawings and exhibits as

necessary to show location of proposed improvements Completion of a Subsurface Utility Engineering (SUE) survey is not included in this scope of work.

307 Geotechnical Evaluation

Provide a geotechnical investigation and report for the pavement design and underground utility construction considerations. Contractor will coordinate with the geotechnical Contractor to meet project objectives.

308 Preliminary Review Meeting

Project decisions, identified during preliminary design that requires written direction from Billings, will be finalized prior to commencing with project design. If Billings' subsequent direction requires services that Contractor determines is beyond the scope of work defined below, a contract supplement will be negotiated and approved before proceeding.

400 ENVIRONMENTAL DOCUMENTATION AND PERMITTING

Environmental documentation and permitting is not anticipated, and related services are not included in this scope of work.

500 50% DESIGN ENGINEERING AND REVIEWS (NOT INCLUDED)

600 80% DESIGN ENGINEERING AND REVIEWS

It is anticipated that 80% design engineering and reviews tasks will not commence until the 30% Preliminary Review Meeting is complete, and comments are received from Billings accordingly.

Based on the conclusions of the 30% preliminary design and coordination meetings, two sets of construction plans and specifications will be developed to accommodate the Big Ditch operating season, as described above. The extent of Project 1 and Project 2 will be determined during the coordination and preliminary design meetings. Each set of contract documents will be developed in general accordance with the following design procedures.

Eighty-percent design engineering and reviews include design and initial construction document preparation, culminating with Billings' review and comment period. The intent of this milestone is to finalize any unanswered questions, and identify significant changes required by Billings prior to proceeding to final (100%) construction document preparation. Contractor shall complete the following leading up to the 80% submittal:

601 Private Utility Coordination

Coordinate with the existing utility providers within the project area and reflect on the construction drawings the location of existing utilities, and assist with determining location of relocated utilities, if necessary.

602 Water and Storm Drain Design

Complete the design of the storm drain improvements on Colton Boulevard as determined in the 30% preliminary storm drain analysis. Complete the public water lines design on Colton Boulevard based on 30% preliminary review comments

received from Billings, and incorporate changes into the construction plans and specifications. Design and locate approximately 17 new water services to service subdivided properties along the north side of Colton Boulevard.

603 Big Ditch Culverts

Determine the culvert size and alignment grades for the culvert to be installed where Colton Boulevard crosses the Big Ditch and for the culvert where the shared-use path at 38th Street West crosses the Big Ditch.

604 Geometric and Cross Section Design

Finalize a typical street section based on Billings' direction during preliminary design and the recommendations of the geotechnical report. Design horizontal and vertical alignment. Coordinate alignment and grade with storm drainage recommendations and adjacent property constraints.

Design and grade each intersection where Colton Boulevard ties into existing side streets along the corridor to provide adequate transitions necessary for accommodating accessibility ramps and appropriate curb tie-ins.

Refine the street geometric design based on review comments received from Billings during the 80% design phase. Refine typical section and cross section drawings. Incorporate changes into the construction plans and specifications.

605 Pedestrian Facility Design

Design pedestrian facilities in accordance with local and federal guidelines. Evaluate intersections for accessibility accommodations. Refine pedestrian facility design based on review comments received from Billings, and incorporate changes into the construction plans and specifications.

606 Street, Water and Storm Drain Plan & Profile Drawings

Create plan & profile drawings showing the proposed roadway, water, and storm drain improvements, as well as other pertinent design elements described herein. Design may include relocation of the existing irrigation lateral along the south side of the proposed street section. The lateral location will be provided to the Contractor by Billings following negotiations with the property owner.

Driveway locations, where required, will be provided by Billings and will be incorporated in Contractor's construction drawings. Detail drawings of intersection grading and other supplemental design information required for construction will be completed.

607 Traffic Control Plans

Develop plans for permanent traffic control signs and pavement markings based on local requirements and Manual on Uniform Traffic Control Devices guidelines. Create a sign summary sheet depicting materials, quantities, and locations.

608 Lighting Design (Not Included)

609 Temporary Erosion Control Analysis and Construction Measures

Evaluate the proposed improvements and construction activities for temporary erosion control measures. Incorporate recommended practices in a temporary erosion control plan. Preparing and payment of a MPDES construction permit application is not included.

610 Temporary & Permanent Easements (Not Included)

611 Specifications and Project Manual

Prepare draft technical specifications, project special provisions, and the construction bid form based on design to-date. Include required construction traffic control provisions in the specifications.

612 Quantities and Opinion of Cost

Update quantity take-offs and opinion of probable construction cost and provide with the 80% completion submittal.

613 Quality Assurance Review

Conduct internal quality assurance review according to Contractor quality assurance and quality control procedures.

614 MT DEQ Submittal and Certification

Prepare a submittal to Montana Department of Environmental Quality as appropriate for utility design. Applicable fees will be paid by Billings.

615 Construction Documents Submittal (80% Completion)

Submit construction drawings, special provisions, technical specification, and opinion of probable cost to Billings for review and comment, prior to commencing with preparation of final documents. Material changes to the design or drawing format as required by Billings should be disclosed during the 80% design review meeting. Contractor does not intend to proceed with preparation of bid documents until any question(s) regarding potential material changes is resolved with Billings.

700 100% DESIGN AND BIDDING

701 Final Drawings, Specifications, and Project Manual Revisions

Contractor will address comments from 80% completion review. Prepare, review, and seal final construction drawings and associated documents. Contractor will provide Billings one set of original paper documents and an electronic copy of all final drawings and specifications for use by Billings during the bidding process.

702 Final Quantities and Opinion of Construction Cost

After completing final changes to drawings and specifications, and prior to bidding, Contractor will update the quantity take-offs and opinion of probable construction cost.

703 Bid Documents

Billings will assemble and collate final bid documents required for the advertisement and bidding periods. Contractor will provide Billings with the technical specifications, project special provisions, and the project bid form. Billings will develop and provide all

other sections of the Project Manual. Billings will print and distribute to project bidders the required project bidding documents.

704 Bid Assistance

Contractor will respond to bidders questions, prepare addenda as appropriate to clarify the contract documents, and provide to Billings for distribution to bidders.

705 Conduct Pre-Bid Meeting

Contractor will prepare an agenda, facilitate the pre-bid meeting and respond to questions as needed.

706 Attend Bid Opening

Contractor will attend the bid opening.

707 Prepare Bid Tabulation and Award Recommendation

Contractor will review the bids received, prepare a tabulation of bids, and based on conformance with the contract requirements prepare a Notice of Award recommendation to Billings.

708 Prepare and Circulate Contract Documents

Upon dissemination of the Notice of Award, Contractor will assemble, distribute, and coordinate execution of the contract documents.

709 Issue Conformed Drawings and Project Manual

Contractor will produce the appropriate number of conformed drawings requested by Billings and the construction contractor. Billings will provide the necessary copies of the Project Manual.

800 RIGHT-OF-WAY (NOT INCLUDED)

900 CONSTRUCTION PHASE SERVICES

901 Preconstruction Conference

Schedule and facilitate a preconstruction conference to discuss the Contractor's proposed construction aspects, schedule and various requirements of the project specifications.

902 Notice to Proceed

Prepare notice to proceed for Billings to review, execute, and issue.

903 Construction Survey

Establish horizontal and vertical control for the various project components. Horizontal control shall include providing the construction contractor horizontal offsets and horizontal alignment stakes for the water and storm drain utility improvements, the two Big Ditch culverts, and street centerline monuments. Vertical controls including establishing elevation benchmarks, and identifying general project references. It will

be the responsibility of the construction contractor to provide his own construction staking for curb and gutter work, utility grade staking, blue topping of street subgrade, sidewalks and approaches, and resetting disturbed survey markers or monuments. Contractor shall identify all construction staking responsibilities in the technical specifications.

904 Submittal Review

Review of construction submittals for compliance with plans and specifications.

905 Construction Administration

Provide coordination and administration of project construction activities. Prepare project correspondence, and monthly construction pay estimate forms. Review certified pay-rolls (from construction contractor and sub-contractors) if necessary, and review requests for information (RFI) and provide appropriate response. Evaluate change order requests and provide recommendations to Billings. Facilitate negotiations on change orders if any from either Billings or the construction contractor, and prepare change orders.

906 Review Progress Schedules

Review construction progress schedule to identify conformance with project schedule.

907 Progress Meetings

Schedule and conduct meetings to discuss project with Billings and construction contractor. Schedule meetings and/or conference calls twice a month or as needed during construction operations.

908 Coordinate Quality Assurance Testing

Coordinate quality assurance (QA) testing with the construction contractor and independent testing laboratories. Review testing results and advise the construction contractor of noncompliant work. The costs for geotechnical and concrete or any other QA testing are the responsibility of Billings.

909 Construction Observation

Provide full time site observations as necessary to ensure the construction contractor complies with plans and specifications. Observation will include full time construction observation for:

- the installation of the water main piping, the storm drain piping, and the two culverts in the Big Ditch;
- during pouring of the concrete curb and gutter and curb approaches; and
- during the AC paving of Colton Boulevard.

Part time observation will be provided during:

- the layout of the concrete curb and gutter;
- construction of the pedestrian walk path;
- street subgrade preparation;
- contractor clean-up and the other minor components of the project.

Construction observation includes maintaining a diary of construction activities, observations, and material quantities, and taking construction photographs.

It is expected 350 hours of resident project representative (RPR) time will be sufficient to provide necessary construction observation throughout the construction of the project. RPR hours beyond this estimation are Additional Services and would require written authorization prior to proceeding. Hours in which the construction contractor works outside of the normal 40 hour work week and which requires construction observation, will be assessed against the construction contractor, and Billings agrees to withhold such additional charges from the construction contractor in order to compensate Contractor for such services.

910 Substantial Completion Walkthrough

Schedule and facilitate a walkthrough with the construction contractor and Billings to review all project components. Prepare a punch list of incomplete or unsatisfactory items to be resolved before final project closeout. Create and issue Certificate of Substantial Completion.

911 Final Walkthrough and Project Closeout

Schedule and facilitate a final walkthrough with the construction contractor and Billings to review the punch list developed during the substantial completion walkthrough to ensure punch list items satisfactorily completed.

912 Record Drawings

Prepare record drawings for the project. Supply Billings with three (3) paper copies (1 full-size, 2 half-size) and 2 CDs with PDF files of the record drawings. Supply the Department of Environmental Quality with record drawings.

913 1-Year Warranty Inspection

Approximately 11 months after substantial completion, schedule with all parties and be present at a 1-year warranty walkthrough of all project components. Coordinate warranty repairs with the construction contractor.

III. DELIVERABLES

The following deliverables will ultimately be provided by Contractor to Billings.

- Meeting minutes and other appropriate documentation
- Meeting display materials
- Technical memoranda (as necessary)
- Preliminary storm drain analysis
- 80% and final drawings and specifications
- Quantities and opinion of costs
- Bid tabulation and award recommendation
- Contract documents
- Final drawings and specifications

- Record Drawings – three paper copies (one 22”x34” and two 11”x17”) and 2 CDs with PDF files
- Construction certification and close-out documents

IV. EXCLUSIONS

Appendix A contains specific information regarding tasks, number of iterations, and deliverables included in the Agreement. Additional services beyond this scope of work are extra and will be addressed as a contract supplement. In addition to those specifically identified in the above tasks, the following list, which is not intended to be exclusive, summarizes exclusions.

- Permits applications other than MT DEQ permit for water main construction
- 3-D/Artistic renderings
- Subsurface Utility Engineering
- Design of stormwater detention or treatment facilities
- Analysis of or designing upgrades for off-site stormwater facilities
- Sanitary sewer main analysis and design
- Water distribution system analysis
- Stormwater hydraulic modeling
- Retaining wall design
- Tasks associated with administering the Special Improvement District (SID)
- Landscaping and irrigation system design, including boulevards
- Hardscape design other than sidewalks and shared-use paths
- Lighting design
- Payment of construction quality assurance testing.
- Structural design, including retaining walls
- Traffic analysis, reporting and intersection design other than as indicated above
- Archaeology/Cultural/Historic/etc. impacts research, field work, reporting, and mitigation plans
- Preparation of environmental document, including Categorical Exclusion, Environmental Assessment, or Environmental Impact Statement
- Legal testimony arising out of litigation regarding project decisions

Appendix B

Methods and Times of Payment

Section 1. Payments for Basic Services.

Billings shall authorize payment to the Contractor for services performed under Appendix A of this Agreement. Partial payment shall be due the Contractor upon receipt of the Contractor's pay estimate, said estimate being proportioned to the work completed by the Contractor.

Partial payment shall be made to the Contractor upon receipt of the Contractor's pay estimate, said estimate being proportioned to the work completed by the Contractor. Billings shall deduct five percent (5%) from each monthly pay estimate to be held until the completion of the final scope of work. The final payment shall be made only after acceptance of final documents by Billings, and determination that the scope of work has been satisfactorily completed.

- A. **Project Design, Bidding and Construction** - For services rendered under Appendix A Phases 100, 300, 600, 700 and 900 the Contractor shall be paid based upon actual time accrued, but not to exceed the following amount:

Design, Bidding and Construction Services.....\$162,780.00

- B. Final payment shall be the above stated basic fee less all previous payments.

Section 2. Payments for Extra Services when Authorized by Billings.

Requests made or conditions identified by interested groups at the agency or public meetings, which are beyond the scope and intent of this study shall be paid for on an hourly basis at the applicable fees in Appendix D.

Section 3. Corrections.

Costs of Billings work that is required for corrections to the Contractor's work which requires redoing by Billings shall be deducted from any payments due the Contractor, if the Contractor fails to make the required corrections.

Section 4. Fee Increases

For contracts and services that are expected to require more than one (1) year to complete, the above stated basic services payments may be reviewed and adjusted annually by mutual agreement of the parties, based upon documented evidence that the Contractor's costs and hourly rates as shown in Appendix D have increased for all comparable clients.

Appendix C

Additional Services of Contractor

Additional Services of the Contractor will be paid only with written prior authorization by Billings.

- A. Field and laboratory testing of materials and reports.
- B. Requests made or conditions identified by interested groups or public meetings, which are beyond the scope and intent of this project.
- C. Services to make requested changes, amendments or revisions to Contractor's work, after work was previously approved by Billings.
- D. Services resulting from significant changes in the scope, extent, or character of the portions of the Project designed or specified by Contractor when such revisions are required by changes in Laws and Regulations enacted subsequent to the effective date or are due to any other causes beyond Contractor's control.
- E. Preparing to serve or serving as a consultant or witness for Billings in any litigation, arbitration, or other dispute resolution process related to the Project.
- F. Services in making revisions to Drawings and Specifications occasioned by the acceptance of substitute materials or equipment other than "or-equal" items; services after the award of the Construction Contract in evaluating and determining the acceptability of a proposed "or equal" or substitution which is found to be inappropriate for the Project; evaluation and determination of an excessive number of proposed "or equals" or substitutions, whether proposed before or after award of the Construction Contract.
- G. Additional or extended services during construction made necessary by Force Majeure as described in Part I, Section 12-B of the Special Provisions.
- H. Reviewing a Shop Drawing more than three times, as a result of repeated inadequate submissions by the construction contractor.
- I. Resetting lost or destroyed monuments after construction.
- J. Construction inspection after expiration of the construction contract completion time.
- K. Preparation of change order supporting documents, which require additional engineering design or construction review.

Appendix D
Schedule of Professional Fees

Not Used

Appendix E

Project Schedule

Based on a written notice to proceed by no later than November 30, 2014, the completion date, including agency reviews, for the Contractor's work through final design shall be:

Project 1 – Big Ditch Related Improvements

1. 80% Design Submittal – January 31, 2015
2. Final Design Submittal – 2 weeks following Billings' review comments

Project 2 – Colton Boulevard Improvements

1. Preliminary Design – March 1, 2015
2. 80% Design Submittal – April 15, 2015
3. Final Design Submittal – May 31, 2015

Delays affecting the completion of the work within the time specified of more than ninety (90) days, not attributable to or caused by the Parties hereto, may be considered as cause for the renegotiation or termination of this Contract.

If the Contractor is behind on this Contract due to no fault of Billings, then the Contractor hereby acknowledges the right of Billings to withhold future Contracts to the Contractor in addition to any other remedy until this Contract is brought back on schedule or otherwise resolved.

Appendix F
Certificates of Insurance

See attached Certificates of Insurance.